



2023 Report

Development Trends Along Transit

Regional growth near high frequency
transit in the Twin Cities



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Executive Summary

The Twin Cities continue to grow. According to the Metropolitan Council 2021 Regional Forecast, the region gained 333,000 new residents between 2011 and 2020. The Covid-19 pandemic resulted in a reduction in the forecasted population growth rate – the region is now expected to gain 657,000 people between 2020 and 2050. Where these residents choose to live and work will have a meaningful impact on the region. Infill development along high frequency transit can use existing infrastructure, maximizing community investments, and supporting walkable, sustainable communities. Strategic development along existing and planned high frequency transit corridors can help ensure the Twin Cities don't just grow – they thrive.

Metro Transit's high frequency network is the backbone of transit service in the Twin Cities region. It provides frequent and reliable service that can satisfy travel needs throughout the day on weekdays and weekends. By estimating the total amount of development that has occurred along high frequency transit corridors between 2009 and 2022, and considering the potential for future development, this report provides insight into how the region's transit corridors support transit oriented development (TOD), and to gauge the value that developers and residents place on transit.

Using data from the Metropolitan Council's Annual Building Permit Survey, this report explores trends in multifamily residential, commercial, public and institutional, and industrial development since 2009. In the thirteen years between 2009 and 2022, permits have been issued for over \$44.3 billion in the region as a whole. This includes projects that have been completed since being permitted,

and ongoing projects. Developments located near high frequency transit have been permitted for just under \$16.4 billion. Of that \$16.4 billion, \$10.8 billion is located within one half mile of an LRT station, \$7.5 billion is located within a half mile of a BRT station, and \$3.3 billion is served by high frequency local bus routes outside areas with direct LRT or BRT service. All told, the permitted value of development within transit corridors represents 37% of the development that has been permitted for the region as a whole¹, on just 3.2% of the region's land area. The region's planned developments show the potential for an additional 36,900 multifamily units along high frequency transit, and another \$10.8 billion in development value near high frequency transit.

Preliminary analysis of permit data and of local construction data indicate that the region did experience reduced development activity due to the Covid-19 pandemic. However, early results suggest that development has been recovering relatively quickly. In particular, multifamily residential development near high frequency transit has continued to make up a significant share of construction in 2020-2022. Although the full impact of the pandemic remains to be seen, these early data suggest that development is recovering in the region.

These data do not show that good transit causes the growing percentage of development occurring along high frequency transit corridors. The trends revealed by this report do suggest that development near high frequency transit has been highly successful, with more development being located near high frequency transit every year.

¹ Permit Value does not include land value, which is often included in estimates of development value.



PERMITTED Development Highlights:

- **\$16.4 billion** in development has been permitted along high frequency transit since 2009. This represents 36.9% of regional development.
 - **\$10.8 billion** permitted near LRT stations.
 - **\$7.5 billion** permitted near BRT stations.
 - **\$3.3 billion** permitted near high frequency local bus
- **53,200** multifamily units have been permitted near high frequency transit. This represents 40% of multifamily units in the region
 - **31,600** units permitted near LRT stations.
 - **18,500** units permitted near BRT stations.
 - **13,350** units permitted near high frequency local bus.
- **37%** of regional development has occurred along high frequency transit.
 - **43%** of multifamily development permitted along high frequency transit.
 - **42%** of commercial development permitted along high frequency transit.
 - **31%** of public institutional development permitted along high frequency transit.
 - **5%** of industrial development permitted along high frequency transit.

PLANNED Development Highlights:

- **\$10.84 billion** in development value is planned along high frequency transit. This represents 70% of the development planned in the region.
 - **\$6.6 billion** in development planned near LRT stations.
 - **\$9.1 billion** in development planned near BRT stations.
- **36,900** multifamily units are currently planned along high frequency transit. This represents 47% of the units planned in the region.
 - **20,000** multifamily units planned near LRT stations.
 - **25,400** multifamily units planned near BRT stations.
 - **56%** of multifamily units near high frequency transit are planned as part of a mixed-use development.
- **44%** of planned development value in the region is mixed use.
 - **60%** of mixed-use development planned near high frequency transit.

2022

The COVID-19 pandemic which spread globally in 2020 continues to impact development in the Twin Cities region. From ongoing labor issues to concerns over interest rates, the world of development has changed. However, it is beyond the scope of this report to dig into any causal relationship between the pandemic and observed trends in development in the region. While we can't say why, or how, the pandemic has impacted development, the data pulled from building permits and from media coverage of development does continue to indicate a recovering development community.

Permitted development value fell in 2020, both near high frequency transit (down 33%) and in the region generally (down 19%). In 2022, permit values hit \$6.1 billion in the region generally, and \$2.4 billion in areas near high frequency transit, exceeding 2019 levels. Permits issued for projects near high frequency transit saw a 43% increase in 2021 over permits issued in 2020 – in the region generally, the percent increase was 23%. In 2022, areas near high frequency transit saw a 35% increase over 2021 permit values, compared to 21% for the region as a whole. Together, the growth indicated by permit values

year-over-year since 2020 suggests that development near high frequency transit is recovering faster than in the region generally.

Multifamily residential development has typically made up the bulk of the development near high frequency transitways. That remained true during the pandemic, with multifamily residential development continuing to represent 56% of the development near high frequency transit. Meanwhile, multifamily residential development in the region generally represented 48% of all development from 2009-2022. In 2022, multifamily residential development near high frequency transit saw \$1.86 billion in permit value, the highest value since 2009 and representing 51% of the multifamily residential development permit value in the region. 2022 permit records also indicate that over 8,300 new multifamily units will be added near high frequency transit.

Commercial development continues to represent a smaller share of development near high frequency transit than in the region generally, with commercial development outside areas near high frequency transit showing a positive trend since 2020.

Scope of Report

Transitways

This report focuses on development that has been planned or permitted within areas served by high frequency transit in the Twin Cities metropolitan region. High frequency transit includes not only the Light Rail Transit (LRT) and Bus Rapid Transit (BRT) transitways, which make up the METRO network, but also certain local bus routes which operate every 15 minutes or less². Including high frequency local bus routes allows this report to more

fully explore the regional transit system as a network. Inclusion as a qualifying transitway was not impacted by any Covid-19 related service changes.

High Frequency Transit: The Metro Transit high frequency network consists of local bus, bus rapid transit and light rail lines that operate every 15 minutes or less on weekdays between 6 a.m. and 7 p.m., as well as on Saturdays between 9 a.m. and 6 p.m. A map of the Metro Transit High Frequency Network is in Appendix A³.

Development Along Transit

For the purposes of this report, any development that occurs within a half-mile of a transitway station (LRT or BRT) or within one-quarter mile of a high frequency local bus route is considered to be along transit.

Development along transit is evaluated at three different scales: region-wide, system-type and route. The region-wide scale looks at development that has occurred anywhere in the entire high frequency transit system. No development permit is counted more than once at the region-wide scale. The system-type scale looks at

development that has occurred near any LRT station, any BRT station or any high frequency local bus route. If a development is located near an LRT station and a BRT station, it is attributed to both transitways. However, development is only attributed to the high frequency local bus route if it is not otherwise served by LRT or BRT. The route level analysis looks at development that has occurred along each transitway individually. If a development occurs near more than one transitway, it is included in the development totals for both transitways.

Types of Development

This report looks at four categories of development: multifamily residential, commercial, public and institutional, and industrial. The section on planned development also includes a mixed-use category, which includes some combination of these four development types. However, 99% of mixed-use development is a combination of commercial and residential uses.

Multifamily Residential: Multifamily Residential: Residential developments that consist of two or more units in one building. This includes accessory dwelling units (ADUs), townhomes, duplexes, triplexes, fourplexes, any development with five or more units, and any conversion which results in an increased number of units. Remodels of an existing residential development are excluded.

Commercial: A broad category of development that includes office, retail, restaurant, hotel, and other business

developments. The dollar value associated with converting or remodeling existing commercial space is counted in this study.

Public and Institutional: Land uses that do not fit into the commercial, industrial, or residential categories. These generally consist of government buildings, hospitals, parks and public recreation facilities, religious buildings, and educational facilities. Transportation projects such as roads and transit facilities are excluded from this study, as are utilities, airports, and other public works projects.

Industrial: Industrial developments include those engaged in production, processing, assembly, manufacturing, distribution, and other such handling of goods and materials. These uses may create disturbances for nearby developments, but also tend to generate jobs.

- 2 All LRT and BRT lines included in this report are part of the METRO network, however the METRO brand name will not be used within the text of the report to support legibility.
- 3 Northstar and Red Line do not meet the threshold for high frequency transit. As commuter rail and highway BRT respectively, these lines operate with headways exceeding 15 minutes.

Time Frame

The Development Trends Along Transit report includes permits beginning in 2009 for all development types. Past reports have included permits beginning in 2003 for non-residential developments while residential permits are only available from 2009. Using a consistent start year will allow the analyses of all development types to be consolidated.

Developments are assigned to a transitway only when permitted or planned after a certain point in the transitway planning process. In order for a development to be counted along a high frequency transitway, the building permit for that development must be issued after a transitway has reached the following point in the planning process:

- A New Starts project enters project development
- A Small Starts project enters project development
- An arterial BRT project has a Council-approved station plan

The planning of the existing high frequency local bus routes precedes available development data so no cutoff date is applied to these routes. The high frequency transit

routes included in this study and the timeframe applied to each route is shown below. Given limitations of the data provided, the timeframe is applied by year.

Where a development is served by a transitway as well as by high frequency bus, the development has been attributed only to the transitway.

In August 2020, the Metropolitan Council and Hennepin County announced that the alignment of the METRO Blue Line Extension would no longer be using approximately eight miles of freight railroad property, as initially planned. The project is currently advancing with the identification of a community supported alternative route. At this time, the original Blue Line Extension route has been removed from this analysis, with any permits in that alignment allocated to other qualifying high frequency transitways as appropriate.

As a final note, in some cases high frequency transitways are built in areas that were previously only served by high frequency local bus. In these cases, any development in the area prior to the year of inclusion for the transitway has been included in the high frequency local bus category. Any development in the area after the date of inclusion for the transitway has been counted towards the transitway.

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
High Frequency Local Bus																			
METRO Blue Line																			
			METRO Green Line																
								METRO Green Line Ext.											
											METRO A Line								
												Orange Line							
														METRO C Line					
																METRO D Line			
																	METRO Gold Line		
																		METRO B Line	
																			METRO E Line

Sources and Statistics

The permit data represented in this report are drawn from the Metropolitan Council’s Annual Building Permit Survey. These data are provided to the Metropolitan Council by the region’s municipalities. Data that was not provided by municipalities will not be reflected in this report. It is important to note that permitted value is not equivalent to development value. Among other differences, permit

value excludes land value. Actual development value in the region will exceed the cumulative permit values provided in this report.

Data on planned developments come from the Council’s Development Tracker. This database draws its information primarily from news media and thus does not have the same level of accuracy as the building permit data. The

Development Tracker is periodically checked against the data collected through the Annual Building Permit Survey to ensure that no developments are double counted. Not all planned developments will be completed, and some planned developments may not be captured by the media. Further, not all developments advertise the value or size of a planned development. Nevertheless, keeping track of planned development does provide a glimpse of

what may be built along high frequency transit in coming years. Any analysis of total planned development includes only those developments where a development value or number of planned units has been provided. The maps of planned development include all developments for which an address has been identified. Unlike the values recorded in the permit data, the values provided for planned development are an estimate of total development value.

Regional Development Trends

The Twin Cities metropolitan region has seen nearly \$44.3 billion in permitted development value since 2009, with just over \$21.4 billion in permit value for multifamily residential developments alone. During the same period, over \$16.4 billion has been permitted near high frequency transit, representing 37% of the region's development value on just 3.2% of the region's land. Within these transit corridors, 66% of the permitted value for developments is occurring near LRT stations, including over 31,600 multifamily residential units. 46% of the permitted value for developments has been located near BRT lines, with some developments located in areas with service from both LRT and BRT.

From 2019 to 2020, permit values dropped 28% near high frequency transit and 17% in the region generally. In 2022, permits worth \$2.4 billion were issued for developments near transit (40% of regional development). Permits issued for projects near high frequency transit saw a 93% increase between permits issued in 2022 (\$2.4 billion) over permits issued in 2020 (\$1.3 billion) – in the region generally, the percent increase was 49%.

Both in the region generally and near high frequency transit, multifamily residential developments are issued the majority of permits each year. Industrial development represents just 9% of the permit value in the region, and only 5% of that industrial development is located near high frequency transitways.

PERMITTED Development Highlights:

- **\$16.4 billion** in development has been permitted along high frequency transit since 2009. This represents 36.9% of regional development.
 - **\$10.8 billion** has been permitted near LRT stations.
 - **\$7.5 billion** has been permitted near BRT stations.
 - **\$3.3 billion** has been permitted near high frequency local bus.
- **53,200** multifamily units have been permitted near high frequency transit. This represents 40% of multifamily units in the region.
 - **31,600** units have been permitted near LRT stations.
 - **18,500** units have been permitted near BRT stations.
 - **13,350** units have been permitted near high frequency local bus.
- **37%** of regional development has occurred along high frequency transit.
 - **43%** of multifamily development has been permitted along high frequency transit.
 - **42%** of commercial development has been permitted along high frequency transit.
 - **31%** of public institutional development has been permitted along high frequency transit.
 - **5%** of industrial development has been permitted along high frequency transit.



Multifamily Residential

After dropping to \$747 million in 2020, multifamily residential permit value near high frequency transit has surpassed pre-pandemic levels in 2022, hitting \$1.86 billion and representing 51% of the region’s multifamily permit value. Permits for more than 8,300 units were issued in 2022. Multifamily development near BRT, by permit value, more than doubled between 2021 and 2022 - multifamily permit value near LRT more than tripled. While the annual average multifamily permit value near BRT was \$236 million from 2012-2021, \$1.2 billion in multifamily development was permitted near BRT in 2022. The annual average from 2012-2021 for all multifamily development near high frequency transit was \$698 million, which the permit value in 2022 more than doubled at \$1.86 billion.

The Green Line Extension brought the highest number of new units permitted near high frequency transit with 3,300 new units in 2022. 2,800 new units were permitted near the Blue Line in 2022, up from a ten-year low of 585 in 2021. The Green Line also saw permits for 2,200 new units in 2022. Both the Orange Line and the C Line BRT added over 2,000 units in 2022, while D Line and E Line each added around 1,900 units.

Since 2009 over 53,100 multifamily units and \$9.1 billion in permit value have been located near high frequency transit. This represents 40% of the multifamily development that has occurred in the region over that time. In other words, 40% of multifamily development has occurred on just the 3.2% of regional acreage served by high frequency transit.

99% of residential developments occurring near high frequency transit are multifamily developments with five or more units (MF5), as distinguished from the other multifamily housing types considered in this report. MF5 developments near transit represent \$9 billion in permit value between 2009 and 2022, with townhomes carrying the next highest total permit value at almost \$72 million. While most MF5 developments near transit are along LRT lines (61%), the majority of townhomes, duplexes, triplexes, and quads are located near BRT. Of the 56% of ADU units in the region that are permitted near high frequency transit, the majority are located near high frequency local bus routes.

Table 1: Permitted Multifamily Development

High Frequency Transit Share of Regional Residential Development				
Year	Units	Permit Value	% of Region Units	% of Region Permit Value
2009	544	\$ 62,421,676	25.1%	27.7%
2010	950	\$ 93,362,624	28.8%	28.0%
2011	1,400	\$123,730,901	34.2%	36.5%
2012	4,578	\$503,361,361	58.4%	60.3%
2013	3,629	\$608,217,713	45.9%	50.2%
2014	2,014	\$303,784,961	30.5%	37.7%
2015	3,362	\$566,979,633	42.3%	46.1%
2016	3,375	\$587,405,883	37.2%	41.9%
2017	3,801	\$573,663,158	36.5%	39.6%
2018	4,412	\$856,832,833	37.0%	41.3%
2019	6,157	\$1,098,683,176	41.7%	41.8%
2020	4,778	\$746,586,176	34.3%	32.5%
2021	5,855	\$1,134,894,902	36.6%	38.6%
2022	8,309	\$1,864,164,854	47.1%	50.8%
Total	53,164	\$9,124,089,851	39.8%	42.6%

Chart 2: Permitted Multifamily near High Frequency Transit by Units over Time

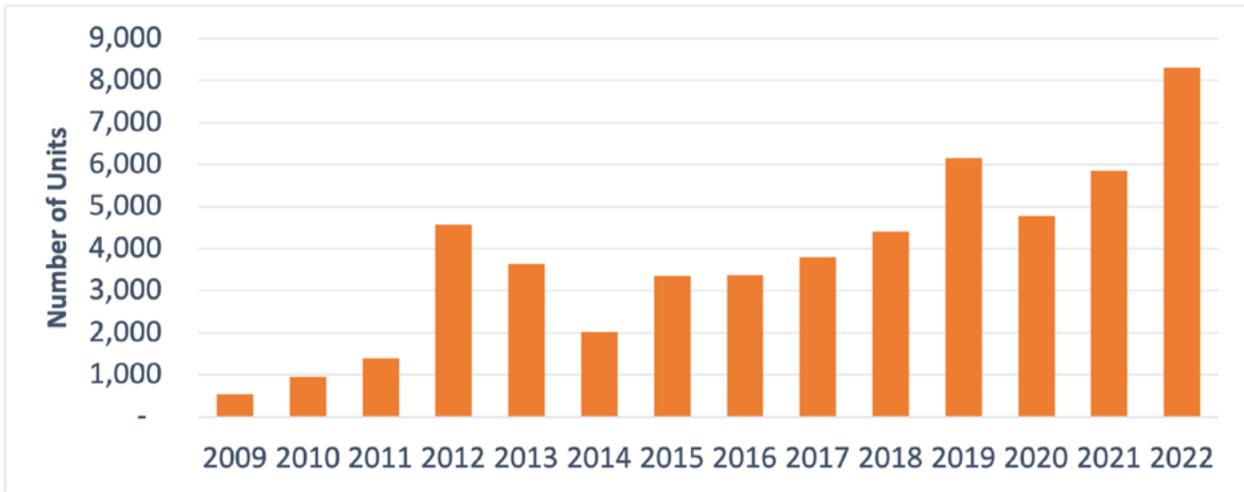


Chart 3: Permitted Multifamily near High Frequency Transit by Permit Value yearly total

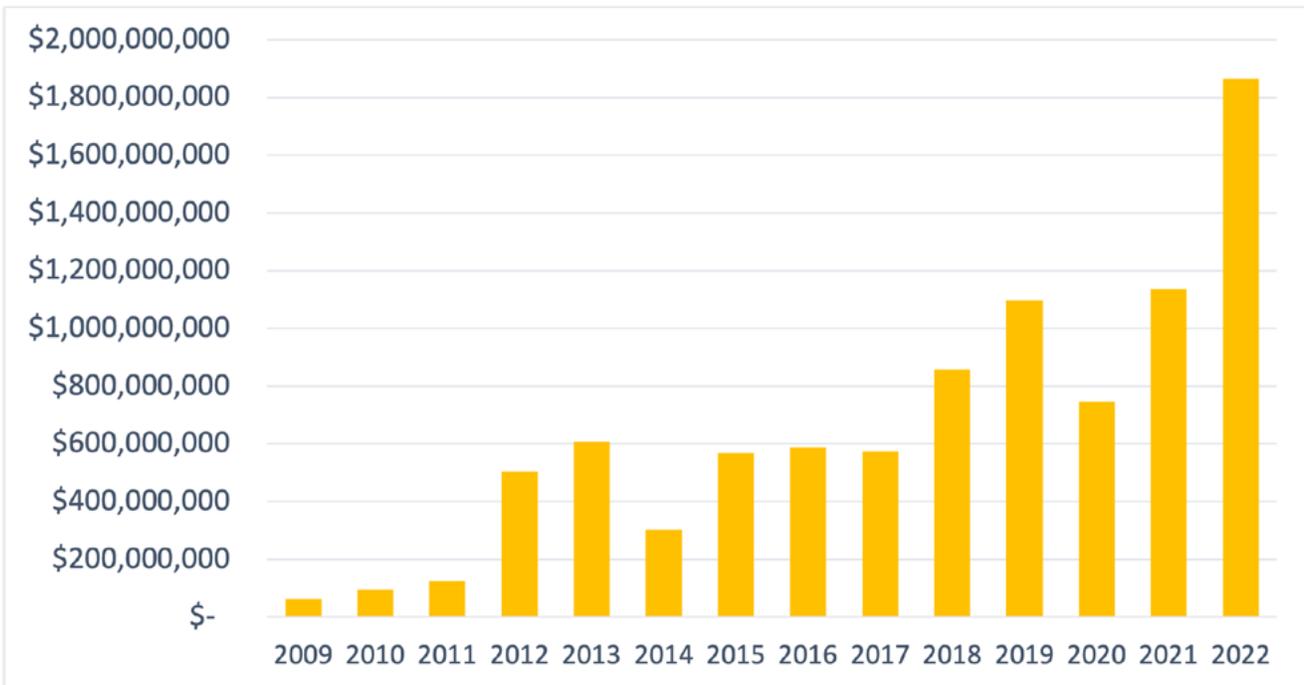
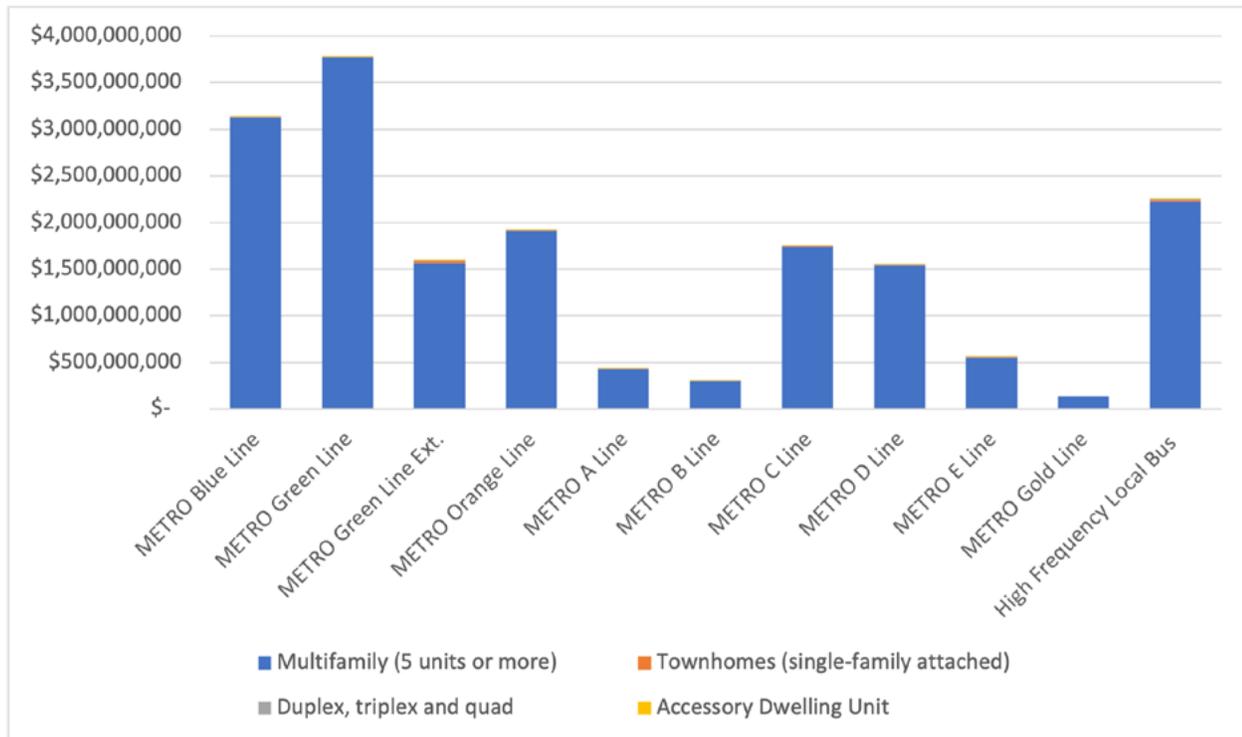


Chart 4: Permitted Multifamily Units near High Frequency Transit by Type and Transit Route⁴



Affordable Housing Production

The Affordable Housing Production dataset is assembled by Council staff using a variety of public and private data sources, including building permit data and responses to an annual survey sent to communities by the Metropolitan Council. Data is available beginning in 2014 and includes both subsidized and naturally occurring affordable housing units produced each year. MF5 make up 98% of the units in the Affordable Housing Production data.

