Communicating the Benefits of TOD:
The City of Evanston’s Transit-Oriented Redevelopment
and the Hudson Bergen Light Rail Transit System

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Evanston Corridor Case Study
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Hudson Bergen Light Rail Line Case Study
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Executive Summary
This is a tale of three cities—Jersey City and neighboring Hoboken in New Jersey, and Evanston, Illinois— that have experienced an enormous amount of development since the late 1980s, reversing three decades of decline brought on by the great suburban exodus of the 1950s. The result is that in 2006 all three cities are prospering, posting significant increases in property values and sales taxes and other revenues due to the building boom and resulting increases in business activity. The amount of high-density development that has occurred could never have occurred this quickly if these cities did not have rich transit networks providing very high-quality connections to the abundant jobs, culture and destinations in their big city neighbors: Manhattan is across the Hudson River from Hoboken and Jersey City; Chicago and Evanston share a border.

Not every project that has been built in these cities is truly transit-oriented, pedestrian-friendly or human-scaled— station areas in Jersey City lack a good mix of retail, and a number of Evanston’s commuter and urban rail stations, ironically, are located along a very wide thoroughfare that used to be Auto Row. Nonetheless, new residents are walking, dining, pushing baby strollers and spending money in the downtown neighborhoods around transit stations, and yoga studios and farmers markets and cultural venues are opening up to provide the amenities they want. The new high-density housing is proving popular and real estate markets remain strong.

All the neighborhoods exhibit the performance characteristics that define TOD: the massing of significant density near transit to create “location efficiency” that promotes walking, biking, transit use and low auto ownership; increased transit ridership and non-auto mode share; a rich mix of uses and consumer choices; significant value creation and value capture by both the public and private sectors; and the creation of a sense of place. Moreover, existing historic neighborhoods are being preserved and enhanced by the proximity of more diverse housing, shopping and entertainment choices, and the increases in traffic are minimal.

The transformation of these cities has played out slightly differently—though over a similar time frame and beginning with a concerted planning effort by public sector, the creation of financial incentives for developers, and public investments in public amenities like promenades and parks and expensive TOD components like structured parking. But whereas Evanston’s extensive multimodal transit system was already in place, New Jersey built a new 20-mile light rail line through brownfields and abandoned industrial sites to enhance connectivity with existing commuter rail, bus and ferry service, resulting in a land speculation and development boom unprecedented in scope.

All three cities are emerging as vital, resource-rich, more sustainable places because of the presence of so much development so close to transit. Communities throughout the U.S. continue to fear density and development in 2006, mostly because of the traffic that is anticipated. The case studies of New Jersey and Evanston illustrate that there’s little to fear: transit-oriented density and development can enhance surrounding neighborhoods.
The City of Evanston’s Transit-Oriented Redevelopment

Carrie Makarewicz, Albert Benedict, and ChaNell Marshall

Evanston, like other close-in Chicago suburbs, grew up transit-oriented, its walkable, leafy green neighborhoods built up around an extensive rail network that provided excellent connections to its big city neighbor immediately to the south. Blessed with advantages that included a lakefront location, the vast Northwestern University campus and close proximity to Chicago’s jobs, culture and abundant amenities, Evanston became a hub of activity for other suburban North Shore communities and was home to major department stores and corporate headquarters. The city was a stable and attractive place for both residents and businesses to locate, and its population was both economically and racially diverse.

But Evanston was not exempt from the population and job losses and economic decline suffered by older cities and their inner-ring suburbs all across the U.S., and the suburban diaspora threatened the city’s tax base and financial security. Evanston was further burdened with a relatively high percentage of tax-exempt land – 42 percent – in part because its three largest employers, including Northwestern, were all non-profit organizations not required to pay taxes. Real estate was already more expensive in Evanston than in greenfields further out, and the tax increases compounded the financial and locational disincentives that were already driving job and population losses. The strong economic activity today—extensive downtown revitalization and thousands of new residents—has only happened in the last seven years and took nearly two decades of planning and major public investments.

While there is more work to be done, the economic and environmental benefits to date from this concentrated inner-ring suburban development are clear for both Evanston and the entire Chicago region. Evanston is now more successfully competing with auto-oriented suburban shopping centers, residential sub-divisions, and greenfield office parks that had drawn its residents, businesses, and shoppers away. As a result, the city’s population is rebounding, the downtown is bustling, the City’s finances are stronger and transit ridership is up.

Development Context

To longtime Evanstonians, and especially in comparison to Chicago, Evanston feels more like a small-town than a large city. The streets are quiet with broad trees, single-family homes, small apartment buildings and locally owned businesses. Yet, several facts make Evanston much more a city than a suburban village. It is currently home to more than 75,000 residents and 40,000 jobs within 7.8 square miles. The downtown area covers several blocks containing multiple high rises, and the major transportation center for the north part of the Chicago region. This allows nearly twice the number of Evanston residents to work where they live, than similar suburbs in the region, approximately 40 percent versus 22 percent. The diversity of its housing stock allows a range of incomes to afford Evanston. These features are the characteristics the city and civic leaders sought to enhance when it was devising its revitalization plan twenty years ago and what has led to the addition of nearly 2,400 more housing units and constant construction activity near its transit stations.
Evanston’s Within the 6-county Metropolitan Chicago Area

Source: Center for Neighborhood Technology
Evanston Grows Up Along Transit
Elevated rapid transit service linking downtown Chicago to Evanston started in 1908. Two rail transit lines provide service between Evanston and Chicago: the Metra Rail Union Pacific North Line and the Chicago Transit Authority (CTA) Elevated Purple Train. Both run north and south, parallel to Lake Michigan, and a few blocks west of the shoreline. Currently the CTA operates seven stations in Evanston along the “Purple Line” which runs from downtown Chicago through Evanston to its terminus at the Linden Station in Wilmette, the suburb directly north of Evanston. In addition to the inbound commute from Evanston to Chicago’s Loop, the Purple Line also services a significant reverse-commute ridership, since more and more residents of Chicago are working or going to school in Evanston. Metra, the region’s commuter railroad operator, provides service to Evanston at three stations along the Union Pacific North Line (UP-N), originating in Kenosha, WI and terminating at Ogilvie Transportation Center in downtown Chicago.
Modern Suburbs challenge Historic Downtowns
Prior to the mid 1970s, Evanston was the hub of activity for Chicago’s North Shore communities, home to three major department stores, several corporate headquarters, thousands of jobs, and 80,000 residents. But over the next several decades, headquarters left for less-expensive locations near new housing developments and expressways. While corporate headquarters were leaving for the outer suburbs so were the retailers. In particular, the construction of Old Orchard Shopping Center five miles west of downtown Evanston, which had thousands of free parking spaces, drew business away from Evanston. Eventually, Old Orchard, Lincolnwood Town Center and Eden’s Plaza, caused Evanston’s major department stores to close, leaving more vacant buildings and parking lots next to the already vacant office buildings downtown.

By 1980 Evanston, Cook County and neighboring Chicago were all loosing population and jobs further aggravating Evanston’s economic situation. As the City’s tax base consistently declined, with the loss of business and population, the city was forced to raise its tax rate each year. Between 1965, when Evanston was a Headquarters Town and gaining in population, and 1985, after thousands of jobs and residents had left, the total property tax rate in Evanston went from $5 per $100 of assessed valuation to $12.

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<tr>
<td>Total Tax Rate</td>
<td>5.49</td>
<td>12.018</td>
<td>11.2</td>
<td>10.86</td>
<td>8.98</td>
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<tr>
<td>City’s % of Total Rate</td>
<td>17.4%</td>
<td>27.8%</td>
<td>18.6%</td>
<td>18.72%</td>
<td>18.95%</td>
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<td>EAV (in 2000 dollars)</td>
<td>NA</td>
<td>$.596B</td>
<td>NA</td>
<td>$1.256B</td>
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</table>


Evanston Responds to Suburban Sprawl
In 1980, after more than ten years of population, job, and business losses the Council and Chamber of Commerce recognized they needed to strategize about the future. The city couldn’t expand its boundaries, had no direct access to an interstate, and there were few contiguous parcels of vacant land ready for redevelopment. But civic leaders recognized the city’s compact urban form, excellent public transit, access to Northwestern students and faculty, and location on the shores of Lake Michigan were all qualities that could be leveraged as a draw for those desiring a more urban style of living. A comprehensive plan drawn up in 1986 called for the creation of a “24/7” downtown with higher density residential development along the Chicago Avenue corridor and around four of its rail stations, spaced a walkable half a mile apart and serviced by some 290 commuter rail (Metra) and heavy rail (the Chicago Transit Authority’s “El”) trains daily.

The Players
The long-range planning and development effort to create a livable and transit-oriented city brought several diverse groups of people together. The City Government has an active and experienced staff that is aware of progressive planning techniques and creative financing, and amenable to high-density and mixed-use development. The Chamber of Commerce works with the City, local citizens groups, and regional
organizations to advocate for better transit in the City and the region. The citizens of Evanston are also especially active in the planning and operations of their community. As a result, the transit agencies were responsive with service changes and improvements. Finally, the developers, especially early master developers, were crucial since they invested substantial private capital and assumed risks that many other developers were avoiding at the time. The three transit operators; Pace, CTA, Metra, and the Regional Transit Authority helped through completing studies, upgrading service and maintenance, and collaborating to secure funding for capital improvements.

The Plans
A comprehensive plan drawn up in 1986 called for the creation of a “24/7” downtown with higher density residential development along the Chicago Avenue corridor and around four of its rail stations, spaced a walkable half a mile apart and serviced by some 290 commuter rail (Metra) and heavy rail (the Chicago Transit Authority’s “El”) trains daily. The 1986 Comprehensive Plan was updated in its 1989 Plan for Downtown Evanston, and more recently with another Comprehensive Plan in 2000. Additionally, it has conducted and commissioned numerous sub-plans and smaller studies to collect additional information on existing residential development, retail development, traffic circulation and parking, transit-oriented development, and citizen opinions about downtown development. Each of these studies gives Evanston’s City government the information it needs to attract more development, ensure sound financing, and determine how to prioritize City funds.

Evanston updated its zoning ordinance to allow for higher densities through density bonuses along the Chicago Avenue corridor. The zoning code has lower parking requirements for multi-family and high-rise buildings, ranging from 1.4 to 1.6 per unit, than other suburbs. The ordinance divides the city into 32 zoning districts with several versions of mixed-use, low and high-density residential development, and four different “downtown” zoning districts. High-density residential surround the mixed-use downtown core and transportation center but preserve existing lower density housing in the established neighborhoods. Through the Site Plan and Appearance Review the planning department helps preserve its existing and diverse housing stock and character while promoting redevelopment. In addition, the City’s Planned Development ordinance allows zoning to be altered in exchange for additional development rights. Nearly all of the recent major mixed-use residential developments in the downtown area have benefited from zoning changes.

