

# A New Tool for Tracking Home and Rental Values in TODs

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Founder:

TOD Group  
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Denver TOD Fund

RENNE-GRESCHNER

**TOD**  
INDEX

The logo for the TOD Index features the letters 'TOD' in a large, bold, green font. The letter 'O' is replaced by a circular icon containing a stylized cityscape with three buildings, a green line graph with an upward-pointing arrow, and a green leaf. Below 'TOD', the word 'INDEX' is written in a smaller, grey, sans-serif font.

Why do we need better ways  
to track values in rail station  
areas, including TODs?

APR 2, 2017 @ 12:30 PM 1,485

12 Stocks to Buy Now

## Trump's Proposed Transit Funding Cuts Are A Great Start On De-Federalizing Local Spending



**Jeffrey Dorfman**, CONTRIBUTOR

*I use economic insight to analyze issues and critique policy.* [FULL BIO](#)

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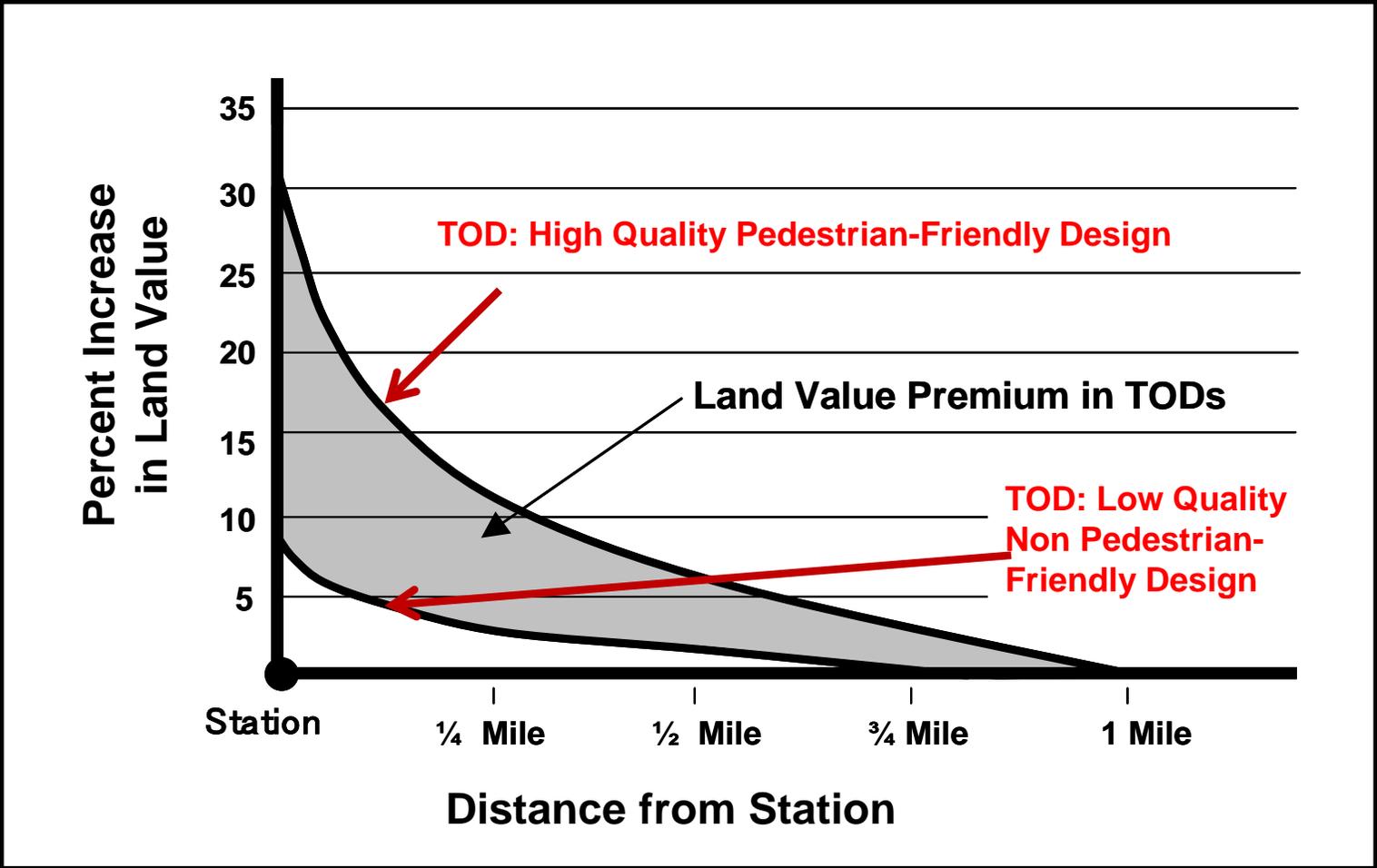


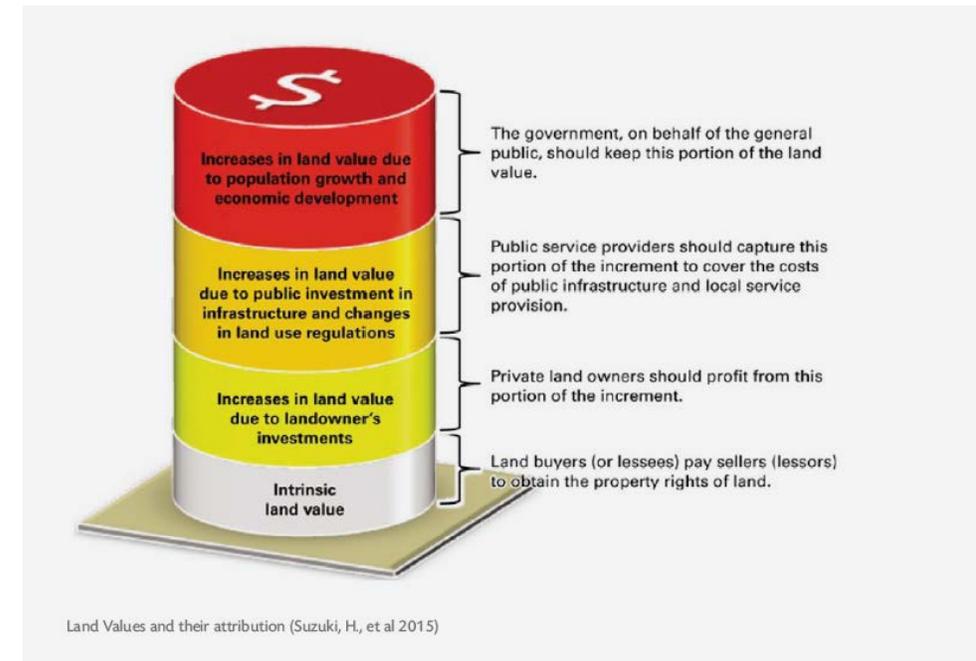
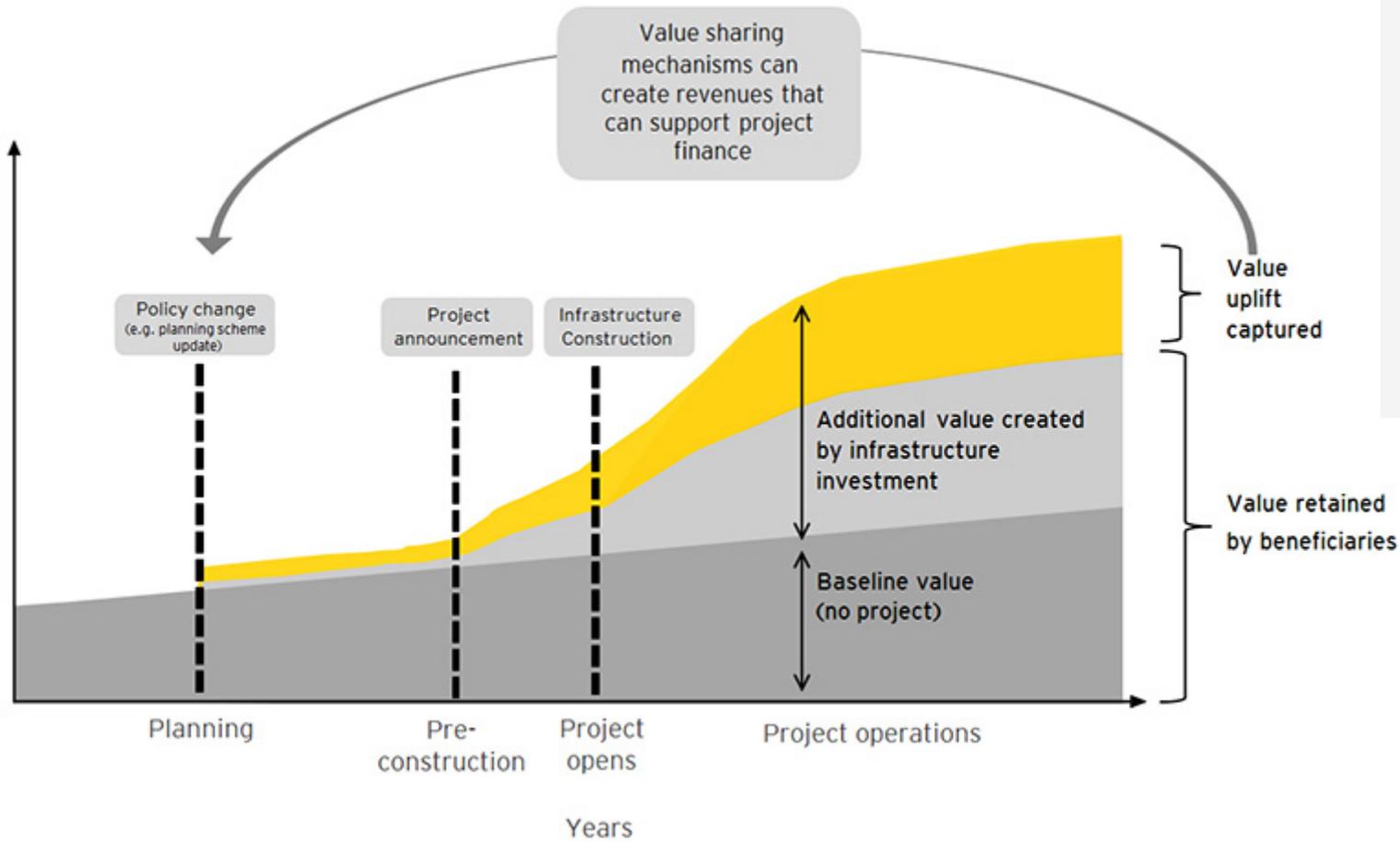
The federal government should stop being used as an enabler to higher local government spending.