41% of all multifamily units represented in the Affordable Housing Production data are located near high frequency transit – this is consistent with trends seen in recent

permit data, which generally reveal a share around 40% for multifamily units near high frequency transit. However, 51% of multifamily units affordable up to 60% AMI have been located near high frequency transitways since 2014. For deeply affordable multifamily units (affordable up to 30% AMI), 83% have been located near high frequency transit. This indicates that a higher share of affordable units, particularly deeply affordable units, are located near high frequency transit on just 3.2% of the region’s land area.

⁴ Due to the nature of the data, permits are reported for each relevant line – value may be double-counted and should be used only to indicate share by line.

Chart 5: Share of Affordable Housing Production near High Frequency Transit by affordability level 2014-2022

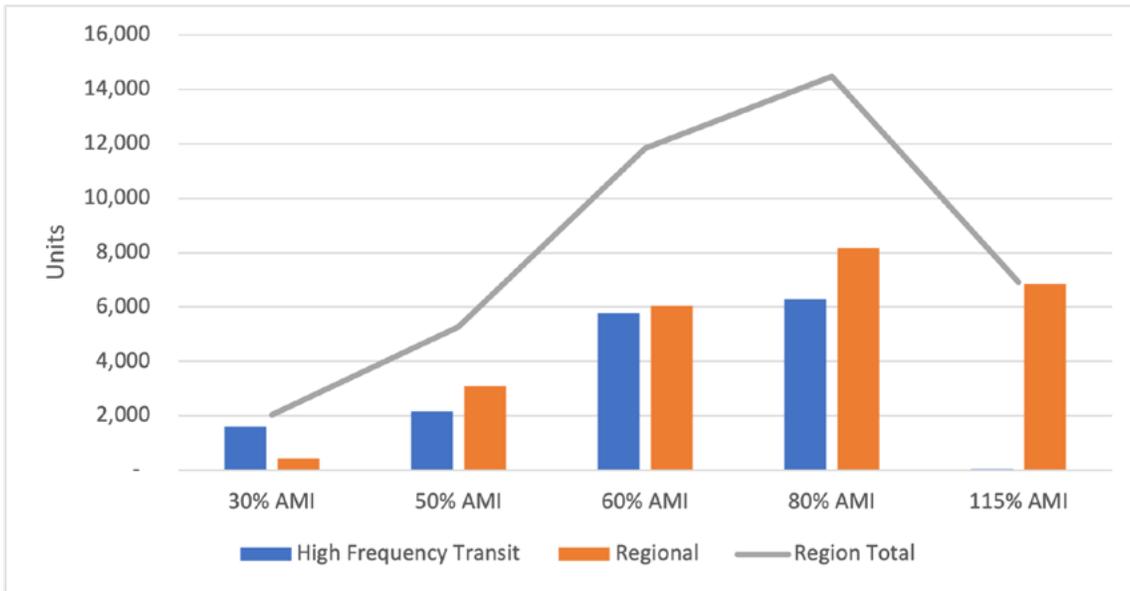
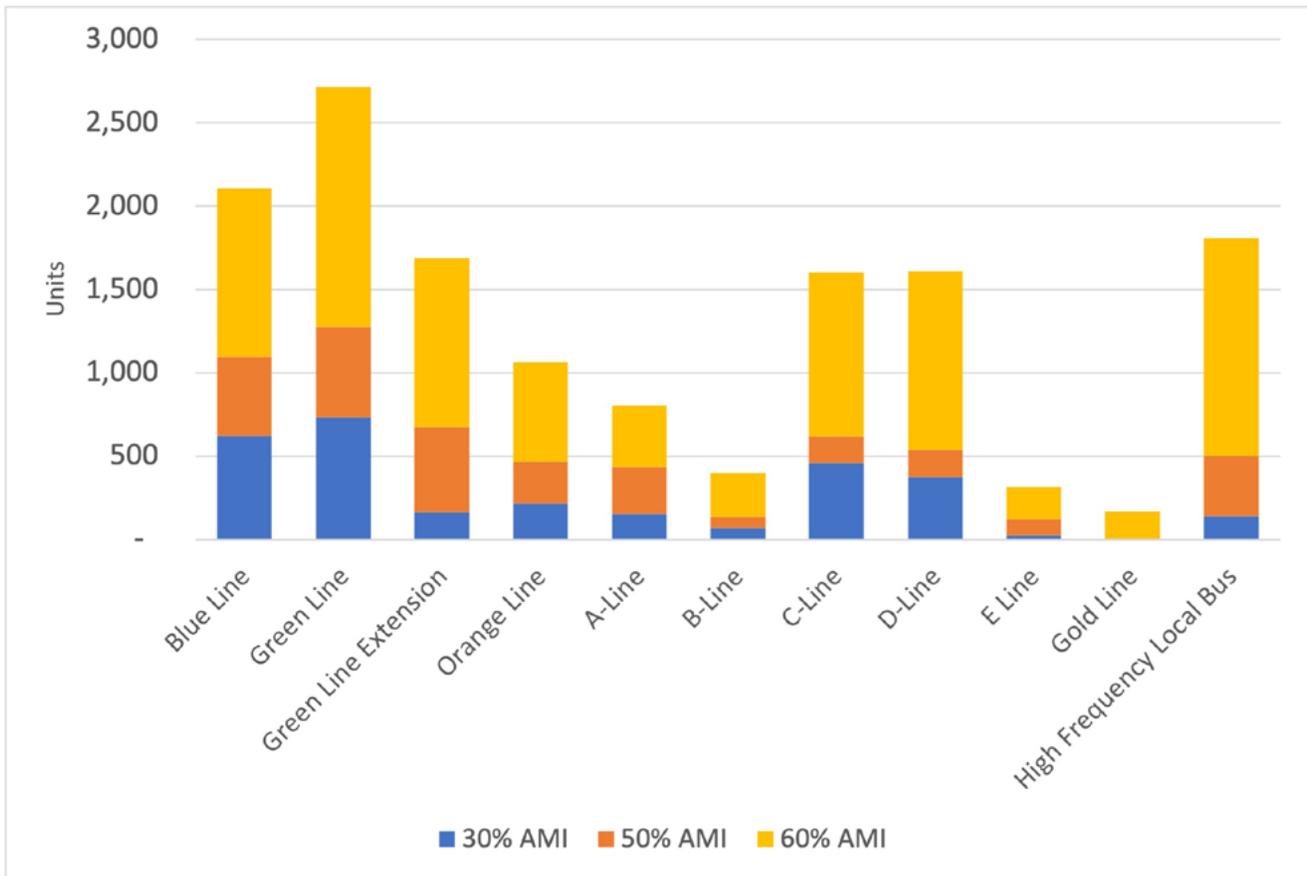


Chart 6: Affordable Housing Production near High Frequency Transit by Transitway 2014-2022 ⁵



⁵ Due to the nature of the data, permits are reported for each relevant line – value may be double-counted and should be used only to indicate share by line.

The share of multifamily units affordable at 60% AMI generally increased from 2014 to 2022, both near high frequency transit and in the region generally. 2022 saw the

highest number of units affordable at 60% AMI near high frequency transit (2,190 units), representing 57% of the units added for that year.

Chart 7: Multifamily Units Affordable up to 60% AMI from 2014 - 2022

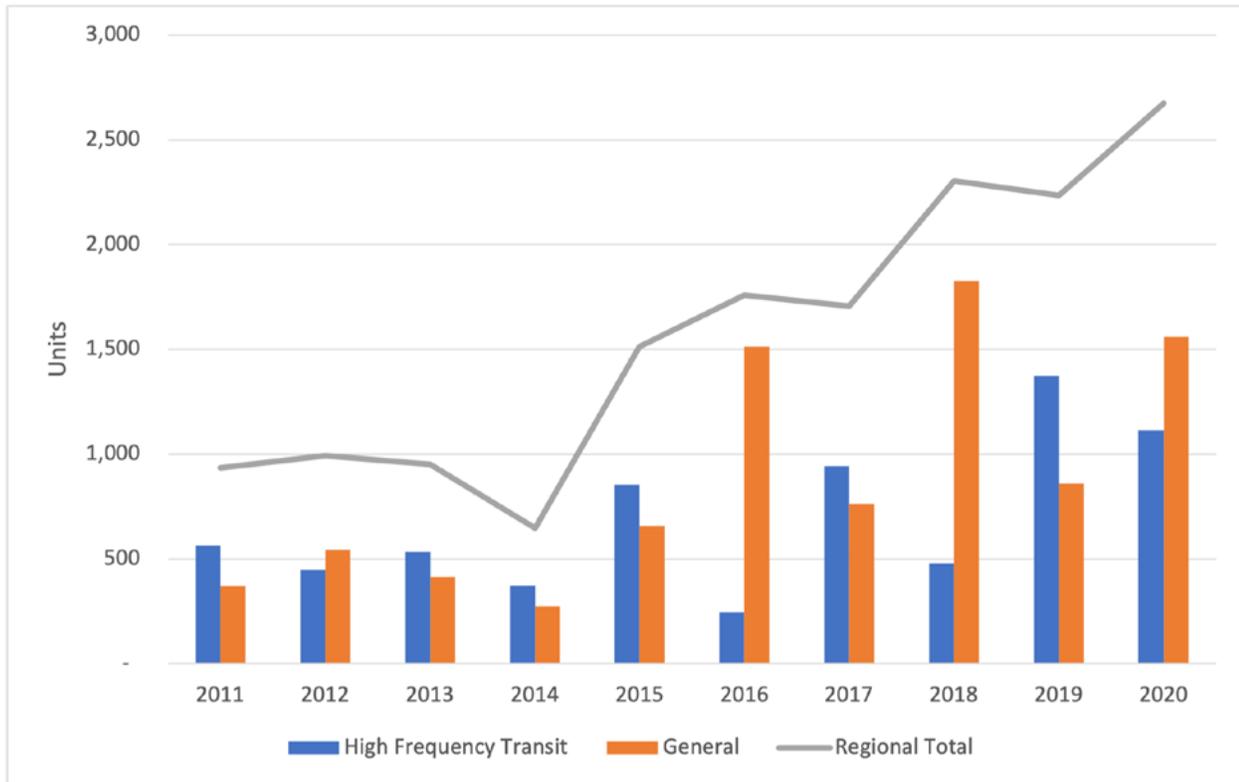
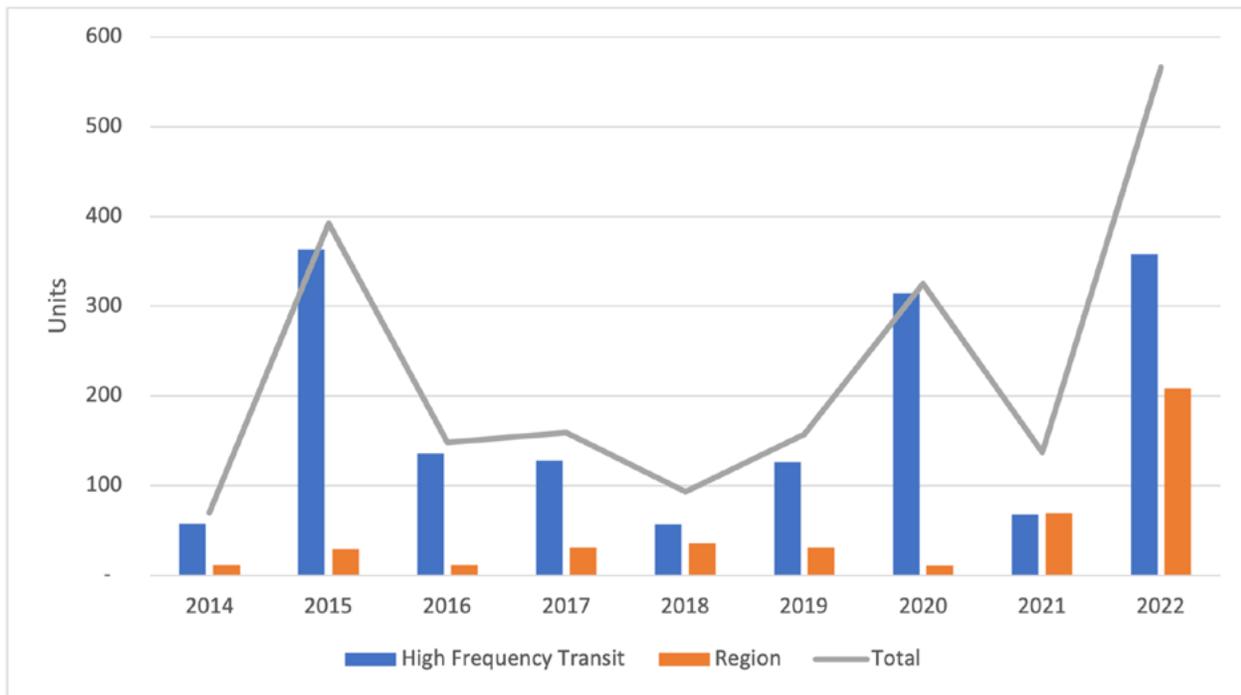


Chart 8: Multifamily Units Affordable at 30% AMI from 2014 - 2022

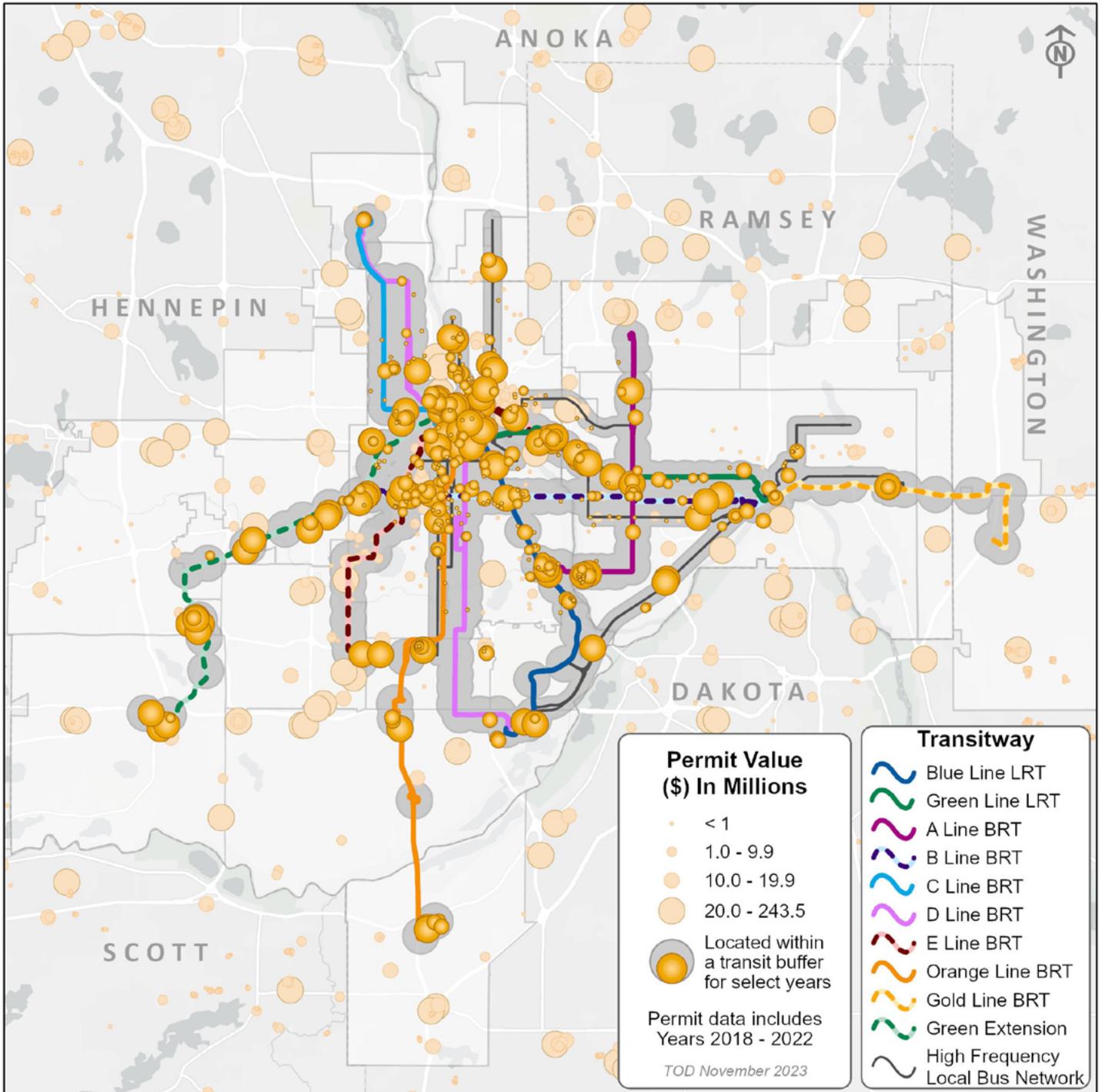


Multifamily units that are affordable at 30% AMI are almost exclusively (83%) located near high frequency transitways from 2014-2020. In 2015, 2016, and 2020 over 90% of multifamily units that were affordable at 30% AMI were near high frequency transit. The share of units affordable at 50% and 60% near high frequency transit averaged 44% between 2014 and 2022. In 2019 and 2020, the region generally saw an increase in the share of units that are

affordable at 80% AMI - this trend was even more exaggerated near high frequency transit with 51% of units in 2022 affordable at 80%.

Even though deeply affordable units make up a small percentage of the units near high frequency transit, that small percentage represents the majority of the deeply affordable units in the region.

Map 1: Multifamily Residential Development near High Frequency Transit



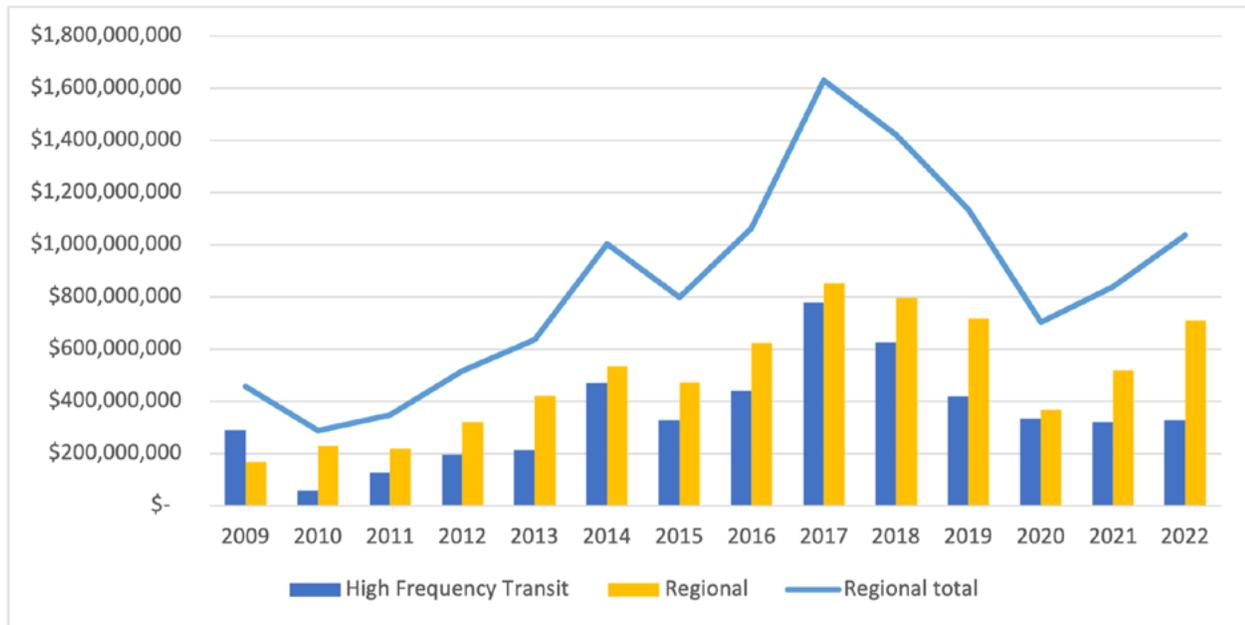
Map 1 shows the expected concentration of residential developments near urban cores. However, noticeable clusters of multifamily developments also occur along established LRT lines (the Green Line and Blue Line) and newer transitways, like the Green Line Extension LRT and the METRO C Line. Permits shown for past five years, 2018-2022.

Commercial

Regional permit value for commercial development hit a high of \$1.6 billion in 2017, before declining. The overall negative trend for commercial development held true both in the region generally and near high frequency transitways through 2020. Commercial development in 2021, however, showed an improvement for the region generally, up 19.5% to \$839 million. The positive regional trend continued in

2022 for the Twin Cities region. Commercial development permitted in areas outside the high frequency transit buffers reached \$1 billion in 2022, just shy of 2019 permits at \$1.1 billion. However, permits near high frequency transit represented just 32% of the commercial permits for 2022, down from the average of 42%.

