The Transit Coefficient
RCLCO – Economic Development Practice Group

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Coalition for Smarter Growth | September 18, 2011

About RCLCO

Practice Areas

- Urban Development
- Community Development
- Economic Development
- Management Consulting

Offices

- Washington, DC
- Los Angeles
- Austin
- Orlando

RCLCO is a land use economics firm delivering **real estate strategies**, **market intelligence**, and **implementation assistance**

AREAS OF EXPERTISE

Downtown Revitalization

Gwinnett County, GA

Yonkers, NY

Albuquerque, NM

Houston, TX

Chattanooga, TN

Washington, D.C.

Industrial City Turnaround

Cincinnati, OH

Yonkers, NY

Indianapolis, IN

Buffalo, NY

Transit-Oriented Development

Washington, D.C. Streetcar System

Houston Intermodal Station

Charlotte, NC Transit System

Washington, D.C. MetroRail Extension

Metropolitan Growth Strategies

Superstition Vistas – Arizona

Envision San Diego – San Diego, CA

Envision Utah – Wasatch Valley, UT

Corridor Planning

Great Streets Initiative – St. Louis, MO

Great Streets Initiative – Washington, D.C.

Memorial Drive – DeKalb County, GA

Richmond Highway – Fairfax, VA

City of Oceanside – Oceanside, CA

Town Centers

Reston Town Center (DC)

Lenexa City Center (KS)

Easton Town Center (Columbus)

Affordable Housing

Terwilliger Center for Workforce Housing

Unidev, LLC

NCB Capital Impact

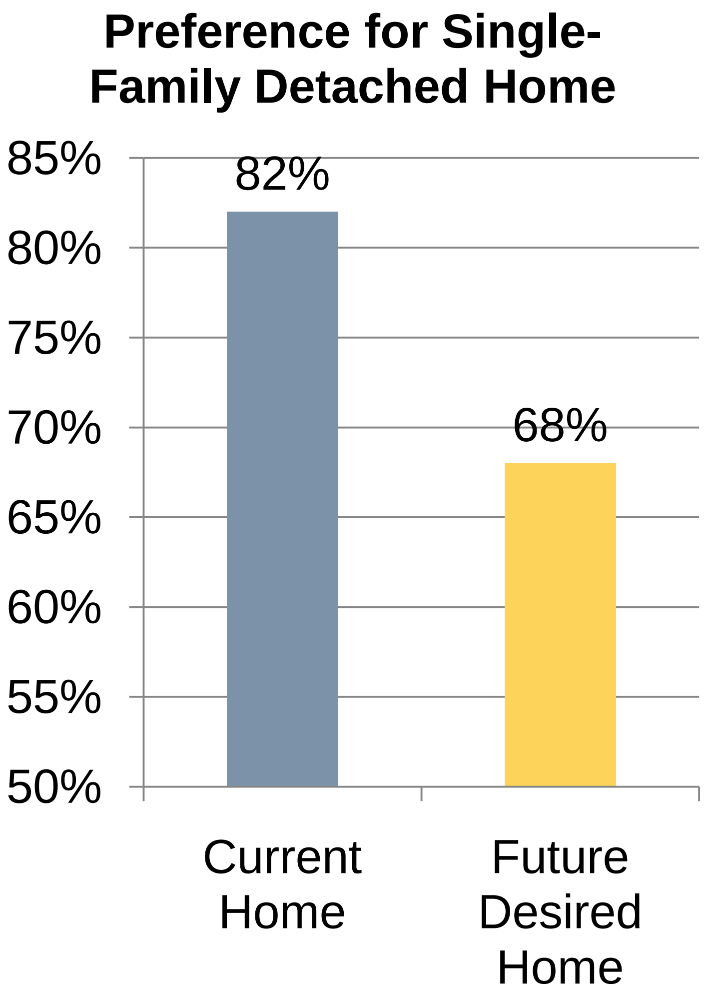
Public Private Partnerships

Big Darby Town Center – Columbus, OH

Great Streets – St. Louis, MO

Mt. Vernon Square, Washington, D.C.

THE STORY REMAINS THE SAME
PRE-RECESSION ~~ POST-RECESSION



- 23% of respondents 55-59 years of age most likely to purchase small-lot single family detached (14% of those 60+ and 13% of those 50-54 do, as well)
- Family and pre-family buyers distributed between increased preference for townhome or condo products and custom homes

Source: RCLCO 2007

The NAR Survey and Transit Oriented Development

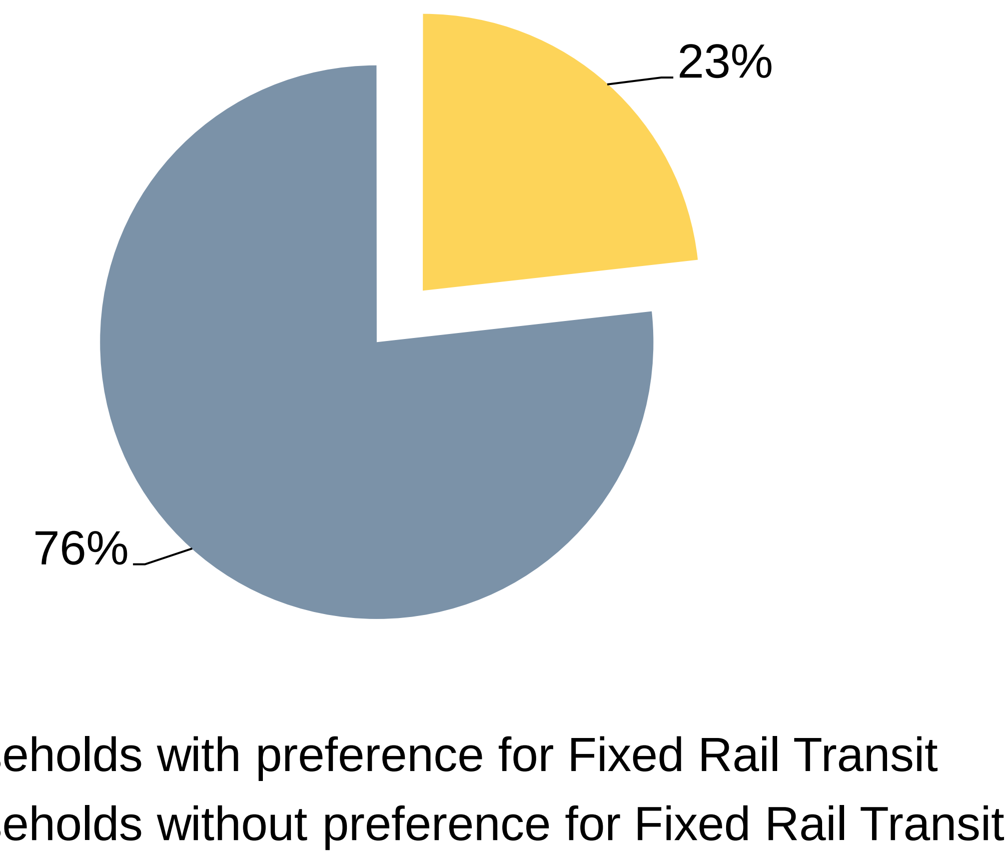
WHAT DOES THE REALTORS SURVEY SAY?
EXPLORING PREFERENCES FOR TRANSIT

18. In deciding where to live, indicate how important it would be to you to have each of the following within an easy walk: very important, somewhat important, not very important, or not at all important RANDOMIZE a-j AND PUT CODES ACROSS THE TOP

