



# Transit Oriented Development Update

Transportation Committee Meeting  
June 26, 2017

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# TOD Project: Snelling— Dirt is moving!



June 16  
2017





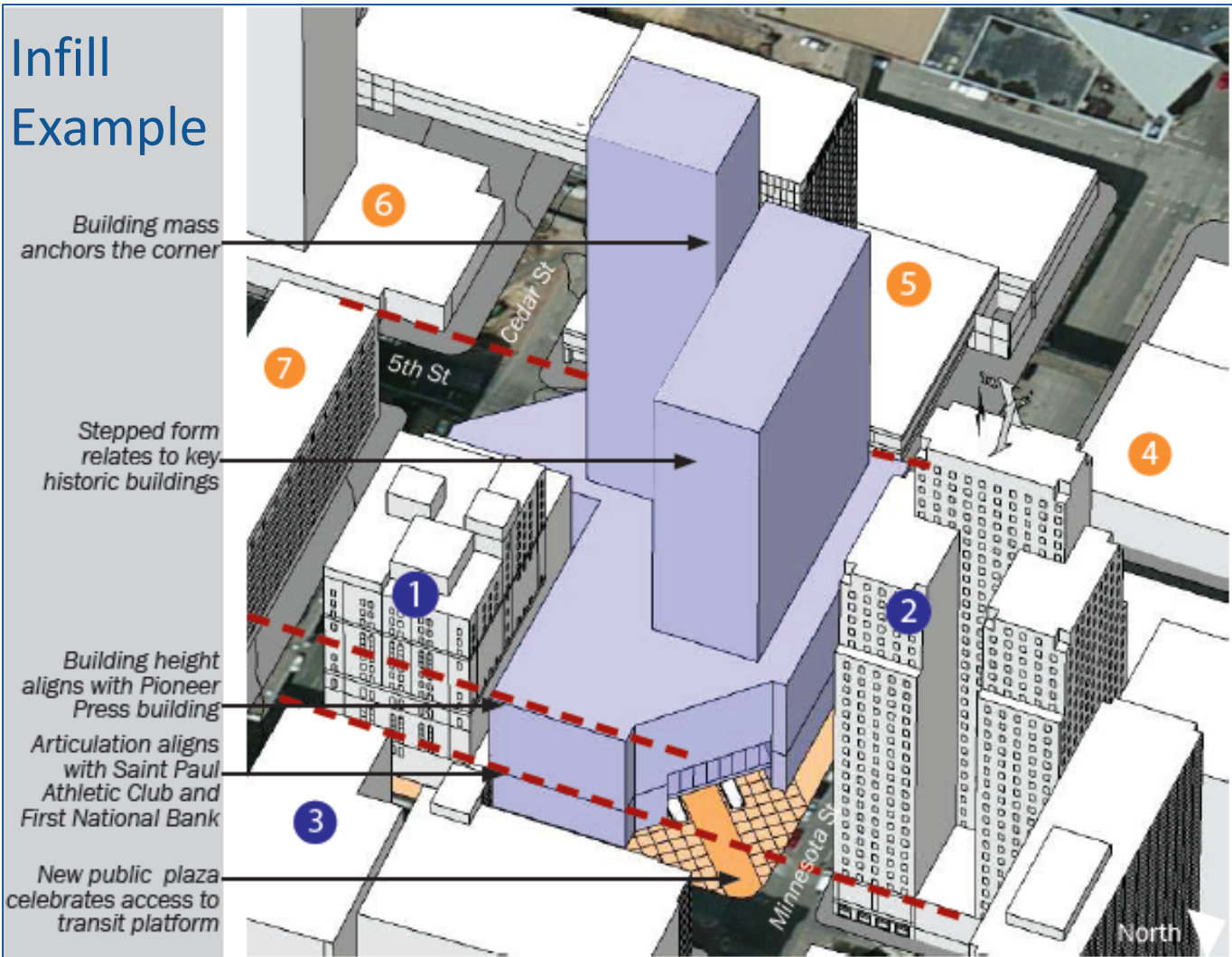
2017  
“Before” photo

*Credit: Jon Commers  
From US Bank  
building  
February 19, 2017*



Figure 2.1 Victory Square, ca. 1938

## Infill Example

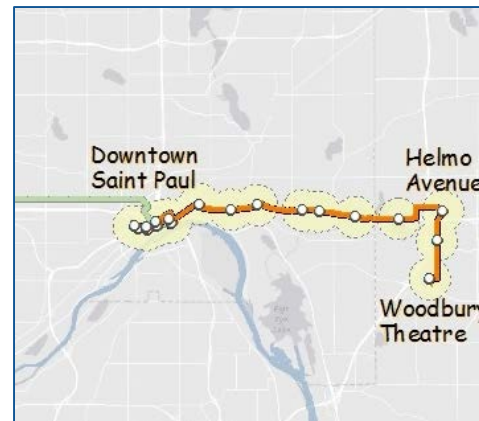
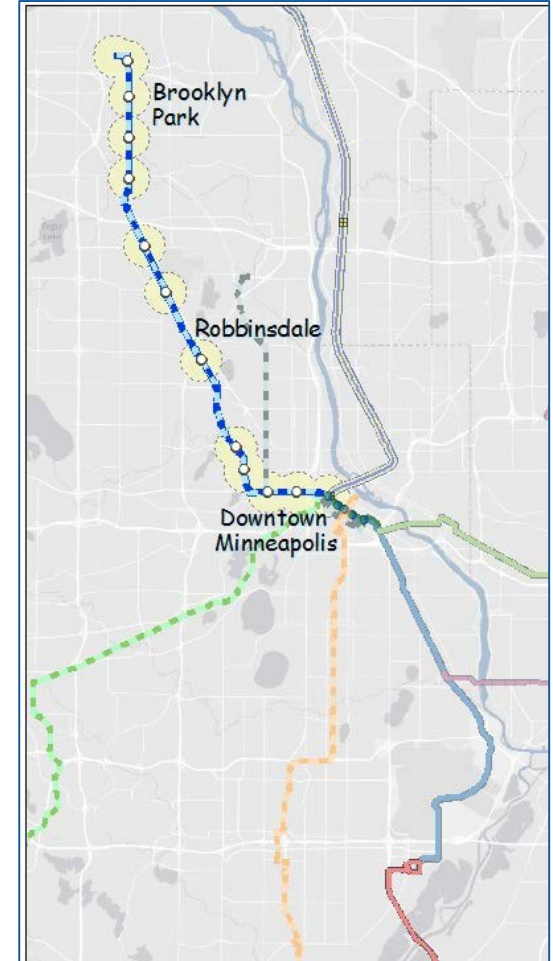


## Gold Line: Washington County is Subrecipient/Project Manager

- \$1.3 M Project
- \$1 M Federal
- Crandall Arambula Lead Consultant

## Blue Line Extension: Hennepin County is Subrecipient/Project Manager

- \$1.852 M Project
- \$1.2 M Federal
- Preparing RFP's





## Ground Leases

A Guide for Developers, Public Officials, and Lenders



### Preface

In recent years, transit agencies have discovered the ground lease to be an effective tool for funding transit improvement projects. A ground lease allows a private developer to build and own a transit project that has value that is a result of the transit project. The value is recognized by the transit agency, which allows transit projects to be funded.

Another benefit of ground leases is that they allow transit agencies to fund transit-oriented development projects. Ground leases allow transit agencies to fund transit-oriented development projects.

The practice of ground leasing is often a simpler alternative to the traditional model of transit-oriented development. It allows transit agencies to fund transit-oriented development projects.

### What is a Ground Lease?

Ground leases are a type of lease in which the tenant is the landowner's property. The landowner puts the land to another use, and the tenant builds and owns the structure. The landowner retains ownership of the land while the tenant owns the structure.

This arrangement is often used for transit-oriented development projects. It allows transit agencies to fund transit-oriented development projects. The landowner retains ownership of the land while the tenant owns the structure.

## SAC Credits and Deferments

A Guide for Business-Owners and Developers



