KEY FACTORS FOR LARGE SCALE DEVELOPMENT:
Transit-Oriented Development and Land Value Capture

'If we do not change direction we will end up where we are headed' - Lao-Tse, C5th BC
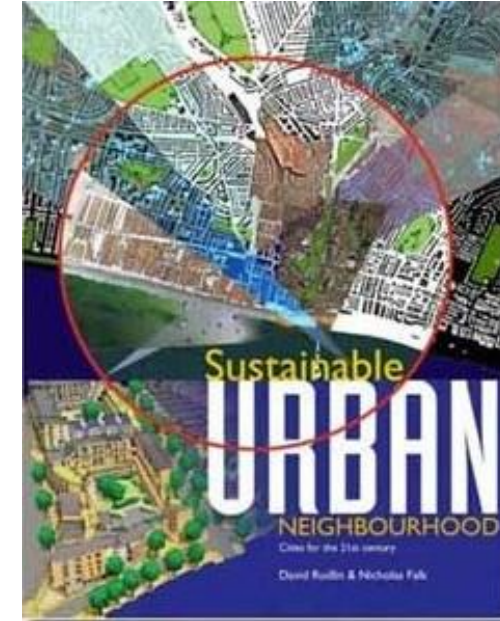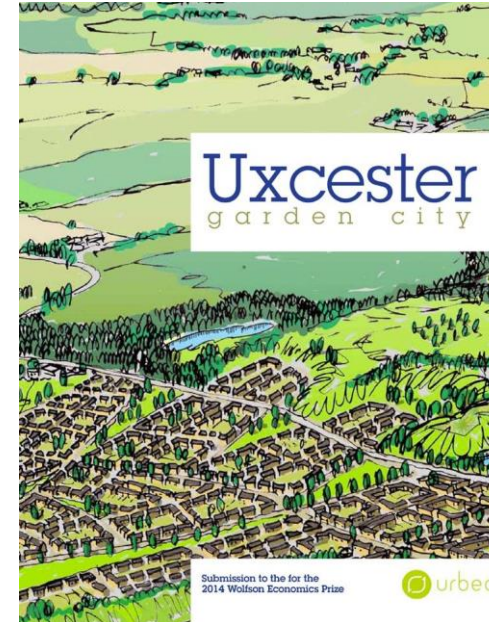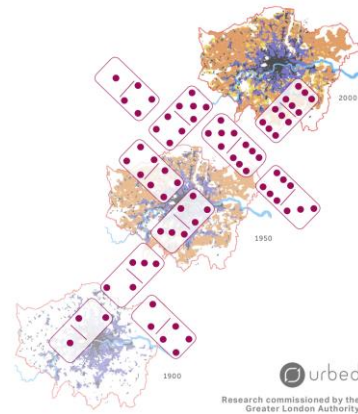
Dr Nicholas Falk
www.urbedtrust.com

The **URBED** Trust

1. Summarise benefits from Transit-Oriented Development

2. Draw lessons from 'six smart cities'

3. Suggest how to change direction

a. Dr Nicholas Falk, BA MBA Hon FRIBA Hon MRTPI
b. Economist, urbanist and strategic planner and former management consultant
c. Set up **URBED** as a research and consultancy firm in 1976
d. Co-winner of the 2014 Wolfson Economics Prize
e. Now working for The URBED Trust and Smarter Urbanisation

Uxcester
garden city

Submission to the for the
2014 Wolfson Economics Prize
urbed

Sustainable
URBAN
NEIGHBOURHOOD
Cities for the 21st century
David Rudlin & Nicholas Falk

CAPITAL GAINS:
A BETTER LAND ASSEMBLY
MODEL FOR LONDON

2000

1950

1900

urbed

Research commissioned by the
Greater London Authority

Cambridgeshire
Quality Charter for **Growth**

New England Quarter, Brighton

Block A – 21 Apartments, 17 town houses and 2 retail units
Block B – 38 Apartments, 9 town houses and 1 café
Block C – 94 Apartments above a Supermarket on the ground floor with basement parking
Block D – 56 Apartments plus a training centre on the ground floor
Block E – 369 bedspaces of key worker housing
Block F – Community centre
Block G – 26 townhouses plus a small workspace building
Block J – 250 bed 4 Star hotel
Block K – 165 bed 3 Star hotel plus an office building
Blocks L-N – Collage for foreign language students
Block O-R – Station car park

# Greater Manchester Spatial Framework

Supporting the second draft of the Greater Manchester Spatial Framework - producing visual materials to develop a narrative for the strategy, based on a "City of Towns" linked by sustainable transport.
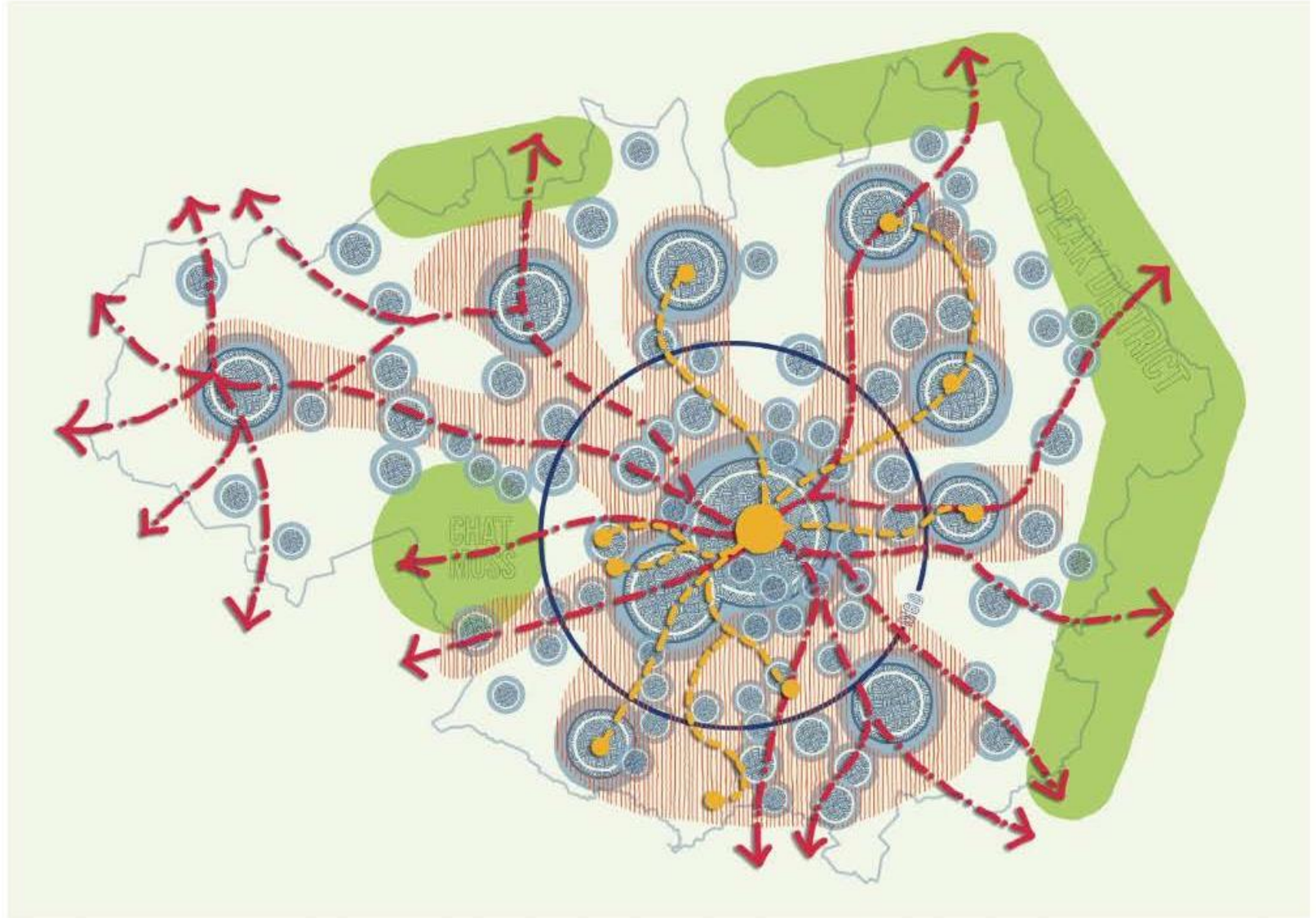
A Sheffield Garden City?