(Q18a) a. Schools
(Q18b) b. Grocery store
(Q18c) c. Pharmacy or drug store
(Q18d) d. Doctors' offices
(Q18e) e. Cultural resources like libraries or theaters
(Q18f) f. Recreational facilities like swimming, golf, or tennis
(Q18g) g. A hospital
(Q18h) h. (SPLIT SAMPLE COMBINED) Public transportation by (bus/rail)
(Q18h_a) h. (SPLIT SAMPLE A) Public transportation by bus
(Q18h_b) h. (SPLIT SAMPLE B) Public transportation by rail
(Q18i) i. Restaurants
(Q18j) j. Church, synagogue, or other place of worship

Source: National Association of REALTORS, 2011, RCLCO

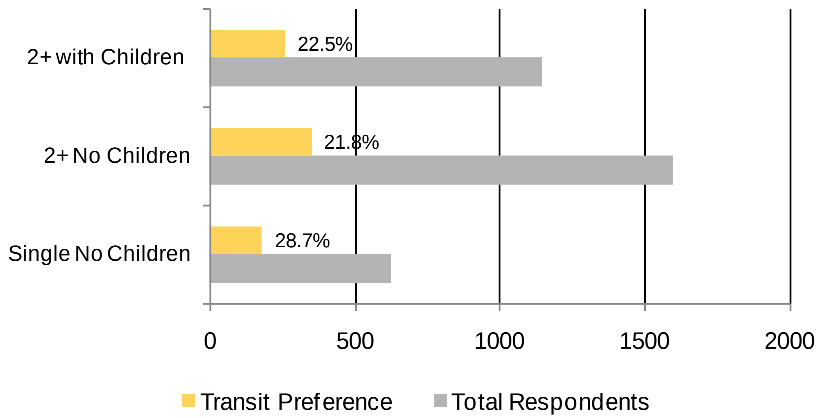
WHAT DOES THE SURVEY SAY?
ONE QUARTER OF THE MARKET WANTS FIXED RAIL TRANSIT



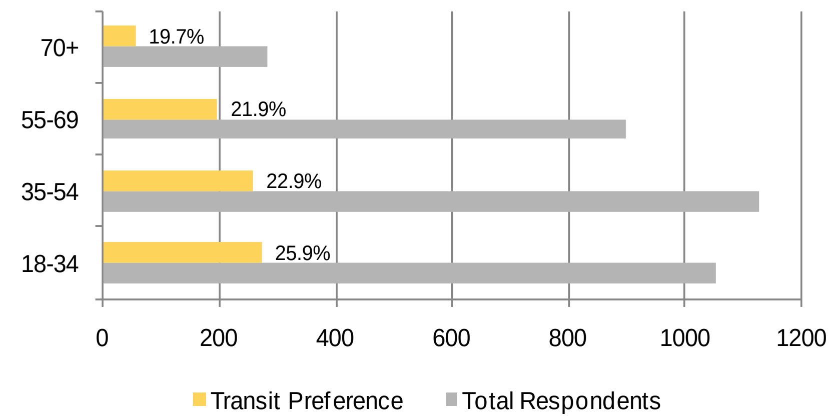
Source: National Association of REALTORS, 2011, RCLCO

