

Technology, Mobility, and Real Estate

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- **City of the Future – Technology and Mobility**
- **Implications: Impact on Real Estate**

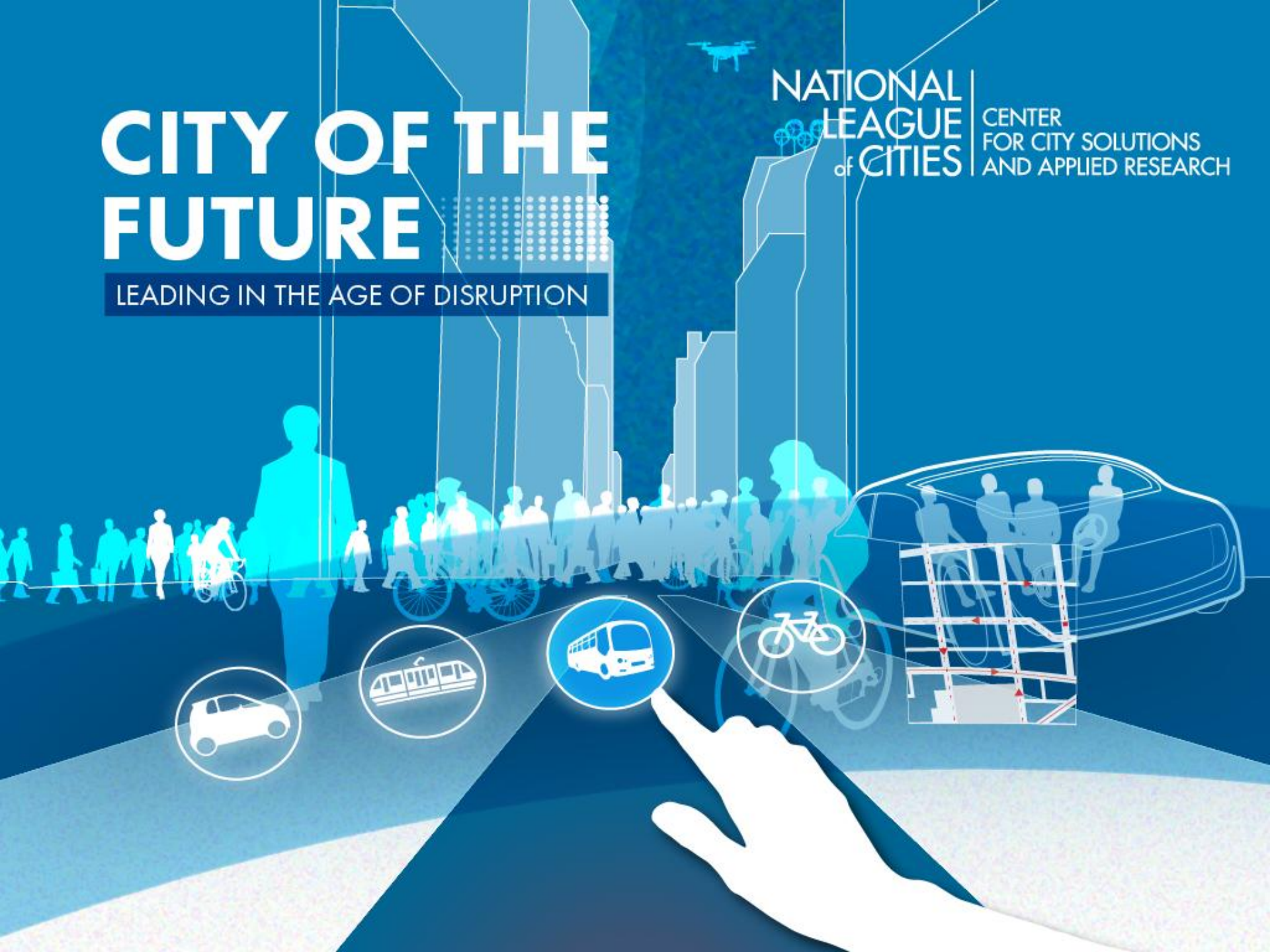
What is the **City of the Future** Project?

CITY OF THE FUTURE

LEADING IN THE AGE OF DISRUPTION

NATIONAL
LEAGUE
of CITIES

CENTER
FOR CITY SOLUTIONS
AND APPLIED RESEARCH



AREAS OF FOCUS

- ① Planning for Demographic and Workforce Trends
- ② Planning for Infrastructure Finance
- ③ Public and Private Mobility Systems
- ④ New Modes

Transportation plans by year



FINDINGS OF CITY OF THE FUTURE

We conducted a content analysis of city and regional transportation planning documents from the 50 most populous US cities, as well as the largest cities in every state – a total of 68 communities. Our analysis yielded the following results:

6%

OF PLANS
CONSIDER THE
POTENTIAL EFFECT
OF DRIVERLESS
TECHNOLOGY

20%

OF PLANS INCLUDE
ROAD DIETS OR OTHER
PLANS TO REDUCE
ROAD CAPACITY
OR LONG-TERM
MAINTENANCE COSTS

12%

OF PLANS ARE
CLEAR THAT NO
NEW HIGHWAYS
ARE UNDER
CONSIDERATION

3%

OF PLANS TAKE INTO
ACCOUNT PRIVATE
TRANSPORTATION
NETWORK COMPANIES
(TNCS) SUCH AS UBER
OR LYFT, DESPITE
THE FACT THAT THEY
OPERATE IN 60 OF THE
68 MARKETS

50%

OF PLANS
CONTAIN EXPLICIT
RECOMMENDATIONS
FOR NEW HIGHWAY
CONSTRUCTION

WE'VE EXAMINED 68 CITY AND REGIONAL LONG RANGE TRANSPORTATION PLANS FROM THE LARGEST CITIES IN THE COUNTRY:

3%

mention Uber, Lyft or TNC's within the plan even though 55 currently have one of these companies operating.

6%

mention autonomous vehicles in any way.

20%

mention road diets or any other planned reduction in road capacity.

WHY IS THIS IMPORTANT?

**THIS IS ABOUT
MORE THAN
MOBILITY**

2020 DEMOGRAPHICS AND WORKFORCE TRENDS



Millennials and Gen Xers will increasingly be the largest demographic in the workplace.

Many traditional 9-5 positions will be replaced by contract jobs.

The way we occupy workspace will change.

2030 DEMOGRAPHICS AND WORKFORCE TRENDS

The US population is mostly
growing in Cities.

73 OUT OF **100**

Of the 100 largest urban areas in
the US 73 will grow faster than the
national average.



Younger generations are main-
taining a greater preference for
walkable places.

