

Activity Center Strategic Investment Plan

Challenge and Opportunity

The National Capital Region's first comprehensive vision plan, *Region Forward*, provides ambitious goals and targets for accommodating growth and addressing our major challenges around the environment, equity, transportation, and economic development over the coming 30 years. *Region Forward* has broad public support and has been endorsed by the region's local governments, businesses, and nonprofit organizations.

Activity Centers are the spatial component of *Region Forward*; many of the plan's targets are focused on centers. Activity Centers are locations where the majority of the region's future growth will occur over the next 30 years. The centers are consistent with local planning priorities, and include urban centers, priority development areas, traditional towns, and transit hubs.

While Activity Centers provide a starting point for focusing growth, key stakeholders need a comprehensive framework for coordinating their decisionmaking and investments in these communities to advance *Region Forward*. This framework would guide the development of diverse centers throughout the region into Complete Communities – high-quality places that provide a range of housing and transportation choices and access to jobs, services, and amenities.

Project Description and Objectives

COG and its partners seek to develop an Activity Center Strategic Investment Plan. The project team will survey Activity Centers and categorize them into place types, or typologies, according to shared physical and market characteristics. For each typology, the project team will develop recommendations to guide the type, scale, and timing of investments needed to strengthen or enhance the centers. The resulting plan will provide a guide for local governments, developers, transit agencies, business groups, philanthropists, and nonprofits on how to make strategic investments in Activity Centers to enhance quality of life and strengthen the region's economy.

The project aims to:

- Create targeted **economic development** strategies for Activity Centers
- Enhance **health and equity** in communities throughout the region
- Coordinate effective **public/private partnerships** around regional priorities in Activity Centers
- Strengthen regional **transportation planning**

Background and Approach

The Activity Center Strategic Investment Plan will use two place-based research tools. The first is the **TOD typology framework** developed by the Center for Transit-Oriented Development and applied in other regions across the country, including Baltimore, Portland, and Denver. The TOD typology framework groups transit communities within a region based on their relative market strength and physical development characteristics.

The Implementation Tool - New Activity Center Typology



Benefits for Stakeholders

The Activity Center Strategic Investment Plan will coordinate local government, private, and nonprofit partners around where and how to target limited resources in the region, and provide the framework for making catalytic and targeted investments. The plan will provide value to a range of stakeholders:

LOCAL GOVERNMENTS: Target efforts to enhance local tax base • Market and urban form analysis • Implementation strategies that provide an economic development roadmap for Activity Centers • Make more strategic funding decisions to support catalytic projects • Track return on investment from capital improvement projects • Use public funding more efficiently • Identify where transportation demand management planning is most effective

EQUITY ADVOCATES: Target investments that create healthy active communities • Target affordable housing efforts to locations most vulnerable to displacement • Identify areas needing more mixed-income development • Identify areas lacking critical retail and services • Improve safety and accessibility for areas with limited transit access and poor pedestrian and bicycling connections

TRANSIT AGENCIES: Identify transit-ready locations • Provide land use framework to guide multi-modal corridor and station-area planning

DEVELOPERS and INVESTORS: Identify places where public/private partnerships can catalyze new infrastructure and investment (e.g. transit) • Evaluate investment and development decisions across the region • Identify physical attributes that increase economic performance and improve resilience in changing market cycles • Inform underwriting standards

STATE and FEDERAL AGENCIES: Inform public funding allocation decisions • Measure effectiveness of grant programs

The second research tool is the State of Place™ Index, a 162-item audit tool that collects objective data on a comprehensive set of physical characteristics, including residential and commercial uses, street connectivity, density, traffic management features, parks, and pedestrian amenities. The State of Place™ Index was developed by Mariela Alfonzo and has been used in collaboration with the Metropolitan Policy Program at Brookings Institution to survey approximately 70 locations throughout metropolitan Washington. In applying the State of Place™ Index to locations throughout the region, research has found that higher State of Place™ scores correlate with higher commercial rents, home values, retail sales, and tax base, and lower transportation costs. The State of Place™ can be used to identify place-based characteristics that enhance the economic performance of neighborhoods.

Task 1: Activity Center Selection and Mapping

The newly updated Activity Center Map will serve as the basis for this work. The project team will select Activity Centers to include as part of this project and group Activity Centers based on shared characteristics such as the presence of a Metrorail station, commuter rail station, planned light-rail, or bus-rapid transit station. This initial analysis will establish “cuts” of the data so that similar centers are compared based on shared characteristics. COG staff will work with local planning staff to create survey boundaries for the centers.

Task 2: Survey Physical Characteristics in Activity Centers (State of Place Surveys)

Using the State of Place™ Index, the project team will survey physical characteristics of approximately 25 Activity Centers. The project team will build on existing State of Place™ surveys collected by Brookings in 70 of the region’s Activity Centers. As part of this task, COG will organize a training for surveying the 25 additional places. Prior to the training COG staff and Urban Imprint will determine boundaries for the 25 Activity Centers in which to conduct the surveys and identify the sample segments for surveys. Surveyors will be provided with computer tablets to collect the data. Urban Imprint will oversee the training, reliability test, data collection, data management, and oversight.

