

National Capital Region Transportation Planning Board

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Meeting Summary

TPB FREIGHT SUBCOMMITTEE

DATE: June 5, 2014

TIME: 1:00 P.M. to 3:00 P.M.

PLACE: MWCOG Rooms 4/5

CHAIR: Eulois Cleckley, Manager of Statewide and Regional Planning/Freight Planning,
District Department of Transportation

ATTENDANCE:

Scott Babcock, Transportation Research Board
Deborah Bowden, Maryland Department of Transportation
Eulois Cleckley, District Department of Transportation
Teresa Edelen, DC Truckers Association
Lyn Erikson, Maryland Department of Transportation
Abigail Ferretti, Partners for Economic Solutions
Sandra Jackson, FHWA
Keith Kucharek, URS
Dolores Macias, FMCSA
Joseph Maly, Metropolitan Washington Airports Authority
L'Kiesha Markley, Maryland State Highway Administration
Bernard McWay, FMCSA
Michael Onder, CDM Smith
Lezlie Rupert, District Department of Transportation
Norman Whitaker, Virginia Department of Transportation

MWCOG STAFF ATTENDANCE:

Andrew Meese, MWCOG-DTP
Wenjing Pu, MWCOG-DTP
Rich Roisman, MWCOG-DTP
Jon Schermann, MWCOG-DTP
Daivamani Sivasailam, MWCOG-DTP
Patrick Zilliacus, MWCOG-DTP

Eulois Cleckley, Freight Subcommittee Chairman

Mr. Cleckley opened the meeting. After a round of introductions, Mr. Cleckley turned the meeting over to Abigail Ferretti of Partners for Economic Solutions.

Abigail Ferretti, Partners for Economic Solutions, [District of Columbia Ward 5 Industrial Land Transformation Study](#)

Abigail Ferretti, Partners for Economic Solutions, spoke to a PowerPoint presentation on the Ward 5 Industrial Land Transformation Study. The study has been approved by the Ward 5 Industrial Land Transformation Task Force and will be published soon.

Introduction: The Ward 5 Industrial Land Transformation Study was conducted by a multidisciplinary team that was led by Ms. Ferretti of Partners for Economic Solutions.

Current Uses of Industrially Zoned Parcels in Ward 5: Ward 5 contains the largest concentration of industrially zoned land in the District of Columbia. However, not all industrially zoned land is used for industrial purposes. Today, much of the industrially zoned land in Ward 5 is being used for Production, Distribution, and Repair (PDR) activities. District zoning laws provide a great deal of flexibility in how land with commercial, manufacturing, and heavy manufacturing zoning is actually used, allowing most types of uses with the exception of residential.

Characteristics of Industrial Zoned Parcels in Ward 5: Many of the industrially zoned parcels in Ward 5 are small and privately held (65 percent of the parcels are less than 5 acres in size) and used for PDR activities. The larger parcels are owned by the Federal Government (Post Office and National Arboretum) and account for 15 percent of the total. The remaining parcels have transportation-related (Amtrak and WMATA) uses.

Characteristics of Structures Located on Industrially Zoned Parcels in Ward 5: There are typically two types of buildings on industrial land in Ward 5; structures built for a specific industrial user (not very adaptable), and “flex” structures that feature clear spans, large loading docks, and potential for office space (designed to be adaptable). About 20 percent of the structures located on industrially zoned parcels in Ward 5 are between 30,000 and 50,000 square feet in size. These buildings compete directly with a glut of similarly sized industrial properties in Prince George’s and Montgomery Counties. The buildings in Ward 5 however, are on average over 40 years old and are therefore not as desirable as similarly sized buildings in suburban Maryland.

Importance of Ward 5 Industrial Land to the District: Ward 5 has slightly more than 50 percent of the District’s total supply of industrially zoned land. This percentage is continuing to increase due to the conversion of industrially zoned land in other parts of the District (e.g., the Capital Waterfront) to other uses. From 2003 to 2013 the District lost over 1.1 million square feet of industrially zoned space. The loss of flex space is even more pronounced because existing flex buildings have been demolished while no new flex space has been constructed recently. These two factors have combined to cause a 15 percent reduction of flex space in the District over the past 20 years.

Vacancy Rates and Market Rents for Industrial and Flex Space: The District currently has a 6.9 percent vacancy rate for flex space and a 9.9 percent vacancy rate for industrial space. If businesses want to operate in the District, and surveys show that they do, why are they not occupying the vacant industrial space? Part of the answer lies in the price premium for properties in the District. Four years ago there was a huge cost differential between the higher rents in the District and lower rents for similar space in Montgomery and Prince George’s counties. This rent “gap” has been shrinking however, and is now less than \$2.00 per square foot.

