Public Comments received for May 2025 DMV Moves Task Force meeting

From: Jennifer CarrollFoy

Date: 05/15/2025 4:54 PM EDT

Subject: Letter to DMVMoves Task Force from Northern Virginia Representatives

Hello,

Please see the attached letter from Virginia Senators and Delegates representing the Northern Virginia area. In addition to identifying a dedicated revenue source for WMATA, the letter urges the DMVMoves Task Force to consider the following initiatives as the group determines a unified transit plan for the DMV region:

- 1. Consolidation of local bus services back into MetroBus;
- 2. Creation of a joint labor-management registered apprenticeship programs;
- 3. Prioritizing worker and rider safety in the process of increasing automation.

If you have any questions or concerns, please let me know.

Thank you,

Kayla Enoch

Chief of Staff, Senator Jennifer Carroll Foy

Senate District 33

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Commonwealth of Virginia

General Assembly RICHMOND

May 15, 2025

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Re: DMV*Moves* Initiative

Dear Virginia members of the DMV*Moves* Task Force,

Over the past several months, our offices have been monitoring the progress of DMV*Moves*. As regional representatives, you convened for a once-in-a-generation opportunity to reshape the Greater DC region's transit infrastructure, including that of Northern Virginia. On behalf of all of our constituents, we are writing to you today in support of a number of key proposals. Namely, we urge you to push for:

- 1. A dedicated revenue source for WMATA's operations;
- 2. Prioritizing regional bus service by beginning to consolidate local services back into MetroBus;
- 3. Creating a regionwide High Road Training Partnership for transit workforce development, with an emphasis on joint labor-management registered apprenticeship programs.
- 4. Renewing the region's commitment to sustained, robust capital funding; and
- 5. Ensuring that any plans for automation do not proceed without clear plans for safety and wellbeing of transit workers and riders.

We highly recommend you analyze the benefits of reconsolidating the region's bus services into WMATA. Many of NoVA's local bus services broke off from MetroBus in the 1980s and 1990s with the express goal of saving money by lowering transit worker wages through privatization and hiring non-union workers. These cost savings were predicated on Northern Virginia's transit workers making far less than their WMATA counterparts. This reality is no longer the case and WMATA's economies of

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¹ For more details please read: Jack Eisen. "Transit Union Opposes Montgomery Bus Service." Washington Post. January 6, 1977. And Stephen J. Lynton. "Fairfax Bus Service to Begin." Washington Post. September 27, 1985.

scale may drive more efficient service than our current approach.

For riders, the region's fractured bus networks have meant navigating confusing signage, disjointed and uncoordinated schedules, different fare policies, and taking multiple buses to get across neighboring jurisdictions. To be clear, preventing this fractured bus network is the exact reason why MetroBus was created in the first place. MetroBus was formed in 1973 through the condemnation and purchase of four private transit bus companies that operated throughout the region so that riders could move with ease across jurisdictional boundaries. That original vision has broken down due to the proliferation of local transit agencies offering bus services in their own area, while ignoring the reality that their own riders might need to cross county, city, or state borders.

For workers, the balkanization of Northern Virginia's bus networks has been equally devastating. Over the past 6 years, we have seen more than half a dozen work stoppages at different systems due to low pay, bad-faith unscrupulous contractors, and unfair labor practices. Our local bus services must not be run on the premise of preventing workers from unionizing nor keeping their wages far below the value of their work.

Additionally, we need a regionwide approach to transit workforce development. In 2021, the average age of a CDL bus operator was 52.7 years old, a full 10 years above the national average for all other work positions surveyed.² This means that over the next decade we will need to train and develop thousands of transit workers at the same time other agencies are looking for skilled workers. The gold standard for workforce development would be to create a multi-employer partnership for joint labor-management registered apprenticeship programs. If the DMV*Moves* Task Force concludes, but the region is left with over a dozen different, disconnected, uncoordinated apprenticeship or training programs, then Northern Virginia and the whole capital region will be left with workforce shortages for years to come. We should not wait for the transit workforce we need to appear, we need to develop it.