WHAT DOES THE SURVEY SAY?
ONE QUARTER OF THE MARKET WANTS FIXED RAIL

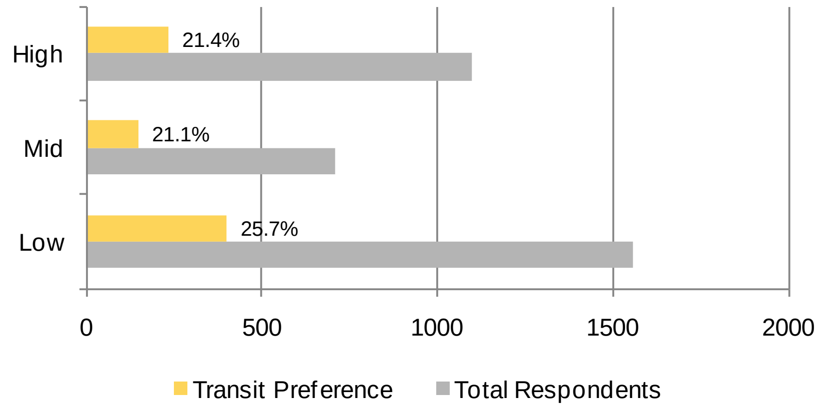
Preference by Household Type



Preference by Age Group

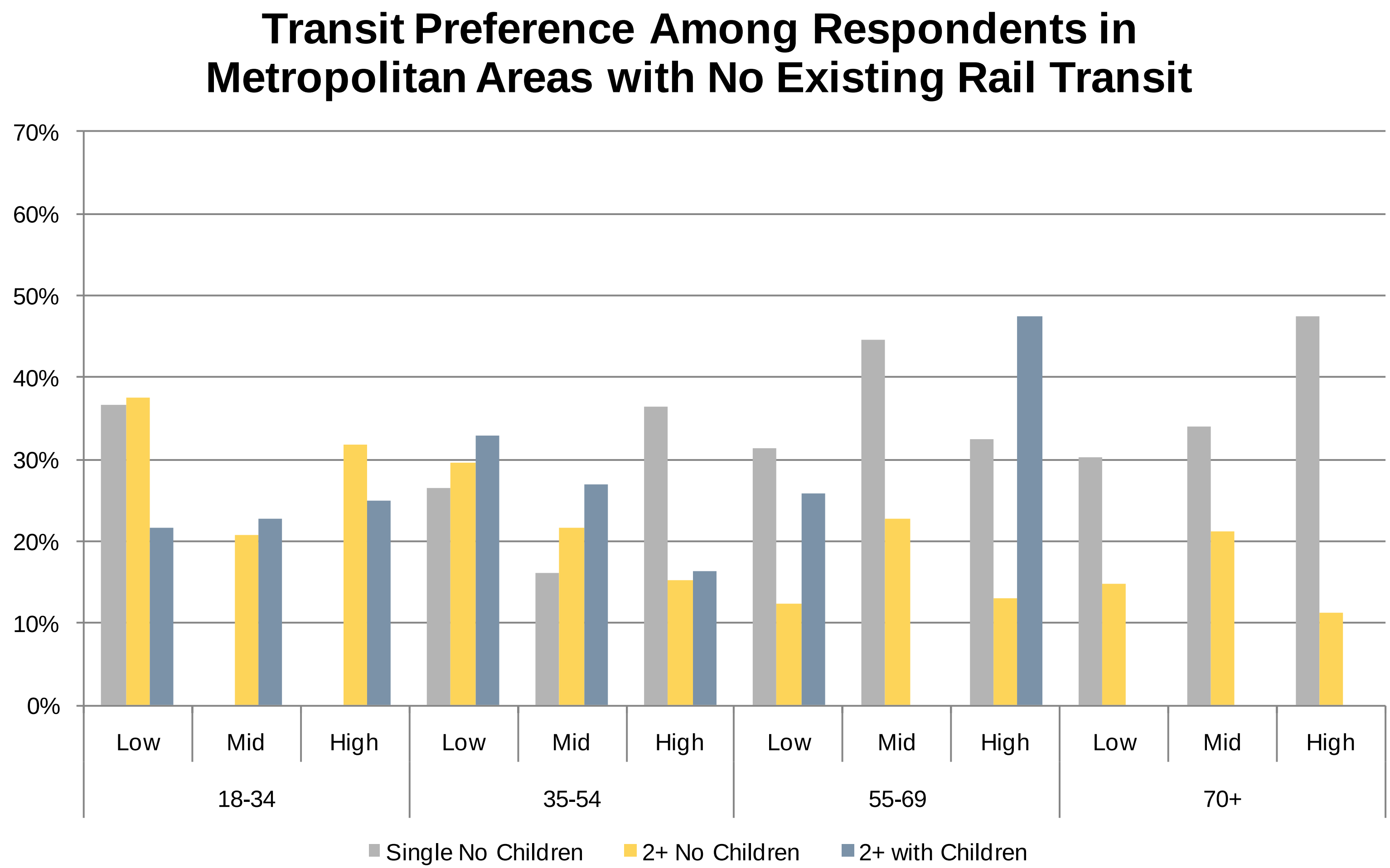


Preference by Income Level



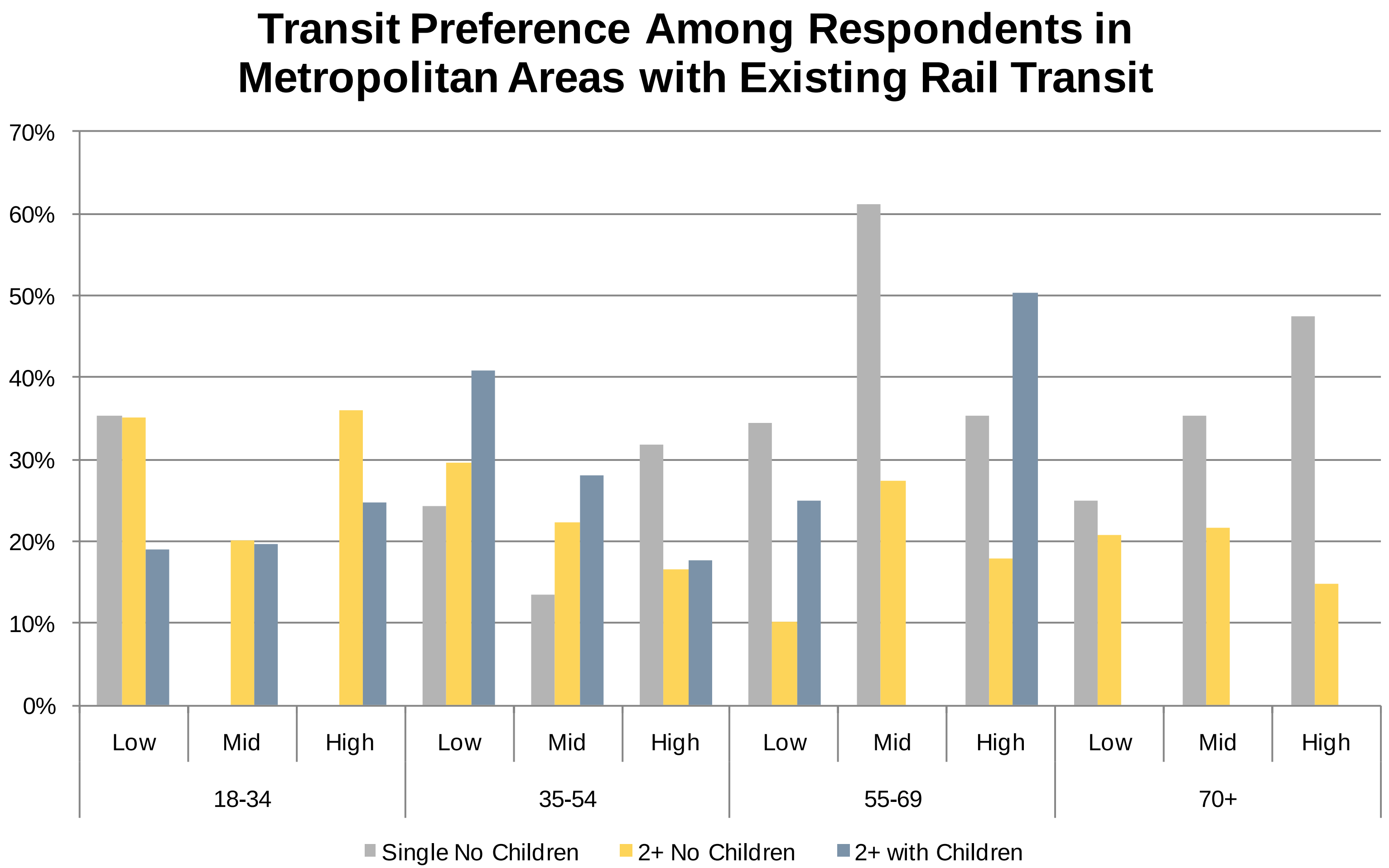
Source: National Association of REALTORS, 2011, RCLCO

WHAT DOES THE SURVEY SAY?
PREFERENCES IN METRO AREAS WITHOUT RAIL TRANSIT



Source: National Association of REALTORS, 2011, RCLCO

WHAT DOES THE SURVEY SAY?
PREFERENCES IN METRO AREAS WITH RAIL TRANSIT



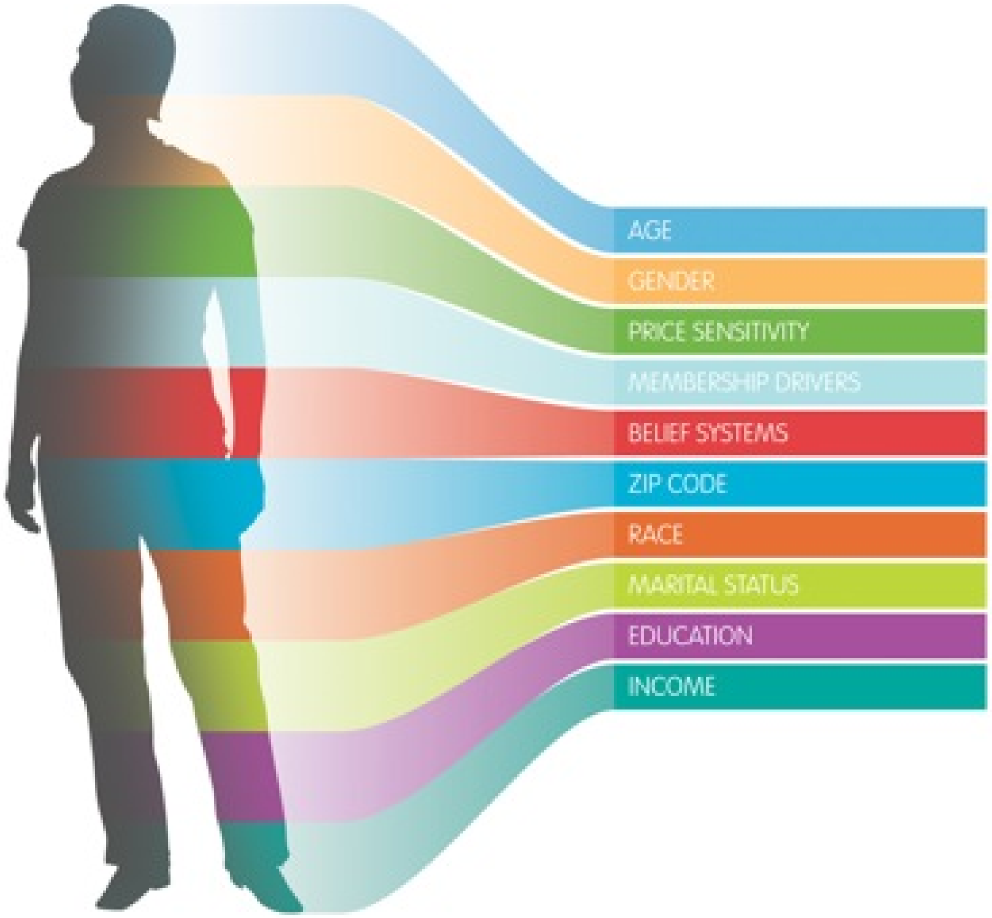
Source: National Association of REALTORS, 2011, RCLCO

So, Who Are These Transit People, Anyway?

PSYCHOGRAPHICS 101
UNDERSTANDING THE PEOPLE BEHIND THE NUMBERS

Psychographic analysis describes categorization driven by personality, values, attitudes, interests, or lifestyles.

It can be contrasted with demographic variables (such as age and gender), behavioral variables (such as usage rate or loyalty), and firmographic variables (such as industry, seniority and functional area).