# 1. Transit agencies are looking for new revenue sources – value capture

## Comparing House & Senate 2018 appropriations

|                           | Enacted 2017 levels    | President Trump's request for 2018  | House 2018 Appropriations | Senate 2018 Appropriations |
|---------------------------|------------------------|---|---------------------------|----------------------------|
| TIGER Grants              | \$500 million          | \$0   | \$0                       | \$550 million              |
| Transit Capital Grants    | \$2.4 billion          | \$0   | \$1.75 billion            | \$2.133 billion            |
| Amtrak & passenger rail   | \$1.495 billion        | \$795 million   | \$1.4 billion             | \$1.6 billion              |
|                           |                        | (All cuts come from eliminating federal funding for all long-distance routes) |                           |                            |
| <b>TOTAL THUD FUNDING</b> | <b>\$57.65 billion</b> | <b>\$47.4 billion</b>   | <b>\$56.5 billion</b>     | <b>\$60.058 billion</b>    |





TCRP RESEARCH REPORT 190

**Guide to Value Capture  
Financing for Public  
Transportation Projects**

Sasha Page  
IMG REBEL  
Bethesda, MD

William L. Bishop  
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*Subject Areas*  
Public Transportation

Research sponsored by the Federal Transit Administration in cooperation with the Transit Development Corporation

 TRANSPORTATION RESEARCH BOARD  
The National Academies of  
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2016

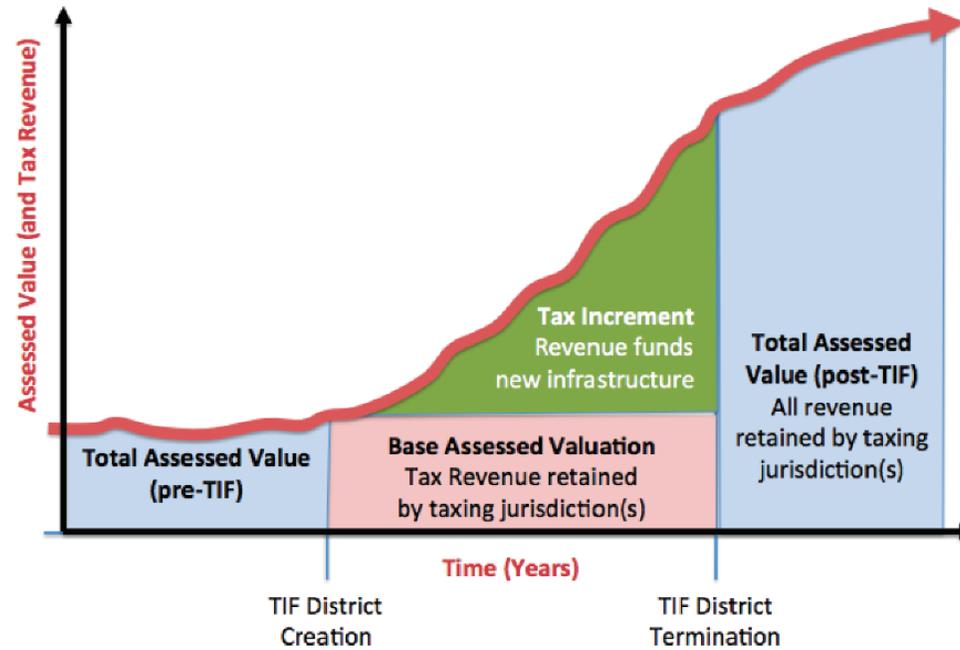
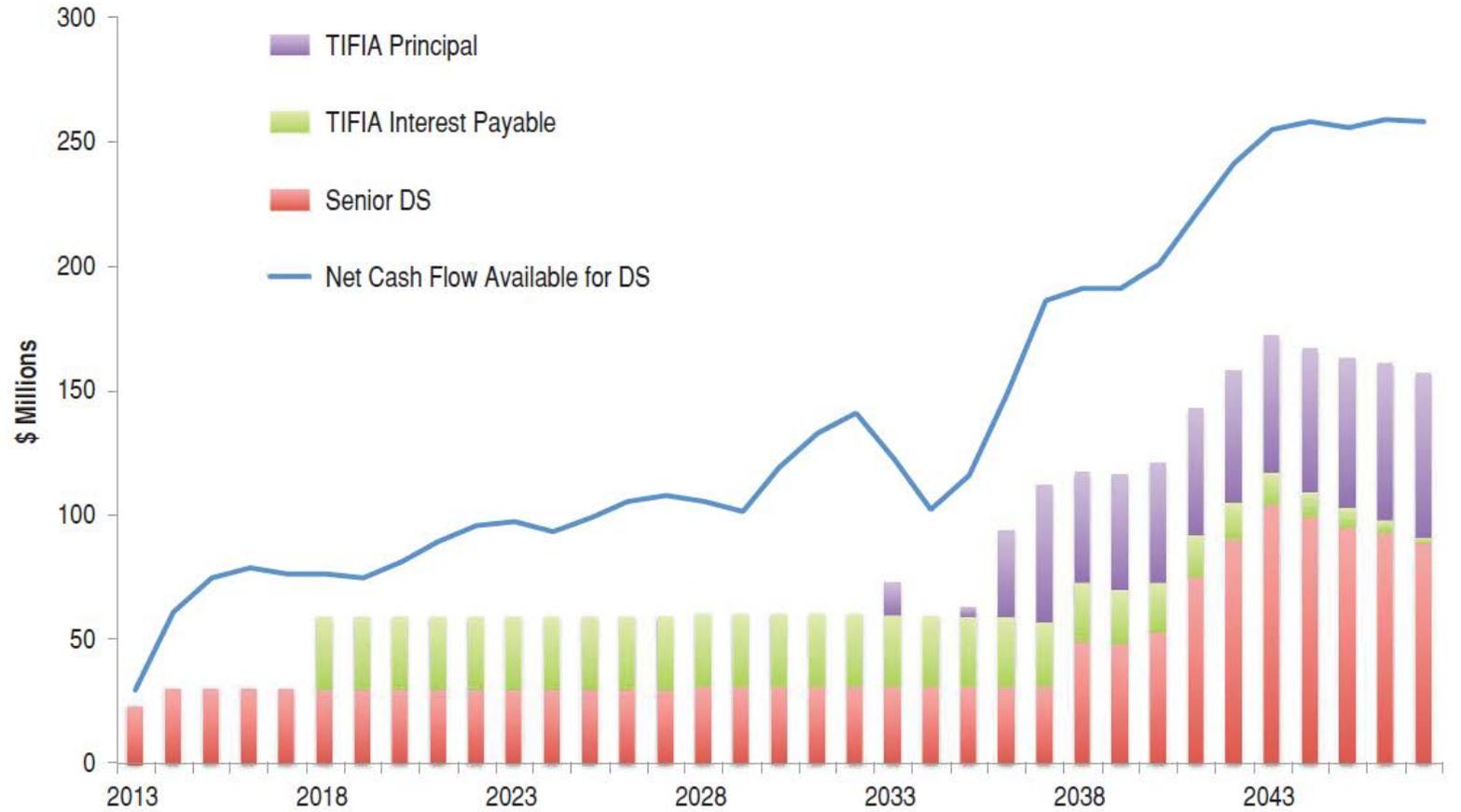


Figure 10. Tax increment finance value capture mechanism.

# 2. New federal loan tools for TOD – TIFIA & RRIF Loans



Note: DS = debt service.

Figure 15. Illustration of typical TIFIA loan cash-flow features.

# TIFIA & RRIF Financing: Purpose and Benefits

## Purpose

- Fill financing gaps left by private capital markets
- Leverage federal funds by attracting substantial private and other non-Federal co-investment

## Risk

- Federal Government takes on lending risk
- Provides same low interest rate to all projects

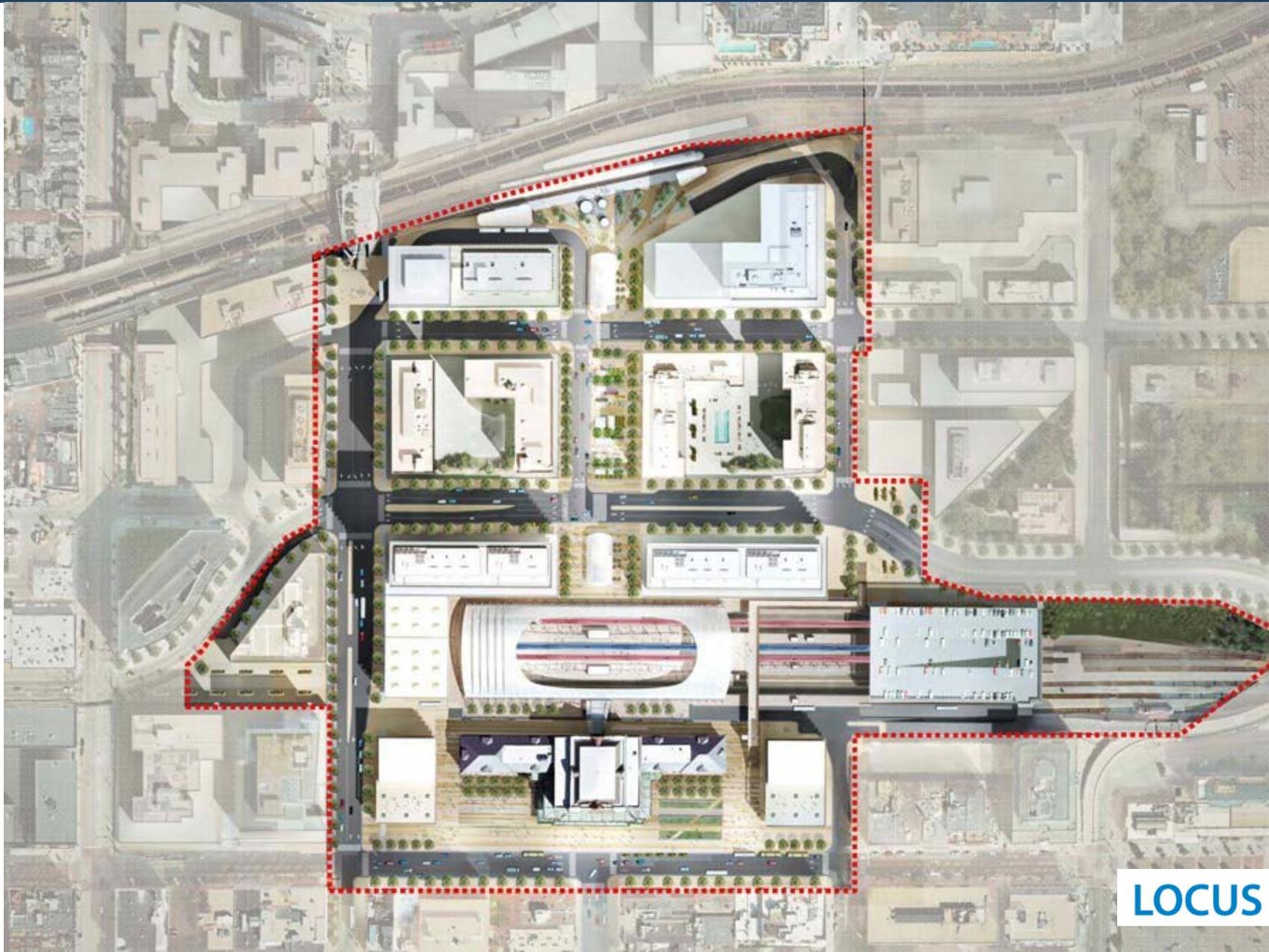
## Cost

- Low interest rate offered even when TIFIA loan is subordinate or senior debts receive a credit rating below AAA

