

Value Capture Strategies for Funding Public Mobility Improvements: Case Studies and Knowledge Share Results

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**Prepared for the Hillsborough County City-
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I. Overview

The Hillsborough MPO 2035 Plan Post Referendum Analysis (Jacobs Engineering Group, 2011) discussed federal, state, and local funding sources for transportation improvement projects. In particular, this technical memorandum outlined revenue capture strategies such as fares and tolls (Section 4.0; p. xxii); assessment districts, tax increment financing (TIF), community redevelopment areas (CRAs), and joint development (Section 5.0; p. xxv); and other financing strategies, including public-private partnerships (PPPs) (Section 6.0; p. xxxi). Several case studies of value capture projects were also included in the Analysis, which provided insight into mechanisms that the MPO could pursue in providing transportation improvements via transit, road enhancements, and multimodal choices.

A thorough review of the literature related to value capture strategies for transportation and mobility improvements found that both planned and implemented projects in U.S. cities and around the world utilized combinations of these funding mechanisms, based on local context. Projects from some cities were cited often in the literature, and others stood out for using unique combinations of strategies for specific transportation improvement projects, including multimodal hubs, bus/bus rapid transit and rail lines, and roadway improvements.

In order to determine the value capture strategies available to the Hillsborough County City - County Planning Commission and MPO, detailed case studies researched from the previous literature review are presented below. The case studies are organized by the approximate population sizes of the regions served by their respective transit agencies. Special attention was given to agencies which included bus rapid transit (BRT), bus high level of service (BHLS), and multimodal mobility options, to reflect the most likely mix of options for an expanded transit system in Hillsborough County. Some cases were included based on specific projects that highlighted value capture strategies that may be of most interest and relevance.

II. Case Studies

A. Eugene-Springfield, Oregon – Lane Transit District (pop. ~300,000)

The Emerald Express, or EmX, is Eugene-Springfield's fixed guideway Bus Rapid Transit System. It began service in 2007, has expanded to 40 stations, and in 2017 opened a 4.4 mile extension (Shankar et al., 2019). The annual ridership of the EmX line in 2016 was 2,689,562, which amounted to 26 percent of all bus ridership in the Lane Transit District (Shankar et al., 2019). Overall passenger growth for the entire Lane Transit District has been higher than planned (LTD, 2017).

Eugene is one of the relatively smaller cities operating full-featured BRT, and is characterized as a lower density, university town (University of Oregon). As of 2016, nearly 35,000 people in more than 14,000 households lived within one-half mile of the BRT stations, approximately 10%

of the region's population (Shankar et al., 2019). Within the system's transit shed, ~33% of workers walk, bike, and/or use transit to commute (Shankar et al., 2019).

The majority of the \$24 million first phase of the BRT project was federally funded, covering 80% of the costs (Thole et al., 2009), a large incentive for the municipal government to proceed. Federal non-operating revenues are projected to be \$2.6 million through 2026 (LTD, 2017). The success of the project, and the fact that initial funding did not come from local tax revenues, encouraged residents to approve a local income tax increase of 0.01% to fund extensions to the system. This tax increase took effect in 2014. The tax affects all Lane County residents, not just those residing within the Eugene and Springfield city limits.

Housing values and rents within the transit shed have seen marked increases compared to the region as a whole, which has also seen an overall increase in housing costs. The highest percentage increases along the transit line, though, have been for the highest value properties, with lower and mid-range housing prices seeing only modest increases, or in the case of one station, a modest decrease (Page, 2018; Shankar et al., 2019).

Transit-oriented development (TOD) along the BRT line has included both residential and commercial properties, as well as public amenities. According to Nelson et al. (2013), certain economic sectors, such as industries, appeared to be "repelled" from proximity to BRT station areas, while others are attracted. Examples of the latter include "retail trade, transportation and warehousing, finance and insurance, real estate and rental/leasing, and other services" (p. 51). TOD investments along the BRT line have been ~\$100 million (Page, 2018).

While not using value capture specifically to fund transportation improvements, the EmX BRT system provides evidence that fixed guideway BRT systems, even in relatively small urban areas, can be successful in inducing growth in sources of value capture revenues, such as property values, attracting economic growth, and stimulating TOD. The success of EmX also compelled citizens to impose a small income tax increase to provide additional revenue for system expansion. However, in this case, low and moderate value properties did not experience the value increase that higher value properties did, calling into question whether BRT stations located in low to moderate value/income neighborhoods can provide adequate revenues for value capture and reinvestment in a BRT system.

B. San Francisco – Transbay Joint Powers Authority (pop. ~900,000)

The San Francisco Municipal Transportation Agency directly serves the City's residents but is part of a larger network of transportation agencies operating in the greater San Francisco Bay region, include state-run Caltrain and Bay Area Rapid Transit (BART), among others.

Extending south of Mission Street from Second to Beale Streets is the Transbay Transit Center that connects the Bay Area, and ultimately the State of California, through several transportation systems. The Transbay Transit Center is a project owned and operated by the Transbay Joint Powers Authority (TJPA). A new terminal was constructed and was opened to the public in

August 2018. This new multimodal transportation center replaced the old Transbay terminal, and now serves as a connecting hub for the Bay Area's numerous transit systems.

This project was developed in two phases with three major components. Phase 1 of the project consisted of a new terminal, a bus storage facility, and a new bus ramp connecting the Transit Center. This Phase was budgeted to cost between \$1.2 billion and \$1.6 billion. Phase 2 (\$3 billion) will extend Caltrain's commuter train line from its current terminal to the Transbay Transit Center and will accommodate more than 100,000 passengers each weekday and more than 45 million people per year, adding an additional 10,000 trips per day by 2030. The third component is the ongoing redevelopment of the area surrounding the Transbay Transit Center with new homes, parks and a retail main street (TJPA, 2009; TJPA n.d.).

The new neighborhood surrounding the Transbay Transit Center will be the densest neighborhood in San Francisco, with more than 350 residential units per acre and towers ranging from 300 to more than 1,000 feet in height. The Transbay Enforceable Obligations (OCII, 2017) require this development not only to generate land sales and Tax Increment Financing for the Transit Transbay Center, but also to provide funding for affordable housing and the construction of a wide range of public improvements to enhance the area for pedestrians and bicyclists (TJPA, 2009). The Transbay Program will bring eleven transportation systems under a single roof, and create a pedestrian and bike friendly community where residents and workers have convenient access to rapid and safe public transit, shopping, open space, and other neighborhood amenities. These features will allow residents to live closer to work, ostensibly reducing commute times and increasing productivity.

The program will create an estimated 125,000 jobs, directly, indirectly and induced, including approximately 8,300 construction and 27,000 permanent jobs. It will open up a significant number of employment opportunities for people that live in San Francisco and along the corridors emanating from the transit center.

The Transbay Transit Center is the first Transportation Infrastructure Finance and Innovation Act (TIFIA)-supported transit project that uses land value capture revenue, in the form of real estate taxes on surrounding transit-oriented development, to repay TIFIA loans (USDOT, n.d.). The land value capture mechanisms include dedicated tax increment revenues from the sale and development of state-owned land surrounding the transit center, as well as passenger facilities charges from the transit center's initial primary tenant (O'Sullivan, 2015).

Funding for the project includes local, state, regional and federal revenue sources:

- Local Revenue: Sales tax revenues will come from local sales tax allocated by the San Francisco Office of Community Investment and Infrastructure to the TJPA, to advance funding for the design of Phase 2 of the Transbay Program, the Caltrain Downtown Extension (DTX) (OCII, 2017; TJPA, n.d.).

- **Tax Increment Financing (TIF):** The Transbay Transit Center will be financed in part through TIF (OCII, 2017). Value capture revenues will be generated by the redevelopment around the public transit center. Three million square feet of new office and commercial space, 100,000 square feet of retail, and 2,600 homes will be developed in the area. The TIF district around the project will be expected to generate \$1.4 billion in property taxes over 45 years (Dickens, 2015).
- **Federal Revenue:** The Transbay Transit Center financing plan includes a TIFIA loan from the Department of Transportation, which provides secure loans for large-scale transportation projects of national significance. The direct loan was for \$171 million and sources of repayment would include TIF from the district and state-owned parcels around the transit center (USDOT, n.d.).
- **State Revenue:** In a Cooperative Agreement signed in July 2003, the State of California agreed to transfer approximately twelve acres of state-owned land for the benefit of the Transit Center Program (TJPA, n.d.). The uses for each parcel have been described in the Transbay Redevelopment Project Area Design for Development and will be available for sale with a growth rate of at least 2% for land values (TJPA, n.d.).
- **Naming Rights:** The TJPA acquired a 25-year sponsorship naming rights for the Transbay Transit Center, which will be named the Salesforce Transit Center. This transaction may be a reflection of the fast-growing trend of naming rights, which is an opportunity for marketing and collaborations with large business brands.

There are drawbacks to naming rights, however, especially when these agreements expire, and are replaced by a different sponsor. Per Capps (2019), “With every shift in nomenclature comes new costs that must be borne by the city. Changing station names means reprinting or adjusting apps, maps, brochures, and other media.” There is also the issue of “reputational risks,” as “constitutional free speech and equal protection clauses prevent agencies from limiting the types of organizations that can purchase naming rights from them” (USDOT, 2019; p. 100).

Such costs and tradeoffs must be balanced against the revenues obtained by the naming rights agreements. Likewise, transit agencies must strategically determine which stations/lines have potential economic value, and must also consider if acquiring naming rights for them will strengthen existing inequities; that is, will this reinforce the lower values of stations or areas associated with a transit project (Capps, 2019; USDOT, 2019)?

C. Pittsburgh – Port Authority of Allegheny County (pop. ~1,400,000)

Pittsburgh possesses one of the oldest and most developed dedicated busway systems operating in the U.S. Its original South Line was launched in 1977, just three years after the world’s first BRT in Curitiba (Brazil). Miles of new bus lanes had finally connected previously underserved areas of the city with major metropolitan transit nodes, downtown’s business center, recently emerged districts, and main city attractions. Funding for the system came from

U.S. DOT, the State of Pennsylvania, and Allegheny County. The Port Authority of Allegheny County was established as the main operator of the public transit system (PAT). By 1983 Pittsburgh started the East Line busway, and introduced the West Line in 2000.

