



WMATA's Business Case for Transit

Measuring our
Regional Benefits



- WMATA Compact signed 1967
 - 0 miles of rail
- 40 Years Later
 - 106 miles of rail
 - 1.2 million trips per day



**What does this
mean for the region?**





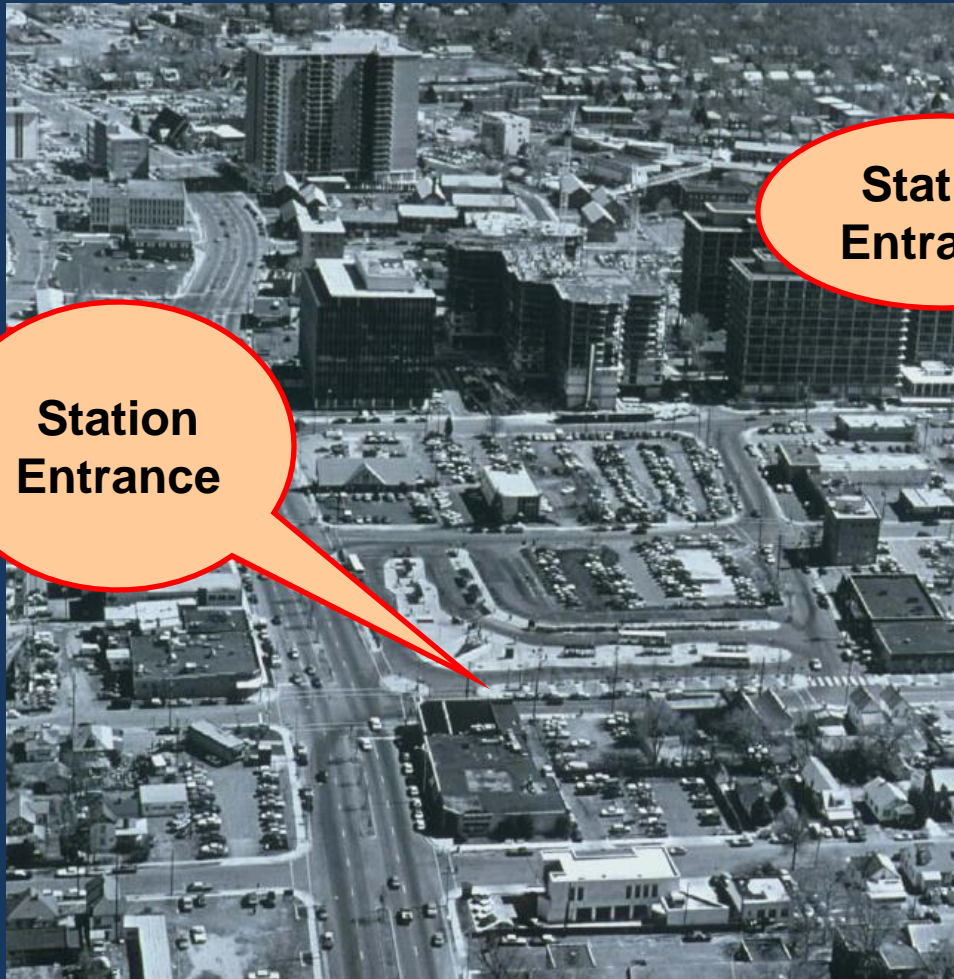
Purpose of the Project

**Tell the story of the critical role the system plays in Greater Washington,
in support of Metro's needs**



We Think We've Helped *Something* Happen

Ballston 1980



Station
Entrance

Station
Entrance

Ballston 2001



Commercial
office & retail

Hotel

Residential
rental

Park

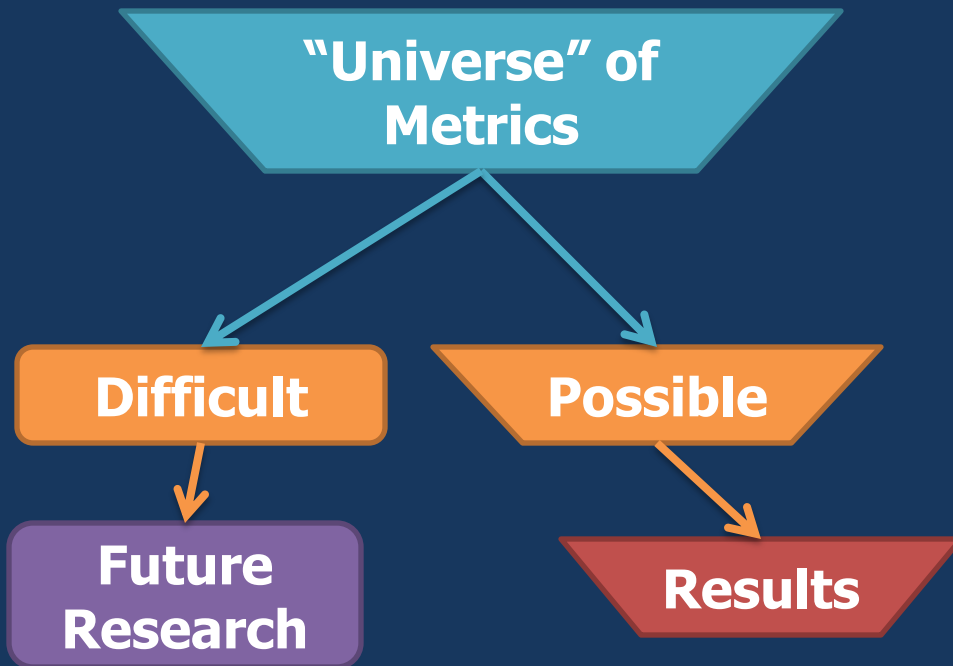
Commercial
office & retail

Senior
Living