Public Investments
To finance the public investments necessary to stimulate private investment, the City used federal funding to build a transportation center, revitalize the streetscape and improve the sewer and water infrastructure. The Davis Street Transportation Center, a two-story train and bus depot with a pedestrian plaza and retail was completed in 1994. The Transportation Center is the one of the only transfer point in the region outside the City of Chicago to have Metra commuter rail, CTA rail and bus service, and Pace suburban bus service with approximately 1,477 weekday transfers between providers and more than 1,000,000 passengers per year. Illinois EPA funding assisted with a 10-year sewer and water infrastructure reconstruction. The City is currently improving the sidewalks and streetscaping with funds from an Illinois Transportation Enhancement Program grant.
Additional public investments included a new public library, research and technology park, public parking garage and street lighting upgrade. City financing was used for the downtown public library constructed in 1994. Tax increment financing and land swaps helped to fund the research and technology park, a hi-tech and bio-tech incubator on a site between the Metra and CTA tracks at the north end of downtown. The north half of the park created 1,000 jobs and a few hi-tech companies. Variable rate bonds for both tax exempt and taxable bonds and interest rate swap and interest rate caps for downside protection helped to finance the Chicago/Church public parking garage and the street lighting upgrade.

In addition to the public investments, the city also assembled economic development toolkits for the private sector. Incentives include Sales Tax Agreements, Tax Credit Agreements, Industrial Revenue Bond Agreements, Property Tax Zone or credit agreements, and shared investment in parking at some locations.

Transit Investments
Evanston’s growth strategy included using its transit resources to allow expansion upward, since it can’t expand outward. Therefore, the City encourages transit usage through lower parking ratios than other suburbs, and has a cooperative relationship with the three transit agencies. The transit agencies have each worked to maintain service and have also extended it. Most recently, CTA extended the Purple Line service hours by 30 minutes at the beginning and end of the day and eliminated the mid-day gap. In response to the demand, both CTA and Metra recently started allowing bikes on trains and buses.

Both CTA and Pace have increased bus service frequency, straightened their routes, and added more destinations since 2002, providing more coordination between the agencies and with the train schedules and more options for residents. CTA bus service is the primary intra-city service for Evanston with seven bus routes. The service CTA buses provide for Evanston’s Township High School, which has approximately 2,500 students, is especially important to the residents. Pace recently launched its new streamlined and expanded service in the area—the most significant service change in Pace’s 20 year existence. The new service provides Evanston with four suburban bus routes, including a “one seat” ride to O’Hare airport, another route to IKEA and several other major connections with shopping centers, schools, job centers, Metra stations, CTA stations, and other destinations in the north and northwest part of the Chicago region. Additionally, two of Evanston’s revised routes are the preliminary phase of Pace’s planned Bus Rapid Transit (BRT) system. Future BRT phases will include increased frequency, enhanced and more permanent stations, dedicated bus lanes, and real time information and ticket services at the stations.

The City is also in the process of designing a sophisticated traffic impact software tool that will allow the Planning Division and Commission to see how a new development will specifically impact traffic levels and flow. It can also be adjusted for different transit use assumptions. When a developer proposes a project, the City will be able to input statistics on the development and set different assumptions about transit use and auto ownership in order to determine the traffic impacts. When this new tool is in place and it shows that a new development will negatively impact traffic, some have recommended the City use the results to require the developer to implement innovative transportation policies, such as providing transit passes to the residents, or making a contribution to a

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transit fund that can be used to add frequency on a bus route or make improvements to stations.\textsuperscript{11}

In addition, the recent SAFETEA-LU Transportation Bill includes funds dedicated to construct the Evanston bicycle path network, make upgrades to Ridge Avenue, one of the few congestion points near downtown, and a funding authorization for a study to add an Evanston stop on the CTA Yellow Line among other infrastructure and road improvements.

**Transit Incentives**

Some of the city’s existing incentives to promote transit ridership include:

- Employers are told about the federal transit check, a program that allows individuals to set aside up to $105 in pre-tax earnings each month to pay for transit costs.
- Public buildings are required to provide bicycle storage and racks.
- The City of Evanston has an agreement with I-Go\textsuperscript{SM} car sharing, a non-profit car sharing program in the Chicago area, to provide two parking spaces in the publicly owned Maple Self Park garage located downtown.
- Evanston works with the transit agencies, particularly on bus routes, to ensure buses are available for high-traffic areas, such as the movie theater, the Evanston Township High School, and high density residential and office buildings.
- Evanston has offered lower than standard parking ratios to developers, but many have not accepted, instead several have increased their ratios, either to secure their financing because their market study assumes their condo market will have or want additional spaces or based on the developers experience and development model.\textsuperscript{12}
- The City promotes shared parking at sites downtown and near transit stations.

**Pedestrian and Bicycle Improvements**

To help turn Evanston into a vibrant urban center, maintenance and improvement of pedestrian amenities downtown and in the neighborhoods are a top priority for the City. To encourage bicycle usage, the City has built addition bicycle racks throughout the city. As mentioned above, CTA and Metra have both recently changed their policies, and buses by adding bike racks, to allow bikes on trains and buses. This change enhances the convenience of riders accessing transit by bicycle.

**Parking**

Similar to other urban and suburban areas, parking continues to be an issue in Evanston. Public and private surface parking lots and short-term meters on the street serve retail center and offices. Residential parking requirements along Chicago Avenue were one space per unit until more recently when they were raised to 1.25 for 1 bedroom, 1.5 for 2 bedrooms and two spaces for three or more bedrooms in multi-family buildings. Two-family residential buildings are required to have two spaces and no more
than four spaces. The change from one per unit was triggered by a 1999 neighborhood study of the Chicago Avenue Corridor commissioned by the Evanston Plan Commission.

**Mixed-Use Redevelopment Takes Off in Evanston**

Evanston could not have accommodated much development unless it was higher density and mixed use and built near the city’s rich transit network. From 1990 to 2000, all seven-transit zones along the Chicago Avenue corridor experienced population growth and increased racial diversity. Surveys by the city and the Census, show that most riders accessed the train by foot or bike and some carpooled or transferred from buses with few riders driving to the station. All train stations have CTA or Pace bus stops nearby. However, there were fewer buses and stops in the southern part of Evanston near the South Boulevard station. Bike racks are well used at all stations. The variety of station designs—size, scale, amenities—and building orientations appear to be dictated by the surrounding neighborhoods. Where residential development dominates, stations are smaller with fewer way finding signs and entrances. There is an effort to incorporate urban greenspace near the stations. In the downtown area, greenspace includes plazas, tree-lined walkways, and benched areas with fountains and planters and the Main Street “El” station is encased in a small park.

![Bicycle parking outside the Main Street Station](Source: Carrie Makarewicz)

<table>
<thead>
<tr>
<th>Station</th>
<th>Population</th>
<th>Households</th>
<th>% White</th>
<th>Median Income</th>
<th>% Owned Units</th>
</tr>
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<tbody>
<tr>
<td>Davis Street</td>
<td>11,545</td>
<td>12,515</td>
<td>4,183</td>
<td>5,391</td>
<td>81%</td>
</tr>
<tr>
<td>Dempster Street</td>
<td>8,673</td>
<td>9,741</td>
<td>4,046</td>
<td>4,840</td>
<td>89%</td>
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<tr>
<td>Main Street</td>
<td>11,154</td>
<td>11,824</td>
<td>5,148</td>
<td>5,744</td>
<td>81%</td>
</tr>
<tr>
<td>South Boulevard</td>
<td>12,641</td>
<td>13,229</td>
<td>5,794</td>
<td>6,213</td>
<td>63%</td>
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</table>

Source: Carrie Makarewicz

Change in Transit Zone Population and Demographics 1990 – 2000

Source: U.S. Census 1990 and 2000
Mixed Use Development Projects along the Chicago Avenue Corridor

Source: Center for Neighborhood Technology
<table>
<thead>
<tr>
<th>Development Name</th>
<th>Address</th>
<th>Developer</th>
<th>Transit Zone</th>
<th>FAR or Height</th>
<th># of Units</th>
<th>Uses</th>
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</thead>
<tbody>
<tr>
<td>900 Chicago</td>
<td>900 Chicago</td>
<td>Matthews Development</td>
<td>Main</td>
<td>77</td>
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<td>Commercial/Residential</td>
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<tr>
<td>515 Main</td>
<td>515 Main</td>
<td>Legacy Development Group</td>
<td>Main</td>
<td>63</td>
<td></td>
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<td>811 Chicago Condos</td>
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<td>Davis</td>
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<td>Optima Towers</td>
<td>800 Davis</td>
<td>Optima</td>
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<td>4</td>
<td>105</td>
<td>Residential</td>
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<td>Park Evanston Apartments</td>
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<td>The John Buck Co.</td>
<td>Davis</td>
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<td>Sienna</td>
<td>1100 Clark</td>
<td>Roszak</td>
<td>Davis</td>
<td>2.1</td>
<td>237</td>
<td>Commercial/Residential</td>
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<td>Davis</td>
<td>6</td>
<td>182</td>
<td>Residential</td>
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<td>Sherman Plaza (under construction)</td>
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<td>Focus &amp; Klutznick Fisher</td>
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<td>Davis</td>
<td>4</td>
<td>248</td>
<td>Residential</td>
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<td>1415 Sherman</td>
<td>1415 Sherman</td>
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<td>Dempster</td>
<td>4</td>
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<td>Chicago Avenue Place</td>
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<td>Dempster</td>
<td>3.29</td>
<td>156</td>
<td>Commercial/Residential</td>
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**Downtown Evanston Davis Street Station Area**

In 1999, the John Buck Company completed the first high rise in downtown Evanston in more than 20 years. The developers built a Whole Foods Market on the ground level, a publicly funded parking garage on the second level and a 24-floor luxury apartment tower above. The City created a tax increment-financing district (TIF) to cover the costs of dismantling the former Washington National Headquarters building that occupied this site. Although the redevelopment planning took longer than expected, and the design of the building and its traffic flow created controversy between the residents and the City, the development was ultimately a major achievement. The project provided the spark needed to stimulate development of more mixed-use, high-density developments near the Davis Street Transportation Center.
Park Evanston Towers with Whole Foods Market

Source: North Shore Convention and Visitor’s Bureau

Church Street Plaza

Source: Carrie Makarewicz

Sherman Plaza

Source: Winchesta
Following the success of the Park Evanston/Whole Foods project, in 2000 Arthur Hill and Company built a 175-room Hilton and an 18-screen theater a few blocks to the west, along with a Wolfgang Puck restaurant and an Urban Outfitters. The city used TIF funds to subsidize a 1,400-space parking garage and other public amenities. With this project complete, the west side of downtown had more nightlife to attract students, young professionals, empty nesters, and Chicagoans.

