

# 2023 Development Trends Along Transit

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## High Frequency Transit:

- Local bus, Bus Rapid Transit and Light Rail Transit that
- Operates every 15 minutes or less on weekdays between 6 a.m. and 7 p.m. and on Saturdays between 9 a.m. and 6 p.m.

## Development Types:

- Multifamily Residential – Two or more units, new construction
- Commercial – New construction, conversions, & renovations
- Public & Institutional – New construction, not airport or utility projects
- Industrial – New construction, conversions, and renovations



# Development Permits

## Includes permits issued after:

- A New Starts project enters project development
- A Small Starts project enters project development
- An Arterial BRT project has a Council-approved station plan

## Beginning year

Blue Line: 2003

Green Line: 2006

Green Line Ext.: 2011

Orange Line: 2014

A Line: 2014

C Line: 2016

D Line: 2018

Gold Line: 2018

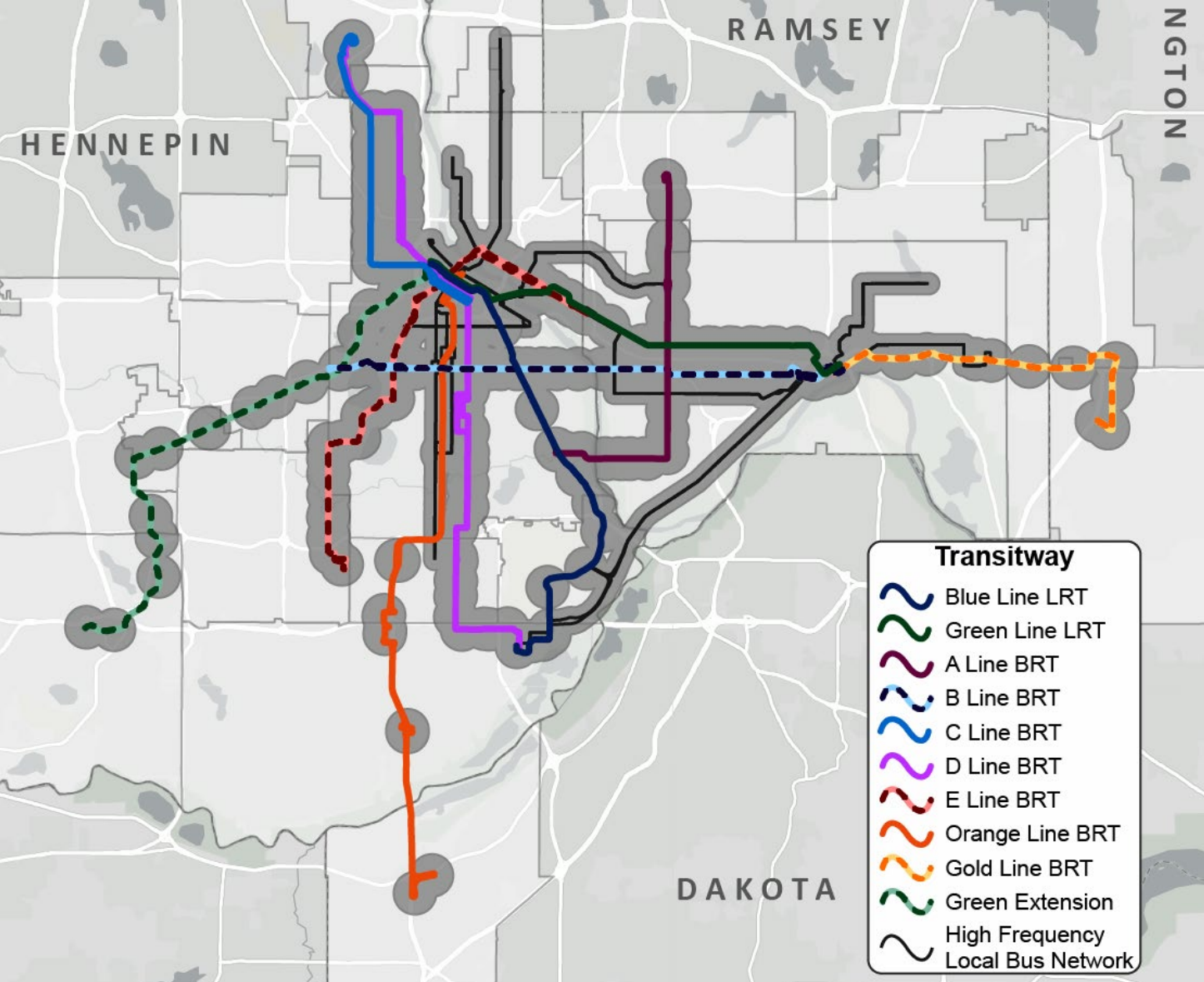
B Line: 2021

E Line: 2022

## New for 2023 report

- E Line BRT added for 2022
- Updated Affordable Housing Production dataset
- Tax Base Impacts



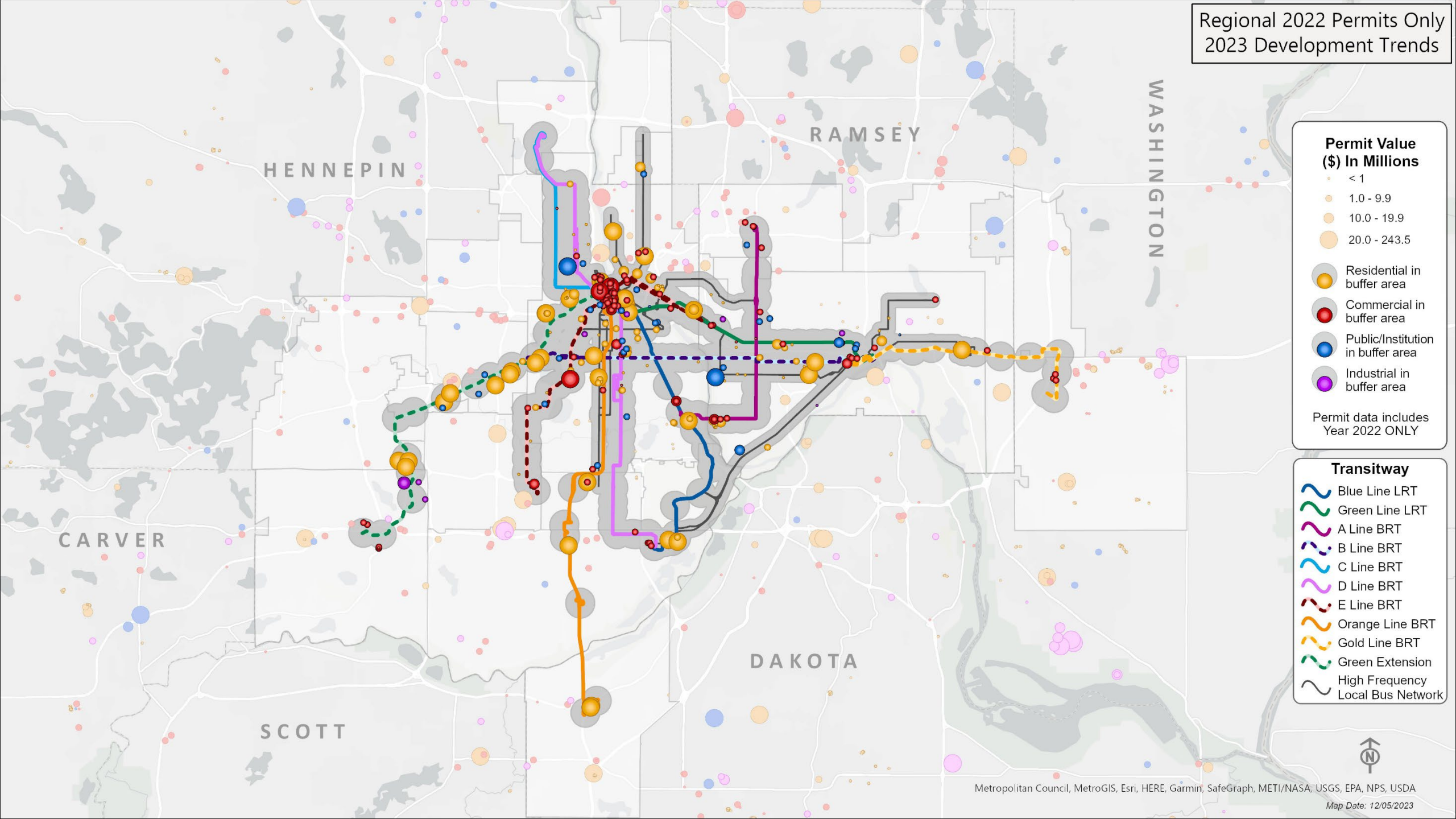


High Frequency Transitway station areas and buffers make up **just 3.2%** of the 7-county metropolitan region by land area.

Since 2009, **34%** of regional development has been permitted along high frequency transitways.

