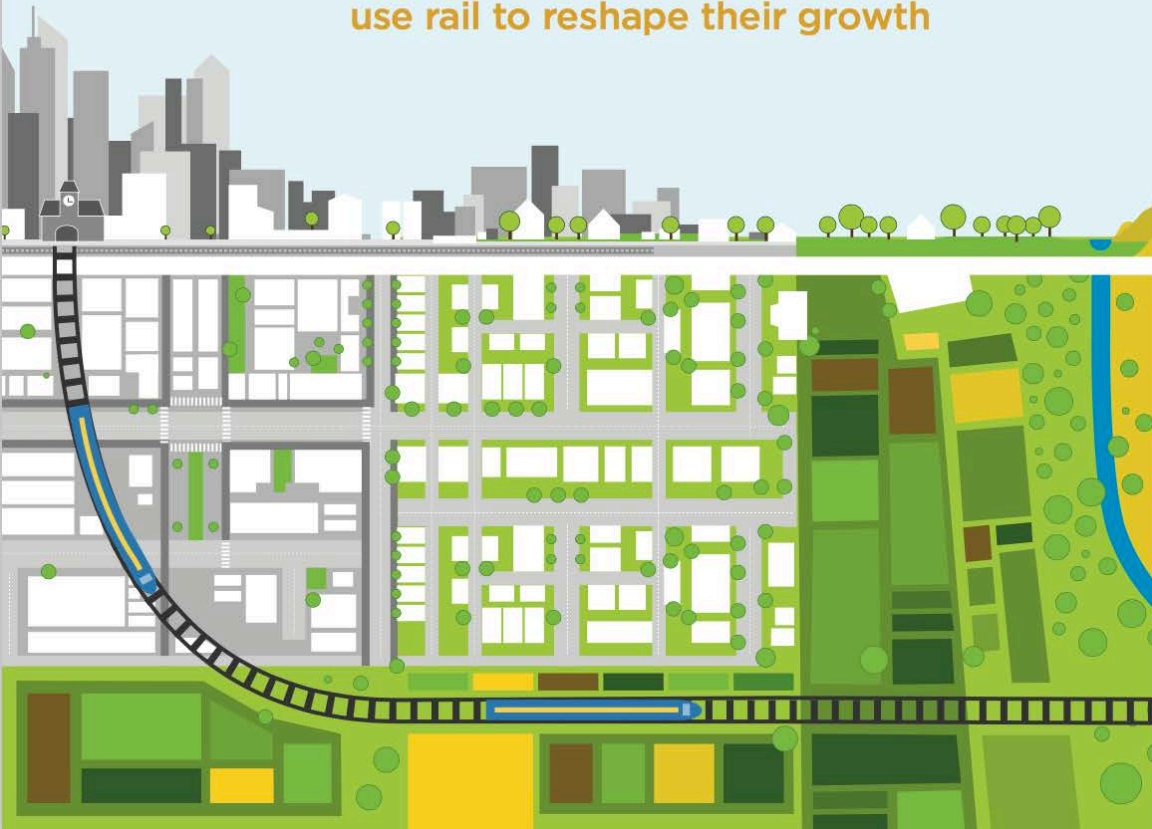




# Harnessing High-Speed Rail

How California and its cities can  
use rail to reshape their growth



**CAHSRA  
Transit/Land Use  
Committee  
September 14, 2017  
Egon Terplan, SPUR**

High-speed rail **can have a big positive impact** on a region's economy and land use patterns.

Example: Lille, France



Effective station planning and development requires an entity with long-term vision.



Stations in downtown  
are most likely to spur  
development

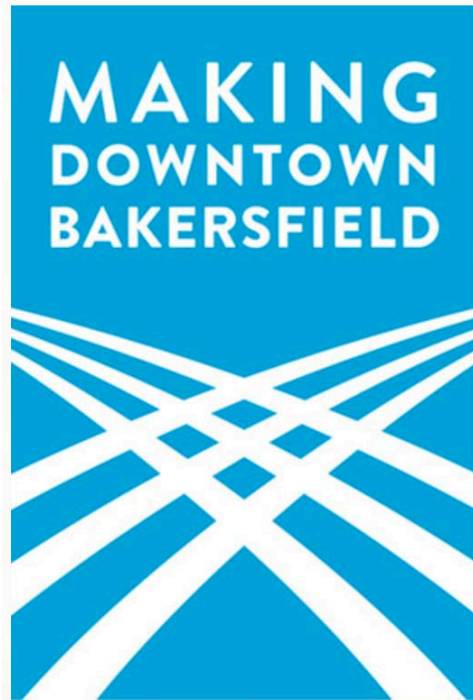




**High-speed rail is not just a local project. Success requires active involvement of the state and/or national government.**