Companion piece to URBED's Wolfson Economics Prize (2014), exploring how Sheffield could grow by 100,000 homes over 20 years, with a process of brownfield development, intensification, remodeling and extensions
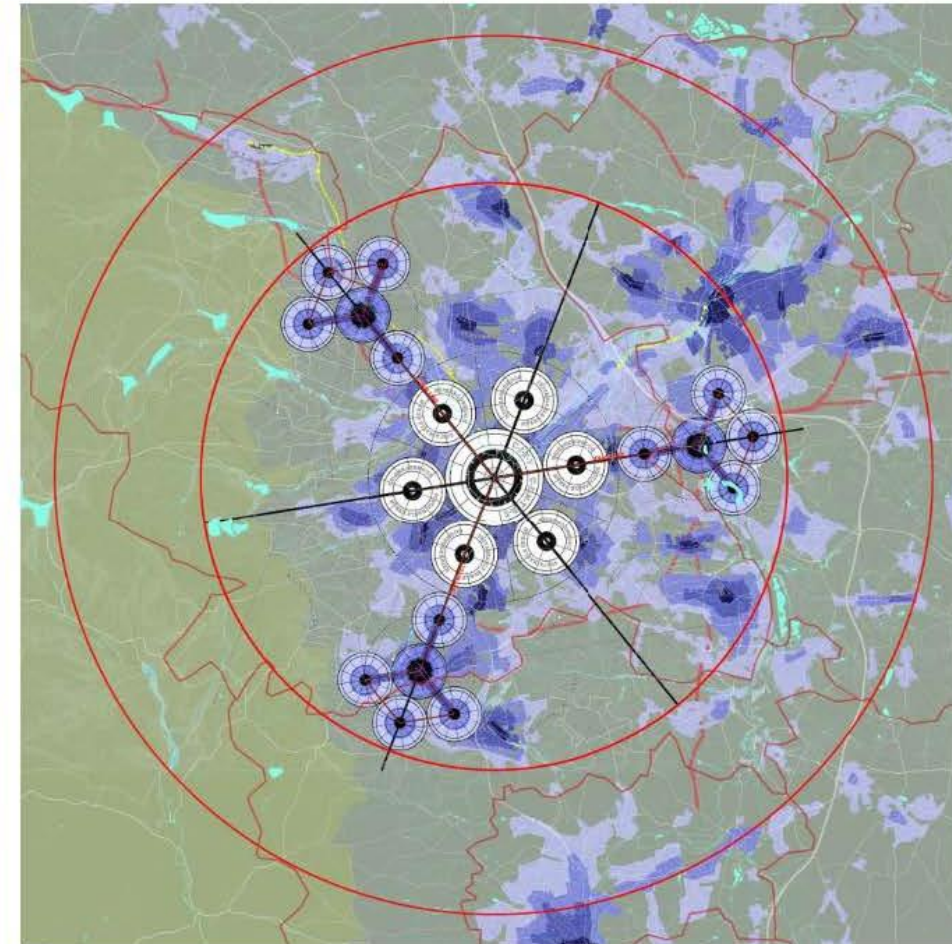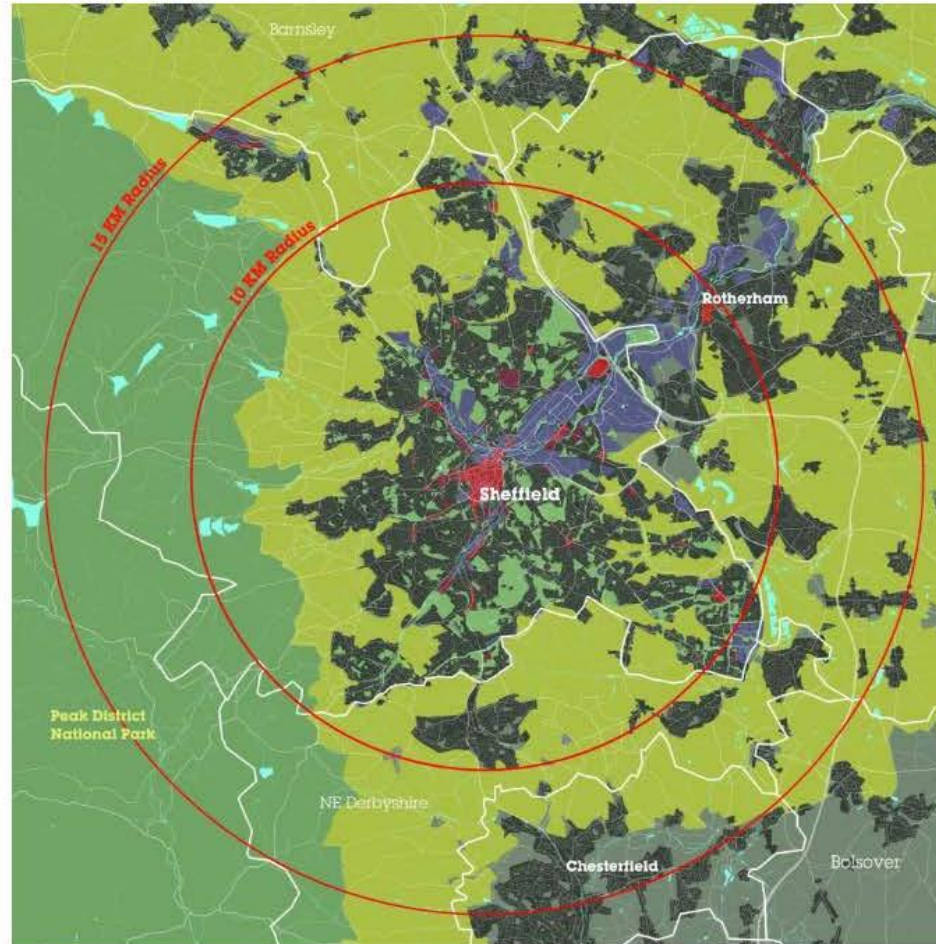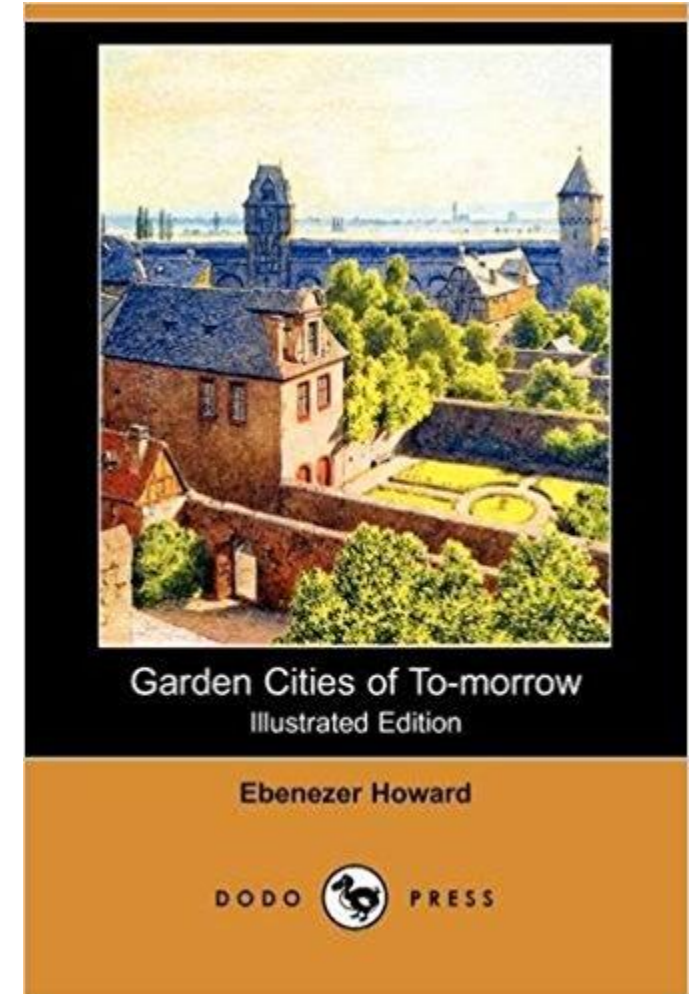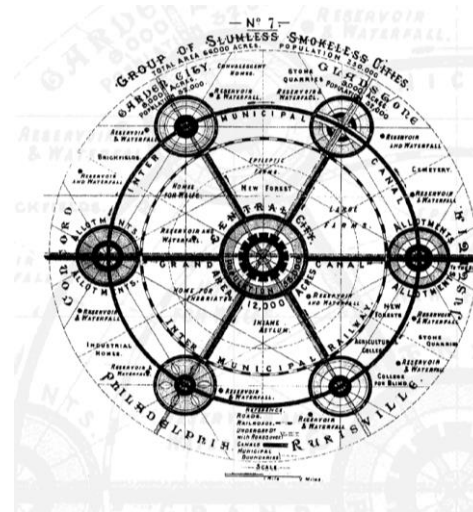
Ebenezer Howard had a vision for the future. What is ours?