# High Frequency Transitways

Regional 2022 Permits Only  
2023 Development Trends



**Permit Value (\$ In Millions)**

- < 1
- 1.0 - 9.9
- 10.0 - 19.9
- 20.0 - 243.5

● Residential in buffer area  
● Commercial in buffer area  
● Public/Institution in buffer area  
● Industrial in buffer area

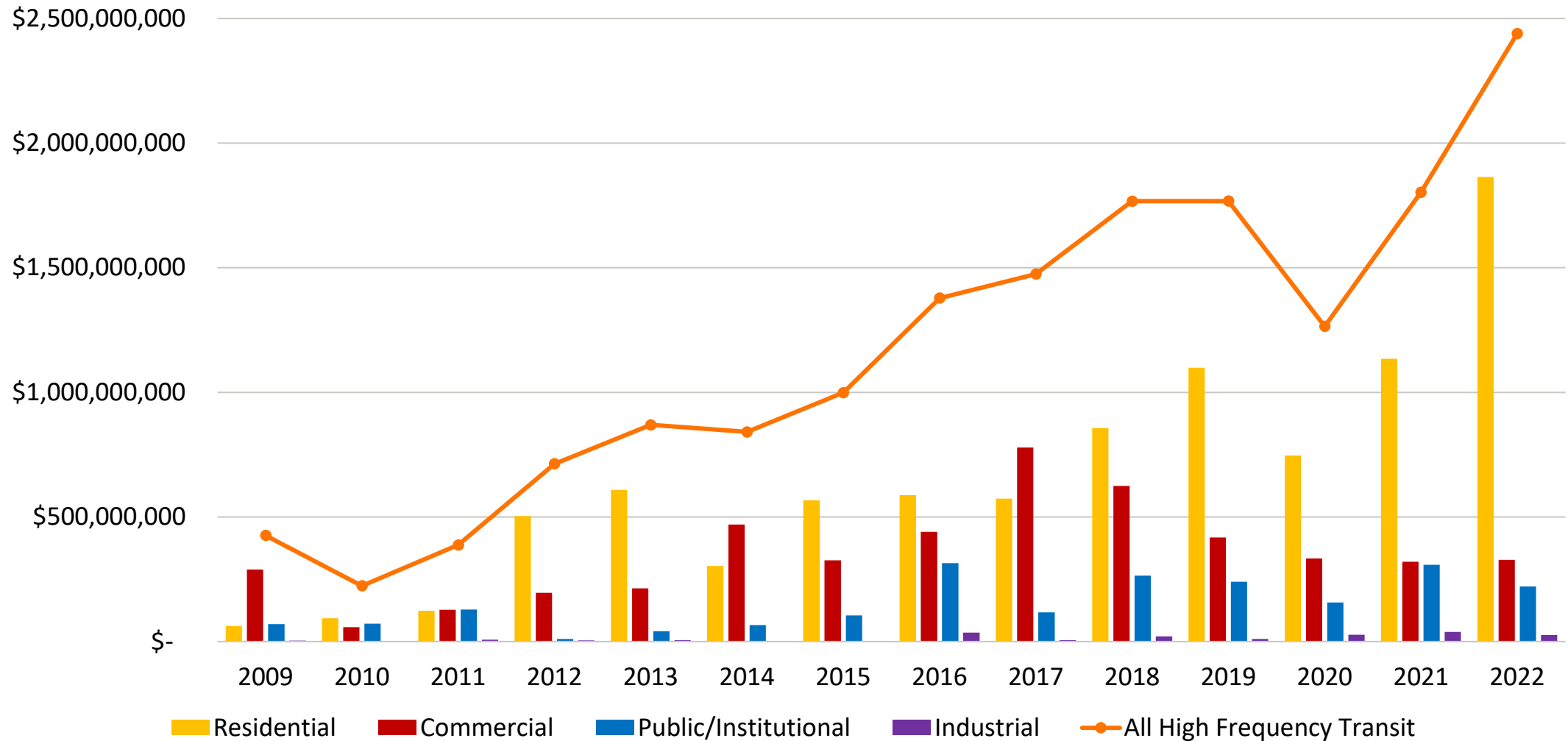
Permit data includes Year 2022 ONLY

**Transitway**

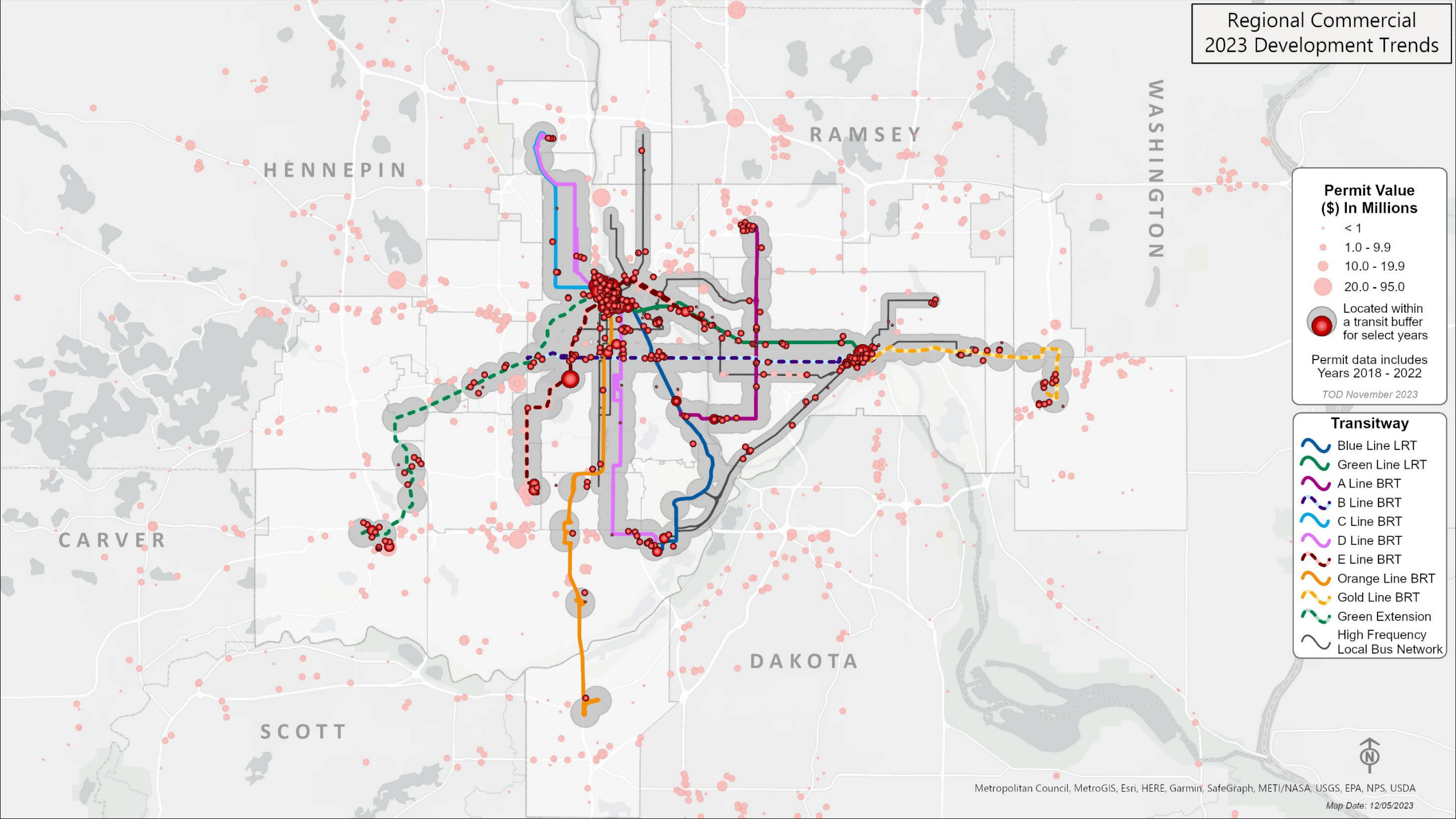
- Blue Line LRT
- Green Line LRT
- A Line BRT
- B Line BRT
- C Line BRT
- D Line BRT
- E Line BRT
- Orange Line BRT
- Gold Line BRT
- Green Extension
- High Frequency Local Bus Network



# High Frequency Transit Permit Value by Development Type

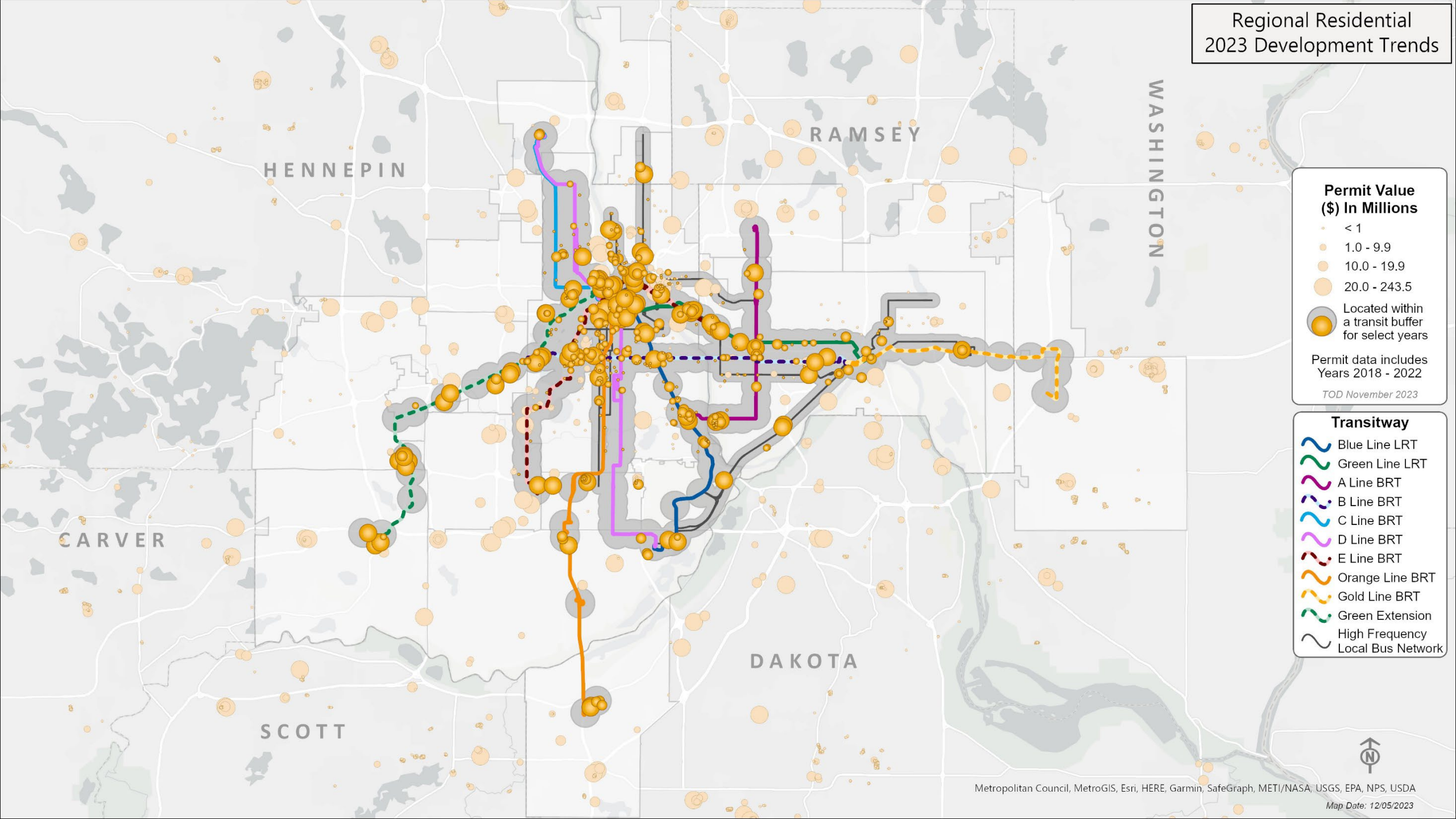


# Regional Commercial 2023 Development Trends





# Regional Residential 2023 Development Trends



### Permit Value (\$ In Millions)

- < 1
- 1.0 - 9.9
- 10.0 - 19.9
- 20.0 - 243.5
- Located within a transit buffer for select years

