



While Metro is currently going through a multi-year capital rebuilding effort to bring the system into a state of good repair, the agency must simultaneously begin planning for expansion to help ensure the long-term competitiveness of the region and keep pace with demand from expected population growth. In January, Metro released the staff draft of the its strategic plan, called Momentum, which defines the next generation of Metro.

I'm here today because we, as a region, some choices to make. We need to prepare for the future and decide if and how Metro will be a part of ensuring the vitality and economic growth of our region. This draft of Momentum outlines our options for the future.

But first, I'd like to talk about where we are today, which will help put Momentum into context.

Metro & Economic Development

- Metrorail land area is 1.2% of the region's land base
- This land captured 14% of all jobs and 13% of office jobs over the last 10 years
- Most of these jobs were private sector, high-wage jobs

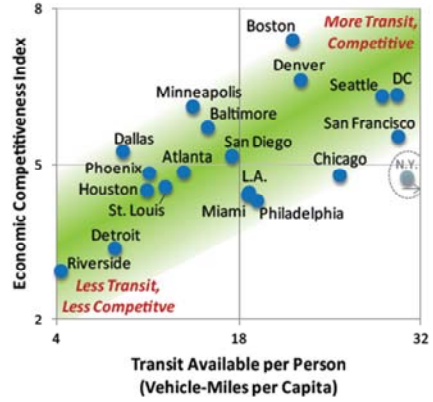
Metro & Economic Development

- Maryland
 - Jurisdictions recognize \$355M in annual property tax revenue from Metro-adjacent property, of which \$23M is directly attributable to Metro
 - Maryland's Metro riders save \$185M per year on average because they take public transit
 - Without Metro, Maryland would spend \$1.2B on roads
- Virginia
 - Jurisdictions recognize \$470M in annual property tax revenue from Metro-adjacent property, of which \$23M is directly attributable to Metro
 - Residents who ride Metro save \$122 million annually
 - Without Metro, Virginia would spend \$1.4B on roads and \$360M on parking
- The District
 - Recognizes \$2.26B in property tax revenue from Metro-adjacent property, of which \$178M is directly attributable to Metro
 - Without Metro, the District would have to spend \$2B on road construction and \$2.5B on parking structures.



MD residents save \$762M per year because Metro reduces traffic congestion overall, saving fuel costs and increasing productivity.

Metro & Economic Development



Sources: Metro Area Competitiveness Report, Beacon Hill Institute 2007
NTD Vehicle Revenue Miles (2007) per UZA Population

Metro & Economic Development



2,600 Teachers per year



3,200 Firefighters per year



3,200 Librarians per year



1,500 Police Officers per year



6.4 Elementary Schools per year

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Rebuilding the Foundation:

Over the last couple of years, Metro has been focused on literally rebuilding the system and restoring safe and reliable operations for our customers.

Metro Forward- \$5 billion-dollar, 6-year investment program:

- Over 200 new or rehabilitated buses put in service
- Over 21 miles of new running rail
- Increased escalator availability to 90% by improved inspection repairs, and rehabilitating and replacing 45 escalators – Foggy Bottom, Dupont Circle
- Rehabilitated 10 station platforms
- Replaced 36 Guarded 8s, completing a major NTSB recommendation
- Placing over 461 new MetroAccess vehicles in service
- Replacing 1K series- Building the new 7K series rail cars—prototype has arrived in the U.S.
- New Glenmont parking garage opened and Shepherd Parkway bus garage opened

This rebuilding allows us to “catch up” and get back to a steady state of good repair. But catching up is not good enough and here’s why.

Keeps the Region Working

- Businesses near Metro- better access to employees and customers
- Job growth: four times higher at Metro stations than region
- 54% of the region's two million jobs are within ½ mile of Metro
- Proximity to Metrorail increases property value by 7-9%



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Metro is the backbone of the region. Economic activity resulting from Metro is critical to the prosperity of the region. Businesses locate near Metro stations to gain better access to employees and customers.

Two million, or 54%, of the region's jobs are within a ½ mile of all Metrorail stations and bus stops

Metro also moves employees of 277 federal agencies daily. This workforce represents 35% of the AM rush hour commuters

In addition to moving people within the region, Metro supports the development of the real estate market and generates tax revenues.

An analysis of property tax assessments for land ½ mile of Metrorail stations shows:

- \$235 billion of property value is from land near rail stations;
- This land generates \$3.1 billion annually in property tax revenues;
- This land represents 28% of the jurisdictions' property tax base but only 4% of their land; and
- Proximity to Metrorail increases property values by 7-9%.

What If There Were No Metro?