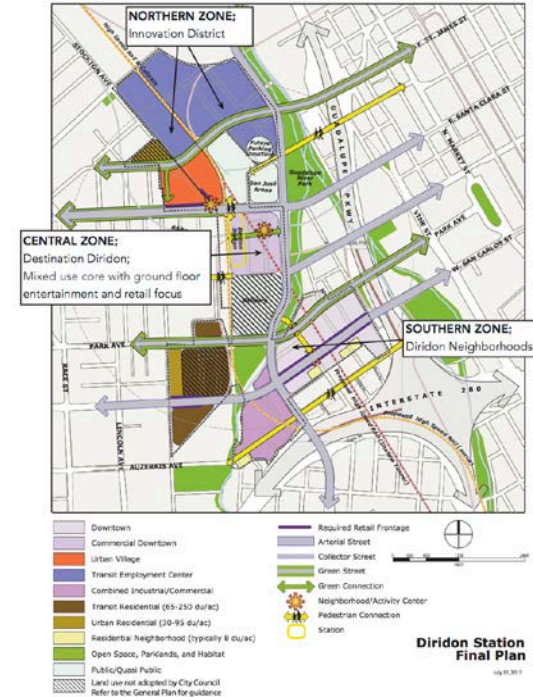


# Cities are doing great planning work to prepare for high-speed rail.



## San Jose

FIGURE 2-1-1: DIRIDON STATION AREA - FINAL LAND USE PLAN

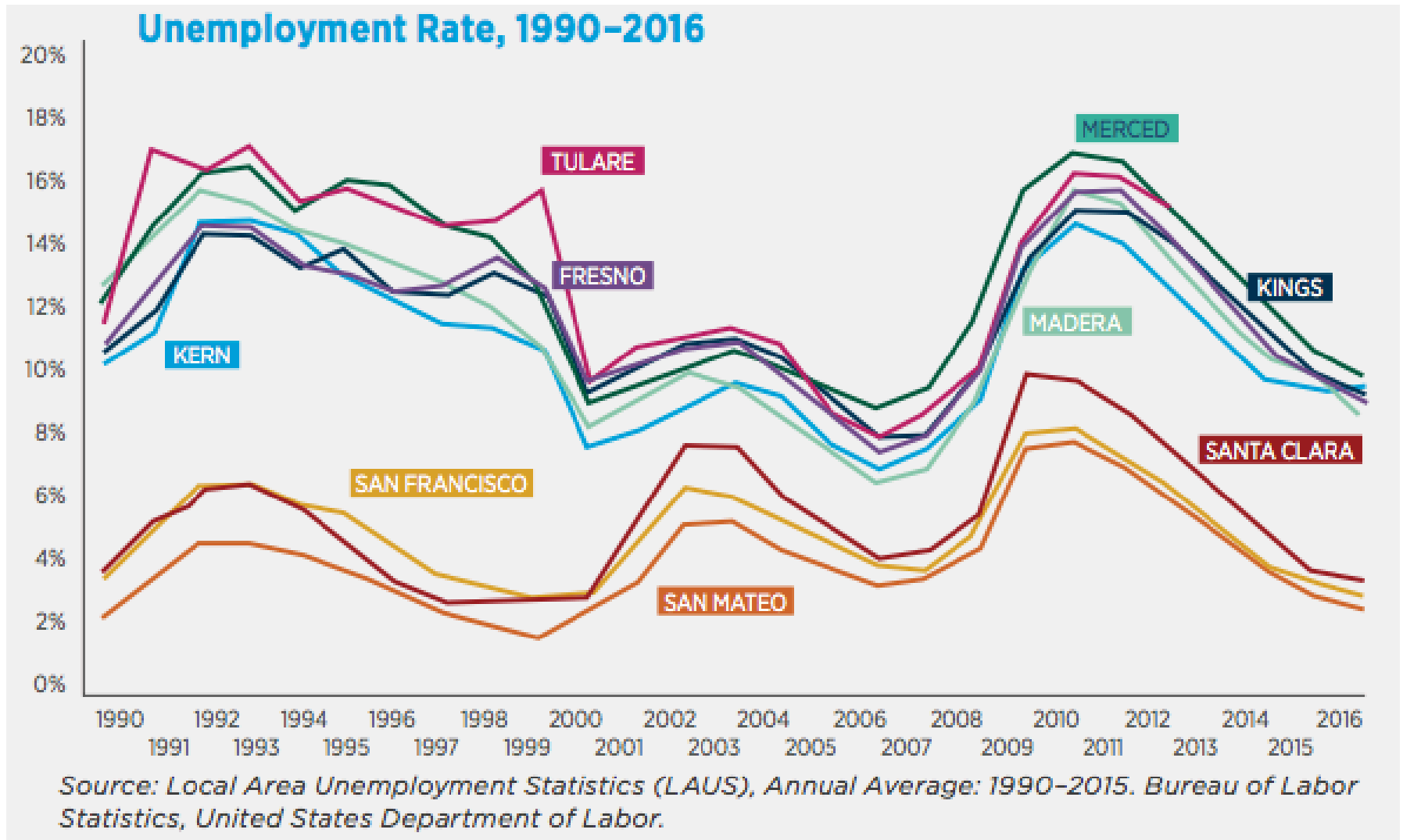