Sewer Availability Charges (SAC) occasionally receive negative attention for being perceived as a complicated and arbitrary financial burden on small-business and property development. These criticisms often come from a misunderstanding of the SAC program. The program is designed to help business owners and developers understand the program and coordinate with MetroTransit.

### What is SAC for?

SAC is one of the ways that the regional wastewater system anticipates future demand. It requires taking on the capacity that was built into the wastewater pipes that were

### How is SAC administered?

The Met Council charges SAC in their municipality. Local government or property developers who are a part of the permitting process

### When will I have to pay SAC?

The Metropolitan Council of the wastewater system for the first time the use of its space, which is a part of the permitting process.

### What determines how much SAC I will pay?

SAC is determined by the monthly utility bills in that it wastewater flow from a project system must be built large enough to handle the flow.

The maximum demand of a one SAC unit; the 2017 rate SAC determined based on the

## Building 21<sup>st</sup> Century Suburbs:

The Future of Suburban Development in the Twin Cities



### Introduction

Over the last 25 years, the postwar trend of urban population loss at the expense of the suburbs has gradually come to an end for many metropolitan areas.<sup>1</sup> This reemergence of the city has no single explanation, but rather must be viewed in the context of a variety of cultural and economic changes such as smaller households, higher transportation costs and greater interest in the style of life associated with traditional neighborhood design.<sup>1</sup> Despite these changes, America in many ways remains a suburban nation. According to recent measures, in America's 50 largest metropolitan areas, suburbs account for 79 percent of the population, 67 percent of the employment and contrary to popular perception, about 75 percent of both the racial minority and 25-35-year-old populations.<sup>2</sup> As these statistics indicate, suburbs remain a central feature of American life.