Currently the Port Authority serves 745 square miles of Allegheny County, with a population of 1.4 million people. The current transit network includes BRT service, a light rail transit (LRT) system (the “T”), and the Monongahela Incline. According to the Port Authority’s Fiscal Year 2019 Budget Report (Port Authority, 2019), the agency directly operates a fleet of more than 800 buses that vary in size from 35 to 60 feet. The PAT bus system includes 16 main stations, 6,895 stops (including more than 200 shelters) with ridership of more than 53,000,000 passengers per year. Port Authority infrastructure includes 50 park-and-ride lots with 14,000 parking spaces; 130 customer service locations to purchase fare tickets; and garages and technical centers.

FY 2019 revenues for operations are approximately \$441 million, and include passenger revenues, federal, state, and local operating assistance, and capitalization grants. Passenger revenues to support operations are expected to represent 24% of the Port Authority’s operating revenue. This includes the sale of fare products, cash fare payments, ACCESS program fees, contracted services through the U-Pass program, interest income, and advertising revenue (~\$2.75 million for FY 2019) (Port Authority, 2019). A lawsuit by interstate truckers, which is challenging the state’s apportionment of Pennsylvania Turnpike Tolls to pay for transit, could jeopardize some state revenue sources, and could also affect a proposed \$200 million BRT system linking Pittsburgh’s two largest economic centers, Oakland and Downtown.

There is scant evidence that revenues for PAT transit improvements have been tied directly to value capture. However, several studies have explored the overall economic impact of the Port Authority (Econsult Solutions, 2018), as well as the impact of the PAT East Busway on adjacent property values (Perk et al., 2010), which indirectly affect local revenues for the Port Authority. In both cases there was a strong correlation between proximity to robust transit, and increased property values and economic development.

In particular, Econsult (2018) found positive property value effects within the half-mile walkshed of frequent bus service, and additional value at even greater distances from PAT’s light rail and busway stations. Overall, “...the housing value premium attributable to proximity to [Port Authority] service is estimated at \$3.2 billion” (Econsult, 2018, p. 52). Further, the premium represents 4.4% of all property value in Allegheny County, while the estimated premium for houses within the catchment of frequent service was 11.8%, or nearly \$15,000 per house (p. 52). Perk et al. (2010) found a similar relationship adjacent to the East Busway, but also found a slight decrease in the values of properties closest to the transit line, due to disamenities (noise, air pollution).

The Port Authority has been explicitly pursuing transit-oriented development (TOD) projects near its stations and facilities (Thole and Samus, 2009; Econsult Solutions, 2018), in order to support ridership and develop new sources of revenue, while at the same time promoting

productive development patterns. One mechanism which helps support TOD is Pennsylvania's unique Transit Revitalization Investment District (TRID) designation, enacted in 2004 (Act 238) and amended in 2016 (Act 157) (PADCED, 2017). TRIDs differ from TIFs in that they explicitly emphasize revenues be used for transit and transit-oriented development (Thole and Samus, 2009; Econsult Solutions, 2018).

Another policy which helps support TOD efforts is Pittsburgh's split-rate property taxes (Dickens, 2015). In the 1980's, Pittsburgh increased its tax rate on land values to six times that of the rate on buildings. This helped to discourage land speculation. Higher tax rates on land encouraged development in high-value areas (such as those with public transportation infrastructure) by making it more costly to buy an empty parcel and wait for its value to appreciate (Dickens, 2015).

Thus, while these value-added tax and economic development revenues are not directly reinvested in transportation projects, they do enhance the ability of the Port Authority to leverage funding for improvements. This is an indirect form of value capture.

Separately, Pittsburgh City Planning has proposed land value capture strategies for a "complete streets" transportation improvement plan, including a streetcar line, in the city's Strip District. These include TIF, a special assessment district, joint development/public-private partnership (PPP) agreements, impact fees, limited partnerships, and/or establishing a TRID, in order to fund the "Five Ways" of district mobility: a Green Way, a Cycle Way, a Transit Way, a Pedestrian Way, and a Through Way (HDR, 2013).

Finally, the Pittsburgh Micromobility Collective, a self-organized private consortium, aims to provide a "bundled" service model – mobility as a service, or MaaS – that involves collaboration between private sector micromobility providers such as Uber, Lyft, Spin (dockless bikes and scooters), Zipcar, Ford Mobility, Waze, Swiftmile (scooter parking), and the Transit app, with the City of Pittsburgh and the Port Authority (Bliss, 2019). The goal is to provide a complement of car-free transportation options that customers can access and book through a single platform. Associating these with transit stops can create property value uplift for future value capture.

D. Santa Clara County, California – Valley Transportation Authority (pop. ~1,900,000)

The Valley Transportation Authority (VTA) serves Santa Clara County, California, which includes the City of San Jose, south of San Francisco. The agency is responsible for public transit services, congestion management, specific highway improvement projects, and countywide transportation planning (Thole and Samus, 2009). VTA operates LRT lines and bus lines.

Some BRT lines have been implemented, but many that have been planned are considered "financially constrained" and are as yet undeveloped (VTA, 2014), despite the urgent need for them to provide high quality service to areas not served by the LRT (Chen and Naylor, 2011). One planning issue for BRT has been the inability of the VTA to obtain the commitment of some

local governments to true BRT service, such as designating dedicated lanes, and to other needed land use changes (SPUR, 2014). In addition, sales tax-based revenues, as a source of funding, have proven to be volatile, impacting the agency's ability to move forward with some projects. The VTA in 2012 established the VTA Transit Sales Tax Stabilization Fund, which is used to supplement budgeted declines in sales tax-based revenues, or to offset declines in actual sales tax-based revenue receipts (VTA, 2014).

In its long-range transportation plan, the VTA has identified potential federal and state funds for capital improvements through 2040:

- Federal New Starts: primarily for rail and fixed guideway options;
- Federal Small Starts: for smaller, low-cost projects – projected up to \$150 million;
- Federal Congestion Mitigation Air Quality Program: for attaining Clean Air Act compliance – estimated at \$252 million;
- Federal Transportation Alternatives: safe routes to school, recreational trails and other mobility alternatives – estimated at \$173 million;
- A variety of California funding initiatives (VTA, 2014).

A unique local revenue source that has been utilized primarily for roadway improvement and repair is the voter-approved Vehicle Registration Fee, a \$10 increase in the fees of motor vehicle registration for transportation-related projects and programs. Implementation of this local option is provided by state statute (VTA, 2014).

Other revenue sources include mitigation and impact fees; development-specific transportation impact fees that pay for a project's effect on transportation capital improvements; express lane and other tolls (primarily for roadway improvements); and developer agreements. A variety of other local mechanisms are being explored, including establishing transit special districts; joint development programs; consumption or use taxes (e.g. per vehicle mile traveled); transportation utility fees (TUF); and countywide impact fees (VTA, 2014).

The challenges the VTA has encountered in implementing its planned BRT projects is a salient example of how funding constraints and lack of local government cooperation can hinder implementation of transportation improvements. Establishment of the VTA Transit Sales Tax Stabilization Fund is an illustration of the need to plan for revenue volatility. Some of the existing and potential revenue sources can be tied to value capture if proactive land use planning is utilized, such as identifying districts with potential for growth in new sectors, updating land use and economic development plans in advance to accommodate them; in other words, planning for the "next wave" of growth. This can include modifying plans for existing and future investments in facilities such as intermodal terminals and airports (Blais, 2018). However, this will require a high level of coordination with local governments on the part of the VTA, due to the fragmented jurisdictional structure of Santa Clara County.

E. Seattle – King County Metro (pop. ~2,200,000)

The South Lake Union Streetcar (SLU) is a 1.3-mile streetcar line that connects Downtown Seattle with the South Lake Union neighborhood. It was the first line constructed by King County Metro for the future Seattle Streetcar Network; a second streetcar line east of South Lake Union began construction in 2012. The SLU project included three vehicles, eleven stops, and construction of a maintenance facility.

The Streetcar line was intended to be an important catalyst in the re-development of the strategically located neighborhoods of Denny Triangle and South Lake Union. These neighborhoods were poorly served by public transit because of low density warehouse and light manufacturing facilities adjacent to residential neighborhoods. In 2005, zoning was changed from Commercial to Seattle Mixed, to encourage residential and mixed-use projects (City of Seattle, 2012). Since the project was approved in 2005, 3.3 million square feet of office space and 6,100 residential units have been built within four blocks of the streetcar (Dickens, 2015).

With various developments still underway, including thousands of planned housing units, the streetcar line is considered a significant contribution to the quality of life in the rapidly growing area. The SLU had strong political and financial support, especially from business and property owners, including the co-founders of Microsoft (FHWA, n.d.). King County Metro negotiated with these and other corporations to create revenue streams in the district for planned housing and other improvements. Amazon, for example, began directly contributing to revenues in 2015, and is projected to spend from \$229,000 to \$272,000 annually through 2023 (Laird and VanValkenburgh, 2018). In addition, a consortium called Vulcan acquired properties in the district, ahead of the project, and worked with the City of Seattle (2012) on plans for development, which included Vulcan's contributions to building public infrastructure and amenities in the neighborhood.

The streetcar line was funded by local businesses and property owners within five blocks of the streetcar, who agreed to establish a special property tax levy by forming a Local Improvement District (LID)/Special Assessment District (SAD), as a method of generating revenue for the project. The LID contributed ~\$25 million towards construction, with the remaining \$30 million provided by federal (\$13 million), state (\$3 million), and local funds (FHWA, n.d.). The LID fees were based on property value, parcel type, and proximity to the streetcar line, ranging from 8% for properties close to the streetcar alignment, to 1% for those in the periphery of the LID. Properties had the option to either pay the fee (one time) up front, or over an 18-year period at 4.4% interest (Dickens, 2015).

Publicly owned lands near streetcar lines are considered as leverages to funding for the system. The surplus lands can be sold, or alternatively, unused development capacity of publicly owned property can be negotiated for development by the private sector. For example, in 2001, the City of Seattle sold eight city-owned surplus properties in South Lake Union that totaled \$20.2 million (City of Seattle, 2012). Statute provided guidelines for the expenditure of these funds, which

included \$2.2 million for affordable housing and \$9 million for other South Lake Union transportation projects (Moudon et al., 2007).