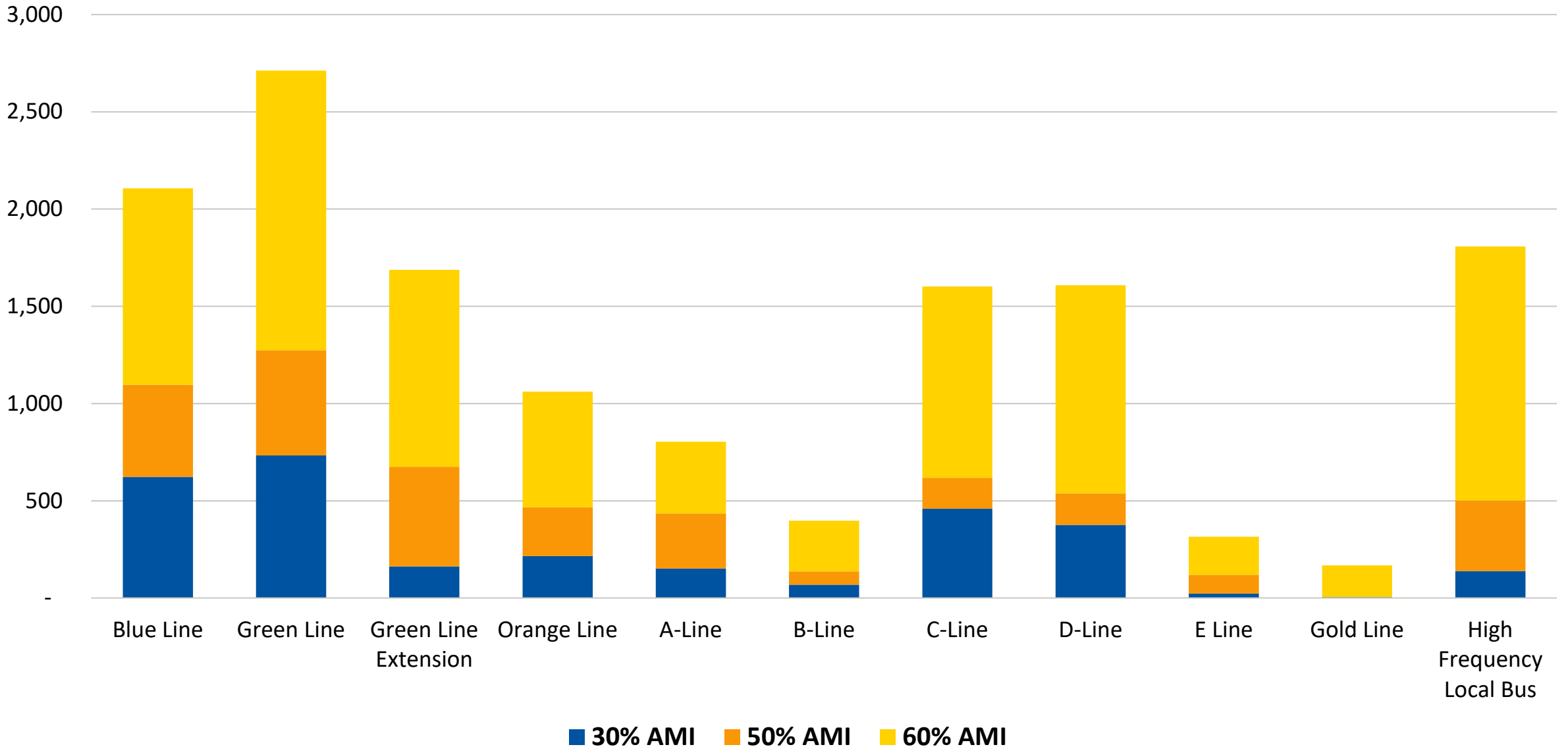
Permit data includes  
Years 2018 - 2022

TOD November 2023

### Transitway

- Blue Line LRT
- Green Line LRT
- A Line BRT
- B Line BRT
- C Line BRT
- D Line BRT
- E Line BRT
- Orange Line BRT
- Gold Line BRT
- Green Extension
- High Frequency Local Bus Network





# Affordable Housing Near Transit

★ StarTribune

# Twin Cities inflation is still lower than U.S.: Here are 5 things to know

Prices rose 2.2% in the Minneapolis-St. Paul region over the past year as of September, compared to 3.7% nationally.

Inflation declines in the Minneapolis-St. Paul region have stood out for a while compared to the rest of the country. Schipper attributed the trend in part to lower population growth in the Upper Midwest, and **a spree in multifamily housing construction in the Twin Cities.**

"When you have less people wanting homes, too, that's also going to put less upward pressure on both rental prices and home rates," he said. "I think those two things combined probably explain a big part of it."



# Regional Development Highlights

- **53,200 multifamily units permitted along high frequency transit:**
  - **40% of multifamily units in the region**
    - 31,600 units in LRT station areas
    - 18,500 units in BRT station areas
    - 13,350 units along high frequency local bus routes

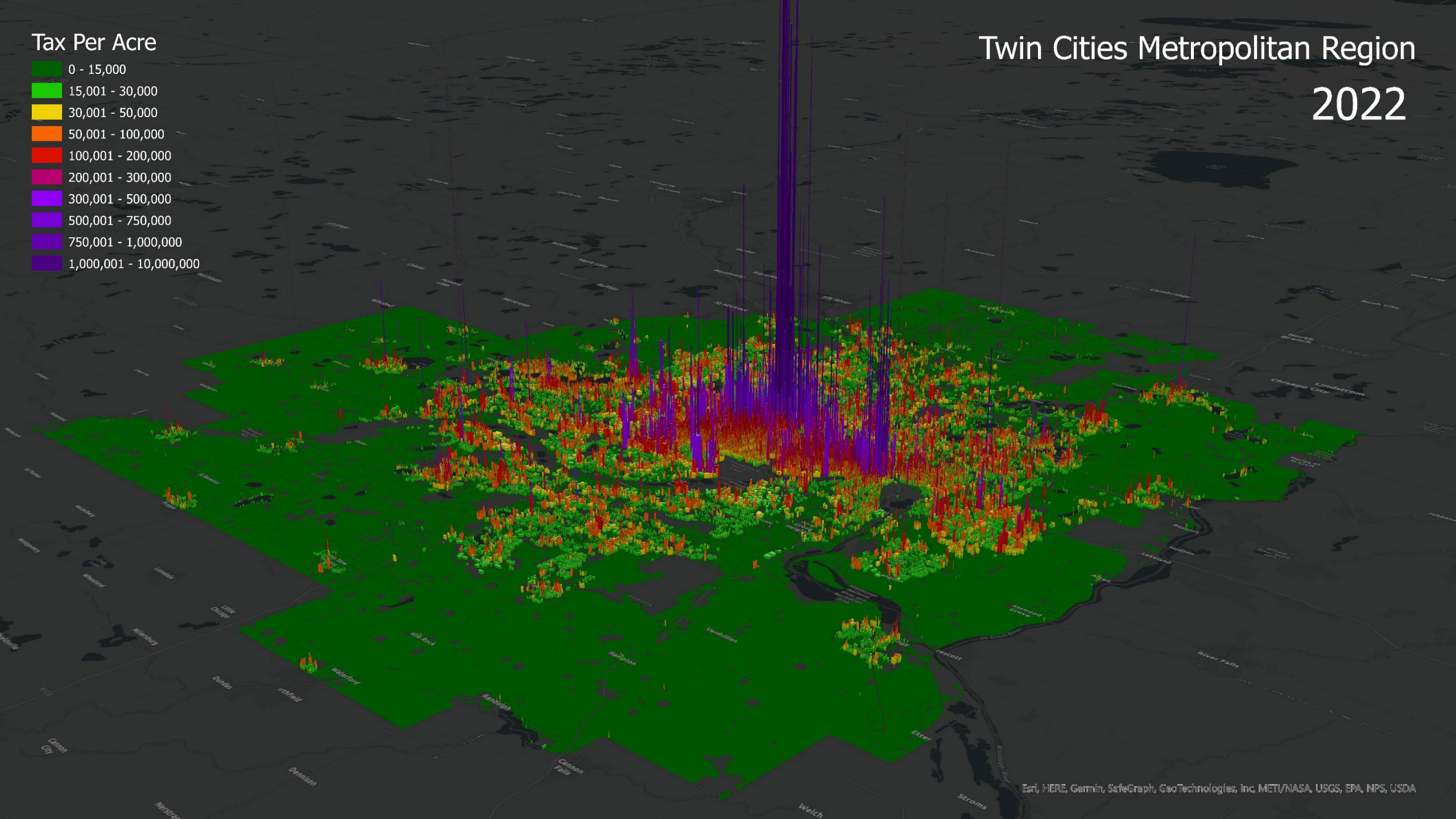
Type	Regional Total	High Frequency Transit	Share of Total
Residential	\$21.4 B	\$9.1 B	43%
Commercial	\$17.1 B	\$6.1 B	36%
Public Institutional	\$9.6 B	\$2.9 B	30%
Industrial	\$5.3 B	\$209 M	4%
Total	\$53.3 billion	\$18.3 billion	34%

# Tax Per Acre

- 0 - 15,000
- 15,001 - 30,000
- 30,001 - 50,000
- 50,001 - 100,000
- 100,001 - 200,000
- 200,001 - 300,000
- 300,001 - 500,000
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- 1,000,001 - 10,000,000

