

Public-Private Partnerships the Key to Transit-Oriented Development

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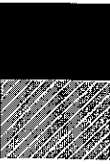
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When Governor Dannel P. Malloy announced his 30 year, \$100 billion transportation plan for the state of Connecticut, he gave the state a long overdue dose of Lipitor in an attempt to unclog the state's constricted transportation arteries. While some may dispute the need for tolls or the propriety of the costs of the plan, there is no disputing that the Governor has developed a transportation program whose breadth and scope has never before been seen in the region. In the wake of such a massive undertaking, it is time for Connecticut to follow the state's lead when it comes to transit-oriented development (TOD).

Starting in the 50s and 60s, much of the development that occurred was suburban-urban development, whereby individuals would work in cities, but live in the suburbs and commute to work. Recently, however, planners have noticed that individuals are dissatisfied with long commutes to work, and according to the U.S. EPA, demand for housing in transit zones is expected to double over the next fifteen years. Along with housing, TOD calls for the development of retail and commercial spaces near transit zones, to allow residents to easily get to restaurants and stores near where they live and work. By encouraging development along transit corridors, TOD advocates hope to create more dense, livable and walkable communities. However, for TOD to be successful, it needs more than an infusion of state money; TOD also requires private investment.

The State Makes Moves towards Transit-Oriented Development; Communities Follow Suit

Connecticut has taken steps to move the state to the top of the TOD community. Before the Governor announced his new 30 year transportation plan, the CTfastrak bus line was well underway, as were plans for a new commuter rail line stretching from New Haven to Springfield. Last year, the state created a \$15 million Transit Oriented Development Pre-Development and Acquisition Fund to provide financing and to encourage TOD along the paths of those two projects. Just last week, Governor Malloy announced the appointment of Scott Jackson, the current mayor of Hamden as the Undersecretary for Intergovernmental Policy. In that role, Mayor Jackson will be responsible for coordinating between state and municipal efforts (and funding) for a variety of projects, including TOD.



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While these steps are obviously positive, successful development of TOD projects is a three-legged stool, involving not only the state, but also the communities in which the projects are located and the private sector. The communities involved in such projects need not be large cities to have meaningful TOD impacts, however, they do have to be strategic and nimble in order to achieve TOD success. The town of Windsor, for example, has begun executing its TOD strategy, and appears poised to reap the gains of successful TOD planning.

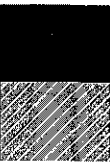
As one of the towns immediately adjacent to Bradley Airport, Windsor has been leveraging the proximity of the airport for its economic development for some time, both as part of the Bradley Airport Development Zone as well as supporting local projects that are near the airport such as hotels and other commercial developments. Because the town is both close to the airport and major highways, it has positioned itself as a target destination for large distribution centers for retailers such as Amazon, Walgreens and Dollar Tree Stores.

Windsor is not a large municipality with limitless resources, but Windsor recognized early on that by leveraging its transportation assets, it could encourage development in its industrial and commercial areas. Now that it has had success in that arena, Windsor, like many other communities throughout the state, is turning its attention to TOD in its town center.

Public-Private Partnerships Are Key to Successful TOD Projects

In order to spur mixed-use development in its town center area, Windsor quickly realized that it needed to partner with developers in order to have development that would be in keeping with the town's historic past while allowing it to build for its future. It did so with a combination of TOD-friendly tools, including planning, land assembly, zoning changes and financing. By working with its private partners on TOD projects surrounding the proposed train station for the center of town, Windsor has assured that appropriate development will occur, but the town will retain its historic charm.

Songwriter Joe Jackson summed up TOD beautifully in the 80s when he said that "you can't get what you want till you know what you want," and towns that begin their projects with the end in mind have a much greater chance for success. Developing a plan of what a denser, more walkable community will look like will allow both developers and the public to understand what sort of development is being contemplated. The town of Windsor undertook a major TOD planning initiative, which resulted in several drafts of its plan for town center redevelopment. Armed with this plan, Windsor was able to go out to the development community and determine which developers shared the town's vision.



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Land assembly is also a critical component for successful TOD projects. Towns that can acquire and join various parcels of land around transportation centers make such projects more attractive to developers. Towns frequently own property near such transportation hubs, such as old warehouses or garages, and there may be underperforming properties nearby that are delinquent on taxes and such. The towns that can assemble those properties and then transfer them to developers hold several advantages in making TOD projects successful.

The key advantage is that the TOD project development becomes more of a commercial partnership, and less of a regulator/regulated party relationship. A good example of this is Windsor's assembly of several parcels, near the proposed train station, for the development of market rate rental properties. Because the town owned the land that would be transferred to the developer, and because the town had several developers from which to choose, the town could ask for considerations such as certain exterior treatments and design elements that might not be available to a town during a traditional zoning hearing. Asking for those design elements up front ensured the town that it would get the project it was looking for, and having one large parcel already bundled together assured the developer that it only needed to negotiate with one party to make its development a success.

Obviously, there are other areas in which towns can get involved in order to promote transit-oriented development, such as allowing denser development near transportation hubs, easing parking space restrictions for development and providing tax breaks or tax increment financing for projects. The fact is, however, in this competitive economic market, almost every municipality engages in such activities. If the municipality leverages what the state is providing to it and then truly partners with a developer, successful TOD projects can, and will, happen.

Lee D. Hoffman is the chair of the Environmental, Energy and Telecommunications Department of Pullman & Comley, LLC. Reprinted with permission from the March 24th issue of Connecticut Law Tribune. ©2015 ALM Properties, Inc. Further duplication without permission is prohibited. All rights reserved.

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