Employment Associated with Ward 5 Industrial and Flex Space: About 45 percent of total jobs associated with the industrial space in the District in 2013 are in the Professional, Scientific, and Technical Services industries. This is followed by administrative/waste management (about 16 percent), and construction (about 12 percent) with information, wholesale trade, transportation and utilities, and manufacturing each accounting for less than 10 percent of total jobs. The profile of Ward 5 shows a much higher proportion of transportation and utilities jobs (29 percent) reflecting the presence of WMATA employees.

Typical Job Types and Educational Requirements: Industries that typically locate in the District's industrial and flex space, unlike the Government and high end service industries so prevalent here, do not require workers to have college degrees. Most PDR (Production, Distribution, and Repair) job tasks can be learned through on-the-job-training or else require only vocational or associate degrees. A significant portion of Ward 5 residents are underemployed in part due to limited education and training. Many of the available in industrially zoned buildings offer opportunities to people with limited education and training.

Accessibility of Ward 5 Industrial Parcels: Industrial properties are concentrated into two main clusters; those along the Red Line (the Red Line Spur) and those along New York Avenue (the New York Avenue Spur). The properties along the Red Line Spur are fairly well served by transit while the properties along the New York Avenue Spur are among the least transit accessible in the District. Accessibility is a key issue and many successful industrial concerns rely on transit to attract a mobile, well-qualified workforce. This is reflected in the fact that the vacancy rate of industrial properties along the Red Line Spur over the past five years varied between 2.5 and 6.0 percent while the vacancy rate of similar properties along the less accessible New York Avenue Spur varied between 10 and 15 percent. Similarly, rents in the Red Line cluster averaged \$3.50 to \$4.00 more per square foot than rents in the New York Avenue cluster.

Study Conclusions: The overarching themes and conclusions of the Study are:

- Production, Distribution, and Repair (PDR) is an essential market for Ward 5 industrial space;
 - PDR drives the market and employment in the District;
 - The District needs this employment;
 - PDR industries provide needed jobs for District residents;
 - PDR industries provide essential services for District residents;
- This market can satisfy the District's (high) demand for local goods; and
- This space can accommodate the resurgence of small manufacturers coming back to the District,

Study Recommendations: The 5-year industrial strategies recommended in the Study are:

- Transform the New York Avenue / West Virginia Avenue Triangle into an industrial and manufactured products area;
- Create a position of "Industrial Advocate" for the District;
- Mitigate nuisances including those surrounding the trash transfer station;
- Recommend appropriate zoning changes to protect industrial areas by removing the permissiveness that allows more commercial uses;
- Institute workforce development to realize the potential these areas have to provide jobs for District residents;
- Establish creative hub(s);
- Improve transit access.

Questions and Answers:

Mr. Schermann asked about how the District sees this study with respect to the District Freight Plan. Mr. Cleckley noted that the results of this study mesh well with how the District is looking at freight. As the shift toward local goods production continues, protecting our freight routes becomes more critical. With the larger operators continuing to locate their facilities outside of the District, truck trips and mileage within the District will increase. In addition, the District needs to improve truck circulation to benefit smaller operators. There is a nexus between land use and transportation. Growing pressure for residential and retail development along New York Avenue, and a corresponding push to improve the pedestrian experience there, is a concern.

Mr. Zilliacus asked if there are still any shippers with rail access in the District. Ms Ferretti noted that CSX still lists three customers in the District with rail access.

Wenjing Pu, COG/TPB Staff, [Congestion Management Process \(CMP\) Report Findings](#)

Introduction: Mr. Pu presented the highlights of the draft 2014 CMP technical report. The report is released every two years. This version has six chapters and follows the same outline as the previous one, released in 2012. CMP is a mandate for regions with populations of 200,000 or more.

Data: The I-95 Corridor Coalition Vehicle Probe Project (VPP)/INRIX data and the web-based analytical tools developed by the CATT Lab of the University of Maryland, the VPP Suite, were used for the state of congestion analysis in this report. This data covers about 5,000 directional miles of roadways within the TPB planning area.

Congestion: From 2010 to 2012, VMT in the region slightly decreased despite growth in employment and population. The region has seen a decrease in congestion and improvement in travel time reliability compared to previous years. However, it is unclear whether this is a short-term blip or a long-term change. The report contains maps and illustrations that describe the congestion patterns in the region, including day of week analysis.

Bottlenecks and Corridors: Regional bottlenecks are ranked by a combination of congestion and volume data. Travel times are also tracked along key corridors. One interesting data element is the significant reduction in travel time along the beltway between I-95 and I-66 in Virginia. This may be due to the completion of the I-495 Express Lanes project.