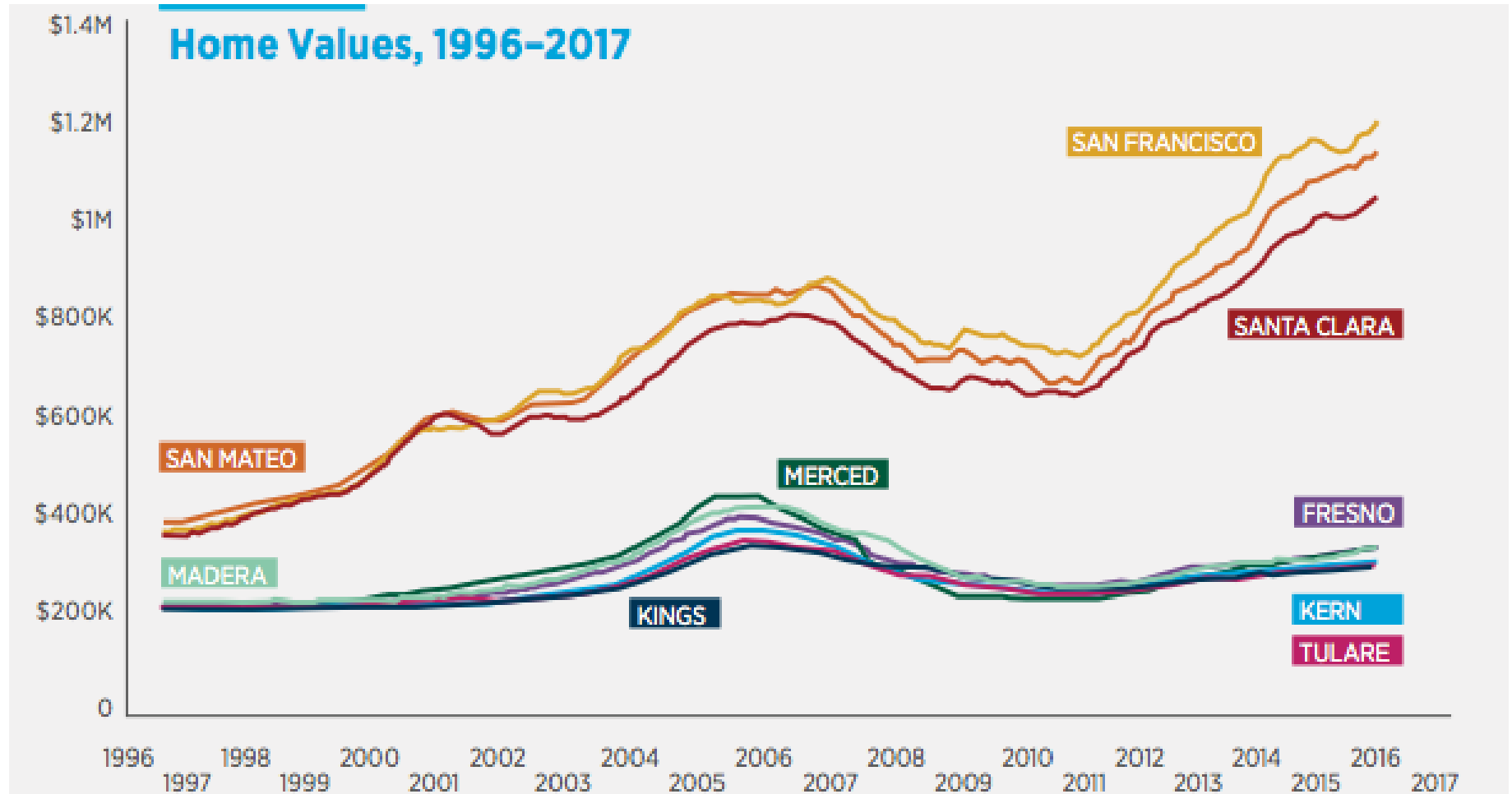


**But they will need additional support to capture the full opportunity of high-speed rail.**

# High-speed rail connects regions with dramatically different labor markets.