## Flexibility

- Loans are repaid once construction is completed
- Repayment may be delay for additional 5 years following construction
- Loan payments sculpted to match project revenues

# Power of Value Capture - Denver Union Station



Source:

**LOCUS**

 **Smart Growth America**  
Making Neighborhoods Great Together

# Power of Value Capture: Denver Union Station



20 acres of land redeveloped as a result of Union Station:

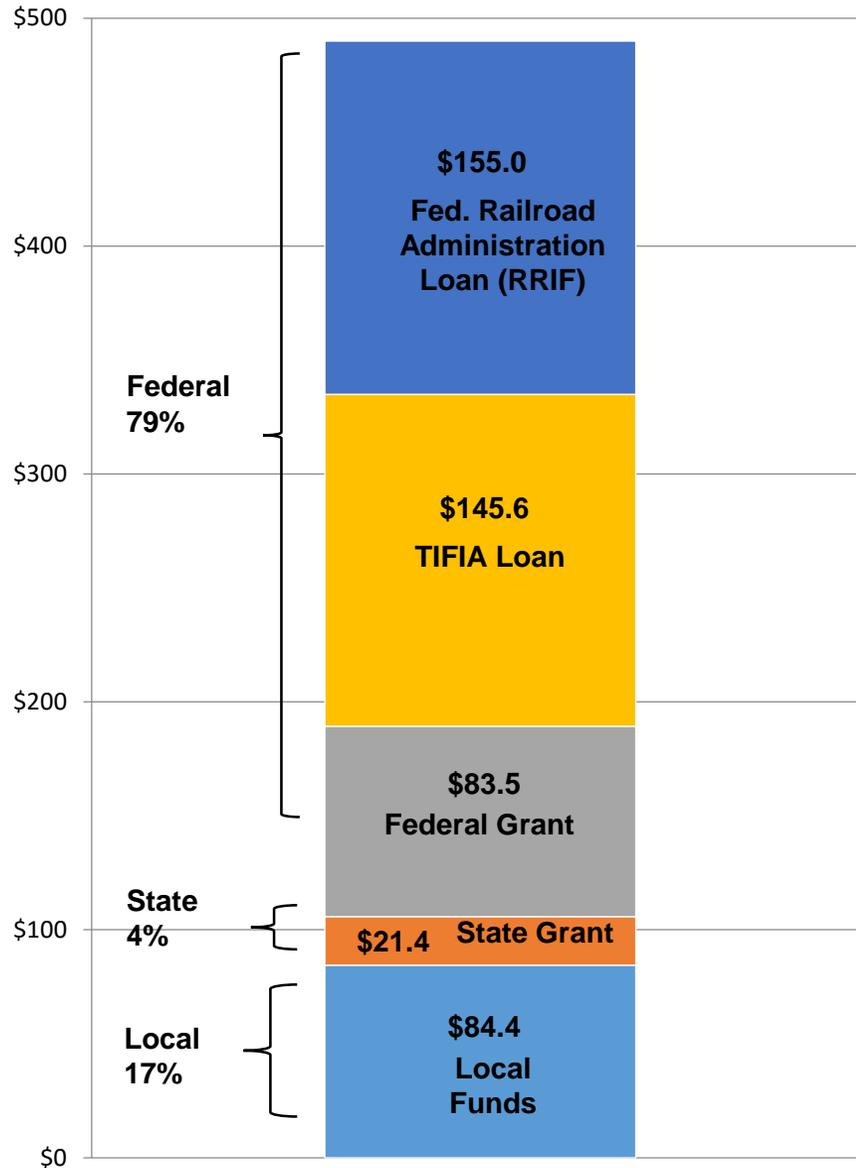
- 1 million square feet of office space
- 300,000 square feet of residences

- A business hotel of 120 -200 rooms
- 100,000 square feet of retail and other commercial uses



Source:

# Power of Value Capture - Denver Union Station



**Denver Region:** 2.6 million people

**FasTracks:** \$7.4 billion regional plan

- 122 miles of new commuter and light rail lines
- 18 miles of bus rapid transit,
- Major redevelopment of Denver Union Station

**Denver Union Station:**

- Only project to ever close both a TIFIA and RRIF loan
- Repayment covered by multiple sources of value capture and regional sales taxes
- Coverage ratio of nearly 2:1

**DUS Project Cost:** \$489.9 million

FEBRUARY 2016

# ENTREPRENEUR RAIL MODEL

A DISCUSSION PAPER



*Tapping Private Investment for New Urban Rail*

Prepared by Peter Newman, Evan Jones, Jemma Green and Sebastian Davies-Slate for Curtin University

## 3. Private Investment in Rail and TOD

Estimate  
**TRANSIT**  
numbers

Get  
**FINANCE/FUNDING**  
based on this

See what  
**LANDUSE**  
is possible

The Conventional Rail Model

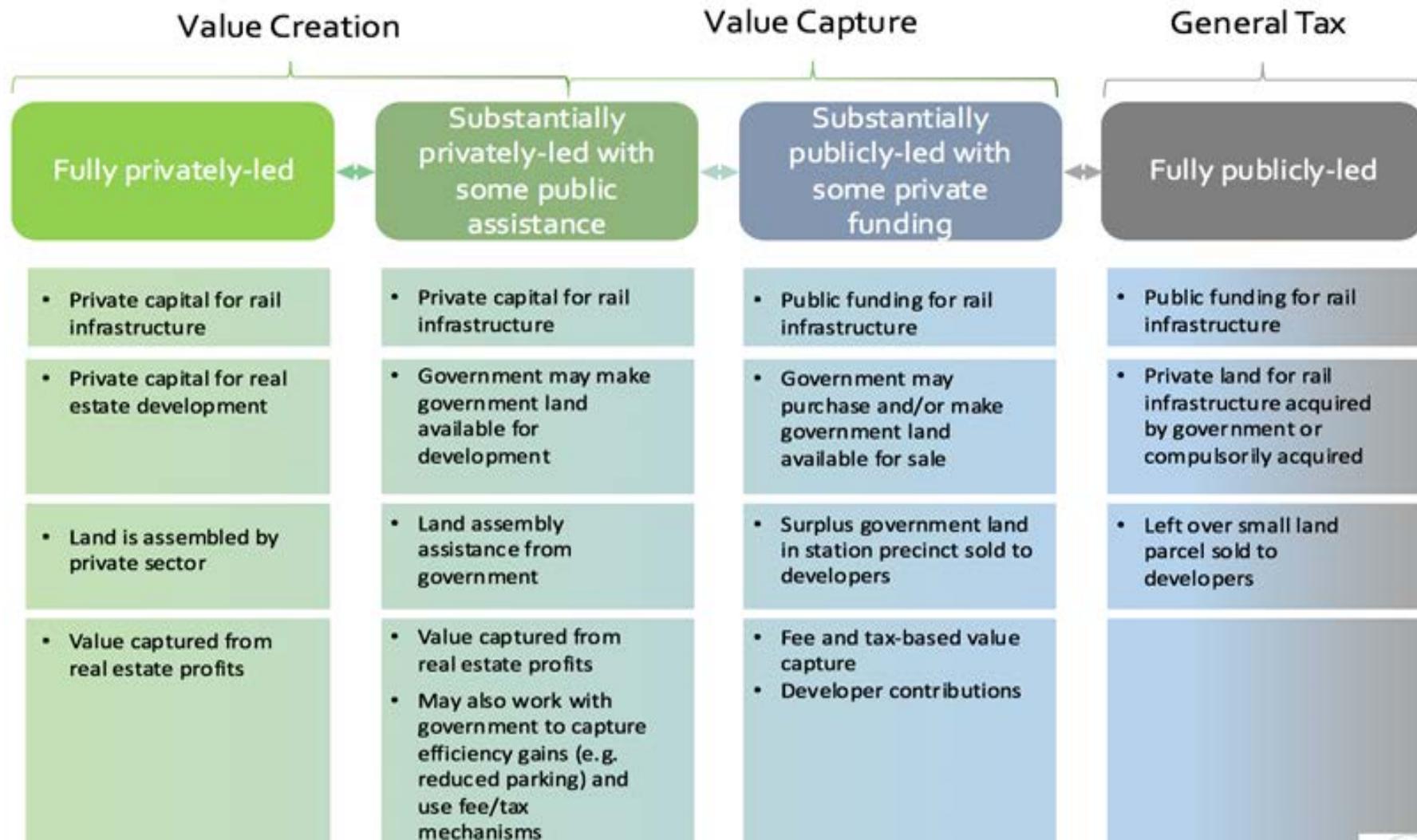
by turning the process on its head:

See what  
**LANDUSE**  
is possible

Get  
**FINANCE/FUNDING**  
based on this

Estimate  
**TRANSIT**  
numbers

The Entrepreneur Rail Model





# ALL ABOARD FLORIDA

*ALL ABOARD FLORIDA's* roots trace back to Florida trailblazer Henry Flagler, founder of the Florida East Coast Railway and the descendant companies that have provided rail service for over a century.

**100% PRIVATE**

This privately owned, operated and maintained passenger rail service will be running in 2014, at no risk to Florida taxpayers



**6,000 CONSTRUCTION JOBS FOR FLORIDIANS**

An additional 1,000 jobs will be needed to operate the rail service



**50 MILLION TRAVELERS**

The number of annual passengers who can benefit from rail service to travel between South Florida and Orlando in approximately three hours



**\$6+ BILLION\***

The amount of money traffic congestion costs Florida travelers each year due to 274 million hours in travel delays and 216 million excess gallons of fuel consumed

\*2009 annual figures from Texas Transport Institute's 2010 Urban Mobility Report



**3 MILLION CARS OFF THE ROAD**

Less highway use means taxpayer savings on reduced highway maintenance and repair