Seeking revenues from sponsorship/advertising in transit systems has become common in compensating for reductions in federal funding. Seattle's South Lake Union Streetcar sponsor names are featured at stops and on individual streetcars. It has modelled its sponsorship program on Tampa's TECO Line Streetcar, and was expected to generate up to \$3 million on a three-year payment plan for ten-year terms (Moudon et al., 2007). According to a recent report, sponsorship revenues are projected to be between \$255,500 and \$287,500 annually through 2023, which represents approximately 6%-7% of the \$4.2 million 2019 annual operating and maintenance budget (SDOT, 2020; Laird and VanValkenburgh, 2018).

While not a BRT project, the SLU Streetcar, as a similar fixed guideway transit project, provides an example of how significant economic development can be generated through pre-planning (e.g. zoning changes) and the establishment of special taxing/fee districts associated transit. In addition, use of naming rights to provide annual revenues – a technique already being utilized by HART in Tampa – has the potential to add supplemental funds to invest in transportation mobility. Partnerships with private entities, such as Vulcan, can contribute to the overall development surrounding transportation projects.

As is the case in many of these large-scale projects, though, considerations for affordable housing and other equity issues must be made in the planning phases to avoid gentrification that can force out low-income residents (USDOT, 2019). The City of Seattle has been proactively exploring modifications of its zoning and land development codes, such as removing barriers to building accessory dwelling units that can provide affordable housing while gently increasing density. The city first legalized accessory dwelling units in 2015, and has recently proposed land use changes that would allow two such accessory units per lot, while also relaxing parking and owner-occupancy requirements (Shankar et al., 2019).

F. Denver – Regional Transit District (pop. ~2,800,000)

The Denver Regional Transit District (RTD) incorporates parts of eight counties in the Denver metropolitan area. The RTD operates light rail, buses (both owned and leased to private operators), park-and-ride facilities, shuttles and paratransit. In 2004, the RTD embarked on a major service expansion called FasTracks, which called for additional light rail, commuter rail (including the University of Colorado A Line, an advertising and naming rights value capture), BRT, more park-and-ride facilities, bus network enhancements (including transit hubs), and the redevelopment of Denver Union Station in the downtown area. Initial funding for FasTracks originated from a portion of a locally approved 1% sales tax. Less-than-projected sales tax revenues led to a down-scaling of FasTracks in 2013, but the majority of transportation improvement projects moved forward.

The proposed redevelopment of Denver Union Station (DUS) envisioned it as a multimodal, regional transportation hub, including light rail, commuter rail, intercity rail, bus, parking, taxi,

pedestrians, and bicycles. The vision, the result of a two year master planning process, also included mixed-use TOD incorporating office, retail, and residential development as the epicenter of robust urban life (NAS, 2016). The total project cost was estimated initially at \$1 billion, but was reduced to \$488 million by redesigning all rail facilities to be at-grade instead of below-grade, as originally planned. DUS project partners included the RTD, City and County of Denver, Denver Regional Council of Governments, Colorado Department of Transportation, and the developer, Union Station Neighborhood Company (USNC). This coalition formed a comprehensive and effective public-private partnership (PPP) (NAS, 2016).

The master planning process, and cooperation among project partners, was key to initiating both pre-emptive actions and legal steps to prepare for the project implementation. These proactive steps included rezoning, going back to 1991 (Rubino, 2019); an intergovernmental agreement establishing the Denver Union Station Project Authority (DUSPA) and the Denver Downtown Development Authority (DDA); and the establishment of five DUS Metropolitan Districts that could levy TIF-like property taxes, similar to special assessment districts (SAD), which would be payable through the DDA to settle federal loans (Dickens, 2015). Locally generated revenues complemented federal funds (such as from the Transportation Infrastructure Finance and Innovation Act (TIFIA)).

A challenge experienced during the global recession of the late-2000s was that issuing tax-exempt bonds was not viable due to a suppressed market, and thus the DUSPA sought additional federal agency funding (NAS, 2016). In addition, the recession reduced sales tax revenues.

Significant housing and retail development has sprung up in the area around DUS, known as the Central Platte Valley neighborhood (Rubino, 2019), contributing to the area's Metropolitan District property tax base. Walkability has been cited as one key the reasons for the increased demand in housing in the area. Walkable amenities within the district, and the construction of the Millennium Bridge connecting it to other parts of downtown, have placed high demand on the development of housing (Rubino, 2019).

A unique value capture strategy employed for the DUS project was a lodger's tax levied on hotels developed in the DUS area. This was used as one source of revenue to repay the project's federal Railroad Rehabilitation and Improvement Financing (RRIF) loan. High demand for lodging surrounding the DUS project fueled increases in room rates, and thus increased tax revenues. One concern, however, has been the lack of affordable housing development in the area, which has priced-out lower- and middle-income residents (Rubino, 2019).

The DUS project offers an example of a successful, multi-stakeholder, cooperative PPP, as well as examples of proactive planning and the use of a variety of value capture mechanisms. It also serves as another example of the pitfalls of depending on sales tax revenues for expanding transportation improvements. Like property values, sales taxes can be volatile in response to external economic forces, and can impair an agency's ability to pay off loan debt service and

bond interest. Caution must be exercised in long-range planning to account for potential shortfalls in value capture revenue sources that are vulnerable to economic downturns.

G. San Diego – Metropolitan Transit System (pop. ~3,300,000)

The San Diego Metropolitan Transit System (MTS) operates trolley (light rail), bus, paratransit, and Rapid, a hybrid of BRT and bus high level of service (BHLS). The San Diego Association of Governments (SANDAG) oversees transit funding. SANDAG is made up of 18 cities plus county government, and serves as a forum for regional decision making. In addition to federal and state source of funding, MTS capital and operating revenues come from a local sales tax, TransNet. In 2005 SANDAG developed a Smart Growth Incentive Program (SGIP) to support transportation improvements and planning. The program awards two percent of the annual TransNet funding through 2045 to local governments through a competitive grant program to help fund public infrastructure projects, as well as planning initiatives that will support compact, mixed-use development around public transit (TOD), and increase housing and transportation choices (Thole and Samus, 2009).

MTS introduced Rapid in 2007, as an innovative bus service offering high-frequency, limited-stop transit, including developed stations, connecting major attractions and destinations throughout San Diego. Most of the transit stations have lighted shelters and are equipped with real-time arrival information. The Rapid vehicles are designed for a comfortable ride, and have either front-racks or under-vehicle storage for bicycles. In addition, almost all transit centers have facilities to securely store bicycles as part of a multimodal system for commuting (MTS, n.d.).

The MTS had a 2020 operating budget of \$261 million (SDMTS, 2020). Value capture strategies utilized by MTS include advertising (shelter, bench, and bus and trolley wraps), which generates \$1.8 million annually, and two naming rights agreements. One, with the University of California San Diego, for the trolley's Blue Line, is for 30 years and \$30 million (MTS, 2016). Another, established in 2017, is a 30-year \$25.5 million deal with the Sycuan Casino to rename the trolley's Green Line (McAllister, T., 2017).

Research has demonstrated that transit station proximity has had a significantly stronger impact on housing prices when coupled with a pedestrian-oriented environment. Duncan (2011) found an estimated station area premium for condominiums near a good pedestrian neighborhood approached \$20,000 and can exceed 15% of base values (p. 120). Conversely, station area condominiums in more auto-oriented environments may sell at a discount, rather than a premium, approaching \$15,000, 11% below base values (p. 120). These results indicated that planned TOD must include factors that promote other mobility options in order to have the desired impact on land values for value capture strategies.

Others (Smith, 2018) have reported on the impacts of density and gentrification of neighborhoods surrounding rail and bus line stations, especially those within a one-half mile radius. Residential densities range from 28.5 to 46.6 households per residential acre within 0.5

miles of transit stations, and there are 16.0 to 108.0 jobs per acre within 0.5 miles of transit stations (SANDAG, 2014). Better connectivity, and a more pleasant environment around newly constructed stations, makes these areas attractive for renters, and as a result monthly rent for a 2-bedroom apartment is more than \$2,800 (Smith, 2018).

Like much of California, San Diego's overall housing market continues to inflate, and it is difficult to extract how much property value increase is a result of transit development and how much would occur on its own. However, multimodal, pedestrian-oriented development around transit stops has been shown to positively impact property values and inflate rents. In such a market, value capture based on property values can be enticing as a revenue source. Yet, as reported, this can have significant negative impacts on low- and middle-income residents – those most dependent on transit – as they are priced out of housing in close proximity to stations. Such equity issues must be considered when planning station locations, and TOD, as a strategy for increasing property values to enhance revenue streams to fund transportation mobility improvements.

H. Houston - Metropolitan Transit Authority of Harris County (pop. ~6,700,000)

The Metropolitan Transit Authority of Harris County (METRO) serves the City of Houston, 14 other cities, and unincorporated Harris County. The agency operates more than 1200 buses; one BRT line (near completion); 22 miles of light rail (METRORail); paratransit; high occupancy vehicle/high occupancy (express) toll lanes (HOV/HOT); park-and-ride lots; and transit centers (METRO, n.d.-A). A recent study, completed in partnership with the City of Houston and the Houston Galveston Area Council (HGAC), identified opportunities for TOD along three METRO Rail corridors and regional Park & Ride lots (METRO, n.d.-B). METRO is set to open its first BRT line, METRORapid Uptown, in 2020 (METRO, n.d.-C).

In addition, Houston has defined Tax Increment Reinvestment Zones (TIRZ) which are unique to Texas (State of Texas, 1987). TIRZs use tax increment financing to garner revenues: "...property tax revenues are capped at a certain amount and any revenue collected over that amount is directed into the tax increment fund" (Dickens, 2015; p. 5). In 1999, the Uptown TIRZ was created to improve mobility in the area. It is a growing neighborhood of residential, retail, hotel, and office space, located west of Houston's downtown (Uptown Houston, 2018). It is a "complete streets" endeavor, and will be served by the new BRT line, which will run through Uptown, anchored at either end by the Northwest and Westpark/Lower Uptown transit centers.

The total cost of the BRT and transit center improvements is projected to be \$177 million, with 46% of the cost covered by Uptown TIRZ revenue (Dickens, 2015). Complete streets improvements to Post Oak Boulevard are estimated at \$192 million, with \$105.6 million coming from the Uptown TIRZ and the rest from state and federal sources (Uptown Houston, 2018).