Commercial
office

Plan
Resi
conc

What Can We Measure?



- Throw in the kitchen sink at first
 - Think creatively
- Then, narrow:
 - What's most helpful...to *YOUR* region?
 - What can be measured?

What Shall We Measure?

MORE DIRECT

LESS DIRECT

Examples of Benefits

- Avoided costs of roadway capacity
- Expenditure savings to households

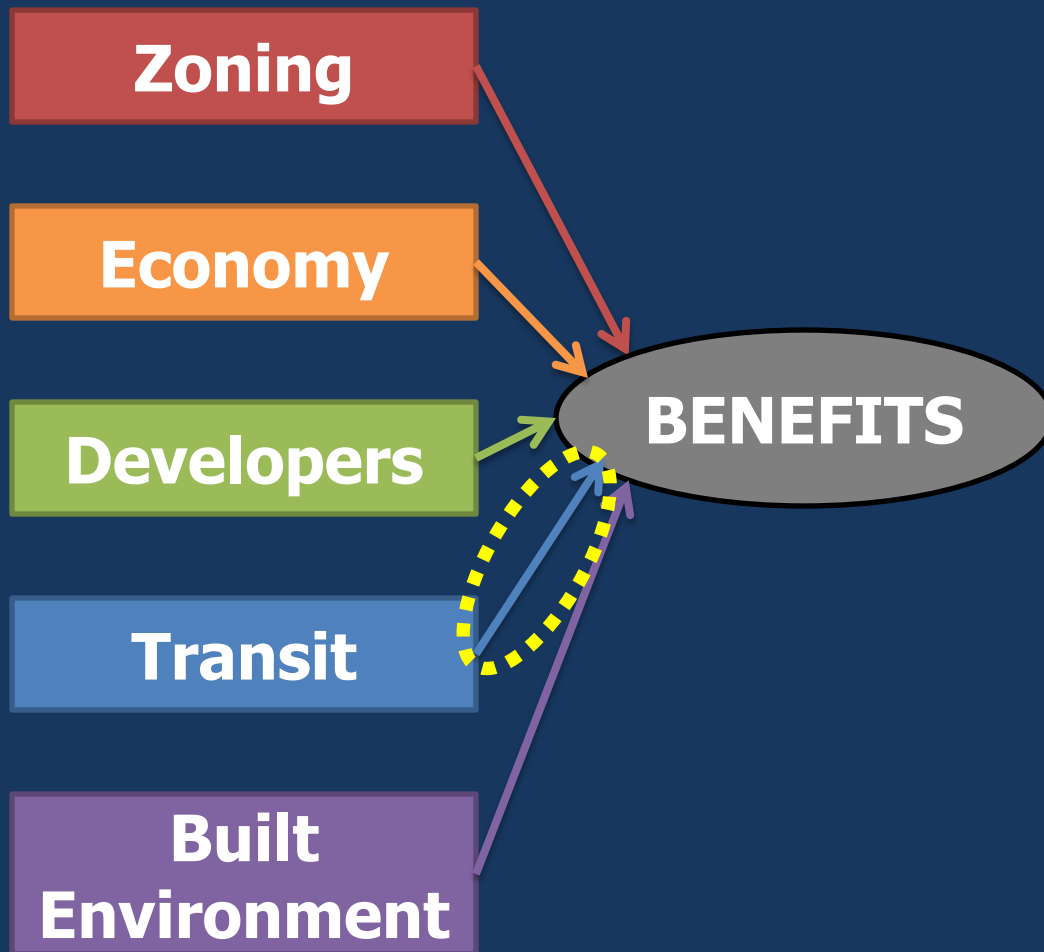
- Health
- Livability

Pros/Cons

- Narrow view of benefits
 - Counterfactual more plausible
- = More persuasive to skeptics

- More comprehensive
 - Harder to attribute causation
 - Counterfactual harder to imagine
- = Less persuasive to skeptics

What Can We Take Credit For?