- More cars on the road
- New beltways
- More lanes for river crossings
- More parking spaces
- More congestion
- More money spent on auto expenses
- Poorer air quality



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- 1 million more auto trips per day would be made
- \$6.4 billion for more than 1,000 lane-miles of new pavement on highways and arterials would be needed, which is the equivalent of two new Beltways.
- All river crossings would need four to six additional lanes.
- 200,000 more parking spaces in the core would be needed, which would be the equivalent of 166 blocks of five-story garages.
- Congestion would increase by 25%, costing more than \$1.5 billion annually in wasted time and fuel.
- Households would spend an additional \$342 million/year in auto expenditures due to increased car ownership, operating, and maintenance costs. This includes using an additional 40.5 million gallons of fuel annually.
- Air quality would worsen
- Employers would have access to a much smaller pool of employees and residents would have fewer jobs within an acceptable commuting distance.
- Commercial and residential development opportunities would be lost. Existing neighborhoods would be fragmented or stagnate.
- We are now at a crossroads for making some key decisions just as we were 35 years ago

What If We Do Nothing?

- Threats to safety
- More delays, service disruptions and crowded conditions
- More congested highways as regional growth will outpace Metro investment
- Reduced overall quality of life
- Harms region's competitive advantage –talent, jobs, and investment dollars



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Region is already #1 most congested area in the country. If we do nothing, the region could become unlivable:

Metro will degrade quickly- visible progress will be lost

Threats to reliability and safety- will not meet future needs

Residents would have fewer jobs within an acceptable commuting distance.

Increased congestion on trains, buses and platforms

Regional growth will outpace Metro investment, placing more burdens on roads

Reduced overall quality of life

Harms the region's competitive advantage for talent, jobs and investment dollars

Employers would have access to a much smaller pool of employees

We have to anticipate future needs and solidify our priorities to ensure our region remains livable and prosperous. There will be challenges that accompany our choices so we'll have to make some tough decisions regarding costs and benefits.

Need to Plan

It's About Choices

- Core of rail system is already strained
- Some buses, platforms and railcars are standing room only
- No funding for any expansion beyond the Silver Line
- Region will face unprecedented growth
 - 30% increase in population
 - 40% increase in employment



Why Momentum?

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Metro is already bursting at the seams. The core of Metro rail system is strained. Platforms are crowded and trains during rush hours are teeming, reducing the reliability and comfort on our rail system.

Buses on many of our most popular lines are standing room only and often don't have enough remaining capacity to stop at up-line stations. Throughout much of the region, the buses sit in the same traffic as every automobile, reducing their speeds, reliability, and competitiveness.

But just on the horizon, more people are coming--The National Capital Region is expected to face unprecedented growth 30% increase in population and a 40% increase in employment

But infrastructure won't simply build itself. And there is no funding for any expansion beyond the Silver Line.

I'd like to play a short video that explains why Momentum is critical to the region's future.

****Click "Why Momentum" to play SHORTER 2.5 minute Video here****

Goal 1: Build and Maintain a Premier Safety Culture and System

Strategies:

- Fix and maintain the system
- Create a shared climate of safety
- Expect the unexpected
- Prepare for extreme weather



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We talked to over 11,000 stakeholders for this effort to help us truly understand what our customers – today and tomorrow – want and need from the region’s transit network. A set of common themes and priorities emerged: Recognize Metro is critical to the region’s future; Keep rebuilding; Reduce crowding; Provide better customer information; and Ensure stable funding. From these themes, we developed Momentum.

First goal- our commitment to you: Metro is safe. Metro will create a safer and more secure transit experience for customers and employees.

Fix and maintain the system: Continue rebuilding. Continue to complete all National Transportation Safety Board recommendations

Create a shared climate of safety: Mitigate crime through station upgrades such as lighting; continue safety improvements

Expect the unexpected: enhance emergency protocols; protect system against a man-made emergency; Establish continuous feedback loops to prevent accidents

Prepare for extreme weather (**new normal**): the 500-year storm is now the 5 year storm – new design standards; fleet and facilities that can weather the storm.

Goal 2: Meet or Exceed Customer Expectations by Consistently Delivering Quality Service

Strategies:

- Become a self-service system
- Focus on the customer
- Fix it first and fast
- Be on-time
- Make it easy to plan, pay, & ride



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We also heard from our customers that the region needs a transit system that is intuitive, and simple to plan, pay, and ride. The basics:

On-time service, predictably, and reliably are not negotiable. Stations and shelters are clean, well-lit, and comfortable. And fix it first and fast means aggressive repairs, rehabilitations, or replacements, on or ahead of schedule, to prevent service disruptions in the first place. But that's just the beginning:

Metro was designed to be a self-service system, and we propose completing that journey. Imagine walking into a rail station or bus shelter and not needing to ask for route planning assistance, fare payment information, or walking directions? A user experience that is intuitive. Imagine the resources that could be redeployed from implementing a self service system.