There is, however, opposition to the Uptown project, including the BRT line, despite the fact that a good portion of the project work has been completed (Koetting, 2017). Houstonia Magazine reported that, "Opponents of the plan have taken issue with everything from the necessity of the

bus system, concerns the construction will negatively impact the businesses along the boulevard, and the legality of the Uptown Tax Increment Reinvestment Zone that's partly funding the project" (Koetting, 2017). The argument regarding the latter refers to the Texas definition of a TIRZ, and whether Uptown fits the legal description of "unproductive, underdeveloped, or blighted," considering Uptown and the adjacent Galleria area are considered among the wealthiest in Houston (Koetting, 2017). The project, however, appears to be moving forward (METRO, n.d.-C).

The unique Texas TIRZ designation, like Pennsylvania's TRID, and the ability to use value capture revenues for both transit and complete streets projects, emphasizes the local context of some value capture mechanisms. Each state provides legislation and regulatory frameworks that guide local jurisdictions in their efforts to fund transportation improvements. Restrictions on the collection and use of revenues can hinder the implementation of certain value capture strategies while promoting others.

I. Chicago – Chicago Transit Authority (pop. ~9,500,000)

Of the transportation agency case studies presented, Chicago's represents the largest population served by an extensive, integrated, multimodal transportation network. While Chicago's transit system may be aspirational for Hillsborough County, it nevertheless represents a mature and highly developed configuration both utilizing existing mechanisms and considering a variety of new tools to fund transportation improvements.

One of the most robust sources of revenues utilized for both transportation and other capital improvement projects in Chicago is TIF funding. There are more than 150 TIF districts in the city (Dickens, 2015; City of Chicago, n.d.). However, revenues captured within TIF districts are not transit-specific. Researchers have found that in recent years, the rate at which TIF funds have been used to support transit-related projects has increased, and have suggested that more sophisticated TIF value capture strategies can be utilized to target funds for transportation improvement projects in Chicago (Schlickman et al., 2015; Dickens, 2015).

In fact, in 2016, the Illinois General Assembly approved formation of Transit TIF's, to be utilized only in Chicago, for large-scale, long-term transit improvement projects (CTA, n.d.). Such projects generally use a mix of federal, state, and local revenues. Transit TIF funds are generated by taxing the incremental increase in property values, above an established base, expected to occur as the result of transit improvements (CTA, n.d.). Transit TIF funding is being used for the CTA's Red & Purple Modernization project (CTA, n.d.). Likewise, two proposals for infrastructure improvements in the Loop area of downtown, using Transit TIF funding, were recently put forward by Mayor Lori Lightfoot (Chicago Planning and Development, 2020).

The Chicago Metropolitan Agency for Planning (CMAP) has also recommended that more transit-specific value capture mechanisms be utilized, including special assessment districts (SAD), special service areas (SSA), development impact fees, joint development (if ample land is available), and transportation utility fees (TUF), although the latter have been challenged in court when a "sufficiently strong connection between the transportation improvement benefit and the imposed fee" is not demonstrated (CMAP, 2011; p. 3). In addition, because a tax or

other fee can diminish a development project's overall value, careful calibration of some of these mechanisms is critical to ensure that the value capture strategy does not become a disincentive for transit-supportive private development, by generating a reduction in property values (CMAP, 2011).

Overall, because of the large number of established TIF districts in Chicago, opportunities exist for utilizing targeted value capture mechanisms both for new transportation improvement projects and for repairing and enhancing existing infrastructure. Some mechanisms, such as Transit TIFs, are unique to Illinois, and indeed to Chicago itself. But the ability to use TIF or similar funds for specific transportation mobility improvements for Hillsborough County should be thoroughly explored.

III. Key Takeaways

From the review of the pertinent literature on value capture, and the in-depth case studies presented in this document, several key themes have emerged that should help guide local jurisdictions, authorities, agencies, and other parties in identifying value capture and other funding mechanisms for its transportation improvement plans.

A. Focus on Local and Regional Context

Despite the wide array of value capture mechanisms available for consideration, use of any of them is context specific, and relies very much on existing state and local regulatory frameworks. For example, state regulations that permit innovative methods of value capture were utilized in Pittsburgh (TRID), Houston (TIRZ), and Santa Clara (vehicle registration fee). This presents not so much a challenge as an opportunity for identifying the most effective mechanisms for Hillsborough County. The creation of special districts, in particular, is a necessity for reinvestment. What form those districts take, and the mechanisms for collecting and utilizing the captured revenues, is dependent on the local, regional, and state regulatory frameworks available. Where such regulations are vague or absent, there is opportunity to proactively create innovative methods of value capture that fit the local context.

For the Denver Union Station project, for example, several types of unique districts were created, as well as separate oversight organizations. The scale of this project is much larger than anything currently planned in Hillsborough County, and not all of the mechanisms used would be applicable, but the DUS project offers an example of what can be accomplished within a local framework/context. Likewise, Pittsburgh's split-rate property tax scheme, which helped encourage development of properties near transit lines, is another example of unique and innovative mechanisms that exist within local context.

Proactive zoning and other planning tools can enhance the success of value capture projects. Seattle's South Lake Union streetcar project and Denver's Union Station provide examples of the use of proactive zoning/rezoning to facilitate the types of development near transit that can contribute to the success of value capture.

B. Targeted to Transportation

When possible, mechanisms that allow value capture revenues to be devoted directly to transportation improvement projects must be created and employed, as seen in Chicago. That particular example required an act of the Illinois General Assembly, but where it is possible at the local level, creating targeted mechanisms can help ensure adequate funding and project success.

Santa Clara's vehicle registration fee (with proceeds funding road improvement projects) is another example of targeted revenue streams. Having to share revenues, such as from TIF districts, among other priorities can inhibit mobility expansion and improvement due to competition from other needs and projects.

Regardless of the mechanisms employed, enhanced community livability, quality of life, and economic viability are benefits of improved transportation, which furthers the argument for targeted reinvestment of value capture revenues in all aspects of mobility. Improved opportunities for housing, employment, recreation, and health outcomes accompany expanded mobility options and transit-oriented development (Appleyard et al., 2019; Makarewicz and Németh, 2018; Talmadge and Frederick, 2019). Value capture revenue streams can play a significant role in facilitating these quality-of-life enhancements.

C. Diversify Value Capture Revenue Sources

A diversity of revenue sources, much like a diversified financial portfolio, is an effective way to guard against the impact of external forces (economic and sometimes legal) on funding for transportation improvements.

Creating a prudent reserve, as the VTA did in Santa Clara County, can serve as a buffer when unforeseen circumstance affect value capture revenues, even those dedicated sources already in place. Denver's RTD recently had to make significant service cuts, especially to buses, to balance its budget, due to downwardly-revised sales tax revenues, underscoring the dangers of reliance on volatile funding sources (Minor, 2019). This is especially so in Denver, because aside from the FasTracks sales tax, other revenue streams have not changed much in 40 years (Minor, 2019).

Single-stream value capture revenues frequently cannot be relied upon to support or expand mobility enhancements. Redundancy and modularity of revenue sources will make financial support more resilient to external forces.

D. Form Stakeholder Partnerships

Forming coalitions of stakeholders both for planning, and for pursuing a diversity of value capture mechanisms, can be complicated but highly effective in completing large-scale projects, such as with Denver's Union Station and San Francisco's Salesforce Transit Center. Public-private partnerships enable transportation planning agencies to do more, and to potentially "scale up" mobility improvements projects due to private investment and risk sharing, as seen in Pittsburgh with the Micromobility Collective and Seattle's South Lake Union streetcar project.

Private stakeholders in Hillsborough could include businesses in the major regional economic hubs, such as downtown Tampa, Brandon, the Westshore/Airport district, and the USF/Busch Gardens/Innovation District. Entities in these areas have a vested interest in mobility improvements, and may be willing to invest in projects that support their growth and economic sustainability.

E. Emphasize Equity

To ensure equity, the planning of transit stations and TOD must include proper zoning, and housing options for low- and middle-income residents, even if it potentially reduces projected value capture revenues. Seattle is an example of this. Gentrification can impact the most transit-dependent riders, as seen in San Diego. Transit-dependent populations need to maintain access to mobility even as improvements and new development are planned and implemented. In addition, station planning that includes pedestrian and micromobility options, as well as amenities, will have a positive impact on property values while providing mobility options for a variety of commuters.

In the Denver Union Station project, lack of affordable housing options has also been cited as a downside to the otherwise successful development. One of the newest housing towers, the Pullman, has rents starting at \$2785/month, too expensive for low- and middle-income residents (Rubino, 2019). Despite the benefits of the revenue generated by projects like this, the reinvestment of these funds back into the district can exacerbate the inequity created rather than correct it.

F. Anticipate and Address Opposition

Opposition to transit projects, or a lack of cooperation from local governments, can come unexpectedly, as seen in Houston's Uptown BRT/Complete Streets project and in Santa Clara's planned BRT routes. It is critical to obtain buy-in from stakeholders early on to ensure that such obstacles do not impede transportation improvement projects. Coordinating with local government stakeholders is also essential. While HART and the MPO have only Hillsborough County and its three incorporated municipalities to coordinate, opposition at the neighborhood level can derail planned mobility improvements when they are perceived as non-beneficial or as creating disamenities.

IV. Moving Forward

Expansion and development of transportation mobility improvements in Hillsborough County is already moving forward with voter approval in 2018 of a 1% sales tax increase. Pending legal review, this potential new source of revenue could serve as a starting point, planning for mobility improvements, and will provide opportunities to explore value capture mechanisms to augment existing revenue streams and move the County towards greater mobility for its citizens.

The research completed in the above case studies, as well as in the previous literature review, not only provided an evaluation of value capture options, but also recognized key persons and organizations whose insights may be beneficial for next steps in Hillsborough County. Additional research has identified other relevant professionals and academics who could contribute as potential speakers for stakeholder engagement events.