Public and Private Mobility Systems



2020 PUBLIC AND PRIVATE MOBILITY SYSTEMS

- ▶ **Bus lines will be optimized and consequently more useful and attractive to riders.**
- ▶ **Transportation access will be made seamless.**

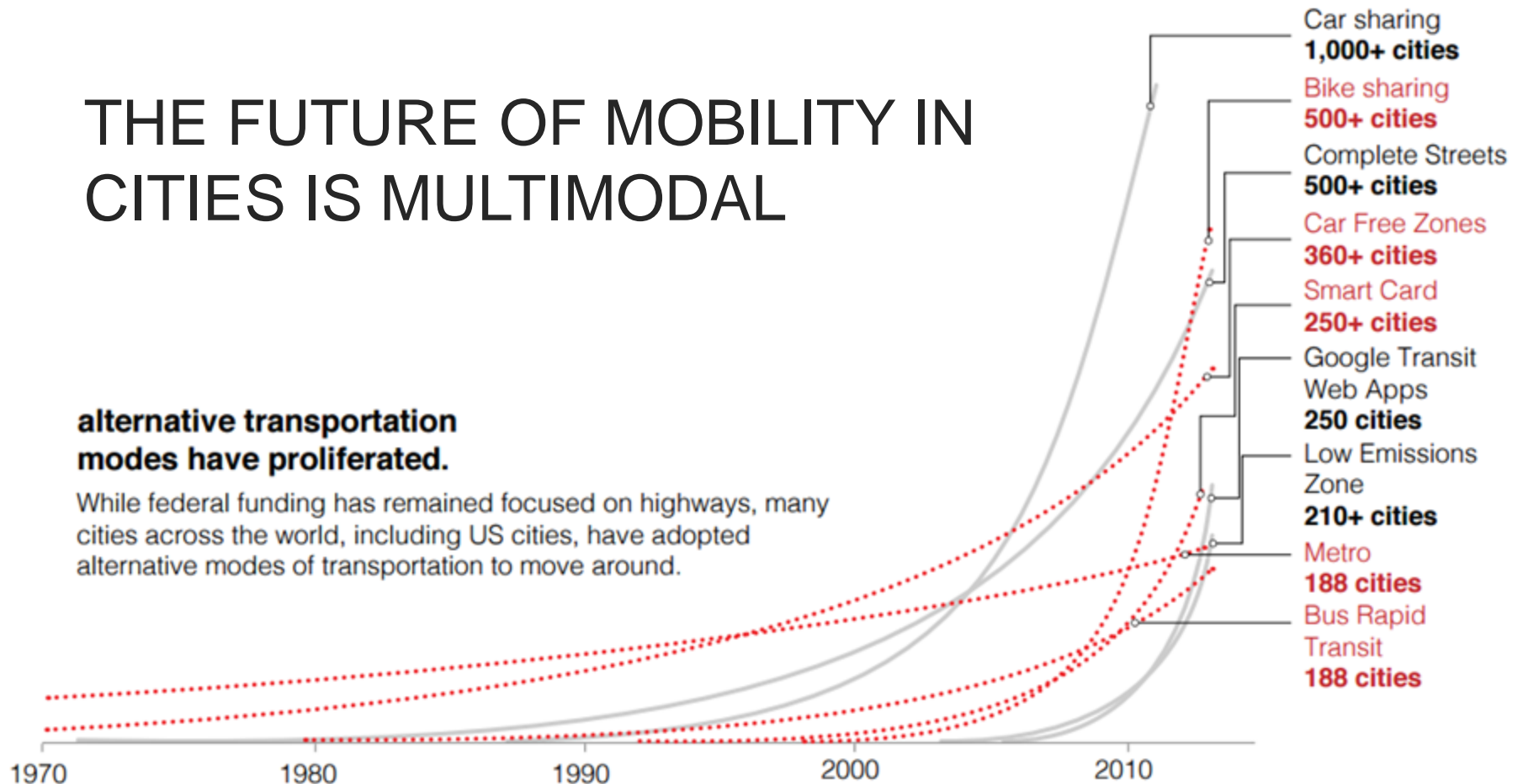
2030 PUBLIC AND PRIVATE MOBILITY SYSTEMS

**Public transit will begin
to deploy driverless
technology**

THE FUTURE OF MOBILITY IN CITIES IS MULTIMODAL

alternative transportation modes have proliferated.

While federal funding has remained focused on highways, many cities across the world, including US cities, have adopted alternative modes of transportation to move around.



National League of Cities' *State of The Cities 2014* data; Data adapted from EMBARQ, World Resources Institute, 2015.

THE WINDOW OF OPPORTUNITY TO SOLVE PROBLEMS IS MOVING FASTER THAN THE PLANNING PROCESS. BUT IT'S NOT JUST THE ASSUMPTIONS THAT ARE LIMITING THE PLANNING FIELD, IT'S THE INFORMATION THAT PLANNERS HAVE TO WORK FROM. PLANNERS CAN'T SIMULATE INTER-MODAL TRAFFIC, WHICH IS THE FUTURE.

