

**ITEM 9**  
**January 3, 2019**  
**PRTC Regular Meeting**

**PRTC Executive Director's Time**

- A. INFO      Follow-Up from Prior Meeting**
- B. INFO      Executive Director's Report**
  - **Industry Article – Amazon's HQ2 Decision**

## **Summary: Amazon's HQ2 Decision Was Always About Transit**

*Original Article by Laura Bliss, appeared in City Lab November 20, 2018*

<https://www.citylab.com/transportation/2018/11/amazon-hq2-chose-transit-new-york-dc-subway-metro-mta/575932/>

Crystal City was a low-density semi-industrial area until the 1970s when it became connected with Metrorail. After that, there was a rapid development - mostly high-rise offices. It's not very walkable, composed mostly of "superblocks." Urbanists complain it lacks street facing retail. Instead, Crystal City has a large underground mall.

It also has a fair amount of excess office space. Employment in the area has fallen by as many as tens of thousands of employees as employers such as the Department of Defense and the U.S. Patents Office have decamped for more distant suburbs.

For pedestrians, cyclists and drivers alike, Crystal City has never been the easiest neighborhood to navigate – and Amazon's looming arrival in the neighborhood has stoked fears that things could get worse in the area long before they get better. But now that the tech giant has officially picked Arlington for its new headquarters, county officials are free to unveil their grand plans for allaying those concerns and fundamentally transforming transportation options along the Crystal City – Pentagon City – Potomac Yard corridor.

Arlington County has made a major commitment to transportation demand management. The county requires employers to limit car commuting by offering alternatives – like free transit passes – and by discouraging driving by, for example, charging for parking. That could help keep the traffic situation under control.

Virginia's proposed deal with Amazon calls for the pairing of state dollars with money from both Arlington and Alexandria to make a variety of projects long envisioned for the area a reality – so long as the tech giant holds up to its end of the bargain and creates targeted numbers of new jobs.

It adds up to a complex mix of funding sources that defies easy explanation, but would be in service of a massive shift in the transportation network surrounding the newly christened "National Landing." In November, the nightmarish traffic conditions created by the shutdown of the Crystal City and National Airport Metro stations helped prove the county is in desperate need of an upgrade in the area.

The main transportation projects included in the pitch to Amazon are:

- A second, eastern entrance to the Crystal City Metro Station
- A second, southwestern entrance to the proposed Potomac Yard Metro Station
- A new pedestrian bridge connecting Crystal City to Reagan National Airport
- An expansion of the Crystal City-Potomac Yard bus rapid transit system
- Improvements to Route 1 through Crystal City and Pentagon City

In all, Virginia has promised Amazon it will spend up to \$295 million on transportation projects. That's on top of the money being given directly to Amazon if the company brings in all of the jobs it has promised to Crystal City.

## So What – What Does the Arrival of Amazon Mean for OMNIRIDE?

A key part of why Amazon chose Crystal City is transportation. The office-park neighborhood is supported by Metrorail, Metroway, plenty of bus routes, and National Airport. This is a great opportunity for Metro to boost its declining ridership. But with Metro's sometimes poor reliability and Uber and Lyft's growing prominence, there's no guarantee that Amazon employees and their families will choose Metro.

There's a good chance that Amazon will provide unlimited transit passes to employees, as it does for employees at the Seattle headquarters. This strategy is known to both boost transit ridership and increase employee satisfaction.

In DC, Northern Virginia and Southern Maryland, SmartBenefits is a fare-free way for employers to save thousands in payroll taxes while allowing employees to commute free. SmartBenefits can be used with Metrorail, MetroBus, OMNIRIDE, other regional buses, and Metro parking, as well as MARC, VRE, MTA Commuter Bus and many vanpools.

D.C. hasn't been adding enough infill housing to meet current demand. Amazon's 25,000-plus workers will add additional pressure. About 1,200 units of housing – mostly high-rise – are already in the works for Crystal City, but that's not going to cut it. So where will Amazon employees choose to live, if housing isn't available near Potomac Landing?

Millennials are transit savvy and will choose a county to reside in that provides transportation to their current employer. Millennials are multimodal, choosing the best transportation mode –driving, transit, bike or walk, based on the trip they are planning to take. Prince William County has a robust commuter express service to the Pentagon Transit Center, which provides multiple connections into Crystal City. OMNIRIDE also offers a direct bus route from Lake Ridge into Crystal City, passing by the new location for the Amazon headquarters.

If you want people to come to Prince William County, then you have to develop areas that they want to come to. Prince William County should provide amenities for millennials. Communities that attract millennials have a multitude of transportation choices. Public transportation options are considered the best for digital socializing and among the most likely to connect the user with their communities. Transit also allows millennials to work as they travel. These benefits of public transit need to be fully leveraged as they provide a clear competitive advantage.

OMNIRIDE should keep bus services as affordable as possible and keep options less than the cost of owning/operating a vehicle. By providing an unlimited monthly bus pass for the total amount of the monthly SmartBenefits allowed, OMNIRIDE can entice Amazon employees to live in Prince William County and commute fare-free back and forth to work.

Millennials would like to see the following from public transit in the next ten years:

- 61 percent want more reliable systems
- 55 percent want real-time updates
- 55 percent want Wi-Fi wherever they go
- 44 percent want a more user-friendly and intuitive travel experience