The Whole Foods-apartment project and the subsequent entertainment complex together paved the way for the kind of mixed-use projects the city wanted to encourage and pushed the height and density envelopes, helping to spark what soon became a condo-building boom. Sherman Plaza, a joint venture between Focus Development, and Klutznik Fisher Evanston, LLC. is the closest mixed-use development to the Transportation Center and the Davis Street Station, and replaces the city’s Sherman Street parking garage. The new development occupies an entire city block and will have ground floor retail including a Sears, a 45,000 square foot health club and an upscale 200-unit senior citizen's apartment building. The residential component is within the 25-story tower and includes Soft Lofts, condos, and penthouses. Because the building replaces one of the city’s parking garages, it will also include 1600 spaces; 300 for the residents, 660 replacement spaces, and an additional 640 spaces for shoppers, commuters, and employees. The developer is paying for the 300 residential spaces and the city is financing the other 1300 spaces.

Dempster Street Station Area
The Dempster Street station is located south of downtown and provides CTA Purple Line service with connections to Pace and CTA bus service. Transit ridership is strong; with 39 percent of residents within a half-mile of the station reporting they commuted by non-auto means in the 2000 Census. Of the eight CTA stations in Evanston, Dempster ranks fourth in ridership after Davis, Main and Central. The neighborhood serving retail includes locally owned stores and restaurants. In 2004, the station handled 231,254 passenger boardings. Since 1983, ridership has grown by 52 percent at this station.16

Chicago Avenue Place

Source: http://www.roszakadc.com/residential.html
Chicago Avenue Place, completed in 2002 by Roszak/ADC Development includes 153 condos south of Dempster Street Station. The development is within walking distance of two full-service grocery stores, a park, and downtown. Representatives of Roszak/ADC, an Evanston-based developer specializing in modern architecture, claimed that the site wouldn’t have been attractive for single family homes; the space between a major arterial and the CTA embankment and next to the Jewel Grocery store’s loading facilities. The project is designed to not impose upon pedestrians and includes lower heights at the sidewalk, and higher stories stepped back from the street. The building averages 1.63 parking spaces. Amenities at Chicago Avenue Place include a 5,000 square foot pool house, European-style courtyard, a fitness center, community party room, free tenant parking and 36 guest parking spots. The property also has dedicated three units for retail stores. Units in Chicago Avenue Place range in size from 700 square feet to 2,600 square feet and run from $180,000 to $800,000.

Main Street Station Area
Specialty boutiques, popular restaurants, and public library characterize the neighborhood around the Main Street Metra and CTA station. Although not physically connected, the two stations are very close and are second in ridership numbers in Evanston after Davis. Average weekday boardings for CTA and Metra at this station are 1,241 and 769, respectively. Annually, there are 361,356 annual passenger boardings.

515 Main Condominiums
At the corner of Chicago and Main are two new major mixed-use developments: 515 Main Condominiums and 900 Chicago Avenue. 515 Main Condominiums includes 63 condos with ground floor retail and was completed in 2000. The project includes 1.33 parking spots per unit. With prices ranging from $150,000 for a 900-square-foot one-bedroom apartment to $350,000 for a 1,500-square-foot three-bedroom apartment, the condos sold out in less than a month.

900 Chicago Avenue is currently under construction and will include 128 units with 1.6 spaces parking spaces per unit. While the city only required 1.4 parking spaces per unit, the developer has added additional spaces for the luxury apartments. By putting the
parking on the first and second floors, the developer was able to raise the living units above the El and Metra tracks in order to reduce the sound and improve the views. As of July 2005, the development was only 70 percent sold. However, the real estate agent asserted it was a combination of taste; buyers who select this location need to be more used to living in a city if they are going to buy next to the “El” tracks, however she also mentioned the Evanston market is more saturated with new construction than it was 5 years ago.19

South Boulevard Purple Line Station
The South Boulevard Station is located in a predominantly residential area with commercial strips and new construction. To the east of the tracks are multi-family apartment buildings and new town homes. The development to the west of the station and the rail embankment is primarily single family and some small light manufacturers, such as tool and die shops. Ridership at South Boulevard is not as high as the other three stations in the study, at 225,023 riders per year. This may be that residents in this area prefer to board at the Howard street station, just a few blocks south, which offers access to the CTA Red, Purple and Yellow lines, reducing the need to transfer trains when the Purple Line is not running express or into Chicago. The station is currently under renovation, which when complete may attract more riders.

Median incomes are $49,462, and housing values are more affordable since this area is further from downtown Evanston and closer to Chicago’s northern end. However, the lake is within view from these streets and as Chicago’s north end continues to develop and Evanston’s other transit areas become more expensive, this area is likely to increase in value as well. Currently mid-size single-family homes, 3 bedroom bungalows are selling for around $500,000.20

Evaluation Factors & Results
By 2005 – nearly 20 years after the city created its downtown revitalization strategy – the plan has succeeded by several measures. About 2,500 new residential units have been constructed and population has increased, though still falling short of the 1970 peak of 80,000 residents. The city has surpassed its goal for office space downtown – 2.3 million square feet—and business activity is up: the number of businesses has increased 27 percent in 8 years, the vacancy rate for commercial space has fallen to 6.8 percent, and retail sales have grown by 11.2 percent between 2000 and 2003. Sale prices for homes have dropped and then stabilized with increases between 2003 and 2004 in all four transit zones.

Increased Residential and Business Activity
Even with all the development, condo sales are still strong in Evanston. The real estate changes in values represent the infill of condo units in areas that were previously predominantly single-family homes, which brings down the price point. The rise in values at the Dempster station may be from new single-family homes, as the result of teardowns in the neighborhoods further from the station but within the half-mile area, as well as a large non-residential use. In the new 105 unit Optima Towers, 100 percent of the units were sold before construction was completed, and 90 percent of the units to be constructed in the Sherman Plaza development and completed in late 2006 or early 2007 were sold as of July 2005. The developments are also attracting buyers from various places; a third are typically residents from within Evanston, while another 15 percent are from Chicago, and the remaining half are from various north and northwest
suburbs or from out of state. The age range also varies and spans across all age groups, from 25-34 year olds, to 51 years or higher.

![Image](image_url)

Source: North Shore Convention and Visitor’s Bureau

### Value of Real Estate Transactions in Evanston and Transit Zones 1999-2004

<table>
<thead>
<tr>
<th>Station</th>
<th>Sample Size</th>
<th>Average Sales Price by Year</th>
<th>% Change 1999-2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Boulevard</td>
<td>933</td>
<td>233,275</td>
<td>252,119</td>
</tr>
<tr>
<td>Dempster Street</td>
<td>624</td>
<td>478,800</td>
<td>419,972</td>
</tr>
<tr>
<td>Main Street</td>
<td>928</td>
<td>243,794</td>
<td>327,450</td>
</tr>
<tr>
<td>Davis Street</td>
<td>681</td>
<td>412,689</td>
<td>338,110</td>
</tr>
<tr>
<td>City of Evanston</td>
<td>7,594</td>
<td>271,798</td>
<td>284,796</td>
</tr>
</tbody>
</table>


Besides residential activity, the city also benefits from the substantial increase in commercial activity. In the last eight years there has been a 27 percent increase in the number of businesses located in Evanston. Entertainment venues are key to the city’s business and retail growth. The new movie theater has helped to support the development of a number of new downtown restaurants, since many patrons eat before or after a movie. In addition to the dining and retail options, residents downtown and near the four transit stations are within walking distance of three quality full-service grocery stores.

In August 2005, Evanston had 1.2 million square feet of ground floor commercial spaces with only 6.8 percent vacancies. The categories of stores included 33.2 percent retail, 27.6 percent restaurants, and 39.2 percent services. The square footage is the same as it was in 1990, but the low vacancies and the increased activity downtown have increased total sales within the same amount of space. Between 2000 and 2003 retail sales downtown grew by 11.2 percent or $17.1 million, contributing an additional 0.8 percent or $6.7 million to the cities sales tax revenue.\(^2\)
Healthy City Finances
Perhaps most significantly, the city’s total equalized assessed value increased by 191 percent from 1985 to 2004. The resulting increase in property tax revenues has enabled the city to lower its tax rate to $8.96 per $100 of assessed value, which still compares unfavorably to rates as low as $7 in surrounding and further out suburbs but is the lowest tax rate in Evanston since 1971. The city estimates that when the four TIF districts that were created to help fund redevelopment and pay for expensive amenities like structured parking expire in 2017, there will be an additional $16.5 million in property tax revenues, as well as revenue from sales and other taxes.22

Transit Ridership
The fact that so much development occurred without significant increases in traffic is due largely to the high-quality transit service, but also to the fact that residents are walking and biking. A 2002 survey by Metra Rail indicates 74 percent of riders walk or bike to the Main and Davis Street stations in downtown Evanston – compared to an average of 34 percent for other suburban stations along the line. The walkability of station areas is enhanced by the fact that while there are, for example, 523 long-term commuter parking spaces available for the three Metra stations in Evanston, the spaces are not concentrated in large lots but are lined along the streets and shared with other uses – this is in comparison to as many as 1500 spaces in single surface parking lots at some other suburban Metra stations.

