


Portland Streetcar Development Impacts

Reconnecting America
December 2006



Richard Brandman
Deputy Planning Director
Metro
Portland, OR



Streetcar Facts

- ❖ Service began in 2001
- ❖ Locally funded
- ❖ Seven mile loop
- ❖ Runs in mixed traffic
- ❖ Accommodates existing curbside parking and loading except at platform stops

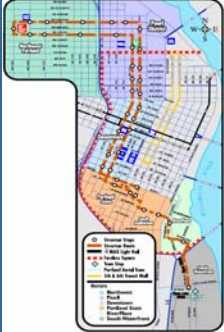






Portland Streetcar Costs

Capital Costs (Westside, to date)
\$88.7 million for in the first three phases totaling:

- ❖ 3.0 miles double track, 0.6 additional single track
- ❖ Average \$25 million per mile of double track
- ❖ Ten vehicles





Portland Streetcar Revenues




Capital Revenue Sources:

- ❖ Parking meter revenues (\$28.6 million - 32%)
- ❖ Tax increment financing (\$19.7 million - 22%)
- ❖ Streetcar improvement district (\$14.6 million - 16%)
- ❖ MPO, transit agency and local funds (\$25.8 Million - 30%.)



Reuse of Rail Yards & Vacant Lands

- ❖ Recycling land: more efficient use of land in the central city.
- ❖ Public/private partnership – public investments with developers agreeing to more density.





Vibrant New Mixed Use Neighborhood



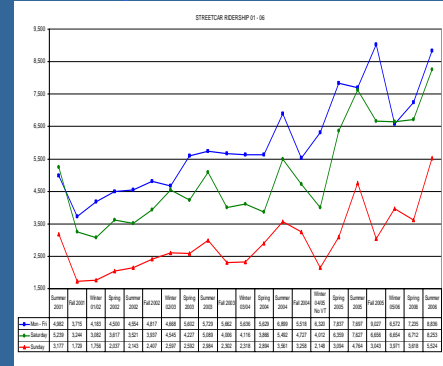
Photo courtesy of Portland Development Commission

- ❖ Between 1997 and 2005, over \$2.8 billion has been invested within three blocks of streetcar service.
- ❖ Over 7,200 residential units built.
- ❖ More than 4.6 million square feet of commercial.



Streetcar Ridership

Ridership has grown since 2001 year opening with highest ridership tending to occur in summer.



Streetcar Hypothesis

Hypothesis

The streetcar provides a spark to economic development to land parcels along its route.

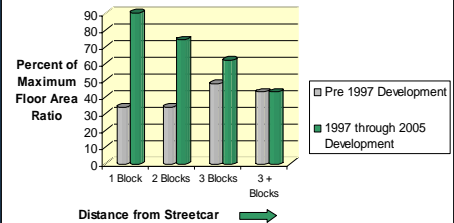
Metric

Percent of maximum Floor Area Ratio (FAR) as measure.



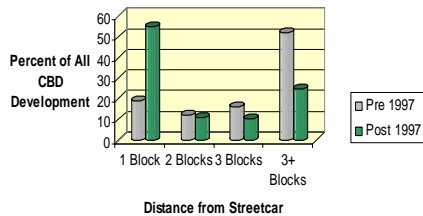
The Closer to Streetcar, the More Development

Development Potential Achieved in Westside (By Distance from Streetcar)



Percent of Downtown Development

Percent of Building Square Footage Built by Distance from Streetcar, Pre vs. Post 1997





The \$64,000 Question

How do projects account for development impacts?



