

# *Transit-*



Once the site of Denver's historic Elitch gardens and amusement park, Highlands' Garden Village in Colorado might just be one of the best examples of recent transit-oriented development and Smart Growth around.

The approximately \$105 million project created by Jonathan Rose Companies boasts a bus line just 10 minutes from downtown; 75,000 square feet of retail space; schools; a theater; a carousel; 140,000 square feet of open space—and every bit of it is tastefully entwined with dozens of lofts, multi-family residences, town homes, single-family houses, senior residences and carriage houses.



# *Oriented Developments*

By Amanda Kramer

***Affordable choices: Connecting communities to the workplace***

Jonathan Rose Developer Chuck Perry said the project, which was completed in 2007, has been a rousing success. And for a site that may have been considered "underutilized" a few years ago, Perry said, the Highlands' area in Denver is now basking in the light of its successful marriage of transportation lines and life—the key to transit-oriented development, or "TOD."

"These (TODs) are the wave of the future," said Perry. "We need to be continually working to create dense, mixed-use, mixed-income communities."



### TODs address affordable housing

What Perry is saying—and what he's helping to build—isn't far off the mark.

According to the Center for Housing Policies' most recent report, "A Heavy Load: The Combined Housing and Transportation Burdens of Working Families," a growing number of cities across the United States are identifying a lack of affordable housing, an increase in commute times and traffic congestion as high-priority issues. In fact, the study suggests that it's critical for cities or regions throughout the United States to constantly consider both a housing and transportation policy—together.

Maria Zimmerman, vice president of policy for Reconnecting America, spends much of her time studying the impacts and policies surrounding current transportation-oriented development and how her organization can improve federal policy's investment in the trend.

Zimmerman, whose national nonprofit organization works to integrate transportation systems and the communities those systems serve, said the benefits of living in a TOD can be far-reaching—and all touch on the issues identified in the Center's study.

"If you're looking at one development versus a TOD community, there's much more benefit if it's part of a whole community strategy," Zimmerman said. "We see households who live near transit own a half a car less and spend less on transit. There are other benefits if you're in a vibrant, mixed-income, walkable neighborhood—you're getting more exercise, there's nice engaging open space ... you're creating great places."

"For the developer, the positives are that there's more of a price premium for the TOD units—even with the higher cost it takes to do many of these projects. I think at its most basic element that's what's appealing for development," Zimmerman continued. "The retail mixed-use side is still hard for the developer and may have slower immediate return, but the unit can maintain itself over the longer-time horizon."

Zimmerman said Reconnecting America has looked at the issue of incorporating mixed-income housing into TOD communities.

"With a lot of urban markets there's concern about gentrification and displacement," she said. "There's a growing interest in seeing if there are ways we can create mixed-income TODs so we have units available for people with a range of





incomes, working families as well as some low-income households."

Perry said he finds the issue of mixed-income housing critical to the future of TODs. He said his company considered and incorporated varying housing costs into the Highlands' project.

"The reactions have been very positive particularly here—and what people really recognized is that we've created a sense of space, very pedestrian-friendly. It's an inter-generational community and the most significant thing is that you can stand at the bottom of a picture (of the development) and see town houses for \$300,000 or apartments that rent for

\$519," Perry said. "I believe that the key to effective TOD is going to be to ensure there are mixed-income communities and they create a sense of place and a sense of community."

Perry said another older, but still thriving, TOD his company worked on was the Denver Dry Goods Building renovation and renewal. Adjacent to a light rail line and completed in phases from 1993 to 1999, the downtown historic department store was redeveloped into housing, offices and retail stores using a handful of "green," or environmentally friendly, features and attention to detail. Perry said other developers had simply suggested the space

**"These (TODs) are the wave of the future."**





Dry Goods building renovation in Denver, Colorado

## The key to effective TOD is going to be to ensure there are mixed-income communities.

be used as retail, but his company felt the project would fare better and serve more if the TOD model were used on the 350,000-square-foot space.

Perry said aside from focusing on mixed-income projects, he also strives to plan TODs that are as gentle to the environment as possible. For the Dry Goods renovation, Perry said his company contracted with an organization to create an energy model for the building and incorporated a set of energy-saving features like rebuilding historic windows with double-paned glass, using low VOC paints and glues, and installing a cooling system that uses evaporative techniques. All are features to maintain a home's affordability into the future.

### The future of TODs

Currently, Zimmerman said Reconnecting America is just beginning to research current trends in TOD and its future.

"I can't say where it is right now," Zimmerman said. "Anecdotally, what we're hearing is it does depend on the market. In the Twin Cities, some people are putting plans for TODs on hold. In the D.C. area; Charlotte, North Carolina; and the Bay area and the L.A. area in California, we're hearing that the market is healthy in terms of sales and prices—from all income levels. It actually appears to be holding its own."

Whether waxing or waning, though, transportation planner Katherine Perez said it's simply smart to realize that TOD could and should play an important role in future development across the country.

Perez, who currently serves as vice president of development for Forest City Development in California and is often on the "front end" of development projects, said there are a number of issues inherent to TODs that are important for developers and real estate professionals to



understand. TOD planning that addresses the need for live/work environments and affordable housing options must be a priority.

"The real estate market is really going through some tough times," Perez said. "What cities and residents and community folks should be doing right now—if they have a corridor and a busline—is planning these TODs."

Perez said some TOD markets are mature while some are not there yet.

"New York and Boston are mature, and Portland is sort of the gold standard of TOD," Perez remarked. "They really do the best kind of urban

## TOD could and should play an important role in future development.

design—the best kind of land use and transit pairing, they understand the value of transit."

Perez said that as for the future of TOD, developers across the United States may want to pay attention to overseas models.

"They're in Hong Kong, Singapore, Tokyo," Perez commented. "They've marshaled sustainability—and comparatively, affordability—and they're good at that. They've marshaled technology, and on the transit side they make it very efficient. If you miss a train there's another in 30 seconds."

Perez said models for the best in TODs can be found outside the country—where the fear of density and entrepreneurship often inherent to this type of development is nowhere to be found.

"We've got a lot to learn from overseas partners and colleagues—how we take good ideas and not be afraid to cherry pick them, and how to be ambitious with this stuff," Perez said. "We're not there yet, but we will get there, in my lifetime, for sure."

*Amanda Kramer is a freelance writer from Evansville, Wis.*