Furthermore, DMV*Moves* should build upon the progress made with the region's commitment to dedicated capital funding for WMATA in 2018. Without future proofing the region's capital contributions, WMATA will hit a fiscal cliff that would prevent it from tackling its backlog of state of good repair projects or from creating the fleets of the future for bus or rail operations that our region needs and deserves.

Finally, any plans for automatic train operation (ATO) or signalling improvements must be done with safety and workforce considerations in mind. All technology improvements should be paired with redundant safety features for the time when, not if, they fail to perform as expected. Workers who gave their careers to public transit should not be an afterthought in WMATA's rush to implement cost-savings from automation.

We thank you for your time and consideration of our positions. We urge the DMV Moves Task Force to

² Chris Van Eyken. "Bus Operators in Crisis: The Steady Deterioration of One of Transit's Most Essential Jobs, and How Agencies Can Turn Things Around." Transit Center. July 2022.

take its once-in-a-generation opportunity to prioritize the transit needs of this region seriously.

Sincerely,

Jennifer Carroll Foy, Senator VA Senate District 33 Danica Roem, Senator VA Senate District 30

Saddam Salim, Senator VA Senate District 37 Stella Pekarsky, Senator VA Senate District 36

Michelle Maldonado, Delegate VA House District 20

1 Maldonado

Joshua Cole, Delegate VA House District 65 From: Rick Rybeck

Date: 05/14/2025 4:32 AM EDT

Subject: Regional Transit Can Be Self-Funding

Dear DMV Moves Task Force Members,

Regional transit agencies create billions of dollars in land values near transit stations and stops. Yet, they claim to be broke! Why? Because the lion's share of the land value that they create becomes windfall gains for a few landowners — primarily the owners of prime sites near stations in regional activity centers. Returning transit-created land values back to the transit agencies that created them could make transit financially self-sustaining — if not completely, at least to a much larger degree than is true today.

In Hong Kong, there are many privately-owned buildings atop or nearby transit stations. But the owners of these private buildings pay rent to the Hong Kong transit authority for the right to locate there. Thus, transit-created land values are returned to the transit authority that created them and recycled for transit purposes. Hong Kong's transit agency might be the only transit agency in the world that does not require subsidies — in large part because the land value it creates is returned to it and recycled for transit purposes.

In the 1890s, the Chevy Chase Land Company (CCLC) purchased 1700 acres of land in northwest Washington, DC and into Maryland. This land, which was mostly forest and farms, was very cheap because it was about 7 miles from the downtown at a time when most people had to walk to their daily activities. At its own expense, CCLC constructed a streetcar line out Connecticut Avenue. They charged patrons a few pennies to ride. This probably covered the cost of the streetcar conductor, but didn't cover the cost of the rails or the rolling stock. Was this altruism? Absolutely not. CCLC recovered its costs and more through the sale of lots for homes and businesses - lots that were much more valuable because there was now a cheap and convenient way to get downtown.

NOTE: If CCLC had tried to recoup all of the streetcar costs through fares, the fares would have been so expensive that few people (if any) would have patronized it. Thus, both the streetcar project and the land development project would have failed. The key to success was achieving the right **balance** between user fees (fares) and land value return (higher land prices that were returned to the streetcar creators).

In 1997, landowners near New York Avenue, NE and Florida Avenue, NE requested that the District construct a new Metrorail station in that vicinity. At that time, the District of Columbia was in

receivership and spending was subject to approval by a Congressionally-appointed control board. Knowing that the landowners would benefit financially from the creation of a nearby station, the District requested that landowners contribute to the funding of the new station. Private landowners contributed about \$30 million (\$25 million via special assessment and about \$5 million in donated land and nearby street construction) for the construction of the NOMA-Gallaudet Metrorail Station.