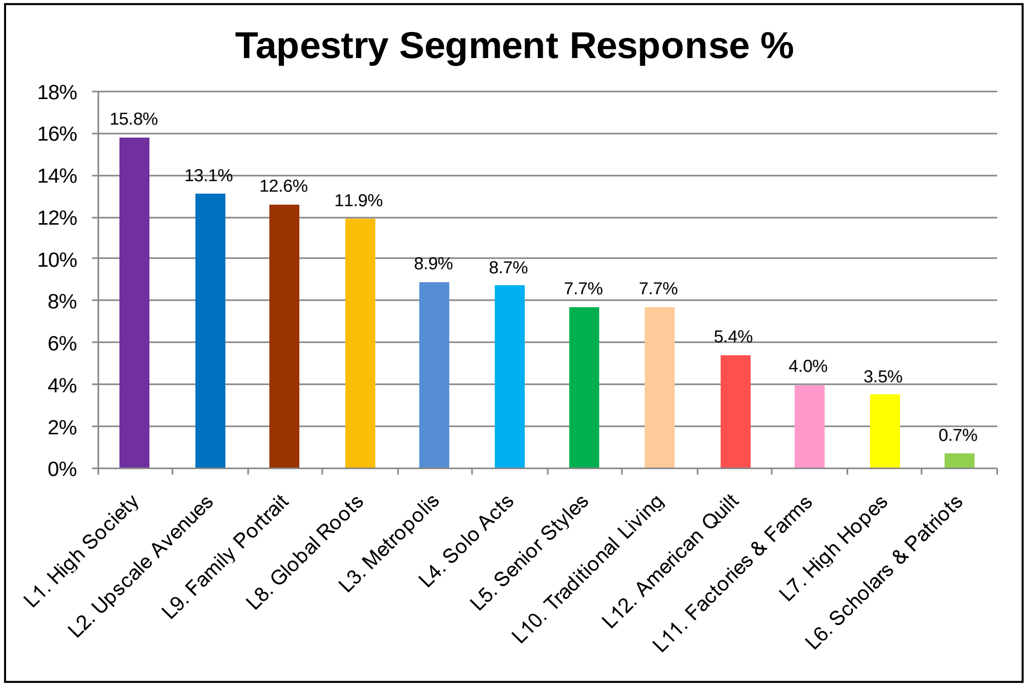


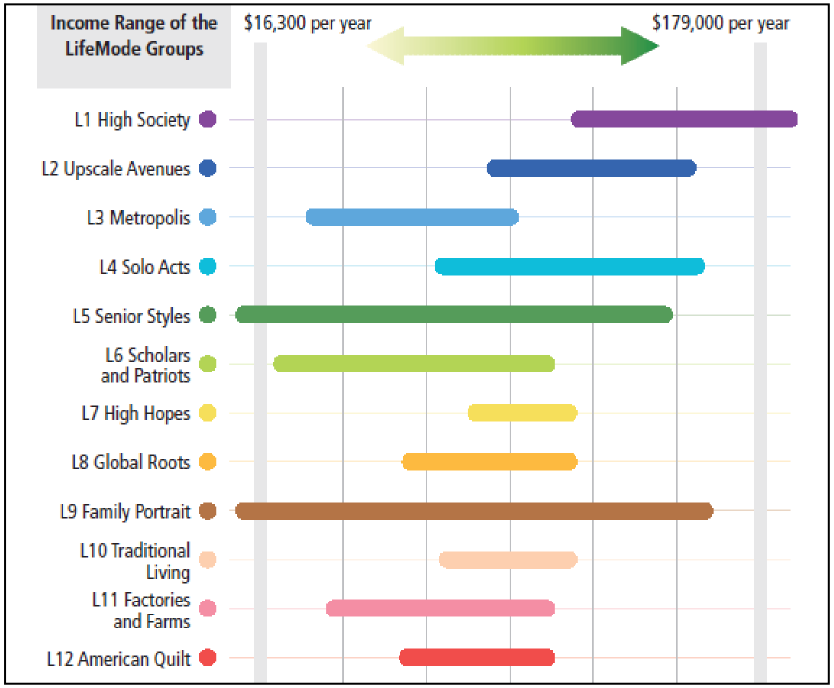
TRANSIT-ORIENTED CONSUMER SEGMENTS
LIKELY SUSPECTS ARE YOUNG, SINGLE, MOBILE

08 Laptops and Lattes	22 Metropolitans	27 Metro Renters	16 Enterprising Professionals	23 Trendsetters
				
L4 Solo Acts	L3 Metropolis	L4 Solo Acts	L2 Upscale Avenues	L4 Solo Acts
U1 Principal Urban Centers I	U3 Metro Cities I	U1 Principal Urban Centers I	U3 Metro Cities I	U1 Principal Urban Centers I
Singles; Shared	Singles; Shared	Singles; Shared	Mixed	Singles; Shared
38.1	37.1	33.6	32.4	35.0
Upper Middle	Middle	Middle	Upper Middle	Middle
Prof/Mgmt	Prof/Mgmt	Prof/Mgmt	Prof/Mgmt	Prof/Mgmt
Bach/Grad Degree	Some College; Bach/Grad	Bach/Grad Degree	Some College; Bach/Grad	Some College; Bach/Grad
Multiunit Rentals	Single Family; Multiunits	Multiunit Rentals	Multiunits; Townhome	Multiunit Rentals
White	White	White; Asian	White; Asian	White; Asian; Hispanic
Foreign travel	Visit zoo; museum	Travel by plane frequently	Practice yoga	Practice snorkeling, yoga
Trade stocks/bonds/funds online	Have personal line of credit	Track investments online	Trade stocks/bonds/funds online	Use Fidelity brokerage firm
Shop at Banana Republic	Go roller-blading	Surf Internet/Shop online	Shop online	Own latest electronics—MP3s, plasma TVs
Watch Independent Film Channel	Listen to classical, news/talk radio	Watch *Style*; read fashion magazines	Read computer magazines	Watch *Access Hollywood* on TV
Leased last vehicle	Own/Lease station wagon	Rent car from Avis	Own/Lease Honda	Own/Lease Toyota

Source: ESRI

TRANSIT-ORIENTED CONSUMER SEGMENTS
BUT ACTUAL SEGMENTS ARE QUITE DIFFERENT



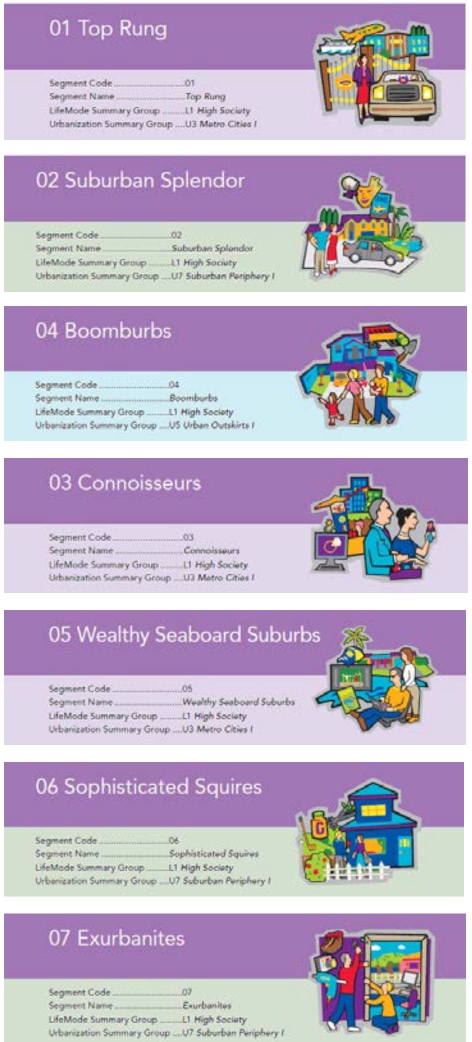


One quarter of the total TOD demand comes from non-traditional sources - *SUV drivers who live beyond the traditional "urban" areas who have bought into a transportation trap.*

How likely will we be in luring back into higher-density environs that transportation modeling suggests is transit-supportive?