Mobility: Shared Rapid Transit , Autonomous Vehicles or active travel?
Housing: Owner occupied, rented or shared?
Employment: Consumer society or 'Sharing Economy'?
**Governance:** Free market or planned growth?

Garden Cities of To-morrow
Illustrated Edition

Ebenezer Howard

DODO PRESS

- Reducing congestion and pollution – better public health
- Increasing density around transport nodes – better use of land
- Tapping the uplift in land values – better public finances
- Boosting productivity – better economic growth

Portland, Oregon is the source of TOD and Land Value Capture

- Best example of Transit-Oriented Development (TOD) and Smart Growth in the US
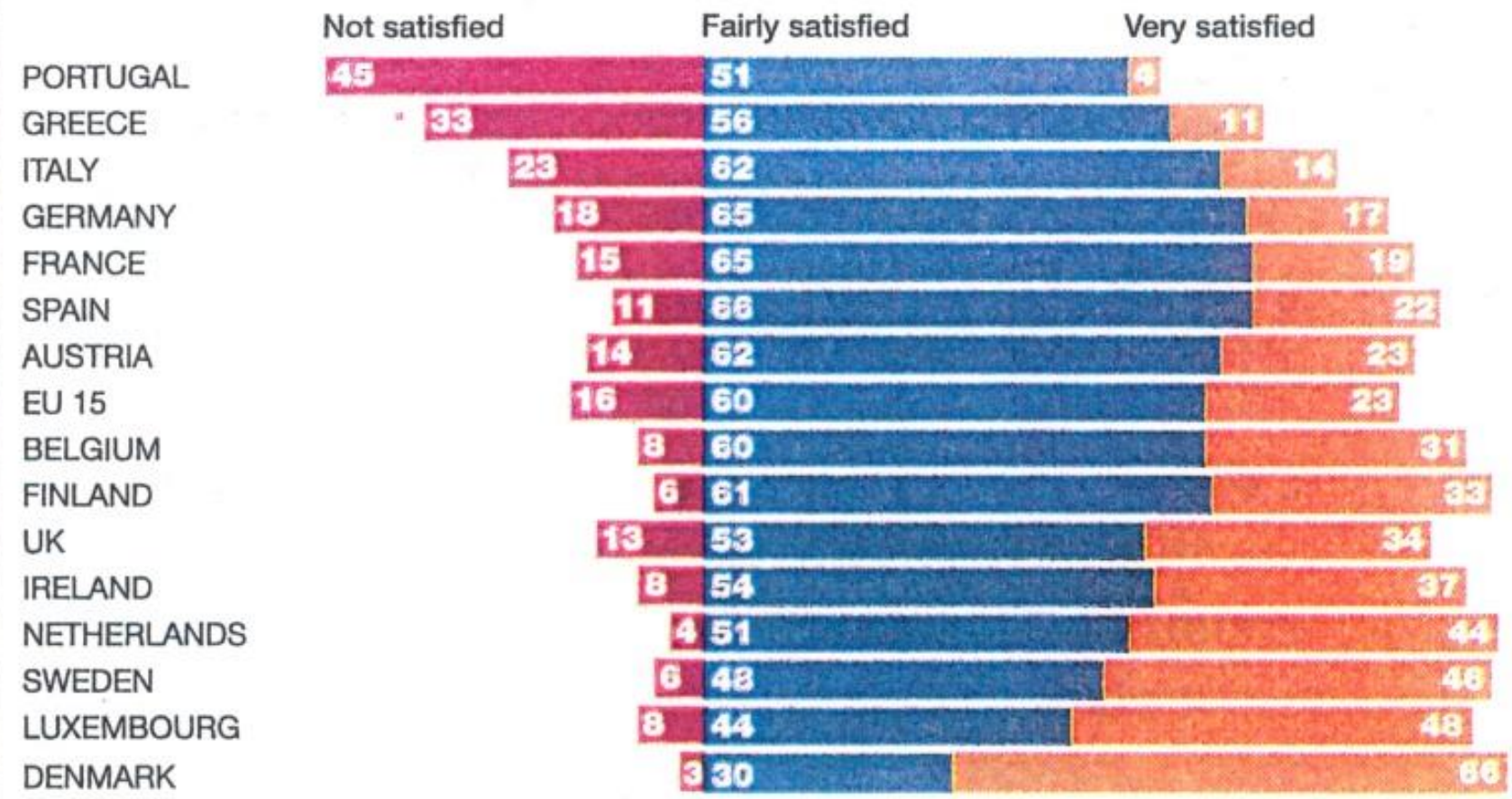- TIF based bonds funded extension of MAX (Metropolitan Area Express) to the main station