Frequent, regularly scheduled round trips daily



Gourmet meals and beverage service



Reserved business- and coach-service seating



Wi-Fi availability

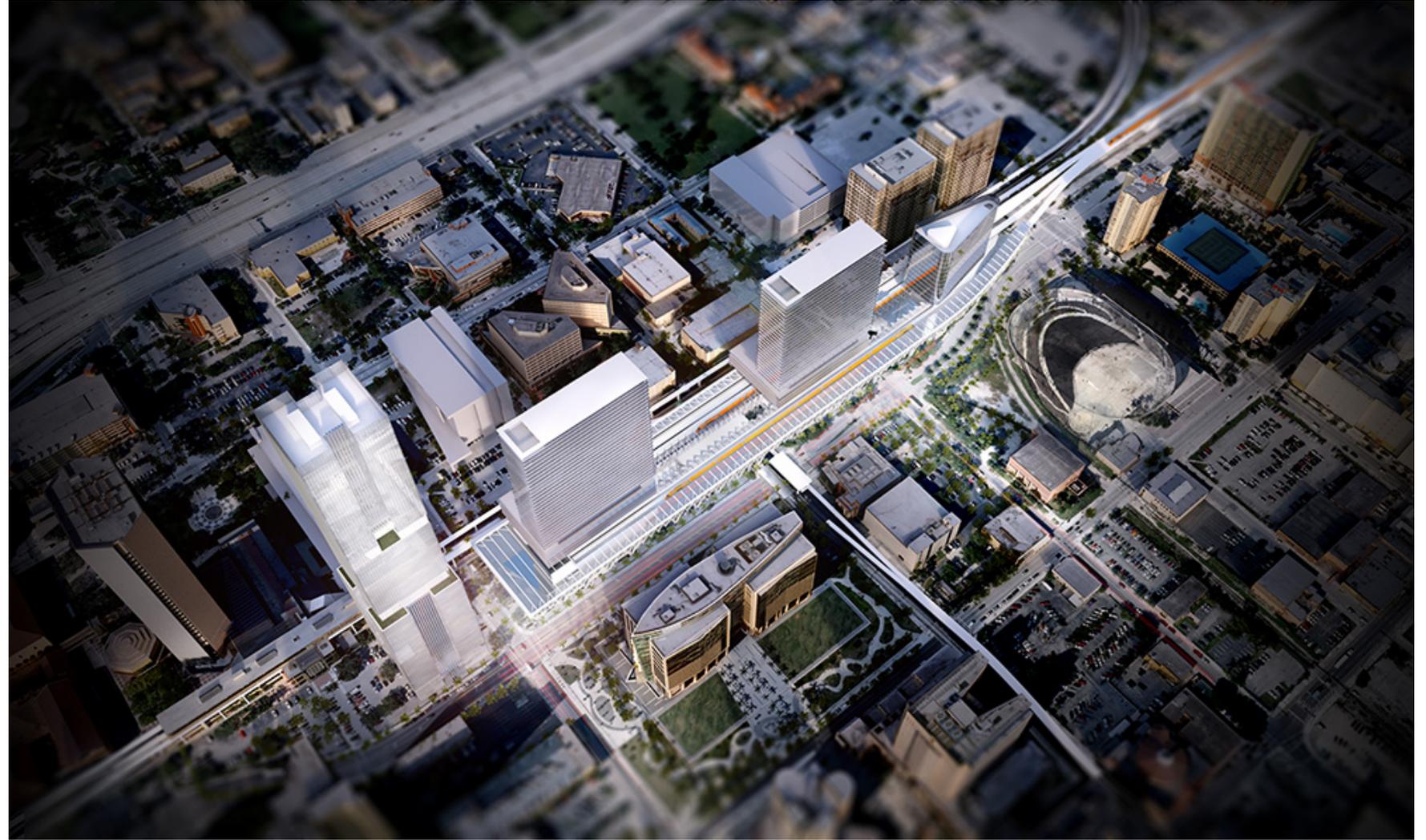


Access to major international airports, seaports and existing commuter rail systems like Metrorail and SunRail



# Downtown West Palm Beach Station

# MiamiCentral Station

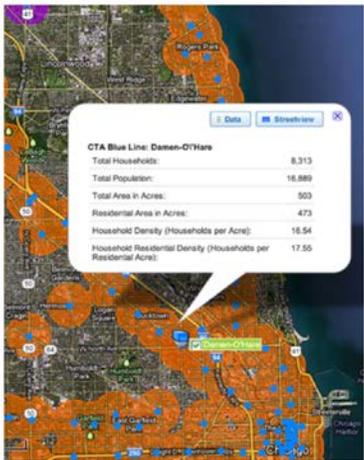


# National TOD Database



For more information about CNT, please [visit the CNT website.](#)

## TOD Database



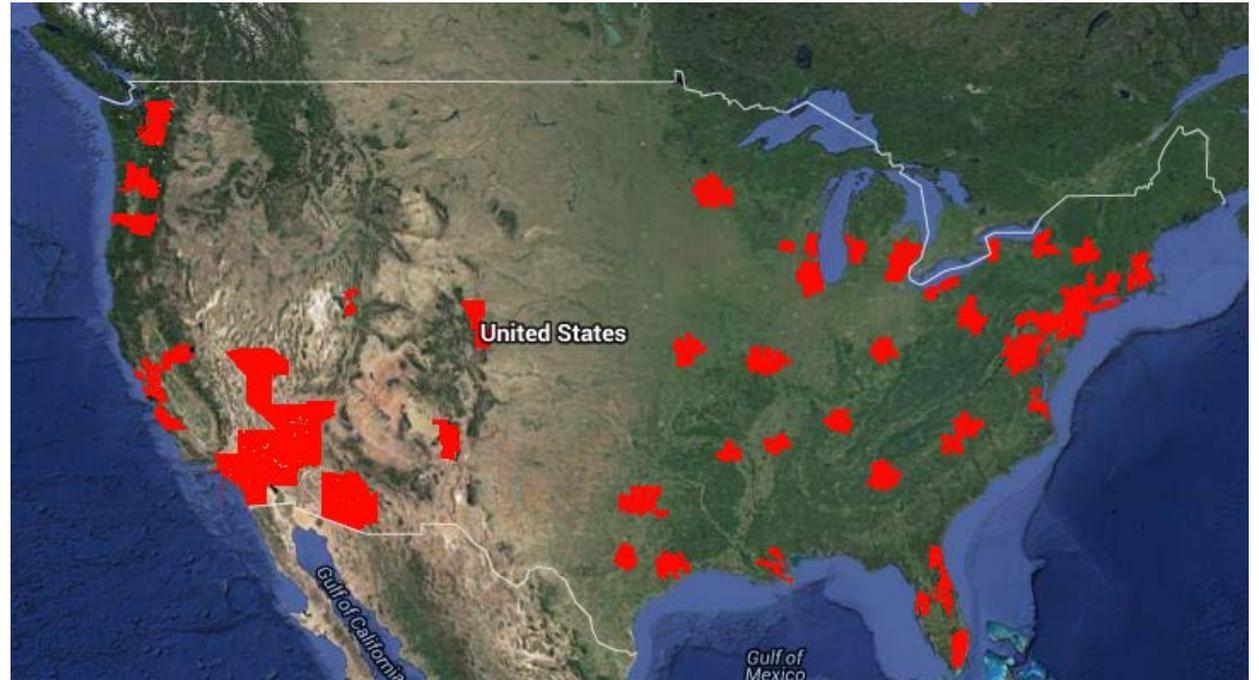
The National TOD Database is a project of the Center for Transit-Oriented Development. Intended as a tool for planners, developers, government officials, and academics, the Database provides economic and demographic information for every existing and proposed fixed guideway transit station in the U.S.

- The Database includes 4,417 existing stations and 1,583 proposed stations in 54 metropolitan areas, as of December 2011
- Data are available at three geographic levels: the **transit zone** (the 1/2 mile or 1/4 mile buffer around the individual station), the **transit shed** (the aggregate of transit zones), and lastly, the **transit region** (aligns with the Metropolitan Statistical Area boundary)
- **Nearly 70,000 variables** are derived from nationally available data sets including the 2000 and 2010 Decennial Census, the 2009 American Community Survey, the 2000 Census Transportation Planning Package, and the 2002 - 2009 Local Employment Dynamics

[Browse the Database »](#)

*The Center for Transit Oriented Development is a collaboration of the Center for Neighborhood Technology, Reconnecting America and Strategic Economics. The original version of the TOD database was funded by HUD in 2004; it is currently funded by the Federal Transit Administration.*

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**4,400 fixed transit stations across 54 regions (90% rail)**

# Recent Studies based on National TOD Database:



Gulf Coast Research Center for Evacuation and Transportation Resiliency

LSU / UNO University Transportation Center

## Transit-Oriented Development: An Examination of America's Transit Precincts in 2000 & 2010

Final Report

John L. Renne, Ph.D., AICP  
University of New Orleans

with

Reid Ewing, Ph.D.  
University of Utah

Sponsoring Agency  
United States Department of Transportation  
Research and Innovative Technology Administration  
Washington, DC

Project # 12-06  
June 2013



## Guide to Facilitate Historic Preservation through Transit-Oriented Development



AUTHORS:  
John Renne, Ph.D., AICP  
David Listokin, Ph.D.



HOUSING POLICY DEBATE, 2016  
<http://dx.doi.org/10.1080/10511482.2016.1193038>



## The Cost and Affordability Paradox of Transit-Oriented Development: A Comparison of Housing and Transportation Costs Across Transit-Oriented Development, Hybrid and Transit-Adjacent Development Station Typologies

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### ABSTRACT

This study presents a comparison of housing and transportation costs (H+T) in 4,399 fixed-route transit station areas across the United States. Each station area is classified as a transit-oriented development (TOD), hybrid, or transit-adjacent development (TAD) based on walkability and housing density targets. Station areas with a Walk Score of 70 or greater and a gross housing density of 8 units per acre or more are classified as TOD. Station areas that meet just one of these criteria are classified as hybrids, and those that do not meet either of these criteria are categorized as TAD. The findings reveal a paradox that whereas TOD are more expensive places to buy and rent housing, they are more affordable than hybrids and TAD because the lower cost of transportation offsets housing costs. We argue that policies to increase the density and walkability of hybrid and TAD station areas, which account for two thirds of all station areas across the United States, should be a top priority for both housing and transportation officials.

### ARTICLE HISTORY

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Housing cost; location; affordability; transit; development; TOD



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journal homepage: [www.elsevier.com/locate/retrec](http://www.elsevier.com/locate/retrec)

## Transit commuting, the network accessibility effect, and the built environment in station areas across the United States

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### ARTICLE INFO

Article history:  
Available online xxx

### ABSTRACT

This study examines how the network accessibility effect and the built environment have an impact on the mode share for transit commuting across transit stations. Data is examined from 4400 fixed-guideway transit stations across the United States. We use a multiple-level model to account for variables at both the regional level and the neighborhood level. This is one of the first studies to include a variable that measures the network accessibility of jobs and population within walking distance of the transit network. Significant variables in predicting the mode share for transit commuting at the neighborhood level include income, population and jobs intensity, nonwhite status, transit type, jobs – population balance, walkability, and transit service frequency. However, the strongest predictor was the regional network accessibility variable. The results of this study support policies that promote transit-oriented development (TOD) at both the neighborhood and regional scales. The findings of this study should guide planners and policymakers to encourage dense, mixed-use development with high-quality walking environments near transit stations to boost the mode share of transit commuting.

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## Wrapping up study of Last Mile Tensions where TODs intersect with Ports

# Transit-Oriented Development (TOD) – Transit Adjacent Development (TAD) Spectrum

Gross housing density greater than 8 units per acre

+

Average Walk Score greater than 70

- 1,441 stations across the US are TODs
- 1,180 stations are hybrids
- 1,775 are TADs

# 1,441 TODs in USA

## Pioneer Square Transit Mall:

Portland, OR

Gross Housing Density: 14.84 units per acre

Walkscore: 100

Index Category: TOD



Image source: <https://www.planning.org/greatplaces/gallery01/image20.jpg>

## Bethesda, MD

### Metro Station

Gross Housing Density: 9.69

units per acre

Walk Score: 94

Index Category: TOD



Image source: Google Street View, September 2014

If its not a TOD, then what is it?