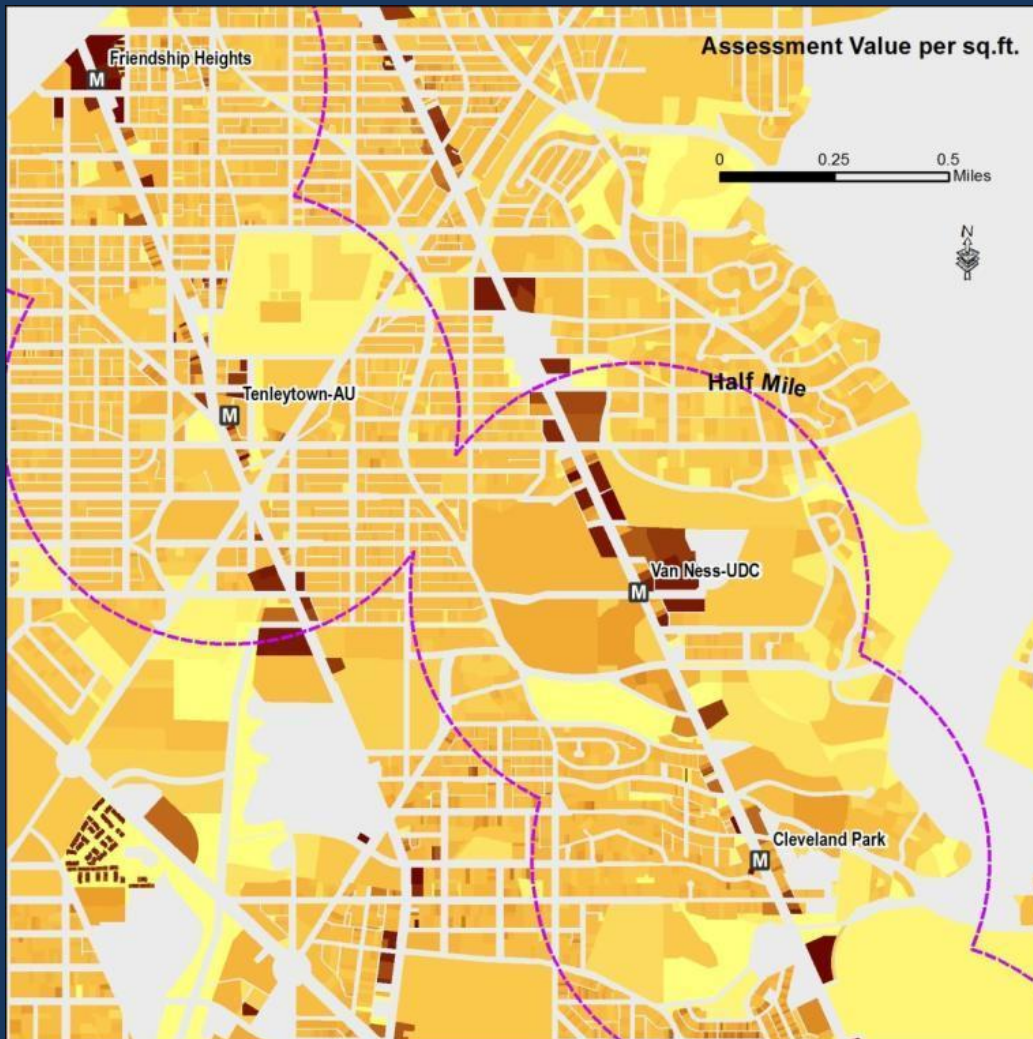
- We can quantify a benefit, but it may not be all “ours”
- Transit is a precondition:
“But for” test

Metro:

**An investment that
produces high returns**



Metro: Increases Property Values



- \$235 billion in real estate value within half-mile of rail stations (\$133 B within 1/4 mile)
- Proximity to rail increases property values by 7-9%



Metro: Supports Others in Creating Value



- **27%** of the Compact's land value comes from the **4%** of its land within a half-mile of Metrorail
- Land value near Metrorail generates \$3.1B / year in property tax revenues to our funding partners
 - \$195m/year from rail "premium"