A. Recommended individuals include:

- **Austin Gible: Project Development Planner, Indianapolis Public Transportation Corporation (IndyGO)**
- **Jerome Horne: Ridership Experience Specialist, Indianapolis Public Transportation Corporation (IndyGO)**

Both recently oversaw the 2019 implementation of IndyGO's first BRT line and are involved with the planning of additional routes. Mr. Gible is an alumnus of the USF Master of Urban & Regional Planning program, where he interned for two years at the Center for Urban Transportation Research. Mr. Horne has served as both a Community Engagement Coordinator and Special Transit Projects Coordinator with IndyGO. They can both provide insight and best practices for planning and executing successful BRT in Hillsborough.

- ***Deborah Salon: Institute of Transportation Studies, University of California Davis***

Dr. Salon has presented and published research on many salient aspects of transportation and mobility, and has a strong focus on urban travel behavior and land use.

- ***Shishir Mathur: Professor, Urban and Regional Planning and Director, Certificate in Real Estate Development, San Jose State University.***

Dr. Mathur is a prolific researcher on land value capture strategies and their effectiveness, in both the United States and in other parts of the world. He is particularly familiar with the Valley Transit Authority in Santa Clara County, CA, whose efforts at mobility improvements, and obstacles they have faced, have been discussed at length in the above case studies and in the previous literature review.

- ***Victoria Perk: Senior Research Associate, Transit Research Program, USF Center for Urban Transportation Research.***

Dr. Perk has expertise in transportation economics, transit system performance analysis, transit development plans, and transit service planning. She has published widely on the impacts of BRT routes and transit-oriented development on property values and the effect on value capture strategies.

B. Organizations (or representatives thereof) recommended include:

- ***Denver Regional Transit District, Denver, Colorado***

The rapid expansion of RTD's system, its involvement with public-private partnerships, and its experiences with the benefits and downsides of value capture revenue streams make this organization a valuable source of input to Hillsborough County's plans for mobility improvements.

- ***Lane Transit District, Eugene-Springfield, Oregon***

Input regarding the economic impacts of the successful implementation of the BRT lines in this small metro area could be valuable to mobility planning and value capture strategies for Hillsborough County.

- ***Pittsburgh Micromobility Collective, Pittsburgh, Pennsylvania***

The Collective is a self-organized, private consortium that aims to bring a range of new mobility services to the City of Pittsburgh that complements its existing transit system. It consists of Spin (dockless bikes and scooters), Zipcar, Ford Mobility, Waze, Swiftmile, and the Transit app. Such an organization, combined with public partners such as HART and the Hillsborough MPO, could be a way to integrate mobility options and leverage private investment into improvements to County's transportation system.

- ***Transbay Joint Powers Authority, San Francisco, California***

This multi-jurisdictional partnership and its use of a portfolio of value capture mechanisms would be a worthwhile source of information and best practices for transportation planning and implementation in Hillsborough County.

Additional key experts may be identified through further research, as well as through discussions with the above-named individuals and organizations. Future stakeholder engagement events, such as a summit or workshop, would benefit markedly from the participation of these experts.

V. Addendum: Results of Value Added Mobility Study Knowledge Share

To engage stakeholders and advance the conversation regarding value capture/value added strategies for funding transportation improvements in Hillsborough County, a half-day Knowledge Share was conducted on September 25, 2020 via virtual conferencing. Approximately 35, with a pre-program poll showing that the majority of attendees, 61%, were from the public sector, with 35% from the private sector, and the remainder from academia. In addition, the results of another poll question revealed that most participants felt they “[knew] a little” (71%) or “[didn’t] know anything” (10%) about the meaning of value added/value capture.

The workshop consisted of two panel discussions, with breakout discussion sessions following each, as well as a final audience-engaged question-and-answer period about the information presented.

The event was led and moderated by Melissa Zornitta, AICP, Executive Director, Hillsborough County City-County Planning Commission, with Richard Clarendon, AICP, Assistant Executive Director, Hillsborough Metropolitan Planning Organization participating in the opening remarks. Six panelists representing the public sector, private sector, and academia presented research on an array of topics relevant to value added/value capture (see Appendix I for full speaker bios). Presenters included:

Panel 1 – Intro to Value Added Strategies:

- Mark Hafen, Ph.D. (Moderator, University of South Florida, Urban Planning) – “Summary of Value Added Mobility Study results and Case Studies.”
- Victoria Perk, Ph.D. (University of South Florida, Center for Urban Transportation Research) – “Transit Impacts on Property Value Capture.”
- Austin Gible, MURP (Indianapolis Public Transportation Corporation) – “A Holistic Approach to Transit and Land Use in Indianapolis.”
- Darnell Grisby, MPP (American Public Transit Association) – “Transit, Property Values, and Social Equity.”

Panel 2 – Value Added Strategies at the Local Level:

- Nicole Cleary (Moderator, Hillsborough Area Regional Transit Authority) – “Identifying and Leveraging Unique Opportunities and Challenges in Hillsborough County.”
- Taryn Sabia (University of South Florida, Florida Center for Community Design and Research) – “Transit Oriented Development [TOD] and Tampa Bay: An Overview.”
- Steve Schukraft, AICP (HDR, Inc.) and Geoff Dickinson, AICP (SB Friedman) – “Hillsborough Area Rapid Transit TOD Grant: Value Added Perspective.”

Melissa Zornitta moderated the Summary Panel Discussion, directing audience questions to previous panelists.

To help frame the ensuing discussion for audience members, participants were asked to provide their views on the question, “What public sector infrastructure investments add the most value to

Bay? What is feasible locally?” Session moderators again reported the key themes to emerge from their respective sessions (Appendix II), which included:

- Obstacles to TOD in Hillsborough County, as a means of generating value added revenue, are many, starting with the absence of the type of transit necessary to make such development possible.
- A holistic approach, which incorporates other transportation and mobility infrastructure—including, for example, the Tampa Riverwalk—as part of TOD and value capture strategies, will be necessary to bring together all the stakeholders to form the partnerships required for success.
- The area around the University of South Florida, including the nearby Innovation District, offers an opportunity for implementing the components necessary for TOD and value capture.

In the final portion of the event, participants asked questions and presented discussion topics, both in general and specific to the panelists, the details of which can be seen in Appendix III. Not all panelists were able to be present for this final segment, so not all questions were answered. Overall themes that emerged from participants’ questions included:

- Do elevated property values as a source of value capture revenues apply only to residential properties? Can this be applied to non-transit value boosters or to other types of properties, especially those related to tourism, such as Airbnb and hotel room rates?
- How do different measures of “proximity” to transit and TOD (e.g. the “walk shed”) play a role in determining the premium associated with this infrastructure?
- How can equity be incorporated into planning for transportation improvements such that the pursuit of the value added/value capture strategies presented does not disenfranchise segments of the population?
- What are the plans for transit—specifically BRT—in the Tampa Bay region and how are they being coordinated across jurisdictions?

Some of these questions have been addressed, at least partially, in the case studies above, but they merit further consideration as partial outcomes of the knowledge shared at the event.

Thus, while there has been considerable research published and presented on the wide array of available value added/value capture strategies, the opportunity for Hillsborough County lies in applying the most appropriate ones based on planned transit and transportation improvements. Extensive community stakeholder engagement will be critical in determining the most appropriate mix of programs that can be developed concurrently with and that take advantage of the socioeconomic benefits of mobility enhancements in the County.

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Appendices

Appendix I – Value Added Mobility Study Knowledge Share Speaker Bios

Appendix II – Value Added Mobility Study Knowledge Share Meeting Summary

Appendix III – Value Added Mobility Study Knowledge Share Questions from Participants

Appendix I: Value Added Mobility Study (VAMS) Knowledge Share Panelist Bios

Virtual Meeting | 09.25.20 | 8:30 am – noon

Welcome and Opening Remarks

Melissa Zornitta, AICP, Hillsborough County City-County Planning Commission, Executive Director

Melissa Zornitta began serving as the Executive Director of the Hillsborough County City-County Planning Commission in January 2015. In this capacity, she manages the long range, comprehensive planning for unincorporated Hillsborough County, City of Tampa, City of Temple Terrace and Plant City. Ms. Zornitta has over 20 years of experience working in land use planning, comprehensive planning and community planning for local governments in Florida. Before becoming Executive Director, Ms. Zornitta held a number of progressively responsible planning positions with the Planning Commission, including serving as Assistant Director for three years. Prior to working at the Planning Commission, she worked for the City of St. Petersburg, Charlotte County and City of Tallahassee. Ms. Zornitta holds a Bachelor's Degree in Government from the College of William and Mary and a Master's Degree in Urban and Regional Planning from Florida State University. She is a certified planner with the American Institute of Certified Planner. Ms. Zornitta is a Past President of the Florida Chapter of the American Planning Association, serving as the President from 2014-2016. Previously she served as the President Elect, Vice President of Section Affairs for the Chapter and as chair of the local Sun Coast Section. Ms. Zornitta is also a member of the steering committee for the Women Leadership Initiative for the Urban Land Institute Tampa Bay and the Secretary of the Rampello K-8 Downtown Partnership School Parent Teacher Student Association.

Richard Clarendon, AICP, Hillsborough Metropolitan Planning Organization, Assistant Executive Director

Rich Clarendon manages a staff of 11 professionals for the MPO, which he rejoined after prior experience with the private sector and the Hillsborough Area Regional Transit Authority. He has 40 years of experience and has managed pedestrian, bicycle and transit studies, as well as long-range transportation plans. He also has experience in transit operations, finance, administration and grants. He has a BA in urban studies from Brown University and a Masters in Planning from Harvard.

Topic 1: Introduction to Value Added Strategies | Defining Value Added projects and examples of successful implementation around the United States

Plan Hillsborough Value Added Mobility Study

Mark Hafen, PhD - Program Director Urban & Regional Planning, USF

Mark R. Hafen is a Master Instructor in the School of Public Affairs at the University of South Florida in Tampa, where he serves as Director of the Master of Urban & Regional Planning (MURP) program. He holds a B.S. in Business Logistics from Penn State University, as well as an M.A. in Geography and a Ph.D. in Marine Science (Geology), both from USF. His research and practice range from transportation and land use, to urban food sovereignty, to urban environmental policy. He has professional experience in land use planning and has lived in the Tampa Bay region since 1986.

