
George Hazel: MRC McLean Hazel



***“Can Chalk and
Cheese become
Strawberries
and Cream?”***



**21st National Transport and Development
Conference 2009**

12th to 13th November, London



Where have we come from?

- Personal history and PhD
- Trip generation databases and the rise of TRAIDS and TRICS
- From new trips based on GVA/NFA/GFA to pass by/diverted/transferred/trip chaining
- Predict and provide to predict and manage
- Large solutions to small incremental solutions
- Rise of the TIA/TA and the travel plan



What have we learned? What have we lost?

- TIAs to TAs/Travel Plans – good
- Policy frameworks for sustainable growth - good
- Manual for Streets - good but needs to keep developing
- But have we lost the link between the strategy and the local is there a disconnect?
- In the past we had fingers of growth, garden cities, etc. Still trying to join transport and development, building sustainable communities on the same principles but often not happening – why?



Why is sustainable development not happening?

- Often extensions on the edge of urban areas not integrated into the urban fabric
- TAs too late in the process - mitigating the bad
- There is a disconnect between strategic and local objectives at the planning application level
- Lack of a common understanding of how places work
- Lack of a mutual understanding of how the public and private sectors work



What do we need to do?

- Realise it will not be business as usual for a long time, if ever
- Build an understanding between all stakeholders of how places work
- Understand global trends and how they will affect what people and businesses will want
- Develop a new relationship between the public and private sectors based on mutual understanding and advantage wherever possible
- Develop the TA process
- Develop new forms of funding



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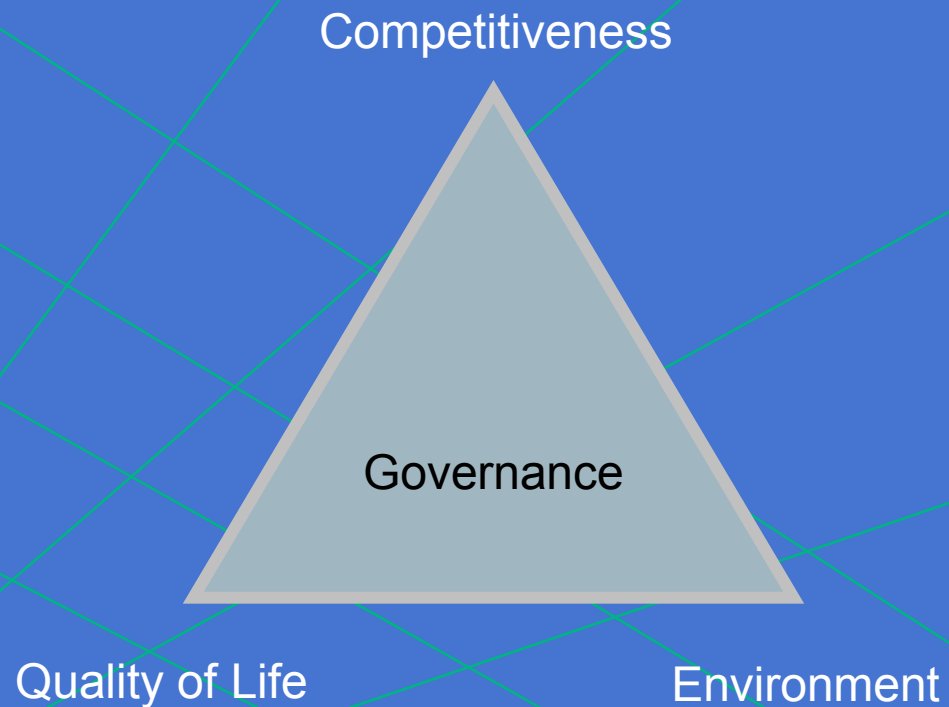
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The Seven Deadly Wins

1. **The city is a place of exchange** – Maximise exchange space
2. **Transport is about moving people and goods not vehicles** – Maximise efficiency of movement space
3. **Balance exchange and movement space** – private/public and exchange/movement
4. **The city is a place to enjoy** – Provide comfortable spaces and chairs
5. **The city is defined by its arrival points**
6. **The city has complete connectivity** - internally and externally
7. **The city has effective and integrated governance**
 - Understands city dynamics
 - Works across silos
 - Provides effective funding and delivery regimes



