

Reason Foundation

<http://reason.org>

<http://reason.org/news/show/transit-oriented-development-leads>

Transit-Oriented Development Leads to "Undesirable" Neighborhood Change

[Samuel Staley](#)

October 21, 2010, 12:49pm

[The Antiplanner](#), aka Randal O'Toole, has a useful and (as usual) [engaging critique of a study on neighborhood change](#) surrounding transit-oriented development published by the [Dukakis Center for Urban Policy](#) at Northeastern University. Apparently, the concern is that transit-oriented development increases property values and attracts wealthy people. TODs, therefore, need to be managed, or planned, more effectively because this gentrification process pushes low-income families away from transit. What I find odd about this conclusion is that it's considered news. If the claims of TOD advocates are correct, this is inevitable and shouldn't be a surprise.

While I haven't read the study yet, the report apparently claims that one of the disadvantages of gentrification around transit stations is that wealthier households tend to own more cars and use transit less than poor households. According to the executive summary:

Our research found that transit investment frequently changes the surrounding neighborhood. While patterns of neighborhood change vary, the most predominant pattern is one in which housing becomes more expensive, neighborhood residents become wealthier and vehicle ownership becomes more common. And in some of the newly transit rich neighborhoods, the research reveals how a new transit station can set in motion a cycle of unintended consequences in which core transit users—such as renters and low income households—are priced out in favor of higher-income, car-owning residents who are less likely to use public transit for commuting. We believe that the risk that transit investment could catalyze undesirable neighborhood change is substantial enough that it needs to be managed whenever transit investments or improvements are being planned. We therefore present a toolkit of policy tools for shaping equitable neighborhood change in TRNs, tools that are increasingly available and in use across the country.

For those skeptical of TOD's economic benefits, I strongly encourage reading David Hartgen's [sophisticated analysis of Charlotte's light-rail line](#) for the John Locke Foundation. Hartgen finds, at most, [light-rail investment can claim about 13 percent](#) of the increase in property value along the corridor attributed by officials to the transit line.

Samuel Staley is Director of Urban Growth and Land Use Policy