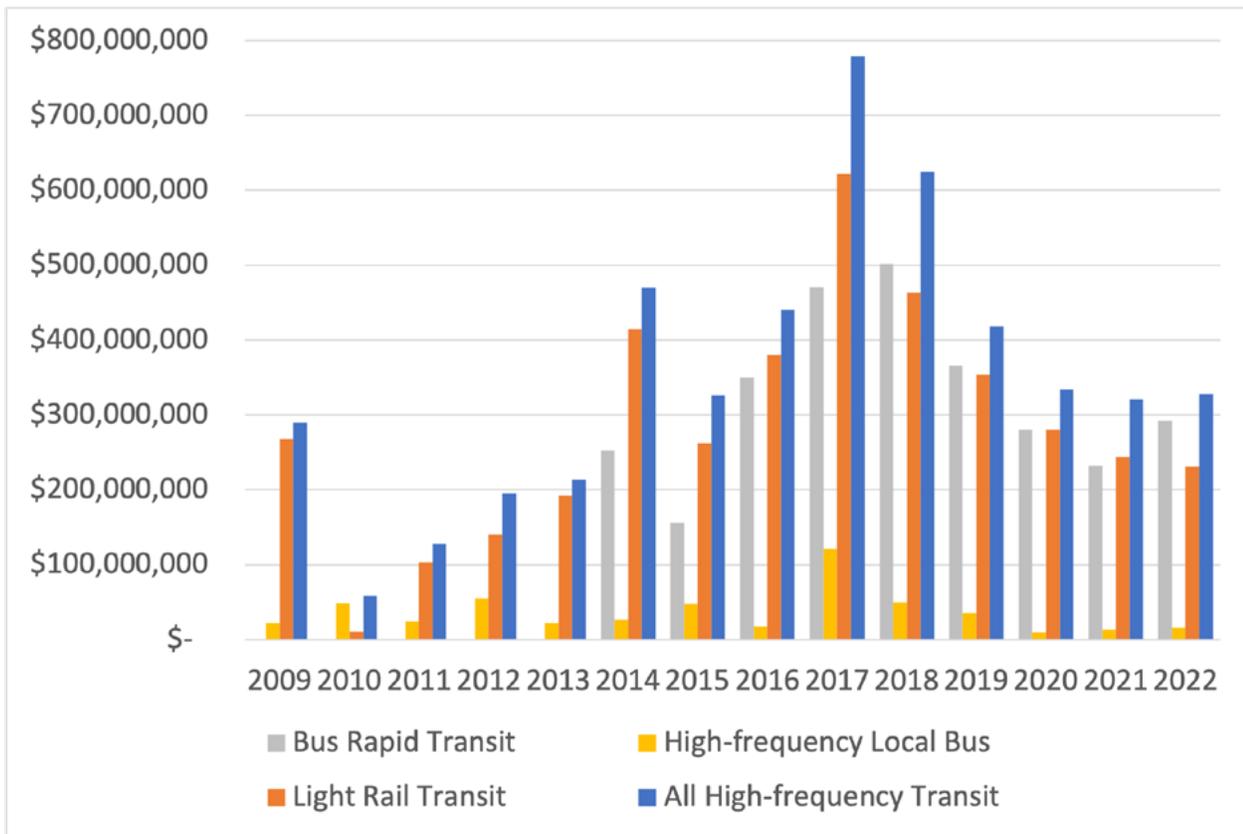
Chart 9: Share of Permitted Commercial Development near High Frequency Transit over time



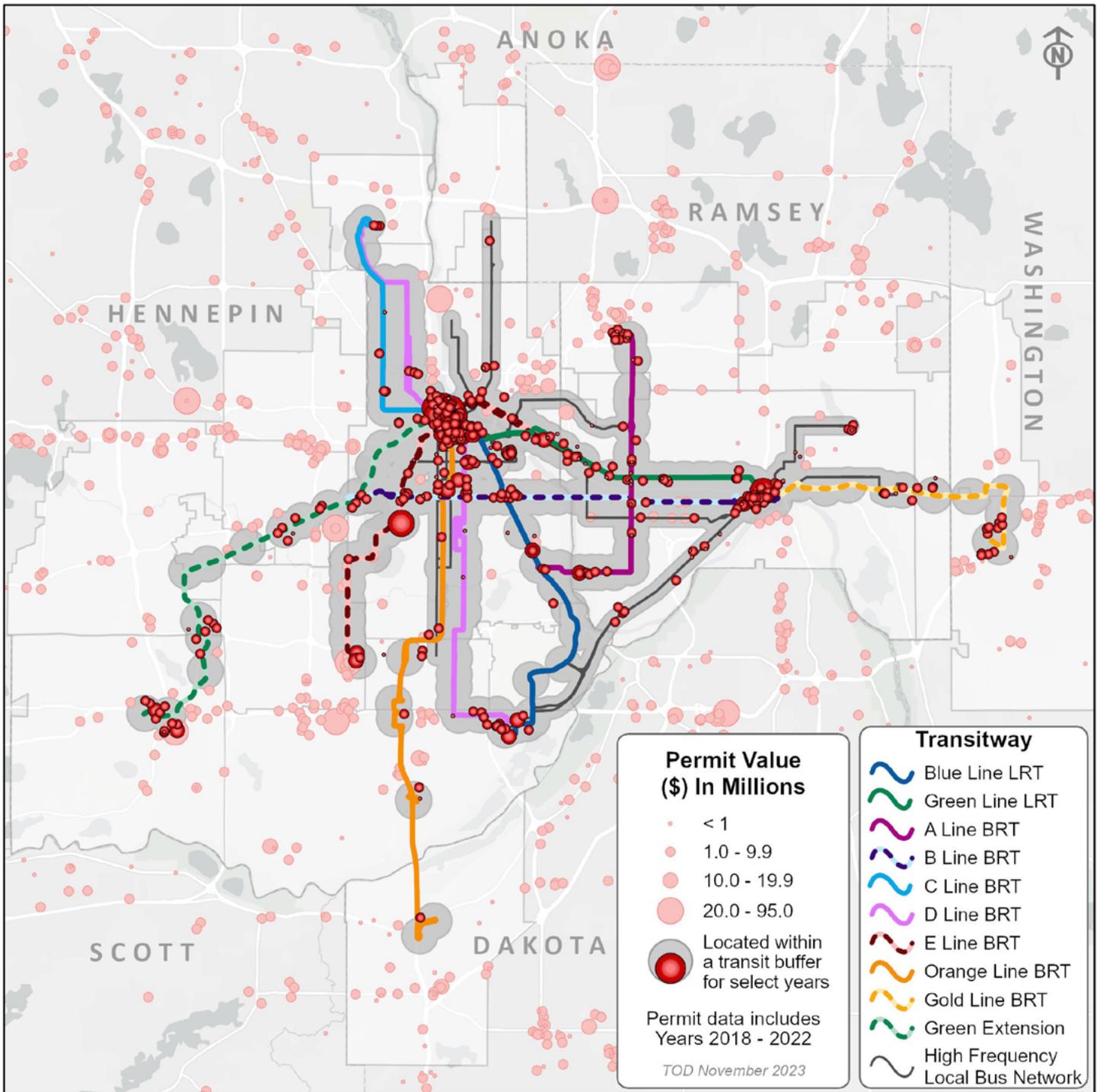
Over \$4.9 billion in commercial development has occurred within areas served by high frequency transit since 2009, a total which represents 42% of the region's total permit value for commercial development. 33% of the region's commercial development by permit value has occurred near LRT lines, with over \$2.7 billion in permit value attributed to the Blue Line and \$3.1 billion to the Green Line. The Orange Line has seen \$1.9 billion in development since tracking began in 2014, while the C line has seen \$1.7 billion in permit value since 2016. In five years, \$1.25 billion has been permitted near the D Line. Thus, although commercial development in the region generally has fallen since a peak in 2017, the share of commercial development near high frequency transit remains consistently near or above 40%.

The nearly \$800 million construction of U.S. Bank Stadium is removed from Chart 10 below and from the analysis generally. Further investments in the U.S. Bank Stadium since its initial construction have been included, given that these continued investments might indicate the continued value and success of a transit-connected sports stadium. Of particular note is the nearly \$3 million spent on the plaza outside the stadium in 2017, which included investment in pedestrian, bicyclist, and transit related amenities.

Chart 10: Permitted Commercial Development near High Frequency Transit over Time



Map 2: Commercial Development near High Frequency Transit



Commercial development continues the trend of clusters near established urban cores and along transit corridors, as shown in Map 2. High value development permits can be seen within both downtowns, the Uptown neighborhood, and near Mall of America. Commercial development not yet served by high frequency transit can be seen to follow clear commercial corridors, providing possibilities for the expansion of the high frequency transit system. Permits shown for past five years, 2018-2022.

Public and Institutional

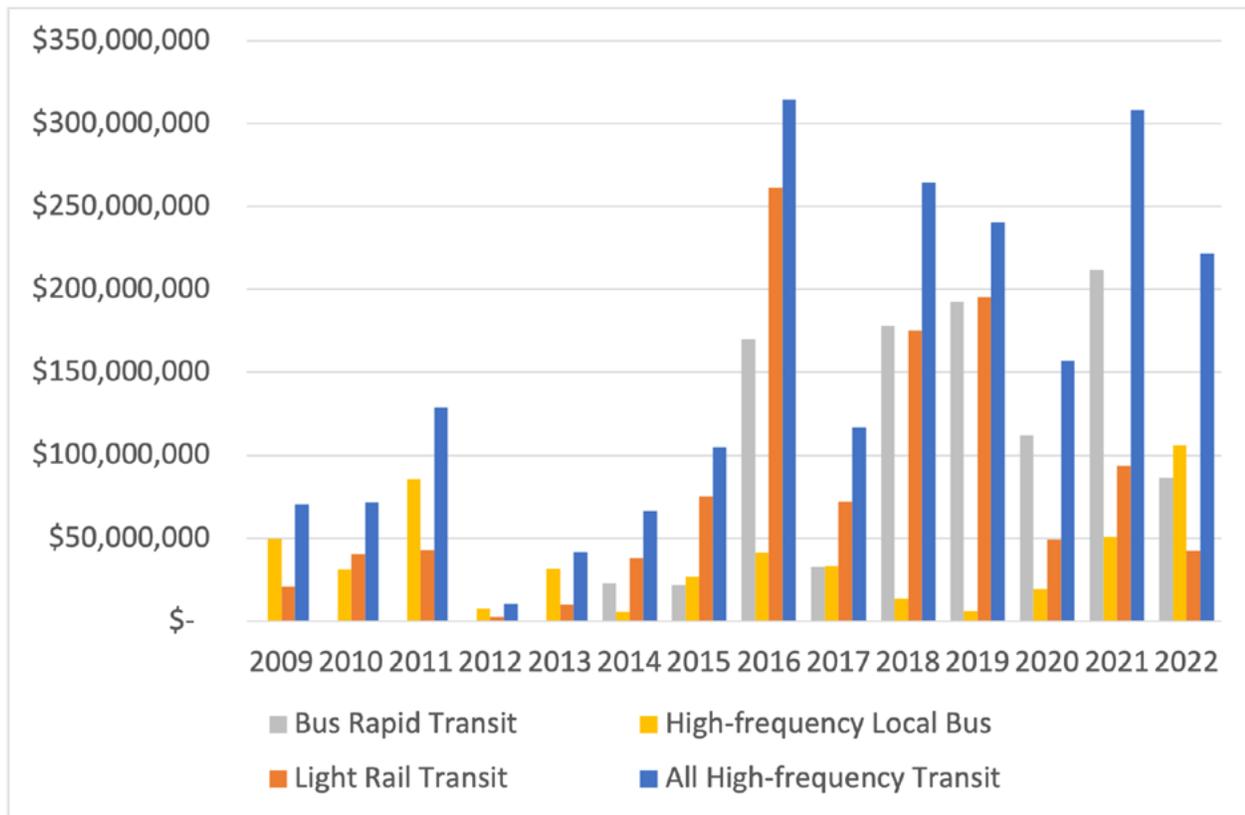
Access to public and institutional developments such as government buildings, hospitals, parks, and schools is an important consideration in determining their location. Placing such developments near transit fosters equity by increasing accessibility to the important community services that these land uses provide.

Over 31% of the region’s public and institutional development has occurred near high frequency transit since 2009, with \$2.1 billion in permit value. Although it is more difficult to identify any general trends in public

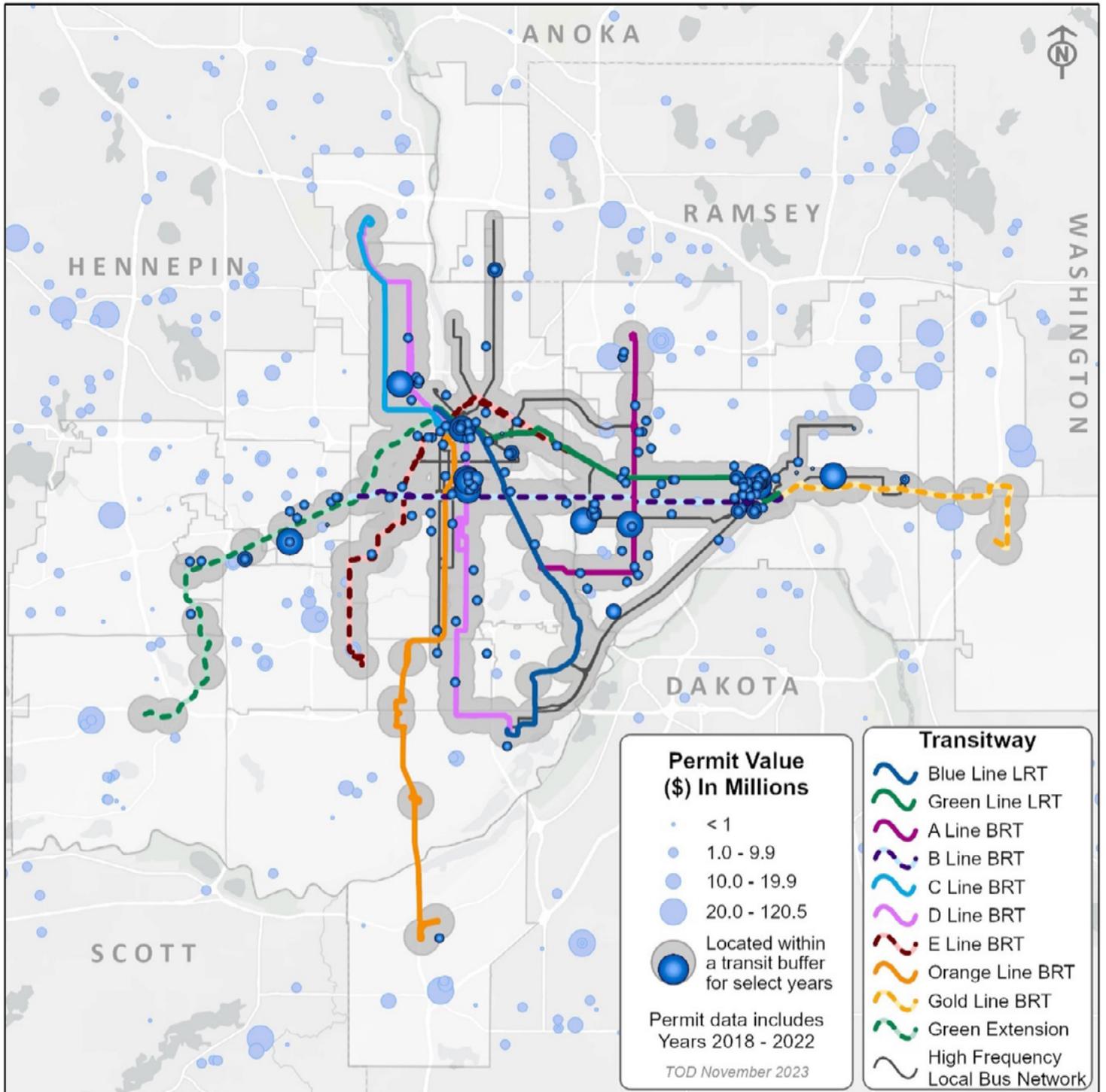
and institutional development, it should be noted that the permit value for public and institutional developments near high frequency transit has displayed an average annual growth rate of 46% since 2009, outpacing the 8% average annual growth rate of public and institutional development regionally for the same period. The compound growth rate for public and institutional permit value between 2009-2022 was 9%, compared to 5% for the region generally.

In 2022, over 35% of public and institutional development permits were issued for areas near high frequency transit.

Chart 11: Public and Institutional Permit Value near High Frequency Transit by Year



Map 3: Public and Institutional Development near High Frequency Transit



Although there are fewer public and institutional developments than commercial or residential developments generally, Map 3 shows clustering near both established transitways and planned transitways. Permits shown for past five years, 2018-2022.

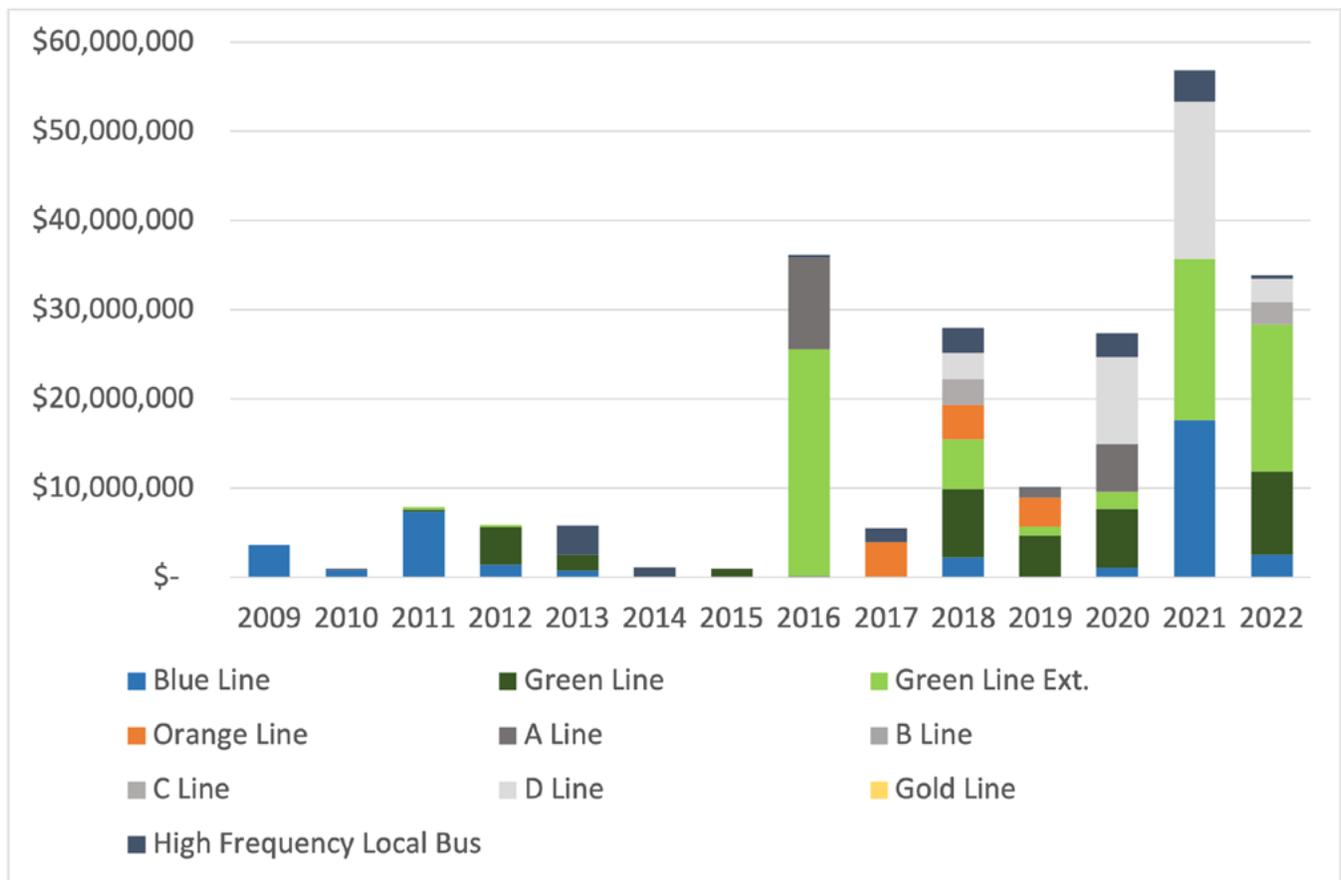
Industrial

From 2009-2022, the compound annual growth rate for industrial permit value was 23% for the region generally, compared to 15% for areas near high frequency transit. The total share of industrial value permitted near high frequency transit in that same period is 4.5%.

As shown in Chart 12, nearly \$25.4 million in permit value was located near the Green Line Extension in 2016. Industrial permits in 2021 hit a new record near high frequency transitways, at \$56.8 million split between the

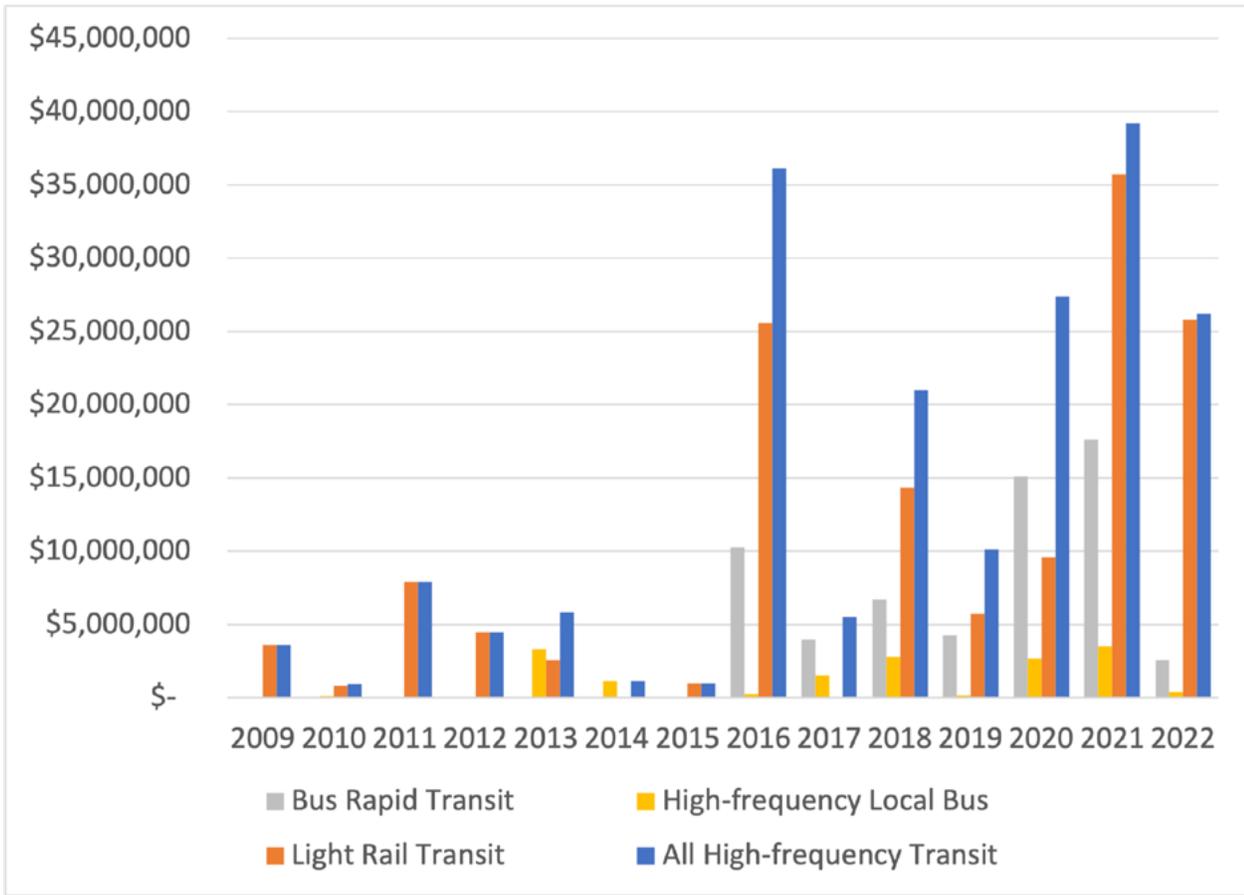
Blue Line, the Green Line Extension, the D Line, and high frequency local bus service. In 2022, industrial permits near high frequency transit were worth over \$35.8 million, representing 3% of the region’s industrial permit value for that year. The Green Line Extension saw \$16.5 million in permit value added in 2022 alone. The E Line also saw just under \$2 million in industrial permit value in this first year after the alignment was approved. 72% of industrial development near high frequency transit has occurred near light rail since 2009.