Portland Metro TriMex Routes with Stops
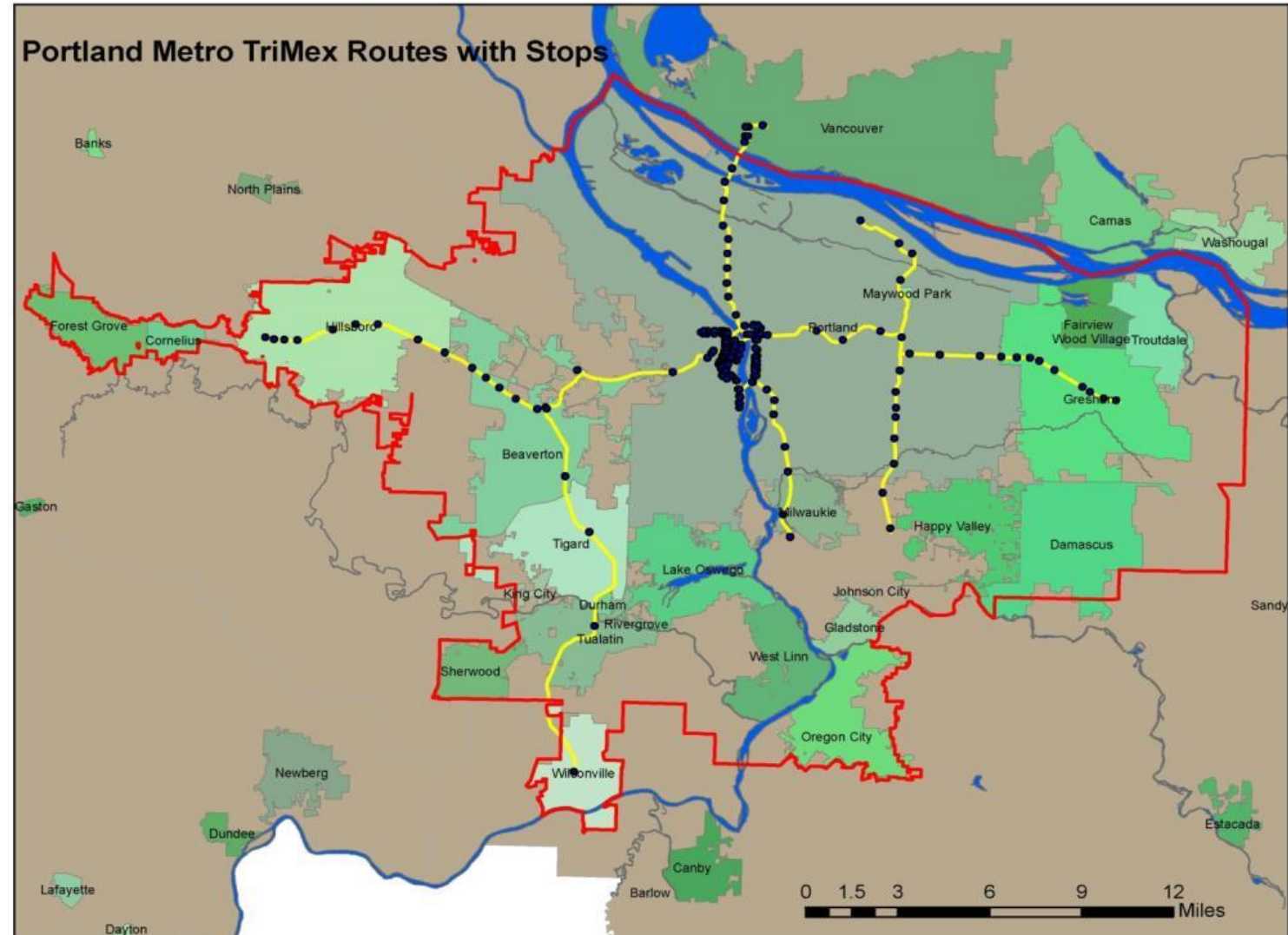
Portland, Oregon USA

The URBED Trust

The City stimulated private development of housing along a new tram line through higher Floor Area Ratios (FAR) and mixed uses

Conceptual Urban Design Framework

Who are the happiest people in Europe?

	Not satisfied	Fairly satisfied	Very satisfied
PORTUGAL	45	51	4
GREECE	33	56	11
ITALY	23	62	14
GERMANY	18	65	17
FRANCE	15	65	19
SPAIN	11	66	22
AUSTRIA	14	62	23
EU 15	16	60	23
BELGIUM	8	60	31
FINLAND	6	61	33
UK	13	53	34
IRELAND	8	54	37
NETHERLANDS	4	51	44
SWEDEN	6	48	46
LUXEMBOURG	8	44	48
DENMARK	3	30	66

Source: Standard Eurobarometer 65 Spring 2006

Ipsos MORI

SKITSEFORSLAG TIL EGNSPLAN FOR

STORKØBENHAVN

UDARBEJDET 1947 AF EGNSPLANKONTORET

Singapore is judged to be the second smartest city in the world

- Investors are attracted by the city is as a place to live
- Technology makes life easier

WHERE SINGAPORE STANDS TODAY

DELIVERING E-GOVERNMENT
1st
In the use of 'digital government', a comparative study by Accenture in 2014.

DOING BUSINESS IN SINGAPORE
2nd
most competitive economy and most networked country in the World Economic Forum's 'Global Information Technology Report 2014'

LIVING IN SINGAPORE
1st
in Asia with the highest quality of living in 2014 report by Mercer Survey

Singapore uses land ownership to fund smart infrastructure and 'housing for all'

- People love Singapore because it is so green
- The city is well managed and housing Is affordable as government owns the land