Peter Torrellas, Siemens

THOUGHT

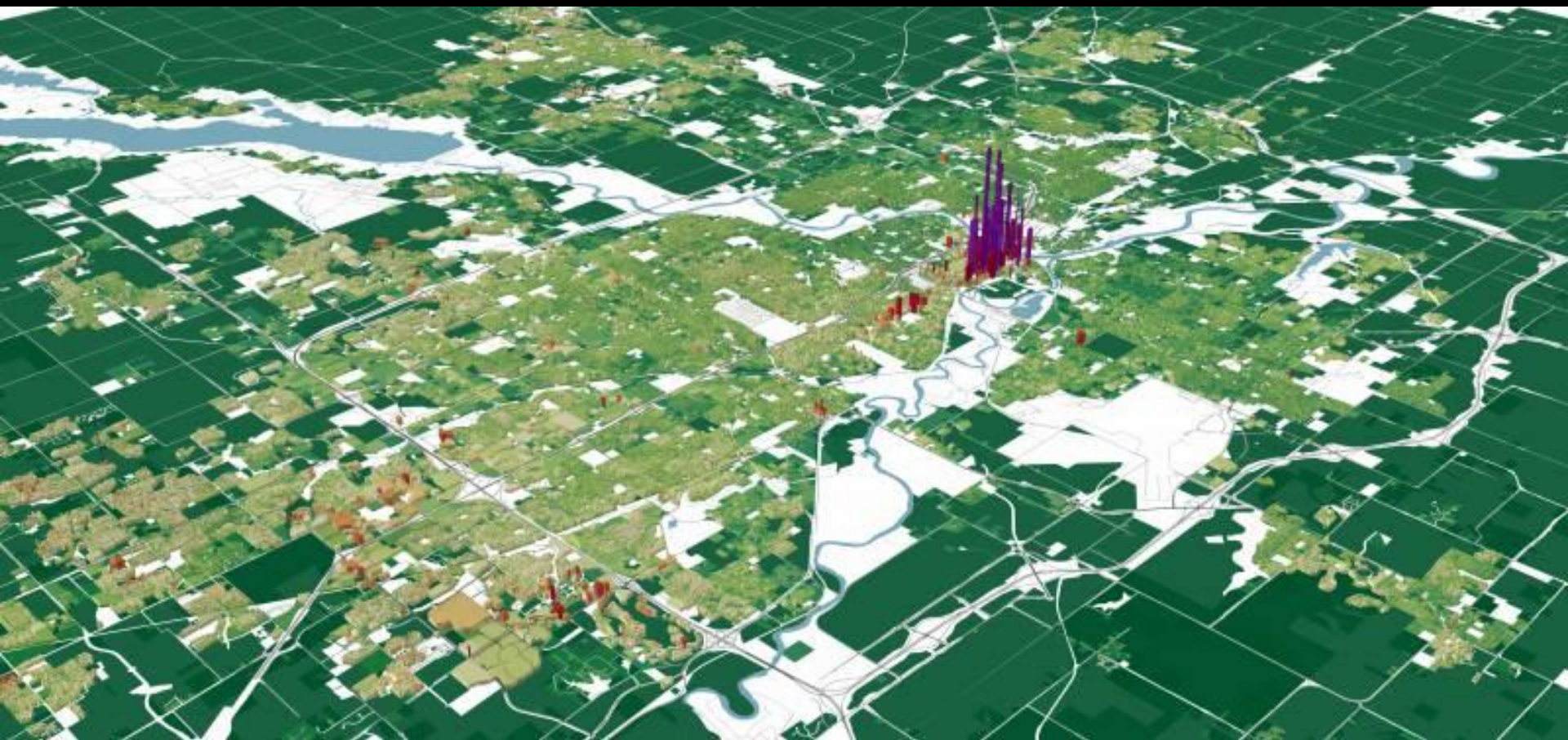
Implications: Impact on Real Estate

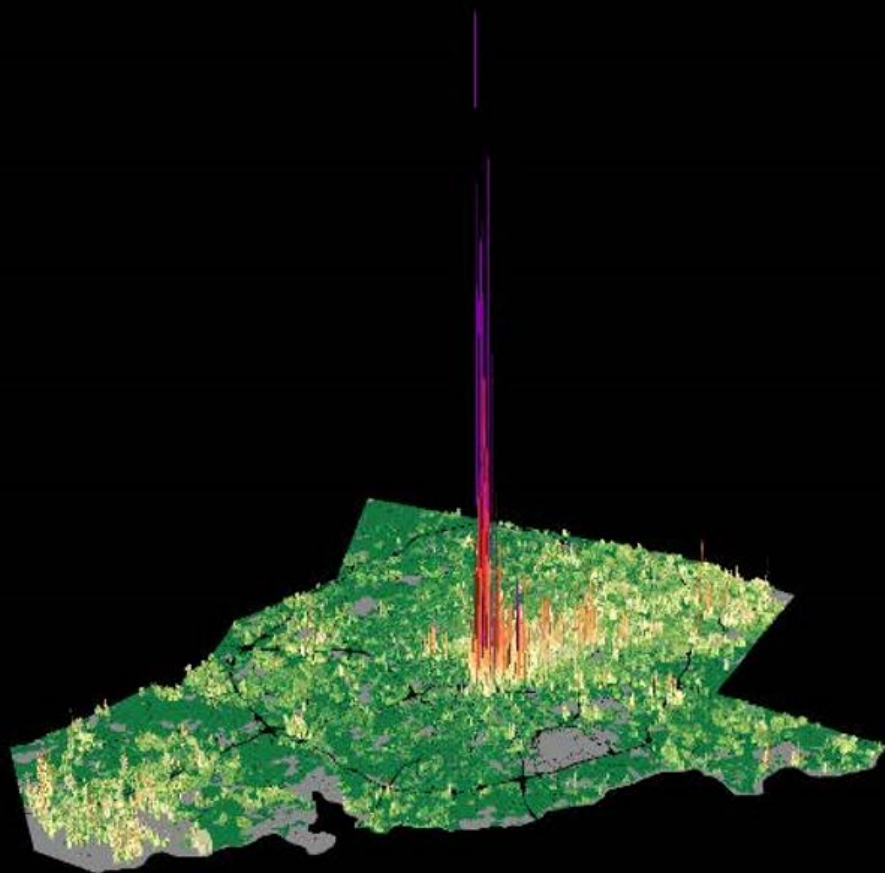
Two Competing Predictions

- Downtowns Hypothesis
- Exurbs Hypothesis

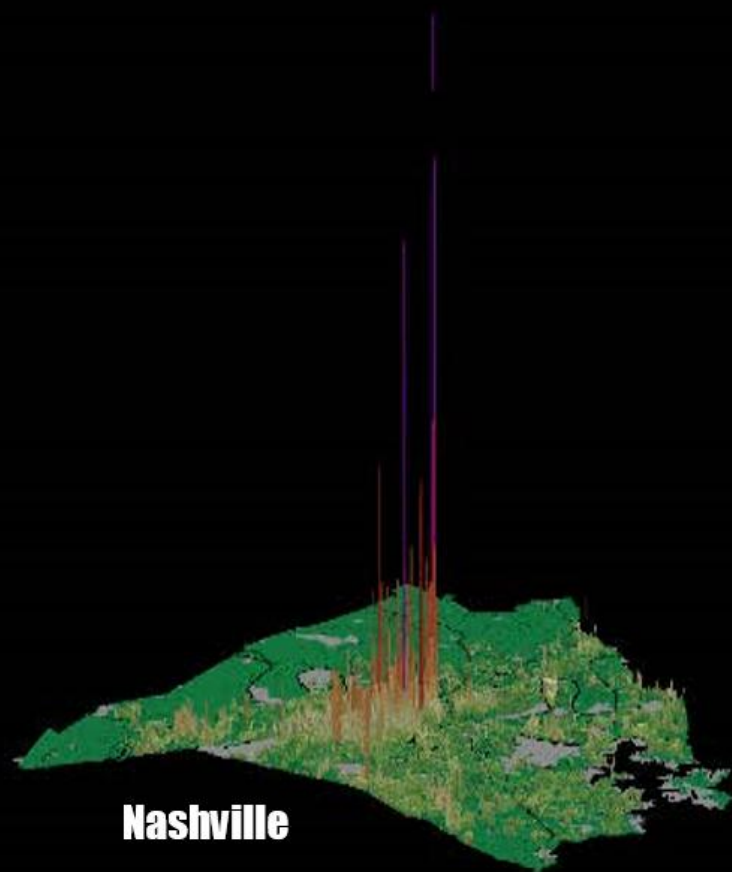
3D Taxable Value Per Acre

Des Moines, IA





Austin

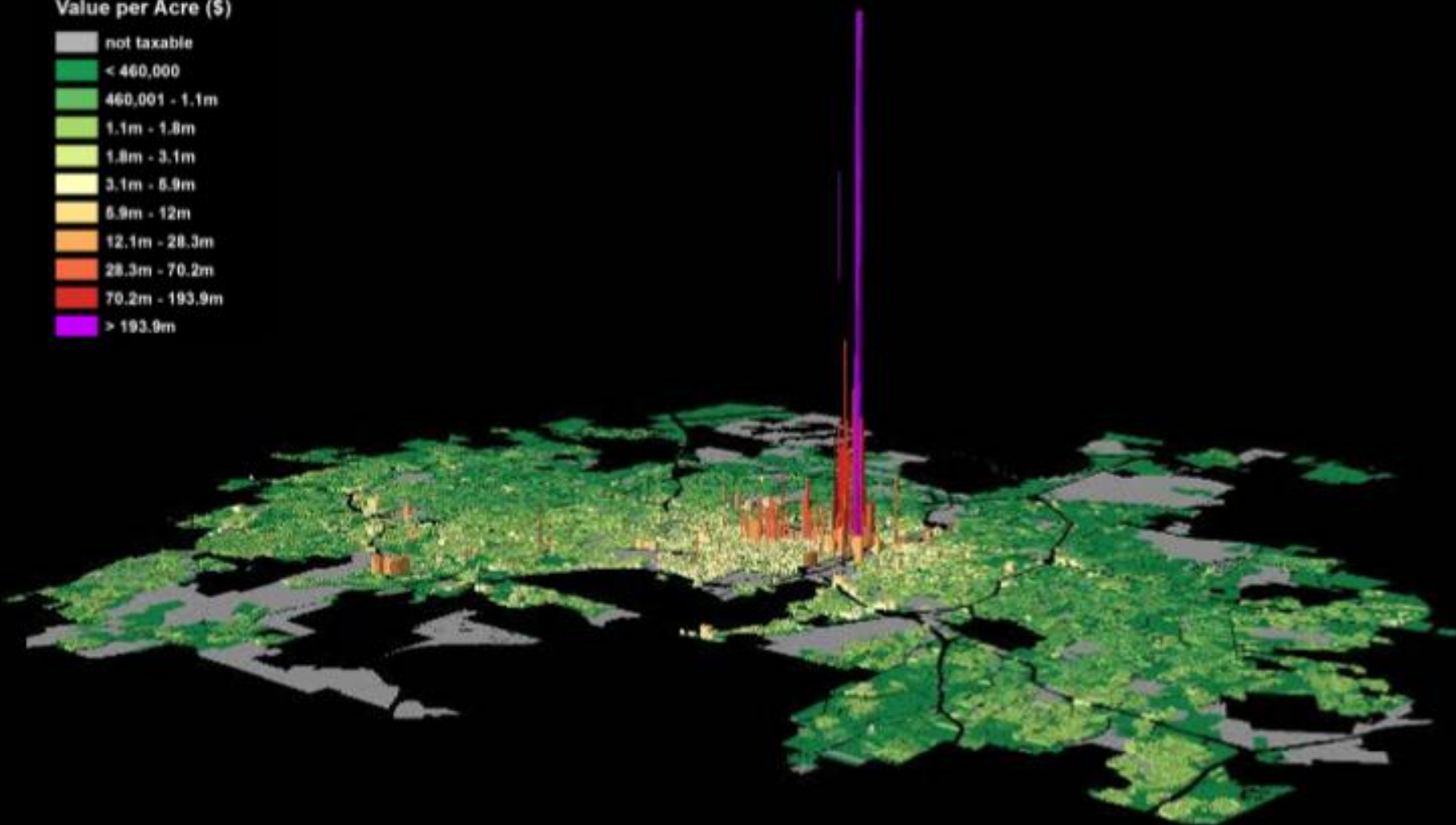


Nashville