The triangle for success





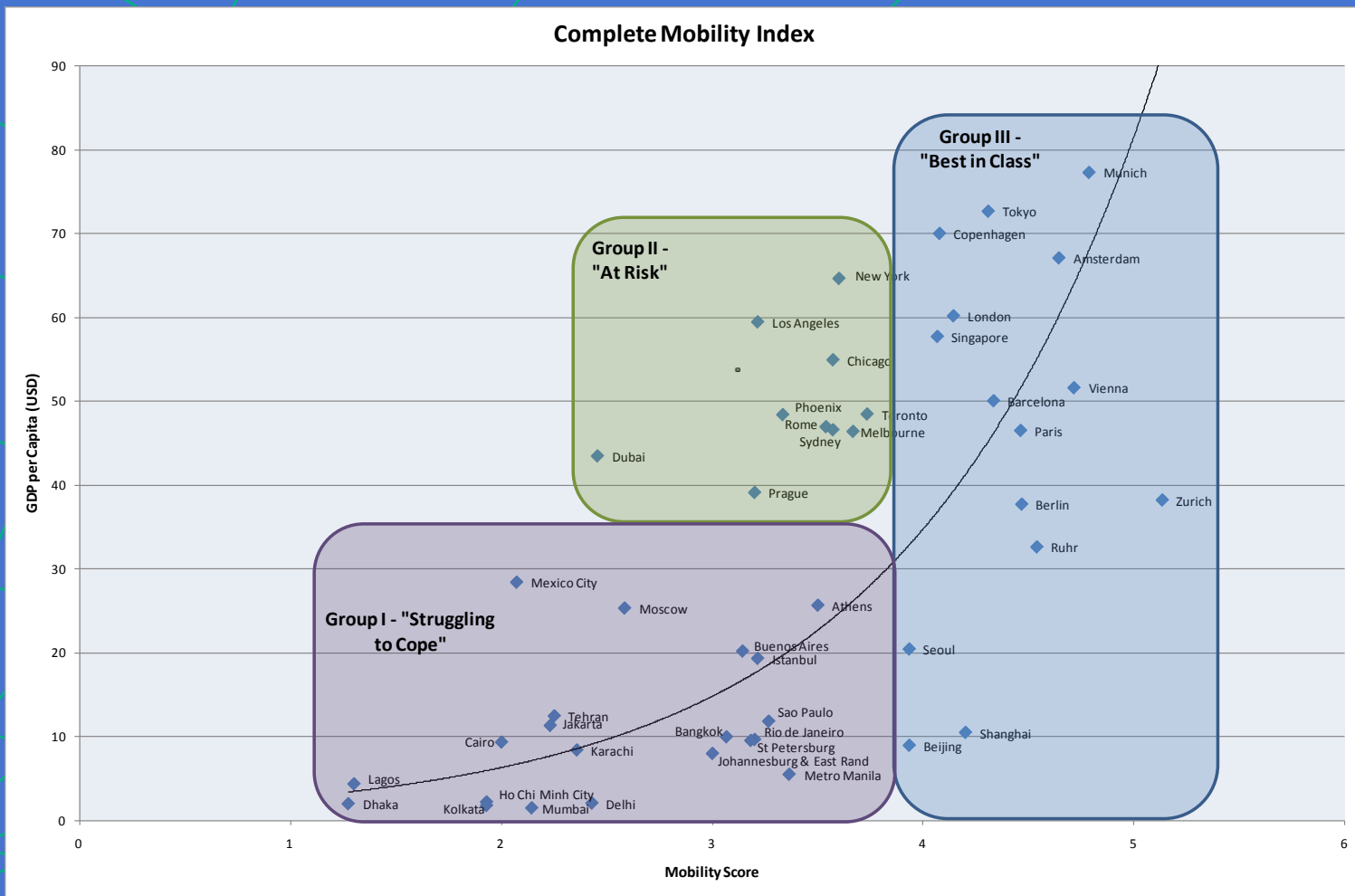
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Complete Mobility Index





Mapping Trends to Definition

Trends

- Globalization
- Urbanization
- Land use
- Ageing
- Workforce participation
- Smaller households
- Affluence
- Consumer culture
- Motorization
- Congestion
- Env..awareness
- Infrastructure spend
- ICT availability
- Governance