The **URBED** Trust
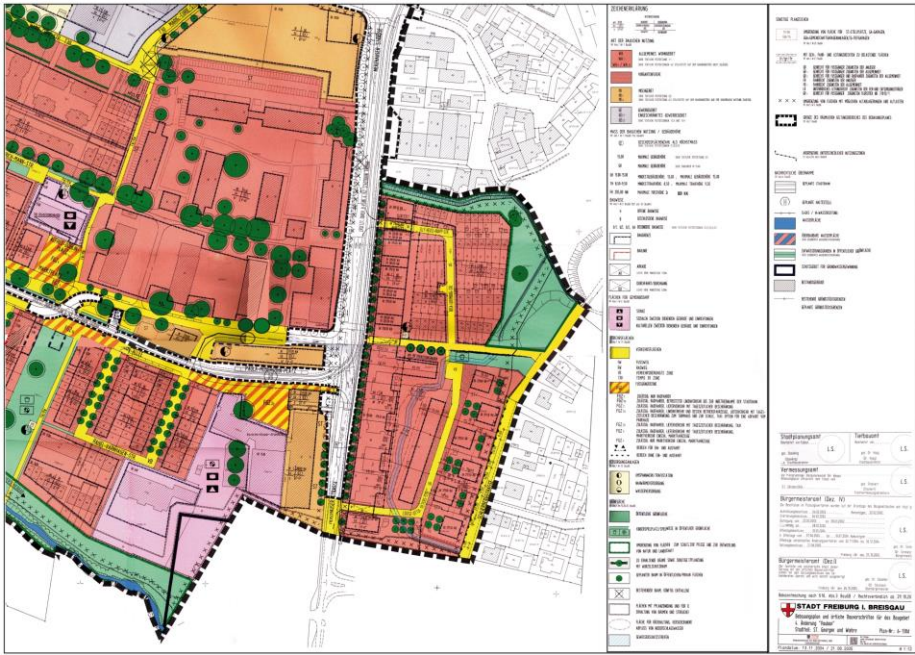
- Passive Houses use no energy
- 130 Building Groups (Baugruppen) have enabled people to commission their own homes
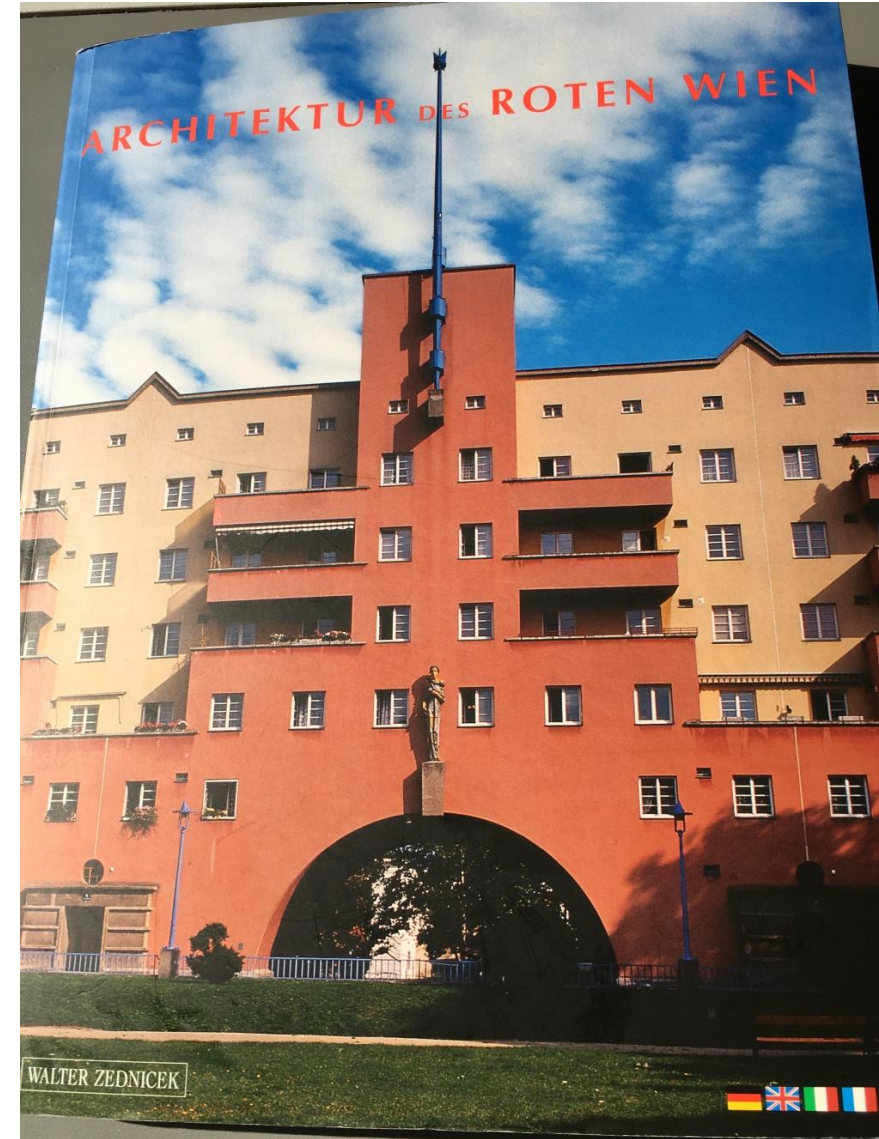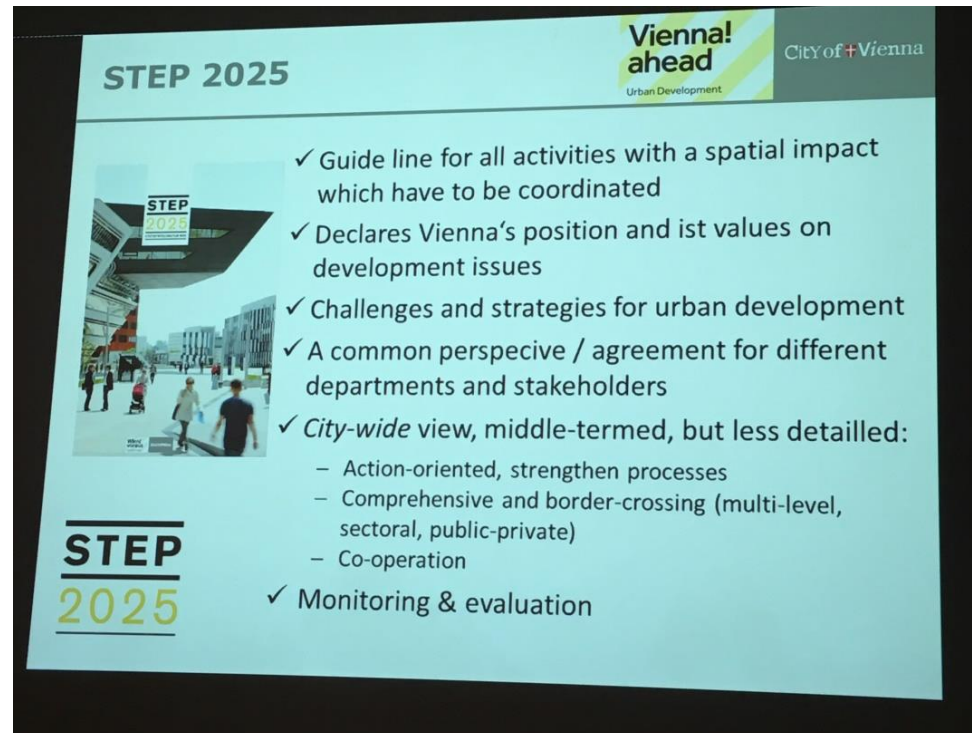- People share responsibility for the common gardens

Form of transport Freiburg (%)