Chart 12: Industrial Permit Value near High Frequency Transit by Transitway⁶

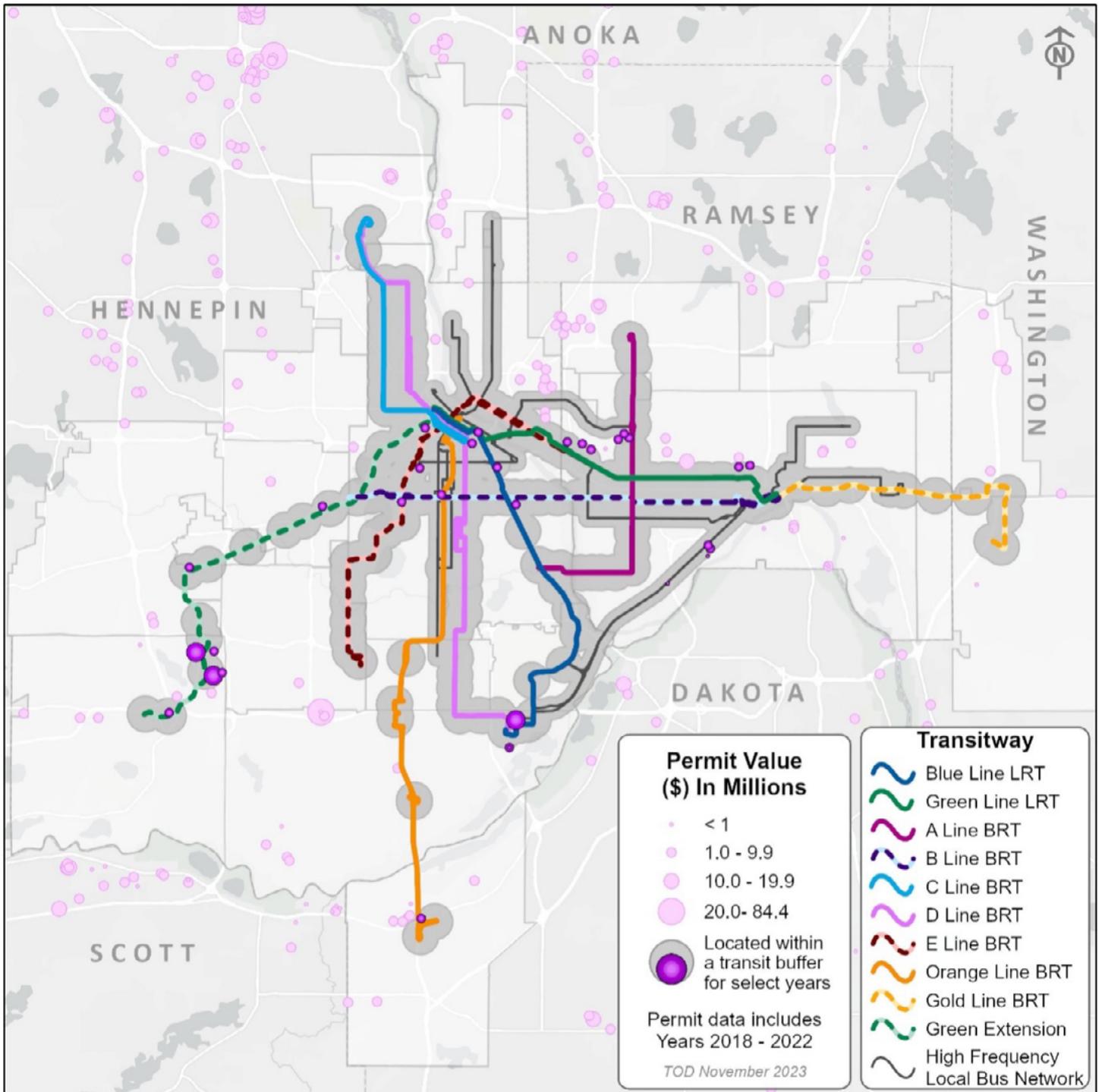


⁶ Due to the nature of the data, permits are reported for each relevant line – value may be double-counted and should be used only to indicate share by line.

Chart 13: Industrial Permit Value near High Frequency Transit by Year



Map 4: Industrial Development near High Frequency Transit



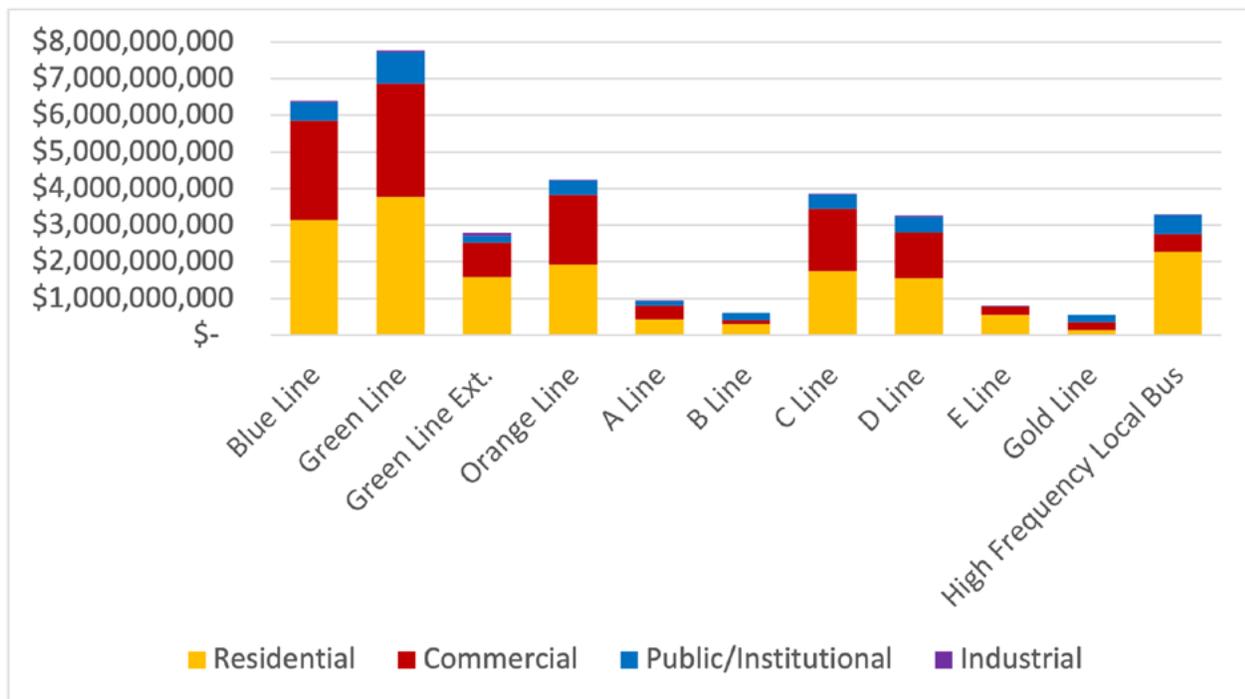
Map 4 shows high value investments in industrial developments occurring near the Green Line Extension. Although the Metropolitan Council is in the process of revisiting the route for the Blue Line Extension, it is assumed that the northern station areas will remain relatively similar – recent investments in this area will therefore likely still benefit from the final alignment. Permits shown for past five years, 2018-2022.

Permitted Development by Transitway and High Frequency Local Bus

Of the \$16.4 billion in development being permitted near high frequency transit, 66% is served by LRT, 46% by BRT, and 20% by high frequency local bus. The well-established Blue Line and Green Line LRT serve 39% and 47% of development value within transit respectively. Multifamily residential development makes up the largest share of most Twin Cities high frequency transit development (56%), with commercial coming in second (30%). In the region generally, multifamily residential development represents 48% of total permit value, and commercial development 27%. The higher share of multifamily residential and commercial development near high frequency transitways would seem to fit with land use expectations for transit oriented areas; however, access to all development types will be key to the success of the high frequency transit system.

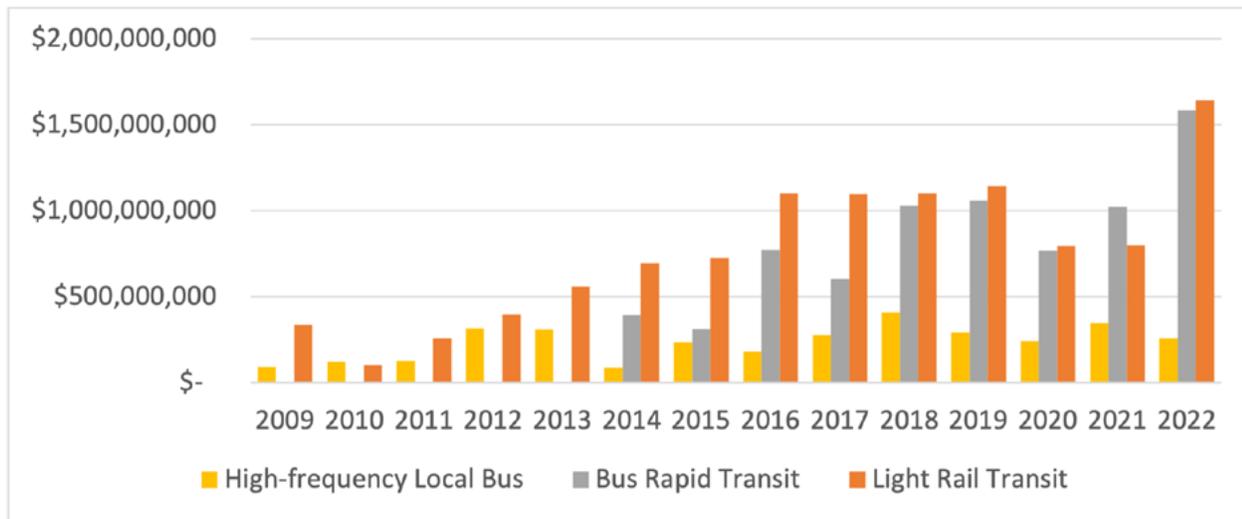
Permit values near high frequency transit have been increasing generally since 2009, as shown in Chart 14. Although most permits have been located near LRT on average since 2009 the proportion of permits for projects near BRT has risen steadily, rising to 61% of development near high frequency transit in 2020 and 65% in 2022. In fact, permits near BRT have made up an average of 52% of the value near high frequency transit since BRT began to be tracked in 2016. New BRT lines have also led to fewer double-counted permits between LRT and BRT transitways, with an increasing number of developments located outside of downtown Minneapolis and the LRT corridors.

Chart 14: Permitted Development Value by Transitway (2009-2022)⁷



⁷ Permits are reported for each line – value may be double counted.

Chart 15: Permitted Development Value near High Frequency Transit by Transit Mode Over Time ⁸



Percentage of Regional Development (Seven-County) served by high frequency transit

The area served directly by high frequency transit is just 3.2% of the region’s total land area but has contained 37% of the region’s permitted development value since 2009. The areas served by light rail transit represent 24% of the permitted development value on just 1% of the region’s land area. As more development locates near high frequency transit, the benefits of living and working near high frequency transit increase, which encourages more development to locate near high frequency transit.

When developments are categorized by type, we find that the following share of development was located near high frequency transit:

When developments are categorized by type, we find that the following percentages of development have located near high frequency transit:

- Residential: 43%
- Commercial: 42%
- Public/Institutional: 31%
- Industrial: 5%
- Total: 37%

The following charts show permitted development value by transit mode, time, and the share of regional development value served by transit. During the past ten years, an annual average of 37% of regional development has occurred near high frequency transit.

The ten-year compound annual growth rate for permit values in areas near high frequency transit has been 11%, compared to 10% in the region generally. Growth in permit value near high frequency transit has thus been outpacing growth in the rest of the region. Even in the period since 2018 – including a severe drop in permit value during 2020 – areas near high frequency transit show a compound annual growth rate of 7%, compared to 6% in the rest of the region. Additionally, areas near high frequency transit saw a more significant rebound in 2022 and 2022 than the region generally, although the overall share of permit value near high frequency transit was just 36% in 2021. The share of permit value near high frequency transit reached 40% in 2022.

Although development is occurring across the Twin Cities metropolitan region – as shown in the maps throughout this report – the greatest concentration of permit value clearly lies within the central business district of Minneapolis. Downtown Minneapolis has seen 35% of permit value near high frequency transit, and 13% of permit value in the region generally. Other development cores like downtown St. Paul, the Uptown neighborhood of Minneapolis, and the University of Minnesota are also locations of intense development activity.

These permit value hotspots correlate with areas of increased transit density, where more than one high frequency transit route is available.

⁸ Permits are reported for each line – value may be double-counted.

Chart 16: Development Type near High Frequency Transit by Transit Mode (2009-2021)

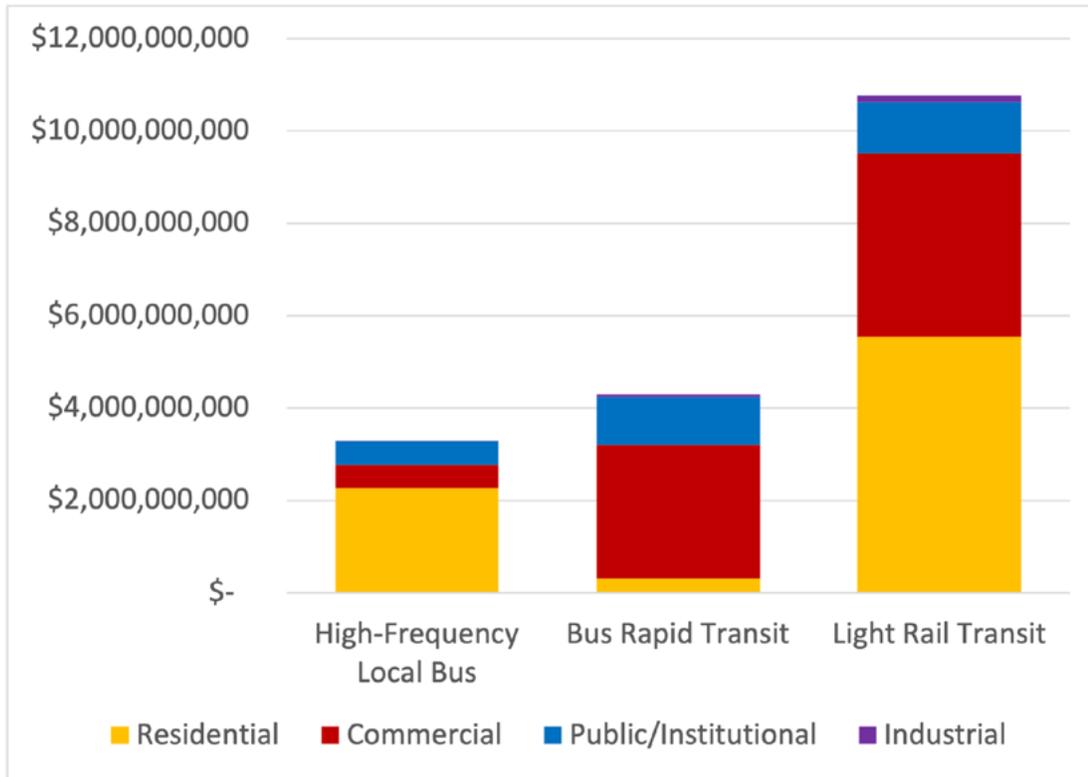


Chart 17: Permitted Development Value occurring near High Frequency Transit over time

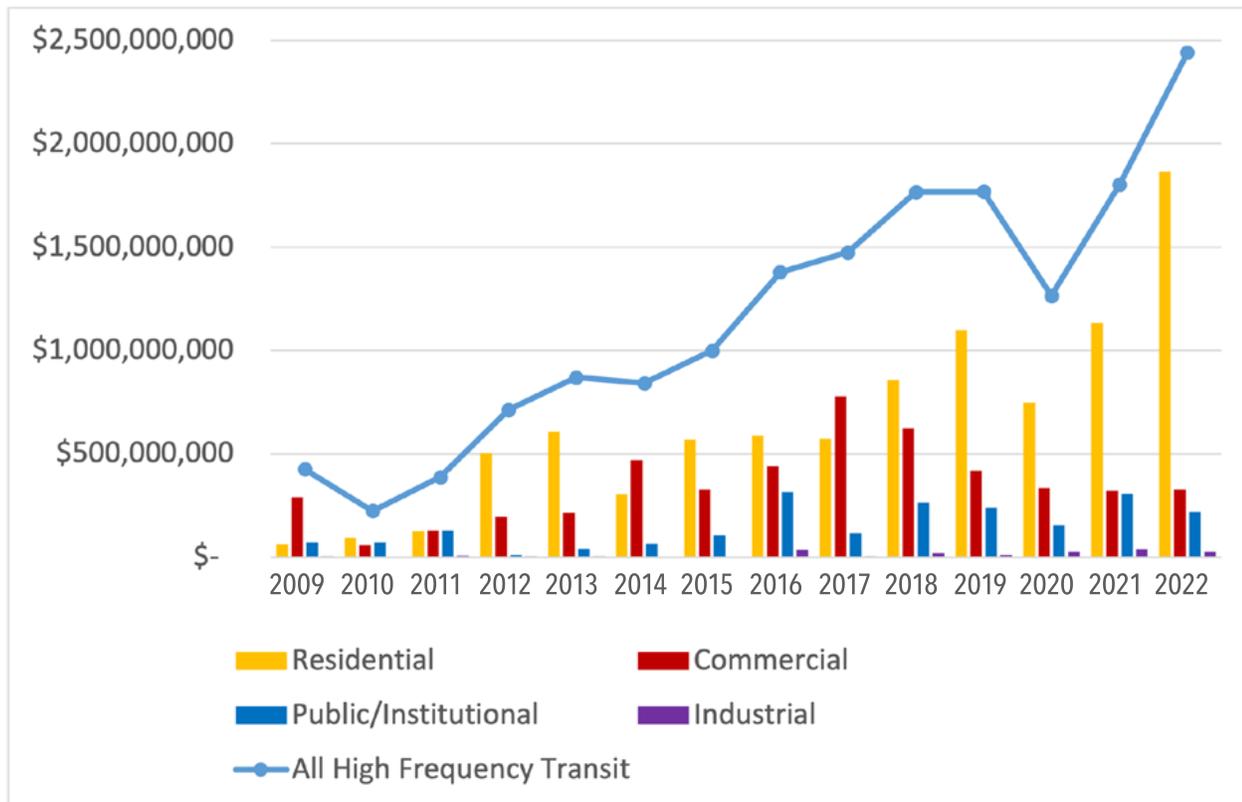


Chart 18: Share of Permitted Development value near High Frequency Transit (2009-2022)