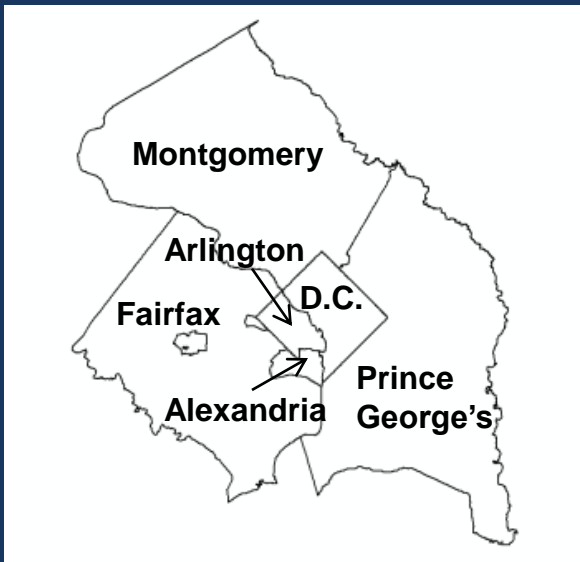


Transit: Moves the Regional Economy



With transit “off”:

- Peak travel times up 25%
- Congestion fractures the regional economy
- Employers lose access to workers
- We lose competitiveness of single economy



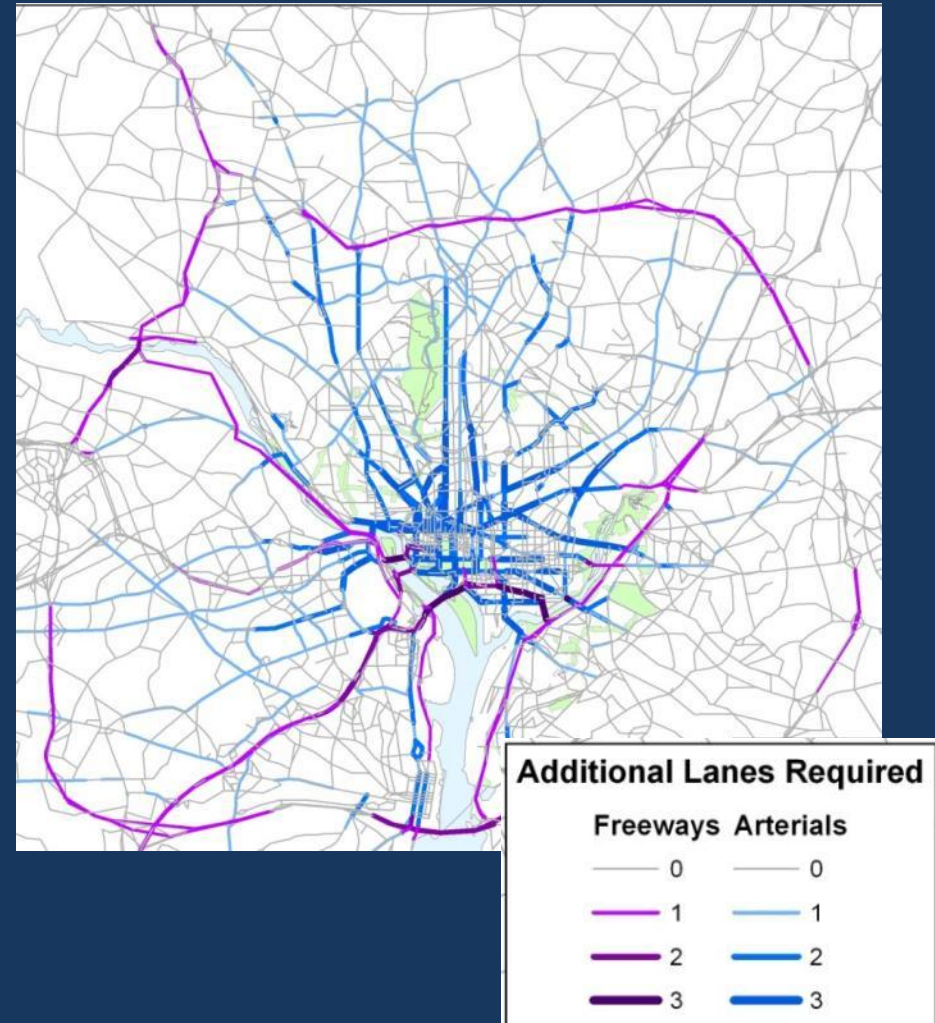
Without Transit

+ 1 million auto trips/day

+ 1,000 lane-miles needed
to keep existing levels of
congestion

=

-
- Equivalent of nearly 2 new Capital Beltways
 - 4-6 new lanes on Potomac crossings
 - ~ \$6.7 billion