Influencing Factor

- Complex trips
- Consumer
- Congestion
- Enabling Technology
- Gov. Policy

Attribute

- personalized
- options
- informed decisions
- simple
- mode neutral
- Information and communication
- personal connectivity
- physical and virtual integration
- coordinated transfer
- “zero-wait state”
- trusted services
- perceived value
- make a difference
- transparent value proposition
- payment mechanism
- attractive mobility package

Definition Element

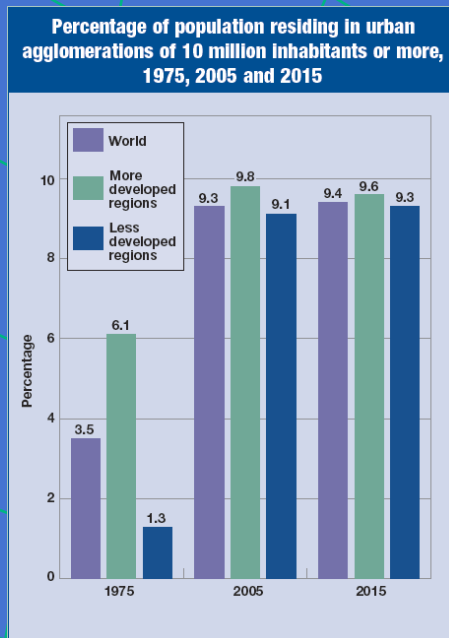
- End-User Focused
- Seamless
- Valued



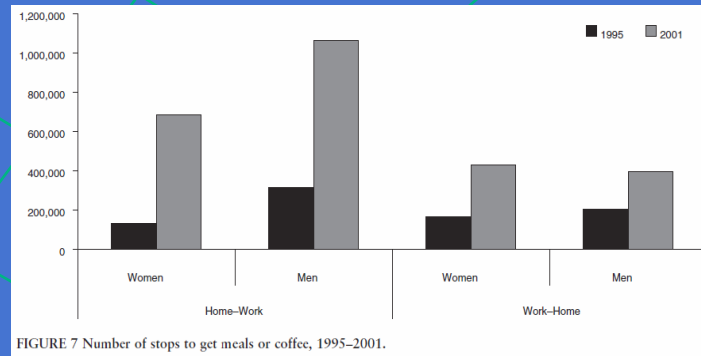
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Trends - what can we learn?

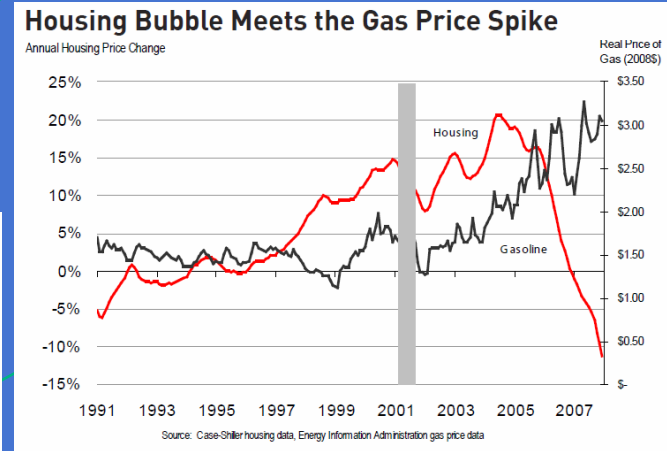
■ Trends – what can we learn?



Source: UN, *Urban Agglomerations* 2005



Source: McGuckin & Nakamoto, *Differences in Trip Chaining by Men and Women* 2005