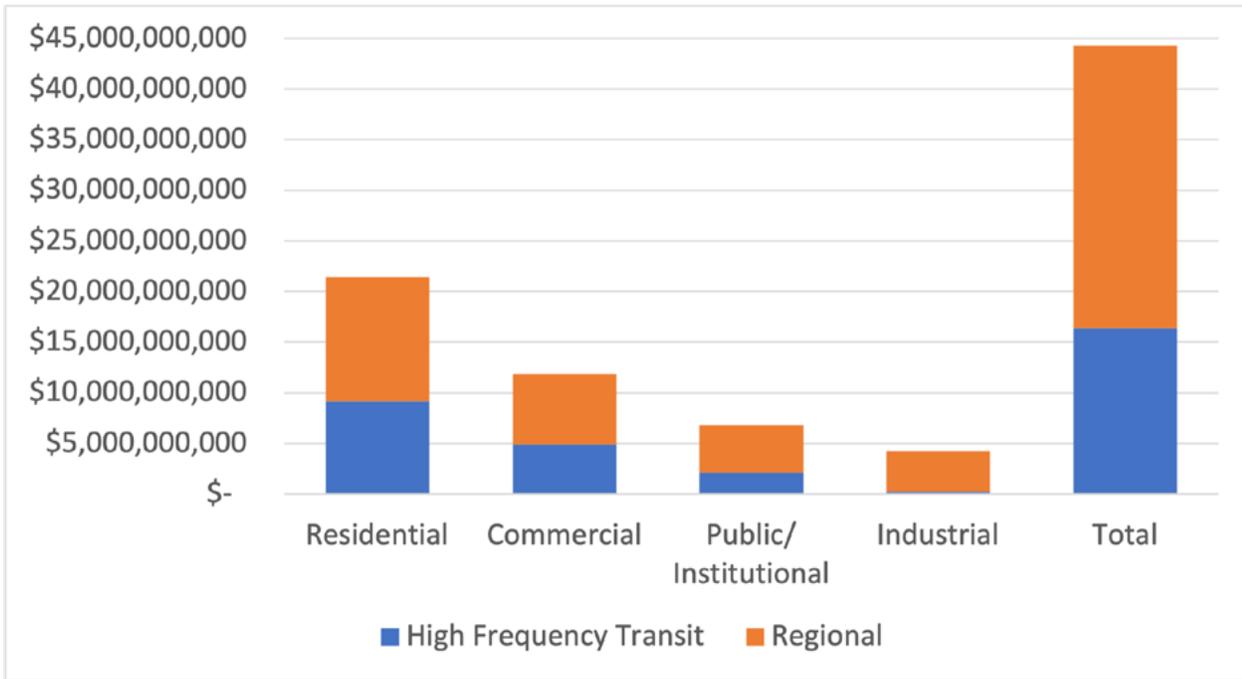
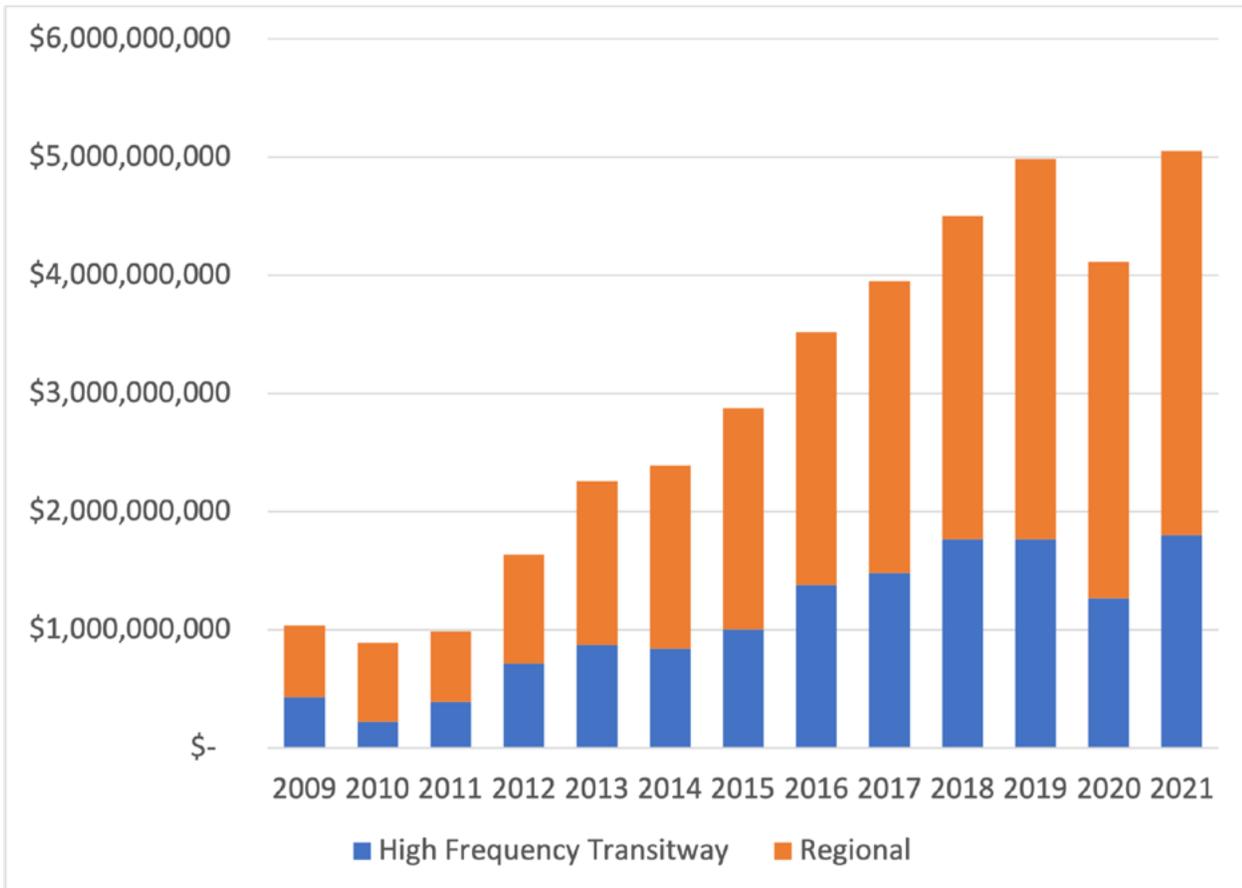


Chart 19: Regional Development Value Served by High Frequency Transit per year



Planned Development

Over the past decade, a significant share of development has located along high frequency transit. From 2009 to 2022, 37% of regional development occurred near high frequency transit. Looking forward, the Council has identified \$10.8 billion in development that have been announced for developments near high frequency transit. This represents 70% of the planned development in the region on 3.2 % of land area. Most dramatically, 87% of all mixed-use development (mostly commercial/residential) is planned near high frequency transit.

Planned Multifamily Residential

Over 36,900 multifamily units are currently planned along high frequency transit. This represents 47% of the units that are planned for the region. 20,000 units are planned near LRT stations and 25,400 units are planned near BRT stations. Some of these units are planned near both LRT and BRT. Over half of the multifamily units planned along high frequency transit are planned as part of a mixed-use development (56%). Chart 20 shows the share of announced planned units along high frequency transitways that are part of mixed-use developments.

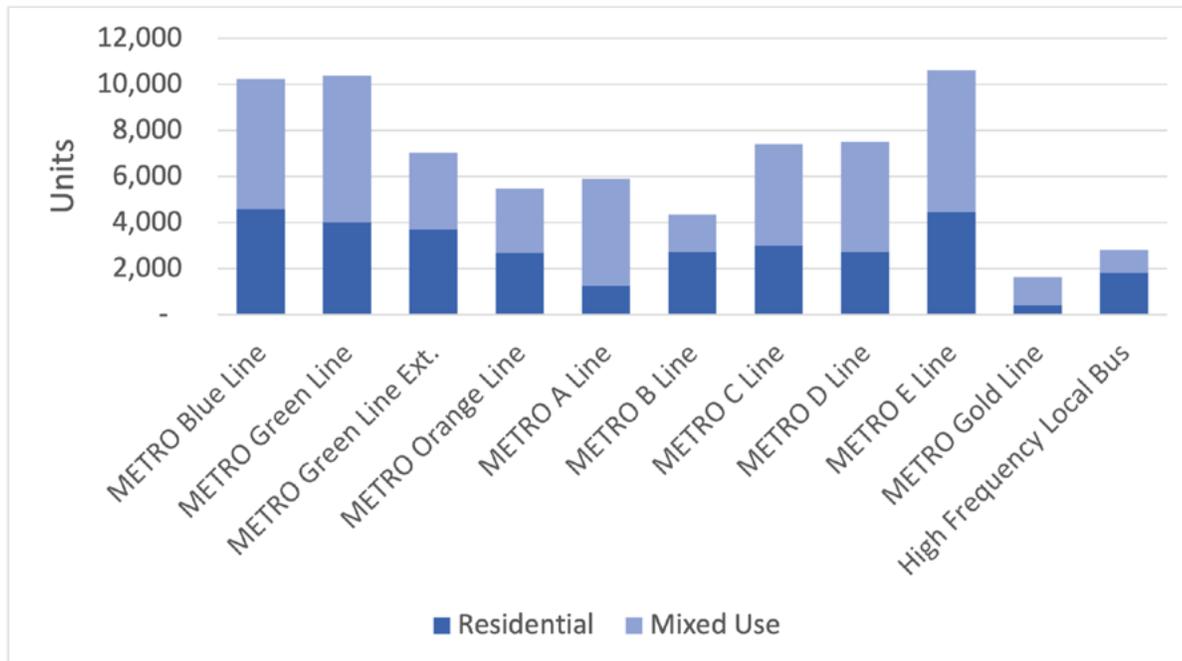
Bearing in mind that planned developments have been primarily drawn from media coverage and therefore are

PLANNED Development Highlights:

- **\$10.84 billion** in development value is planned along high frequency transit. This represents 70% of the development planned in the region.
 - **\$6.6 billion** in development is planned near LRT stations.
 - **\$9.1 billion** in development is planned near BRT stations.
- **36,900** multifamily units are currently planned along high frequency transit. This represents 47.4% of the units planned in the region.
 - **20,000** multifamily units are planned near LRT stations.
 - **25,400** multifamily units are planned near BRT stations.
 - **56%** of multifamily units near high frequency transit are planned as part of a mixed-use development.
- **44%** of planned development value in the region is mixed use.
 - **60%** of mixed-use development is planned near high frequency transit.

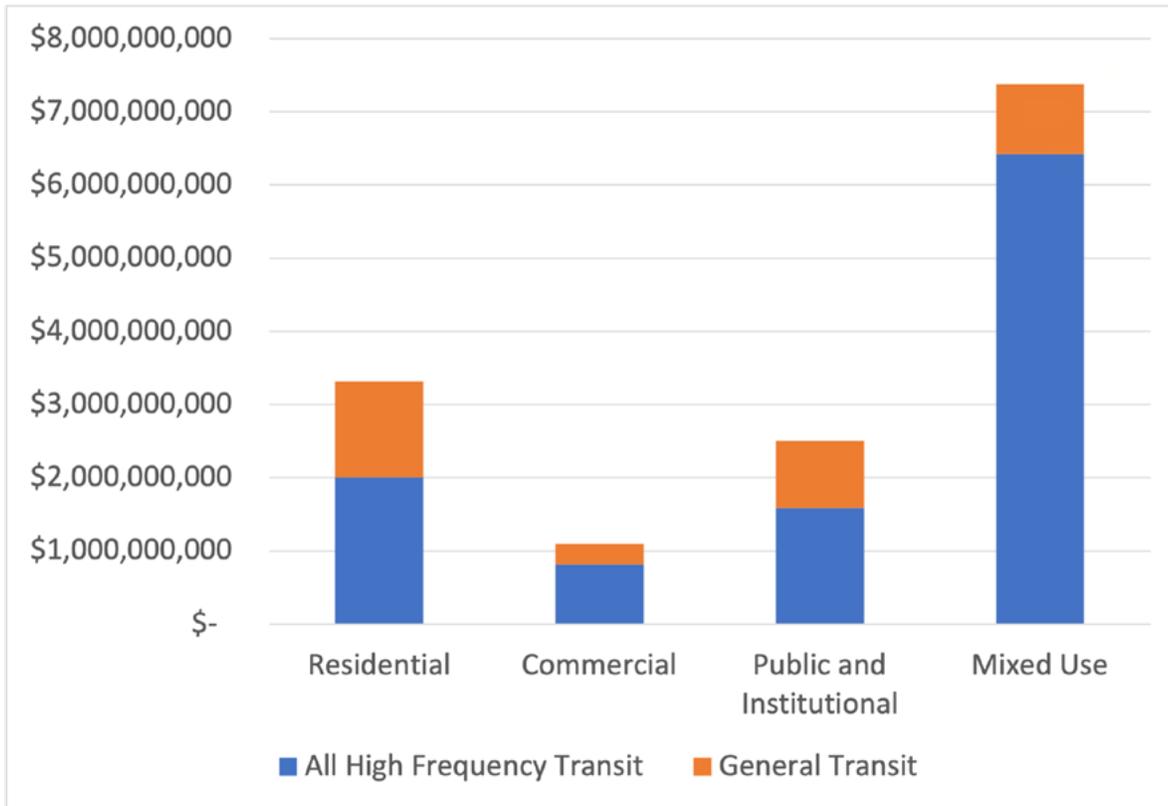
not comprehensive, the E Line is anticipated to add 10,600 units after having only become a qualifying high frequency transitway in 2022. The established LRT corridors continue to have additional new units planned along their routes, with both the Green Line and the Blue Line reported to expect over 10,000 new units of multifamily housing. The C Line and the D Line are expected to add more than 7,400 new units each, with other BRT lines also expected to receive new units.⁹

Chart 20: Planned Multifamily Units near High Frequency Transit

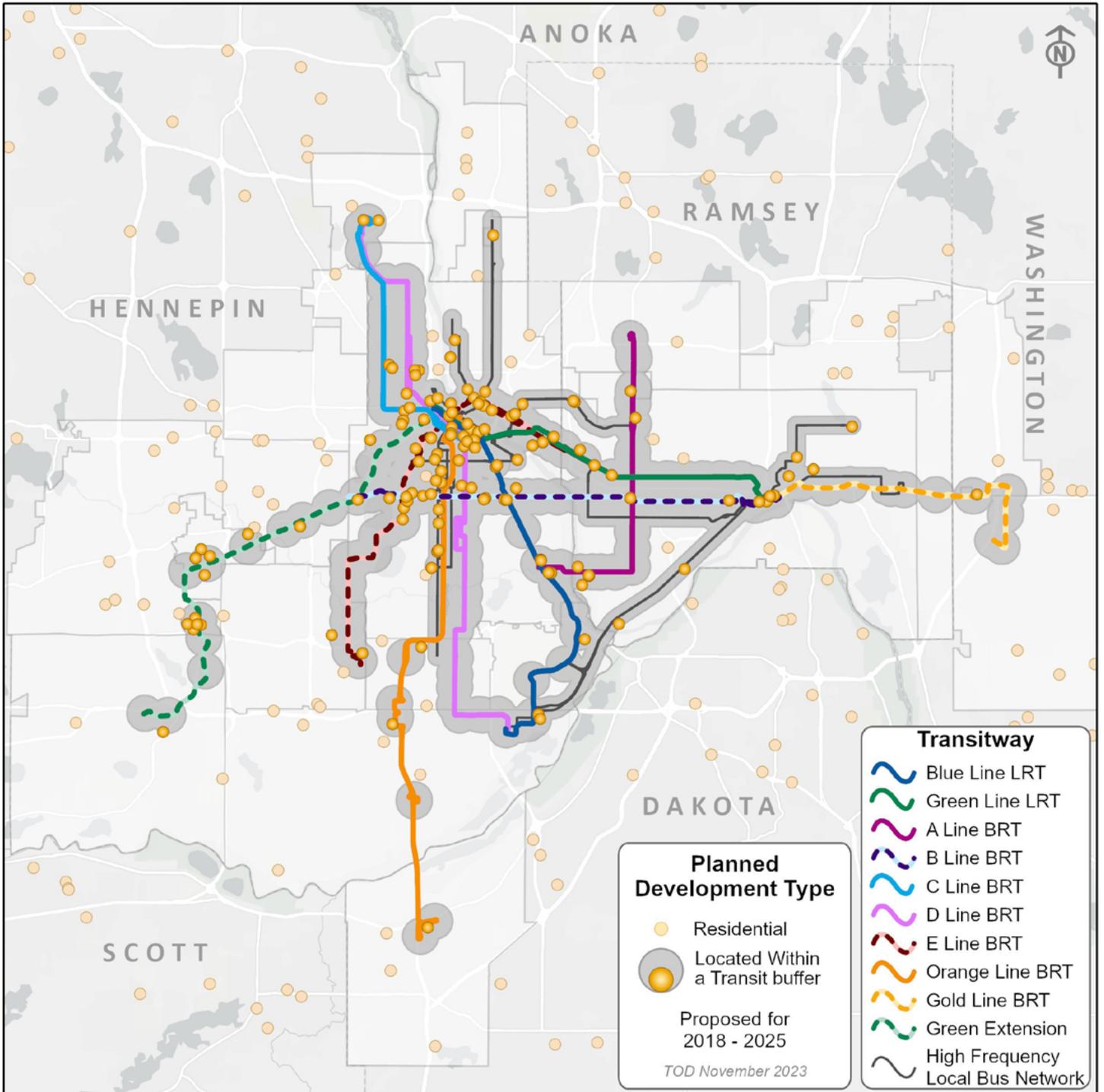


⁹ Permits are reported for each line – value may be double-counted.

Chart 21: Value of Planned Development near High Frequency Transit by Development Type



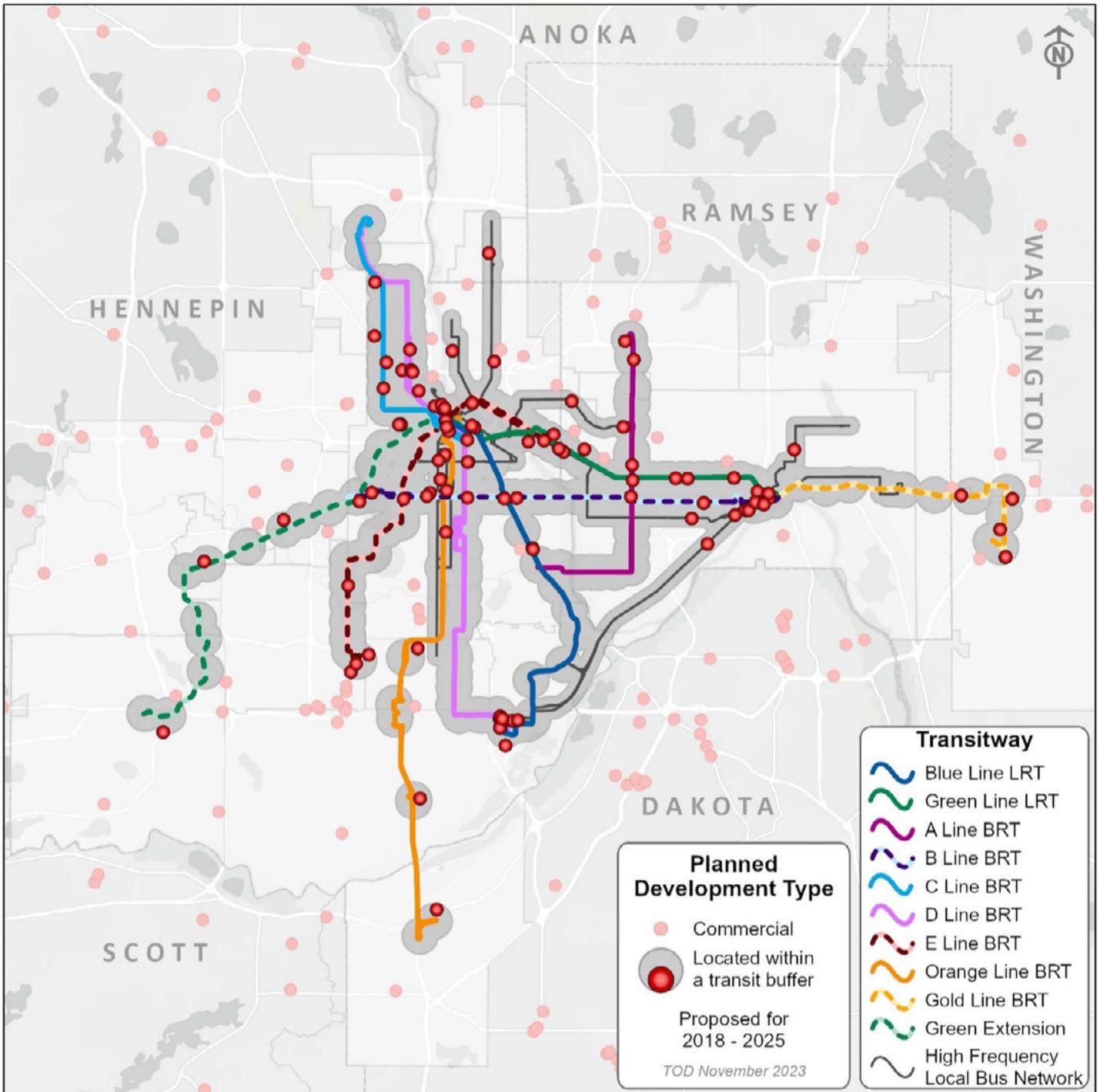
Map 5: Planned Multifamily Development



Map 5 shows the locations of planned multifamily development across the region. Because not all developers advertise the number of units or the value of the development, the map does not scale the development by size. As is evident from the map, residential developments are clustered most intensely around downtown Minneapolis. Residential clusters can also be found in Uptown Minneapolis, around the University of Minnesota and in downtown St. Paul.

Commercial

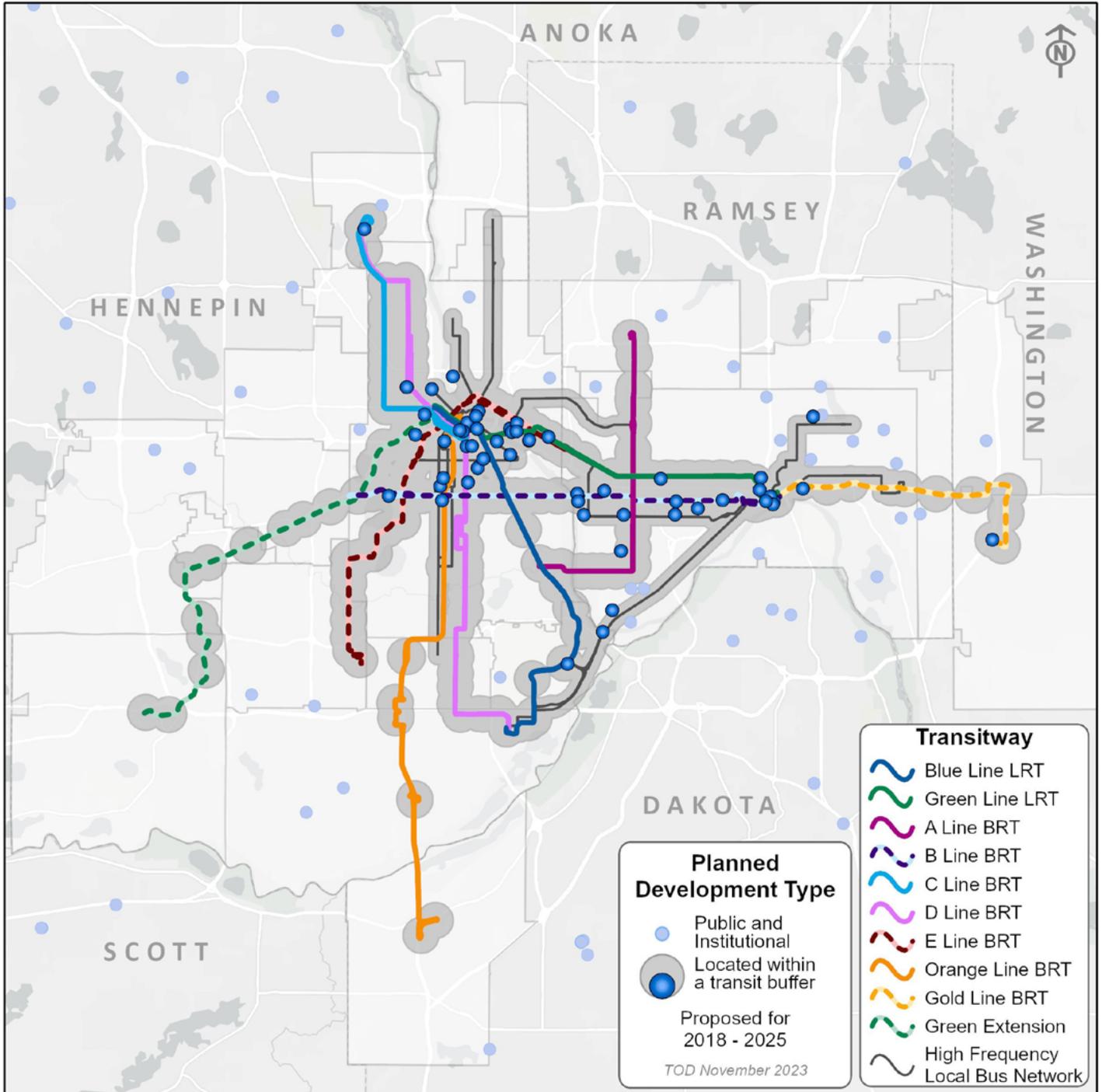
Map 6: Planned Commercial Development



Map 6 shows the locations of planned commercial development across the region. As is evident from the map, commercial developments are clustered most intensely around downtown Minneapolis. Commercial clusters can also be found in downtown St. Paul and in Bloomington around the Mall of America.