## Hybrid

1. Gross housing density = 8 units per acre  
(4,000 units within a half-mile of a station)

OR

2. Walk Score must be 70 or greater

Transit Adjacent Development (TAD)

- Neither of the Above

## Hybrid stations

1,180 Hybrids  
in USA



Image source: <http://www.denver-cityscape.com/images/denver4305-53.jpg>

### Englewood Station

Denver, Co

Gross Housing Density:  
2.43 units per acre

Walk Score: 83

Index Category: Hybrid



Image source: <http://madisonmarquette.com/portfolio/case-studies/mockingbird-station/>

### Mockingbird Station

Dallas, TX

Gross Housing Density: 3.5 units per acre

Walk Score: 85

Index Category: Hybrid

## TAD stations

1,775 TADs in USA

### BWI Airport Station

Baltimore, MD

Gross Housing Density: 0.0 units per acre

Walk Score: 29

Index Category: TAD



Image source: [http://www.bizjournals.com/baltimore/print-edition/2011/02/18/office-retail-space-could-be-part-of.html?s=image\\_gallery](http://www.bizjournals.com/baltimore/print-edition/2011/02/18/office-retail-space-could-be-part-of.html?s=image_gallery)



Image source: Google Street View, September 2014

### Cisco Station:

San Jose, Ca

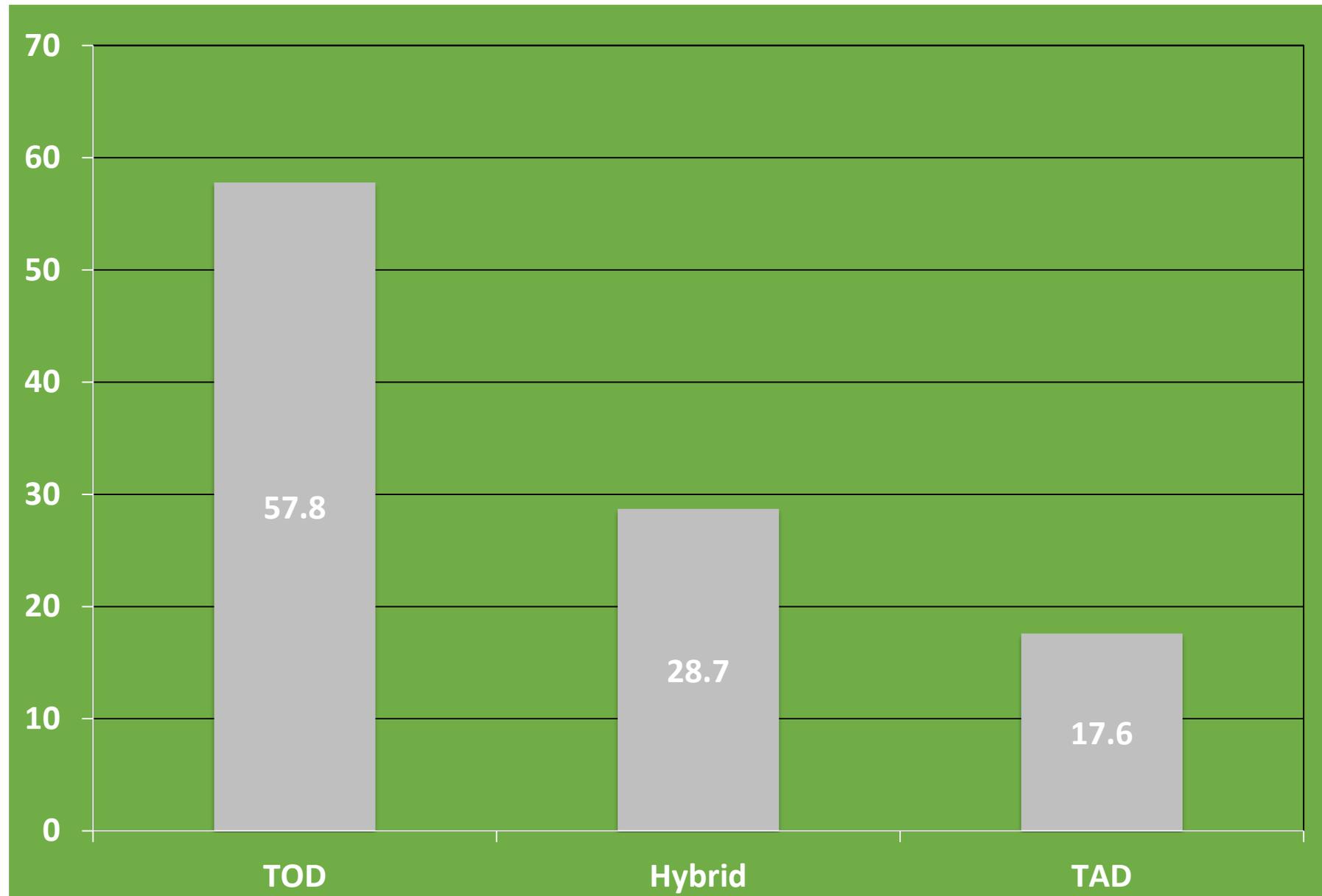
Gross Housing Density:

.47 units per acre

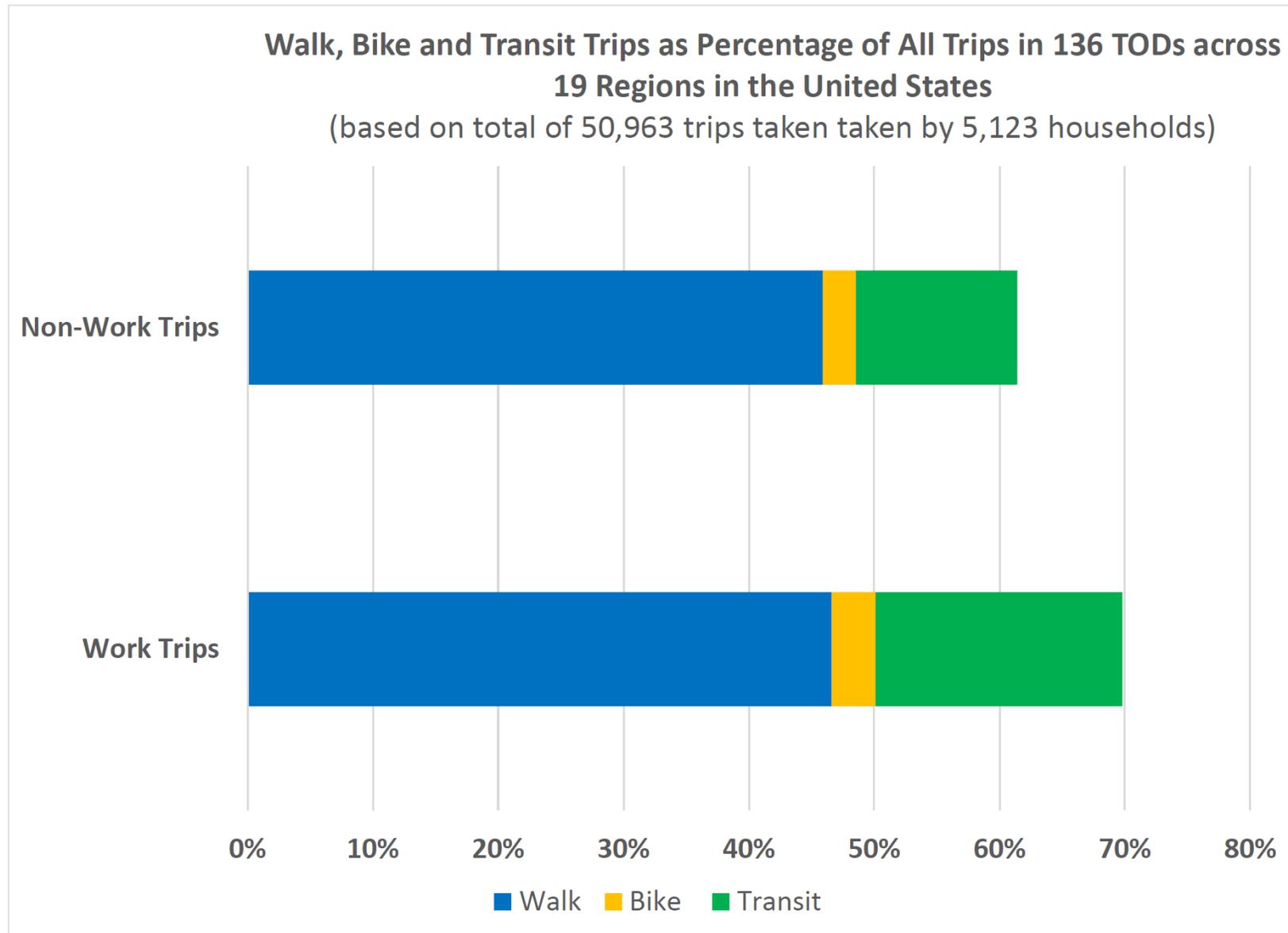
Walk Score: 20

Index Category: TAD

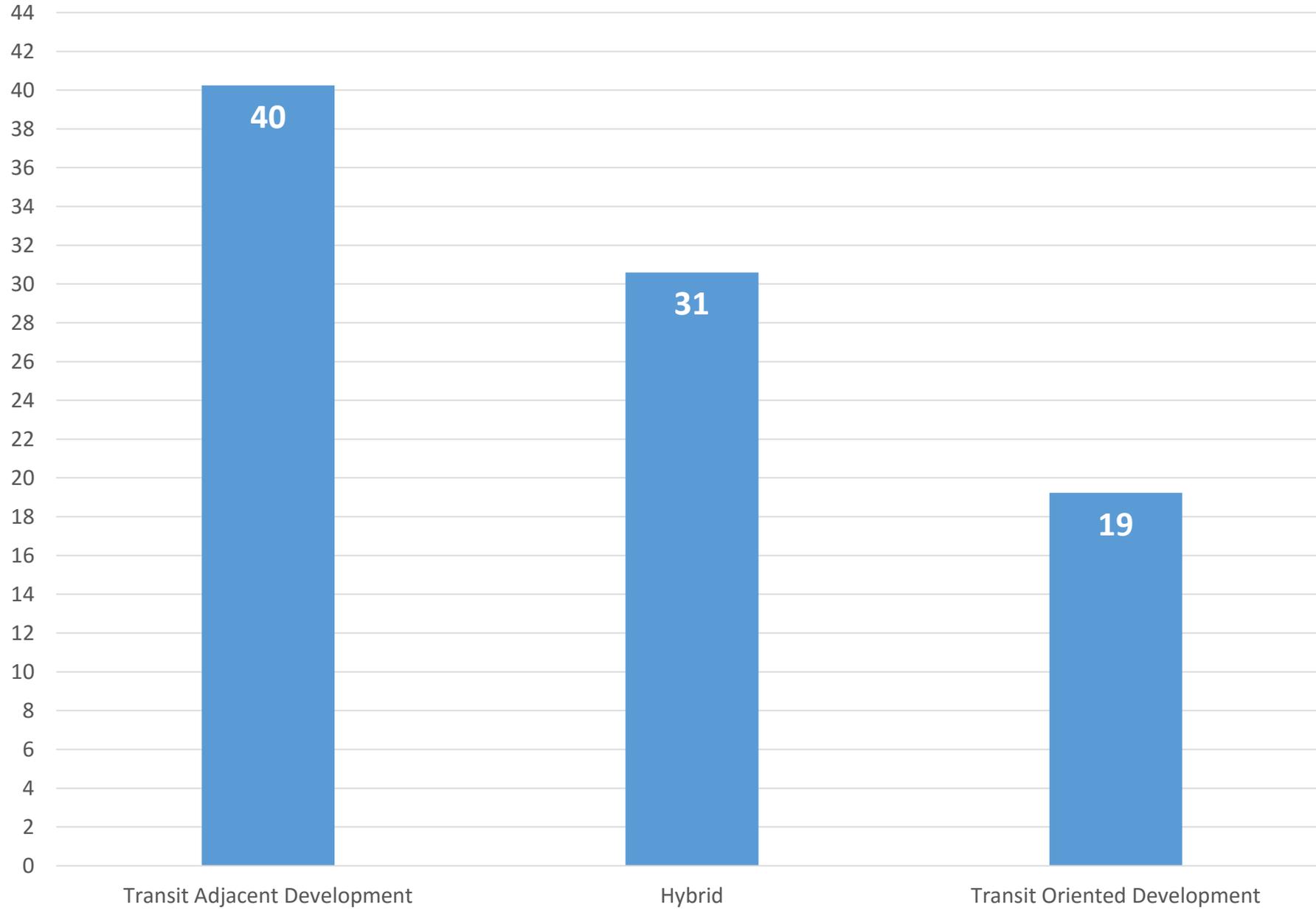
# Sustainable Commuting (Walk, Bike and Transit)



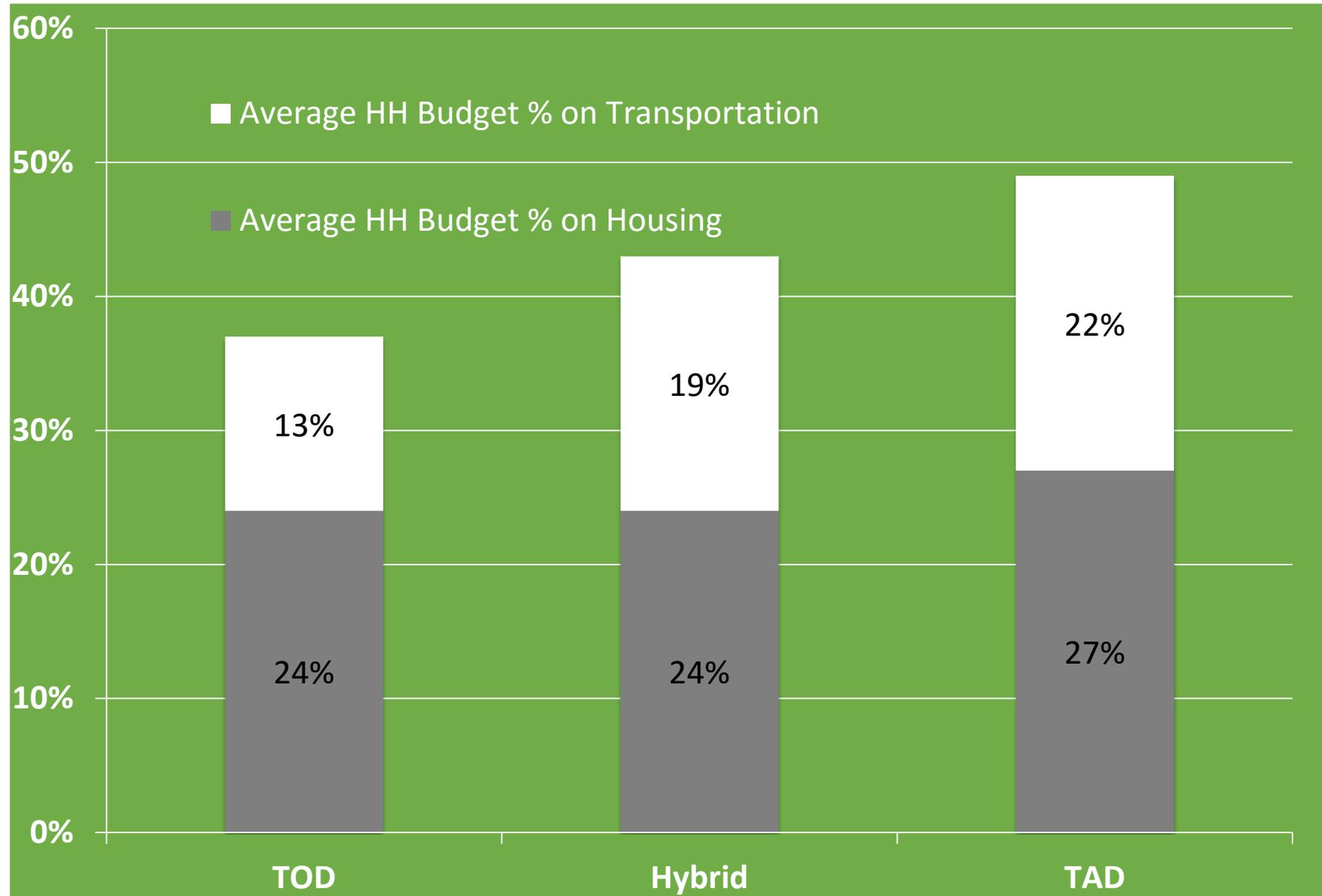
# Sustainable Commuting (Walk, Bike and Transit)



# Total Vehicle Miles Traveled (VMTs) per Household per Day



# Household Budgets on Housing + Transportation



# RENNE-GRESCHNER TOD INDEX

Leading the Real Estate Industry in  
Understanding the Value of Transit Oriented Development

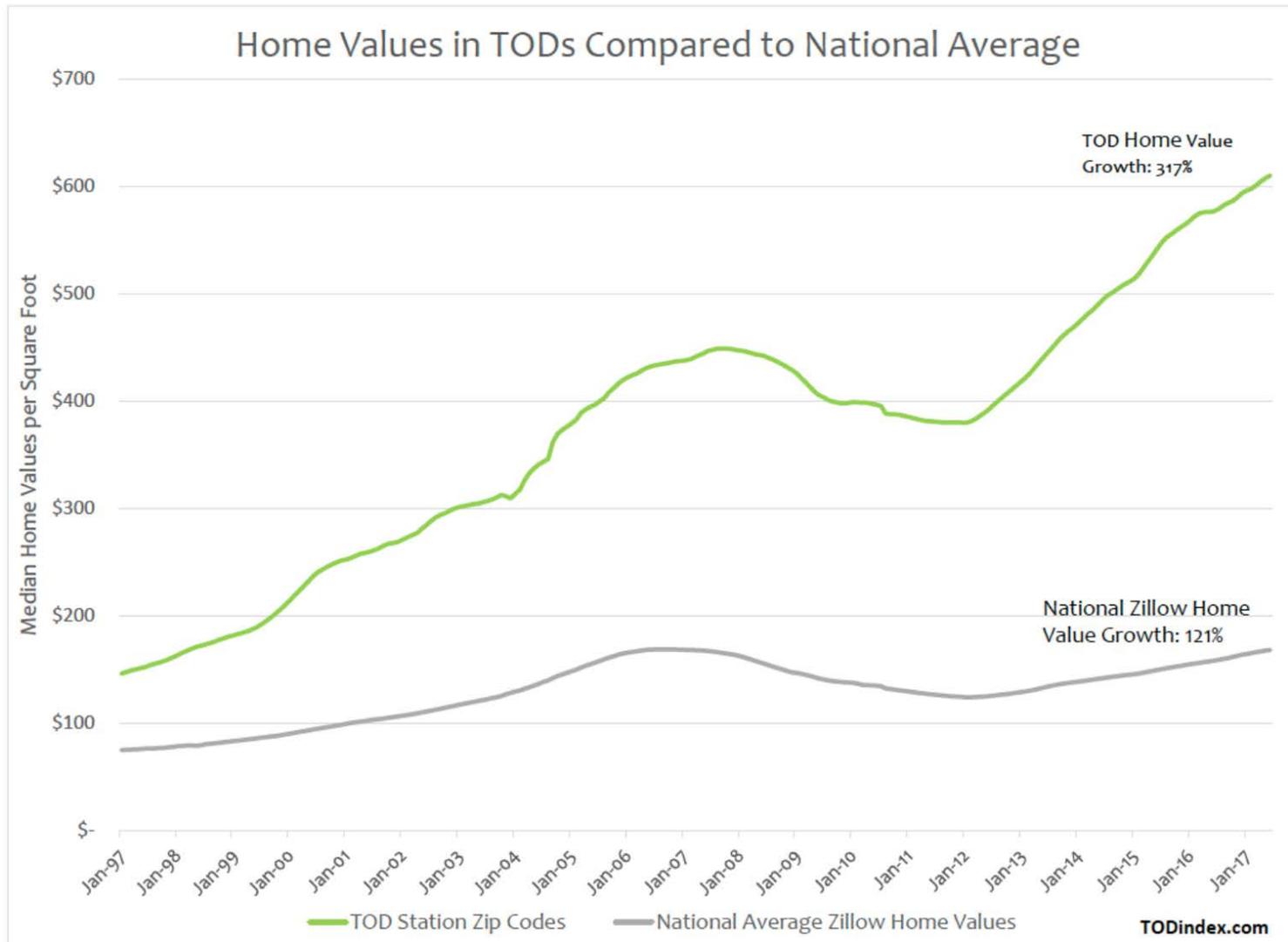
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*As seen in....*