Transit Impacts on Property Value Capture

Victoria Perk, PhD - Program Director of Transit Research, USF/CUTR

Victoria Perk is the Program Director for Transit Research at the Center for Urban Transportation Research (CUTR) at the University of South Florida. She holds degrees in Economics from Eckerd College (BA) and USF (MA and Ph.D.). Her doctoral research focused on models to estimate property value changes around bus rapid transit (BRT) stations. In addition, she has contributed to work on a research and technical assistance projects on topics such as bus rapid transit, transit safety, performance evaluation, and transit automation. She also serves as an adjunct instructor in the USF Department of Economics.

A Holistic Approach to Transit and Land Use in Indianapolis

Austin Gibble, MURP - Project Development Planner for IndyGo

Austin Gibble is the Project Development Planner for IndyGo and the Environmental Policy Manager for the Purple Line Bus Rapid Transit project. Austin specializes in addressing complex urban mobility challenges through analysis, project management, and strategic partnerships. Outside of IndyGo, Austin sits on the Boards of Directors for Congress for New Urbanism – Midwest, for Young Professionals in Transportation – Indianapolis, and is an advocate for Bike Indianapolis (formerly IndyCog)

Transit, Property Values, and Social Equity

Darnell Grisby, MPP - Director of Policy Development and Research, American Public Transit Association (APTA)

Darnell Grisby is a national thought leader in transportation policy and the mobility justice movement. He is currently Director of Policy Development for the American Public Transportation Association (APTA). He holds a BA in Political

Science from UCLA, and a Master's in Public Policy from the Harvard Kennedy School. He has been quoted or featured in the New York Times, Wall Street Journal, National Public Radio, and Bloomberg. He has published research on shared mobility in public transit, the business case for investment in public transportation, and rail transit and convention growth.

Topic 2: Value Added Strategies at the Local Level | Identifying and leveraging unique opportunities and challenges in Hillsborough County

Transit Oriented Development and Tampa Bay: An Overview

Taryn Sabia - Director, Florida Center for Community Design & Research, USF

Taryn Sabia is Research Associate Professor and Director of the Florida Center for Community and Research at the University of South Florida's School of Architecture and Community Design. The Center provides design expertise, technical assistance, applied research, and community engagement services in Florida's growing communities to address urban challenges related to the built environment. Since 2014, she has overseen faculty, researchers, and graduate students to deliver the Center's mission to assist the citizens of Florida in Creating more livable and sustainable communities. Taryn has advised over 30 mayors on sustainable development and has worked with elected bodies both nationally and internationally. Her professional work has spanned policy legislation for building and energy codes, urban transportation systems, implementation of Community Development Block Grants, and resiliency and mitigation planning for Florida municipalities. Taryn has extensive experience building partnerships between community members, organizations, and government leaders. She serves on several national advisory committees.

Hillsborough Area Rapid Transit TOD Grant: Value Added Perspective

Steve Schukraft, AICP, Planning and Urban Design Manager, HDR Inc.

Steve Schukraft is an accomplished city planner and urban designer with over 25 years of experience helping communities enhance livability, improve mobility, and encourage more sustainable patterns of growth and development. He has managed a range of community planning, urban design, and transit-oriented development projects; led dozens of planning charrettes and workshops; and designed and managed large-scale community visioning and goal setting initiatives. He is the primary author of several new urbanist and transect-based plans and codes; including the H Street NE Strategic Development Plan for the District of Columbia; the Clarendon Metro Sector Plan in Arlington, VA; form-based codes for Downtown Clearwater, Iowa City, and Gulfport, MS; and TOD guidelines for Dallas Area Regional Transit. He currently manages the Tampa Streetcar Extension and Modernization Study and the HART TOD Pilot Project in Tampa. Prior to entering consulting practice, he was Program Coordinator for the Mayors Institute on City Design, an award-winning educational initiative of the

National Endowment for the Arts, and Project Manager for the Florida Center for Community Design and Research at the University of South Florida. Mr. Schukraft holds a Master of Planning from the University of Virginia, completed graduate study in architecture at the University of South Florida, and received a Bachelor of Arts in Political Science from University of South Florida.

Geoff Dickinson, AICP, Senior Vice President, SB Friedman, Development Advisor

Geoff Dickinson is a real estate and economic development advisor with expertise in market analysis and development strategy, public-private development finance, financial gap analysis, and special district establishment. Geoff provides market-based development strategies to public, private and institutional clients that are implementable. His experience includes conducting a customized market analysis to account for the significant development potential to be generated by a planned light rail line in Hennepin County, Minnesota, and leading a market analysis along the US 19 commercial corridor in Pinellas County, Florida. Geoff is a Series-50 Qualified Municipal Advisor Representative.

Optional Pre-Meeting Network sessions

Dayna Lazarus, Hillsborough Metropolitan Planning Organization (MPO), hosted a Word Cloud activity and conducted poll questions.

Welcome and Opening Remarks

Jay Collins, Hillsborough County Planning Commission, welcomed guests and explained procedures for participation in the workshop. He introduced Melissa Zornitta, Executive Director of the Hillsborough County City-County Planning Commission, and Rich Clarendon, Assistant Executive Director of the Hillsborough Metropolitan Planning Organization.

After welcoming participants, Melissa explained the reasons why they decided to host this workshop. About two years ago, the Planning Commission, the MPO, and the Hillsborough River Board put together, for the first time, a joint Strategic Plan. Some of the priorities within the plan were looking at how to better link land use and transportation and how to enable transportation choices. Specifically, one of the strategies they wanted explored was looking into new ways to fund transportation choices, including how to create more private sector partnerships or value capture of new or redeveloped property around transportation improvements. This gets to the heart of how we can leverage our transportation improvements to create the type of land use we want to see in a certain area and how we can further leverage that to create a funding source. As everyone here knows, finding a dedicated funding source to support infrastructure is something our community has struggled with over the years. We're excited to have this conversation today, to have a great panel of experts who can share not only what is happening in our community, but across the nation, and to get your input through the breakout sessions. Melissa encouraged everyone to participate and provide their input during the breakout sessions. The workshop is being recorded and the presentations will be made available on our website afterwards.

Rich stated the funding struggles Melissa mentioned are indicative of what needs to be considered when putting together the Long-Range Transportation Plan (LRTP) for 2045, called "It's Time Hillsborough". This was premised on the All for Transportation Surtax which was the subject of a referendum almost two years ago. He shared some factoids: The Surtax was expected to add about \$10 billion to our transportation funding over a 20-year period, which is almost 50% more than we take in now. This is a significant amount of money and without it we can't do what we had planned to do, so it's important to understand the consequences. The LRTP is based on four performance-based programs. Under the Good Repair and Investment Program, we could resurface all of our roads on a regular 17-year cycle; without the surtax, we can only do about 60% of that amount. For Stormwater and Drainage Improvements to protect

the highly vulnerable and critical roads, without the surtax, we are looking at a \$94 million shortfall. In the Vision Zero (Safety or Crash Reduction Program), with the surtax, we might be able to afford streetlights on major, unlit roads for about 500 corridor miles; without the surtax, we wouldn't be able to do any of that. With the surtax, we might be able to fill in about 1,400 miles of sidewalk gaps; none without it. For Smart Cities (technology and congestion relief) program, we can afford approximately 220 miles of network coverage; without the surtax, only about 130 miles. In the Real Choices When Not Driving category, we would be able to afford 800 miles of more frequent bus service on transit corridors; and without it, only 300 miles. With the surtax, we could build 150 miles of bicycle/pedestrian trails and side paths; without the surtax, only about 50 miles. As you can see, the surtax funding does make a difference and the limitations are significant on how we can shape our transportation system in the future and how we'll perform in the future. This is why we are so interested in "out of the box thinking" and looking at funding alternatives like value added and value captured strategies.

Topic 1: Intro to Value Added Strategies - Defining Value Added projects and examples of successful implementation about the U.S.

Mark Hafen, Program Director Urban & Regional Planning – USF, presented **Plan Hillsborough/USF VAMS**.

Dr. Victoria Perk, Program Director of Transit Research – USF/CUTR, presented **Transit Impacts on Property Value Capture**.

Austin Gible, Project Development Planner for IndyGo, presented **A Holistic Approach to Transit and Land Use in Indianapolis**.

Darnell Grisby, Director of Policy Development and Research, American Public Transit Association (APTA), presented **Transit, Property Values, and Social Equity**.

Questions/Discussion:

Ronald Weaver asked: Please define "Closer" re: premium.

Dr. Perk answered Ron Weaver's question, "closer" means something slightly different in different studies. It can be looking at different buffers around a corridor and comparing results within 1/4 mile ring around stations, between 1/4 and 1/2 mile, greater than 1/2 mile, etc. It can also mean looking at the distance of a property to the nearest station incrementally, every 500 meters, 1000 meters, etc.

Mouyid Islam asked: How IndyGo performance measure changed over time with a reasonable time period in terms of equity and demographics? Wondering how much equity is reflected in IndyGo service coverage?

Austin answered: When we redesigned our system, which hasn't been implemented yet and the design is still on paper, it was a 80/20 split of frequency versus coverage. Making sure the critical connections between the populations that need them (historically disadvantaged) to the centers was of critical importance. I don't know off the top of my head the specific baseline numbers we used but I can put you in contact with someone that can talk to you about that.

The **first breakout session** was to answer the question: "How does your job or sector relate to value capture?"

Group facilitators shared something they brought back from the breakout session:

- ❖ Group 6 (Dayna): The value added professional in their group mentioned in order to push policies through and get programs going that public engagement is key to make sure the goals of the community are taken into consideration so there is buy in from the very start
- ❖ Group 1 (Allison): CRA Manager, Mr. Johnston, shared the development along Nebraska Avenue - when the BRT lines went in, it had a great impact on their property values and they are seeing a continued increase in that, so we need to consider the interaction of that. This is a great example here in Tampa of the impact of value capture.
- ❖ Group 2 (Jay): They had a very good conversation about the dance between private market and the government's intervention in it and it's not the right thing for everybody. Meaning what happens here might not be the same thing that happens in California or New York or Texas. It's going to be a little different for every area.
- ❖ Group 4 (Mariann): This group was a great mix of people. One of the things that came out of their group was data collection, really understanding where we are now with factual data that will inform our efforts going forward. Also collaborating across agencies and really focusing on our role as educators and facilitators, bringing everyone together, understanding where we are, what the picture is today to really move these ideas forward. Data collection, dissemination, collaboration and education.
- ❖ Group 5 (Katrina): Ray Chiamonte, part time Realtor and consultant, brought up one of the things he finds important is letting every day folks in the real estate and other professions know the importance that transit can add to property value and how that relates to our projects and initiatives we are trying to push forward.
- ❖ Group 3 (Mark): In addition to the public engagement component, they felt involving the public in scenario planning and getting out in front of trends so that decisions can be made before some stuff happens. Before a public announcement about a transit line, do some of the things necessary to prevent the gentrification and displacement before it happens.

