21st Century Regional Economic Competitiveness: Transportation Infrastructure & Services in the DC Metro Region

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Schar School of Policy and Government
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Apple to build Iowa data center, get $207.3 million in incentives

3,000 Toyota jobs to move to Texas from Torrance

Toyota's move from its Torrance facility, above, will occur over the next three years as the new headquarters is built in Plano, Texas. (Christina House / For The Times)

By Jerry Hirsch
What does “economic development” mean?
Local economic development is the process by which localities enhance the quality of life of their residents and the local tax base by creating new community and business wealth through the creation, expansion, and retention of jobs.

-- IEDC
Economic Development Definitions

WHAT:

• Process over time, not an event
• Enhanced quality of life for citizens
• Rising standard of living
• New community and business wealth
Site Location Factors 2002

1. Availability of skilled labor
2. Labor costs
3. Tax exemptions
4. State/local incentives
5. Highway accessibility
6. Proximity to major markets
7. Proximity to suppliers
8. Availability of unskilled labor
9. Training programs
10. Proximity to technical university

Source: Area Development Corporate Survey, Dec. 2002
Site Location Factors

2016 Corporate Execs
1. Highway accessibility
2. Availability of skilled labor
3. Labor costs
4. Occupancy/construction costs
5. State/local incentives
6. Corporate tax rate
7. Tax Exemptions
8. Energy avail/costs
9. Proximity to Major Markets
10. Quality of Life

2016 Consultants
1. Availability of skilled labor
2. Highway accessibility
3. Labor Costs
4. State and Local Incentives
5. Proximity to Major Markets
6. Available Land
7. Tax Exemptions
8. Energy avail/cost
9. Proximity to Suppliers
10. Training Programs/Technical Schools
Classic Tensions in Economic Development

• Equity vs. Efficiency

• People vs. Place

Move Americans to Jobs, Not the Other Way Around

The absurdity of tax incentives to "create jobs" reached new heights last month with Wisconsin's deal to lure iPhone assembler Foxconn Technology Group -- which will reportedly cost taxpayers more than $100,000 per job.

Bloomberg | Aug 28, 2017
Smart Growth

- Smart Growth
- Better way to build and maintain towns and cities
- Housing and transportation choices near jobs, shops, schools
- Support local economy while protecting the environment

-- Smart Growth America
Smart Growth Features

• Mixed use development
• Range of housing choices
• Walkable neighborhoods
• Distinctive communities/sense of place
• Preserve open space
• Support choices in transportation
• Predictable and fair development decisions
Role of Transportation Infrastructure & Services

• Support population growth
• Expand urban land use options
  • Catalyst for /enabler of change in urban design
• Improve labor market efficiency
• Boost productivity
• Enhance regional competitiveness
Population Growth

1950 Population: XXXX

2016 Population: XXXX
What Don’t You See?
Elements of Population Change
Washington MSA

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Population Change</td>
<td>49,005</td>
<td>37,714</td>
<td>49,073</td>
<td>36,749</td>
<td>40,119</td>
<td>40,581</td>
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<tr>
<td>Net Domestic Migration</td>
<td>22,979</td>
<td>38,895</td>
<td>47,773</td>
<td>48,669</td>
<td>42,240</td>
<td>43,886</td>
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<td>Net Int'l Migration</td>
<td>5,525</td>
<td>3,827</td>
<td>4,019</td>
<td>3,270</td>
<td>3,240</td>
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<td>Natural Increase</td>
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<td>0</td>
<td>0</td>
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Clarendon 1990’s / Today

Picture Source: Arlington County website
Clarendon 1990’s / Today

Picture Source: Arlington County website
• Rule of Thumb: Effective labor shed represents an average 30 minute commute

• Changing nature of work: The Rise of the 1099 Worker

• Changing jobs:
  • Highly skilled technicians and designers
  • Skilled trades
  • Those adept at mediating artificial intelligence
  • Everybody else
Long commutes diminish quality of life
Proportion of workers with travel time to work of 60 or more minutes

Source: US Census Bureau. 2016 American Community Survey. Table S0802
Congestion

Source: 2015 Urban Mobility Scorecard, Texas A&M Transportation Institute

<table>
<thead>
<tr>
<th>Urban Area</th>
<th>Yearly Delay per Auto Commuter</th>
<th>Travel Time Index</th>
<th>Excess Fuel per Auto Commuter</th>
<th>Congestion Cost per Auto Commuter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Large Average (15 areas)</td>
<td></td>
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</tr>
<tr>
<td>Washington DC-VA-MD</td>
<td>63 Hrs</td>
<td><strong>1.32</strong></td>
<td>27 Hrs</td>
<td>1,433</td>
</tr>
<tr>
<td>Los Angeles-Long Beach-Anaheim CA</td>
<td>82 Hrs</td>
<td>1.34</td>
<td>35 Hrs</td>
<td>1,834</td>
</tr>
<tr>
<td>San Francisco-Oakland CA</td>
<td>80 Hrs</td>
<td>1.43</td>
<td>25 Hrs</td>
<td>1,711</td>
</tr>
<tr>
<td>New York-Newark NY-NJ-CT</td>
<td>78 Hrs</td>
<td>1.41</td>
<td>33 Hrs</td>
<td>1,675</td>
</tr>
<tr>
<td>Boston MA-NH-RI</td>
<td>74 Hrs</td>
<td>1.34</td>
<td>35 Hrs</td>
<td>1,739</td>
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</tbody>
</table>

Source: US Census Bureau, 2016 American Community Survey
## Congestion

### Average Annual Hours of Delay per Auto Commuter

<table>
<thead>
<tr>
<th>#</th>
<th>City</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Washington, DC-VA-MD</td>
<td>82</td>
</tr>
<tr>
<td>2</td>
<td>Los Angeles-Long Beach-Anaheim, CA</td>
<td>80</td>
</tr>
<tr>
<td>3</td>
<td>San Francisco-Oakland, CA</td>
<td>78</td>
</tr>
<tr>
<td>4</td>
<td>New York-Newark, NY-NJ-CT</td>
<td>74</td>
</tr>
<tr>
<td>5</td>
<td>San Jose, CA</td>
<td>67</td>
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</table>

Source: 2015 Urban Mobility Scorecard, Texas A&M Transportation Institute

### Annual Cost per Commuter for Wasted Time and Fuel

<table>
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<tr>
<th>City</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Washington, DC-VA-MD</td>
<td>$1,834</td>
</tr>
<tr>
<td>New York-Newark, NY-NJ-CT</td>
<td>$1,739</td>
</tr>
<tr>
<td>Los Angeles-Long Beach-Anaheim, CA</td>
<td>$1,711</td>
</tr>
<tr>
<td>San Francisco-Oakland, CA</td>
<td>$1,675</td>
</tr>
<tr>
<td>Seattle, WA</td>
<td>$1,491</td>
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</table>

### Total Commuting time per Worker per Year

283 Hrs

Source: US Census Bureau, 2016 American Community Survey

### 3rd Highest Among all US Metro Areas
Being Competitive

• Moving People

• Moving Things
Discussion

Questions?