# Twin Cities Metropolitan Region

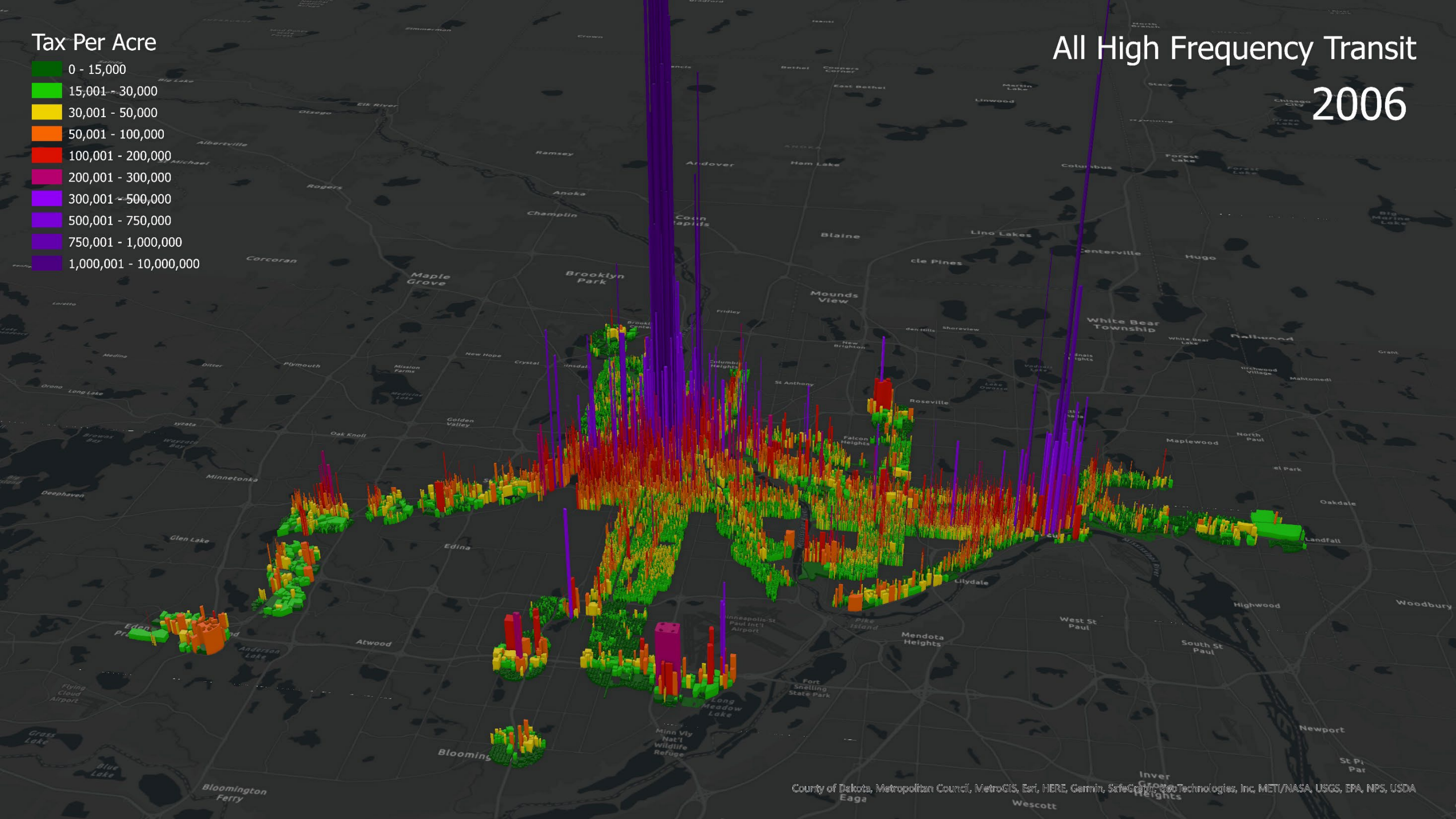
# 2022



# Tax Per Acre

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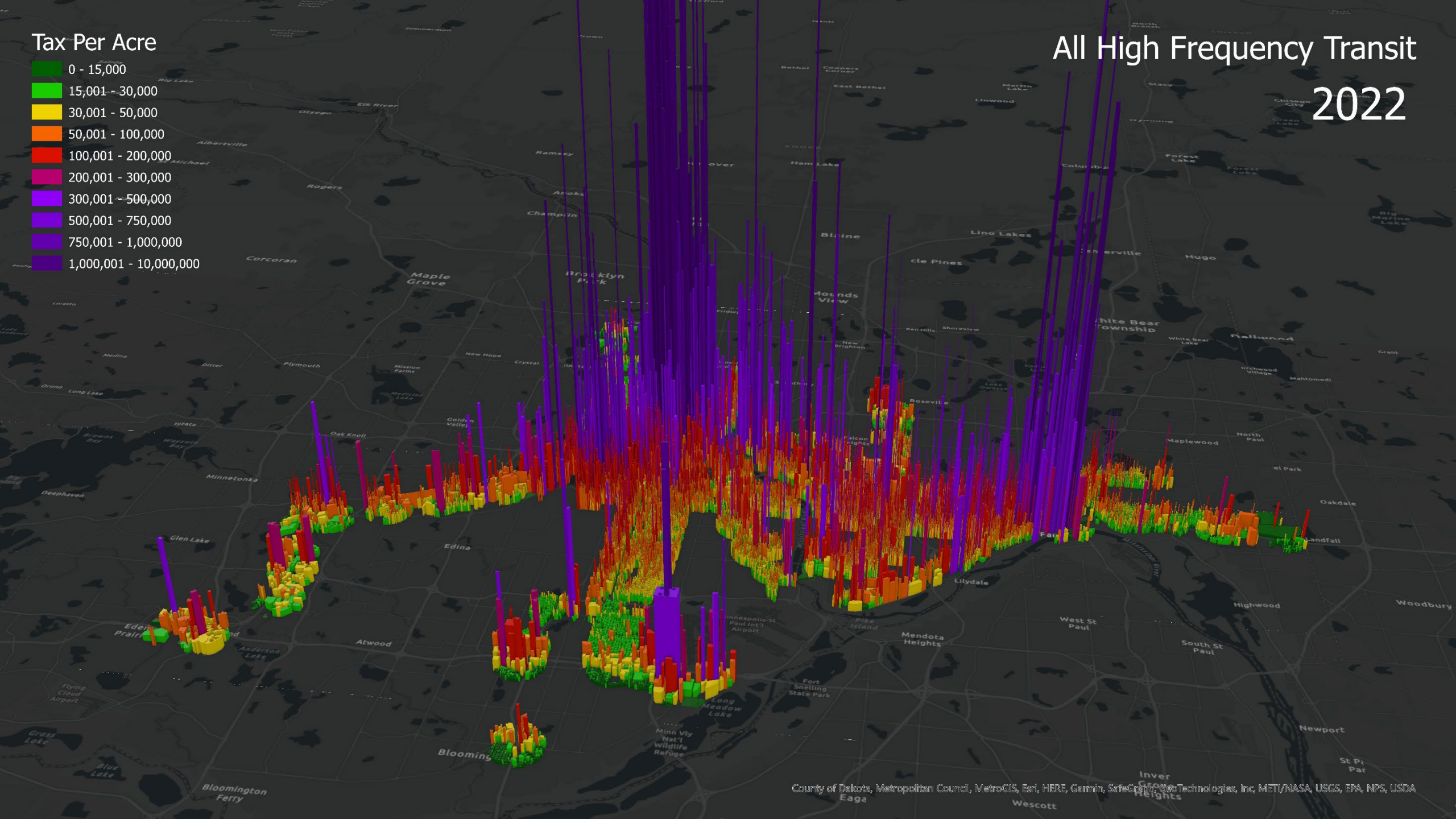
# All High Frequency Transit 2006

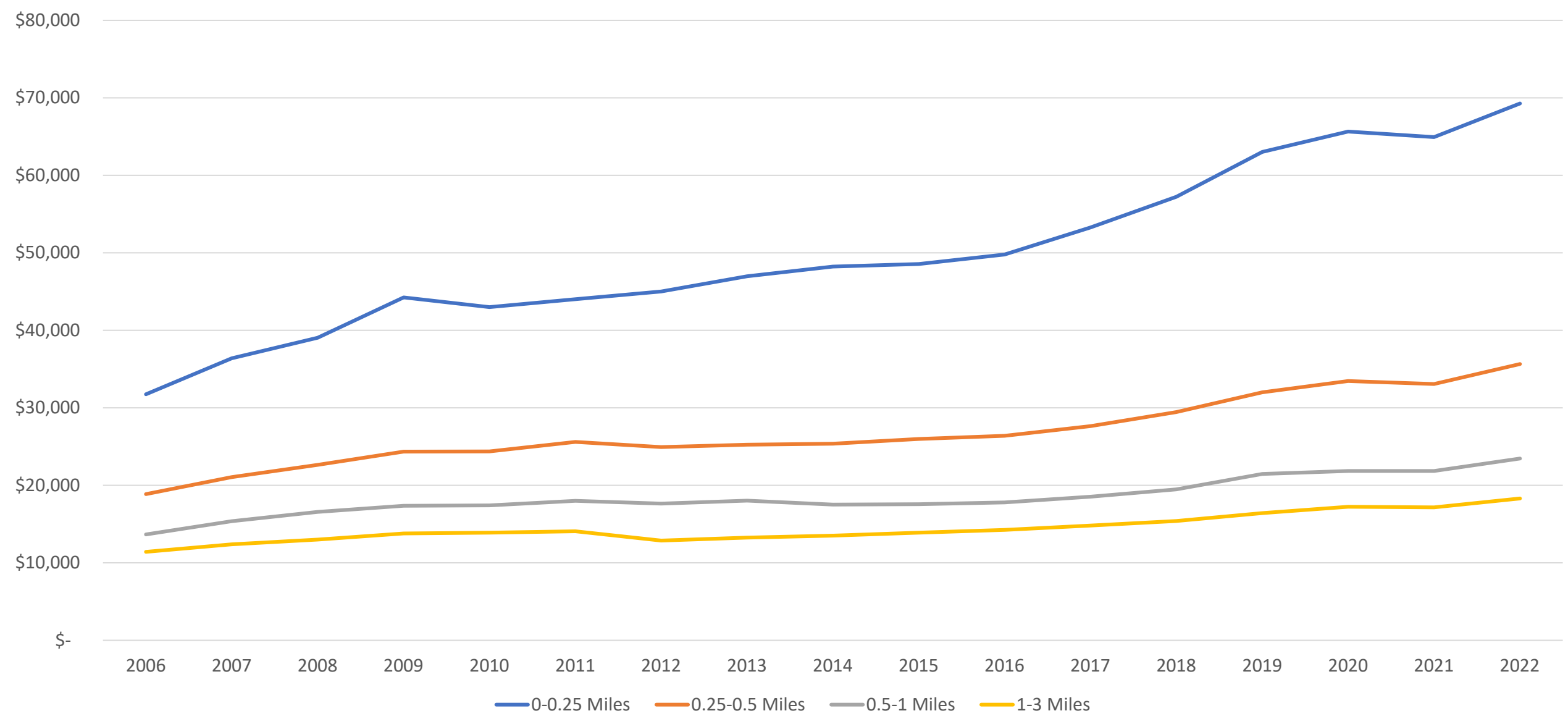


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# All High Frequency Transit 2022