The percent of workers (who work outside their home) commuting by non-personal auto means in Evanston is twice that of the Chicago region, 32.2 percent compared to 16 percent, and the percentage is even higher – 45 percent—in the half mile radius around transit stations and is more than 50 percent at some stations. Moreover, vehicle ownership remains low, less than 1.3 cars per household citywide and averages 1.1 per household in the half-mile radius around the stations. Metra ridership increased an astonishing 155 percent at one downtown station from 1983 to 2002 and 60 percent at another, and CTA ridership increased from 28 to 52 percent at four of its seven stations, though it went down at the three stations that are near Metra, perhaps because riders switched to Metra, which provides faster service into downtown Chicago with fewer stops. Combined, total rail ridership on CTA and Metra increased in Evanston by 6% from 1983 to 2002, from 3,089,611 million annual riders to 3,295,813, while population has increased by 1% in the same time frame.
### Non-Auto Trips to Work in 1 Mile Transit Zones

<table>
<thead>
<tr>
<th></th>
<th>% Non Auto Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1990</td>
</tr>
<tr>
<td>Davis Street</td>
<td>67%</td>
</tr>
<tr>
<td>Dempster Street</td>
<td>49%</td>
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<tr>
<td>Main Street</td>
<td>41%</td>
</tr>
<tr>
<td>South Boulevard</td>
<td>39%</td>
</tr>
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</table>

Source: Census 1990 and 2000

### CTA Weekly Ridership 2002

<table>
<thead>
<tr>
<th>CTA Purple Line</th>
<th>Average Weekday Ridership</th>
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</thead>
<tbody>
<tr>
<td>Davis</td>
<td>3,669</td>
</tr>
<tr>
<td>Dempster</td>
<td>722</td>
</tr>
<tr>
<td>Main</td>
<td>1,241</td>
</tr>
<tr>
<td>South Blvd</td>
<td>836</td>
</tr>
</tbody>
</table>

Source: Chicago Transit Authority Planning & Development

### Metra Ridership 2002

<table>
<thead>
<tr>
<th>Metra UP North Line</th>
<th>Average Weekday Ridership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis St.</td>
<td>1,439</td>
</tr>
<tr>
<td>Main St</td>
<td>769</td>
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Source: Metra Office of Planning & Analysis

### CTA Yearly Ridership 1983-2004

<table>
<thead>
<tr>
<th>CTA Elevated Purple Line</th>
<th>1983</th>
<th>1993</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>Percent Change '83 - '02</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Blvd</td>
<td>186,107</td>
<td>158,880</td>
<td>249,180</td>
<td>239,418</td>
<td>225,023</td>
<td>33.9</td>
</tr>
<tr>
<td>Dempster</td>
<td>152,544</td>
<td>141,158</td>
<td>231,719</td>
<td>235,949</td>
<td>231,254</td>
<td>51.9</td>
</tr>
<tr>
<td>Central</td>
<td>325,734</td>
<td>219,737</td>
<td>286,423</td>
<td>285,009</td>
<td>279,410</td>
<td>-16.6</td>
</tr>
<tr>
<td>Main</td>
<td>404,018</td>
<td>356,812</td>
<td>382,557</td>
<td>379,810</td>
<td>361,356</td>
<td>-5.3</td>
</tr>
<tr>
<td>Davis</td>
<td>1,467,853</td>
<td>1,005,863</td>
<td>1,173,536</td>
<td>1,209,494</td>
<td>1,172,292</td>
<td>-20.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,817,651</td>
<td>2,091,441</td>
<td>2,721,733</td>
<td>2,752,864</td>
<td>2,674,097</td>
<td>-5.4</td>
</tr>
</tbody>
</table>

Source: Chicago Transit Authority Planning & Development - Rail System Annual Traffic Reports for total riders entering a station.

### Metra Yearly Ridership 1983-2002

<table>
<thead>
<tr>
<th>Metra UP North Line</th>
<th>1983</th>
<th>1993</th>
<th>2002</th>
<th>Percent Change '83 - '02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis St.</td>
<td>146,900</td>
<td>292,240</td>
<td>374,140</td>
<td>154.7</td>
</tr>
<tr>
<td>Main St</td>
<td>125,060</td>
<td>188,760</td>
<td>199,940</td>
<td>59.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>271,960</td>
<td>481,000</td>
<td>574,080</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Affordable Housing
In comparison to the rest of the region, particularly higher income suburbs, Evanston still has a sizable portion of affordable units, 26 percent were affordable to a household earning 80 percent of Area Median Income according to the 2000 Census. The Illinois Housing Development Authority recently released this percentage and ranking for each of the municipalities in the state. Those with less than 10 percent of its housing stock affordable are required to make plans to increase that percentage. Planners in Evanston realize its affordable percentage has probably already decreased and recognizes it will be challenging to maintain affordability as housing values increase. In response, the City’s housing department and local non-profits are actively pursuing affordable housing strategies, including the Mayor’s Special Housing Fund, a study to implement an inclusionary zoning policy, a mortgage financing program, and the use of HOME and CDBG funds to repair and rehab units and support local non-profits. A local non-profit has also established a community land trust, Citizen’s Lighthouse Community Land Trust to develop permanently affordable housing.

In parallel with the booming condo market, Evanston’s three community housing development corporations—and other equity-conscious developers—are also striving to retain affordable housing options in the city through condo conversions, new construction, and funds for home owner renovations. Between 1990 and 2004, 15 affordable housing projects were completed totaling more than 250 units. Of the affordable developments with five or more units, 8 of 10 are within a quarter mile of transit. Roszak/ADC has also voluntarily included affordable units in some of their new developments in the transit zones.

Future Development
Despite being a mature suburb with few, if any, large contiguous lots left for redevelopment, especially near transit, Evanston is not done developing. However, future development will likely focus more on rehab and adaptive reuse of existing buildings and sites rather than major new redevelopments that replace existing buildings or parking lots. The latest population projections for Evanston from the Northeastern Illinois Planning Commission estimate that Evanston will reach 80,224 by 2030. The planning department is also paying closer attention to the design of proposed new developments. Most residents are accepting of the higher densities, new development in general, and downtown revitalization, but many have complained about the lack of good design on some recent projects, and the inattention to pedestrian amenities.

Lessons Learned
TOD can catalyze sustainable, yet substantial growth
By creatively redeveloping underdeveloped, vacant, or deteriorated buildings and previously overlooked parcels in transit served areas, Evanston’s rapid residential, entertainment, and office build out has provided more revenue streams to the city and additional entertainment, shopping, and work destinations for the northern portion of the Chicago region without adding substantially more auto traffic.

Transit adjacency and transit-oriented may look similar but perform differently
The City of Evanston and its residents are knowledgeable on the principles and strategies for transit-oriented development. However, because some of the new developments have seemingly higher parking ratios than necessary and garage entrances next to the transit facilities, essentially turning their backs on transit, these
buildings are more transit-adjacent, than they are transit-oriented. A transit orientation would face buildings toward the transit stations and plazas, ensure attractive pedestrian ways and plazas that connect destinations with transit are the forefront of the development, and would make parking and driving secondary.

Commitment to comprehensive planning, research, financing, and monitoring leads to sound development
This case study shows that a commitment to long-range planning, with frequent updates, accompanied by detailed implementation and finance strategies can yield desired results. As of 2005, many of the goals stated in the 1986, 1989 and 2000 Comprehensive Plans and detailed studies have been accomplished. Development does not happen overnight, but when the right assets are leveraged, and a city clearly specifies what it wants and doesn’t want, and backs it up with the appropriate public investments that support private investment, development will occur. Having the right processes and regulations in place are also important in order to direct development to meet the plans.

Active Citizens Groups are valuable players in the planning process
Evanston’s Transportation Future, the Chamber’s Transportation Committee, the Plan Commission’s Public Transportation Committee, The Evanston Bike Club, and other citizen efforts to improve transportation in Evanston have been very effective.

Good transportation planning requires all modes and extensive interaction among the transit agencies, the city, and the citizens. Where citizens are heavily involved, and actually heard, the routes will better meet their needs and increases in ridership will follow. The director of Pace Bus believes the transit operator should be the facilitator but the resulting transit plans and routes should be the community’s. When citizens contribute to the route planning, they have greater ownership of them and their use will be higher. Pace uses a blend of extensive data analysis to determine route structure, origins and destinations, but completes the service plan based on direct citizen input. Frequent meetings with municipalities are also helpful so the city and transit agency can establish a working relationship and adjust as necessary.

Regional cooperation and advocacy improves transit service
To truly be usable, transit must be regional in scope. To support this level of local and regional transit, there must be high ridership along all routes, both bus and rail. To achieve this ridership takes cooperation and planning among the municipalities, their citizens and the transit agencies. Joint lobbying for funding at the state and local levels also helps to secure additional funding to supplement the fare box revenue.

Private financiers may have more say than the city or the developers.
Financial institutions finance developments based on market studies for the development’s product. Many market analysis firms still require suburban style parking ratios despite the very urban quality of Downtown Evanston, its rich network of transit, and the city’s low auto ownership rate. This may help to explain what appears to be a dichotomous relationship between the auto ownership of households in the transit zones, 0.89 per household at the Downtown Davis street stop, and what appears to be an excessive amount of parking garage space, 1.6 per unit. While the City promotes transit, and the Census journey to work and vehicle ownership data shows a desire by residents to want to walk, bike, or take transit, new buildings continue to have higher
parking ratios. It will take advocacy and education beyond what the City of Evanston or its developers can do to encourage financiers and market analysts to lower parking requirements. Until then, Evanston should report its auto ownership and public transit statistics and push back on lenders that demand more parking.

**TOD includes multiple modes of travel**

For an entire area to be transit-oriented, so that the visitors, workers, and residents in the area are oriented to get there by transit, biking, or walking, there needs to be an extensive, interconnected and multi-modal transportation system that incorporates bus and rail as well as bike paths, sidewalks, and appropriately designed roads. A train station alone will not achieve the same level of transit-orientation as a place that is served by transit routes from many areas, which often means it has to be connected and served by bus, in addition to rail.
Hudson Bergen Light Rail Transit System
Dr. Jan S. Wells and Martin Robins

Both Jersey City and Hoboken were thriving residential and commercial centers located on the Hudson River waterfront before the great suburban exodus began in the 1950s, with attractive residential neighborhoods and excellent rail access to jobs and amenities in a big city neighbor—New York City lies just across the river to the east. Before the Pennsylvania Railroad tunnel was built under the Hudson, connecting to Hoboken in 1908 and to Jersey City in 1909, the many railroads serving the area terminated in New Jersey on the Hudson’s west bank. This fact, coupled with the presence of the port in Jersey City, resulted in intense industrial and residential development in the late 19th and early 20th centuries.

This case study describes how public and private stakeholders joined together to build the Hudson Bergen Light Rail Line, promote transit-oriented development and advance the growing revitalization of downtown Jersey City and Hoboken. Through planning and innovative financing, transit-oriented development is beginning to emerge in Hoboken and Jersey City. In conjunction with the development of the new transit system, the cities are promoting mixed uses, higher densities and brownfield redevelopment. As a result, the cities’ population is rebounding, property values have grown exponentially and transit connectivity has been enhanced.

Development Context
Jersey City was settled by the Dutch West Indian Company in 1660 and was home to the Colgate-Palmolive Company. Hoboken, too, had a thriving shipping industry and was home to Bethlehem steel. But the construction of more tunnels and bridges into Manhattan and the growing popularity of the automobile led to the decline of both the railroads and port. By 1980 the landscape was dominated by abandoned rail yards, derelict piers, idled manufacturing plants and empty warehouses, the land contaminated by industrial waste.
The two cities, which share a boundary, are very different. Jersey City is home to more than 240,000 residents in 14.9 square miles, the waterfront dominated by office buildings. Hoboken, just north of Jersey City and across the river from Midtown Manhattan, is only 1.3 square miles and much more residential, and often referred to as New York City’s sixth borough. The locational advantages of these two cities, both just minutes away from Manhattan and the greatest concentration of jobs in the U.S., make the two cities very desirable.