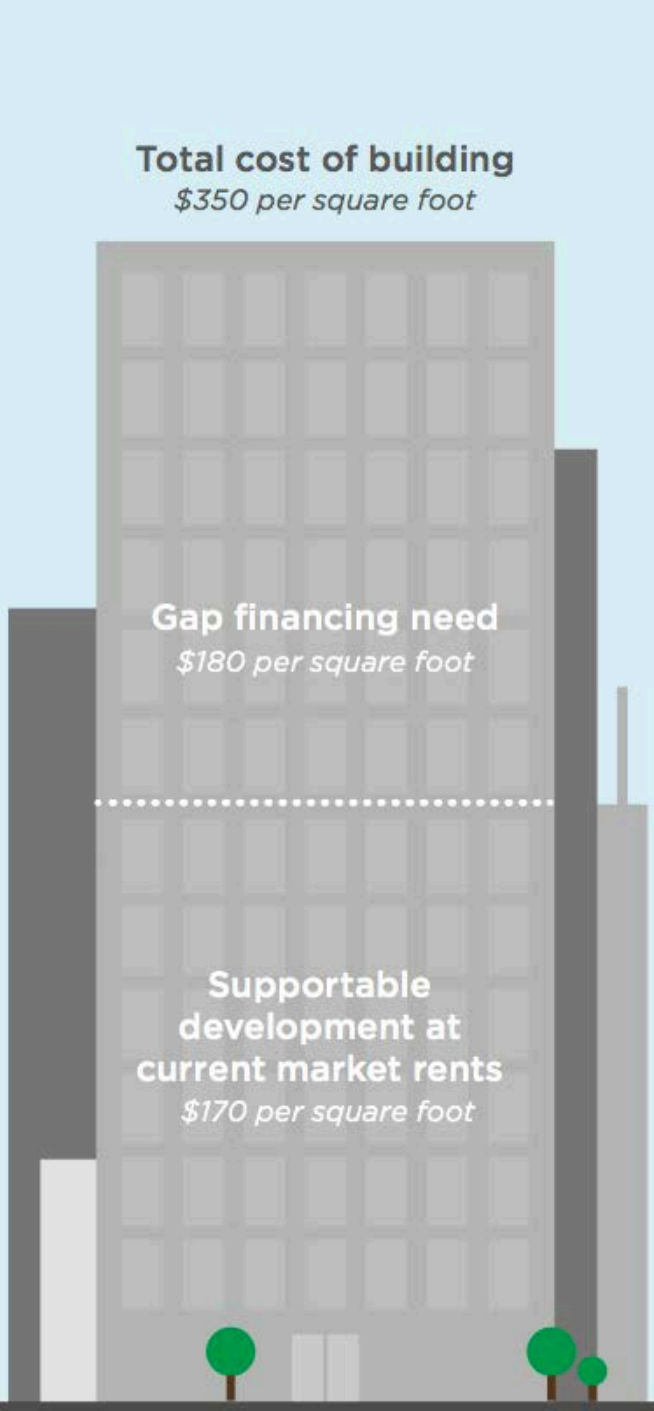


# And housing markets (Silicon Valley is 4X housing price of San Joaquin Valley).



Source: Zillow Home Value Index, available at: <https://www.zillow.com/research/data/>





