Transit-Oriented Development Program

The year in review

With demand for housing outstripping supply, Metro’s Transit Oriented Development (TOD) Program had a busy year supporting opportunities to live and work in transit served neighborhoods. Four projects opened, three projects started construction, and three more received funding approval.

A highlight was the opening of The Rose, a four-story apartment complex in Portland’s Gateway neighborhood. Through a combination of TOD funding, Portland Development Commission funding for new streets, and support from the city’s Multiple Unit Tax Exemption program, the developer was able to set aside 36 of the 90 units for households earning 60 percent or less of area median income.

A second milestone occurred in December 2014 with the TOD program’s acquisition of the Furniture Store property at 82nd Avenue and Division Street in Portland to create transit served affordable housing. Located in the heart of the Jade District, the site will be served by the future Powell-Division bus rapid transit service. A developer for the property will be selected in early 2016.

This fiscal year featured the opening of four innovative projects:

- The Rose, a four-story mixed income apartment project in Portland’s Gateway neighborhood. The project includes 36 regulated affordable units among its 90 residential units.
- The Radiator, a five-story development with 29,300 square feet of offices and 2,900 square feet of retail. To minimize its environmental footprint, The Radiator features an innovative timber construction technique and uses waste heat from the neighboring New Seasons market to power its heat and cooling systems.
- Hub 9, a six-story development with 124 residential units, 1,483 square feet of office space, and 8,403 square feet of retail space. Hub 9 is located immediately adjacent to Hillsboro’s Orenco MAX Station.
- Moreland Station, a four-story development with 68 residential units in southwest Portland. Residents will be able to walk to the new MAX Orange Line service.

The seven TOD projects completed or under construction represent approximately $120 million in direct investment and 422 full time equivalent construction jobs.

FY 2014-15

Projects opened
- Moreland Station
  Portland
- The Rose
  Portland
- The Radiator
  Portland
- Hub 9
  Hillsboro

Under construction
- Northwood
  Portland
- Block 75
  Portland
- Clay Creative
  Portland

Projects approved
- The Signal
  Beaverton
- First and Lombard
  Beaverton
- Concordia
  Portland
- Southeast
  82nd Avenue and Division Street land acquisition (the Furniture Store)
  Portland
Program accomplishments

**Trips**

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<th>FY 14-15</th>
<th>TOTAL</th>
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<td>93,836</td>
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Transit-oriented development creates places for people to live and work near high-quality transit. Each year, over 800,000 more travel trips are made by transit, rather than by car, as a result of TOD program supported projects.

**Residential units** 282 | 3,296

TOD projects increase housing affordability by increasing the supply of housing in areas with lower commuting costs. To date, the TOD program has supported construction of approximately 3,300 housing units. Of these, 729 are set aside for households earning less than 60 percent or less of the area median income.

**Commercial space** 42,086 | 399,769

Developing retail, restaurants, and offices in transit served areas enlivens neighborhoods and reduces commuting costs. Mixed-use TOD projects completed to date include 156,619 square feet of retail and 234,150 square feet of office and other commercial space.

**Acres protected** 47 | 526

All of the TOD projects completed to date required only 54 acres of land compared to the 580 acres that would be needed to develop these projects in areas without transit. Compact development requires less taxpayer-funded infrastructure to serve, reduces commuting costs, and helps preserve agricultural and natural areas.
Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, and sustainable transportation and living choices for people and businesses in the region. Voters have asked Metro to help with the challenges and opportunities that affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to providing services, operating venues and making decisions about how the region grows. Metro works with communities to support a resilient economy, keep nature close by and respond to a changing climate. Together, we’re making a great place, now and for generations to come.

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The core mission of the TOD program is to stimulate private sector investment to create the vibrant communities envisioned in the Region’s 2040 Growth Concept.

For more information, visit oregonmetro.gov/tod

Program financing

Over the seventeen years since the TOD program’s inception in 1998, program financing has totaled more than $43 million cumulatively. Regional partners have allocated federal transportation funds to support the TOD program as part of the Metropolitan Transportation Improvement Program planning process. MTIP funds, currently $3 million annually, are then exchanged to provide local funding for project investments and program operations. Historically, other funding sources have included direct federal transportation grants, income from property transactions, interest earnings and Metro general funds.

Sources of funds

- 90% Regional transportation funds
- 4% TOD program income
- 4% Interest earnings
- 1% Metro general funds

Uses of funds

- 29% Projects in construction
- 21% Program services
- 27% Future projects
- 3% Projects in design
- 2% Projects in design
- 18% Program services
- 21% Land acquisition

Metro’s support turned the corner for the lending institutions, appraisers and investors. As a result, The Radiator is a leader in carbon reduction, job creation, energy conservation, and office space all coming together in northeast Portland.

Ben Kaiser
Kaiser Group, Inc.

The Metro TOD grant helped us provide a viable mixed income, transit oriented development in Gateway without the use of LIHTC (Low-Income Housing Tax Credit) funds. Because of this support, 36 housing units will remain affordable for 60 years.

Gordon Jones
Developer

TOD program support allowed us to respond to growing demand for rental housing by bringing 57 housing units to the Kenton station area with a design that fits well with the neighborhood’s historic character.

Mary Hanlon
Hanlon Development, LLC