Task 3: Real Estate Market Analysis

The project team will assess market strength in and around Activity Centers based on: average office rents and Cap Rates (CoStar), average retail sales (ESRI), average residential rental rates (Reis), and average

for-sale residential home values (RealQuest). The project team will synthesize the data and run an economic calibration regression analysis of the centers to understand the relationship between the survey results and economic performance measures. The deliverables for this task include a memo and powerpoint presentation that will be presented to the project Steering Committee and Region Forward Coalition.



Task 4: Typology Analysis

The project team will group the Activity Centers into typologies based on their physical characteristics and market strength. The chart above is an example of how Activity Centers would be mapped according to their respective real estate market strength (X axis) and physical characteristics (Y axis), which produces nine distinct typologies. Similar typologies can then be grouped into clusters based on similar needs as shown above in the categories defined as: Plan & Partner, Catalyze & Connect, and Infill & Enhance. A community profile will be produced for each Activity Center showing its strengths and weaknesses. The project team will examine the centers in terms of several equity indicators to inform what types of strategies could support each center. The deliverables for this task will include maps, typology “cuts” as part of a memo, and powerpoint presentation that will be presented to the project Steering Committee and Region Forward Coalition.

PLAN & PARTNER

Centers in these areas don’t have the physical features or market strength to support major capital investment, but they need planning and partnerships to lay the groundwork for major investments in the future:

- Technical assistance
- Creation of a BID
- Visioning and planning for station areas and corridors
- Public/private partnerships to build or finance infrastructure
- Street grid, pedestrian, and other urban form investments

CATALYZE & CONNECT

Centers in these areas have either strong urban form with limited market strength, or limited urban form with more robust market support. These areas need projects to catalyze private development and increase activity, such as:

- Plan/build affordable housing
- Transit-ready: major capital infrastructure
- Moderate-density projects to spur additional development
- Parks, plazas, and public buildings
- Street trees and traffic measures
- Identity branding

INFILL & ENHANCE

Centers in these areas have strong urban form and medium to strong market strength. They are the most appropriate locations for significant infill development. Examples might include:

- Transit-ready: additional transit service/infrastructure
- High-density development within the center
- Workforce housing
- Additional pedestrian and streetscape amenities (e.g. street furniture, public art, historic signage)

Task 5: Implementation Strategies

For each typology, the project team will develop a set of actions, investments and implementation strategies based on the State of Place Surveys. The actions will focus on common needs in Activity Centers and recommend phased investments over short-, mid-, and long-term time horizons. The project team will also identify relevant resources, capital improvement plans, financing mechanisms, and stakeholders that can play

key roles in accelerating these investments. To generate ideas around different applications and investment strategies, the project team will conduct several focus groups to engage the real estate community, equity advocates, and the public sector. Examples of the potential strategies recommended for typologies in each cluster are broken out by the typology and listed above. The deliverables for this task will include a memo and powerpoint presentation that will lay out an investment plan for Activity Centers along with strategies and actors to support the plan. The memo and powerpoint will be presented to the project Steering Committee and Region Forward Coalition.

Task 6: Final Report and Symposium

The project team will synthesize the results of tasks 1 through 5 and produce a final report, which will be released at a regional symposium. The symposium will feature project partners and different actors that intend to utilize the investment plan in their work.

Task 7: Education and Outreach

Education and outreach for the Activity Center Strategic Investment Plan will occur throughout the project and will include online coverage, workshops, webinars, and trainings for the Region Forward Coalition and other government, private, and nonprofit stakeholders. COG will also work closely with its partners in disseminating the resulting report to developers (including affordable housing developers), area transit agencies, philanthropic groups, federal government agencies, and business and nonprofit groups. Mobility Lab is interested in releasing an educational video documenting the project and its outcomes. Mobility Lab will also cover key milestones and produce articles for a variety of media outlets during the project.

Partners and Match

COG will partner with a range of organizations to undertake this project. A Steering Committee, including representatives from regional transit and federal agencies, will oversee the process of developing the typologies. Proposed project team members and their in-kind contributions (including staff time, data, and existing research) are as follows:

- Metropolitan Washington Council of Governments
- Center for Transit-Oriented Development/Reconnecting America - \$50,000
- Mariela Alfonzo with Urban Imprint and State of Place™ \$300,000 (includes Brookings' findings and data)
- Urban Land Institute-Washington - Dollar Amount is included in Brookings research
- Mobility Lab and transit agencies in the region \$32,000
- Robert Charles Lesser and Company: \$100,000

Project Cost Estimates as of 7-16-2012

Brookings Study + 25 Activity Centers (total of ~90 Activity Centers)

	Cost Estimates
State of Place Surveys in Activity Centers	\$7,000
Real Estate Market Analysis	\$18,000
Typology Analysis	\$18,000
Investment and Intervention Strategies	\$18,000
Final Report + Printing	\$18,000
Education and Outreach	\$3,000
Total Cost Estimates	\$82,000