# Property Tax per Acre



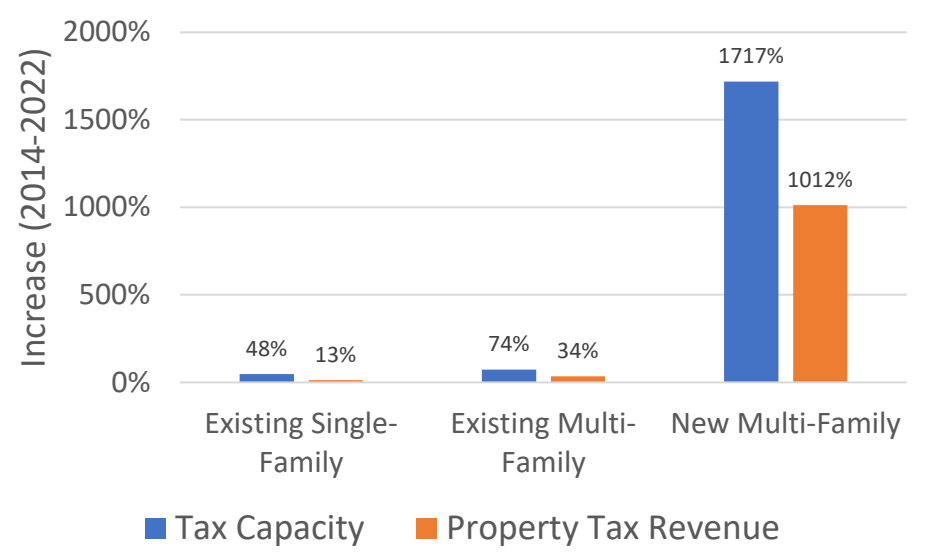
## Tax Base Highlights

- Tax base increasing faster near transit
- Increase is driven by new projects, not existing housing/commercial uses





		Existing Single-Family	Existing Multi-Family	New Multi-Family
<b>Tax Capacity/ Acre</b>	<b>2014</b>	\$15,554	\$89,912	\$12,440
	<b>2022</b>	\$22,955	\$156,038	\$226,038
<b>Property Tax/ Acre</b>	<b>2014</b>	\$28,188	\$159,916	\$27,610
	<b>2022</b>	\$31,964	\$214,842	\$307,132



# METRO A Line Example

## Planned Development

- 36,900 units of multifamily housing are planned to be near high frequency transit
- 47.4% of all planned developments located near high frequency transitways
- 56% of units planned near HFT are mixed use
- 60% of mixed-use development is planned near HFT

# METRO A Line 2023 Development Trends

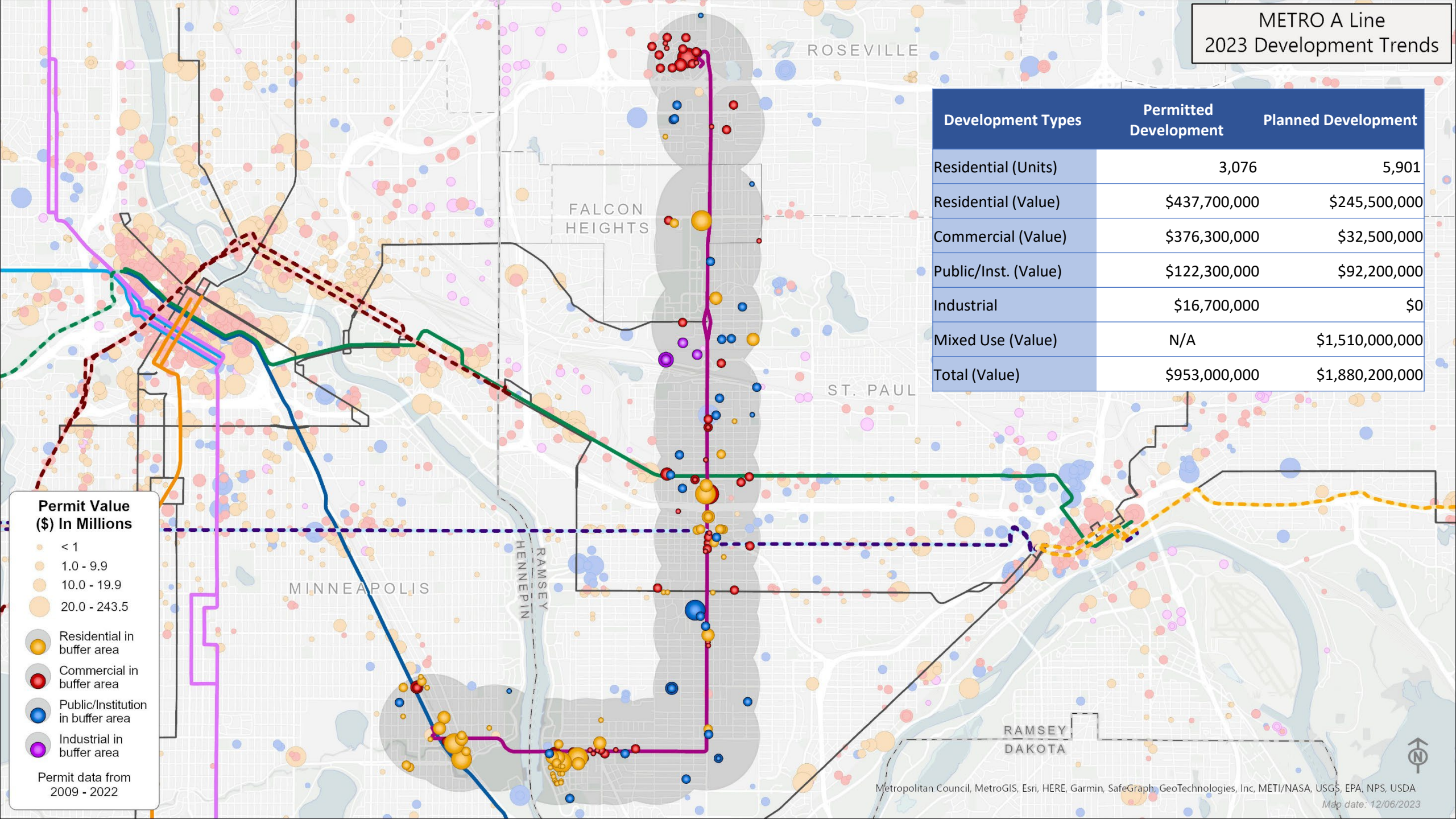
Development Types	Permitted Development	Planned Development
Residential (Units)	3,076	5,901
Residential (Value)	\$437,700,000	\$245,500,000
Commercial (Value)	\$376,300,000	\$32,500,000
Public/Inst. (Value)	\$122,300,000	\$92,200,000
Industrial	\$16,700,000	\$0
Mixed Use (Value)	N/A	\$1,510,000,000
<b>Total (Value)</b>	<b>\$953,000,000</b>	<b>\$1,880,200,000</b>

**Permit Value (\$)** In Millions

- < 1
- 1.0 - 9.9
- 10.0 - 19.9
- 20.0 - 243.5

- Residential in buffer area
- Commercial in buffer area
- Public/Institution in buffer area
- Industrial in buffer area