**The Players**
The revitalization of Jersey City and Hoboken is the result of several groups of people working together. The State of New Jersey launched the concept of the Hudson Bergen Light Rail, giving it direction, planning support and ultimately, critical funding from the Transportation Trust Fund to complete the construction. The municipal governments of both cities were vigorous and amenable to high-density and mixed-use development. The Jersey City Economic Development Corporation is a very active organization and works with the city, planning department and local organizations to advocate for better transit in the city. The citizens of Hoboken are also especially involved in the operations and planning of their community. The developers were crucial since they invested substantial private capital to clean up brownfields and revitalize both cities. Real estate brokers were active in the development of the Hudson Bergen Line because they believed that it would revive the lagging office development along the waterfront. And, most importantly, NJ TRANSIT has been responsive with service changes and improvements.

**The Plans**
By 1980, after decades of population, job and business losses Jersey City and Hoboken started to strategize for a new future. The cost of housing in New York City was escalating dramatically, and the historic neighborhoods across the river, their streets lined with old trees and beautiful brownstones, were affordable in comparison. Developers began rehabbing the housing stock, turning brownstones into condominiums and converting industrial buildings to residential. When mortgage rates dropped in the mid-1980s the housing fervor increased. New and improved transit options, including the renewal of ferry service by NY Waterway and the PATH train, provided the critical rapid transit links that connected Newark, Hoboken and Jersey City with mid- and lower Manhattan.

Eager to exploit the redevelopment opportunities and stimulate commercial and industrial growth, New Jersey officials set up the Jersey City Economic Development Corporation in 1980. Urban enterprise zones and redevelopment zones were created to offer businesses a variety of tax incentives and subsidies. Jersey City became an attractive place to do business relative to either Philadelphia or New York because the city’s only business tax was the real estate tax, which may be capped by a tax abatement process. As a result, the explosion of office development in downtown Jersey City has continued unabated for the last 20 years. In 2005 there was nearly 16 million square feet of space, up from less than 2 million in 1985.
One of the first mixed-use projects built was the Harborside Financial Center, an urban enterprise zone often described as the Jersey City waterfront’s premier “city within a city.” Begun in 1980, today this office complex has expanded to six office buildings, totaling 3.6 million square feet, a waterfront retail promenade, luxury apartments and a full service Hyatt Regency hotel. Harborside is just minutes away from downtown Manhattan via ferry, PATH train or car. As a result of this burgeoning new development, the Port Authority rebuilt the nearby PATH Exchange Place station to serve as a major hub.

Transit Investments

Prior to the economic expansion of the 1980s, rail and bus transit service in New Jersey had been deteriorating for several decades as private railroads went bankrupt and bond issues to support transit were defeated. In response, in 1979, NJ TRANSIT was created as an independent arm of the New Jersey Department of Transportation (NJDOT) to revive the state’s ailing public transit systems. In addition, a bond measure was finally passed to support better service and the Transportation Trust Fund was created. New Jersey Governor Thomas H. Kean recognized that transit would aid the economic development initiatives along the Hudson River waterfront and he directed the NJDOT to study which kind of transit system would best serve the waterfront.

Nine transit alternatives were considered for the Hudson Bergen Light Rail Line (HBLR); the preferred alternative, released to the public in 1992, ran into opposition from the historic Van Vorst neighborhood along the route, which didn’t want the 20-mile light rail line, and from Colgate, which didn’t believe its property would be adequately served. Political pressure resulted in a new alignment that ran through brownfields and other underutilized sites along Essex Street. In Hoboken there were problems with the proposed waterfront alignment, because of environmental issues and the encroachment on potential development sites. After considerable citizen pressure the alignment was changed to follow an existing right of way that traversed fallow and obsolete industrial property on the west side of the city.

This turn of events in both cities proved fortuitous as the amount of vacant land and buildings along these new alignments provided dramatic redevelopment opportunities; developers and real estate agents were already calling New Jersey’s waterfront the “Gold Coast.” Phase 1 of the new Hudson Bergen Light Rail Line, a 10-mile segment from Hoboken through Jersey City to 36th Street in Bayonne, began operating in 2000. The second phase, a 6-mile segment extending the line north from Hoboken to Weehawken, west to North Bergen and south to 22nd Street in Bayonne, was completed in spring of 2006. A planned third phase is in doubt, however, because of the cost, problems with property acquisition, and the difficulty of coordinating with existing freight activity in the right of way. The HBLR line is the first public transit project in the nation to use the Design, Build, Operate and Maintain (DBOM) construction methodology.
Hudson Bergen Light Rail Line Final Route

Transportation Options
One of the greatest assets that the new HBLR stations offer is the connection to the major transportation terminals of Hoboken, Pavonia-Newport and Exchange Place. At these nodes, the rider can journey to mid-town and lower Manhattan, the largest concentration of jobs in the U.S., and access a wide-range of other destinations via mass transit. Commuter rail from Hoboken takes passengers to western and northern New Jersey suburbs, while the PATH can offer connections at Newark to the Northeast Corridor commuter and intercity rail service. These services provide access to many points as close as Newark Liberty International Airport, Metro Park, New Brunswick, and Trenton as well as Philadelphia, Washington, D.C. and Boston. Bus service is also available at most of the HBLR stations.

Land Use and Zoning Policies
Both Jersey City and Hoboken utilized the standard redevelopment tools available in New Jersey to promote transit-oriented development along the Hudson Bergen Light Rail corridor:
The New Jersey Local Redevelopment and Housing Law
- A municipality can declare an area in need of substantial redevelopment.
- This overlay to existing zoning allows the municipality to bypass planning board approval.
- Development is regulated by the standards contained in a redevelopment plan.
- Jersey City has 63 redevelopment zones.
- Hoboken has two active redevelopment zones.

The New Jersey Urban Enterprise Zones Act
- State-designated program to alleviate unemployment in 30 municipalities
- Allows retail merchants to charge a reduced sales tax rate that is half of the normal rate (currently 3 percent).
- Businesses are allowed to make purchases that are utilized for their business, at their business, tax-free.
- Non-retailers are able to apply for tax credits for new hires, as well as unemployment insurance-based awards.
- In Jersey City the UEZ covers a third of the city.

Payment in Lieu of Taxes (PILOT)
If a developer has received designation from the state to be an urban renewal company and has a project in an UEZ or Redevelopment Zone, the municipality may, after planning board approval, grant the company relief from property tax over a period of 20 – 25 years depending on the project. Although it a negotiated agreement and terms can vary, the payout is generally:
- 2 percent of construction cost, annually for the first 6 years
- 20 percent of taxes due, annually for the next four years
- 40 percent of taxes due, annually for the remainder of the time
Over the whole period, the city collects about 50 percent of taxes at the regular rate. However, the city gets to keep all of the taxes collected for reinvestment. Both Jersey City and Hoboken have provided PILOTs to developers in their redevelopment zones.

The Brownfield and Contaminated Site Act
- Protects buyers not responsible for the contamination at tainted sites from private lawsuits (innocent purchaser defense) and protects the purchaser from having to perform additional cleanup work if they remediate the site.
- Prior to the passage of this Act in 1998, developers were extremely resistant to taking on properties that could lead to unknown consequences due to contamination.

Parking Requirements
- New surface parking lots are not permitted.
- In new construction parking must be within the footprint of the building, i.e., at street level, structured, or underground.
- Parking requirements are reduced: 1 space for every residential unit and .67 spaces for every 1,000 feet of office space.
Development at Stations
Though the first stations have been in place for only five years, construction activity is ubiquitous in station areas as abandoned sites are cleaned up and reclaimed.

For example, developments are proposed for every single piece of property around the 9th Street station in Hoboken, a derelict industrial neighborhood once known as the “bad side of town” and the place where towed cars were stored. In Jersey City mixed-use development is ongoing all along the corridor connecting stations at Exchange Place, Essex Street, Marin Boulevard, and Jersey Avenue. Between the Exchange Place and Essex Street stations, there are 20 acres (formerly the Colgate property) of imposing office buildings, residential towers and well-maintained public spaces along the Hudson River waterfront with retail shops and restaurants that have opened to cater to new residents.

The 9th Street Station in Hoboken and the Essex Street-Marin Boulevard-Jersey Avenue corridor in Jersey City stand out as hubs of new residential, retail and office development. Located in once fallow, abandoned industrial sites they are now reclaimed. The surrounding neighborhoods are compact, walkable, with centers of commercial activity close by. Because the development is so new only 2000 census data is available for these transit districts.

2000 Population, Journey to Work, and Vehicle Owner Characteristics in Station Areas and Region

<table>
<thead>
<tr>
<th>Hoboken</th>
<th>Jersey City</th>
</tr>
</thead>
<tbody>
<tr>
<td>9th Street</td>
<td>Jersey Avenue</td>
</tr>
<tr>
<td>Population</td>
<td>29,557</td>
</tr>
<tr>
<td>Households</td>
<td>12,500</td>
</tr>
<tr>
<td>Median Age</td>
<td>31</td>
</tr>
<tr>
<td>Occupied Housing Units</td>
<td>12,973</td>
</tr>
<tr>
<td>% Owner</td>
<td>22%</td>
</tr>
<tr>
<td>% Renter</td>
<td>75%</td>
</tr>
<tr>
<td>Total Workforce</td>
<td>14,212</td>
</tr>
<tr>
<td>% Drove to Work</td>
<td>43%</td>
</tr>
<tr>
<td>% Public Transport to Work</td>
<td>44%</td>
</tr>
<tr>
<td>Vehicles/HH</td>
<td>.8</td>
</tr>
</tbody>
</table>

Source: Census 2000

Jersey City – A Growing Haven for Business and Residential
Jersey City has emerged as the gateway to the commercial, cultural and financial center of New York, and ranks among the Top Ten cities nationwide for inner city job growth. Meantime the residential building boom has netted 3,000 new rental and for-sale units within a half-mile radius of the three downtown light rail stations. The 42-story Goldman Sachs tower, built on the 20-acre site that had once housed the Colgate-Palmolive plants and offices, is the tallest building in the state. Adjacent to the Exchange Place station, new development is served by PATH trains, the Hudson Bergen Light Rail Line, ferries, and bus.
### Developments in Jersey City

![Map of Jersey City developments](image)