**Total cost of building**  
*\$350 per square foot*

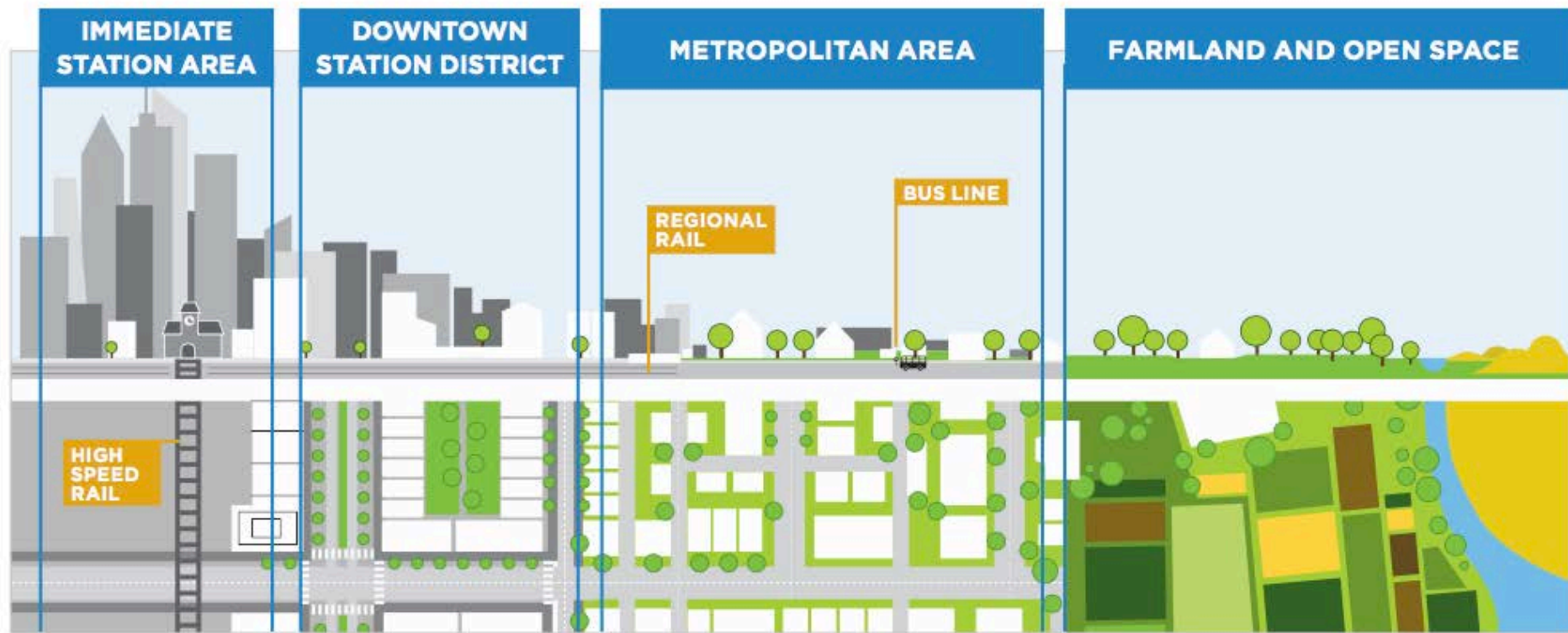
**Gap financing need**  
*\$180 per square foot*

**Supportable  
development at  
current market rents**  
*\$170 per square foot*

# And development markets.

Example from Fresno:  
\$24 annual rents supports  
half the cost of a new market  
rate office project and need  
gap financing in order for  
new development to pencil.

# High-speed rail's impact and potential benefits must be understood in distinct ways across different parts of a region.





# Station area recommendations

1

**Develop a station area plan and implementation program that balances the city's vision for its future with statewide planning needs.**

Powers: TIF, eminent domain  
State/local board

2

**Establish a rail station area development corporation for each high-speed rail station with responsibility for development and land use in the immediate station area.**

3

**Streamline development approvals and entitlement processes for high-speed rail station areas.**

Exempt from CEQA

4

**Plan for each station to be a transportation hub that supports sustainable modes of travel and has the flexibility to adapt to changes in travel modes and patterns over time.**

# Downtown district recommendations

5

Adopt a station district plan based on statewide planning and development guidelines, or develop an overlay zoning district on top of an existing downtown plan.

Revise EIFD for HSR

6

Create a new financing and downtown revitalization tool for high-speed rail station districts to help fund new development and infrastructure needs.

7

Align state and regional funding programs to focus investment in high-speed rail station districts.

Cap and Trade



# Metropolitan area recommendations

8

Prioritize state and regional transportation funds that reinforce compact development in existing communities and encourage travelers in high-speed rail station cities to move away from driving.

*If station TIF, then do growth boundary*

9

Use the revitalization tool described in Recommendation 6 as an incentive to encourage cities to preserve farmland and shift toward more compact development.

10

Improve the economic viability of farmland and open space.

11

Establish economic development partnerships across the public, private, education and philanthropic sectors to strengthen the economy of the San Joaquin Valley.

# Potential next step?

*Develop pilots in Fresno and San Jose to test out station area development ideas.*







# Discussion and questions