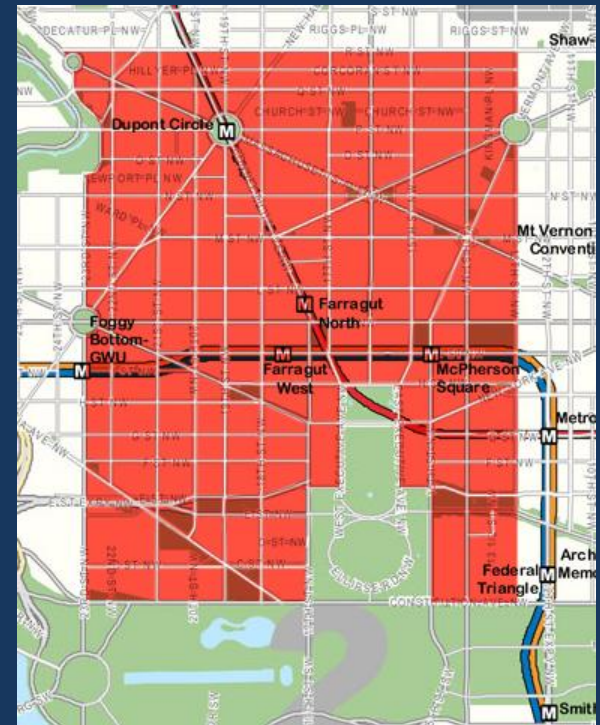
Without Transit

200,000 more parking spaces in core



166 =

- Almost 170 blocks of 5-story parking garages
 - From 23rd to 12th
 - Constitution Avenue to R Street





Price: \$4.1 billion

“Downtown Covered in Parking?”

- Not so far-fetched

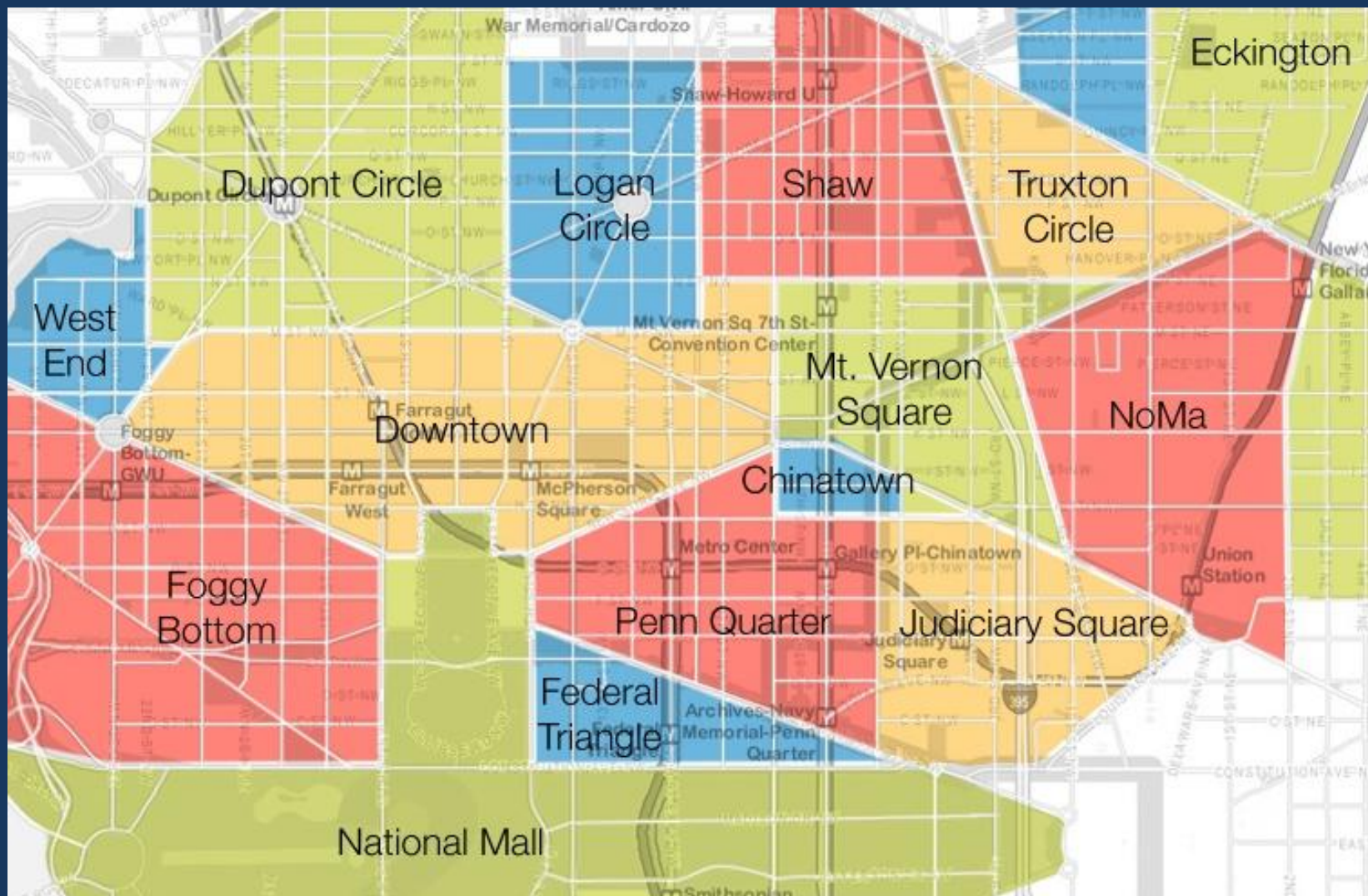


An aerial view of parking and land use in downtown Minneapolis.