Today, WMATA has a relatively robust joint development program that obtains rent for development on WMATA-owned land or air rights. Unfortunately, WMATA only owns a fraction of a percent of the land that benefits from proximity to its stations. This deficiency could be overcome through a property **Tax Shift** whereby WMATA Compact jurisdictions would <u>reduce</u> the tax rate applied to privately-created building values while <u>increasing</u> the rate applied to publicly-created land values. The lower rate on buildings would make buildings cheaper to construct, improve and maintain over their useful lives. Surprisingly, the higher rate applied to land values would help moderate land price inflation by reducing the profits from land speculation. Thus, **without any new spending or loss of revenue, this tax shift would make both buildings and land more affordable.**

At the same time, taxpayers would return a greater percentage of publicly-created land value back to the communities that created these values in the first place. Although it could be implemented in a revenue-neutral fashion, the Tax Shift would actually be revenue positive because it would encourage the development of vacant and underutilized land (e.g., surface parking lots) where land values are high—like near Metro stations and in the middle of activity centers. This "infill development" would contribute new revenue while also curbing sprawl in the Region. This would be good for the environment. It would also be good for taxpayers who could avoid funding the wasteful duplication of expensive infrastructure systems at the urban fringe.

Some Virginia localities, like Falls Church, already have the authority to implement this Tax Shift. Others would have to request this authority from Richmond. In Maryland, municipalities (like Rockville and Hyattsville) could implement the Tax Shift. But counties would require enabling legislation from the Maryland General Assembly. (During the last session, HB 1178 was introduced to give Baltimore this authority. Next year, with support from Montgomery County and Prince George's County, similar legislation could be introduced to provide "tax parity" for counties as well.) The District of Columbia Council could enact a Tax Shift under its existing authority.

Because the Tax Shift should be phased in gradually, it would raise jurisdictional revenues slowly over time. To fill the funding gap in the near term, jurisdictions could implement congestion pricing for roads and more aggressive curbside parking fees in high-demand areas.

For more information about land value return, see the following articles and reports:

- "Guidebook to Funding Transportation Through Land Value Return and Recycling" (A Guidebook from the Transportation Research Board)
- "Using Value Capture to Finance Infrastructure and Encourage Compact Development" (Public Works Management & Policy Journal)
- "An Un-Fare Kind of Evasion," (Greater Greater Washington Newsletter)
- https://www.shareable.net/land-value-return-and-building-a-more-equitableeconomy/ (Shareable Newsletter)

I have attached this letter as a separate Word document. I have also attached a 2-page graphic that illustrates the concept of land value return.

If Task Force members have any questions or concerns regarding enactment or implementation of land value return for transit funding, please contact me.