Source: Center for Neighborhood Technology

#### New Housing Units 2000-2005, Essex Street Corridor

<table>
<thead>
<tr>
<th>Project</th>
<th>Units</th>
<th>Type</th>
<th>Status</th>
<th>Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty View Towers</td>
<td>648</td>
<td>R&amp;C</td>
<td>Rental</td>
<td>$1,895-$2,605+/mo.</td>
</tr>
<tr>
<td>Liberty View Terrace</td>
<td>129</td>
<td>R</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Essex Commons</td>
<td>70</td>
<td>R</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Sugar House</td>
<td>74</td>
<td>R&amp;C</td>
<td>Rental</td>
<td>Complete</td>
</tr>
<tr>
<td>Windsor at Liberty House</td>
<td>324</td>
<td>R</td>
<td>Rental</td>
<td>$500,000-$1.5 million</td>
</tr>
<tr>
<td>K Hovnanian at Paulus Hook</td>
<td>68</td>
<td>R</td>
<td>For Sale</td>
<td>UC, $470,000-$760,000+</td>
</tr>
<tr>
<td>Fulton's Landing</td>
<td>105</td>
<td>R</td>
<td>For Sale</td>
<td>UC, $400,000+</td>
</tr>
<tr>
<td>Hudson Point</td>
<td>181</td>
<td>R</td>
<td>Rental</td>
<td>Complete, $1,600-$2,650+/mo.</td>
</tr>
<tr>
<td>Pier House</td>
<td>180</td>
<td>R&amp;C</td>
<td>For Sale</td>
<td>Complete, high $400,000s+</td>
</tr>
<tr>
<td>Washington First Plaza</td>
<td>204</td>
<td>R&amp;C</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Paulus Hook Terrace</td>
<td>19</td>
<td>R</td>
<td>Rental</td>
<td>UC, not available</td>
</tr>
<tr>
<td>61-63 Sussex &amp; 60 Morris</td>
<td>13</td>
<td>R</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Corner of Greene St &amp; Grand St</td>
<td>47</td>
<td>R</td>
<td>For Sale</td>
<td>Complete, not available</td>
</tr>
<tr>
<td>Gulls Cove</td>
<td>432</td>
<td>R</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Liberty Harbor North</td>
<td>400</td>
<td>R</td>
<td>For Sale</td>
<td>UC, not available</td>
</tr>
<tr>
<td>Liberty Point</td>
<td>32</td>
<td>R</td>
<td>For Sale</td>
<td>Complete, $517,900-$592,900</td>
</tr>
</tbody>
</table>

**Total: 2,921**

**Type**: R=Residential, C=Commercial  
**Status**: UC=Under Construction

Source: Jersey City Economic Development Corporation
Jersey City – Essex Street Station Area
The Essex Street station is well integrated into the surrounding neighborhood, with a plethora of new and rehabbed housing, retail and office space surrounding the station area. The developments are oriented toward the light rail and there is a streetcar feel as here the HBLR shares the brick roadway with manageable auto traffic. Sixty-three percent of residents take public transportation to work, compared to 34 percent in the region.

Liberty Towers
Liberty Towers, developed by Fisher Development, was completed in April 2003. The Towers feature two 36-story towers rising from a single podium and contain 648 residential rental units, 28,000 square feet of retail space, 798 parking spaces and luxury amenities. Retail space at the street level includes a florist shop, deli, pharmacy, and a bank. Rents currently start at $1,895 per month for a studio, $2,100 for a one-bedroom, and $2,650 for a two-bedroom unit with the two penthouses going for over $5,000 per month. According to a representative of the company, the target market is professionals working in financial services in Jersey City or Manhattan. The project took a year and a half to rent up and now enjoys a 97 percent residential occupancy rate. Approximately 60 percent of the tenants rent a parking space at $150 per month.

Jersey City — Marin Boulevard and Jersey Avenue Station Areas
Located between the Essex Street and Marin Boulevard stations is a vibrant community of new and rehab housing projects, all clustered close to the light rail alignment and within easy walking distance of either station. Except for the Portside buildings—530 units built in the 1990s, and Clermont Cove—119 condominiums created out of a warehouse in the late 1980s, the new developments were built in the last five years, after the opening of the HBLR. Prior to construction of the light rail line the properties in this area were either abandoned brownfields or otherwise underutilized. Since the year 2000, 3,000 new housing units have been completed or are now under construction in this quarter-mile stretch between the two stations.
Liberty Harbor North
Surrounding the stations is an 86-acre expanse of land that will soon be Liberty Harbor North. This brownfield site is being redeveloped according to a “new urbanist” plan designed by Andres Duany, a founder of the Congress for New Urbanism. Wide avenues lined with tall buildings will connect with many narrower streets lined with town homes. There will also be a linear park along the canal. The project will include 6,000 housing units; 775,000 square feet of retail; 175,000 square feet for school facilities; 1.1 million square feet for a hotel; and 4.6 million square feet for offices. The project site is bisected laterally by the HBLR alignment with stations at the eastern (Marin Boulevard) and western (Jersey Avenue) ends. This will be New Jersey’s only “new town” built around a transit stop. Work has now begun on the first block of Phase 1, containing 400 town homes and some retail.

![Liberty Harbor North](http://dpz.com/projects.htm)

Jersey City Medical Campus
Located to the west across the street from the Jersey Avenue Station is the 15-acre Jersey City Medical Center Campus, which overlooks the New York Harbor and Liberty State Park. The 361-bed Wilzig Hospital and Provident Bank Ambulatory Care Center anchor the western end of the corridor. The hospital moved into new facilities here in 2004 because of the light rail station. The number of weekday riders at the Jersey Avenue Station more then doubled after the hospital opened. A physician’s office building is planned for land adjacent to the hospital and opposite the station.

Hoboken: A Modern Urban Village
Whereas commercial and corporate development dominates in Jersey City, Hoboken, is seeing more residential development. Hoboken’s compact, mixed-use, walkable and transit-accessible neighborhoods are proving especially attractive to young professionals—38 percent of the population is aged 20-34—who like the relative affordability, easy access to New York City, and the vibrant nightlife that has developed. The city’s population grew by 4.1 percent from 2000 to 2004, the highest rate in Hudson County and higher than the state’s 3.3 percent.
Hoboken Promenade

9th Street Station Elevator to the Jersey City Heights Neighborhood

Source: Jan Wells

<table>
<thead>
<tr>
<th>Hoboken Population Changes 2000 - 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Hoboken</td>
</tr>
<tr>
<td>County Total</td>
</tr>
<tr>
<td>State Total</td>
</tr>
</tbody>
</table>

Source: The Star-Ledger, U.S. Census

Hoboken — 9th Street Station Area
The 9th street neighborhood was originally salt marshes, an area not desirable for residences because of the lack of drainage and sewer, but ideal for industrial use. Today, many examples of classic industrial architecture still remain, as well as derelict buildings, empty lots, low-density residential building, a suburban style grocery store, small retail space and a large public housing project. The neighborhood is now part of the rapidly transforming northwest redevelopment zone, where multiple developers of upscale condos are at work. The station is surrounded by construction activity, which will add over 1,000 new residential units, retail and arts space. According to town officials, every piece of property in the 9th street station area has a development project proposed for it.
Major Projects Near 9th Street, Hoboken

New Housing Projects in Hoboken 2000 - 2005

<table>
<thead>
<tr>
<th>Map Key</th>
<th>Project</th>
<th># Units</th>
<th>Tenure</th>
<th>Status</th>
<th>Price Range</th>
<th>Other Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Huntington</td>
<td>110</td>
<td>for sale</td>
<td>Complete</td>
<td>$450,000+</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Prospect Hill</td>
<td>80</td>
<td></td>
<td>Complete</td>
<td>not available</td>
<td>2 com. units</td>
</tr>
<tr>
<td>3</td>
<td>Charles Court</td>
<td>45</td>
<td>for sale</td>
<td>Complete</td>
<td>$189,900-$394,900</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Monroe Center</td>
<td>435</td>
<td></td>
<td>UC</td>
<td>not available</td>
<td>125,000 sq ft retail</td>
</tr>
<tr>
<td>5</td>
<td>Fields Crossing</td>
<td>53</td>
<td>for sale</td>
<td>UC</td>
<td>not available</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Velocity</td>
<td>128</td>
<td>for sale</td>
<td>UC</td>
<td>$500,000s</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>West Fields</td>
<td>55</td>
<td>for sale</td>
<td>Complete</td>
<td>$400,000-$600,000</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>729 Madison</td>
<td>30</td>
<td></td>
<td>UC</td>
<td>$438,000-$678,000</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Columbus</td>
<td>87</td>
<td>for sale</td>
<td>Complete</td>
<td>$300,000-$700,000</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Cypress Point</td>
<td>53</td>
<td>for sale</td>
<td>Complete</td>
<td>not available</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Pembroke Place</td>
<td>34</td>
<td>for sale</td>
<td>Complete</td>
<td>not available</td>
<td>1 com. unit</td>
</tr>
<tr>
<td>12</td>
<td>Madison Place</td>
<td>15</td>
<td>for sale</td>
<td>Complete</td>
<td>not available</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>1,125</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Status**  UC=Under Construction

Source: VTC field inspections, Shor DePalma (Zoning Board consulting engineers) and Monroe Center

Communicating the Benefits of Transit-Oriented Development. Center for TOD. 6/23/06. 33
The Monroe Center
The Monroe Center, contained within the NW Redevelopment Zone, is a key component of the 9th street station neighborhood and an impressive example of innovative, thoughtful transit-oriented development. The former Levelor Blinds Factory is currently a studio space for 130 artists and small businesses. The project includes large surface parking areas that are being developed into a mixed-use complex with 435 residential units, 116,950 square feet of studio and office space, 125,000 square feet of retail and 1,120 parking spaces. The plans feature two large plazas with fountains, shops, restaurants and a new independent film theater, performance center and gallery space. According to the developers, there will be no rent increases for current artists, as maintaining a concentration of artists is a high priority. In addition, 10 percent of the housing will be set aside for low-and moderate-priced units and will be offered to artists before opening to the general public. In this “culturally anchored” project there will be a focus on artist presentations, exhibits, studio tours, and performances.

Funding for the Monroe Center came in part from NJ TRANSIT’s “Transit-Friendly Communities for New Jersey” program. Under this program, NJ TRANSIT, with funding from TEA-21, provided educational workshops and technical assistance to a wide range of rail station communities throughout the state. NJ TRANSIT has urged “New Jersey municipalities to leverage transportation investments to improve their station area environment, create strong downtown centers, expand transit ridership and make their stations the focus of their community’s life.” The developers of the Monroe Center indicated that they want to be “commuter friendly”, offering riders of the light rail a variety of shopping, dinner and entertainment options.

Future Monroe Center

Source: [www.monroecenter.com](http://www.monroecenter.com)
Evaluation Factors & Results
Development outcomes as a result of the Hudson Bergen Light Rail are still unfolding. In Jersey City and Hoboken major projects such as Liberty Harbor North and the Monroe Center have yet to take form. Nevertheless, an impressive amount of office space and new housing units, many in mixed-use buildings, have been created adjacent to or within a quarter mile of the light rail stations. The following discussion highlights significant factors in this development.

Increased Residential and Business Activity
Redevelopment in urban locales is a major trend in New Jersey partly because opportunities in the suburbs and exurbs are becoming more difficult and rare. The market demand for housing along the Gold Coast is strong. New York City prices and taxes continue to make developments on the west side of the Hudson look attractive. Construction activity is in great evidence, indicating financial confidence on the part of developers and lending institutions.