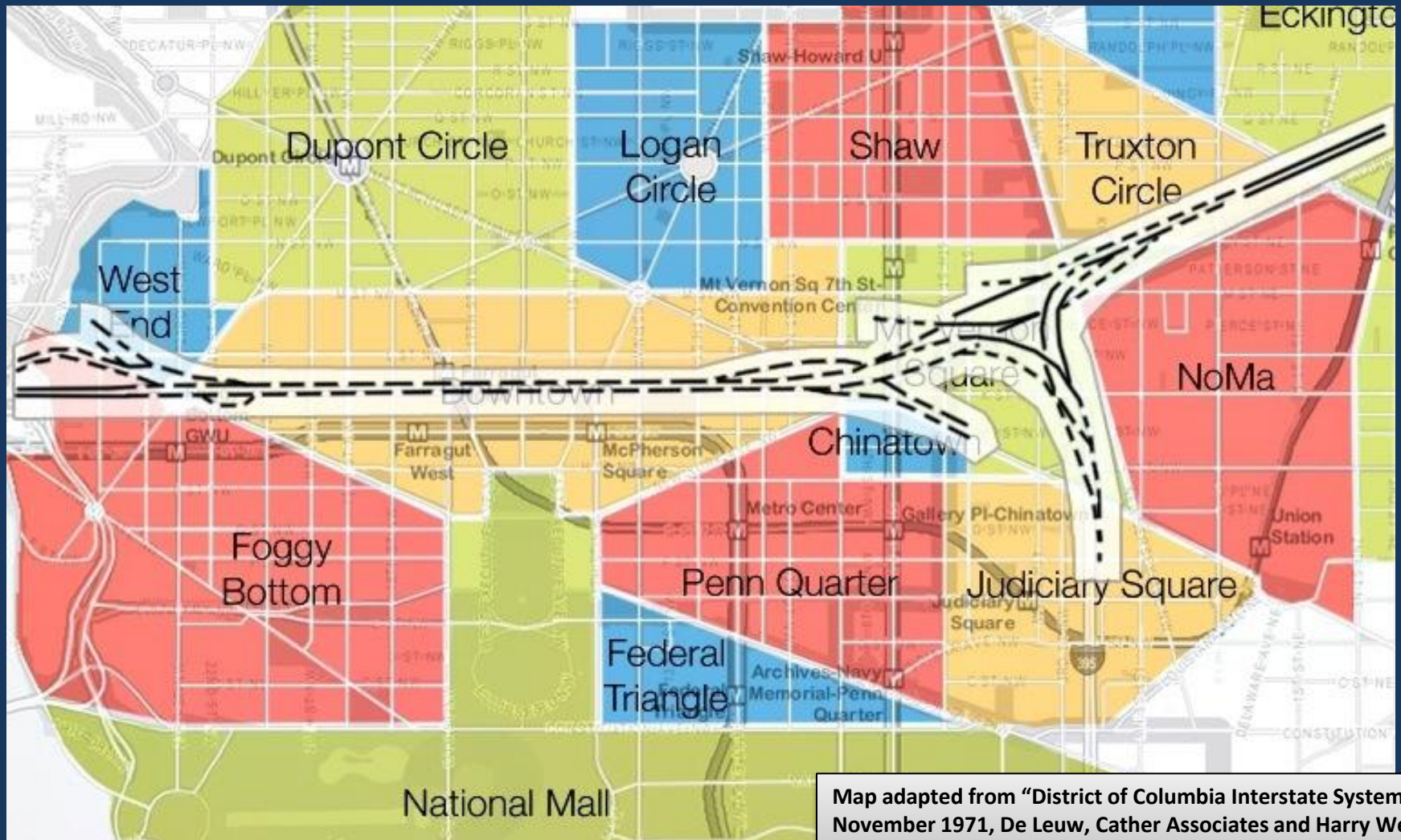
 Surface parking lots  Parking ramps

From David Albersman, Albersman and Armstrong, LTD, Minneapolis

How Will We Serve a City?