■ 1976 ■ 1989 ■ 2010
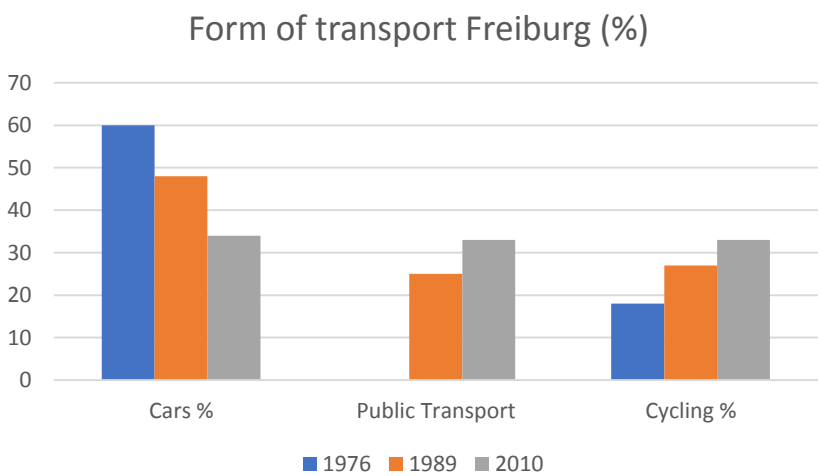
Vienna is the best model for affordable homes

- Vienna pioneered good social housing in the 1920s
- The socialist Council still owns much of the land

- It is served by an extension to Vienna's Metro
- The site is halfway between two capital cities on the site of the old airport
- At its heart is a 4ha lakeside leisure area, which is 8-10 metres deep
- Excavated materials were reused to reduce lorry movements into the site (and hence objections)

The URBED Trust

- The development is a joint venture between the City Council, who owned the old airport, the Business Agency and an Insurance Group
- The masterplan proposes 10,000 new homes for 20,000 people and a similar number of jobs, with currently 2,000 people working there.
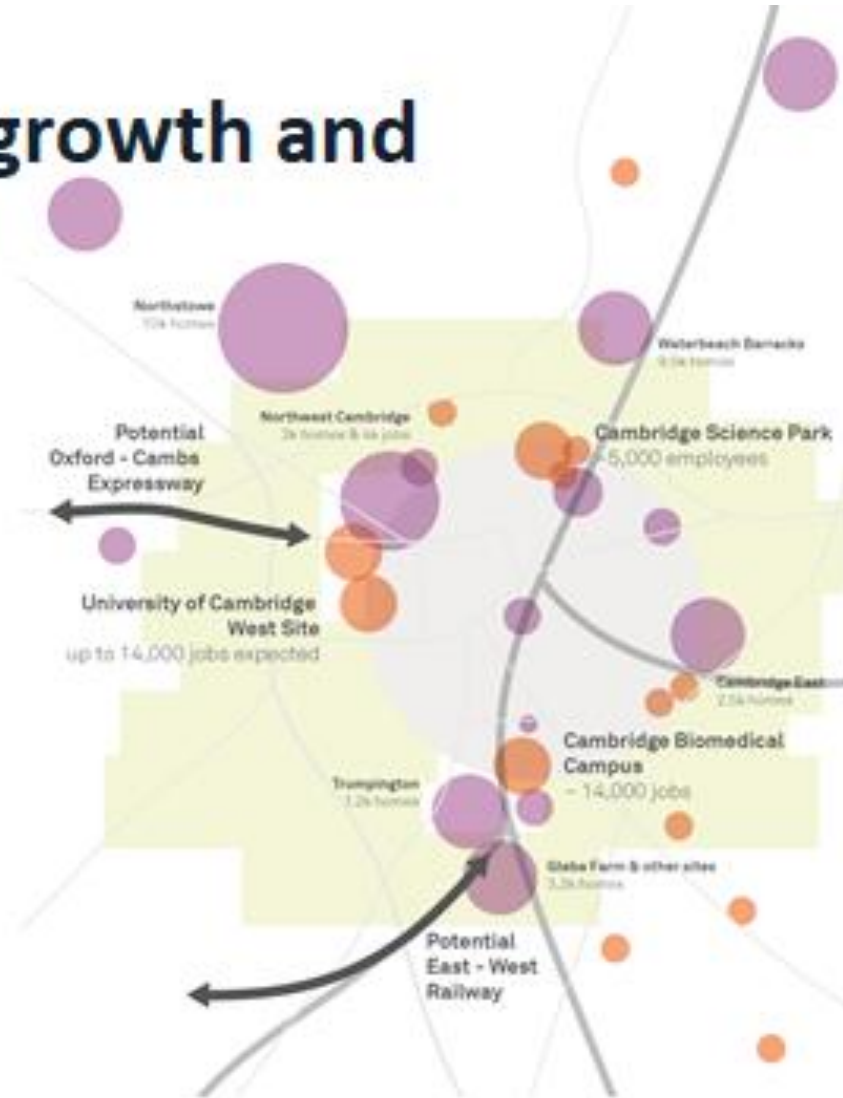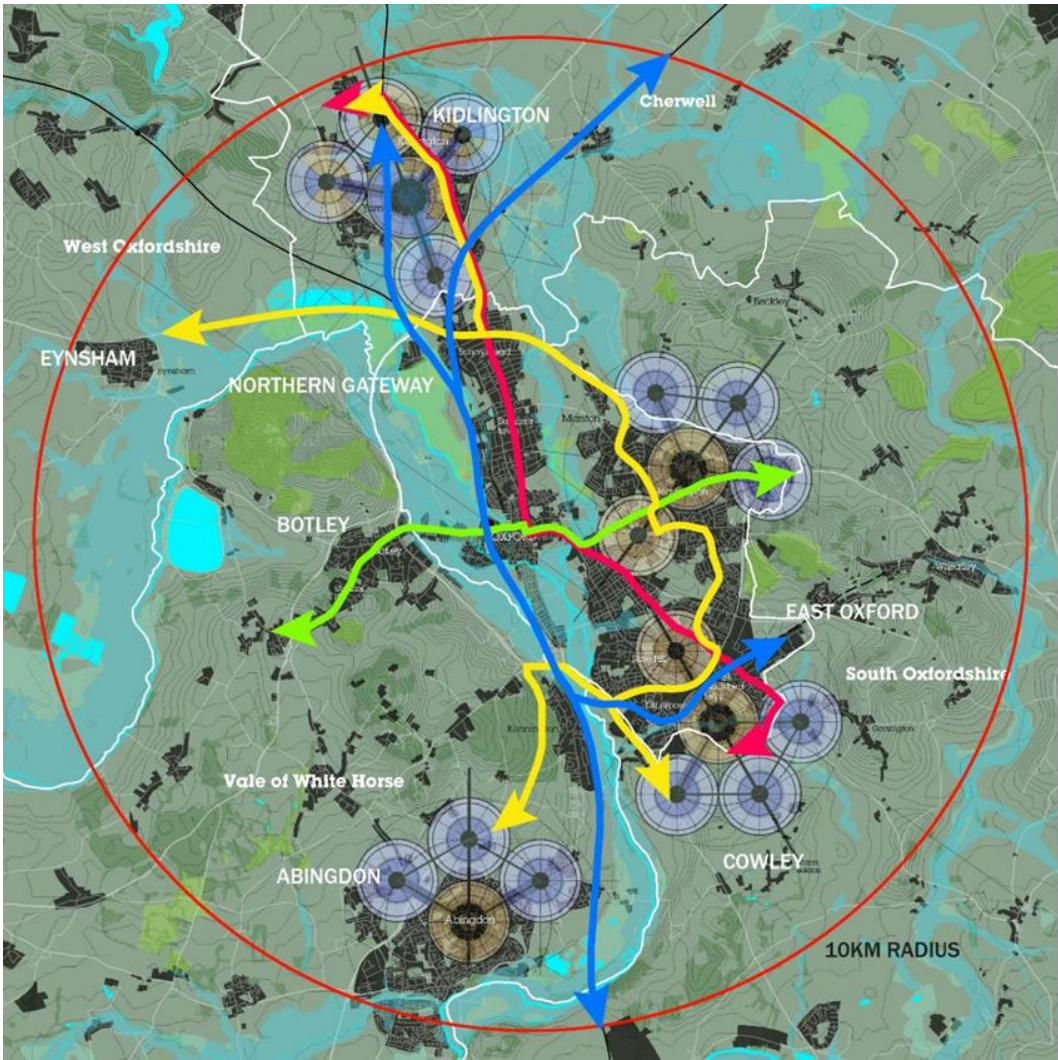
Cambridge: growth and investment