3D Taxable Value Per Acre

Austin, TX

Value per Acre (\$)



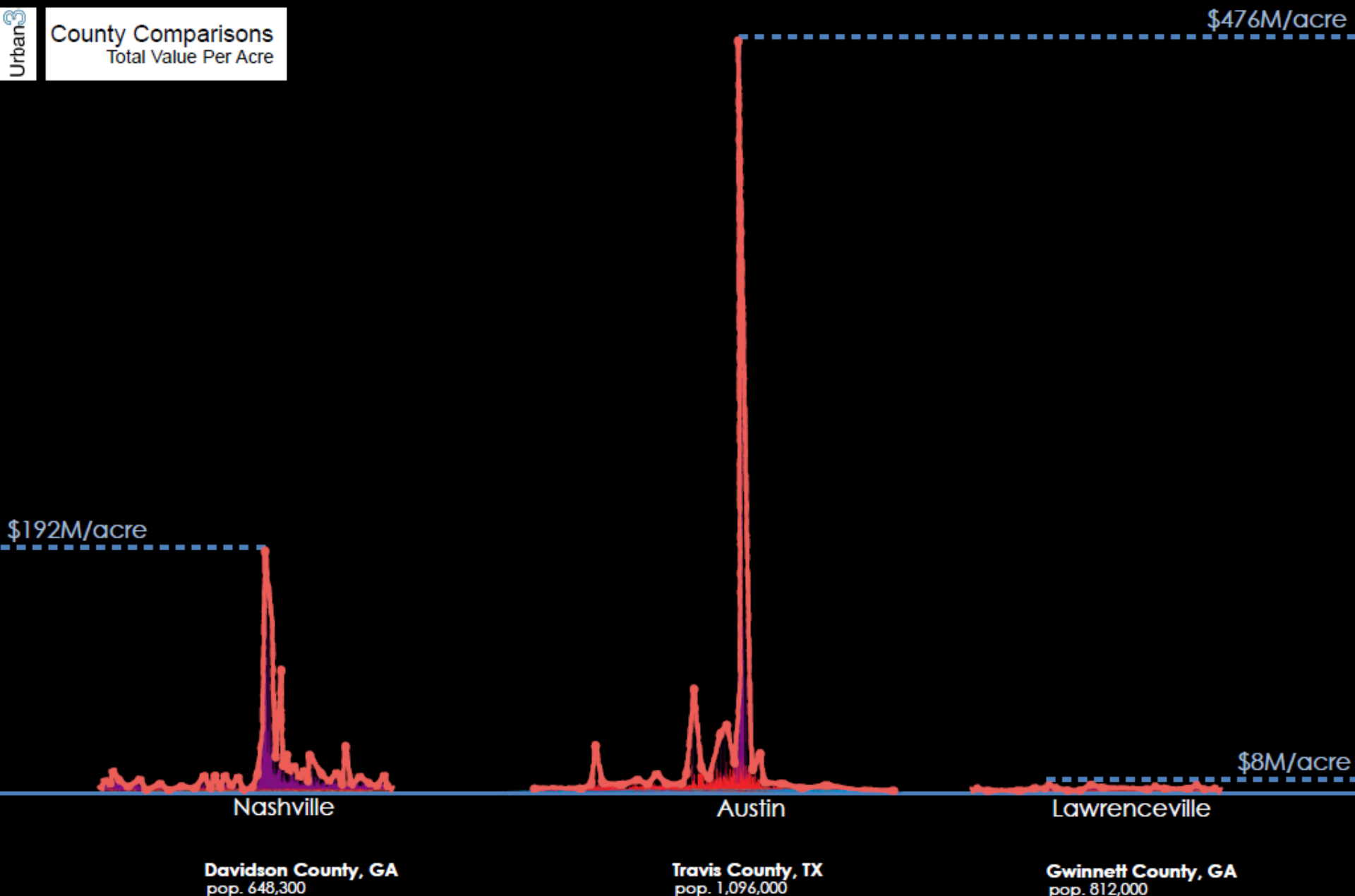
Gwinnett County, GA

Total Value Per Acre



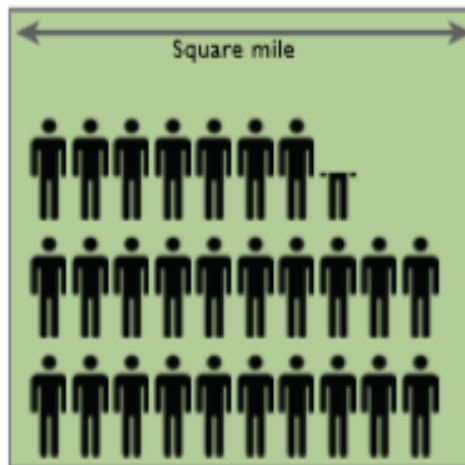
County Comparisons

Total Value Per Acre



People per Square Mile

 = 100 people
Source: US Census



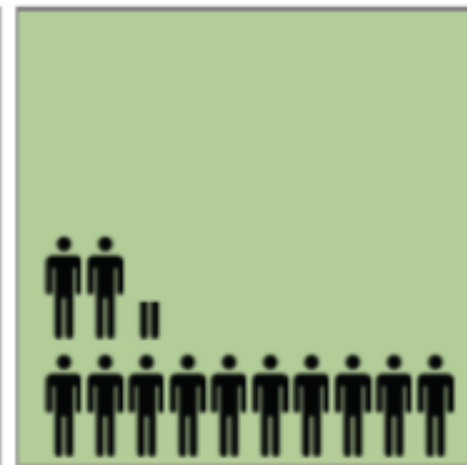
DeKalb, GA
2,740 people/Sq. Mi.