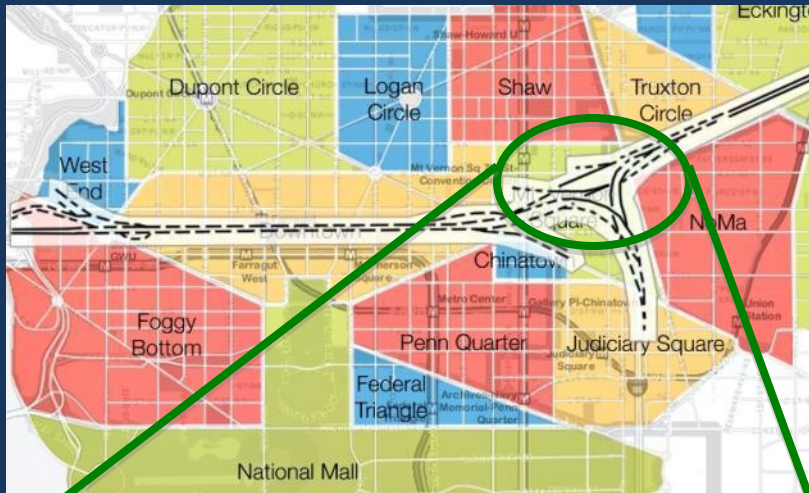
Without Metro



Map adapted from "District of Columbia Interstate System 1971," November 1971, De Leuw, Cather Associates and Harry Weese & Associates, Ltd.



Metro: Makes Development Possible



Without Metro

Planned highway interchange covers Mount Vernon Square



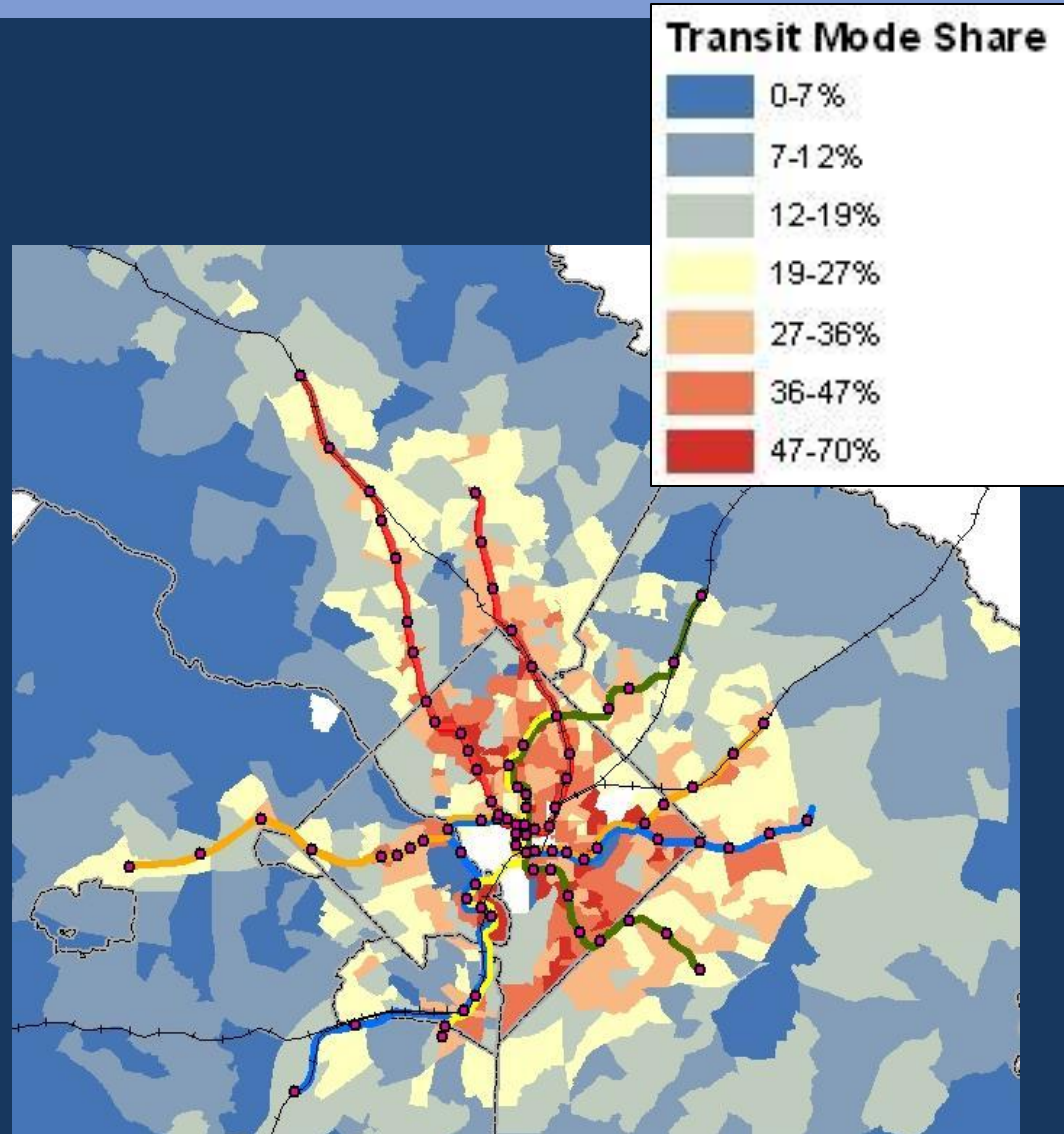
With Metro

Vibrant, valuable development

Photo: City Vista, courtesy of Elvert Barnes (CC license)

