

**RECONNECTING AMERICA**  
CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

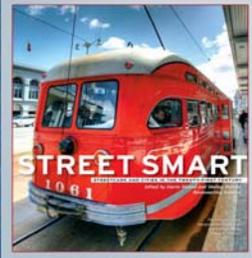
New Mayors Meeting, 1/27/07  
Mania Zimmerman, Reconnecting America  
[www.reconnectingamerica.org](http://www.reconnectingamerica.org)



Streetcars as Community Catalysts

## Why Streetcars and Why Now?

- Renaissance of downtowns
- Focus new development
- Low-cost alternative
- Integrated into built environment
- Feed regional transit system
- Provide urban circulation



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## Development-Oriented Transit

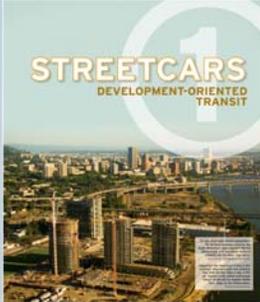


	Start of Service	Initial Track Miles	Initial System Cost Per Track Mile	Initial System Cost	Development Investment	Return on Investment
Kenosha	2000	2.0	3.10	6.20	150	2319.35%
Little Rock	2004	2.5	7.84	19.60	200	920.41%
Tampa	2003	2.4	20.13	48.30	1000	1970.39%
Portland (1)	2001	4.8	11.50	55.20	1046	1794.93%
Portland (Ext.)	2005	1.2	14.83	17.80	1353	7501.12%

TABLE 1: Private Returns on the Public Investment  
Source: Reconnecting America

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## THE STREETCAR WAS A WATERSHED EVENT IN PORTLAND'S DOWNTOWN



**STREETCARS DEVELOPMENT-ORIENTED TRANSIT**

*In the Pearl:*

- 100 projects worth \$2.3 billion, including 7,248 housing units and 4.6 million sq. ft. of commercial space
- 25 percent of housing is affordable
- Developers built at 90 percent of allowable density next to the line, twice as high as 3 blocks and further away
- Portland achieved its 20-year housing goal in 7 years, and issued a record number of building permits 7 years in a row

*In South Waterfront:*

- Connects to downtown via streetcar and to OHSU via aerial tram
- An even more ambitious redevelopment effort with 5,000 jobs and 3,000 housing units planned
- 4 residential towers are out of the ground

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## KENOSHA: SMALL TRANSIT FOR SMALL CITIES

- As in Portland, the streetcar connected Kenosha's downtown with a large redevelopment site
- The city dusted off a 1925 plan to connect downtown and the waterfront with a grand boulevard, sidewalks and streetcars, and created a new neighborhood on the waterfront
- The streetcar runs between this new development and a Metra commuter rail station with service into Chicago
- Kenosha is growing rapidly as people leave Chicago in search of more affordable housing. The streetcar enables Kenosha to accommodate this growth sustainably and without significant increases in traffic.



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## LITTLE ROCK: ROLLING ON PRESIDENT CLINTON AVENUE

- The streetcar connects dozens of destinations along the Arkansas River, including the River District with its popular River Market, and the old warehouse district downtown
- Opening ceremonies are slated for an extension of the streetcar to the Clinton Library station platform in late February



- The streetcar has calmed traffic and put more pedestrians on the street
- As the billboard shows, developers view the streetcar as a draw
- The streetcar got 6 different earmarks totaling \$16 million over 8 years. The local governments only had to invest \$4 million.

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## TAMPA

### CONNECTING DISPARATE PLACES INTO "SOME PLACE"



- Tampa's streetcar helped create a fashionable new address in a warehouse district that's come to be known as Channelside, which provides high-rise residential towers offering rooms with a view, lofts and an entertainment district.
- The streetcar is credited with attracting more than \$1 billion in development since it opened. This new development is modern and dense, unlike any other development outside of downtown.

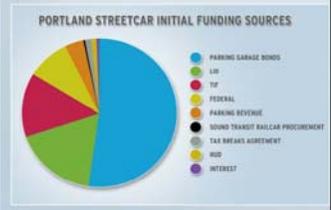


- The streetcar is funded with revenue from four sources: a tax assessment district, an endowment fund created from the sale of naming rights, cars and stations; advertising; and fares.
- When the assessment district came up for its annual City Council vote last year it sailed through without dissent.

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## The Bottom Line on Funding

- Local vs. Federal Funding: time & strings
- Tax Increment Financing
- Business Improvement Districts
- State Infrastructure Bank Loans
- Private Sector \$



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## Streetcars are not a panacea

- Transit in and of itself does not create development: need a larger strategy
- Determine what are the needs of the community – redevelopment, improved transit, business and job development
- Commuting versus circulation

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## Responding to the Critics #1

- *Development would happen anyway.*
  - RESPONSE: Development happened where pedestrians can walk, take a streetcar and connect to regional transit.
  - The Portland study showed developers built at twice the density along the streetcar line, and significant reduced/avoided auto trips.

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## Responding to the Critics #2

- The streetcar and policies to promote development amount to subsidies to developers.
  - RESPONSE: Higher densities and lower parking ratios make projects more profitable, but infill development is more costly and difficult and often requires a public-private partnership.
  - The city's obligation is to fund public improvements.
  - The developers' obligation is to contribute to infrastructure costs and build high-density, mixed-income housing with high-quality urban design.
  - Developer agreements are crucial.
  - Sprawl developers receive massive public subsidies in the form of new roads, sewers, schools and other infrastructure.

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## Responding to the Critics #3

- It would be much cheaper to simply improve the bus system.
  - RESPONSE: Streetcars shape development so that it's compact, walkable and mixed-use.
  - Investment in a bus system won't achieve either goal.
  - Streetcar is more likely to attract riders of all types: choice riders and transit-dependent – which translates into more support for more public transit.

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## Responding to the Critics #4

- Streetcars don't attract a significant share of regional ridership or commuters.
  - RESPONSE: Streetcars are local circulators.
  - They are intended to mainly serve pedestrians within the streetcar district and to connect them to regional rail systems for longer commutes.
  - Can impact ridership on overall system through increasing accessibility and network
  - Avoided auto trips given focused development

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## Where is the federal partner?



- Newly created Small Starts program
  - Fully fund
  - Implementation by FTA
- Increase Transit Funding overall
- DOT, HUD, DOE?

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