



Corridors of Opportunity

RESEARCH ON HOW TO ACHIEVE SYSTEM-LEVEL, TRANSIT-ORIENTED, JOBS-HOUSING BALANCE

Update to Metropolitan Council, 9/10/12

HUMPHREY SCHOOL
OF PUBLIC AFFAIRS



UNIVERSITY OF MINNESOTA
Driven to Discover™

Overview

Objectives

- TOD at both ends of the commute
- Jobs-housing balance at regional scale
- Connecting affordable housing with living-wage jobs
- Regional transitway system is the key

Methodology

- Interviews:
 - Developers
 - Business Leaders
- Open-ended discussion ~40 minutes

Progress

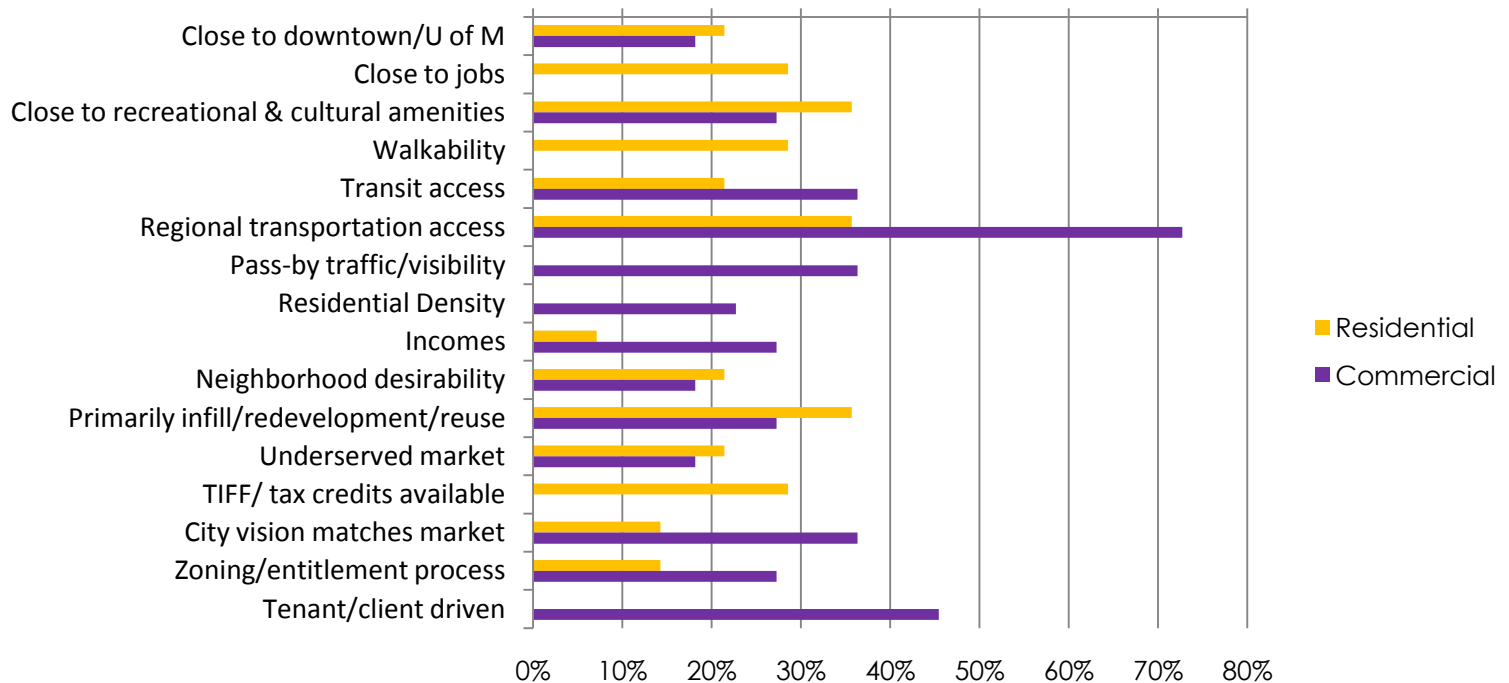
- Developer interviews complete
- Business interviews ongoing

Preliminary Findings: Developers

General Location Factors – Key Points:

- Transportation access one of the most common things to say first.
- Transit “on the radar”, but often over-ridden by other factors.
- Commercial real estate development heavily client-driven.
- Significant number focus on redevelopment/adaptive reuse.

Most Common Key Location Factors



Preliminary Findings: Developers

Developing Near Transit—Key Points:

- TOD is possible in the Twin Cities—Cul-de-sacs and office parks are easier
- Already looking for transit access:
 - Multifamily developers
 - Most redevelopers
 - Large office tenants
- Will forgo transit if cost/complexity intervene

“What would make developing near transit more attractive?”

- Money
- Zoning/regulatory reform
- Relaxation of parking requirements
- More lines up and running

Multiple interviewees mentioned a fundamental generational shift in the housing market.

Preliminary Findings: Developers

Developing Affordable Housing—Key Points

- Developers involved tend to...
 - Specialize
 - Do mostly infill/redevelopment/reuse
 - Mix in other credits/incentives—historic preservation
- Can be easier as entire project

“What would make developing affordable housing more attractive?”

- Money
- Any regulatory change that reduces project costs:
 - Density
 - Parking requirements
 - Streamline permitting, etc.
- Maximizing return on market rate

Takeaway & Next Steps

- Most interviewees willing to consider TOD if...
 - “The numbers work out”
 - They hear their key market demanding it
 - Transit arrives in the area they work in
- Most **not** willing to take on extra cost/complexity/risk
- Need to communicate generational change.
- Confirmation often-suggested strategies can work

Next Steps

- Business interviews underway
- Expanding recruiting to major employers
- In-depth content analysis of developers

Thank you!