Image: Hopkins Mainstreet

However, despite their ongoing popularity, demographic and market trends indicate that suburbs may need reimagining in the years ahead. As a growing number of Americans, particularly millennials,<sup>3</sup> increasingly value walkable neighborhoods and the ability to live independent of a car, the pressure for a change in our suburban model is growing.<sup>2</sup> Looking to the day when millennials surpass baby-boomers as the primary consumers of American housing, some have gone as far as to predict these trends will result in a transformation of the American dream from a single-family home in the suburbs to a courtyard townhouse in a walkable neighborhood.<sup>2</sup> While the accuracy of such bold predictions remains unknown, all trends suggest an increased percentage of Americans will value walkable urbanism in the decades to come.<sup>2</sup>

This document will outline the forces driving the trend towards walkable, urban development in the suburbs, and explain why this is relevant for developers and city officials. Focusing on the Twin Cities Metro, it will explain why the market is shifting towards new styles of development, the financial incentives that accompany walkable, mixed-use development and the places that are already defying old conceptions of what suburbs can be. Ultimately, this guide will show that while suburbs have been a feature of American life for more than half a century, it will take reimagining and redevelopment to make them livable and successful in the decades ahead.

### The Market Forces Behind Suburban Transformation

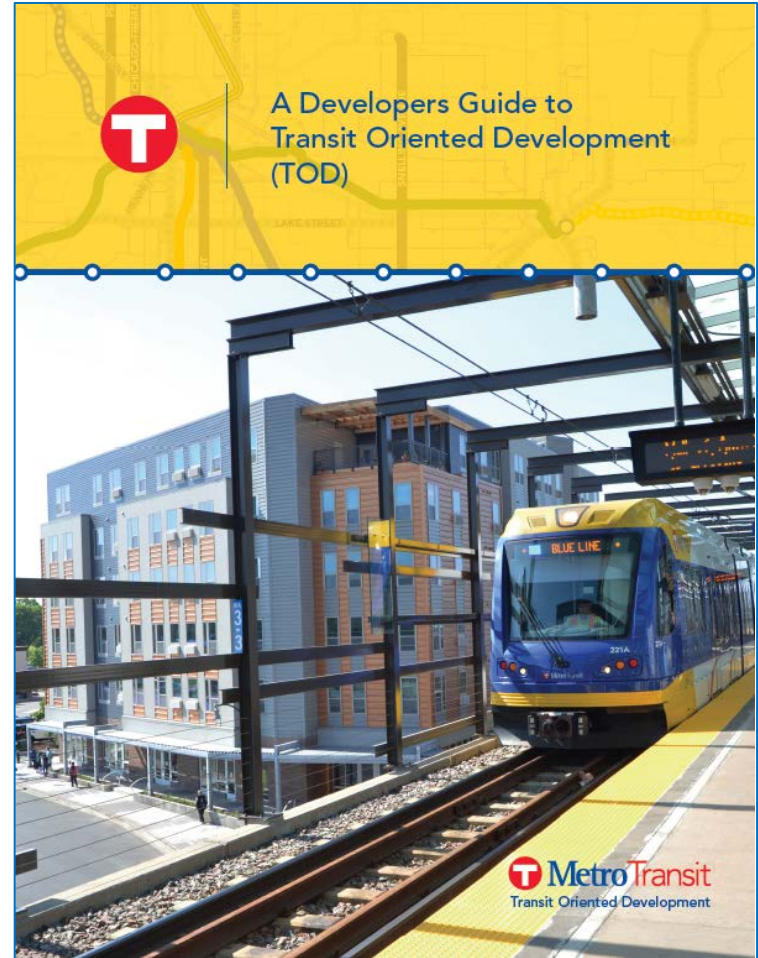
#### The Housing Preferences of Millennials

Demographics influence all sectors of the economy, and the real estate market is no different. After years of hype about the lifestyle preferences of millennials, uncertainty remains about how they will affect property markets in the coming years. As millennials make up about 31 percent of the population of the Twin Cities Metro Area,<sup>4</sup> and are by far the largest source of new demand for rental housing and first-

time home purchases,<sup>4</sup> it is important to understand exactly what their preferences are before it is possible to understand how they may affect the Twin Cities' real estate market in the future.

Perhaps the most recurrent finding of numerous studies is that millennials show an inclination towards housing in walkable neighborhoods where car-independent living is possible. One study found that 63 percent of millennials say they would like to live

<sup>1</sup>Defined as the generation born between 1981-2000





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# Questions?