TAPESTRY SEGMENTATION BY LIFEMODE

“HIGH SOCIETY”: TOP SURVEY RESPONDENT CATEGORIES



LIFEMODE SEGMENT L1: HIGH SOCIETY

Affluent and well-educated

Represent approximately 12% of US households

Generate nearly 25% of total US income

Professional/management positions

Most households are married couple families living in affluent neighborhoods, with a median home value of $320,000

One of least ethnically diverse groups, but one of the fastest growing

Travel extensively

Source: ESRI

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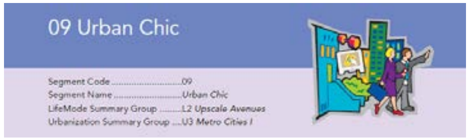
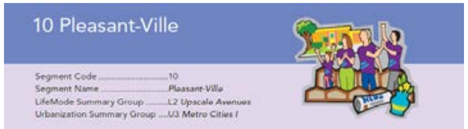
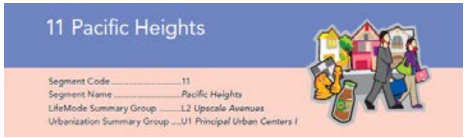
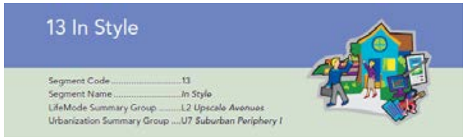
TAPESTRY SEGMENTATION BY LIFEMODE

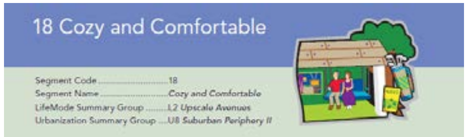
"UPSCALE AVENUES": TOP SURVEY RESPONDENT CATEGORY











LIFEMODE SEGMENT L2: UPSCALE AVENUES

Above-average earnings and well-educated; "years of hard work"

Prefer several distinct types of housing, and includes a mix of renters and some homeowners

Characterized by prosperous domesticity

Median net worth of $182,330

Buy new cars

Take domestic vacations and save and invest earnings

Source: ESRI

Implications

IMPLICATIONS AND QUESTIONS

1. Are we undercounting the overall demand for transit-oriented environs?

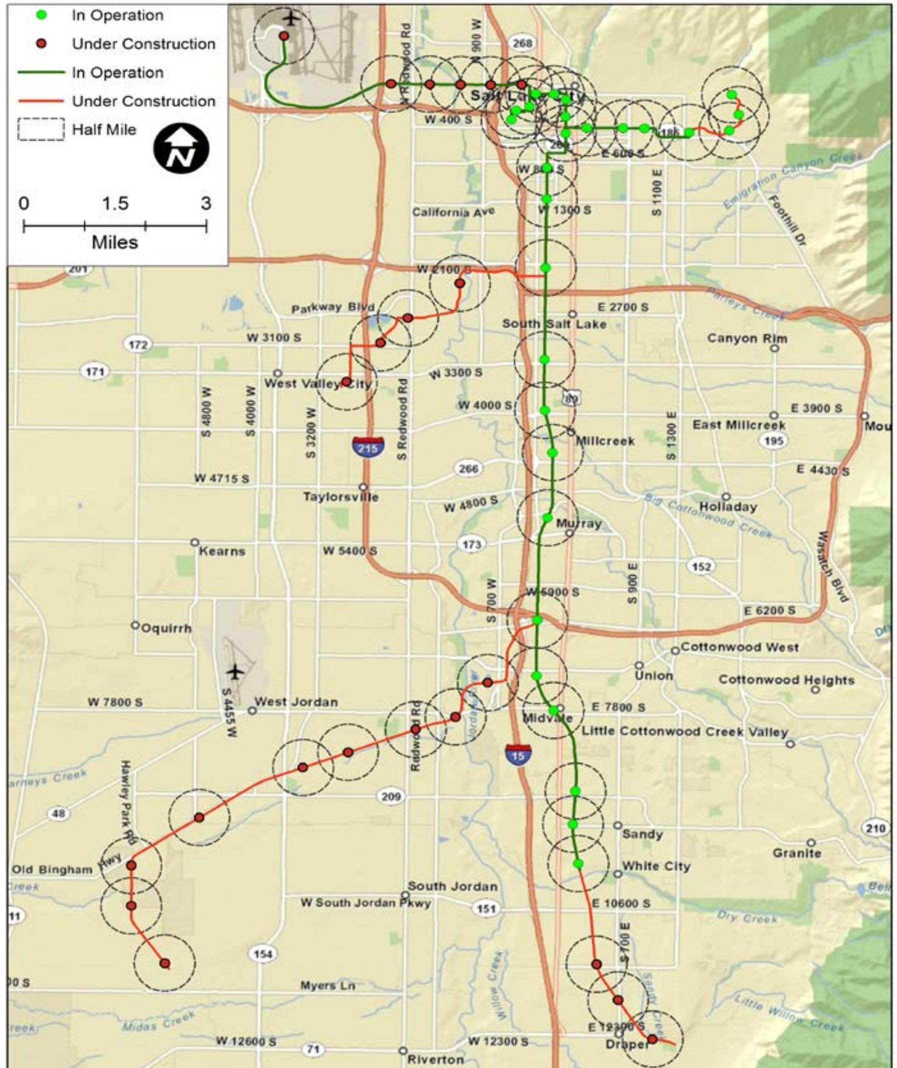
2. What are our regional transportation network expansion plans? Are they sufficient?

3. What are the neighborhoods, areas, and regions that make the most sense for additional transit service?

4. Are transit opponents the majority, or just a very vocal minority?

What about Jobs?