Public and Institutional

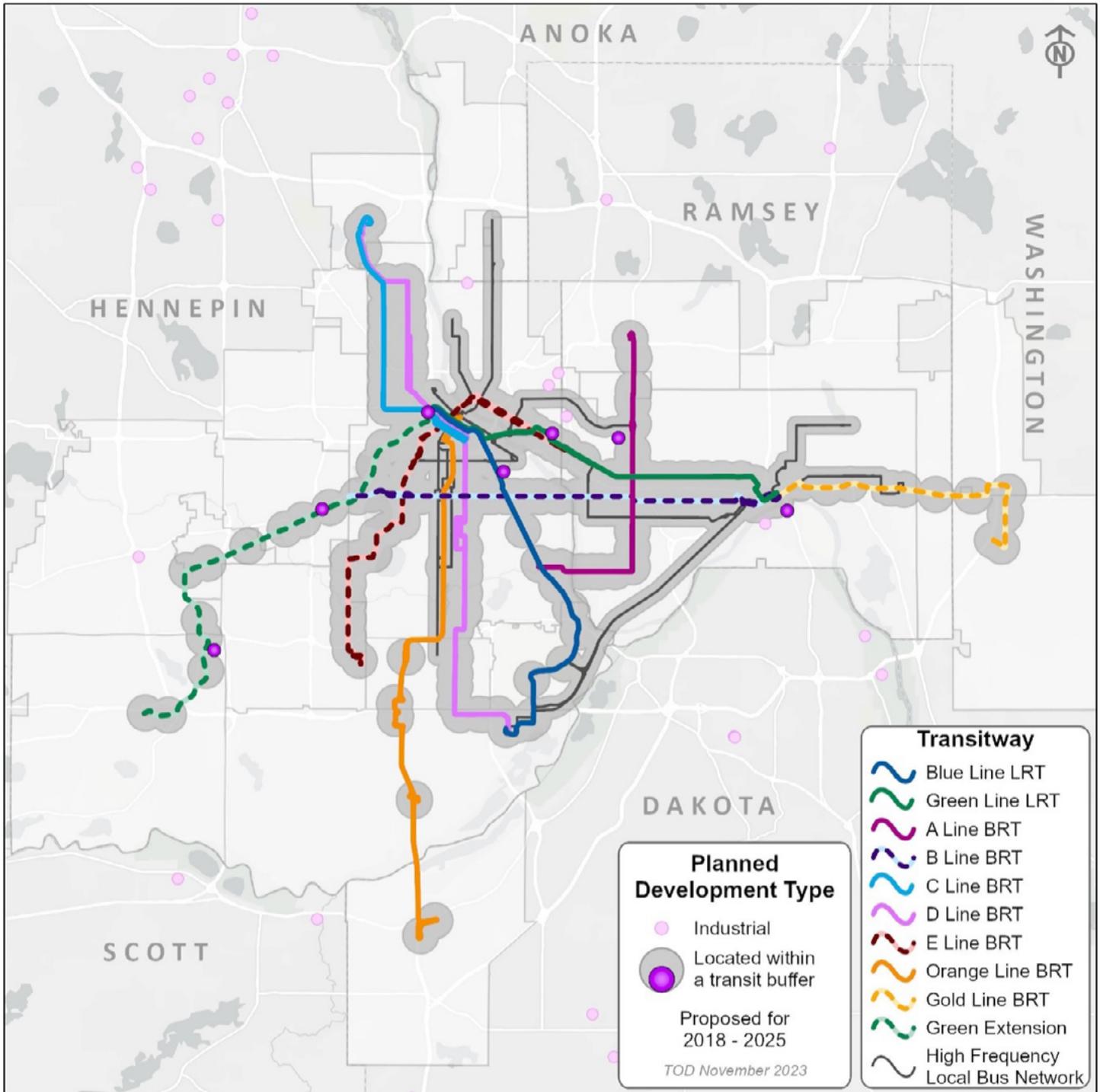
Map 7: Planned Public/Institutional Development



Map 7 shows the locations of planned public and institutional development across the region. Some clustering can be seen near both downtown Minneapolis and downtown St. Paul.

Industrial

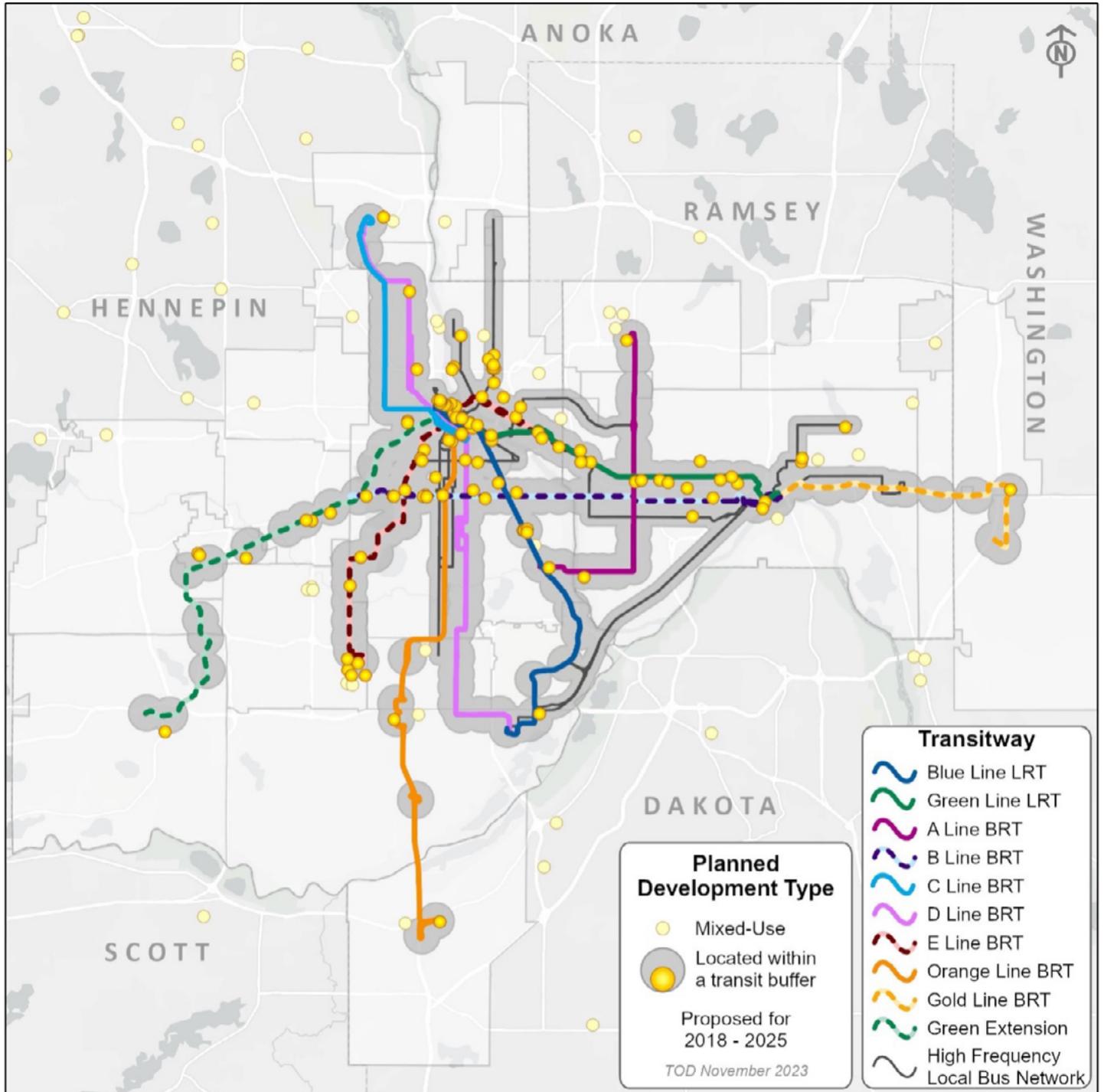
Map 8: Planned Industrial Development



Map 8 shows the locations of planned industrial development across the region. No trends are immediately apparent from the map.

Mixed Use

Map 9: Planned Mixed Use Development



79% of mixed use development value is planned near high frequency transit (Map 9). Over 99% of the mixed-use development is a blend of commercial and residential development.

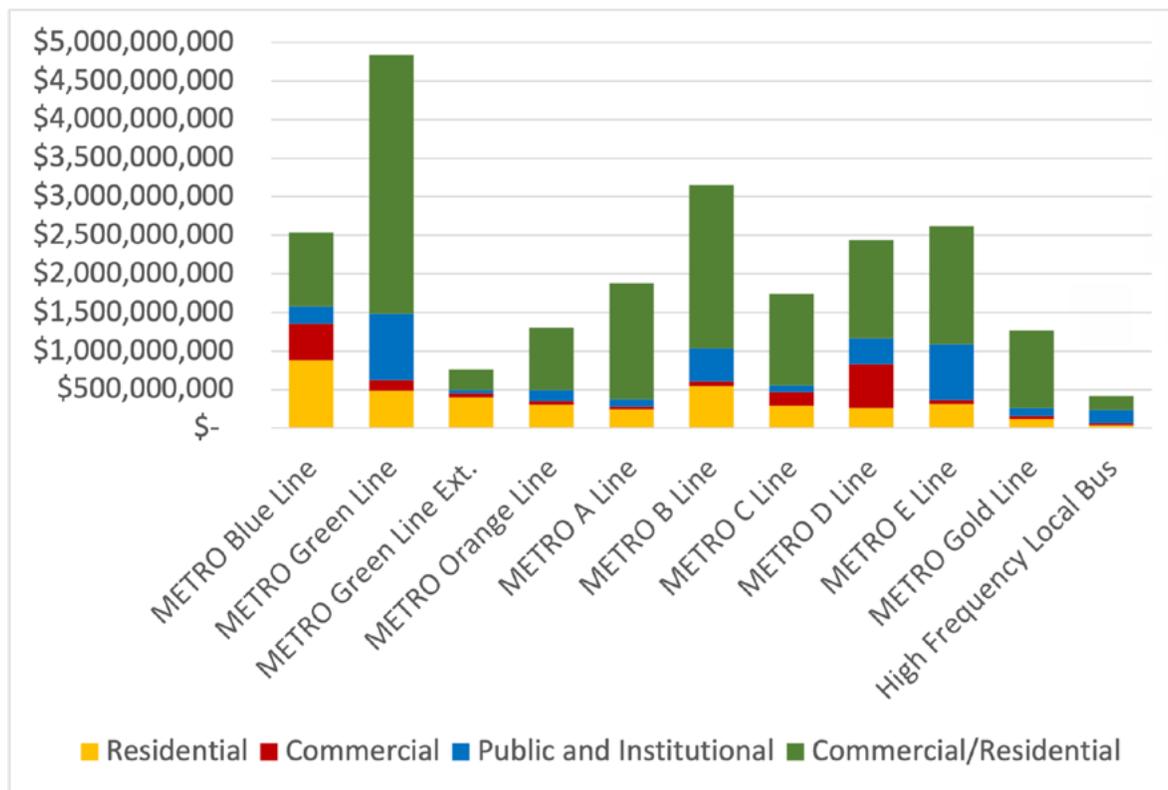
Planned Development by Transitway and High Frequency Local Bus

The Council has identified \$14.7 billion in planned development. Of that, \$10.8 billion (70%) is planned near high frequency transit. \$6.6 billion in development is planned near LRT stations. \$9.1 billion in development is planned near BRT stations. Some of these developments are planned in areas served by both LRT and BRT.

Chart 22 shows the value of development by type that is planned for each transitway. The majority of this development is commercial/residential, which means that it combines commercial and residential uses. Of the planned development, more than \$4.8 billion is planned along the Green Line. The B Line, which became a qualifying high

frequency transitway in 2021 with a Council-approved station plan, is expected to see more than \$3.1 billion in new development value. Interestingly, although the Council's development tracking indicates that 10,600 new units will be added near the E Line, the available data does not show comparably high amounts of development value. This discrepancy could be due to how planned developments have been reported – e.g. reporting might have focused more on unit counts – or it could indicate that developments planned near the E Line might tend to be more affordable. Further analysis will be necessary.

Chart 22: Value of Planned Development by Transitway¹⁰⁰



¹⁰⁰Permits are reported for each line – value may be double-counted.

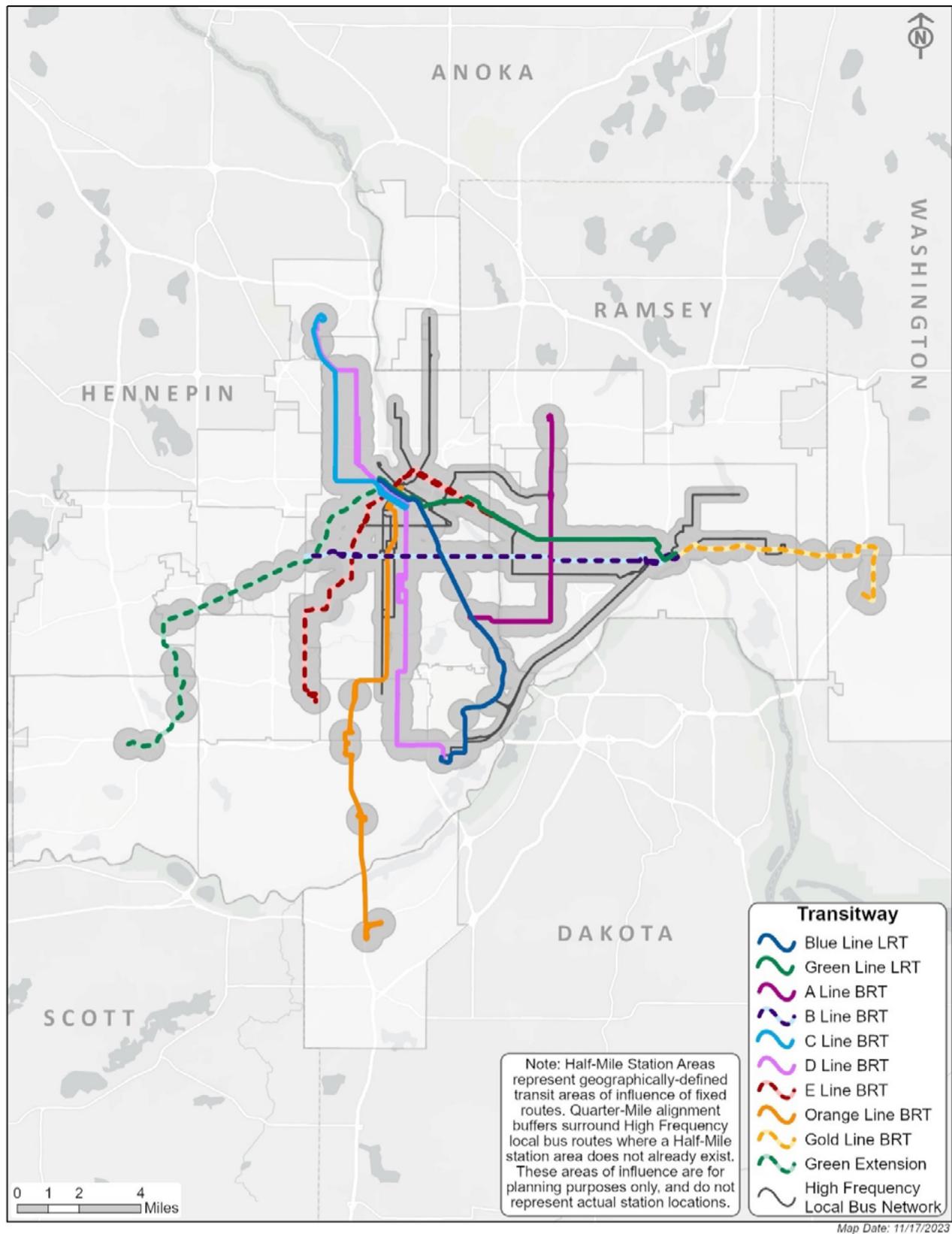
Contact Information

For questions or comments on the information included in this report, please email us at TOD@metrotransit.org, or check out our website at metrotransit.org/tod.

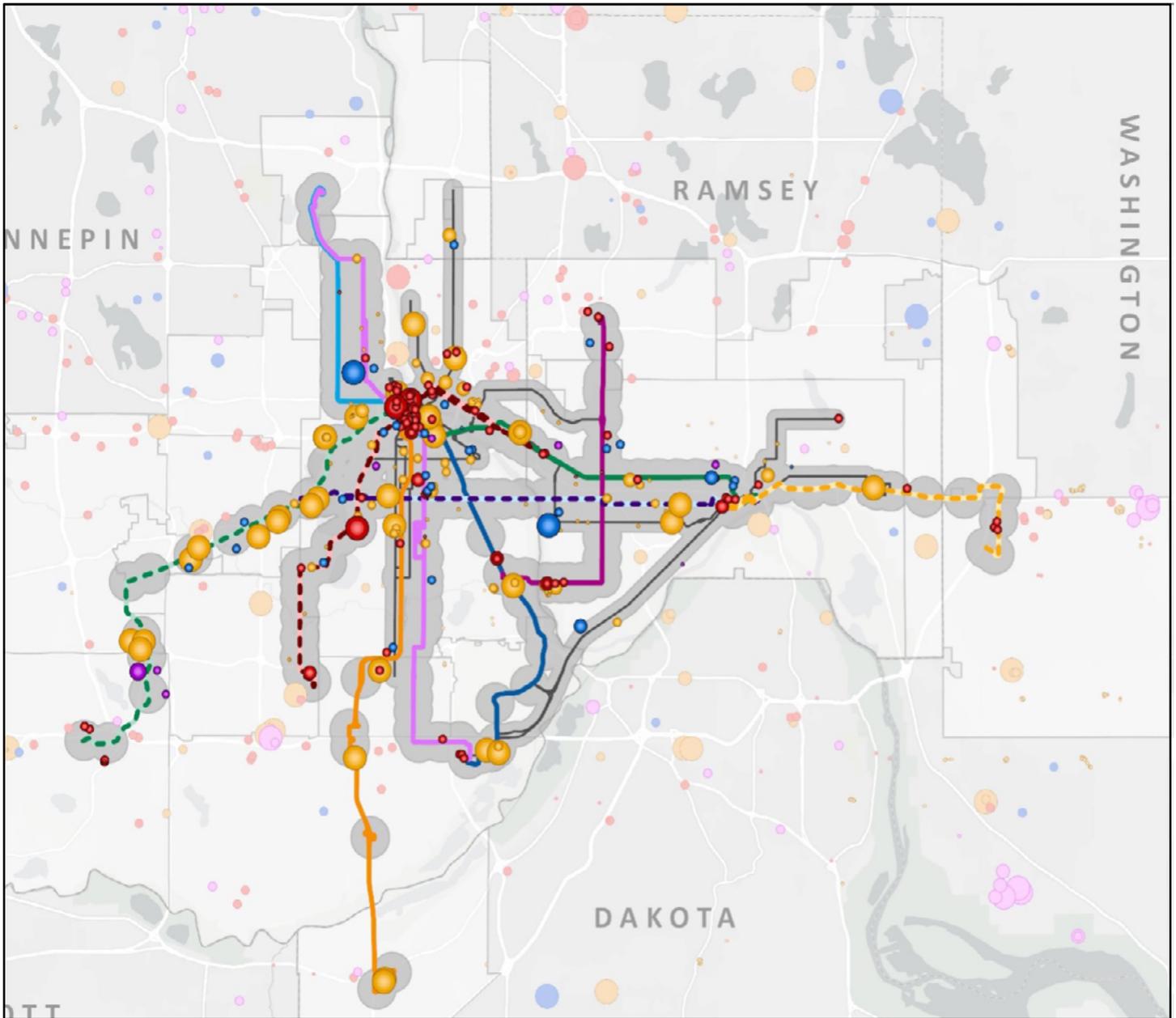
Data from the Metropolitan Council's building permits survey and the Council's population forecasts are available at metrotransit.org/data.