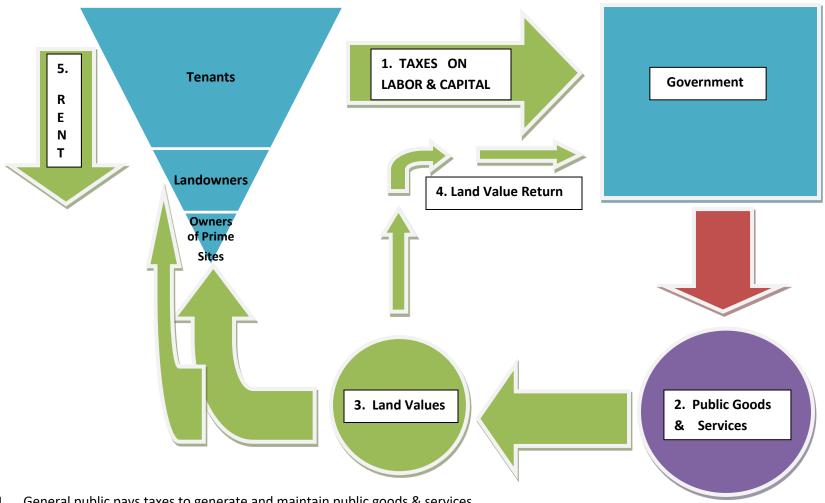
Regards,

Rick Rybeck, Director

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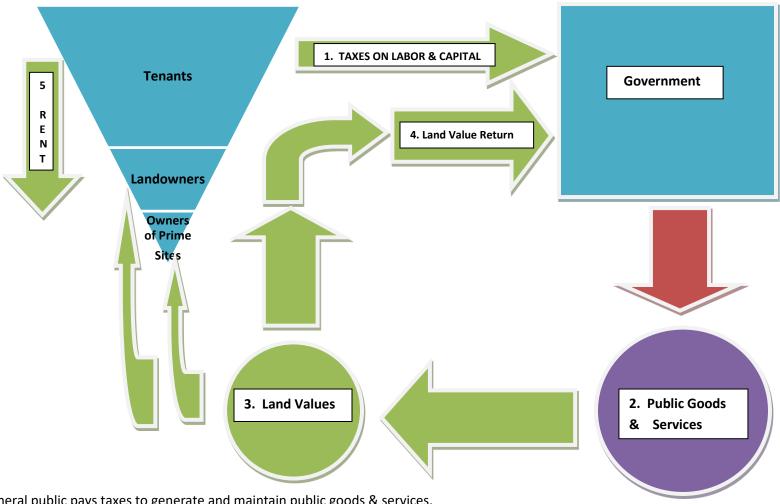
Just Economics

LAND VALUE CREATION & CONSEQUENCES



- General public pays taxes to generate and maintain public goods & services.
 - a. Owners of prime sites contribute less than others because most of their taxes are passed through to tenants and consumers.
- 2. Governments use taxes to produce public goods & services
- Benefits of many public goods & services are capitalized into higher land values, mainly on prime sites. ("Location, location, location!")
- Land Value Return: Access fees (land taxes). Typical property tax returns only 1% or 2% of publicly-created land value per year.
- 5. Most land values created by government are windfalls to owners of prime sites who charge premium rents to tenants for the right to access these public goods and services. NOTE: Tenants pay twice for public goods & services. Once in taxes & again in land rent.

ENHANCED LAND VALUE RETURN FOR SUSTAINABILITY & EQUITY



- 1. General public pays taxes to generate and maintain public goods & services.
 - a. Owners of prime sites contribute more than before. Land value return fees are not passed through to tenants and consumers.
 - b. Taxes on labor and capital could be reduced as a result of returning and recycling publicly-created land values. (See step 4)
- 2. Governments use taxes to produce public goods & services
- Benefits of many public goods & services are capitalized into higher land values ("Location, location, location!")
- More robust access fees return more publicly-created land values to the public. (Taxes on labor and capital could be reduced in step 1.)
- Reduced windfalls to private landowners reduce land prices and reduce land rents from tenants to landowners. If taxes on buildings were also reduced, buildings become more affordable and tenants get more value for the building rents that they pay.

From: Kit Brady

Date: 05/13/2025 10:54 PM EDT

Subject: Public Comment for DMVMoves Task Force

Hello!

Hope your week is going well. I'm a DC resident of Ward 2, writing to express my support of DMVMoves pursuing a land value tax on land immediately surrounding transit stations in the DMV. I believe (and have <u>read a detailed policy analysis</u>) that a land value tax would incentivize the development of land near transit stations, lessening the burden of the regional housing crisis, reduce the tax burden on low and middle-income families, and provide needed funding for the DMV regional transit system. Thanks for your time! I hope this policy point is discussed at the May 16th meeting!

Best,

Kit Brady

From: David Poms

Date: 05/12/2025 10:32 AM EDT

Subject: Land value tax

Hello, I am writing to convey my support for the ATU proposal that WMATA focus its strategy for dedicated operational funding on raising funds by taxing land value in lieu of other more regressive options. I believe this would be the fairest way to raise funds, falling most heavily on property owners who benefit most significantly from WMATA while incentivizing these owners to convert to multi-family housing, which will also rebound to WMATA's long-term benefit in terms of sustainability and ridership.

Best,

David Poms

Ward 1 DC resident

From: Sam Tyler-Hall

Date: 05/09/2025 4:36 PM EDT

Subject: Metro

To whom it may concern,

I strongly believe that there should be a Metro land value tax, as it could

- Incentivize the development of land near transit stations, lessening the burden of the regional housing crisis.
- Reduce the tax burden on multi-family housing and on low-income and middle-income households.
- Provide sustainable funding for the regional transit network through an equitable method.

Public transportation is vitally important, and keeping it affordable for low-income people and students while also maintaining its quality is crucial. Thank you.