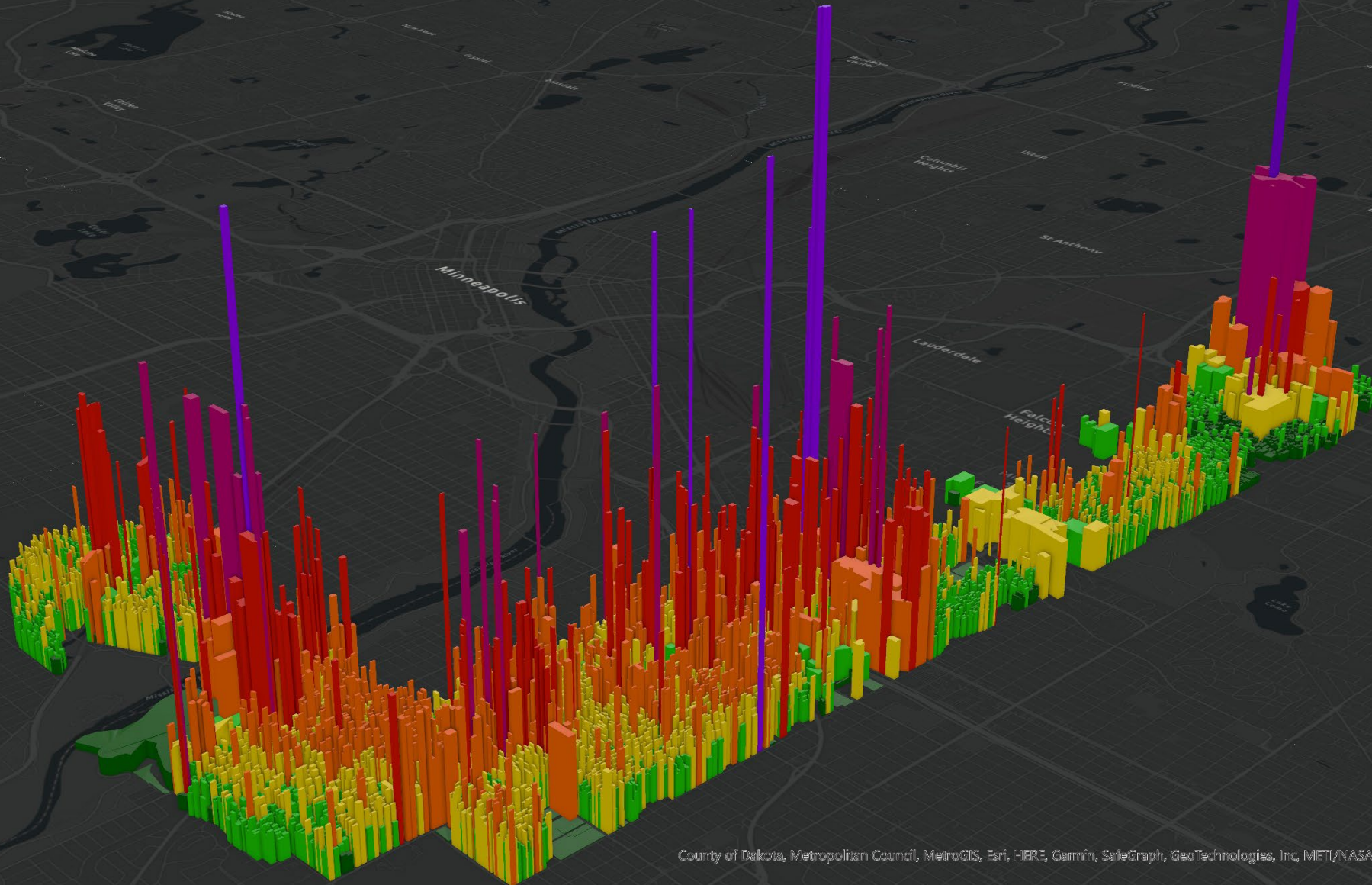
Permit data from 2009 - 2022



# Tax Per Acre

- 0 - 15,000
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- 200,001 - 300,000
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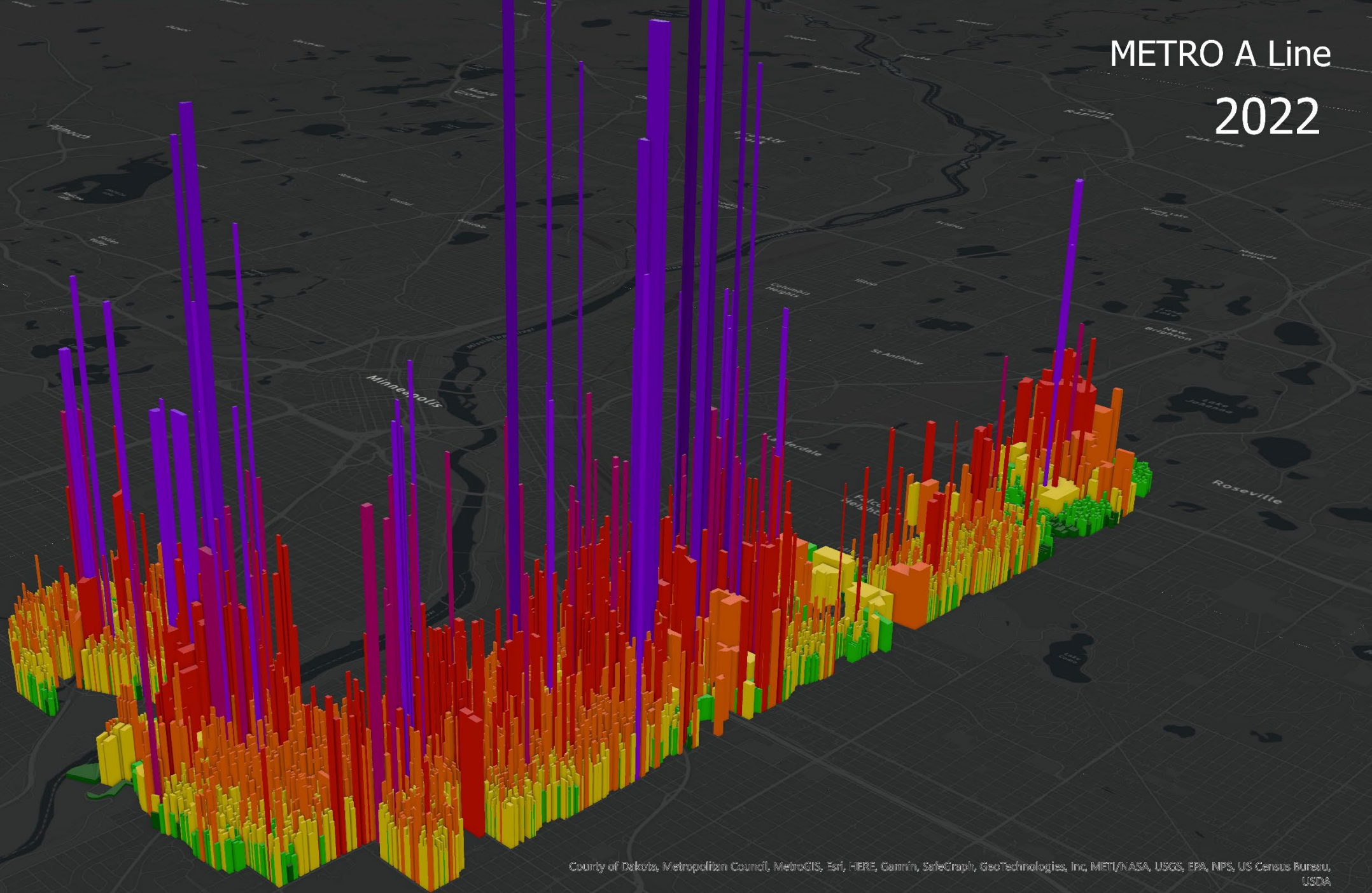
# METRO A Line 2014



# Tax Per Acre

- 0 - 15,000
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# METRO A Line 2022



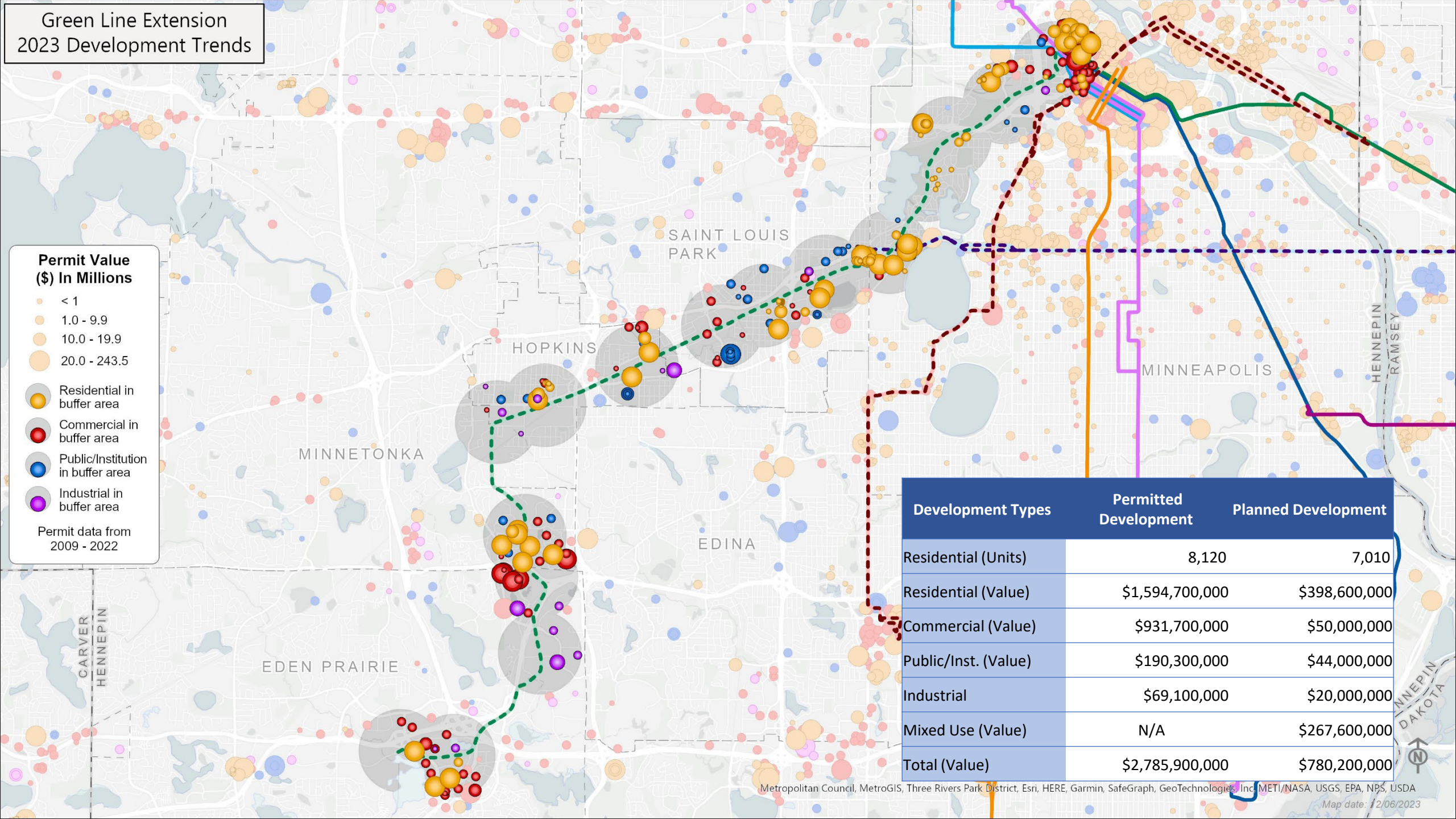
# Green Line Extension 2023 Development Trends

**Permit Value (\$)** In Millions

- < 1
- 1.0 - 9.9
- 10.0 - 19.9
- 20.0 - 243.5

Residential in buffer area  
 Commercial in buffer area  
 Public/Institution in buffer area  
 Industrial in buffer area