Topic 2: Value Added Strategies at the Local Level – Identifying and leveraging unique opportunities and challenges in Hillsborough County.

Nicole McCleary, Senior Project Manager, HART, introduced the following presenters:

Taryn Sabia, Director, Florida Center for Community Design & Research, USF, presented **Transit Oriented Development and Tampa Bay: An Overview.**

Steve Schukraft, Planning and Urban Design Manager, HDR, Inc., and Geoff Dickinson, Senior Vice President, SB Friedman, presented **Hillsborough Area Rapid Transit TOD Grant: Value Added Perspective**.

Ms. McCleary invited participants to visit the project website where they can find more information on stakeholder working group meetings.

Questions/Discussion:

Ronald Weaver asked: Steve, when will BRT go up Florida further to Fowler as those car dealerships fade into prime redevelopment, almost greenfields, albeit paved at moment?

Steve answered this will be a challenging question throughout the course of this study. It's been about 15 years since he worked on the metro plan in Arlington, VA, and there is significant potential for density intensity along this corridor and there are still used car lots within walking distance of the Clarendon Metro Station. It is one of the hottest real estate markets in the entire east coast of the United States and there are still small-scale used car lots. The basic caution is it's not just about throwing density at these projects, there are still some fundamental market conditions that we will have to grapple with if they are going to move. Looking at Florida Avenue, north of Linebaugh, one of the reasons HART looked at shifting the BRT line to Nebraska is because a lot of the car dealerships have seen significant new reinvestments in those facilities so they're not going to turn in the next 5-10-20 years unless the market becomes so strong that that needs to happen. Another thing that happens is the neighborhood density declines pretty significantly. We move from prewar density and intensity south of the river to north of the river, which is 1960-1970s era of development, so the density probably drops by about 1/3 so the distances are greater. The footprint of the larger car dealerships on Florida are much deeper so we're looking at 1000' deep lots, and the neighborhoods are low density. We're already pushing people further distances from access and we think we can pick up more ridership and more development potential along the Nebraska stretch.

Geoff added he was working on a proposed light rail line in northwest suburban Minneapolis. He interviewed the owner of a Lexus dealership that was located right where the station was going to be. The owner didn't want to move because his largest clientele was Lexus owners and they all lived within 10 minutes of his dealership. Car dealerships make more money fixing cars than selling new cars.

The **second breakout session** was to answer the question: "What other opportunities do you see to utilize value added strategies in Tampa Bay? What is feasible locally?"

Group facilitators shared something they brought back from the breakout session:

- ❖ Group 1 (Allison): We had a great discussion regarding CRAs and what would be the right approach. Our takeaway was these techniques need to do a multi-prong approach.

We could focus on south of the river but an area like USF which has a built-in population that is desiring more transit might a good area to start. We wanted to emphasis looking for an opportunity where there are already larger parcel sizes because parcel assembly is one of the largest challenges to developing this. Taryn mentioned if we looked at her study corridor, if all those areas were defined as CRAs those are already going to be viable areas to use some of the tools we talked about, including the tax and amendment financing.

- ❖ Group 2 (Jay): We acknowledged the fact that the City of Tampa and unincorporated Hillsborough County's Comprehensive Plans do have transit oriented development policy language already in them which is something the grant is looking at now, but we all acknowledged the fact that we don't quite have the transit to go with that policy. Some of that was shown in the Steve and Geoff's presentation. They also talked about other forms of value capture that are good for our community such as the River Walk, sidewalks, bicycle trails, and bicycle infrastructure, that if done right, can contribute to building the transit so we'll see some of that development potential in our neighborhoods with transit routes.
- ❖ Group 3 (Mark): In some of these planned TOD Districts, do we already have the existing utility infrastructure in place? A lot of them are in areas with septic tanks and they're not on sanitary sewer systems which can really increase the cost of development in those districts to make it not as financially enticing. Another thing discussed was a way of enhancing transit and bringing more people in is to take advantage of the fact that USF is a leader in developing autonomous shuttles which can create feeder routes to boost ridership and extend the TOD shed. Trying to find balance in the parking policies within the TOD where developers are happy because parking is limited, and lenders are happy because you have enough parking. Trying to put that flexibility in there. Third, capturing stuff around other transportation infrastructure investments beside transit, especially outside of CRAs. Capturing tourism, hotel taxes, etc.
- ❖ Group 4 (Dayna): This group feels the TOD is going to be difficult to pull off here due to all the needs we would have to implement, so the importance of partnerships, especially with the County, was mentioned. They discussed the naming rights of the BRT in Cleveland to create a good sense of place and to make the BRT line unique (called the Health Line) so they discussed how that can be done here to get business interest, like with the Moffit Cancer Center or sport teams. They also discussed the River Walk as a potential place to do value capture.
- ❖ Group 5 (Katrina): They discussed opportunities and challenges a lot. Some of the challenges mentioned were some limited opportunities under Florida Statute and concerns on new CRA districts, mainly the concern they are pulling money away from other places. There is a lot of consensus building needed to get the right tools in a situation. They discussed how much is too much from a developer's perspective and offsets to what they pay in impact fees. They discussed opportunities from the Fowler Avenue/USF area. There is a lot of excitement in the community there and communication with FDOT and the County. Looking at other modes and investments that might trigger an increase in property values, such as trails similar to Pinellas Trail.

Summary Panel Discussion with audience participation

Melissa Zornitta was the moderator for the discussion. She was given a list of the questions placed in the Chat box.

What are the key takeaways of the day and what are the future opportunities?

General Questions

- *Lisa Nisenson:* I am super interested in how localities and agencies are rethinking investment over the next year (and couple of years) given COVID-19's budget impacts... getting more for less? getting more of existing infrastructure? Totally pivoting to bold new ideas? wait and see? data driven? what else?

Steve commented the focus has been in a lot of practices on how to use public space more effectively by recapturing sidewalk, street and parking space so people can social distance outside and still live some form of an urban social life. He has seen it on that end of the spectrum but is not sure specifically how the real estate community is going to adapt to this but they've had some discussions about companies thinking more about their outdoor space, how the building's address streets and sidewalks and the possibility for a little more open space for outdoor use, specifically for employees to get out of the office to get fresh air. It is expected to change and a lot of the speculative literature is focusing on this type of thing, but he's not sure if it's ripe enough of an idea to have been presented in a specific project or example, but it's beginning to affect early concept thinking about projects that are in the pipeline.

Geoff added he heard about it happening inside of buildings but the architectural solutions to some things, but the land use policies for 20-30-100 changes, people are worried about how sticky the changes are going to be. Is this a one-year problem or a 100-year problem? That's not clear yet.

Nicole added at HART it has really changed how their ridership travels. They are on a modified Sunday schedule, buses aren't running as often and riders have to be social distancing which causes issues, especially at rush hour. They often have to send other buses to pick up people that couldn't be on another bus because there wasn't the space to accommodate them. It's really changing how people travel back and forth to work and how they get around. They are really wanting regular service back but the ridership numbers aren't up. When will those numbers start rising? HART is looking at a lot of factor of how they can sustain transit while still providing good service.

Steve said they have seen streetcar decline in recent years with improved service and reduced fares, but it's already recovered to its pre-free fare numbers. It's recovered to where it was pre-pandemic and before free fares which is a good sign. People have adapted enough so they are back on it to a certain extent which is back to 2017/2018, before the FDOT grant in 2019 allowing for free service. That's a good sign that people haven't abandoned the system. It's not at its best numbers but it's also not bad historically, compared to the last ten years of service.

Nicole agreed and said HART's ridership has been creeping up slowly in the last month on the local routes.

Melissa was glad to hear this and stated one of the discussions in the Planning Commission has been the future of retail. There are a lot of requirements, in certain areas, for ground floor retail, and the mixed-use structures, and is this necessarily the right thing? She feels this will need to be looked at in the near future – whether or not those requirements are still sustainable and appropriate given the changes in the market.

- *Jonah Katz:* I think from my perspective (Economic Development department) I'm wondering about increased value in mobility/transit investment in terms of commercial/industrial property. Does mobility accessibility improve a business properties value in terms of worker recruitment / efficient operations / attractive location?

Mark Hafen: Reported on the South Lake streetcar study in Seattle. In addition to working with developers and landowners in the area to make sure there is affordable housing available, the line also connects warehousing and other non-residential type properties, so they looked at it as a way of servicing workers in that area. Just because there isn't a residential population there to utilize the transit, doesn't mean there aren't people who would. These land uses are separated from residential land uses, but they still offer the opportunity for some ridership that made it feasible to do that.

Questions Specific to Dr. Perk

- *Ronald Weaver:* Please define "closer" re: premium

Victoria Perk's response: To answer Ron Weaver's question, "closer" means something slightly different in different studies. It can be looking at different buffers around a corridor and comparing results within 1/4 mile ring around stations, between 1/4 and 1/2 mile, greater than 1/2 mile, etc. It can also mean looking at the distance of a property to the nearest station incrementally, every 500 meters, 1000 meters, etc.

Justin Willits, discussion in chat: A good example of the "closer" concept (and how I think of it as a transit planner) is our traditional walkshed of 1/4 mile, with bike/scooter access that can really become a mile or even more if you compare travel times. This would in effect increase access for many (without mobility challenges) to services, particularly in areas like ours that are mostly single-family housing, with a climate that doesn't always encourage longer walking trips.

Questions Specific to Austin Gibble

- *Mouyid Islam:* How IndyGo performance measure changed over time with a reasonable time period in terms of equity and demographics? Wondering how much equity is reflected in IndyGo service coverage? Thanks.
- *Ronald Weaver:* What anti-gentrification subsidies like Clyde Higg at Atlanta Beltline?