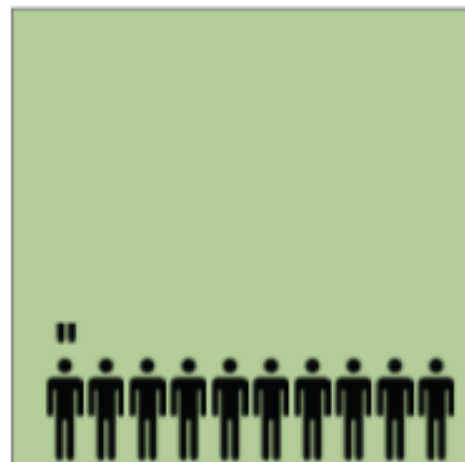
Gwinnett, GA
1,871 people/Sq. Mi.



Mecklenburg, NC
1,756 people/Sq. Mi.



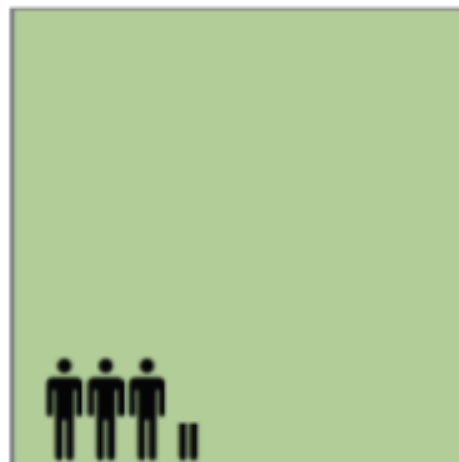
Davidson, TN
1,243 people/Sq. Mi.



Travis, TX
1,034 people/Sq. Mi.



Wake, NC
992 people/Sq. Mi.

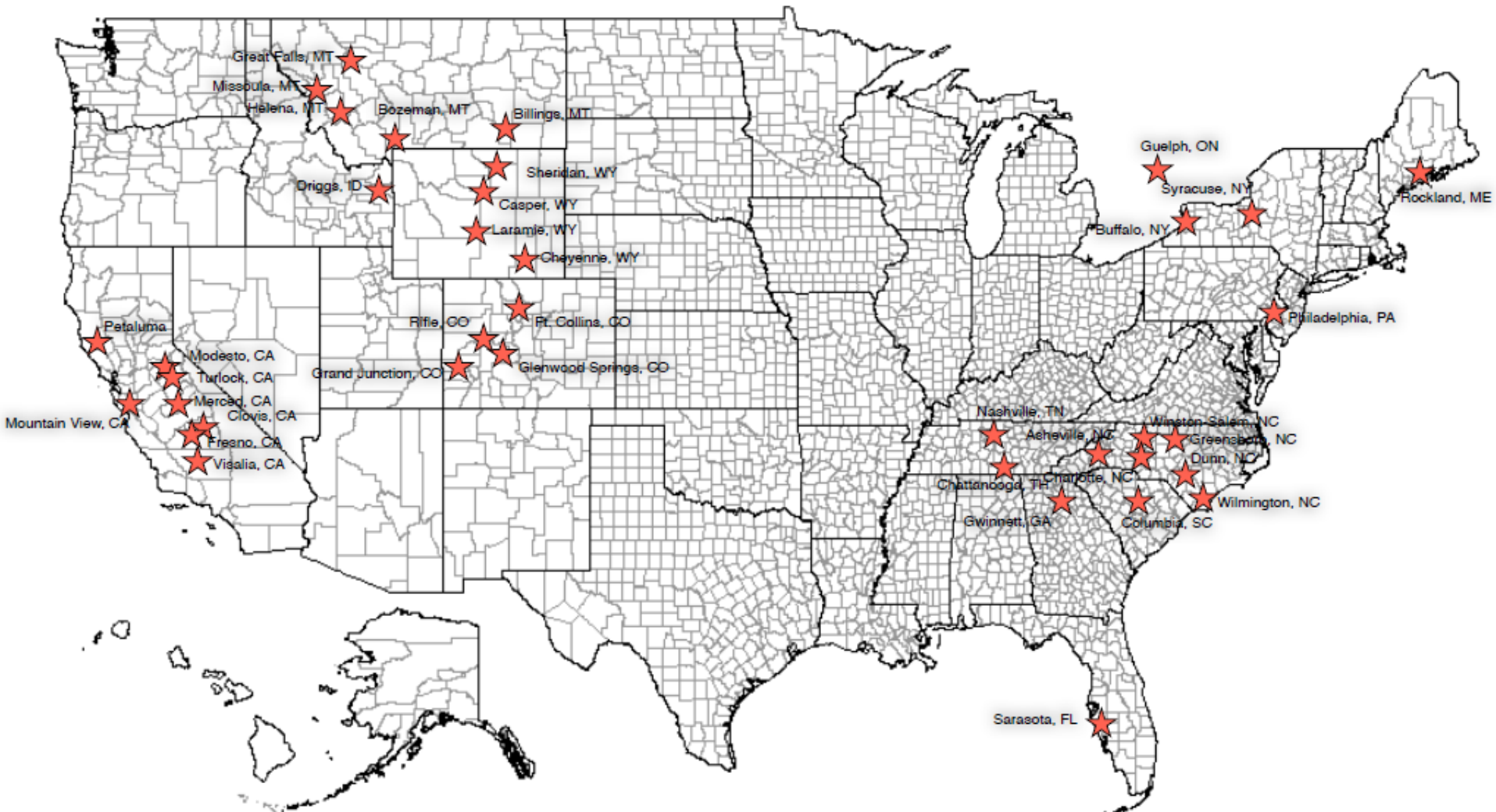


Buncombe, NC
344 people/Sq. Mi.