In Jersey City, the planning department estimated that property values along the Essex Street corridor increased from $200,000 to $300,000 to anywhere between $4 and $6 million. The municipality has not revalued property in 20 years and assessed values are not updated to reflect change in value.\textsuperscript{40}

In Hoboken, long-time developer George Vallone of the Hoboken Brownstone Company, reported that property values have jumped dramatically with the addition of the light rail stations. Single lots in the northwest part of the city that were offered in the past for $100,000 are now commanding $800,000.\textsuperscript{41} In addition, Jersey City Heights properties within a five-minute walk of the 9th Street station have doubled in the last year. Moreover, he stated that properties above the Bergenline Avenue Station (located in the Weehawken Tunnel and opened in late February 2006) were the feeding ground for speculators and developers.

Jersey City waterfront is known as “Wall Street West” due to the concentration of brokerage firms and other “FIRE” industries (Financial, Insurance, Real Estate) locating in the city’s office buildings facing Manhattan. For third quarter 2005, Hudson County had a Class “A” direct vacancy rate (does not include sublease space) of 9 percent, the lowest level in the Northern and Central New Jersey market.\textsuperscript{42} Current rents for prime waterfront office space range from $28-$32 per square foot.\textsuperscript{43}
Transit Ridership
Pre-light rail Census 2000 data shows that the populations within the half-mile circle of the 9th Street, Essex Street, Marin Boulevard, and Jersey Avenue were already substantially less car dependent than the Jersey City region. While 34 percent of workers in the region took public transit to work, 44 percent did so in the 9th Street Station area; 61 percent around Jersey Avenue Station; and, 62 percent and 63 percent for the Marin Boulevard and Essex Street Stations. Concurrently, the number of vehicles per household was also lower for all the station areas compared to the region. Now that the HBLR is operational and residents have more options for mass transit use, it is expected that car usage will continue to stay low in station areas.

HBLR Average Weekday Rider 2003 - 2006

<table>
<thead>
<tr>
<th>Date</th>
<th>Average Weekday Boardings</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>9th Street/Congress Street</td>
<td>619 (7/02-6/03)</td>
<td>193</td>
</tr>
<tr>
<td>Exchange Place</td>
<td>2,805 (7/03-6/04)</td>
<td>169</td>
</tr>
<tr>
<td>Essex Street</td>
<td>2,852 (7/04-6/05)</td>
<td>736</td>
</tr>
<tr>
<td>Marin Boulevard</td>
<td>2,974 (7/05-4/06)</td>
<td>-178</td>
</tr>
<tr>
<td>Jersey Avenue</td>
<td>169 (7/02-6/03)</td>
<td>-20</td>
</tr>
<tr>
<td></td>
<td>169 (7/02-6/03)</td>
<td>232</td>
</tr>
<tr>
<td>Total for Line</td>
<td>16,391</td>
<td>232</td>
</tr>
</tbody>
</table>

*Change is for 2005-2006
Station Features: P=PATH station, F=Ferry, C=Commuter Rail, PnR=Park and Ride, B=Bus
Source: NJ TRANSIT

As shown above, ridership on the HBLR is increasing. The April 2006 line usage is almost 24,500 weekday passenger trips, a 49.4 percent rise from FY 2003. Daily ridership is projected to reach 70,747 in 2010. Since stations were opened in stages, NJ TRANSIT did not focus on business development until the first segment was complete. To complicate matters, September 11th created extensive changes in travel patterns with the closing of the World Trade Center and Exchange Place PATH stations.
that lasted until 2003. Moreover, of the approximately 114,000 jobs displaced from Lower Manhattan, 12,000 were relocated to the Jersey City waterfront. Fortunately, PATH riders on either side of the Hudson destined for Exchange Place could still take PATH to the Pavonia station and transfer to the HBLR to complete their trip. When the Hoboken light rail station opened on October 1, 2002, many New Jersey riders opted to use the light rail rather than the PATH service out of Hoboken to reach destinations along the waterfront.\textsuperscript{46}

It is not clear why Essex Street has dropped in boardings. This station is close to the PATH Exchange Place Station and it may be easier, particularly in mild weather, to walk there rather than ride the HBLR one stop and transfer. Or, as more office space is built in the area, many residents may simply be walking to work. Marin Boulevard Station, also showing a slight drop in ridership, has had significant construction around it for the last year. Nearby residents may be avoiding the area and choosing other stations or modes of transit. Ridership patterns need to be monitored over a longer period to establish sustained levels.

**Passenger Demographics**

For market research NJ TRANSIT periodically conducts intercept surveys. The first one for the HBLR was done in 2001. A second survey was carried out April 13, 2005 from 5 am to 10 pm in the northbound direction, with 2,700 riders participating (a 26% response rate).\textsuperscript{47}

**HBLR Passenger Demographics**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race: White</td>
<td>65%</td>
<td>61%</td>
</tr>
<tr>
<td>Hispanic Origin</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>Own Home</td>
<td>43%</td>
<td>51%</td>
</tr>
<tr>
<td>Average Age (years)</td>
<td>37</td>
<td>38</td>
</tr>
<tr>
<td>Gender: Male</td>
<td>50%</td>
<td>54%</td>
</tr>
<tr>
<td>Occupation: Management/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>Average HH Income/ year</td>
<td>$72,900</td>
<td>$88,800</td>
</tr>
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</table>

**Rider Destinations**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jersey</td>
<td>43%</td>
<td>77%</td>
</tr>
<tr>
<td>New York</td>
<td>57%</td>
<td>23%</td>
</tr>
</tbody>
</table>

**Mode to Transit**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walk only</td>
<td>46%</td>
<td>66%</td>
</tr>
<tr>
<td>Drive</td>
<td>49%</td>
<td>20%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: NJ TRANSIT

The growing waterfront office development is shifting destinations for HBLR riders—77% of HBLR passengers now stay in New Jersey, as opposed to 43% four years ago. The new residential developments are clearly having an impact on mode to the HBLR—an impressive 66% of passengers are walking to the transit stop, up from 46% in 2001. The 2005 survey also found that 56% of passengers felt that the HBLR was an important
factor in their choice of housing location. NJ TRANSIT estimates that induced ridership from new development now accounts for 17% of ridership.

**Affordable Housing**

Land is a hot commodity in Jersey City and Hoboken. Fifteen years ago there was an abundance of vacant buildings in Jersey City and Western Hoboken with no people interested in investing or buying. Now for every abandoned building and every vacant lot there are five or six investors ready to put down real money. The City Council in Jersey City approved a spending plan for the city’s Affordable Trust Fund in September 2005, which accumulates donations by developers who are seeking to build market-rate housing in Jersey City. There is estimated to be $4 million in the fund. However, city officials indicated that workforce housing would not be placed in the high-priced area along the waterfront, but will be built in other parts of Jersey City including the Journal Square Transit Village.

In Hoboken, affordable housing creation, as a result of new development, has not been required in the past. As mentioned previously, Monroe Center is offering 10 percent of their housing units to artists at a discount; and, one of the new high-rise developments at the 9th Street Station, 800 Jackson Street, will have five affordable units. Going forward, however, new state regulations will require that one affordable unit be created for every eight new units built. However, these units do not have to be included in the project.

**Future Development**

Even though the HBLR has now been completed to Tonnelle Avenue, the final part of Phase 2, there is still much activity planned along the line:

- A new Hudson River ferry terminal has just opened in Weehawken, adjacent to the HBLR Port Imperial Station.

- The planning for the restoration and redevelopment of the historic Hoboken station is now underway. The designated developer, LCOR, and its partners are working to create a dynamic new setting with housing, retail, hotel and office components. In a few years the Hoboken station will be a major entertainment and shopping destination, as well as the most important transit hub along the HBLR line.

- The West Side Avenue Station is about to get a major boost with the Bayside Redevelopment Vision Plan that encompasses 75 acres between Communipaw, Bergen and Stevens Avenues and Newark Bay. New Jersey City University, in conjunction with the Jersey City Board of Education, is developing 21 acres that it owns within the Bayside Redevelopment area. This expansion, known as West Campus, will include retail space, housing, academic teaching spaces, academic office spaces, and primary and secondary schools.

- In Bayonne the redevelopment of the huge man-made Military Ocean Terminal, a 420-acre peninsula, will greatly impact the HBLR 34th and 45th Street Stations that border the west side of the area. Almost 7,000 townhouses, apartments, and condominiums, along with retail shops and offices are planned.
• Finally, in response to transit demand, particularly from Staten Island residents, NJ TRANSIT has placed the extension of the HBLR to 8th Street in Bayonne in its capital program.

Lessons Learned
Since the HBLR system is still relatively new and was only recently completed, many lessons are still to be learned. However, some observations can be made based on the Hoboken and Jersey City experience to date.

Rail investment can be used as a catalyst for redevelopment
Light rail does have a positive impact on development. Robert Cotter, planning director for Jersey City said that the “rail is what makes these projects go…it gives investors the confidence that is needed, because it can’t be taken away like a bus line.” Developers and city officials in both Hoboken and Jersey City acknowledged that the light rail stations and system brought a whole new element to their expectations. And, as stated previously, 2005 survey results confirm that the rail line was an important factor in housing selection for over half (56 percent) of the light rail riders.

Transit mode connectivity is vitally important to success
Being able to link PATH, ferry, commuter rail and bus service at various HBLR stations not only attracts riders, but it attracts employment centers and new residents to station areas.

Public involvement is critical
Residents of Hoboken were central to getting public playgrounds, bicycle paths, a community center and swimming pool built near the light rail. Continued community involvement is essential in order to keep the community on board and providing valuable feedback.

TOD projects takes time
Transit-oriented development requires expertise, skill, and strong relationships. Transit planners and city officials are slowly learning what makes successful TOD.

Art and landscaping is important
The art at the stations creates a vibrant and attractive space. Developers building new condos are now seeking high-profile landscape architects to create attractive exteriors to lure prospective buyers. They are designing courtyards with hammocks, canopies of trees and rooftop gardens.

Density supports transit use
Mixed-use development focused around transit stations has yielded substantial transportation benefits for workers and residents. This development pattern produces fewer vehicle trips and provides greater choice.
Conclusion: Evanston and Hudson Bergen Light Rail

There is enormous opportunity right now to promote sustainability of regions by building communities that are compact and walkable, and that support transit ridership with higher-density housing and a mix of uses. After decades of an out-migration of residents and capital to suburbs on the far fringe, there is renewed interest in urban core neighborhoods and suburban town centers and the transit systems that serve them. The persistent problem of traffic combined with changes in demographics—households are older and smaller and singles are replacing families as the dominant census group—are driving enormous changes in the real estate market. Renters and buyers are suddenly very interested in higher-density housing choices like condos and lofts and live-work spaces and townhomes.