That means serving as the regional customer information network for Metro bus and rail and all local providers; it also means serving as the regional fare system.

These are the big ideas that we need to emphasize in describing this. Momentum calls for a unified trip planning and payment environment. Mobile-enabled, navigate the region's transit system – and pay for the ride – seamlessly.

Information, everywhere, all the time. Radical upgrades to platform and bus shelter information that puts real time connections prominently in front of the customer, across modes.

Goal 3: Improve Regional Mobility and Connect Communities

Strategies:

- Be the region's transit leader
- Maximize what we have
- Enhance access
- Expand for the future
- Support the region's economic competitiveness



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When Metro was conceived, it was designed to bring suburban commuters into Downtown jobs. Now, we have multiple downtowns. We also have a proliferation of transit agencies and proposed projects, each of which is attempting a local solution to a regional mobility problem. As we listened and learned, one thing became startlingly clear – the region needs a transit leader, an entity to take a regional approach to mobility and prosperity and deliver coordinated and integrated transit of the future. This means instead of just coordinating regional transit projects, Metro would take the lead in charting the transit course for the region. Metro can and should be that transit leader.

Before we can do so, we have to squeeze every drop of capacity out of the current system. 8 car trains, PCN, core capacity improvements, do what we can to fill empty seats.

Enhance access- park sharing, pedestrian connections, mobility solutions for those with individual needs.

We are a region of activity centers, and 2/3 of the proposed activity centers in region forward depend on high-quality transit in order to thrive. Most of that needs to be created, so Momentum calls on us to connect communities with new high quality transit that supports regional trip-making across local boundaries.

Goal 4: Ensure Financial Stability and Invest in Our People and Assets

Strategies:

- Add new sources of predictable funding
- Invest for the long-term
- Increase efficiency and lower costs
- Be green
- Recruit and keep the best



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We need to ensure financial stability to ensure this vision can be realized. This includes investing in the system and our people. Strategies include:

Add new sources of predictable funding: Metro will work with regional and federal partners to develop a predictable funding source for transit. Our current funding comes from yearly contributions from the jurisdictions including the federal government and fares. The amount of money that we get today will bring us to a state of good repair.

Invest for the long-term: Metro's vehicles, tunnels, bridges, stations and systems are all valuable physical assets for the region that will require replacement. Metro will prioritize and replace assets with a view to providing long-term safety, reliability and cost savings.

Increase efficiency and lower costs: Metro will operate efficiently by focusing on key cost drivers, improving business processes, and using technology more effectively.

Be green: Metro will employ technologies and practices to reduce consumption of natural resources and pollution. Lower energy usage, alternative fuels, and sustainable development criteria will be considered for new facilities and vehicles.

Recruit and keep the best: Metro will develop the people to meet the task by hiring quality candidates, providing training and career development, offering competitive compensation and acknowledging exemplary employees.

Metro 2025: Maximize What We Have



100% 8-car trains



More station capacity



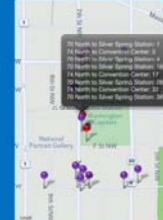
Underground pedestrian links



Complete Priority Corridor Network



New infrastructure



Next-generation communications

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The first step to ensure the system's stability is to squeeze all available capacity from the core system.

Our vision of Metro's future would include:


- Operate all 8-car trains during peak periods by acquiring additional railcars, power capacity and yard storage- adds 35% capacity to the rail network, enough to move an additional 35,000 riders in the peak direction during peak hours, comfortably;
- Expand or enhance select core stations to accommodate more customers;
- Build new pedestrian connections between selected stations to provide more convenient transfer options;
- Enhance and make bus service faster by improving service and building bus-only lanes to complete the Metrobus priority corridor network- The MetroBus PCN network is projected to add 100,000 riders to the regional bus network;
- Build new infrastructure, such as tracks and stations, that would provide more travel options and improve service for customers;
- Develop an open fare payment system for all regional transit providers; and
- Become the one-stop shop for bus and train information for all the region's transit customers, regardless if the traveler is on Metro, ART, the Circulator or the other services in the region.

Implementing Metro 2025 can serve the region over the next decade. However, it stops short of giving the region a transit system that is built with the future in mind.