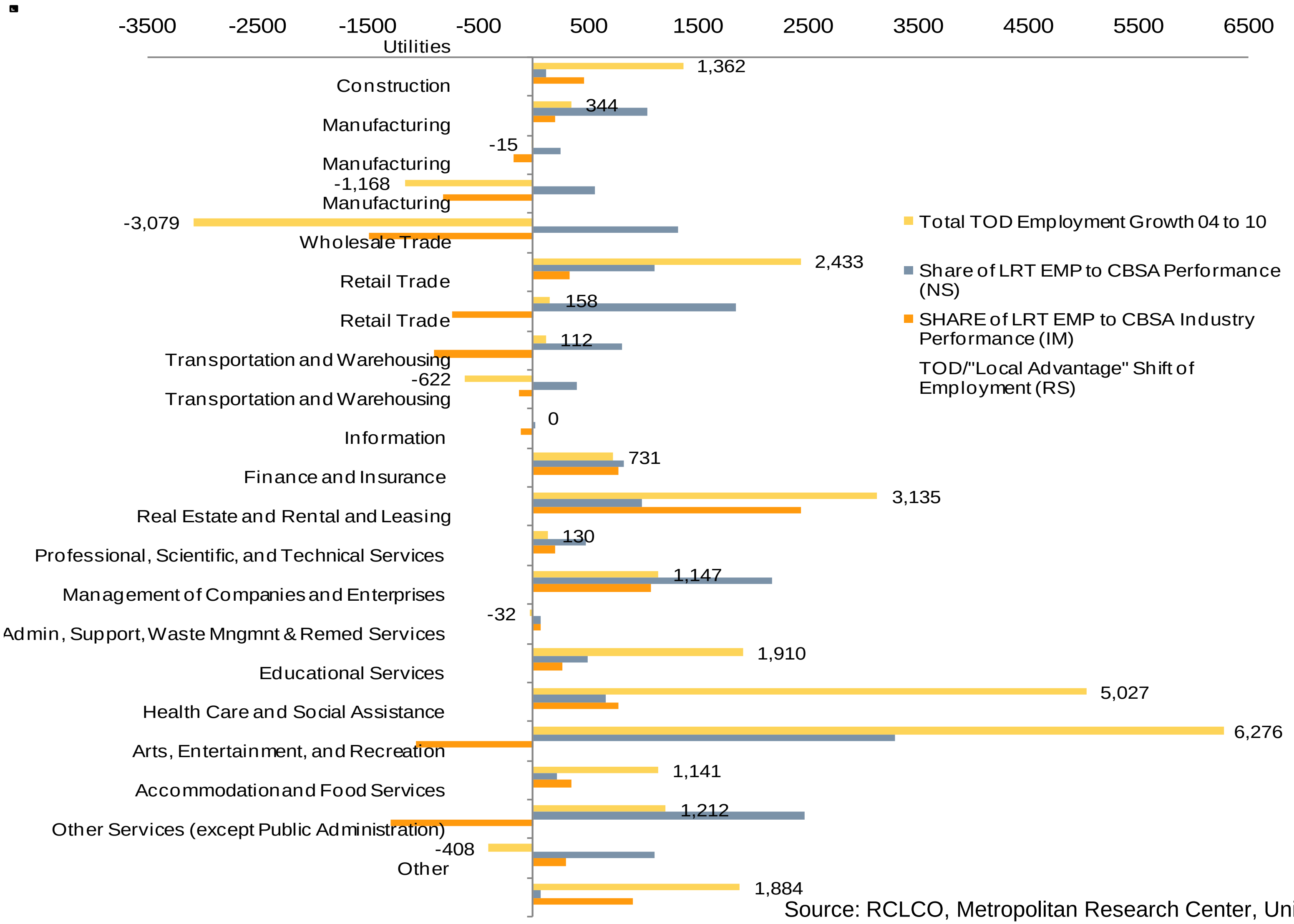
SALT LAKE CITY/OGDEN JOB CREATION
WITHIN 0.5 MILE OF TRAX STATIONS



Source: RCLCO, Metropolitan Research Center, University of Utah

SHIFT SHARE ANALYSIS: SALT LAKE/OGDEN CBSA

TOD CAPTURED MORE THAN 20% OF TOTAL JOB GROWTH



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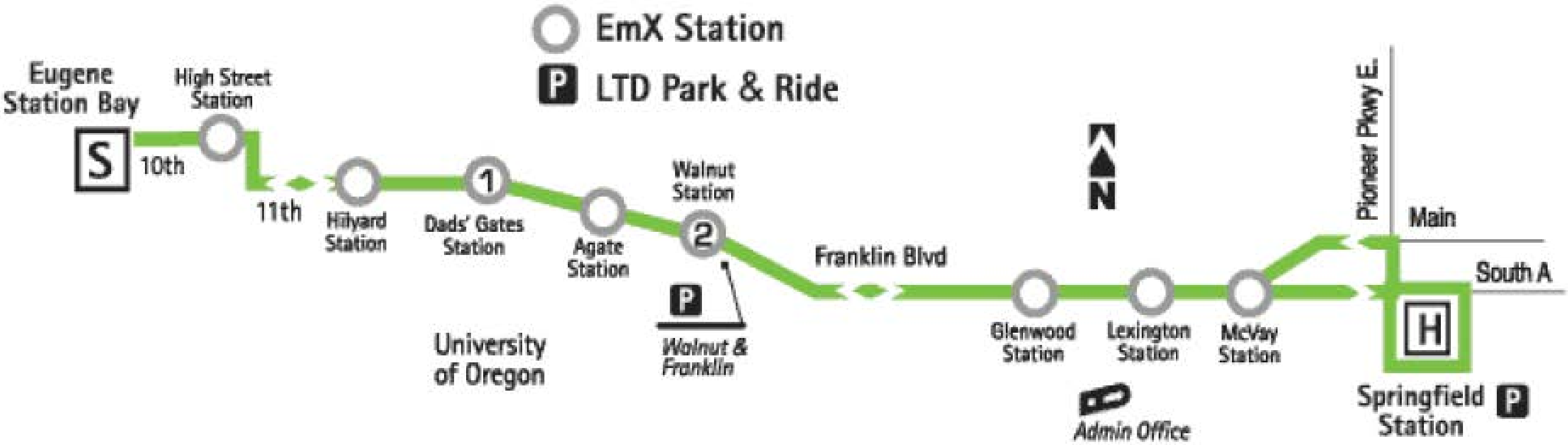
SHIFT SHARE ANALYSIS: EUGENE, OREGON
EMPLOYMENT GROWTH WITHIN 0.5 MILE OF BRT STATIONS



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SHIFT SHARE ANALYSIS: EUGENE, OREGON
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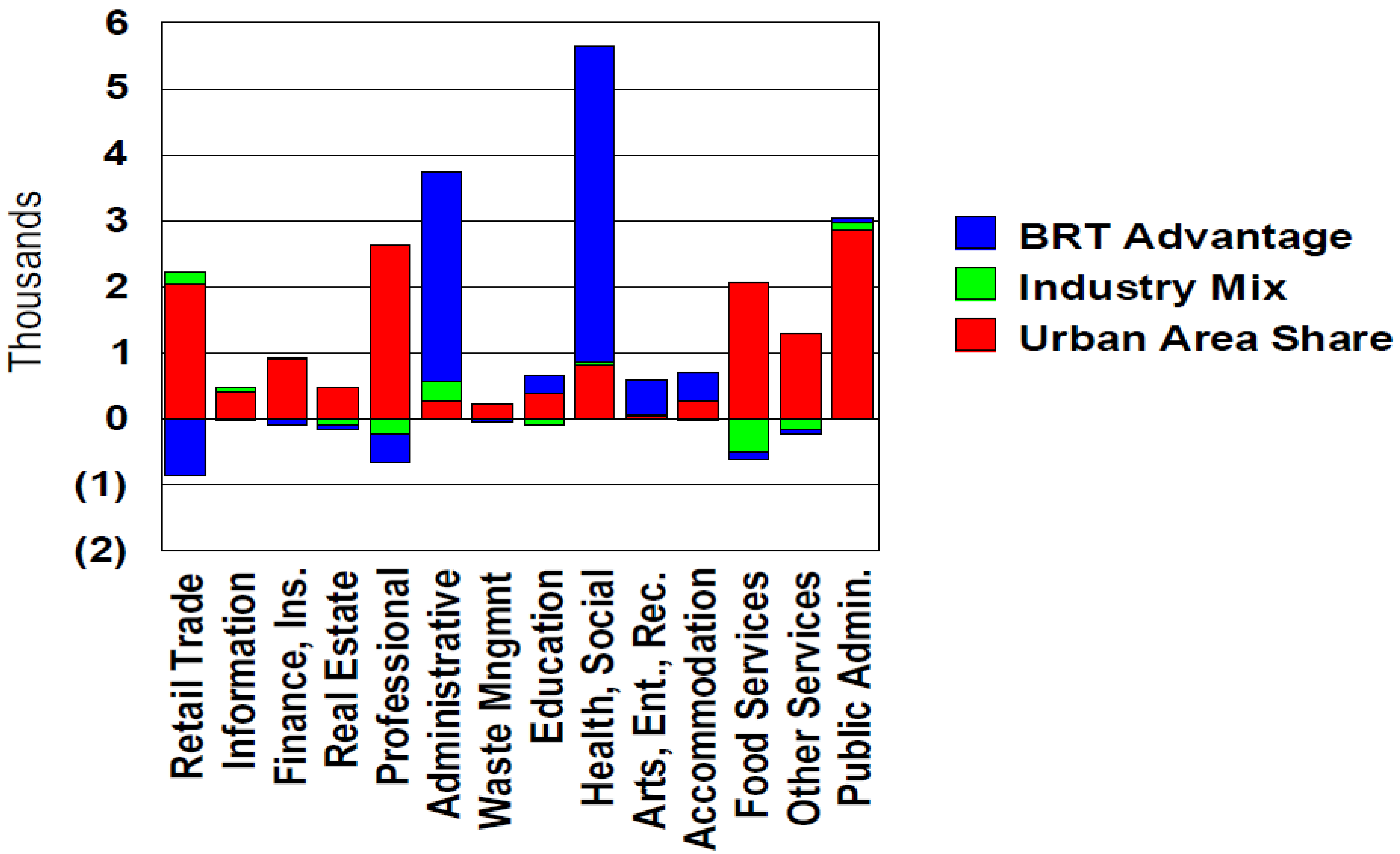