Questions Specific to Darnell Grisby

- *Ronald Weaver:* Darnell, what tipping point of tourists critical mass use percentage of the transit, to trigger that room rate value boost? What are percentages carve outs of 42 percent are office for example are OTHER nontransit value boosters and how do you separate and measure those vs transit proximity Victoria mentioned three like good schools, etc. What are yours?

- *Lisa Nisenson:* In addition to the tourism questions for Darnell - if anyone has studied same proximity to transit for Airbnb rates. Since many cities collect tourism tax on these services, it becomes part of that revenue pool. Thanks!

Questions Specific to Taryn Sabia

- *Lisa Nisenson:* Arlington's strategy of intensifying transit corridor was a deal with single family neighborhoods (the County set growth boundaries across which density would not spread). Wondering if this is a strategy elsewhere since NIMBYism is formidable?

Taryn replied it is, and it comes down to priorities because (connection broke up). With Arlington, it was about being able to have that transit. They wanted to preserve the neighborhoods so they focused the density fairly tightly around the transit nodes where it would be stopping. It was effective there to be able to do it. They stepped down into the neighborhoods and there's a respectful step down in the density. In other words, it's tallest in the center around the transit node, then it gradually steps down in the single-family neighborhoods that are there. But with 73% of the people who use the stations walking to them and more than 53% of the area utilizing them, it shows there is a great desire to have it. Having the transit nodes there improved the property values even more than they already were in Arlington. It does take a little bit of education and leadership in setting the priorities for those areas. Melissa added having the right station area type you are planning for will help scale it to what the neighborhood is. She can see some places along the BRT lines in Tampa working in a larger scale and some focused on a smaller radius around the station. Taryn agreed that some will be in a smaller and some have a tighter, compact commercial core just down the street right next to your stop. In some areas, the focus might be just the stop itself. Others might have the larger TOD developments.

Questions Specific to Steve Schukraft

- *Ronald Weaver:* When and how with funds from where should we go over River from Palm station thru W River to Airport? My Tomahawk question again or T like Boston. When will BRT go up Florida further to Fowler as those car dealerships fade into prime redevelopment almost greenfields albeit paved at moment? If it takes, Steve, 10 or 30 years to clear those car sale and car fix places, how can we light and decorate them as lures to walk sooner, like Conan posters in the empty seats etc.
- *Justin Willits, discussion in chat:* That has been discussed as a long-term goal but not exactly a driver of ridership (or prime for redevelopment potential) in the short-term.
- *Ed Johnson:* Why was the Florida Ave corridor selected over Nebraska Ave when rapid bus transit was already developing?
- *Raymond Chiamonte:* How is this local BRT project being coordinated with the TBARTA Regional Plan?

Steve replied the HART BRT project is focused on land use and development along the corridor, so they, to a certain extent, inherited the planned corridor for this project. They have been following the decision process about why this corridor was selected. He noted, part of the project is intended to develop policies and strategies applicable to other corridors across the City of Tampa and the County, so part of their charge is to figure out what works for this corridor and because there are so many different conditions, that's not going to be a big lift, but the idea

is it would be applicable to other places, either as an approach to tackle TOD or tools that could be applied to other locations.

Justin stated FDOT's original scope for the project was to look at Florida, Nebraska and Fowler for BRT service. HART evaluated 17 different combinations of those corridors starting on Florida and Tampa logically, the travel east to Nebraska to get to Fowler. The top 3 corridors were Palm, Linebaugh, and Waters where we would cross over between corridors. Palm was seen as duplicative with the existing metro rapid system. The other 2 were moved ahead and Linebaugh was the highest scoring for a variety of factors. Some of the criteria were constructability and cost. As some of you know, the Florida/Tampa one-way pair are three lanes in one direction, they have too much capacity and not enough traffic and are really unsafe for everyone. The cost for repurposing one of the lanes is much cheaper and one of the factors that helped score that corridor so high. The existing ridership numbers were also scored. The TOD study happens to be applied to this corridor because it's the most active BRT project, but HART is very excited about the prospects of applying these recommendations to other corridors throughout the community along some of the historic premium transit lines have been identified for 20+ years. The value of this study will reach all over the service area. It just happens to be starting on this project.

For the regional transit discussion, Justin said he participates in the Executive Team Meetings for the Regional Rapid Transit study and coordinates regularly with them. WSP is the consultant for this study and are also the engineering sub-consultant on the arterial BRT studies. They are very much in tune with how one project can benefit the other. When they run the models for the ridership numbers always score better when both projects are run simultaneously so they really do feed off of each other, as well.

Mr. Weaver asked if there have been any recent discussions about switching from Florida to Nebraska due to Mr. Shaw's three Brightline sites which has resume in creating more racial and economic equity by going up Nebraska instead of Florida in order to create a straight shot from downtown to the three Brightline locations which would create a connection to Orlando, Miami and the rest of the world by Brightline. Justin replied no, but that is always on their mind. There are discussions regarding Nebraska generally. They would definitely like to enhance the metro service there and dedicated lanes are needed for more priority. As far as he knows, HART isn't involved in any of the Brightline discussions and he thought that was put on hold. Mr. Weaver stated there is a memo of understanding and Brightline is back, without Virgin. Mr. Weaver also commented the streetcar doesn't do a loop, it goes to Palm like a horseshoe from Ybor and there isn't an easy way to get from Nebraska to Florida, which is why he spoke about the racial and economic inequities. If the first couple of miles are on Florida instead of Nebraska, that Nebraska neighborhood is being robbed for the first three miles north of Encore and now there's Brightline. Justin stated there is a lot of East Tampa service that comes through that specific area, at the intersection of 7th and Nebraska, at Nuccio. One of the enhancements HART would like to make is to Route 5, which connects Florida Avenue, from Palm over to Nebraska, which is currently a 30 minute service. If they can get that down to 15 minutes, that will probably be an improvement. HART also crosses Floribraska with Route 6 as one of their frequent services, so they have really good connection from east to west between these corridors, and they're always looking to improve. Basing their project decisions on high speed rail, as they've learned in the past, may not be the wisest thing to do for their short-term transit network needs, but they are definitely keeping it in mind for the long term.

Closing

Melissa thanked panelists for their presentations and everyone for their participation. Dayna conducted the final poll question asking if participants have a better understanding of what value added/value captured means and what it can do after participating in this workshop. She stated a follow up with survey will be sent out.

Katrina added this session was worth 3 points ACPM credits. Allison commented this presentation and panelists biographies will be sent out to participants and information from this workshop will be added to the USF Value Capture Study.

Follow Up:

- *Ronald Weaver:* Requested a slide after Rich's introduction.
 - Response: <http://www.planhillsborough.org/wp-content/uploads/2020/07/ExecSum-LRTP2045-HMPO-032020-4.pdf>

Appendix III: Value Added Mobility Study Knowledge Exchange

Sept. 25, 2020

Questions from Participants—Compiled by Katrina Corcoran, Planning Commission

General Questions

- *Lisa Nisenson*: I am super interested in how localities and agencies are rethinking investment over the next year (and couple of years) given COVID-19's budget impacts... getting more for less? getting more of existing infrastructure? Totally pivoting to bold new ideas? wait and see? data driven? what else?
- *Jonah Katz*: I think from my perspective (Economic Development department) I'm wondering about increased value in mobility/transit investment in terms of commercial/industrial property. Does mobility accessibility improve a business properties value in terms of worker recruitment / efficient operations / attractive location?

Questions Specific to Dr. Perk

- *Ronald Weaver*: Please define "closer" re: premium

Victoria Perk's response: To answer Ron Weaver's question, "closer" means something slightly different in different studies. It can be looking at different buffers around a corridor and comparing results within 1/4 mile ring around stations, between 1/4 and 1/2 mile, greater than 1/2 mile, etc. It can also mean looking at the distance of a property to the nearest station incrementally, every 500 meters, 1000 meters, etc.

Justin Willits, discussion in chat: A good example of the "closer" concept (and how I think of it as a transit planner) is our traditional walkshed of 1/4 mile, with bike/scooter access that can really become a mile or even more if you compare travel times. This would in effect increase access for many (without mobility challenges) to services, particularly in areas like ours that are mostly single-family housing, with a climate that doesn't always encourage longer walking trips.

Questions Specific to Austin Gibble

- *Mouyid Islam*: How IndyGo performance measure changed over time with a reasonable time period in terms of equity and demographics? Wondering how much equity is reflected in IndyGo service coverage? Thanks.
- *Ronald Weaver*: What anti-gentrification subsidies like Clyde Higg at Atlanta Beltline?

Questions Specific to Darnell Grisby

- *Ronald Weaver*: Darnell, what tipping point of tourists critical mass use percentage of the transit, to trigger that room rate value boost? What are percentages carve outs of 42 percent are office for example are OTHER nontransit value boosters and how do you separate and measure those vs transit proximity Victoria mentioned three like good schools, etc. What are yours?
- *Lisa Nisenson*: In addition to the tourism questions for Darnell - if anyone has studied same proximity to transit for Airbnb rates. Since many cities collect tourism tax on these services, it becomes part of that revenue pool. Thanks!

Questions Specific to Taryn Sabia

- *Lisa Nisenson:* Arlington's strategy of intensifying transit corridor was a deal with single family neighborhoods (the County set growth boundaries across which density would not spread). Wondering if this is a strategy elsewhere since NIMBYism is formidable?

Questions Specific to Steve Schukraft

- *Ronald Weaver:* When and how with funds from where should we go over River from Palm station thru W River to Airport? My Tomahawk question again or T like Boston. When will BRT go up Florida further to Fowler as those car dealerships fade into prime redevelopment almost greenfields albeit paved at moment? If it takes, Steve, 10 or 30 years to clear those car sale and car fix places, how can we light and decorate them as lures to walk sooner, like Conan posters in the empty seats etc.
- *Justin Willits, discussion in chat:* That has been discussed as a long-term goal but not exactly a driver of ridership (or prime for redevelopment potential) in the short-term.
- *Ed Johnson:* Why was the Florida Ave corridor selected over Nebraska Ave when rapid bus transit was already developing?
- *Raymond Chiaramonte:* How is this local BRT project being coordinated with the TBARTA Regional Plan?

Follow Up:

- *Ronald Weaver:* Requested a slide after Rich's introduction.
 - Response: <http://www.planhillsborough.org/wp-content/uploads/2020/07/ExecSum-LRTP2045-HMPO-032020-4.pdf>