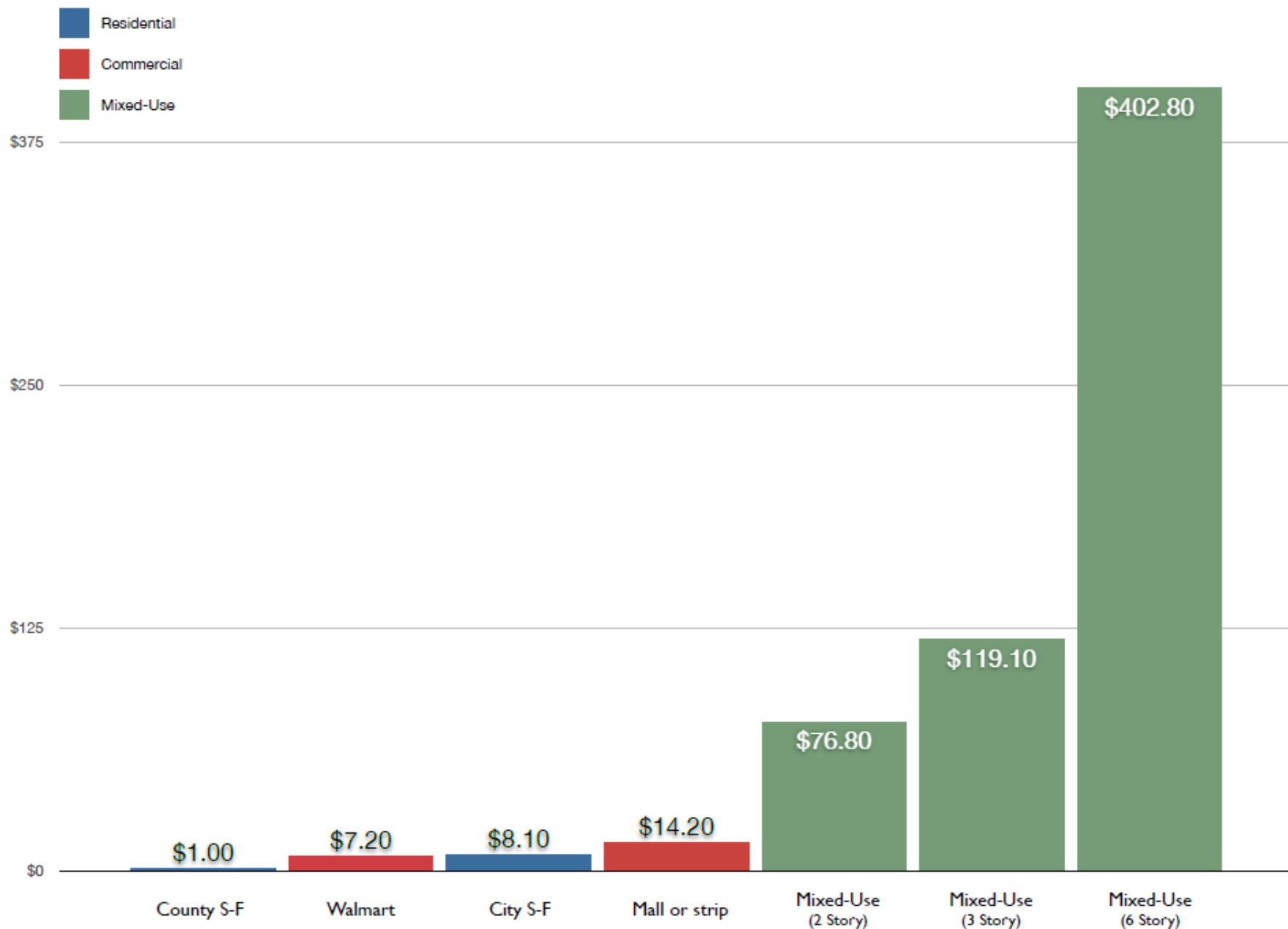
Orange, NC
313 people/Sq. Mi.