Eastside Streetcar

- ❖ Proposed inner city circulator
- ❖ 12,400 new streetcar riders in 2025.
- ❖ Small Starts Proposal

Variety of Techniques are Available


- ❖ Economic Analyses
- ❖ Projections of Housing and Commercial Space
- ❖ Development Agreements
- ❖ Local Improvement Districts
- ❖ Direct Cash Contributions
- ❖ Urban Renewal Districts
- ❖ Comprehensive Plan Amendments
- ❖ Others



Variety of Techniques are Available

Economic Analyses

- ❖ Hedonic Pricing model analysis or other analysis in several cities with streetcar experience could further document streetcars economic development potential.
- ❖ Predictive Model for Transit and Economic Development

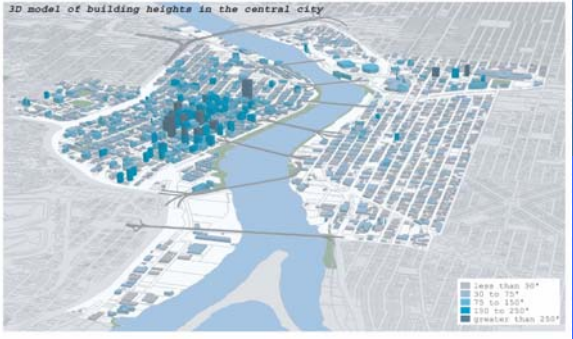




Variety of Techniques are Available

Projections of housing and commercial space

Existing eastside and westside development

3D model of building heights in the central city

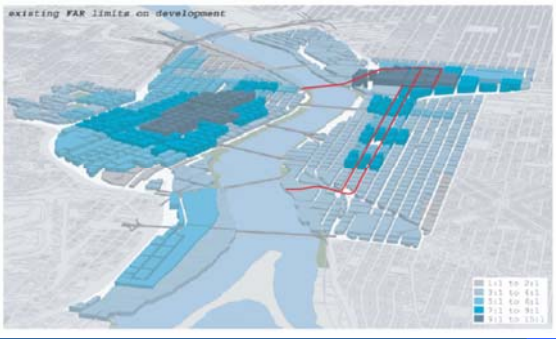




Variety of Techniques are Available

Projections of housing and commercial space

FAR potential

existing FAR limits on development





Variety of Techniques are Available


Projections of housing and commercial space

Projects with streetcar extension will develop almost twice the floor area than with a bus.

Eastside Year 2025 Projected Development (additional housing and jobs)




| Scenario | Projected Floor Area Developed |
|-------------------|--------------------------------|
| Without Streetcar | 2,900,000 |
| With Streetcar | 5,300,000 |



Variety of Techniques are Available — Development Agreements

Portland, through its development agency (PDC) has pioneered the concept of agreements to make public improvements, such as a streetcar, in return for private investment.



METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available — Development Agreements

Development Agreement with Hoyt Street Properties, 1998

Public-private agreement where the City would provide infrastructure to support new development and Hoyt Street Properties would provide identified amenities. These included increased minimum densities:

- At agreement's onset, 15 dwelling units per acre must be built
- Upon the demolition and replacement of the Lovejoy Viaduct, 87 dwelling units per acre must be built
- Upon completion of the Portland Streetcar, 109 dwelling units per acre must be built
- Upon completion of the area's first park (Jamison Square) 131 dwelling units must be built



METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available — Development Agreements

Development Agreement with Hoyt Street Properties, 1998

The development agreement also included requirements that addressed housing affordability:

- 15% of housing units must be affordable to households earning 0-50% of the Portland region's median family income (MFI)
- 20% of housing units must be affordable to households earning 51-80% of Portland's MFI



METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available — Development Agreements

South Waterfront



Four towers under construction – OHSU medical offices and research in addition to residential.

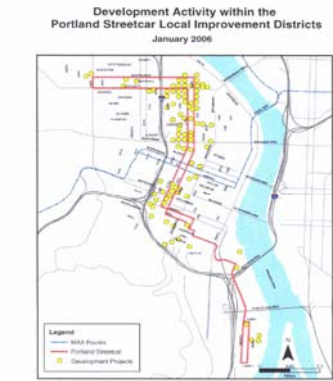
Six more towers announced mid April.

METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available — Local Improvement District

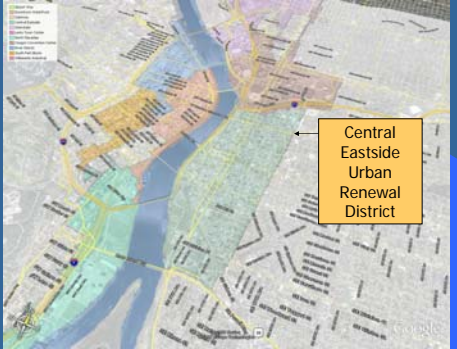
Development Activity within the Portland Streetcar Local Improvement Districts January 2006

Location of new development shows proximity to streetcar service.



METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available — Urban Renewal Districts



Central Eastside Urban Renewal District

METRO
PEOPLE PLACES
OPEN SPACES

Variety of Techniques are Available

Comprehensive Plan Amendments

Up-zoning of station areas



METRO
PEOPLE PLACES
OPEN SPACES

Benefits

- ❖ Over 4,000 housing units would be built around Eastside Streetcar.
- ❖ Over 7,200 new housing units have been constructed near existing streetcar.
- ❖ Development community does not respond to bus routes.
- ❖ Streetcar has 30% higher ridership than a bus.
- ❖ Streetcar has much higher level of community support.



© 2006 HOYT STREET PROPERTIES



METRO
PEOPLE PLACES
OPEN SPACES

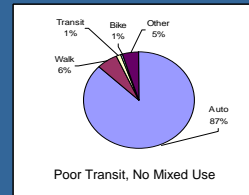
Benefits

- ❖ Streetcars change development patterns
- ❖ Development patterns change travel modes and travel options
- ❖ The Trip Not Taken - Existing streetcar saves over 27 million miles/year of auto travel in Portland!

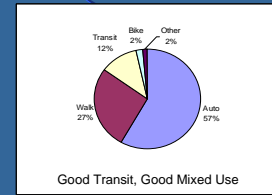


METRO
PEOPLE PLACES
OPEN SPACES

Travel Modes in Portland by Area



Poor Transit, No Mixed Use



Good Transit, Good Mixed Use



METRO
PEOPLE PLACES
OPEN SPACES

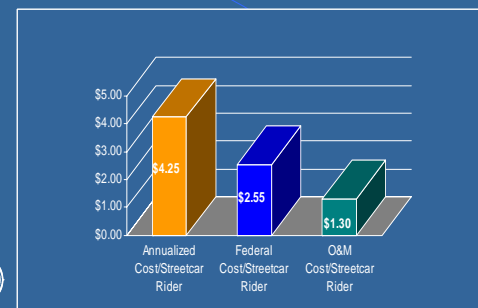
Cost Effectiveness

- ❖ Streetcars are not built to save travel time.
- ❖ TSUB inherently favors longer trips.
- ❖ Simpler measures are available.



METRO
PEOPLE PLACES
OPEN SPACES

Simple Cost-Effectiveness Measure



METRO
PEOPLE PLACES
OPEN SPACES

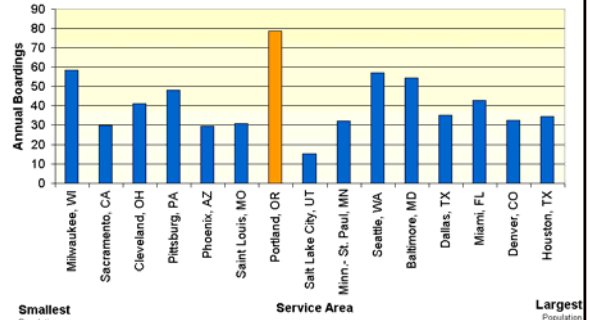
Comprehensive Cost-Effectiveness Measure

Riders + Development Potential + Land Use
Annualized Cost



METRO
PEOPLE PLACES
OPEN SPACES

Annual Rides per Resident

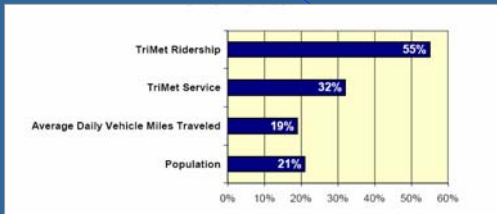


Smallest Population

Service Area

Largest Population

Transit Ridership Growth



METRO
PEOPLE PLACES
OPEN SPACES