Appendix A – High Frequency Transit Map



Appendix B – 2022 Permitted Development



Appendix B – 2022 Permitted Development

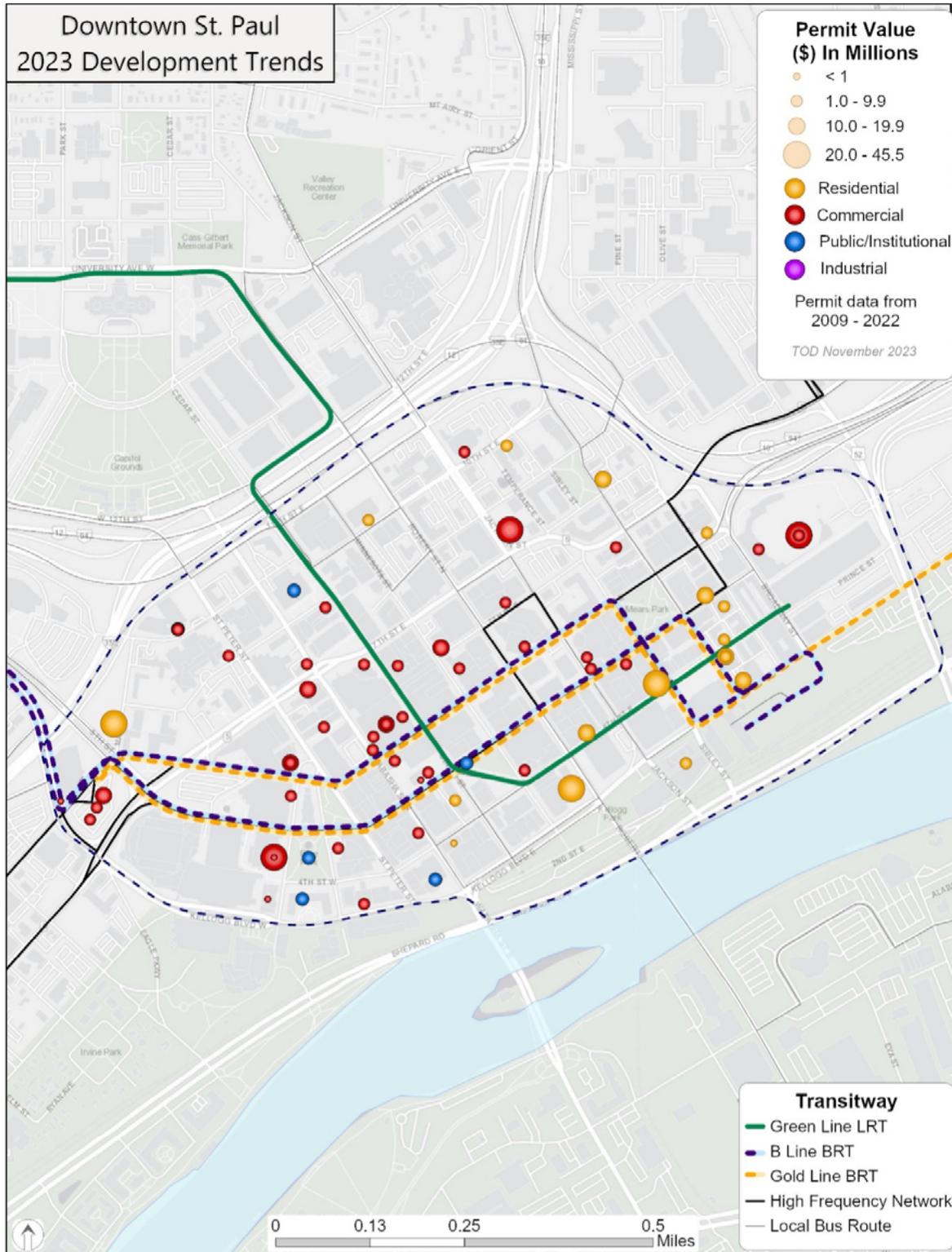
Development Types	Permitted Development
Residential (Units)	5,500
Residential	\$1,864,165,000
Commercial	\$327,861,000
Public/Institutional	\$221,533,000
Industrial	\$26,201,000
Total	\$2,439,760,000
Downtown Minneapolis	\$762,804,000
Downtown Saint Paul	\$30,828,000
Affordable Units – 60% AMI	\$2,200
Affordable Units - 30% AMI	360

Appendix C – Downtown Minneapolis

Development Types	Permitted Development	Planned Development
Residential (Units)	13,315	5,900
Residential (Value)	\$2,825,998,000	\$352,800,000
Commercial (Value)	\$ 2,430,006,000	\$65,000,000
Public/Institutional (Value)	\$412,044,000	\$175,500,000
Industrial	\$6,913,000	\$20,000,000
Mixed Use (Value)	N/A	\$919,000,000
Total (Value)	\$5,674,961,000	\$1,532,300,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	415	3%
Affordable up to 60% AMI	1,230	9%

Appendix D – Downtown Saint Paul

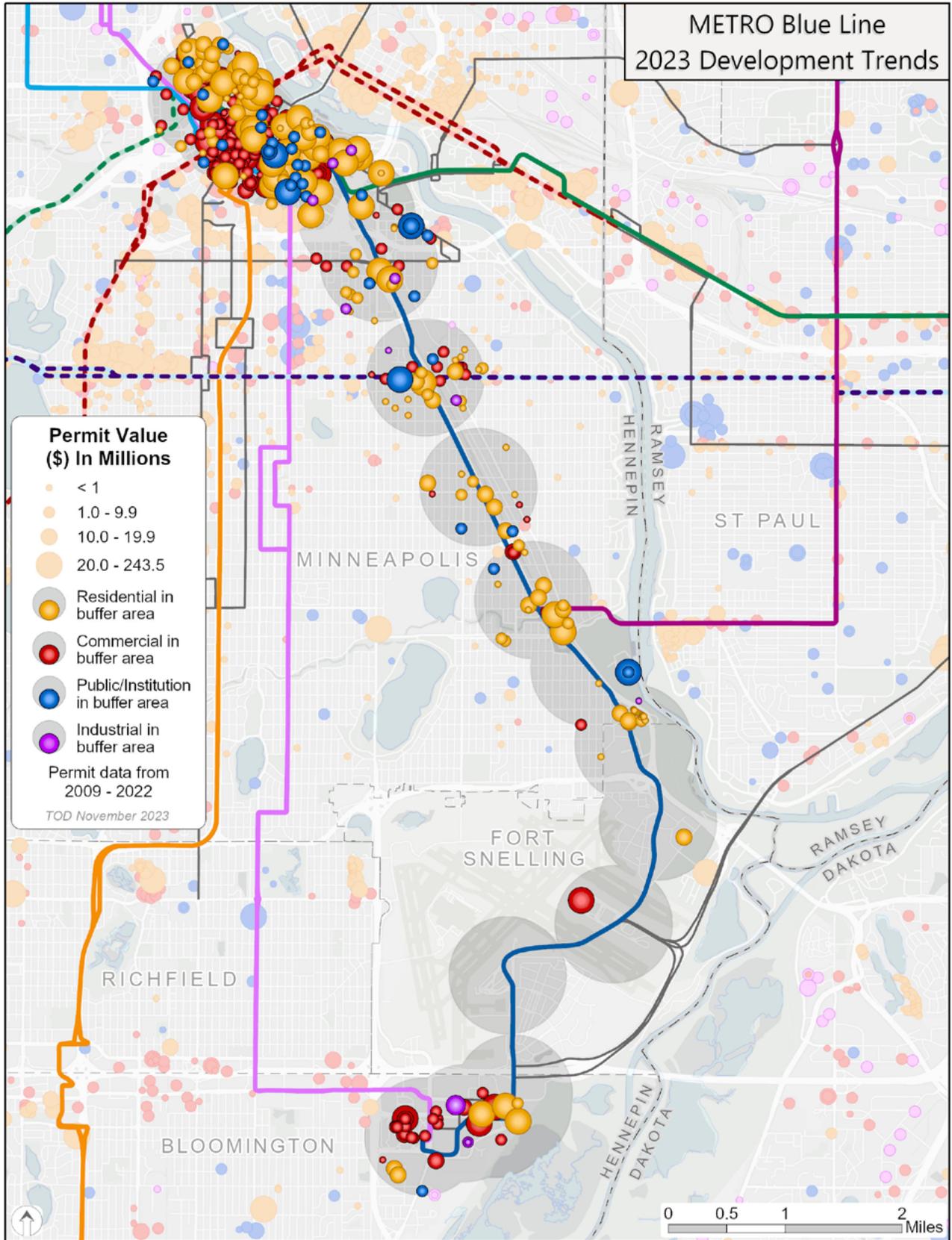


Appendix D – Downtown Saint Paul

Development Types	Permitted Development	Planned Development
Residential (Units)	2,000	5,900
Residential (Value)	\$186,847,000	\$87,353,299
Commercial (Value)	\$326,232,000	\$27,000,000
Public/Institutional (Value)	\$13,721,000	\$104,500,000
Industrial	\$ -	\$ -
Mixed Use (Value)	N/A	\$ -
Total (Value)	\$526,800,000	\$218,853,299

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	285	14%
Affordable up to 60% AMI	520	26%

METRO Blue Line



Appendix D – Downtown Saint Paul

Appendix D – Downtown Saint Paul

Development Types	Permitted Development	Planned Development
Residential (Units)	2,000	5,900
Residential (Value)	\$186,847,000	\$87,353,299
Commercial (Value)	\$326,232,000	\$27,000,000
Public/Institutional (Value)	\$13,721,000	\$104,500,000
Industrial	\$ -	\$ -
Mixed Use (Value)	N/A	\$ -
Total (Value)	\$526,800,000	\$218,853,299

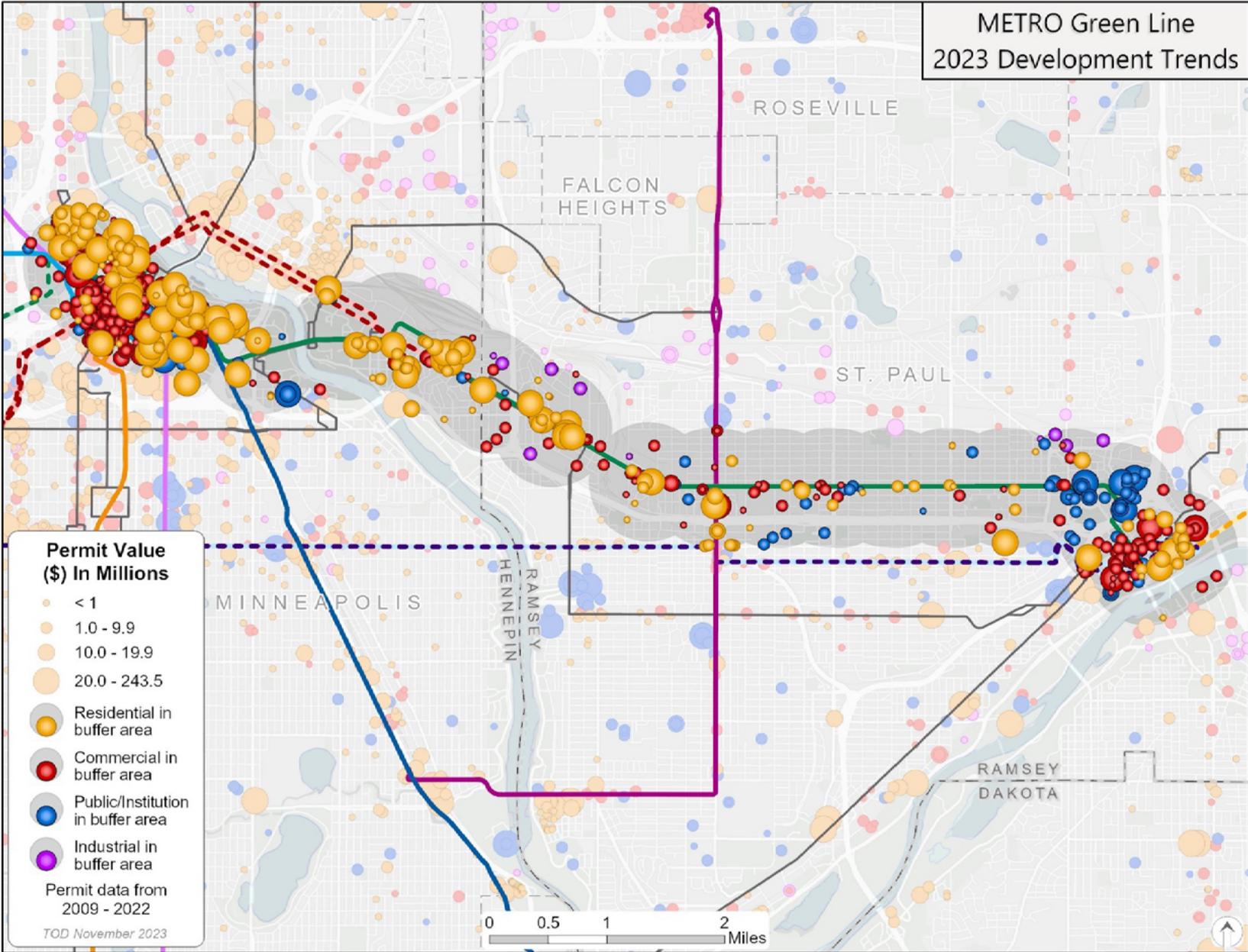
Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	285	14%
Affordable up to 60% AMI	520	26%

METRO Blue Line

Development Types	Permitted Development	Planned Development
Residential (Units)	15,750	5900
Residential (Value)	\$3,139,900,000	\$884,158,000
Commercial (Value)	\$2,717,031,000	\$472,000,000
Public/Institutional (Value)	\$505,708,000	\$225,000,000
Industrial	\$37,565,000	\$20,000,000
Mixed Use (Value)	N/A	\$952,900,000
Total (Value)	\$6,400,204,000	\$2,554,058,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	620	4%
Affordable up to 60% AMI	2,100	13%

METRO Green Line

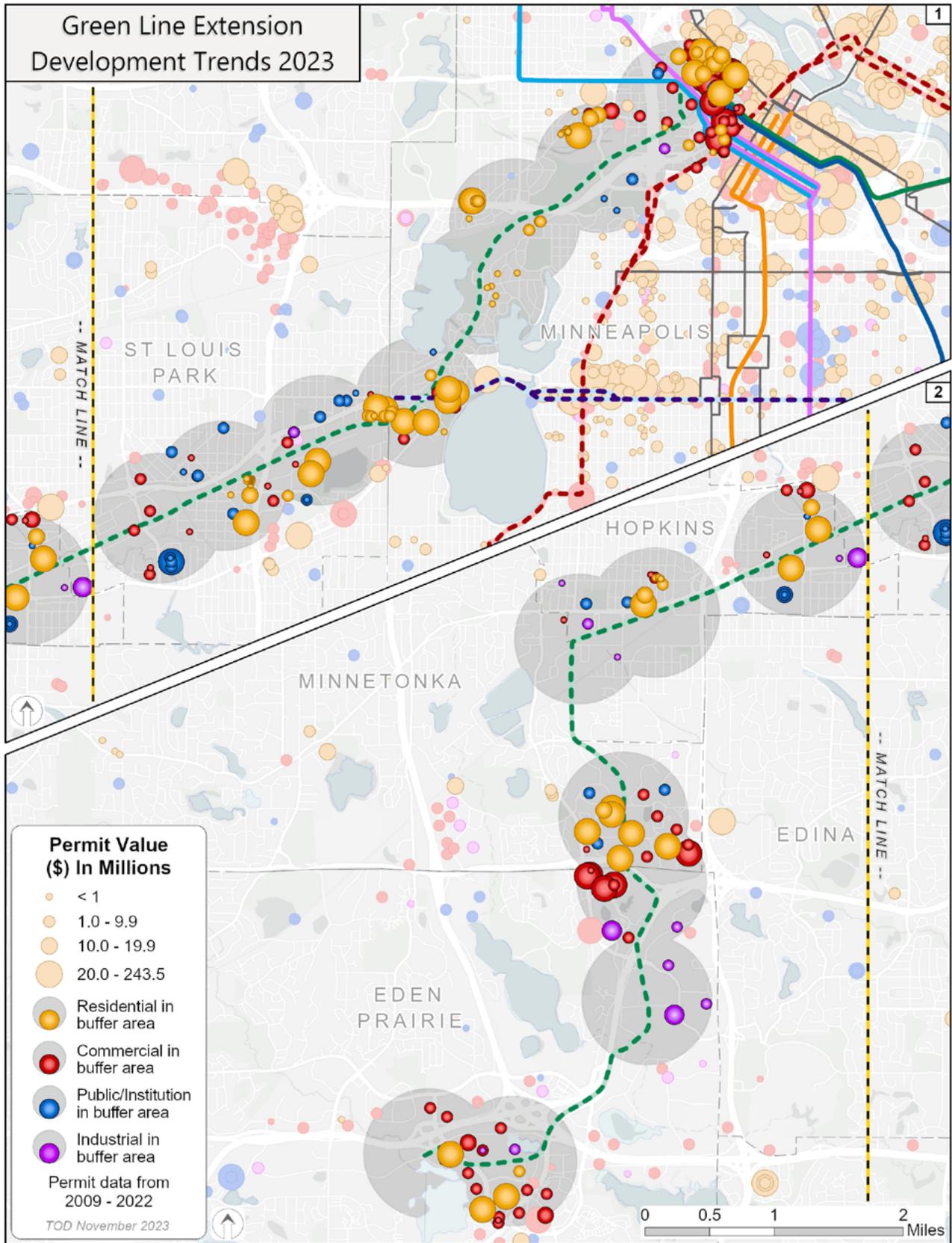


METRO Green Line

Development Types	Permitted Development	Planned Development
Residential (Units)	21,300	10,400
Residential (Value)	\$3,776,997,000	\$487,053,200
Commercial (Value)	\$3,091,183,000	\$136,200,000
Public/Institutional (Value)	\$861,258,000	\$857,500,000
Industrial	\$35,587,000	\$20,000,000
Mixed Use (Value)	N/A	\$3,355,800,000
Total (Value)	\$7,765,025,000	\$4,856,553,200

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	730	3%
Affordable up to 60% AMI	2,710	13%

METRO Green Line Extension

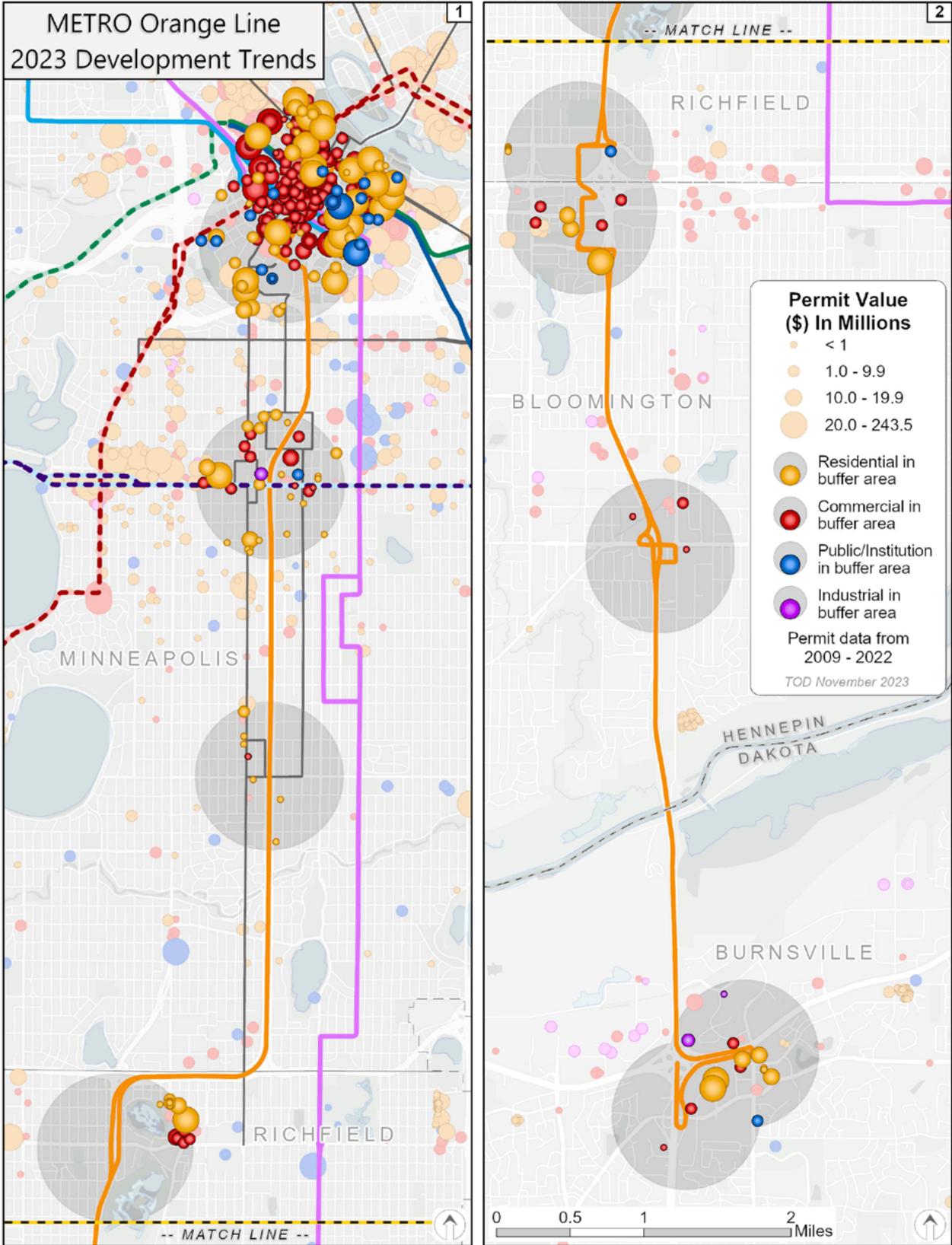


METRO Green Line Extension

Development Types	Permitted Development	Planned Development
Residential (Units)	8,120	7,010
Residential (Value)	\$1,594,738,000	\$398,600,000
Commercial (Value)	\$931,733,000	\$50,000,000
Public/Institutional (Value)	\$190,336,000	\$44,000,000
Industrial	\$69,076,000	\$20,000,000
Mixed Use (Value)	N/A	\$267,600,000
Total (Value)	\$2,785,887,000	\$780,200,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	160	3%
Affordable up to 60% AMI	1,690	21%

METRO Orange Line

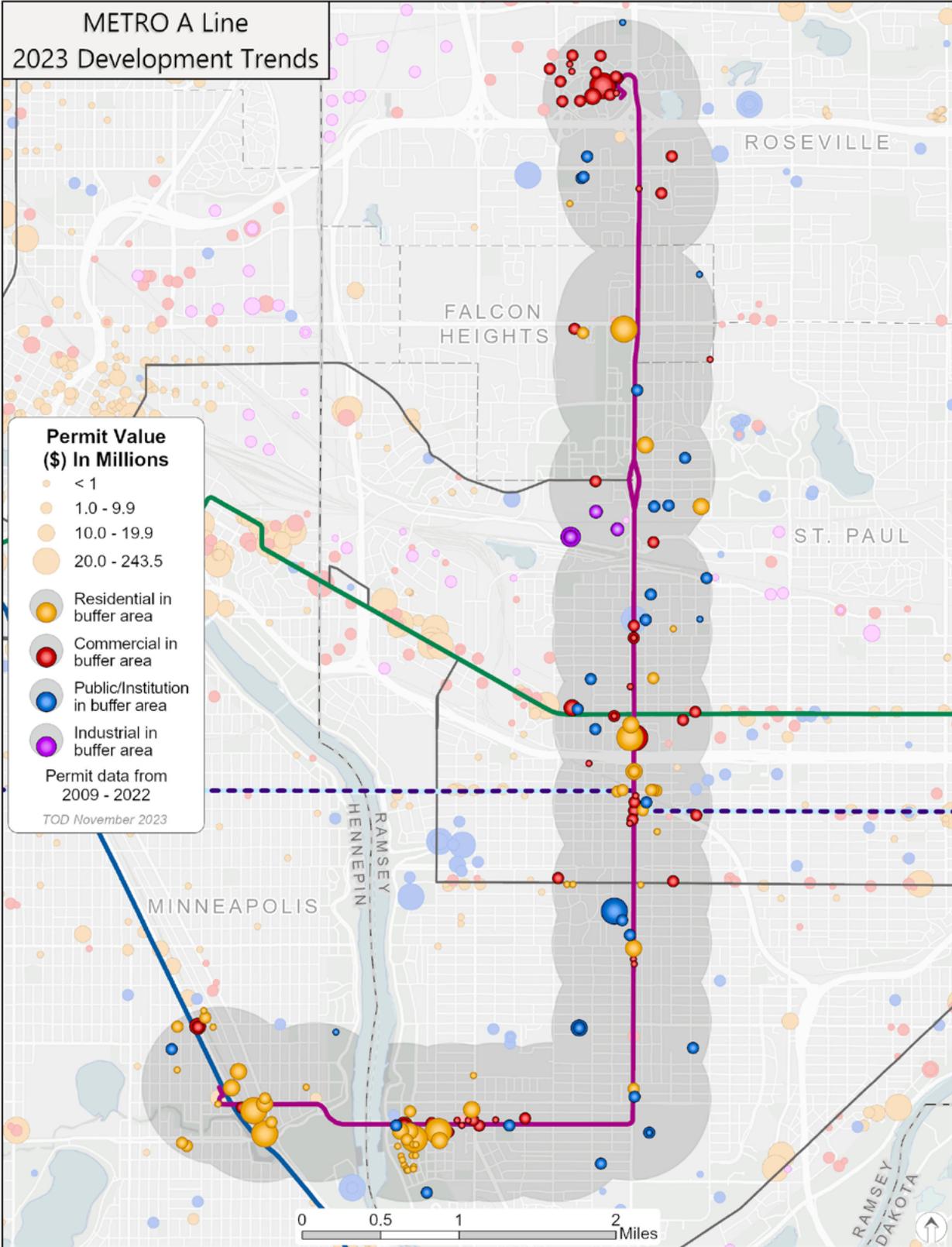


METRO Orange Line

Development Types	Permitted Development	Planned Development
Residential (Units)	9,130	5,900
Residential (Value)	\$1,919,196,000	\$309,300,000
Commercial (Value)	\$1,918,690,000	\$41,100,000
Public/Institutional (Value)	\$386,220,000	\$142,500,000
Industrial	\$11,030,000	\$ -
Mixed Use (Value)	N/A	\$812,000,000
Total (Value)	\$4,235,135,000	\$1,304,900,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	215	2%
Affordable up to 60% AMI	1,060	12%

