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**Committee of the Whole
Committee on Parks, Recreation and Planning
Committee on Environment, Public Works and Transportation**

"Streetcar Land Use Study"

Testimony of

Meg Maguire, Chair

Transportation Subcommittee

The Committee of 100 on the Federal City

2/1/12

We appreciate the opportunity to participate in this roundtable about the projected effects of streetcars on land use. Rather than take scarce time to raise questions about the meaning and interpretation of data, we have listed these in the Appendix and request a written reply.

We are pleased with several aspects of the study.

- First, the method of financing replaces the inequitable streetcar district tax assessment on businesses and residents put forward in DDOT's plan of April 2010. Bonds backed by rising property values are a better way to go. To strengthen this strategy and to corroborate the assumptions on which the economic analysis is based, we suggest that the Office of Planning engage the DC Fiscal Policy Institute to conduct an independent peer review of the data and proposal.
- Second, the study correctly identifies those corridors where a permanent streetcar investment is likely to have the most economic impact. However, as Monte Edwards notes in his testimony, segments within 3D include very different land uses that don't make sense when grouped together. We urge OP to refine how areas are grouped, mapped and interpreted prior to holding community meetings.
- Third, the study presents several route improvements suggested by the Office of Planning. Buzzard Point and Poplar Point makes sense. And a priority should be a streetcar connection to St. Elizabeth's. Extending the streetcar to Silver Spring Metro will provide further benefits of connectivity. We hope that DDOT and OP will carefully evaluate other proposals that will arise such as service to Reservation 13.

We have two concerns related to funding.

- The assumption that the Federal Government will invest 50% in the system is overly optimistic, particularly since their investment to date has been so light, the federal transit pot so small, and the nationwide demand so high. Congress is not transit friendly. Let's be realistic and look at alternative scenarios if we receive only 10%, 25% or 33% from the feds. It is better to confront now the real possibility that we will pay for much of the capital and operating costs for the system from general revenues than to set up unrealistic public expectations.
- The study proposes to capture 50% of the future increase in property taxes attributable to streetcars. Appreciation will occur in some places, but a great deal of development has already taken place within three blocks on either side of these routes, and property values are increasing in the absence of streetcars. We caution against inflated claims of streetcar benefits, especially in areas that are already developed.

Our main concern with the study is lack of specificity about land use planning.

- The report does not deal with the urgent need to immediately set aside land for maintenance facilities. In the Committee of 100's streetcar report of January 2011, we called for an equipment and facilities master plan to identify sites for this significant industrial land use. In the absence of a facilities plan, we fear that there will continue to be undesirable annexation of public properties as is happening with the first maintenance facility on the lovely Spingarn campus across from the NPS's Langston Golf Course. We oppose this location and urge DDOT to investigate assembling several marginal properties nearby instead.
- The study uses a limited vocabulary of terms that mean different things to different people and may hinder the discussion.
 - Transit-oriented development – Do the authors mean maximum density with no minimum parking requirements? Or would they include development at the scale of Barracks Row as well as that of Columbia Heights since both benefit from proximity to transit? The projected property value increases appear to be based on substantial rezoning to achieve maximum densities along streetcar routes rather than a mix of housing types or extension of existing adjacent development patterns in areas where large-scale building may not be appropriate. The absence of a refined analysis, and the emphasis on uniform rezoning, could compromise support for the streetcar system from many neighborhood residents who would otherwise welcome it.
 - Sustainable development – Do the study authors use this term to refer primarily to quantifiable environmental benefits, walking and biking, and LEED certification? Or do they also include elements that do not directly generate revenue but have made this city sustainable and beautiful over time: new parks, schools, playgrounds,

community centers and libraries; tree-canopied boulevards; view shed protection; and reinvestment in sturdy older housing and office buildings?

The streetcar system offers a permanent improvement that says to investors: “We are here for the long haul.” But ultimately, land development should not revolve around maximizing assessed value to generate tax revenue. We have one of the last great opportunities to create *new, healthy, demographically diverse communities with convenient access to stable, high quality jobs and an enviable mix of public transportation that historically have made this city so desirable.*

To the extent that this study promotes these values it is a useful step forward.

Thank you.

APPENDIX

Request for Clarification of Inconsistencies and Backup Information for Data Analysis

The Committee of 100 requests additional information on the following questions raised in our review.

1. On p. 37 of the study is the statement:

As in any highly urbanized area, many District streets experience daily vehicular congestion. This study evaluated daily traffic volume per peak-hour travel lane, and Figure 8 shows the areas of potential concern it identified. The analysis found the highest levels of congestion within the proposed streetcar network along K Street NW, Columbia Road NW, Florida Avenue NW/NE, Benning Road SE, and Georgia Avenue NW.

This sounds correct, but we are unable to examine the basis for that statement because Figure 8 (page 27) depicts projected housing development, rather than vehicular congestion. Please provide the missing figure to accompany this statement. In addition to the areas mentioned in the text, what are other areas of peak-hour congestion along the routes?

2. For residential property, the study says that values will rise 5-12%, a big range. Where do the authors anticipate the greatest gains? Is it in the underdeveloped areas where they also say there will be no displacement? Corridor-wide they say that residential property values will rise 2.5-5% and commercial will rise 5-10%. It appears that the biggest residential increase will be on the actual line. Is this also where the largest tax revenues will be generated? Will property owners on the adjacent streets see any increase in prop values that wouldn't be achieved by normal expected value increases over a 10 yr. period? Will the changes in zoning subject these folks to eminent domain or quick buy-outs? What happens to the character of neighborhoods? Who are the winners? The losers?

3. For office property, new construction and rehab will bring \$1-1.3B in office development on corridors over 10 years. This is a 15% increase in demand for office space. The majority (80%) of this development will occur in underdeveloped corridors with non-premium transit access. But existing office property values are projected to rise \$3.7-5.8 or 2-10% along individual corridors. Does this mean that K Street is the big winner even though Wards 5 and 7/8 will see the bulk of new office development?

4. For retail space, the study projects 1/3 as much new square footage as office space over 10 years. But, according to the study, retail has to be supported by new households (1,000 households leads to 30-50,000 sf of new retail space) within 1/4-1/2 mile. The study projects 1.1-1.3 million square feet of new retail space that translates into approximately 33,000 new households. This is at variance with figures at the beginning of the study where

the authors projected 12,000 new households over 10 years. This is a big discrepancy and needs to be reconciled.

5. The section on employment says that over 10 years 6,300-7,700 new jobs will be created and that 85-90% of all new office employment will be on rail corridors. What are the projected demographics for these new workers? Are they young professionals and empty nesters with low demand for city services? Are they likely to live in DC or commute? It would be helpful to have more information about where these jobs are projected to be located, in what sectors of the economy, and the level of education required.

6. The study does not deal with transformative zoning changes, nor is it specific on which streetcar corridors are projected to see the biggest financial gains with the least displacement. If this data exists, it should be made public so that people can anticipate and help to guide appropriate change and benefits for their communities.

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