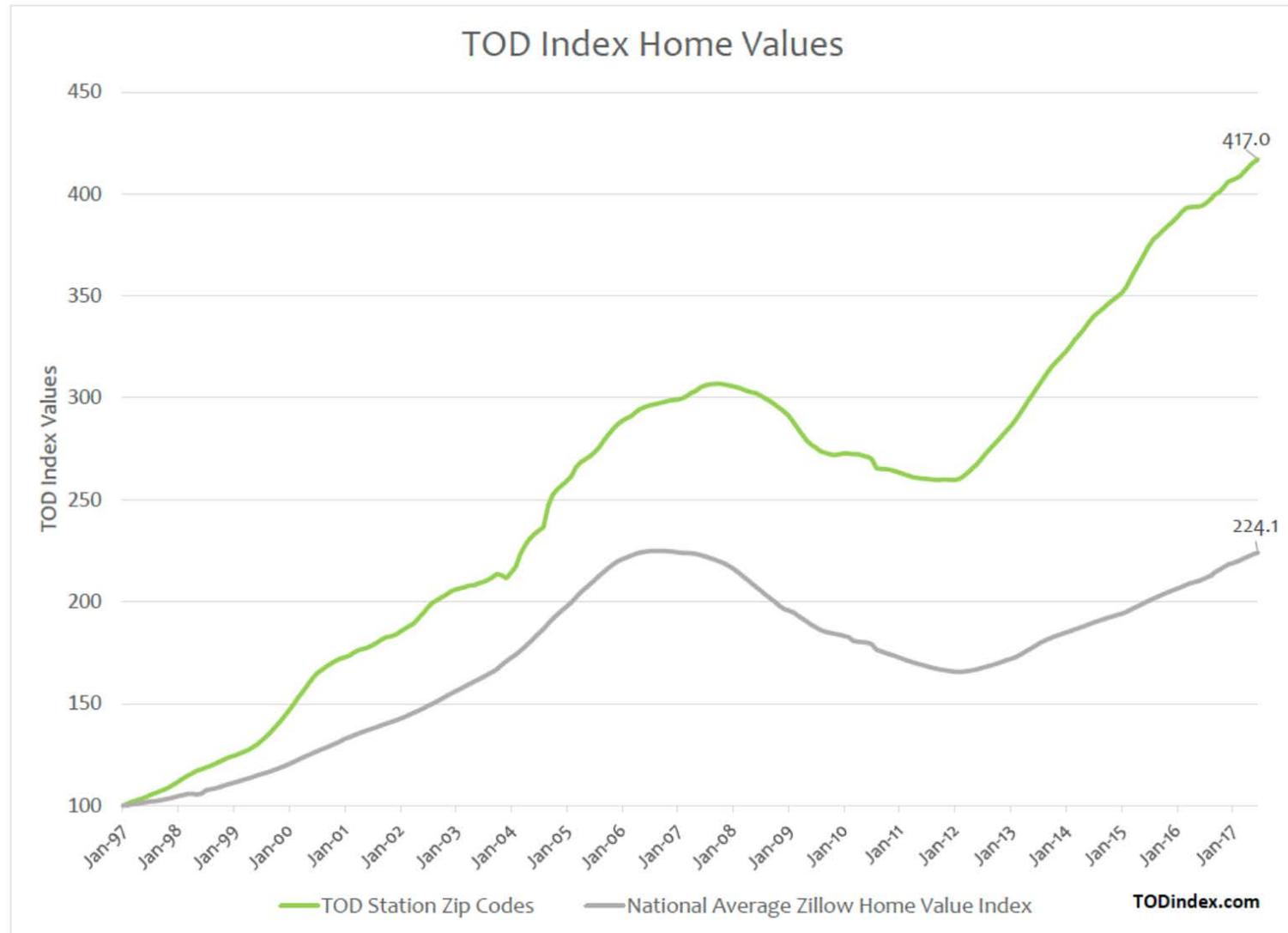
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Financial Review**  
empowering communication globally

 **TRANSIT ORIENTED DEVELOPMENT  
INSTITUTE**

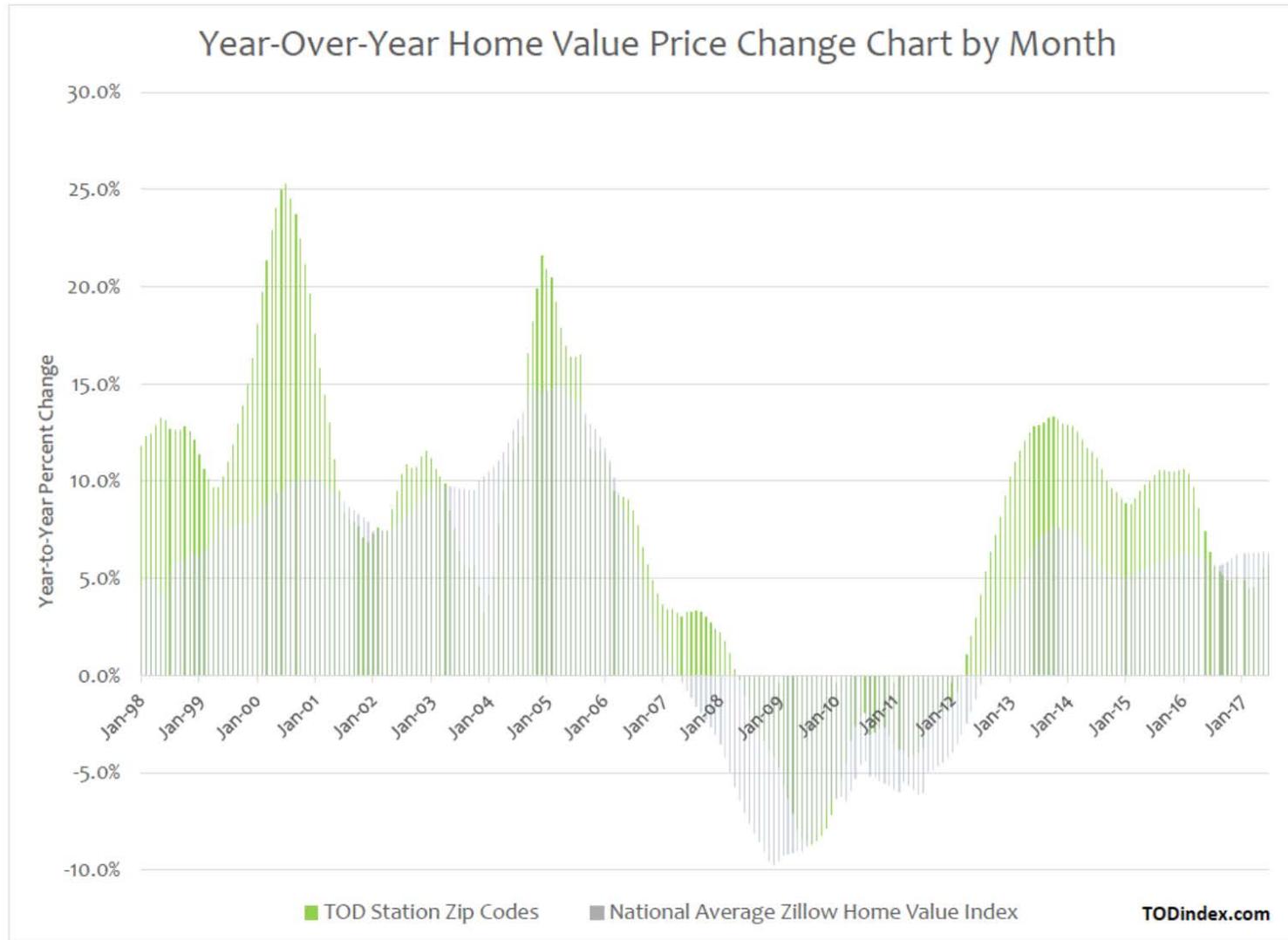
[www.TODindex.com](http://www.TODindex.com)



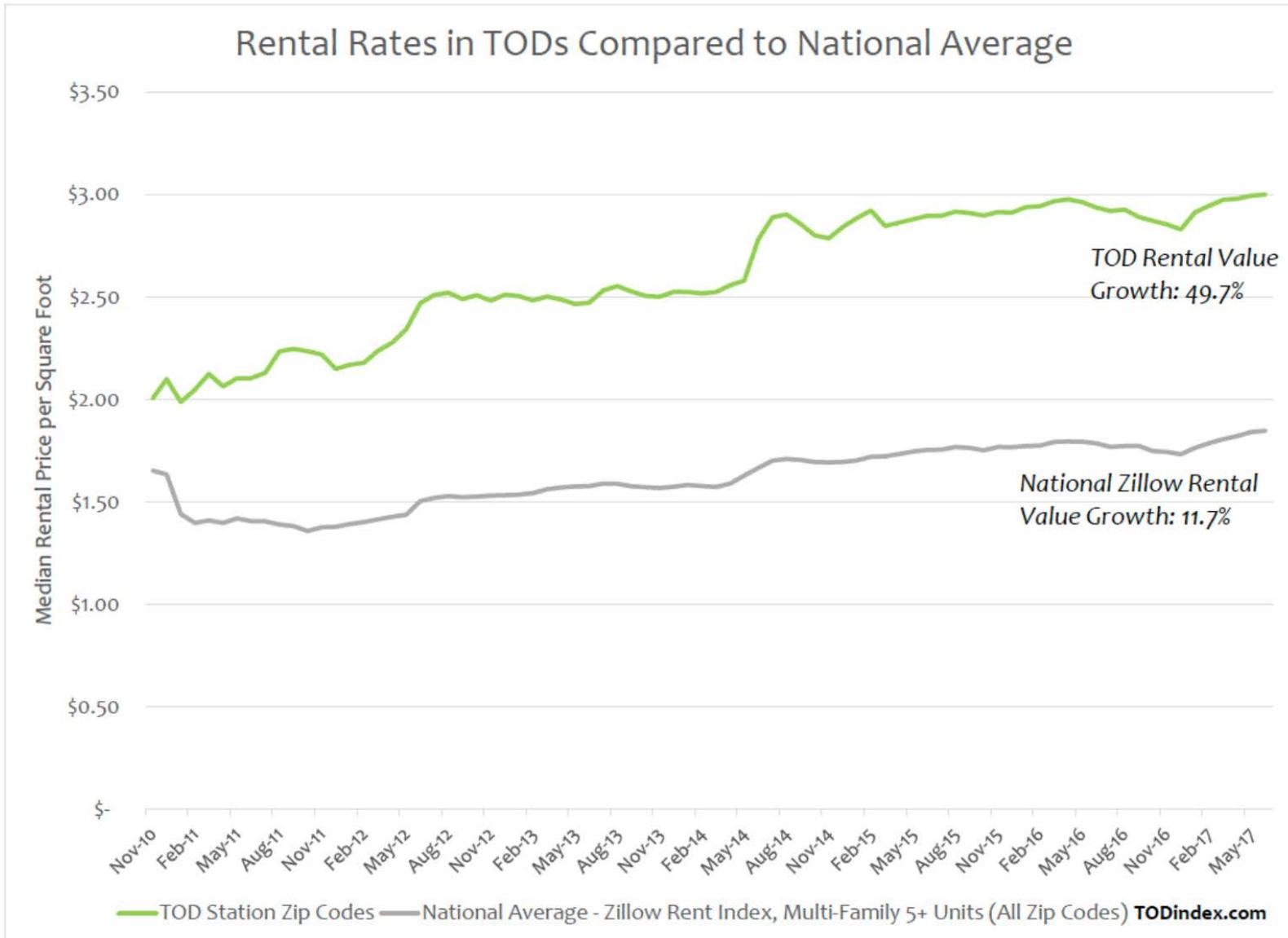
- The average home value in TOD zip codes surpassed \$600 per SF in March 2017. By June 2017, the average home value in a TOD was \$609.87 per SF, more than 3.6 times the value of the average home in the United States, which was valued at \$168.22 per SF