Metro 2040: Expand the System




Complete Regional Transit System Plan (RTSP)




Evaluate new Metrorail lines in the core




Evaluate potential extensions



Extend high quality surface transit



Evaluate cross-Potomac connections



Improve commuter rail/bus frequency and span of service

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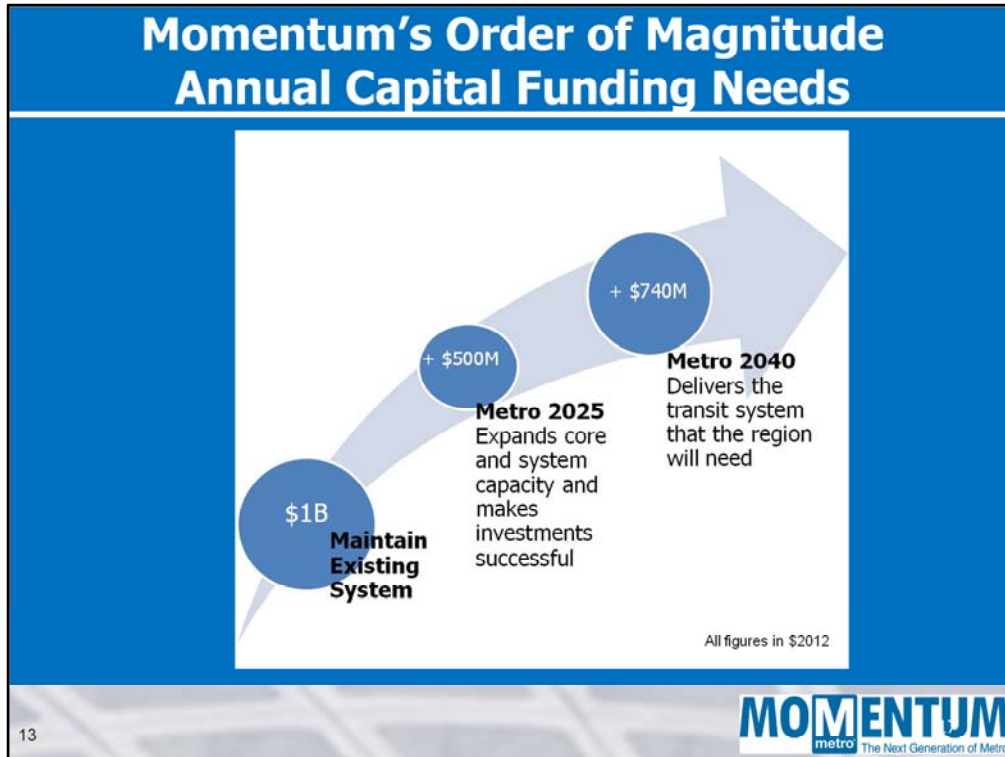
Metro 2040 represents a very early and still conceptual approach to problem solving for the next generation. There is ongoing work in what is called the RTSP (spell out), and with that as a foundation, the components listed are designed to accomplish the following:

- 1) Prepare region for growth- 1.6 million new people and 1.4 million new are coming
- 2) Promote regional connectivity, between all modes
- 3) Add more core capacity
- 4) Enhanced commuter rail networks, including some that may cross jurisdictions

With Metro 2040, the region's property tax base would grow faster and create an incremental \$37 billion in value, but that's not all:

- Residents and employees would save approximately \$488 million per year in travel time savings
- Congestion would be lowered by 10% in D.C. and Arlington, and 4-5% in Metro's overall service area- which is like DC in August.
- The region would consume 11 million fewer gallons of gas annually, a total travel cost savings of another \$169 million annually.
- There would be less parking demand –45,000 fewer parking spaces needed in the core that would cost over \$870 million.

There is no doubt that the regional return on the investment is strong, and these figures are conservative, and don't even take into account the impact that it will have on the region's global competitiveness.



Once Metro is rehabilitated, the system will require ongoing and sustained reinvestments as it continues to age and deteriorate. Current estimates suggest that Metro needs at least \$1 billion (in \$2012) per year simply to support and maintain the existing system, even after rehabilitation.

Metro 2025 will expand the core and system capacity, as well as ensure that the region's investments in the CLRP projects are successful. This would require an additional \$500 million in annual capital funding through 2025.

Metro 2040 will deliver the transit system that the region needs to continue to grow and remain competitive. This would require an additional \$740 million in annual capital funding needs.



Just as it always has, the momentum to rebuild, sustain, and grow Metro to support the region requires the backing of all stakeholders. And this is just the beginning of the conversation. Our next steps include:

- Gathering input from the Board, staff, and our stakeholders through public meetings like tonight and an online commenting tool
- Identifying topics for future Board strategic discussions
- Incorporating comments and finalizing the strategic plan
- Board adoption and Metro staff implementation of strategic plan

Join us in supporting the next generation of regional transit, because our future is riding on it.

wmata.com/momentum