But, residents fear density and development in neighborhoods—and they oppose it—often because of the traffic they think it will create. Fortunately, there is a growing body of literature, of which these case studies are a part, that illustrate that density and development that’s oriented around transit can actually make neighborhoods better, especially when this development does five things:

* increases location efficiency so that people can walk and bike and take the train and bus to destinations,

* boosts transit ridership and minimizes traffic,

* provides a rich mix of housing, shopping and recreational choices for new and existing residents,

* provides value and value capture for the public and private sectors, and

* creates a sense of place for communities.

New development in Jersey City, Hoboken and Evanston succeeds by all these measures. While there is little consistency in the data collected in all three places, especially since stations in Jersey City and Evanston are served by more than one transit agency, the evidence that exists is compelling: 74 percent of Metra riders walk to stations in downtown Evanston, more than double the amount at other suburban Metra stations. As a result Metra has only 523 total parking spaces at all three stations, compared to 1,500 spaces at some of the commuter rail operator’s other suburban stations, and they aren’t located in large parking lots but along the streets and shared with other uses—which greatly enhances walkability. Metra ridership increased 155 percent at one station from 1983 to 2002 and 60 percent at another, and CTA ridership increased from 28 to 52 percent at the four stations that are on the same street as Metra and total ridership has increased at a faster rate than population. Vehicle ownership is very low at 1.1 autos per household in the half-mile radius around the stations.

The ridership on New Jersey’s PATH and commuter trains and bus was complicated with the closure of the World Trade Center and Exchange Place stations following September 11, 2001. But, transit service connecting New Jersey suburbs to each other and to Manhattan have been greatly improved, and ridership on the first segment of the Hudson Bergen light rail line had doubled in two years, and capacity is being doubled on trains offering express service during rush hour. Car ownership in the half-mile radius
around stations, according to data from the 2000 census, before the light rail line opened, was already very low at 0.7 cars per household, and 53 percent of residents were commuting by public transit.

Downtown Jersey City, with its imposing bank of office buildings lining the waterfront, has emerged as the gateway to Manhattan, adding 10,000 jobs and 3,000 housing units. Hoboken is growing faster than any other community in the county, and almost every available piece of property around rail stations is under development. The value creation and value capture from all this development—through property and sales taxes and fees on everything from business licenses to parking—is enormous. There has not been a property revaluation in Jersey City for 20 years, but city planning staff estimated that property along Essex Street formerly worth $200,000-$300,000 would now be worth $4 or $6 million. And there is anecdotal evidence that property near stations in Hoboken has increased many times in value.

Evanston, too, is seeing tremendous development: 2,500 new housing units and 2.3 million square feet of office, surpassing the city’s goal. The number of businesses and retail sales are growing steadily, and the total equalized assessed value increased 191 percent from 1985 to 2004. Because of the healthy balance of jobs and housing in Evanston, 40 percent of residents work in the same city where they live, double the rate in the region.

The mix of land uses and consumer choices in both places is less than rich, however, especially in New Jersey, and as land and property values continue to climb skyward, it is clear that affordability will become a real problem. Housing affordability will be key to maintaining the jobs/housing balance, and therefore the livability, sustainability and financial stability of these cities. Moreover, there is not enough effort to ensure that great places are being created—or an understanding about how to create them. However, the number of stores and restaurants and amenities is increasing as more residents move into neighborhoods, and all along the Jersey City and Hoboken waterfront there are promenades and parks and public art. Moreover, existing historic neighborhoods, old trees, beautiful brownstones, cobblestone streets and classic factories and warehouses continue to be rehabbed and reused. In Evanston, too, beautiful neighborhoods and excellent housing stock have been preserved, even as this established seemingly built-out city accommodated tremendous new development.

These case studies add more evidence to the body of literature already documenting that TOD:

* Can catalyze sustainable, yet substantial, growth. In New Jersey investment in the Hudson Bergen Light Rail Line helped stimulate private investment; in Evanston public investment in the regional transportation center, library, water and sewer system, the high tech park, and entertainment project achieved the same goal.

* Involves regional transit connectivity and walking and biking. Rich regional transit connections, especially to major job centers, result in high ridership and low auto ownership, and the presence of interesting, pedestrian friendly streets—and minimized parking—encourages people to walk to stations.

* Needs to be truly transit-oriented and not just transit adjacent. Many new developments turn their backs on transit, don’t provide for attractive and easy pedestrian
connections to stations, provide too much parking and put garage entrances next to
transit facilities, which may also be surrounded by parking, and don’t routinely provide
for bicyclists—all of which discourage walking and biking to transit.

* Needs to be planned for and to involve the input of citizens. Investors have the final
word when it comes to TOD, which is why the private sector needs to be very clear
about the kind of development it wants and to use public investment to leverage it.
Residents will resist development and density if they didn’t help plan for it, and if they
don’t believe that existing neighborhoods will benefit.

During the past decade there has been a tectonic shift in consumer preferences,
employer location strategies and the way we plan transportation systems. Transit-
oriented development is at the convergence of all of these trends and can make transit
the defining armature for a fundamental rethinking about how we build communities in
order to make regions more sustainable. These two case studies are particularly
dramatic because of the proximity of Chicago and Manhattan, and because of the size
and connectivity of the regional transit systems. But the basic principles demonstrated
so dramatically here are applicable to inner-ring suburbs and suburban town centers
everywhere, and especially relevant to those situated outside other older cities with
mature transit systems.
Evanston References


City of Evanston. Capital Improvement Plan.


City of Evanston. Transitional Manufacturing Districts (MU/MUE) Planned Development Required Submittals, Information Sheet, and Findings & Standards.


City of Evanston. Planning Division – Affordable Housing Projects, 1990-2004. Appendix 2.5


City of Evanston. “Evanston Growth: What do TIFs have to do with it?”


Multiple Listing Service. Price list for various bedroom units on Chicago Avenue


http://www.nipc.org/2030_forecast_endorsed_093003.htm


Realtor.com, July 2005 home sales and apartment listings.  
www.realtor.com


Hudson Bergen Light Rail References


Colgate Master Plan Fact Sheet.


Mack-Cali Realty Corporation website: http://www.mack-cali.com/space/


Endnotes

2 Author’s interview with Jonathan Perman, Executive Director, Evanston Chamber of Commerce, July 26, 2005.
3 Author interviews with representatives from the City of Evanston Department of Planning, Evanston Chamber of Commerce, Pace Suburban Bus, Chicago Transit Authority and “Evanston’s Transportation Future”.
4 The Review Board compliments the zoning analysis process by ensuring the development is sensitive and appropriate in its design, orientation, mass, use, construction, impact on infrastructure, public benefits, and traffic impacts. Members of the Review Board include representatives from nearly every city department as well as non-city representatives from the Arts Council and one or more mayoral-appointed design professionals employed or residing in Evanston. Developers are offered an optional Concept Review with the Review Board, to allow comprehensive feedback before the required Preliminary Site Plan & Appearance Review meeting and ultimately the Final Site Plan & Appearance Review. By involving staff from various city departments, the city is able to completely communicate all of the city’s requirements from the beginning, creating efficiency and economy for the developer and the city, and ultimately reducing adverse impact on surrounding development.
5 Author interview with William Stafford, Director of Finance, City of Evanston, by phone August 2005.
9 Author interview with John Paquet, CTA Service Planning by phone, August 2005.
10 Interview with Pace Bus company staff, Pace Bus Headquarters, August 2005.
11 Author interview with Rajeev Dahal, Senior Traffic Engineer, Transportation Division, Public Works Department, City of Evanston City Hall, July 26, 2005.
12 Author interviews with Prairie Shores Properties and City of Evanston Department of Planning Staff, July and August 2005.
13 City of Evanston Zoning Ordinance for C1A Commercial Mixed-Use District.
15 Site visits of the stations were conducted on weekdays throughout the month of July, 2005
16 Source: Chicago Transit Authority Planning & Development - Rail System Annual Traffic Reports for total riders entering a station.
17 http://www.roszakadc.com/evanstoncondos.html
18 http://www.roszakadc.com/content.php?source=19&content=4
19 Author’s interview with Jennie Honda from Prairie Shore Properties, the property management group for 900 Chicago, a development by Matthews Development, July 26, 2005.
Average listings for 3 and 4 bedroom single family homes on Realtor.com in June 2005 in the 60202 zip code and the Northeastern Illinois Planning Commission Deed Transfers for single family home sales in this transit zone in 2004. In the 2000 Census, the median value home in this zip code was $213,200.


City of Evanston. “Evanston Growth: What do TIFs have to do with it?”.

In August 2003, Illinois Housing Development Authority (IHDA) ranked each municipality in Illinois according to the percentage of affordable housing. The purpose of the Act is to increase the supply of housing for low- and moderate-income families in every local jurisdiction. If municipalities were out of Municipalities they had until April 2005 to make and adopt an affordable housing compliance plan. The mandate places responsibility for additional affordable housing on local municipalities with little motivation or experience in housing for moderate- and low-income residents.


Minutes of the August 14, 2003 Evanston City Council’s Planning and Development Committee citing recent developments as a “travesty” and the proposed planned development as “unattractive”. Issues of building design, streetscape, and pedestrian amenities were raised by other residents and professionals interviewed for this report.

Author’s interview with Sam Santel, Director of Planning, Northeastern Illinois Planning Commission, by phone on August 2005. Mr. Santel stated Evanston was following the region’s plan for growth by fostering infill development along transit in already an for revitalizing areas in order to accommodate growth without additional traffic and sprawl.

U.S. Representative Jan Schakowky’s continued commitment to secure transit and infrastructure funding for Evanston were mentioned by several people interviewed for this study.

See JCEDC’s website at www.jcedc.org.


This was done because NJ TRANSIT had limited experience in light rail. It owned and operated the Newark City Subway system, which it purchased in 1980. However, that network had been built in the 1930s with federal dollars and at the time was still operating vintage rail cars. Under the 1995 DBOM contract Kinkisharyo provided 16 new state-of-the art vehicles for the Newark City Subway.

Per Steve Skowicki, Director of Tax Abatements in Jersey City.
Per discussion with Justin Keeley, Project Manager, Fisher Development.
Per discussion with the City Planner, Bob Cotter.
Monroe Center website: www.monroecenter.com
Per discussion with the City Planner, Bob Cotter.
Per discussion with George Vallone, August 2005.
Asakawa, p. 8.
Ridership numbers have only been tabulated since FY 2003.
Robins and Denno, pp. 6–7.
Per Janice Pepper, Director of Market Research, NJ TRANSIT.
Per discussion with Bob Cotter, Director of Planning.
Per discussion with Bob Cotter, Director of Planning.
Per the New Jersey Council on Affordable Housing’s (COAH) new third round rules.
Chambers, Star Ledger, 10/30/05.