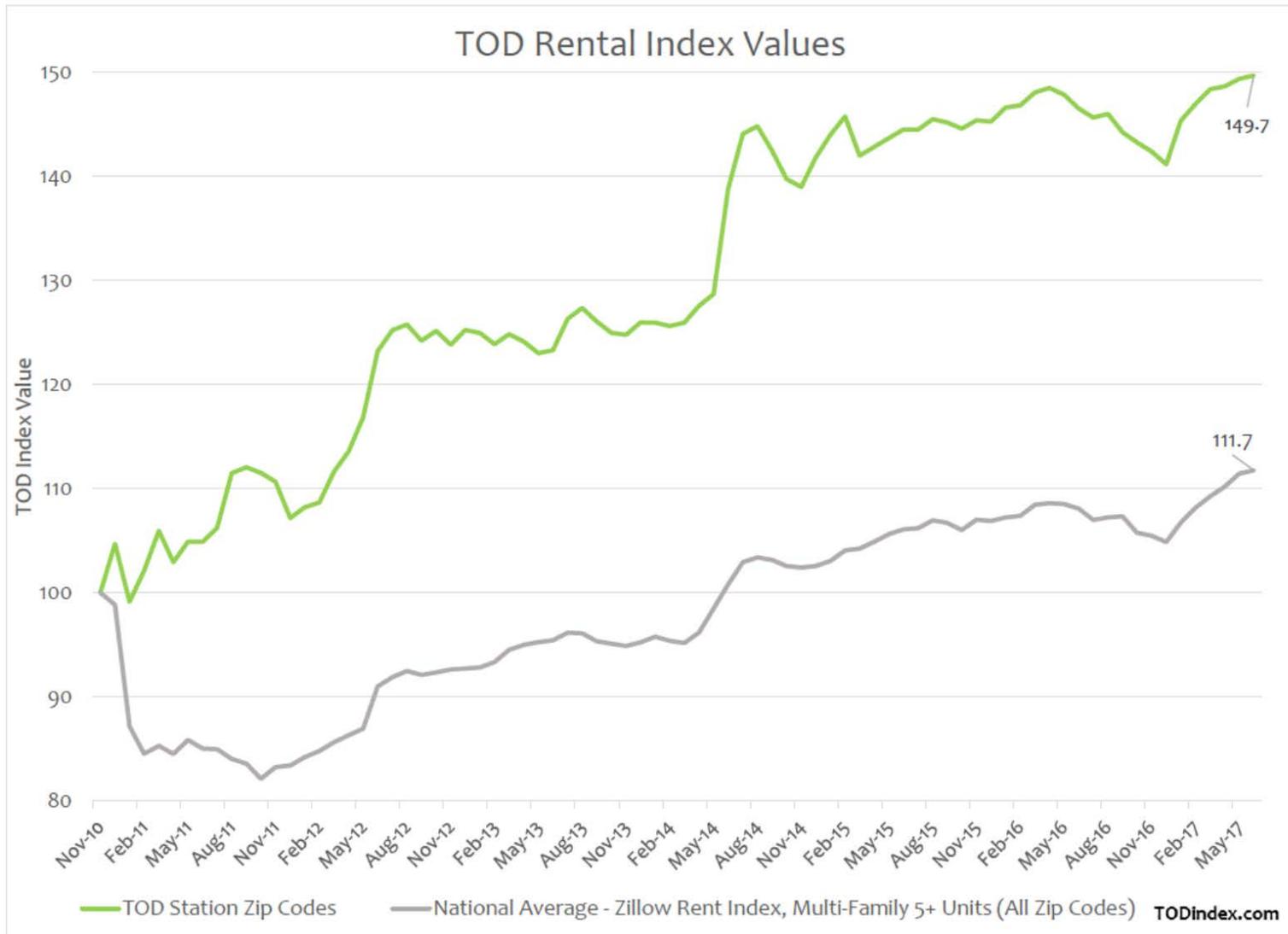
- The June 2017 TOD Index for Home Values was 417.0 points compared to 224.1 points for the national average.
- Since the market recovery starting January 2012, the TOD Index for Home Values has gained 158 points as compared to a gain of 59 points for the national market for home values.



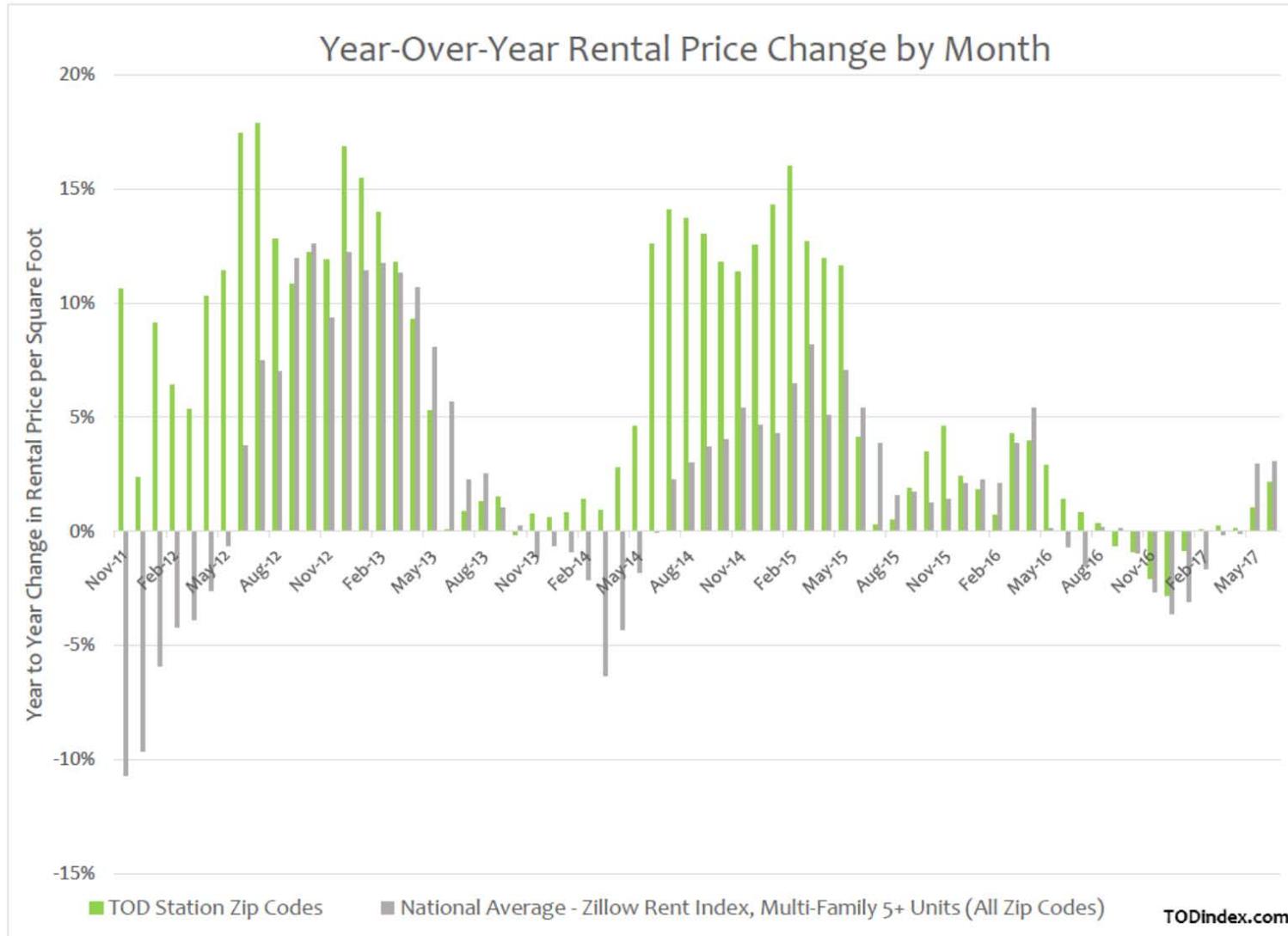
- In June 2017, year-over-year growth in TODs was 5.8% as compared to the national market of 6.3%.
- ◦ June 2017 was the 12th month in a row that the national market growth exceeded the growth in TOD zip codes. Prior to that, the last time the national market outperformed TOD growth was in April 2006.



- For the first time, average rents in TODs reached \$3.00 per SF in June 2017, which is 1.6 times more than the national average of \$1.85 per SF.



- The June 2017 TOD Index for Rental Values was 149.7 points compared to 111.7 points for the national average.
- Since the market recovery starting January 2012, the TOD Index for Rental Values has gained 41.5 points as compared to a gain of 27.5 points for the national market for rental values.



- In June 2017, year-over-year growth in TODs was 2.2% as compared to the national market of 3.1%.
- June 2017 was the 5th consecutive month of positive year-over-year growth in rental values in TODs and the 2nd consecutive month of positive year-over-year growth for the national market.

## Top Performing Home Value Stations: June 2016 - June 2017

Top Performing Home Value Stations:  
 Show  entries Search:

### Top 100 Performing Stations June 2016 - June 2017 (Median Values)

| 12 Month Change Rate | Station Name                        | Zip Code | City        | State | Region    |
|----------------------|-------------------------------------|----------|-------------|-------|-----------|
| 35.7%                | Cadrecha Plaza Station              | 33605    | Tampa       | FL    | Tampa     |
| 35.7%                | Centennial Park Station             | 33605    | Tampa       | FL    | Tampa     |
| 35.7%                | Streetcar Society Station           | 33605    | Tampa       | FL    | Tampa     |
| 35.7%                | Tampa Bay Federal Credit Union Stat | 33605    | Tampa       | FL    | Tampa     |
| 31.7%                | Delmar Metrolink Station            | 63112    | Saint Louis | MO    | St. Louis |
| 31.7%                | Forest Park Metrolink Station       | 63112    | Saint Louis | MO    | St. Louis |
| 25.9%                | 23 St - Ely Av                      | 11103    | New York    | NY    | New York  |
| 25.9%                | Woodhaven Blvd                      | 11103    | New York    | NY    | New York  |
| 24.2%                | 46 St                               | 11104    | New York    | NY    | New York  |
| 24.2%                | 52 St                               | 11104    | New York    | NY    | New York  |

## Top Performing Home Value Stations: June 2016 - June 2017

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 Show  entries Search:

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| 25.9%                | Woodhaven Blvd                      | 11103    | New York    | NY    | New York  |

# **Applications for Transportation and TOD Planners**

- **Value capture modeling – data at various geographic levels, down to the individual property. Neighborhood, corridor and regional modeling**
- **Modeling for new federal loan programs: TIFIA & RRIF**
- **Market analysis for TOD: public sector, public-private partnerships and private-sector**
- **Travel behavior modeling and analysis**
- **Affordable housing modeling and analysis**
- **Guidance to investors on TOD site selection and due diligence – private sector, institutional and public sector TOD land banking funds**
- **Ability to merge data in GIS with other “big data” sets for other types of analysis (ie. public health, crime, school quality, etc.)**

# Thank You!

[www.TODIndex.com](http://www.TODIndex.com)



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