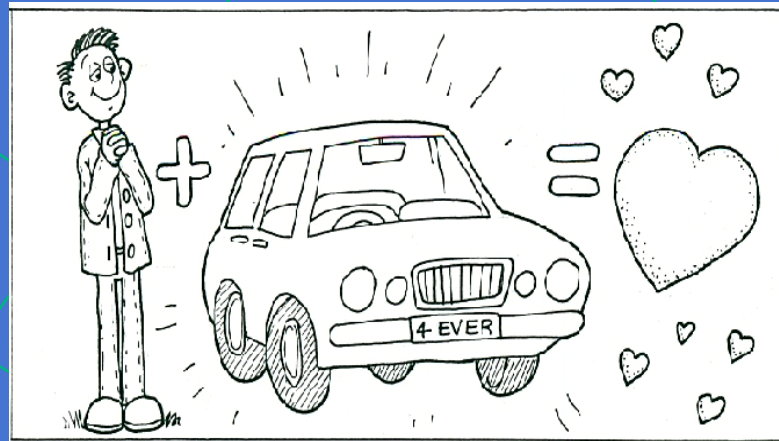
Source: CEOs for Cities, *Driven to the Brink*, 2008

- Urbanisation/ personalisation/ complexity of living is coming and will lead to complete mobility
- Reduce oil dependency – cf USA house prices and cost of fuel



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We need to segment and understand the consumer – eg Die Hard Drivers



- Strong emotional and physical attachment to the car
 - Admit to strong habitual car use
- Not willing to use alternative modes or pay extra for car use
- Admit there may be alternatives but do not want to use them

Keen on 'technical' solutions such as smart cards (w/o carbon credits) & real time information. Some enthusiasm for car clubs.
'Early Adopters?' Negative about car sharing.



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A New Relationship

- There needs to be a mutual understanding of how the public and private sectors work and what their needs are
- We need to search for and deliver the common benefits; eg land uplift, increased density, community facilities and better places
- We need to ring fence funding for specific developments
- We need a new relationship based on mutual understanding, confidentiality, certainty and transparency



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Develop the TA process

- Section 106/75 is not working and will not work in the future – business as usual is not going to happen
- CIL will not be all of the answer
- TAs need to be earlier in the process - ie at initial discussion/site choice stage
- TAs need to integrate strategic and local objectives and impacts
- TAs need to internalise infrastructure costs
- Include mode share targets backed by a developer bond



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There are opportunities for new funding streams

Potential Funding Streams in addition to Government Funding

- **Development Gain**
- **Connectivity Gain**
- **Mobility Management Services**
- **Combination of Funding Streams**



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Section 106 Agreements

- Legal agreements with private developers to provide planning contributions

Community Infrastructure Levy

- A charge which local authorities in England and Wales would be empowered to levy on most types of new development

Bonds

- Local Authorities are also taking bonds from developers to ensure target mode shares





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Development Cost Levy (DCL)

