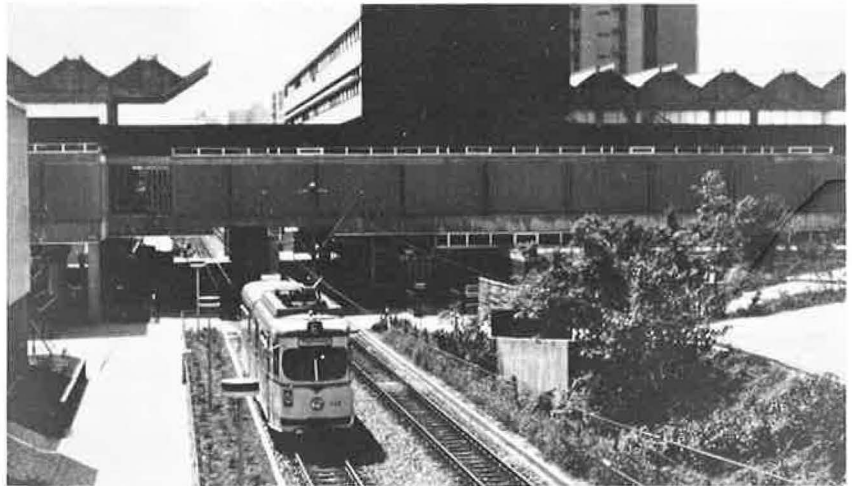


A Review of TRB Activities: Joint Development and Value Capture



Robert J. Harmon

An undercover transit station incorporated in a residential and retail complex.

Dramatically increasing financial constraints, coupled with a strong concern for the physical environment, have prompted transit planners and others to explore joint development and value capture. Transit-area joint development is the multiple use of transportation corridors and station and stop areas to gain the greatest economic return on public transit investment and to achieve an improved environmental relation between transportation and adjacent land uses. Value capture is the returning to the public a portion of the increased value that attaches to private property by virtue of the development, with public tax money, of a public facility.

The TRB Committee on Joint Development of Land and Transit Systems is studying these two concepts. The committee held a regional conference November 4 and 5, 1976, on the application of these concepts in Dade County, Florida. The conference attracted 51 people representing cities, states, transit officials, universities, consultants, and the U.S. Department of Transportation. The conference program is summarized below.

1. William Miller, director, Mass Transit Division, Florida Department of Transportation, gave the welcoming address and described his agency's program and outlook toward regional mass transit in general and joint development in particular.

2. John Dyer, transportation coordinator, Dade County Office of Transportation Administration, reviewed the status of the county's regional transit system development program and described the role that joint development and value capture will play in the financing and implementation of the program.

3. Kent Watkins, School of Business and Organizational Sciences, Florida International University, described the history of joint development in Florida and highlighted the findings of the recent Governor's Task Force Committee on Mass Transit and Highway Improvement Financing in the State of Florida.

The author is the managing principal of Robert J. Harmon and Associates, Inc., Washington, D.C., and chairman of TRB Committee on Joint Development of Land and Transit Systems.

4. Charles J. Schimpeler, Kaiser Transit Group, summarized Kaiser's recent alternative analysis that took into account detailed socioeconomic impact criteria, including joint development.

5. Reginald Walter, director, Dade County Planning Department, addressed the regional policy context of joint development and the need for close coordination between the transit system development activities and the local community planning process.

6. Simon Zweighaft, manager, Project Development, Office of Transportation Administration, presented a station-by-station status report on the urban development opportunities represented by the Dade County regional transit system. In addition, he summarized the results of the Dade County systemwide joint development and value capture program report recently presented to UMTA as part of its section 3 capital grant request.

7. Stephen Lee, Dade County Legal Department, outlined the enabling statutes and constraints of planning joint development in Dade County and also discussed the significance of the tax increment financing referendum that had failed in the last election.

8. Lucius Williams, Miami Downtown Development Authority, and other representatives of the Office of the Miami City Manager discussed the importance of joint development to the achievement of the current CBD development plans in Miami.

9. Douglas Rochester, Toronto Transit Commission, presented a slide program on the historical land development changes that have occurred in the Toronto region as a result of the transit planning program. He emphasized that at least 5 years of service and 20 000 patrons were needed to support retail activities in the area of a transit station. His extensive personal knowledge enabled him to answer specific questions regarding the political context and the negotiations that were needed to secure the first joint development project commitments that now produce between \$2 and \$3 million in annual lease revenues to the system.

10. Carl Sharpe, Rice Center, discussed the activities of the national joint development and value capture team. He reviewed the results of the Dade County study in relation to other developments in the United States during the last 10 years and outlined anticipated developments during the next few years. He emphasized the need for front-end capital and the importance of establishing development and ridership patterns early in the development of the system.

11. Robert Harmon, Robert J. Harmon and Associates, presented a slide show on the evolution and various results of joint development planning and development activity in the United States and Canada during the last 15 years.

He emphasized the role of public policy and greater cooperation with the private sector.

12. Stephen Carter, Stephen Carter and Associates, and Larry Schulman, UMTA, led the workshop sessions, which focused on legal, federal, state, and local policy issues and fiscal and community design considerations.

13. Fred Jones, chairman, Florida House Transportation Committee, outlined the state's progress in effective legislation to protect the environment and encourage efficient and attractive forms of urban development.

14. Ralph Posten, chairman, Florida Senate Transportation Committee, and David Calles, legal counsel to the Rice Center Joint Development and Value Capture Team, exchanged differing views of the best course of legislative and administrative action to encourage joint development. They agreed on the need for and value of joint development, but differed on the method and level of public funding.

15. Larry Shulman presented a review of the progress and program-reporting requirements of current joint development and value capture programs of UMTA. He felt that the entire exchange among local, state, and federal officials was critically needed.

Because of the continued, growing interest in the subject, the committee held a successful session at the TRB Annual Meeting in January 1977 and plans to hold a conference during 1977 on the joint development and value capture aspects of downtown people movers. This meeting will be held in one of the cities selected by UMTA for a downtown people mover project.