Source: RCLCO, Metropolitan Research Center, University of Utah

Applications to the D.C. Metro Area

DC/MD/VA METRO AREA
½ MILE FROM METRO STATION DATA

Station	Population	Households	Median Income	Businesses	Employees
Addison Road|Seat Pleasant	2,427	779	$69,914	82	605
Anacostia	8,130	2,616	$24,553	188	2,499
Archives-Navy Mem'l	3,237	1,990	$57,444	2,928	85,084
Arlington|Cemetery	2,392	1,334	$78,972	65	1,037
Ballston-MU	15,473	8,837	$95,075	970	25,011
Benning Road	8,581	3,778	$37,554	156	1,723
Bethesda	7,273	4,220	$82,108	2,872	39,897
Braddock Road	8,394	3,856	$100,948	985	9,593
Branch Ave	1,208	390	$68,418	76	2,159
Brookland-CUA	6,073	1,826	$50,799	318	3,389
Capitol Heights	1,344	530	$57,847	34	208
Capitol South	6,638	3,903	$72,410	745	13,334
Cheverly	13,969	4,460	$48,779	318	3,279
Clarendon	11,173	5,718	$112,820	999	11,525
Cleveland Park	8,055	5,380	$83,963	306	3,679
College Park-U of Md	2,476	869	$58,359	762	6,615
Columbia Heights	34,897	5,380	$44,008	168	1,514
Congress Heights	7,372	2,086	$24,509	96	3,085
Court House	17,768	10,041	$89,384	1,119	15,996
Crystal City	10,237	6,157	$87,439	869	16,804
Deanwood	5,785	2,142	$42,643	110	2,606
Dunn Loring|Merrifield	4,543	1,953	$84,655	346	6,419
Dupont Circle	18,508	12,870	$76,409	6,374	86,665
East Falls Church	4,212	1,676	$148,382	172	1,319
Eastern Market	12,688	6,850	$87,826	1,023	11,330
[illegible]	4,749	[illegible]	[illegible]	592	21,561
[illegible]	1,887	[illegible]	[illegible]	2,459	67,779
Foggy Bottom|GWU	13,794	7,210	[illegible]	4,266	87,605
Forest Glen	4,853	[illegible]	$82,355	170	[illegible]
Fort Totten	7,156	[illegible]	$65,130	81	[illegible]
Franconia-Springfield	1,228	635	$88,347	96	1,491
Friendship Heights	[illegible]	[illegible]	[illegible]	1,154	19,807
Gallery Pl-Chinatown	9,044	4,932	$33,155	4,140	106,452
Georgia Ave|Petworth	17,819	6,172	$44,884	519	4,821
Glenmont	3,973	1,330	$69,306	52	420
Greenbelt	12,198	608	$54,201	658	9,231
Grosvenor-Strathmore	4,725	2,977	$76,779	91	853
Huntington	2,719	1,194	$89,307	131	2,198
Judiciary Sq	7,798	4,137	$31,998	3,430	95,805
King Street	5,871	3,109	$116,468	1,098	11,494
Landover	4,434	1,550	$42,899	124	2,260
Largo Town Center	1,759	908	$49,279	415	5,658
L'Enfant Plaza	2,646	1,705	$52,971	735	30,238
McPherson Sq	12,507	7,105	$45,355	7,638	138,465
Medical Center	1,346	416	$120,890	330	3,311
Metro Center	2,950	2,065	$51,682	5,093	117,666
Minnesota Ave	9,249	4,056	$35,069	169	2,348
Morgan Boulevard	4,247	1,285	$63,796	71	1,251
Mt Vernon Sq - 7th St|Conventi	20,390	10,039	$42,116	3,034	55,055
Navy Yard	4,755	2,359	$36,894	292	9,447
Naylor Road	6,801	3,080	$44,225	62	404
New Carrollton	502	165	$50,873	170	3,571
New York Ave	7,468	2,750	$43,713	604	11,010
Pentagon	1,991	1,334	$78,972	309	6,596
Pentagon City	10,240	6,272	$80,359	456	8,845
Potomac Ave	8,926	3,987	$59,919	529	5,597
Prince George's Plaza	4,265	1,604	$55,790	387	4,260
Rhode Island Ave	7,460	3,078	$37,304	314	5,043
Rockville	4,997	2,168	$63,674	982	8,926
Ronald Reagan Washington Na	4,275	2,579	$91,455	514	9,511
Rosslyn	8,871	5,452	$72,113	1,300	25,127
Shady Grove	1,786	855	$109,458	196	3,015
Shaw-Howard Univ	17,558	6,884	$46,624	924	11,337
Silver Spring	13,306	7,608	$58,150	1,587	[illegible]
Smithsonian	-	-	-	446	[illegible]
Southern Ave	5,686	2,162	$41,897	107	[illegible]
Stadium|Armory	9,583	3,367	$50,882	145	1,609
Suitland	3,815	1,438	$55,956	88	498
Takoma	5,534	2,365	$79,164	363	2,995
Tenleytown-AU	5,023	2,216	$129,726	399	4,855
Twinbrook	4,860	2,113	$68,507	552	12,394
U St/African-Amer Civil |War M	21,888	10,215	$53,638	1,143	12,372
Union Station	8,742	3,630	$53,530	1,271	27,539
Van Dorn Street	887	363	$88,347	[illegible]	2,351
Van Ness-UDC	8,145	5,003	$96,747	[illegible]	4,957
Vienna|Fairfax-GMU	6,019	2,287	$93,301	133	1,888
Virginia|Square-GMU	12,605	6,953	$97,141	811	16,048
Waterfront|SEU	12,640	7,428	$48,428	514	17,442
West Falls Church|VT/UVA	2,320	1,065	$121,194	179	1,438
West Hyattsville	8,200	3,147	$46,675	156	889
Wheaton	6,132	2,269	$66,813	759	6,575
White Flint	3,478	1,942	$90,346	855	15,256
Woodley Park-Zoo|Adams Morg	12,347	7,970	$90,292	567	7,297
TOTAL	**650,201**	**302,669**		**96,071**	**1,775,706**
AVERAGE	**7,560**	**3,519**	**$67,687**	**1,117**	**20,648**

Line	Station	Population	Households	Median Income	Businesses	Employees
	TOTAL	**650,201**	**302,669**		**96,071**	**1,775,706**
	AVERAGE	**7,560**	**3,519**	**$67,687**	**1,117**	**20,648**