Capital Gains report shows how to grow London

- Identify areas where fragmented ownership and risks hold back delivery
- Designate Land Assembly Zones (LAZ) with CPO powers as back up
- Fund advance infrastructure eg Docklands Light Railway
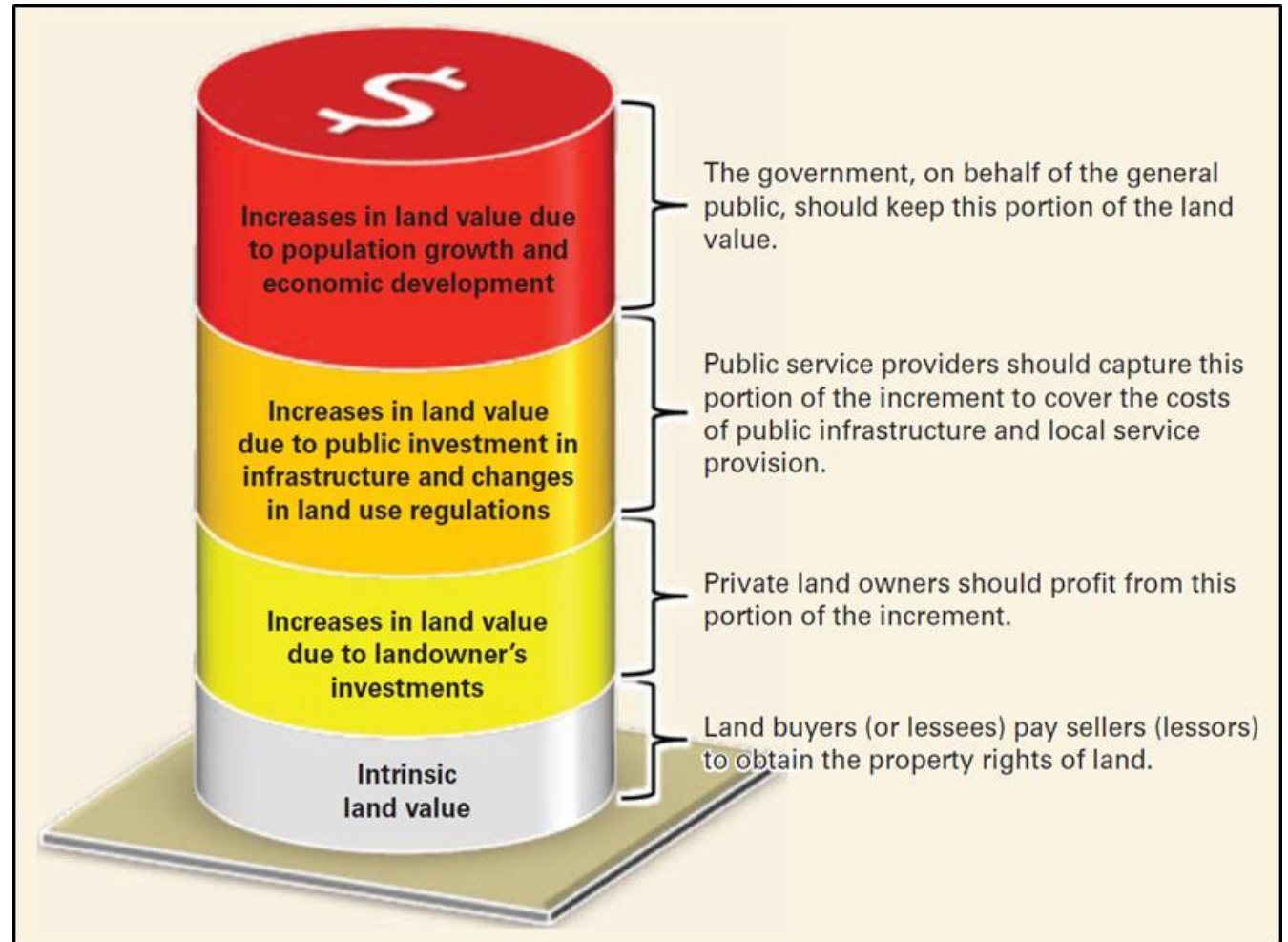- Sell serviced sites with planning briefs to recover investment
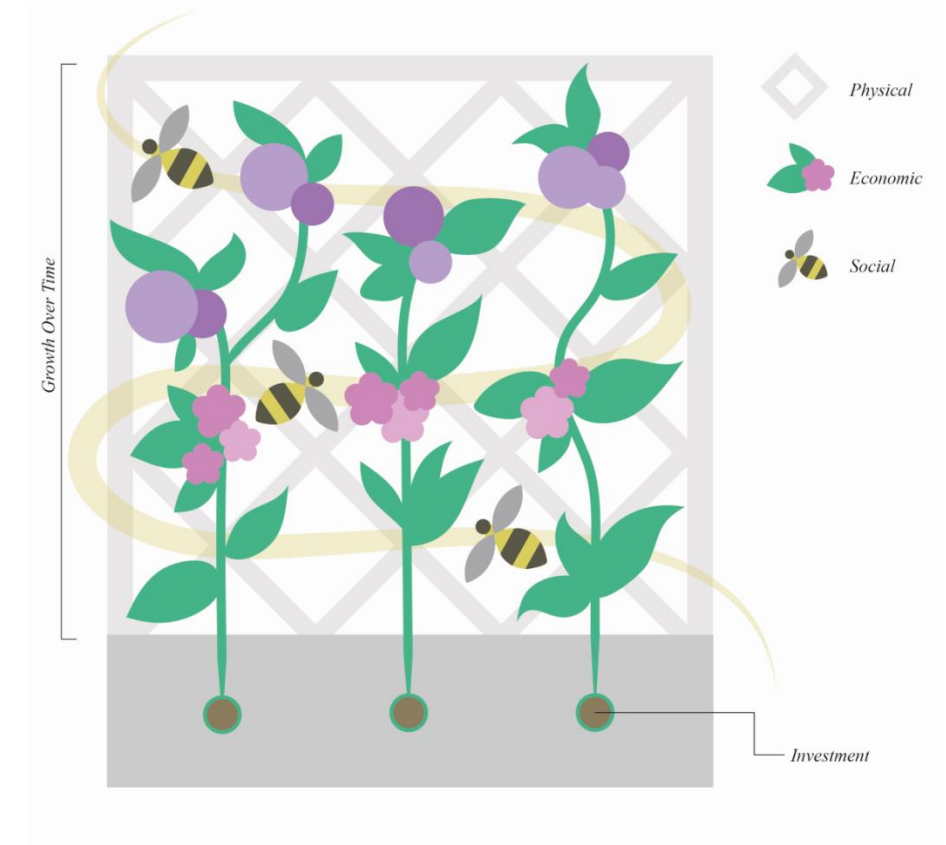
UXCESTER GARDEN·CITY