Urban³

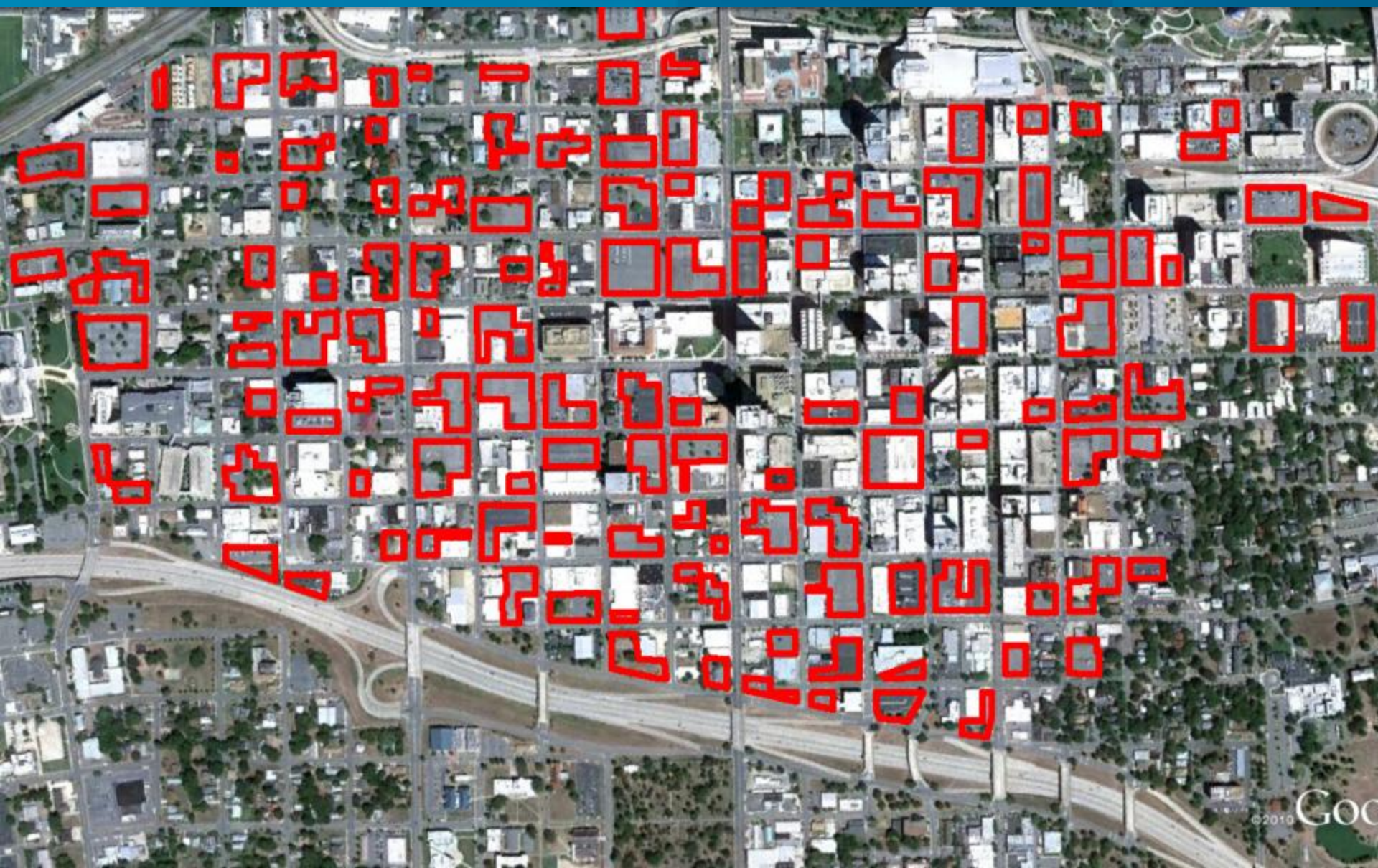


County Property Taxes/Acre

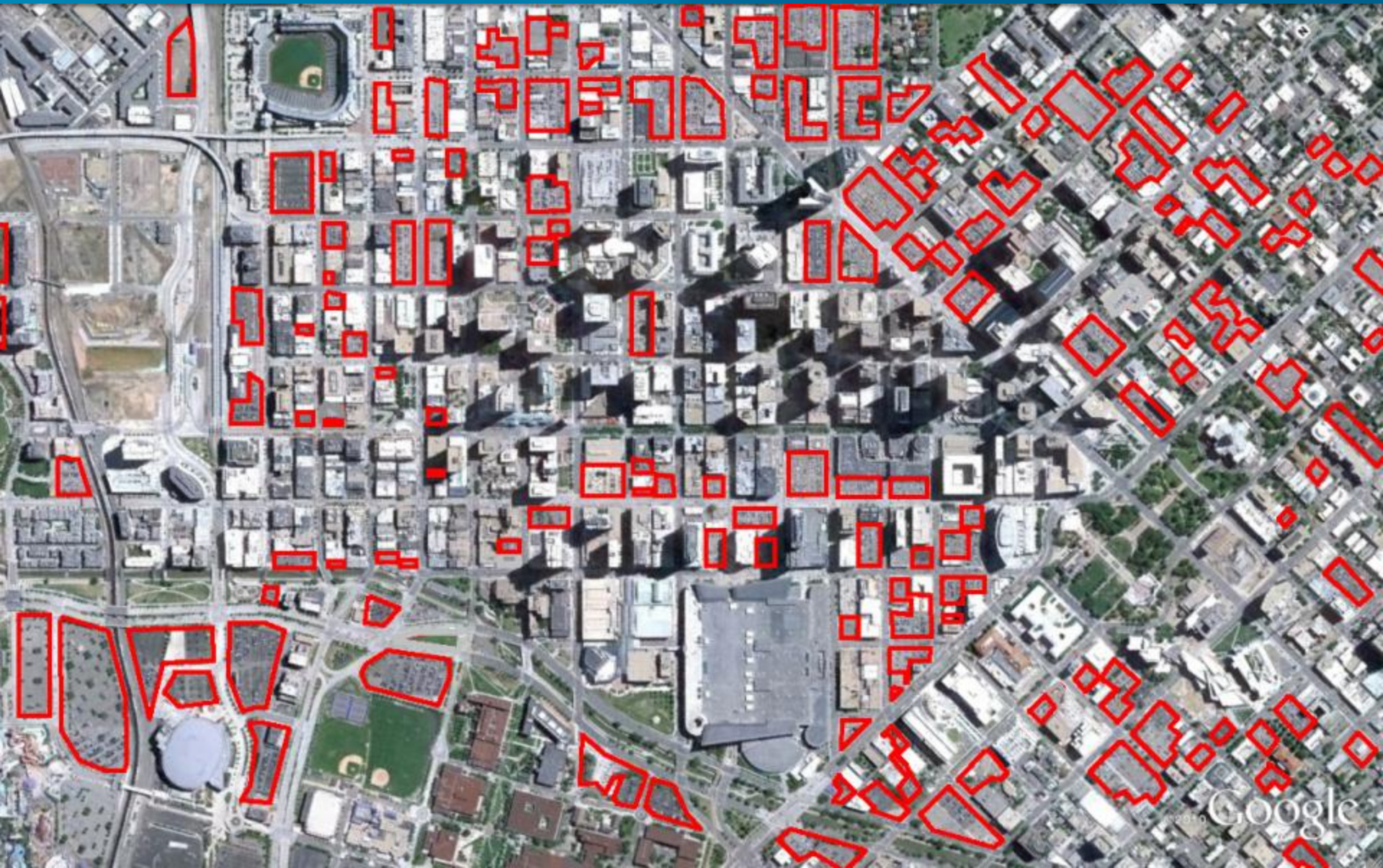
Ratio Difference of 36 City Sample Set, in 11 States