SOURCE: RCLCO, CLARITAS

RCLCO
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MONTGOMERY COUNTY
½ MILE FROM METRO DATA

Line	Station	Population	Households	Median Income	Businesses	Employees
	Bethesda	7,273	4,220	$82,108	2,872	39,897
	Forest Glen	4,853	1,962	$82,355	170	4,263
	Friendship Heights	9,514	5,086	$101,368	1,154	19,807
	Glenmont	3,973	1,330	$69,306	52	420
	Grosvenor-Strathmore	4,725	2,977	$76,779	91	853
	Medical Center	1,346	416	$120,890	330	3,311
	Rockville	4,997	2,168	$63,674	982	8,926
	Shady Grove	1,786	855	$109,458	196	3,015
	Silver Spring	13,306	7,608	$58,150	1,587	18,165
	Twinbrook	4,860	2,113	$68,507	552	12,394
	Wheaton	6,132	2,269	$66,813	759	6,575
	White Flint	3,478	1,942	$90,346	855	15,256
	TOTAL	**66,243**	**32,946**		**9,600**	**132,882**
	AVERAGE	**5,520**	**2,746**	**$82,480**	**800**	**11,074**

9.3% of Montgomery County households live within ½ mile of fixed rail transit

SOURCE: RCLCO, CLARITAS

VIRGINIA
½ MILE FROM METRO DATA

Line	Station	Population	Households	Median Income	Businesses	Employees
	Arlington|Cemetery	2,392	1,334	$78,972	65	1,037
	Ballston-MU	15,473	8,837	$95,075	970	25,011
	Braddock Road	8,394	3,856	$100,948	985	9,593
	Clarendon	11,173	5,718	$112,820	999	11,525
	Court House	17,768	10,041	$89,384	1,119	15,996
	Crystal City	10,237	6,157	$87,439	869	16,804
	Dunn Loring|Merrifield	4,543	1,953	$84,655	346	6,419
	East Falls Church	4,212	1,676	$148,382	172	1,319
	Eisenhower Ave	3,228	1,553	$112,289	297	5,335
	Franconia-Springfield	1,228	635	$88,347	96	1,491
	Huntington	2,719	1,194	$89,307	131	2,198
	King Street	5,871	3,109	$116,468	1,098	11,494
	Pentagon	1,991	1,334	$78,972	309	6,596
	Pentagon City	10,240	6,272	$80,359	456	8,845
	Ronald Reagan Washington Na	4,275	2,579	$91,455	514	9,511
	Rosslyn	8,871	5,452	$72,113	1,300	25,127
	Van Dorn Street	887	363	$88,347	144	2,351
	Vienna|Fairfax-GMU	6,019	2,287	$93,301	133	1,888
	Virginia|Square-GMU	12,605	6,953	$97,141	811	16,048
	West Falls Church|VT/UVA	2,320	1,065	$121,194	179	1,438
	TOTAL	**134,446**	**72,368**		**10,993**	**180,026**
	AVERAGE	**6,722**	**3,618**	**$96,348**	**550**	**9,001**

13.3% of Northern Virginia households live within ½ mile of fixed rail transit

SOURCE: RCLCO, CLARITAS

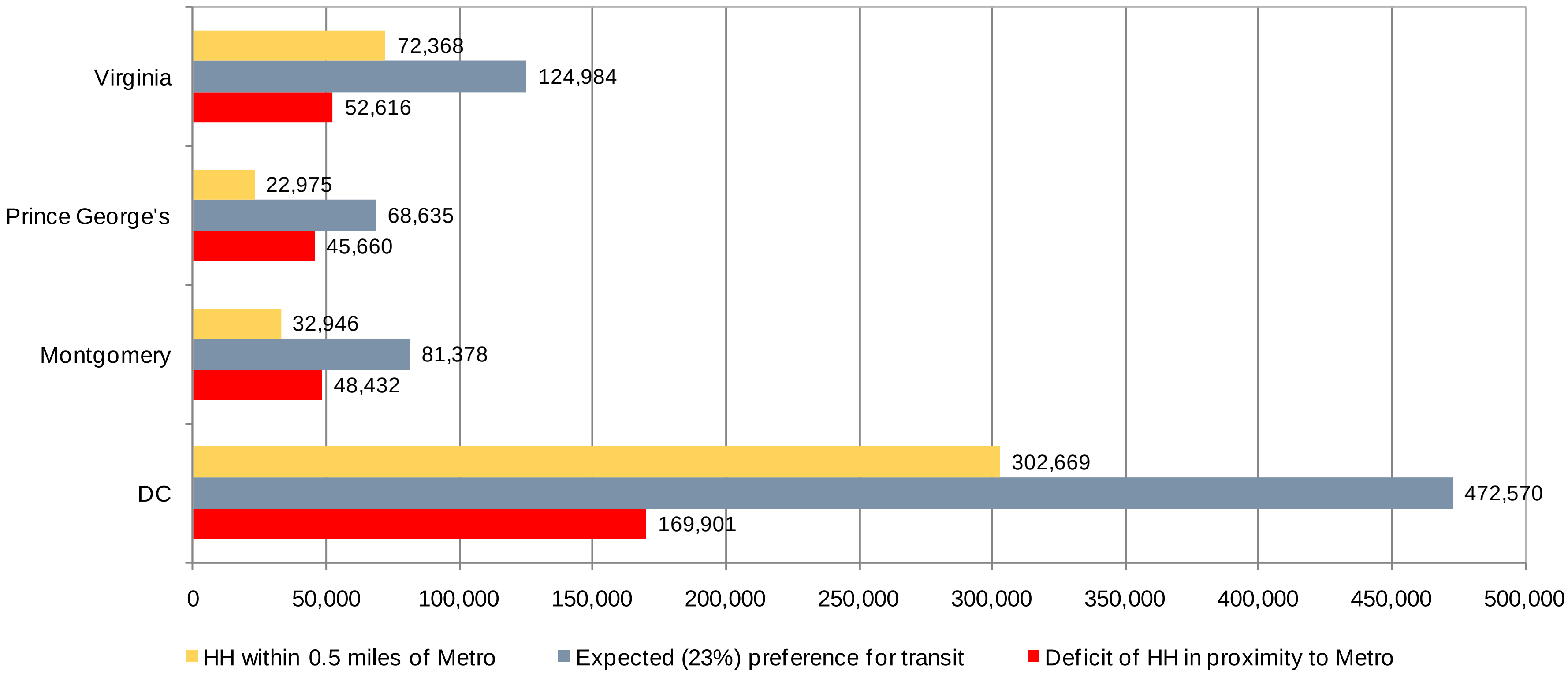
PRINCE GEORGE'S COUNTY ½ MILE FROM METRO DATA

Line	Station	Population	Households	Median Income	Businesses	Employees
	Addison Road|Seat Pleasant	2,427	779	$69,914	82	605
	Branch Ave	1,208	390	$68,418	76	2,159
	Capitol Heights	1,344	530	$57,847	34	208
	Cheverly	13,969	4,460	$48,779	318	3,279
	College Park-U of Md	2,476	869	$58,359	762	6,615
	Greenbelt	12,198	608	$54,201	658	9,231
	Landover	4,434	1,550	$42,899	124	2,260
	Largo Town Center	1,759	908	$49,279	415	5,658
	Morgan Boulevard	4,247	1,285	$63,796	71	1,251
	Naylor Road	6,801	3,080	$44,225	62	404
	New Carrollton	502	165	$50,873	170	3,571
	Prince George's Plaza	4,265	1,604	$55,790	387	4,260
	Southern Ave	5,686	2,162	$41,897	107	1,996
	Suitland	3,815	1,438	$55,956	88	498
	West Hyattsville	8,200	3,147	$46,675	156	889
	TOTAL	**73,331**	**22,975**		**3,510**	**42,884**
	AVERAGE	**4,889**	**1,532**	**$53,927**	**234**	**2,859**

7.7% of Prince George's County households live within ½ mile of fixed rail transit

SOURCE: RCLCO, CLARITAS

DC/MD/VA METRO AREA
DEFICIT IN HOUSEHOLDS WITH PROXIMITY TO METRO



SOURCE: RCLCO

The Transit Coefficient
RCLCO – Economic Development Practice Group

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Coalition for Smarter Growth | September 18, 2011