METRO A Line

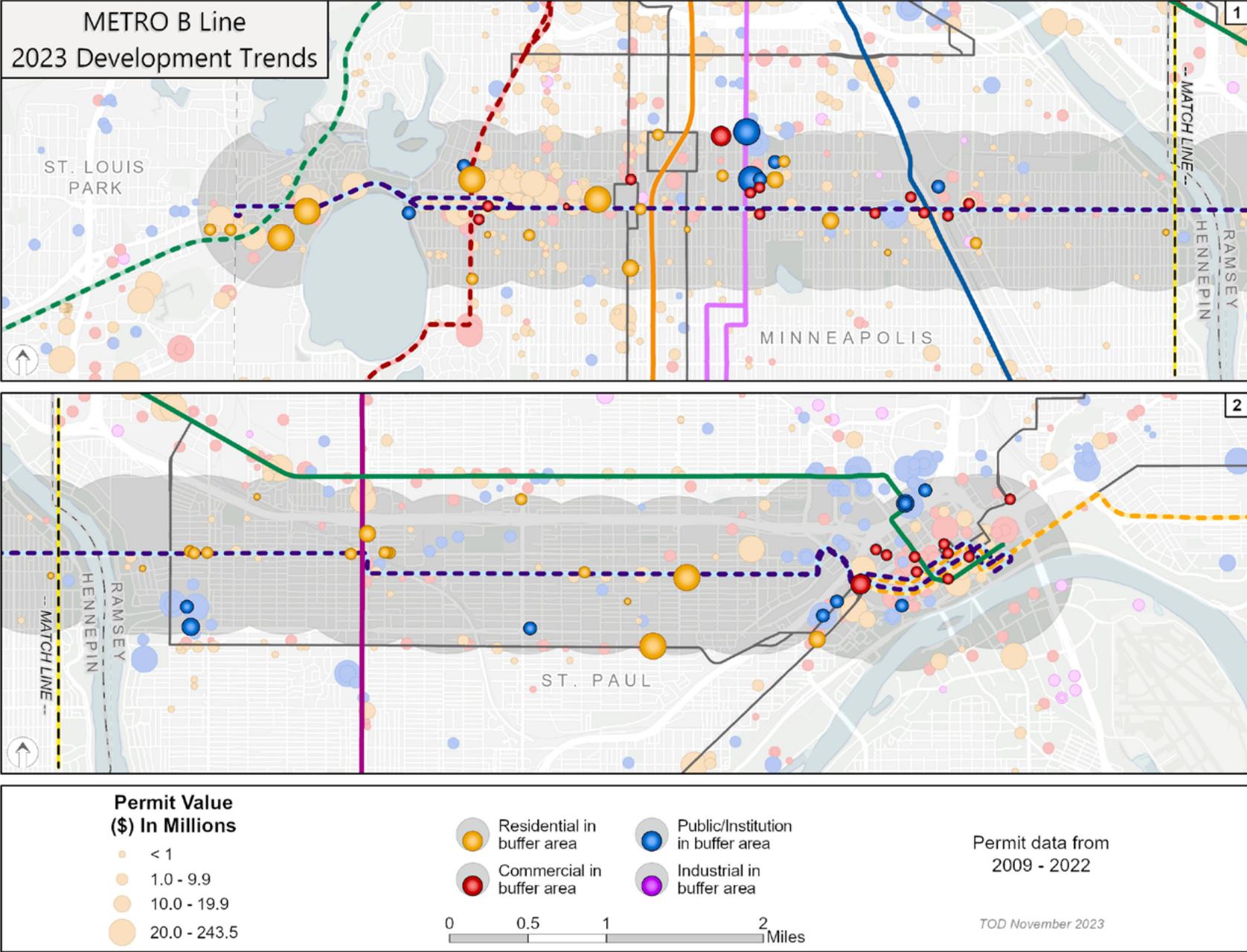


METRO A Line

Development Types	Permitted Development	Planned Development
Residential (Units)	3,080	5,900
Residential (Value)	\$437,711,000	\$245,500,000
Commercial (Value)	\$376,297,000	\$32,500,000
Public/Institutional (Value)	\$122,269,000	\$92,200,000
Industrial	\$16,697,000	\$ -
Mixed Use (Value)	N/A	\$1,510,000,000
Total (Value)	\$952,974,000	\$1,880,200,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	150	5%
Affordable up to 60% AMI	800	26%

METRO B Line

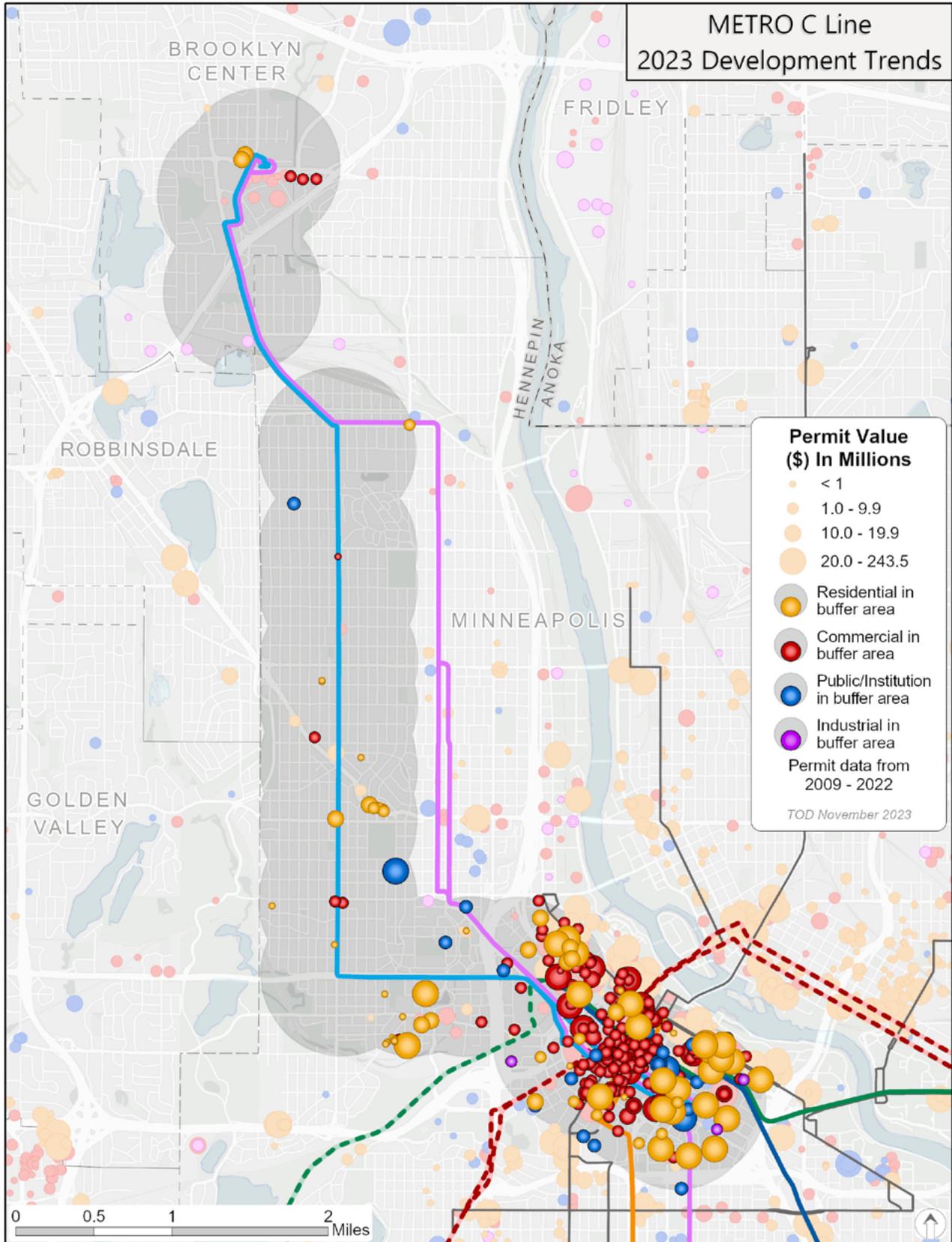


METRO B Line

Development Types	Permitted Development	Planned Development
Residential (Units)	1,470	5,900
Residential (Value)	\$305,183,000	\$547,353,299
Commercial (Value)	\$92,878,000	\$55,100,000
Public/Institutional (Value)	\$204,723,000	\$431,100,000
Industrial	\$ -	\$ -
Mixed Use (Value)	N/A	\$2,115,000,000
Total (Value)	\$602,783,000	\$3,148,553,299

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	70	5%
Affordable up to 60% AMI	400	27%

METRO C Line

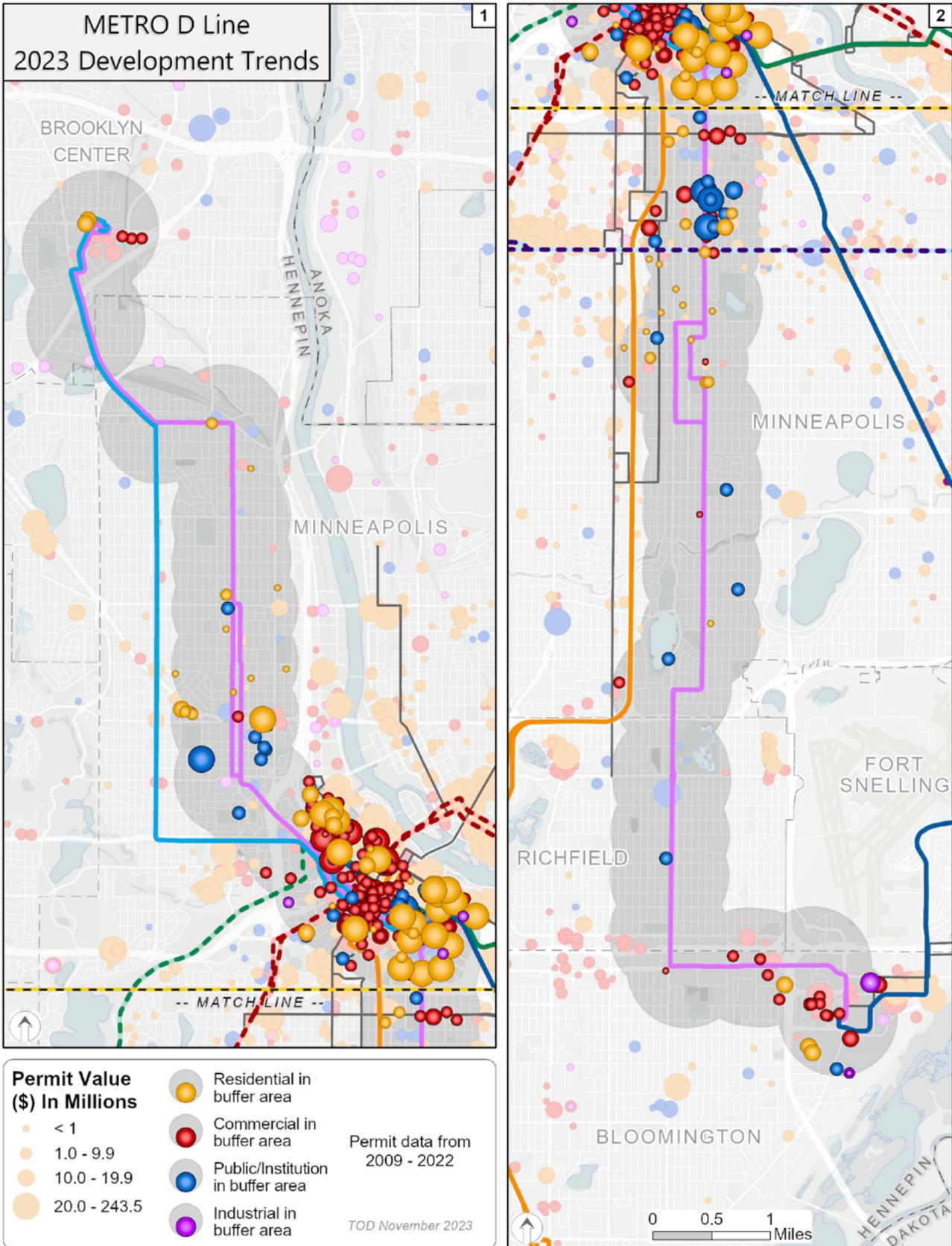


METRO C Line

Development Types	Permitted Development	Planned Development
Residential (Units)	7,340	5,900
Residential (Value)	\$1,754,020,000	\$290,891,912
Commercial (Value)	\$1,692,684,000	\$182,200,000
Public/Institutional (Value)	\$402,437,000	\$78,870,000
Industrial	\$5,472,000	\$20,000,000
Mixed Use (Value)	N/A	\$1,194,000,000
Total (Value)	\$3,854,612,000	\$1,765,961,912

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	460	6%
Affordable up to 60% AMI	1,600	22%

METRO D Line

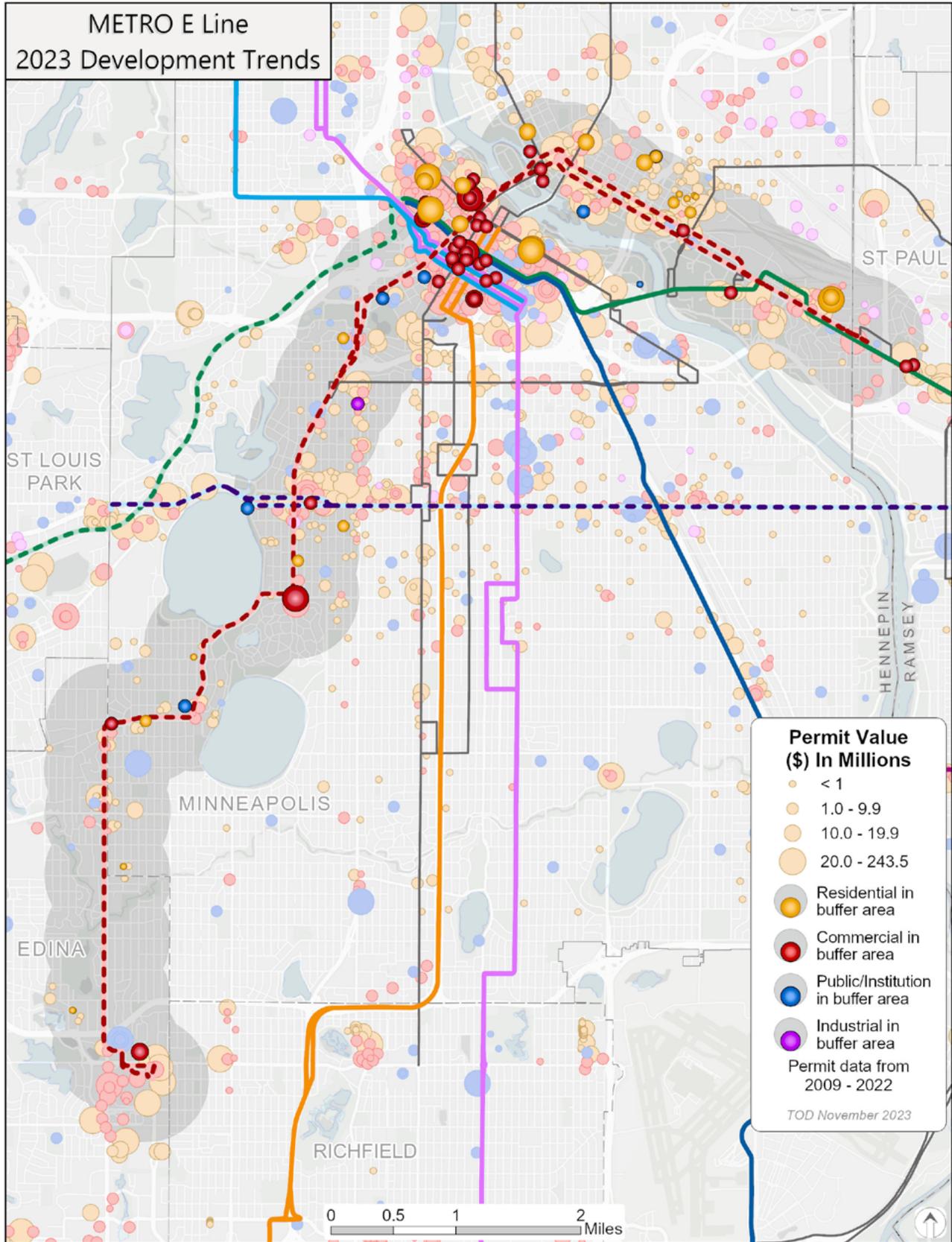


METRO D Line

Development Types	Permitted Development	Planned Development
Residential (Units)	6350	5900
Residential (Value)	\$1,552,628,000	\$263,100,000
Commercial (Value)	\$1,246,134,000	\$567,200,000
Public/Institutional (Value)	\$438,236,000	\$337,870,000
Industrial	\$32,836,000	\$20,000,000
Mixed Use (Value)	N/A	\$1,269,600,000
Total (Value)	\$3,269,834,000	\$2,457,770,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	380	6%
Affordable up to 60% AMI	1,610	25%

METRO E Line

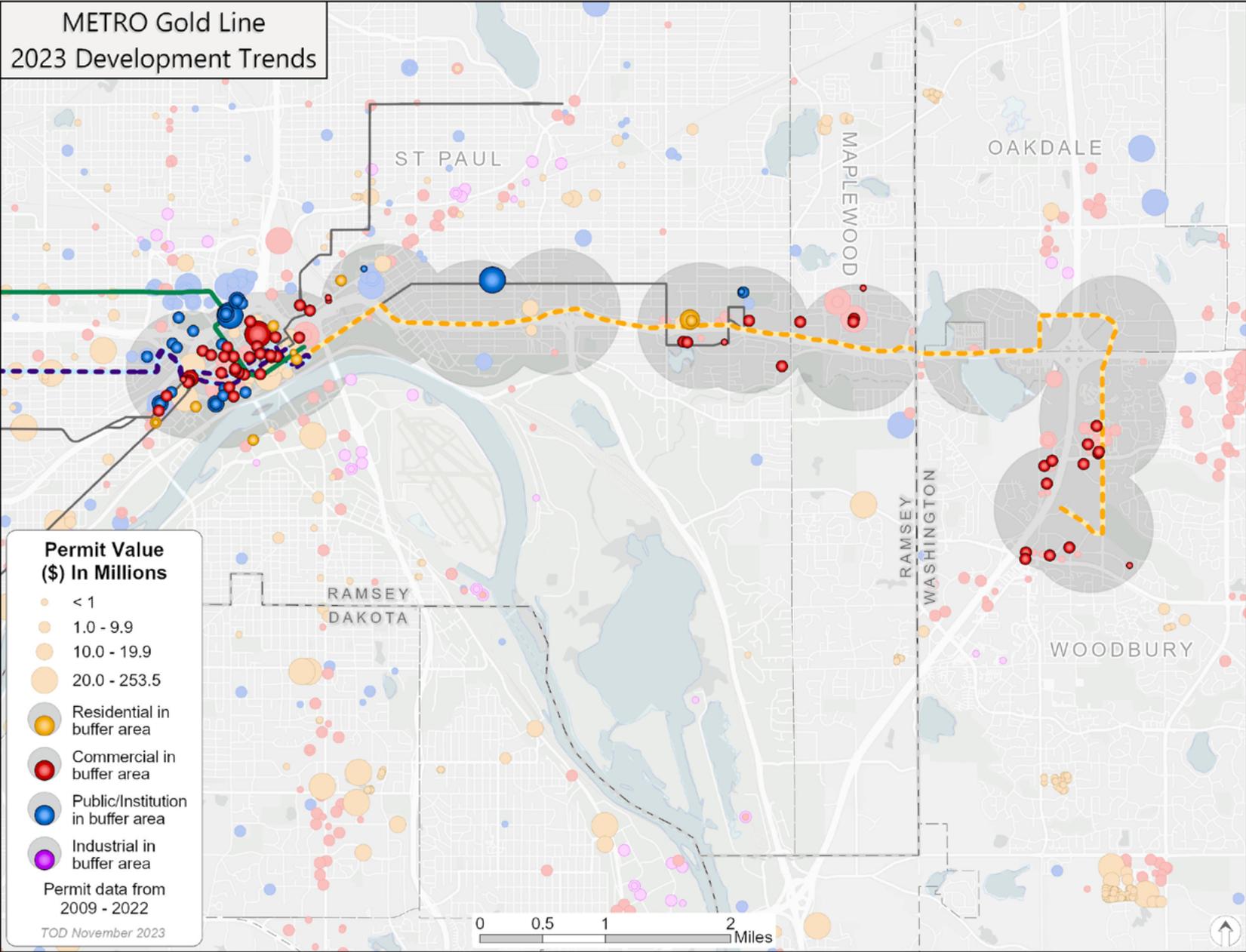


METRO E Line

Development Types	Permitted Development	Planned Development
Residential (Units)	1,910	5,900
Residential (Value)	\$565,682,000	\$310,800,000
Commercial (Value)	\$208,997,000	\$58,700,000
Public/Institutional (Value)	\$16,839,000	\$711,400,000
Industrial	\$1,970,000	\$ -
Mixed Use (Value)	N/A	\$1,540,000,000
Total (Value)	\$793,488,000	\$2,620,900,000

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	25	1%
Affordable up to 60% AMI	315	17%

METRO Gold Line



METRO Gold Line

Development Types	Permitted Development	Planned Development
Residential (Units)	1,115	5,900
Residential (Value)	\$134,201,000	\$121,653,299
Commercial (Value)	\$219,485,000	\$32,000,000
Public/Institutional (Value)	\$203,493,000	\$111,200,000
Industrial	\$ -	\$ -
Mixed Use (Value)	N/A	\$1,000,000,000
Total (Value)	\$557,180,000	\$1,264,853,299

Affordable Housing Production (2014-2022)	Units	Share
Affordable up to 30% AMI	5	0%
Affordable up to 60% AMI	170	15%