Residential Areas   Places of Work   Open Spaces   Schools   Shopping Areas
20 30 45

The URBED Trust
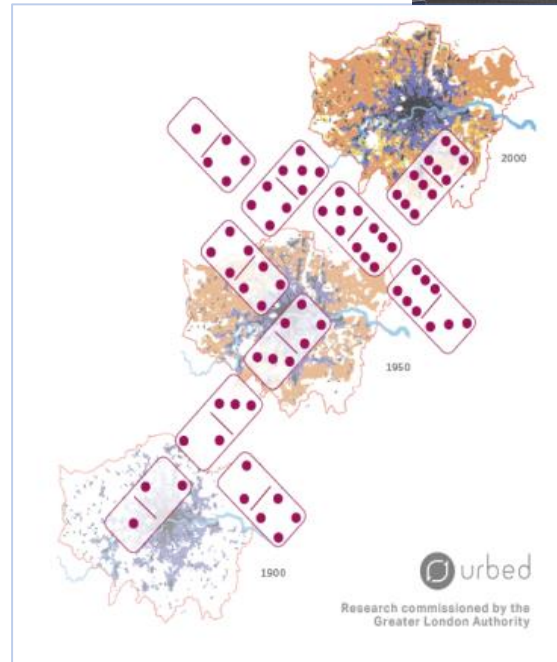
1. Planning where growth should be concentrated (**Ambition**)
2. 'Charging' property owners who benefit (**Brokerage**)
3. Joining-up development with infrastructure (**Continuity**

Increases in land value due to population growth and economic development

Increases in land value due to public investment in infrastructure and changes in land use regulations

Increases in land value due to landowner's investments

Intrinsic land value

The government, on behalf of the general public, should keep this portion of the land value.

Public service providers should capture this portion of the increment to cover the costs of public infrastructure and local service provision.

Private land owners should profit from this portion of the increment.

Land buyers (or lessees) pay sellers (lessors) to obtain the property rights of land.

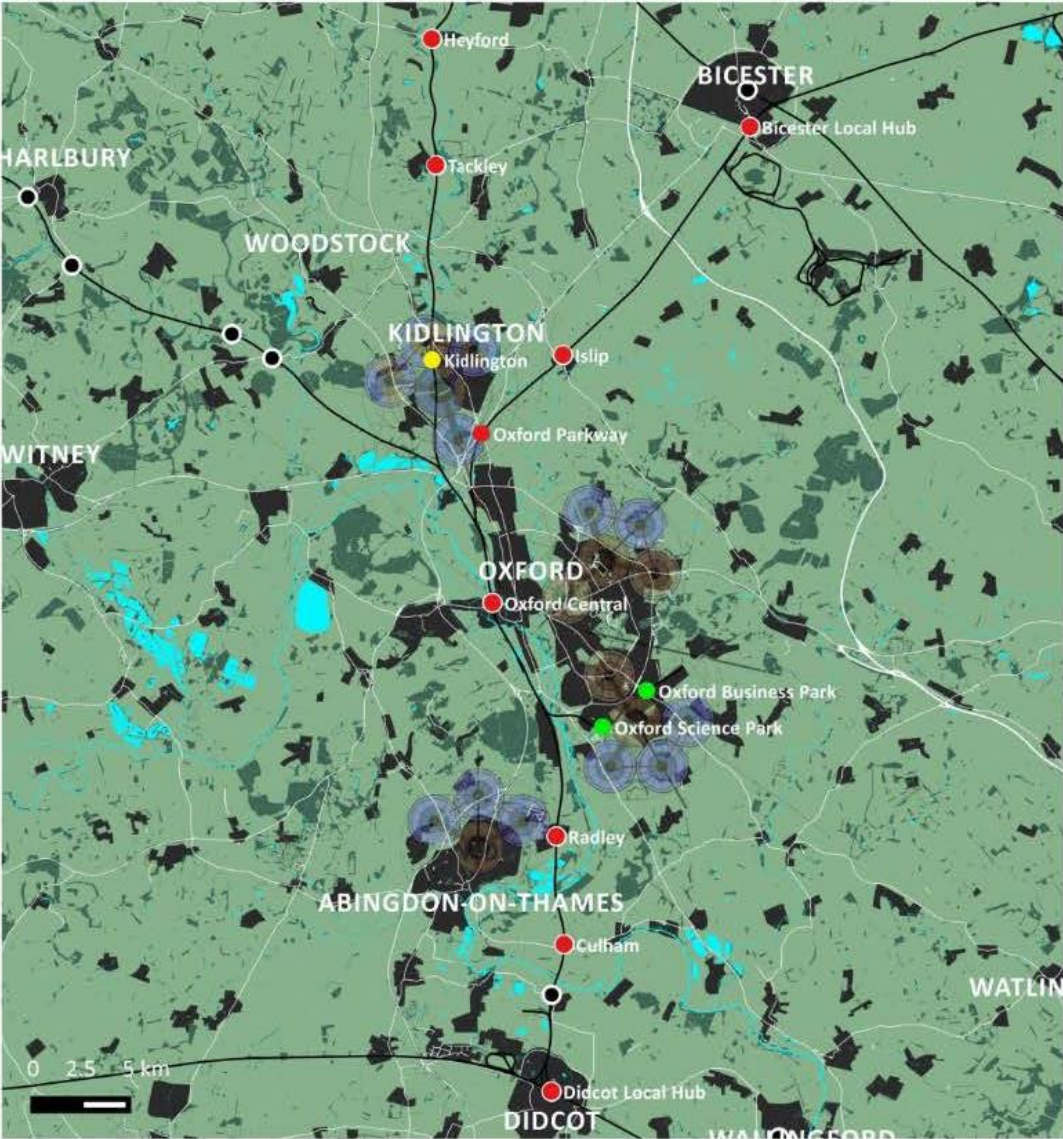*Suzuki et al, World Bank book*

Smarter Urbanisation adds value through:

- Knowing what is going on
- Managing complexity
- Doing more with less
- Assessing options
- Against a shared vision or objectives
- With long-term control over land use
- Like a Triple Helix (DNA) combining social, economic and physical capital

Economic Success

Quality of Life

Urban Management

Growth Over Time

Physical

Economic

Social

Investment