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Study: streetcars could bring \$8B in development for D.C.

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The District's proposed 37-mile citywide streetcar system could attract up to 7,700 new jobs, raise property values by up to \$7 billion and bring in as much as \$8 billion in new development over the next decade, according to a [study released last week](#) by the D.C. Office of Planning.

The eight-rail system could increase office property values by up to \$5.8 billion and residential property values by up to \$1.6 billion, the report found. It would also triple the number of residents living within a quarter mile of rail, said Harriet Tregoning, director of the office of planning.

The study, however, warned of the potential to worsen traffic congestion and parking on already-busy roads such as K Street NW, Columbia Road NW, Florida Avenue NW and NE, Benning Road SE and Georgia Avenue NW.

The first leg of the \$1.5 billion streetcar project, a 2.2-mile line along H Street and Benning Road NE, was recently completed by the District Department of Transportation, and the city hopes to open the line by the summer of 2013. The second phase would build a line along Firth Sterling Avenue in Anacostia, but the route has yet to be finalized.

The effort to bring back the streetcar — last used in the District in 1962 — has bumped up against delays. City officials initially hoped the H Street line would be running by this year, but that was later pushed back to 2013. Earlier this month, the Washington Business Journal reported that the District Department of Transportation [rescinded a proposed \\$8.7 million contract award](#) with Oregon-based United Streetcar to build two cars for the H Street line. The move came after a losing bidder, Czech Republic-based Inekon Group, which built the city's first two streetcars, complained that the Oregon company's low technical score on the contract evaluation should have deemed it ineligible to win the contract. A new contractor has not been selected, said DDOT spokesperson Monica Hernandez.

Most real estate development in the District over the past 30 years has been clustered within a half mile of a Metro station, and the addition of the streetcar system would “expand market interest” in areas that are farther away from transit stops, including Buzzard Point and the Washington Hospital Center, the study found.

Chris Leinberger, a senior fellow and land use expert at the Brookings Institution, said the projected \$7 billion boom in property values is a conservative estimate, and that the streetcar system would accelerate more growth, particularly beyond the Northwest quadrant.

“This is going to be a game changer for economic growth and social equity in our city,” said Leinberger, who is also president of Locus, a group of real estate developers and investors pushing for legislation that would create a mechanism allowing private developers to fund a portion of rail transit. “It’s going to be a major catalyst ... finally opening up growth that’ll go to Northeast and Southeast in D.C.”