- A charge on new developments to help pay for growth-related needs

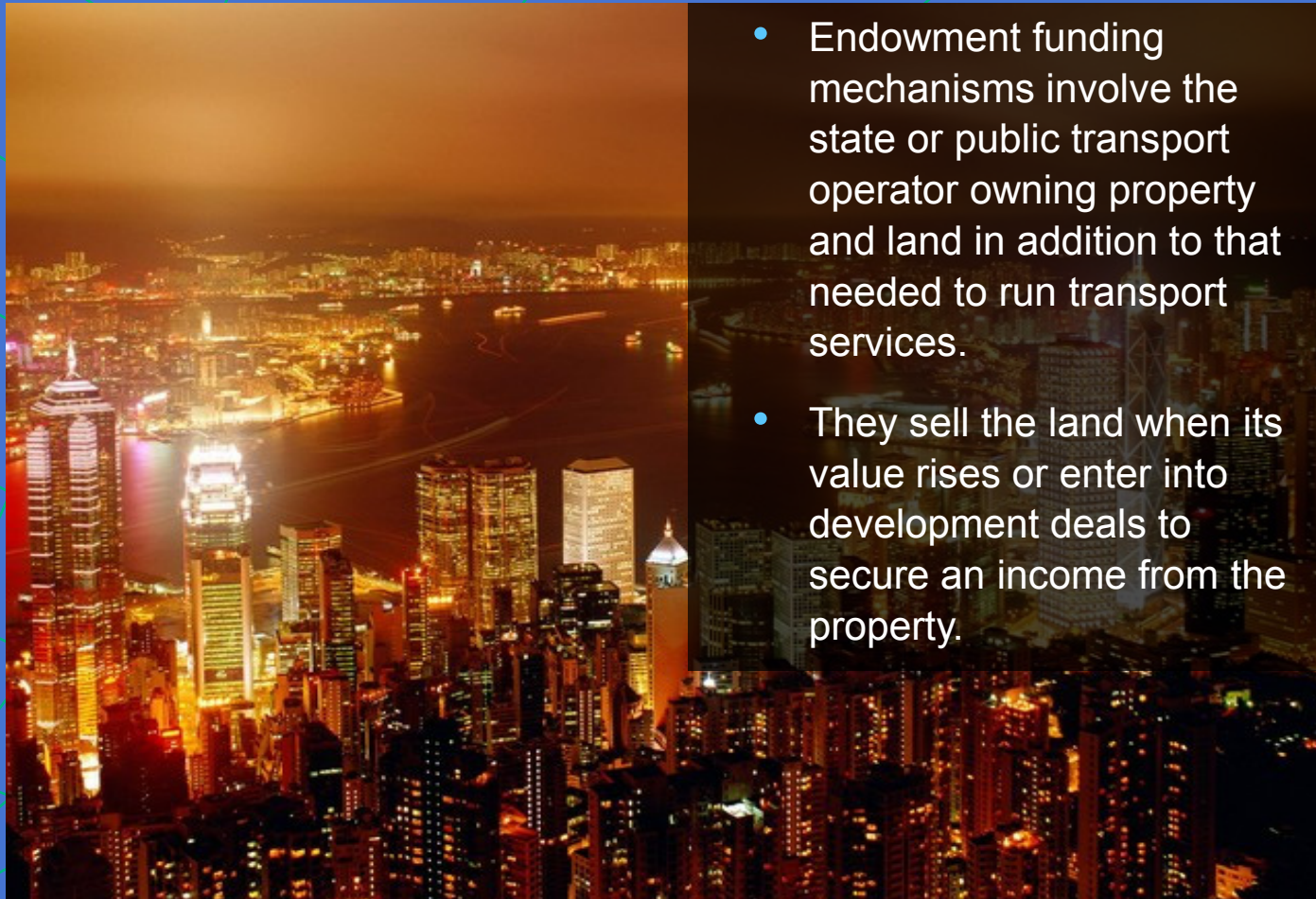
Community Amenity Contribution (CAC)

- A charge on additional density which has been approved by the City Council through rezoning





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- Endowment funding mechanisms involve the state or public transport operator owning property and land in addition to that needed to run transport services.
- They sell the land when its value rises or enter into development deals to secure an income from the property.



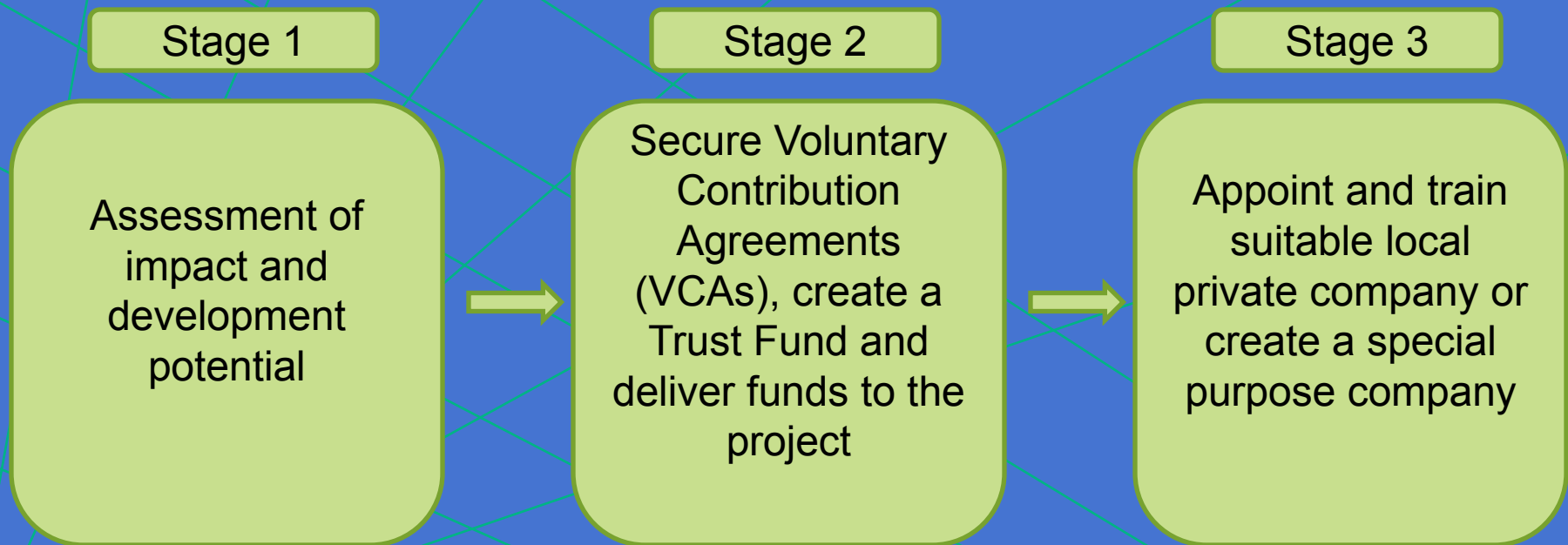
Potential funding streams – Connectivity Gain