Permit data from 2009 - 2022

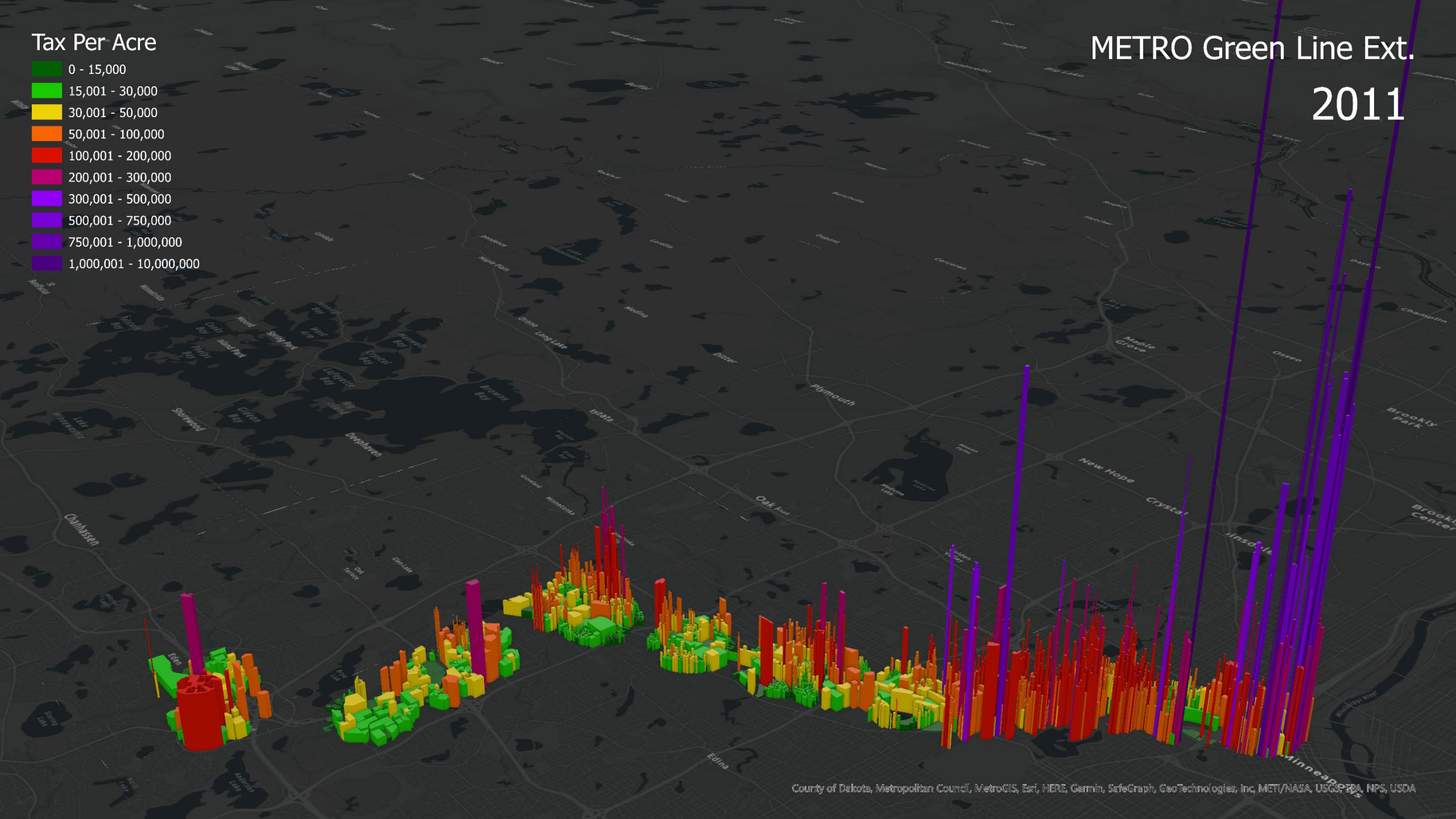


Development Types	Permitted Development	Planned Development
Residential (Units)	8,120	7,010
Residential (Value)	\$1,594,700,000	\$398,600,000
Commercial (Value)	\$931,700,000	\$50,000,000
Public/Inst. (Value)	\$190,300,000	\$44,000,000
Industrial	\$69,100,000	\$20,000,000
Mixed Use (Value)	N/A	\$267,600,000
<b>Total (Value)</b>	<b>\$2,785,900,000</b>	<b>\$780,200,000</b>

# Tax Per Acre

- 0 - 15,000
- 15,001 - 30,000
- 30,001 - 50,000
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- 200,001 - 300,000
- 300,001 - 500,000
- 500,001 - 750,000
- 750,001 - 1,000,000
- 1,000,001 - 10,000,000

# METRO Green Line Ext. 2011

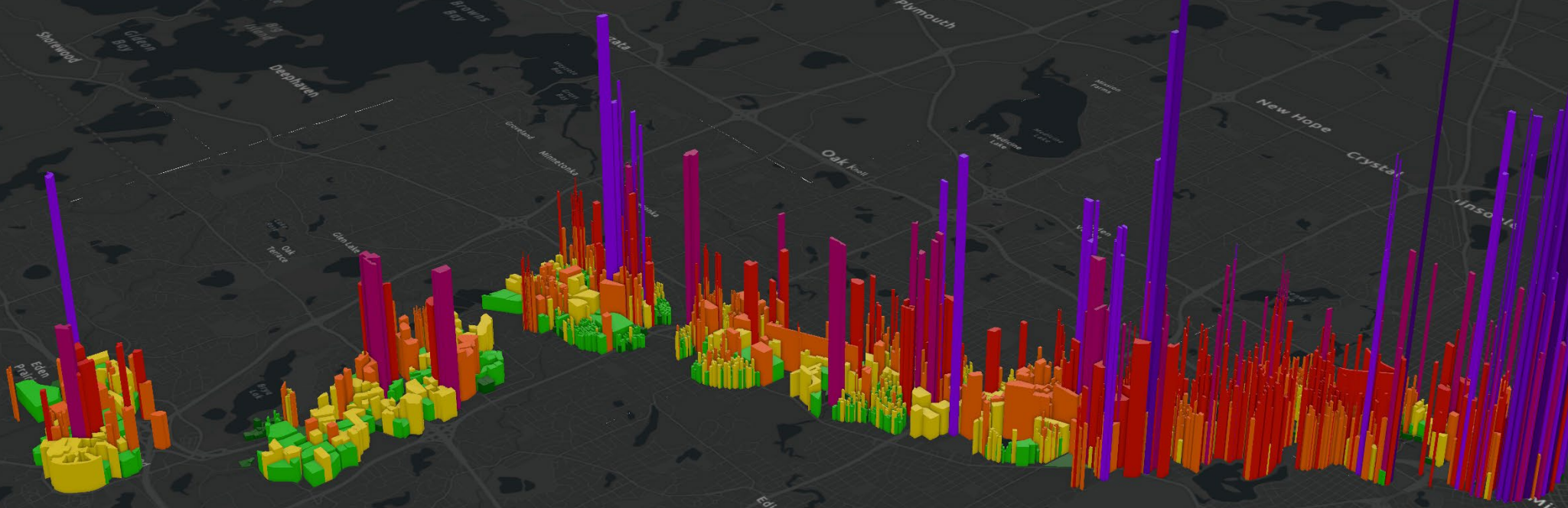




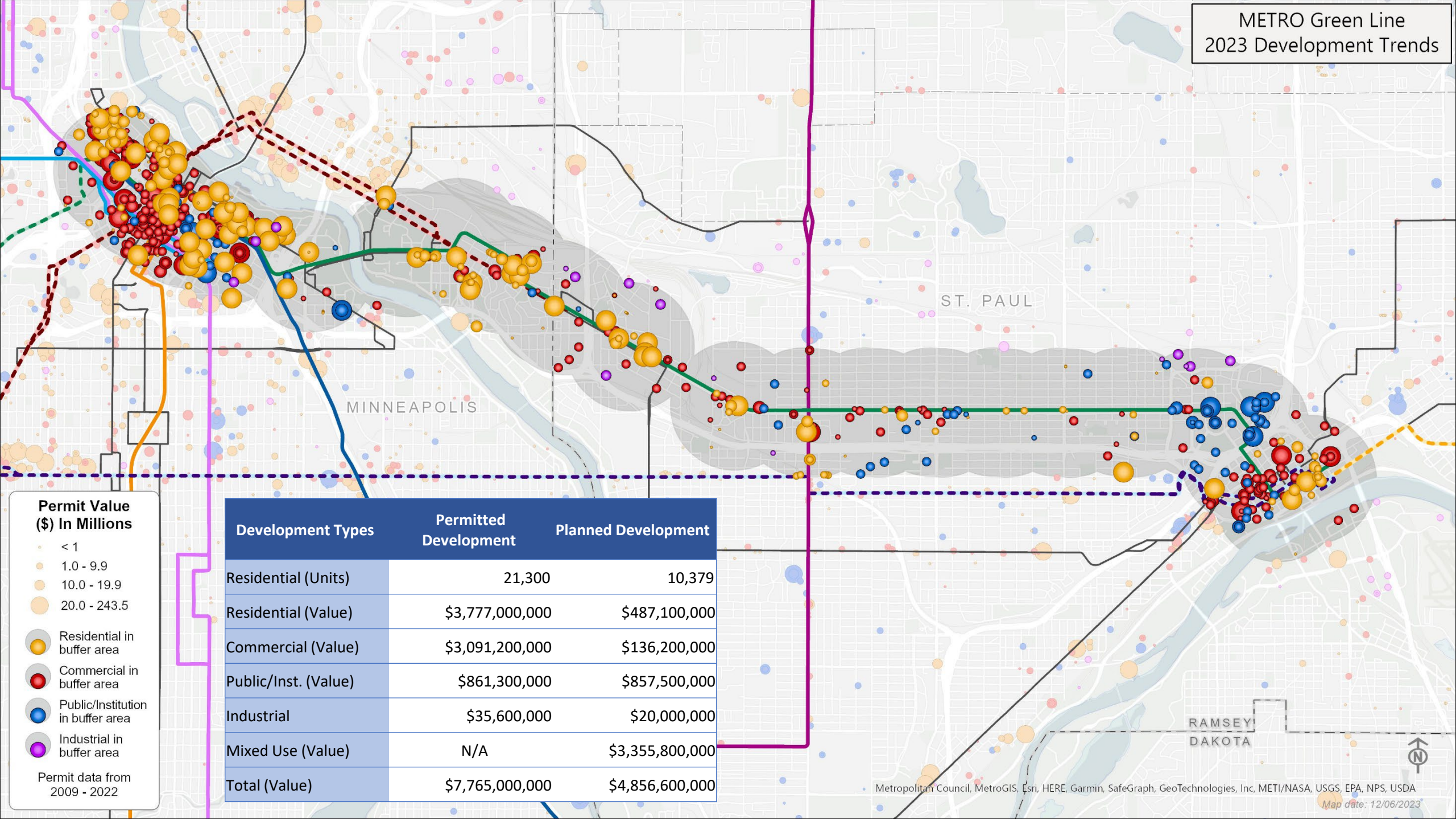
# Tax Per Acre

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# METRO Green Line Ext. 2022