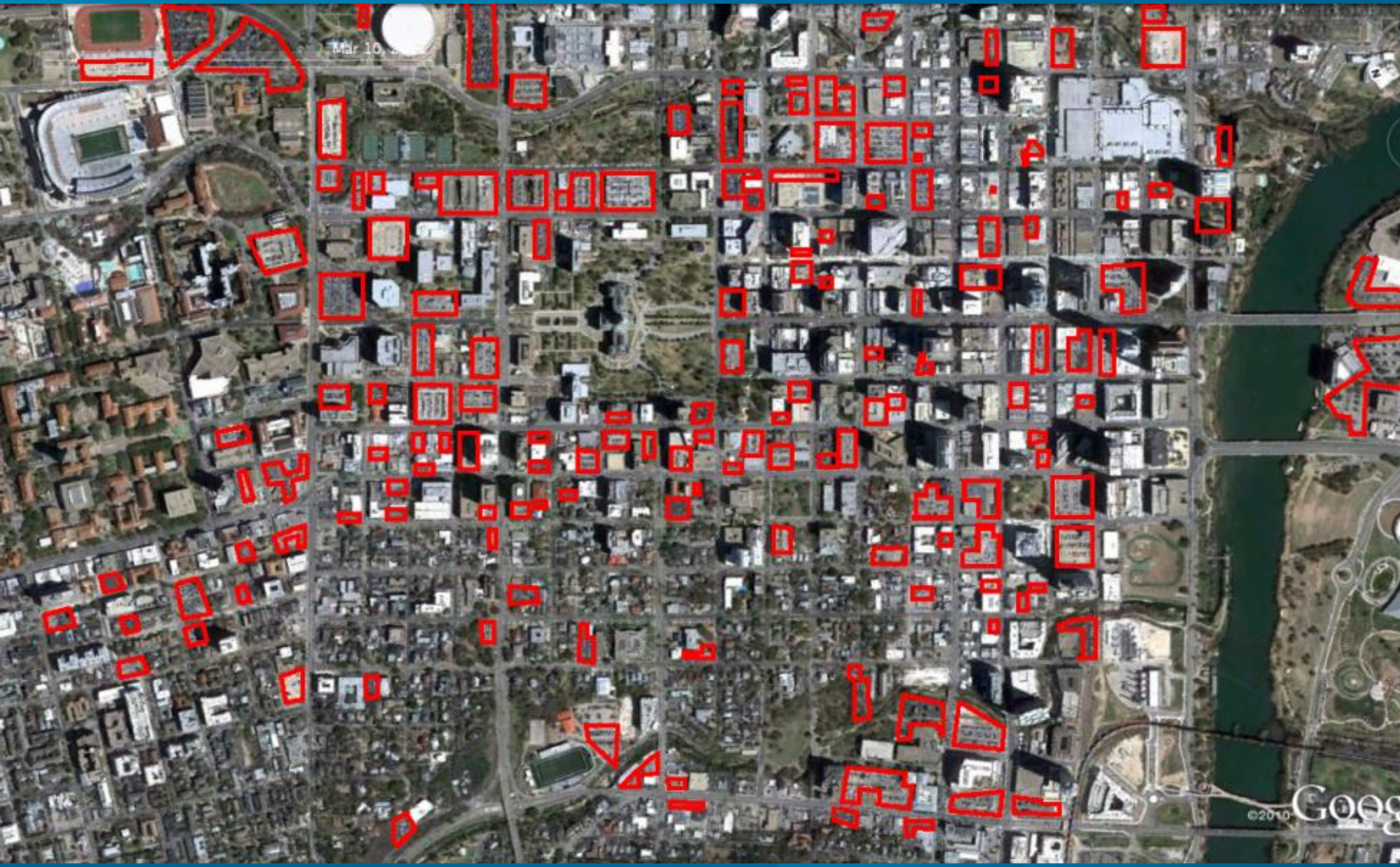
Little Rock, AR



Denver, CO



Austin, TX



THANK YOU

Cooper Martin, Program Director

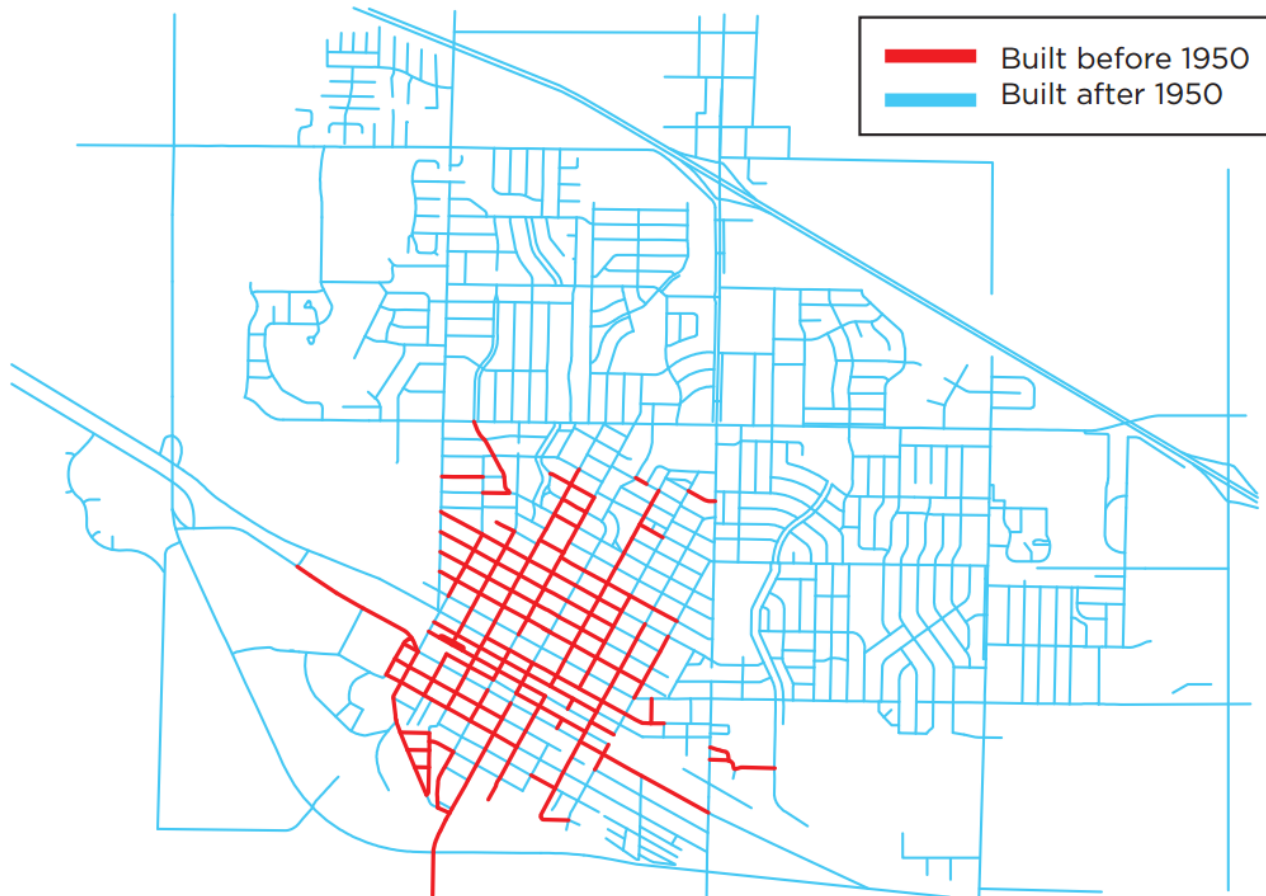
Sustainability

National League of Cities

cmartin@nlc.org

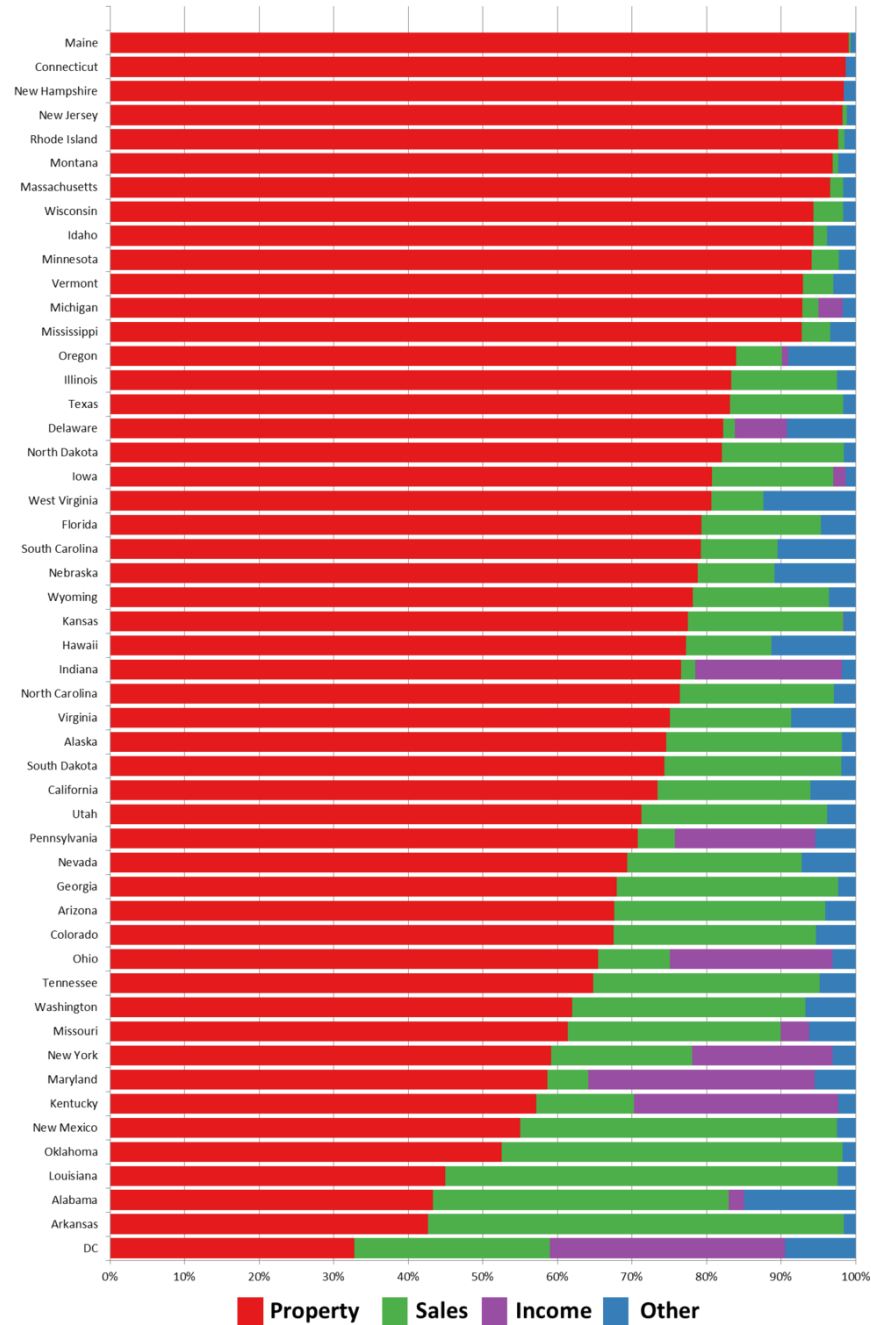
Ultimately parking is the single most important design feature that dilutes the tax productivity of development. Municipalities, for whom property taxes are their lifeblood, should treat parking for what it is: dead weight.

OUR STREETS ARE UNDERFUNDED



Local Revenue Sources by State

source: <http://slfdqs.taxpolicycenter.org/pages.cfm>



Outline

- City of the Future – Technology and Mobility
 - Dramatic, rapid changes and disruptions to transportation now, and in the near future
- Implications: Impact on Real Estate
 - Hypothesis 1 – ease of commuting and further sprawl
 - Hypothesis 2 – increased densification, trading car space for human space
 - Important! Not mutually exclusive!

