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Testimony of
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Before the
Council of the District of Columbia
Committee on Public Services
February 9, 2004

Mr. Chairman and members of the committee, thank you for this opportunity to share my views on the Washington Metropolitan Area Transit Authority funding priorities.

You have already seen the compelling numbers, charts and figures that reflect how tremendously important Metro is to this region. Clearly, Metro is a world-class transit system in terms of its ability to move people quickly and efficiently, provide job access and mobility, and improve air quality - among other things. These are all important facts to keep in mind and certainly illustrate the point that, indeed, *Metro Matters.*

I'm going to focus my brief comments this morning on the role that quality transit, like Metro, plays in sustaining a high-end, economically competitive region and that this is a critical time for federal, state, and local partners to come together to boldly support the capital and operating needs to sustain the system.

Throughout the nation, states, and localities are struggling with the serious burdens of fiscal stress. That is particularly true in the Washington metropolitan area. However, I'm here today to say that the economic challenges jurisdictions are facing actually make the case that this is the right time – not the wrong time – for leaders in this region to get beyond localism and reevaluate how the metropolitan area is growing and how it can remain healthy and vital.

Numerous studies show that productivity and overall economic performance may be improved to the extent smart development fosters dense labor markets, vibrant and distinctive

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downtowns, and a high quality-of-life. Such development, which is facilitated and supported by a functioning transit system plays a fundamental role in attracting highly skilled labor and talent, which we know is so important in 21st century metropolitan America. Recall that in 2001, Boeing ultimately chose to relocate its corporate headquarters to Chicago, in part because it has a lively downtown and great mass transit.

Of course, attracting highly skilled labor depends on many factors besides transit: good schools, parks and recreation, music and theater, and good universities and colleges. And in this metropolitan area we are lucky. The Washington region is at the leading edge of the transition to the high road economy of quality, high wage, information driven jobs. Forty-one percent of the jobs in the region are in the services sector (compared to 34 percent nationally). Only 3 percent of the jobs are in manufacturing and a substantial 20 percent are in government (compared to 14 percent nationally). Given this industry structure, 42 percent of the adult population in the metropolitan area have a bachelor's degree – almost double the national average of 24 percent.

These are impressive numbers. However, they remain rather tenuous.

Despite some reinvestment occurring in the core and the renewed health of some parts of the District as well as the inner suburban areas, decentralization continues to be the number one development trend affecting the metropolitan area today. In fact, the Washington metropolitan economy is already more decentralized than the national average:

- Only 19 percent of the jobs are located within 3 miles of the central business district.
- And only half of all jobs are located within 10 miles of the central business district.
- As a result, 59 percent of the commutes in the region are between suburbs and only 21 percent are the traditional commute from suburb to city.

If left unchecked, the simultaneous occurrence of sprawl and infrastructure under-investment ultimately threatens the stability and competitiveness of the region. A region that does not fully utilize its assets jeopardizes its ability to compete.

On the other hand, the transit backbone – and the local land use that supports it – is one of the strengths that holds the region together. If the transit system becomes dysfunctional and continues to deteriorate, it will be more challenging to concentrate development, and the decentralization of jobs and workers will get worse.

One example of how transit can help concentrate, sustain and attract development is in Arlington County. The Rosslyn-Ballston Metro Corridor alone attracted 10,000 new housing units, 16.2 million square feet of office space and 1 million square feet of commercial and retail space over the last 30 years. Without Metrorail, Metrobus, and the associated policy framework, much of this growth would likely have occurred elsewhere in the region and in a very different style of development. In a word: sprawl.

Therefore, the financial difficulties facing Metro should really be a wake up call to Richmond and Annapolis, whose own set of fiscal challenges is also looming. This is because now more than ever, the imperative of controlling costs is making the reform of uncontrolled, unplanned and wasteful growth patterns unavoidable and marketable. In short, bad times turn out to be precisely the right time to tackle metropolitan decentralization by reinvesting in our existing communities and targeting scarce resources to infrastructure and services that are so important to the health and vitality of these places.

In this environment, it is even more critical for the state and local governments to fully support and renew their commitment to Metro, and to support an approach that creates high-quality growth.

Thank you for this opportunity to appear before you today.

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