Metro: Moves the Whole Region

- A substantial portion of total mobility to *many* parts of the region
- All transit mode share, ¼ mile of station:
 - Office 30%
 - Residential 45%
- Areas with the highest mode share are outside (but close to) the Core





Metro Makes Possible and Supports a Biking and Walking Community

Metro



Mixed-Use Centers



Walking and Biking





Metro: Makes the Capital Region a Capital



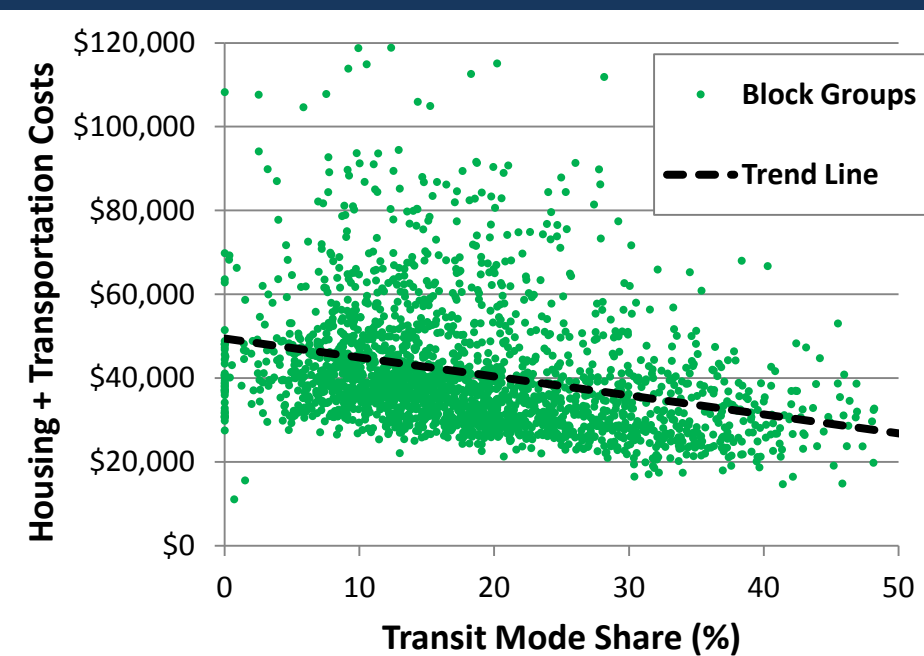
- Makes possible the federal core
 - Workers in 277 federal agencies commute with Metro
 - 35% of rush-hour trips are federal employees
- Allows the region to be a national gathering place
 - Serves rallies, concerts, sports
 - Carries 8 million visitors/year



Metro: Makes the Region Livable



- Saves households time and money
 - Time savings: \$705 m/yr
 - Auto savings: \$340 m/yr



- Cleans the air
- Opens doors for all
- 360,000 trips by transit dependents per day



Metro Makes Possible a Community that Draws Workers and Jobs

“Companies are recruiting and targeting the next generation of talented workers, the Generation Y/millennials... who increasingly prefer urban lifestyles with mass transit.”

– Urban Land Institute



Source: Jeffrey Spivak, “Urban Office Momentum”, *Urban Land*, September 14, 2011

Benefits That Are Hard to Monetize



- Health

Every morning, Metrorail riders walk a combined 33,000 miles to a station, burning 2.2 million calories
- Security

Rail can evacuate 120,000+ people/hour
- Reduced auto crashes

Still Not the Whole Picture!

- Other measures of benefits are important, but beyond our scope
 - Economic agglomeration
 - Better public health
 - Livability
 - Labor market strength
 - National competitiveness
 - Water quality
 - Open space



Using the Results



- Performance measures in:
 - Long-range planning
 - Joint Development/TOD projects



- Public relations
 - It's not all about costs



- Applying for grants

Conclusions

- “Mobility” metrics do not tell the whole story

Transit adds value to land and labor markets in ways that “mobility” metrics do not capture

- Adding this kind of analysis helps make the “business case” for transit
 - *Capital Riverfront BID’s Green Line findings*
 - *Boston Globe: “Serving More than Straphangers”*
 - *CoStar-Washington Post study of rent premiums*