Potential Funding Streams in addition to Government Funding

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- **Connectivity Gain**
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Edinburgh Rail specializes in securing voluntary contributions from the private and public land owning sector for transportation projects . The uplift is shared 50/50.



**Average Uplift of Value for
Edinburgh Rail Projects + 20%**



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Delhi Metro Rail Corporation

- First phase partly funded though real estate development
- Upfront revenues from Metro property developments and advertisings have provided about 7% of the project cost
- Recurring income from these services comes to about 30% of the annual fare box revenue





Potential Funding streams – Mobility Management Systems

Potential Funding Streams in addition to Government Funding

- Development Gain
- Connectivity Gain
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Octopus Card, Hong Kong

- Integrated mobility card payment system
- Branded revenue from transport, security and retail services £1.5 Bn (2004) £3.6 Bn (2013) p.a.
- Used for all travel, dining and shopping in Hong Kong





Potential funding streams – Combinations of funding streams

Potential Funding Streams in addition to Government Funding

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- **Tri-Met – Portland, Oregon, USA**
 - **Tri-Met offers incentives through the TOD Program**
 - **Fosters public-private partnerships needed to support transit-oriented development**
 - **Conditional use requirements:**
 - **Minimum densities and/or building heights,**
 - **Mixed land uses**
 - **Pedestrian friendly design and amenities**
 - **Reduced parking ratios**
 - **Streetcar funded through a combination of a property levy, parking premium charge and Local Authority bonds**





Concluding remarks (1)

- It will not be a return to business as usual
- The social, environmental and economic pressures will continue
- We need three things now:
 - A new relationship
 - A new method
 - A new approach to infrastructure funding



Concluding remarks (2)

- A new relationship:
 - A mutual understanding of how the public and private sector works
 - A partnership based on understanding, confidentiality, certainty and transparency
 - A mutually incentivised regime



Concluding remarks (3)

- A new method:
 - Connect the strategic and the local – TAs earlier in the process including internalised infrastructure costs and market analysis
 - All stakeholders to understand how places work – the 7 Deadly Wins
 - Use mode share targets linked to developer bonds
 - Actions based on choice and incentives and market/trend analysis and segmentation



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Choice and incentive – How to change behaviour



66% more
people used the
stairs



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Piano Stairs (2)



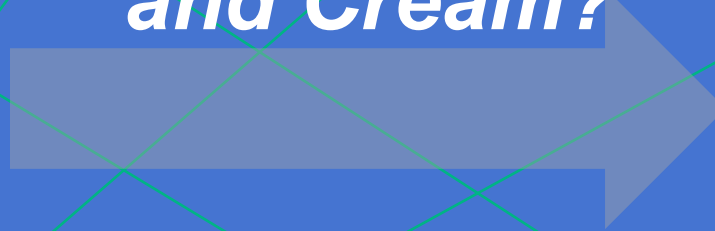


Concluding remarks (4)

- A new approach to infrastructure funding:
 - A willingness to try new methods – a “why not culture” based on the new relationship (eg No threat of blame or litigation)
 - Developing a tool box of approved methods – land uplift capture, TIF, CIL, etc
 - Ring fence funding to specific developments
 - Develop an ICT platform based on transport that opens up new revenue streams

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***Yes, with a little help
from our friends***

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