# METRO Green Line 2023 Development Trends



### Permit Value (\$) In Millions

- < 1
- 1.0 - 9.9
- 10.0 - 19.9
- 20.0 - 243.5

- Residential in buffer area
- Commercial in buffer area
- Public/Institution in buffer area
- Industrial in buffer area

Permit data from 2009 - 2022

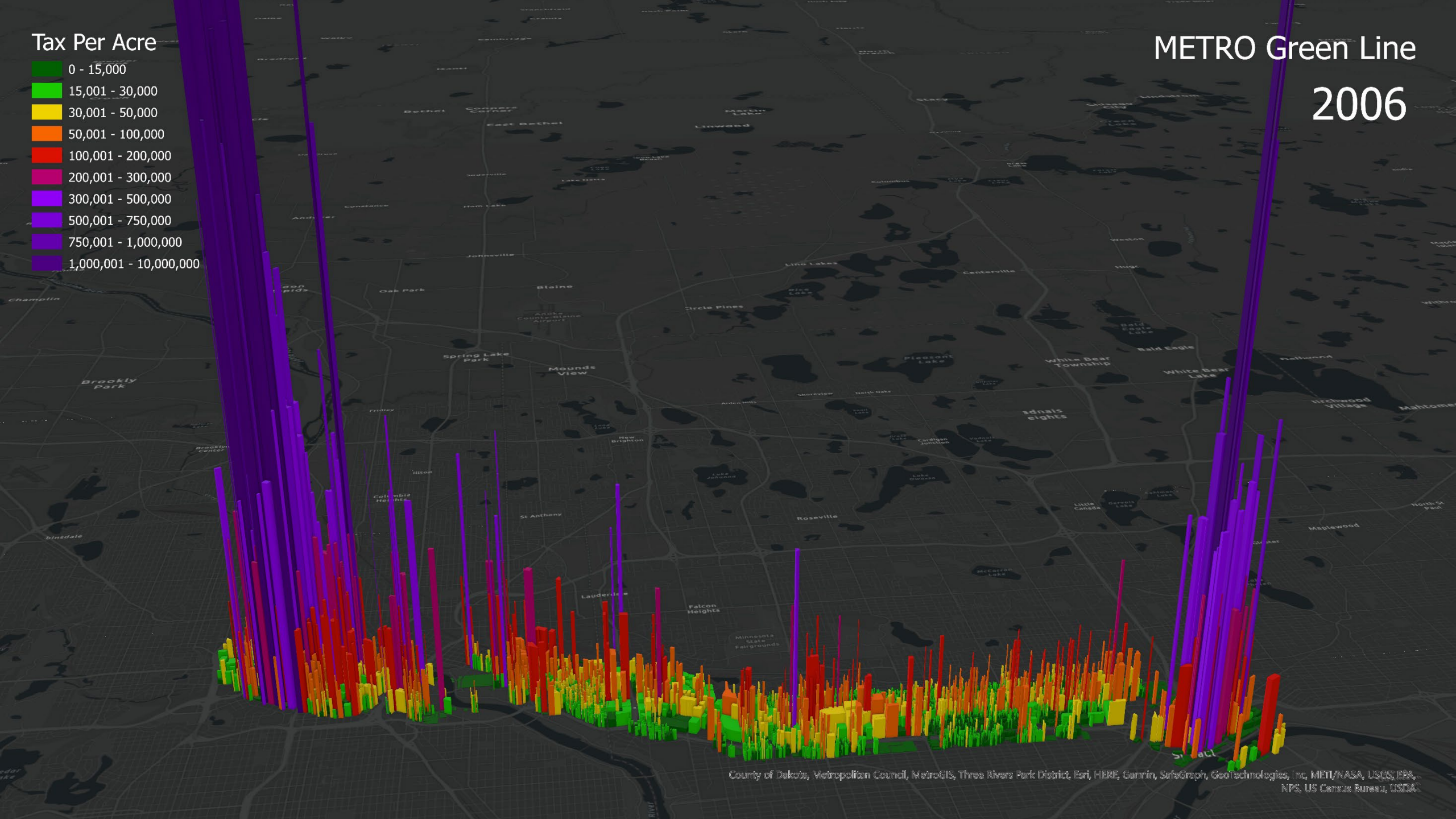
Development Types	Permitted Development	Planned Development
Residential (Units)	21,300	10,379
Residential (Value)	\$3,777,000,000	\$487,100,000
Commercial (Value)	\$3,091,200,000	\$136,200,000
Public/Inst. (Value)	\$861,300,000	\$857,500,000
Industrial	\$35,600,000	\$20,000,000
Mixed Use (Value)	N/A	\$3,355,800,000
<b>Total (Value)</b>	<b>\$7,765,000,000</b>	<b>\$4,856,600,000</b>

# Tax Per Acre

- 0 - 15,000
- 15,001 - 30,000
- 30,001 - 50,000
- 50,001 - 100,000
- 100,001 - 200,000
- 200,001 - 300,000
- 300,001 - 500,000
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# METRO Green Line

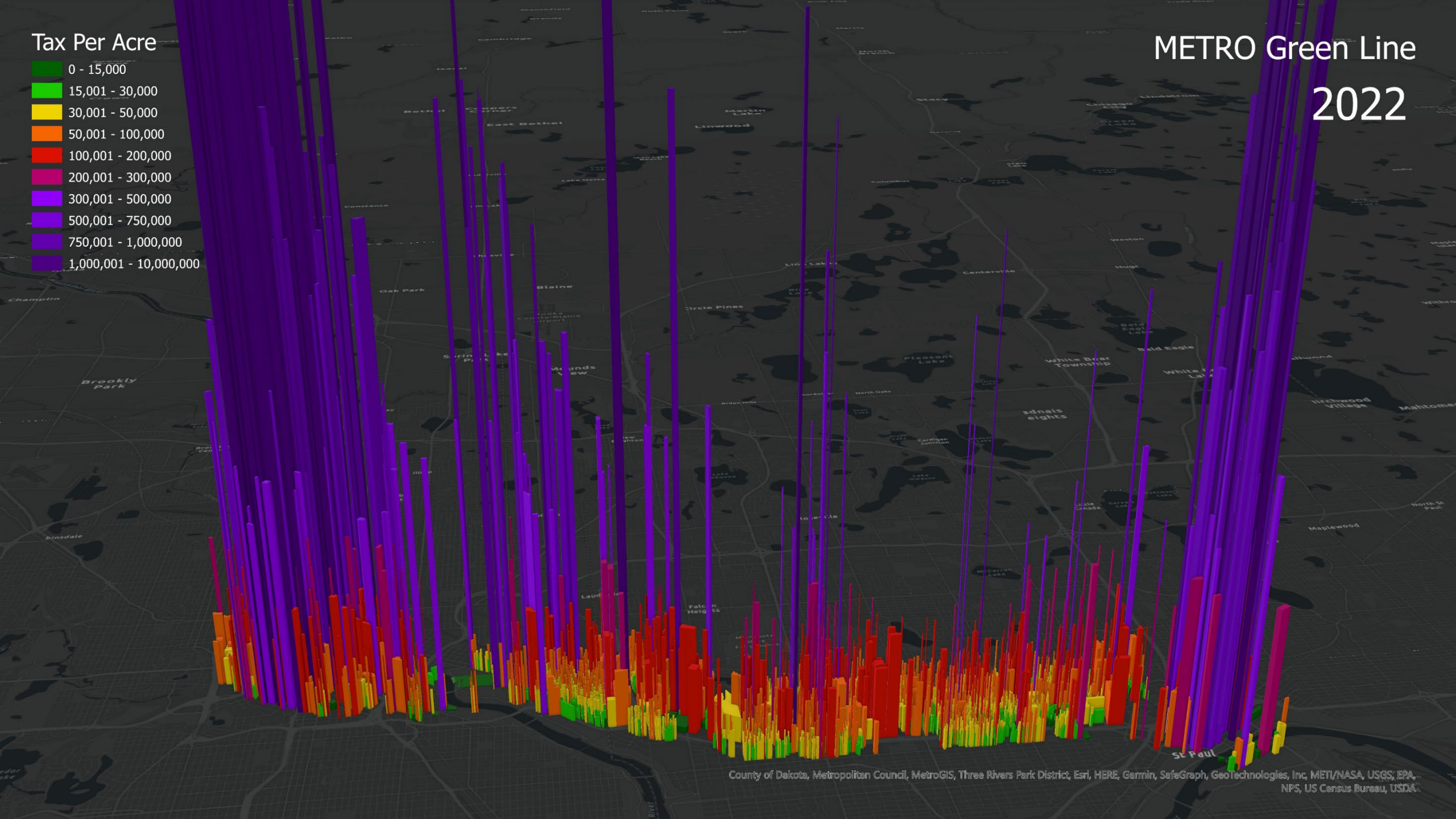
# 2006



# Tax Per Acre

- 0 - 15,000
- 15,001 - 30,000
- 30,001 - 50,000
- 50,001 - 100,000
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# METRO Green Line 2022



# Summary

**The region's growth has concentrated along high frequency transit as the transit network has grown.**

**40%** of multifamily units built in the region in the time periods of this study are located near high frequency transit.

**34%** of recent total regional development value occurred along high frequency transit.

An **additional 36,900 units** of multifamily housing are planned to be near high frequency transit, with **47.4% of all planned developments** located near high frequency transitways.

# Thank you!

*2022 Development Trends Along Transit*

[metrotransit.org/tod](https://metrotransit.org/tod)

*TOD @metrotransit.org*