Congestion Management Strategies: The new congestion management strategies are divided into three categories:

1. Demand Management Strategies
 - a. Weekend service on the MARC Pen Line
 - b. Crystal City-Potomac Yard Transitway
 - c. DC Streetcar
 - d. Metrorail Silver Line
2. Operational Management Strategies
 - a. I-495 Express Lanes
 - b. DDOT Traffic Signal Timing Project
 - c. Enhancements to MATOC Program
 - d. VDOT's I-66 Active Traffic Management Project
3. Integrative/Multimodal Strategies
 - a. Implementation of VDOT ICM project in I-95 and US-1 Corridors
 - b. Advanced Traveler Information Systems

c. Mobile Devices and Social Media

Recommendations: The 2014 CMP Technical Report includes the following recommendations:

1. Refine CMP to meet MAP-21 requirements
2. Continue Commuter Connections
3. Enhance MATOC
4. Invest in existing transportation system
5. Congestion management during construction
6. Consider variable pricing
7. Encourage transit
8. Encourage non-auto travel modes
9. Integrated operations management/demand management strategies
10. Multimodal traveler information
11. Safety interface with social media
12. Regional activity centers connectivity
13. Regional congestion monitoring program with multiple data sources
14. Continue to monitor recent trends in congestion
15. Monitor freight movements

Summary: This initial draft of the CMP Technical Report will be presented to the TPB Technical Committee on June 6, 2014. Please submit any comments or corrections to Erin Morrow (emorrow@mwkog.org) by June 18, 2014. Presentation of the draft final CMP Technical Report to the Technical Committee is tentatively scheduled for June 27, 2014. It is anticipated that it will be approved at that meeting and become “final”.

Questions and Answers:

Mr. Cleckley asked if we could move the “Monitor freight movements” up from number 15 on the list of recommendations. Mr. Pu agreed to move it to the top of its category.

Mr. Cleckley asked if there was any way to identify *why* congestion has been falling over the last several years. Mr. Meese said these data are so robust that we can contemplate doing such studies now more than we were able to in the past. However, even with all this data it is hard to come to an agreement as to what caused the reduction, because you also have the background impact to consider. The reduction in delay is actually a national trend. Mr. Meese also noted that the data show whether travel time is increasing or decreasing and by how much, but they do not tell us why. Is it jobs, the economy, gas prices, e-commerce, millennials’ preference for walkable neighborhoods, what is it?

Mr. Schermann asked if was possible to run these types of analyses on a “freight” network. Mr. Pu said that it is no problem to do such analysis and that in fact, it has been suggested to do just such an analysis on an as yet to be defined “transit” network.

Eulois Cleckley, DDOT, CY 2014 / FY 2015 Freight Subcommittee Working Session

Eulois Cleckley led the Subcommittee in a discussion about the upcoming work of the Subcommittee.

Increasing Subcommittee participation private-sector stakeholders: Mr. Cleckley reviewed the analysis of historical meeting participation. Most of the people attending the Freight Subcommittee meetings are public sector employees and consultants. Very few private-sector freight stakeholders show up. The few

meetings with relatively high private-sector attendance featured presentations by private-sector freight stakeholders. The question is how do we encourage more private-sector freight stakeholders to participate on the committee? One idea is to task the three State DOT committee members to identify a private-sector participant who would be willing to attend the Subcommittee meetings consistently. We are also looking for any other ideas that Subcommittee members have.

Mr. Schermann noted that representatives from UPS and FedEx, along with other private-sector interests are included on the Subcommittee email list and receive all the same meeting notices and information as everyone on the Committee. He also noted that Karin had leveraged the Council of Supply Chain Management Professionals (CSCMP) to reach out to the private-sector and that he is considering doing the same going forward.

A suggestion was made to find a representative of the trucking industry or perhaps a food distributor that manages their own distribution (Safeway or Whole Foods perhaps) to represent the trucking interests on the Subcommittee.

Mr. Maly noted that one way to reach that group is through the CSCMP. Also, he is a VP for the Air Cargo Association at Dulles Airport which includes truckers, freight forwarders, and other private companies that deal with the transportation of international freight. This Subcommittee could get some feedback from that group. He could put out a blast email to the Air Cargo Association with information about upcoming meetings, etc.

Mr. Cleckley directed the group's attention to the draft Freight Subcommittee "marketing" flyer and noted that this was something that could accompany communications with potential private-sector participants to illustrate the type of activities the Subcommittee is engaged in and perhaps encourage them to attend the meetings.

Mr. Babcock suggested that adding some text to the flyer to highlight the role MWCOG often plays in commenting on proposed federal legislation and in support of various transportation projects could encourage some private-sector folks to participate.

Mr. Meese asked the DOT representatives (Mr. Cleckley from DDOT, Ms. Bowden from MDOT, and Mr. Whitaker or perhaps Mr. Johnson from VDOT) to each identify one person that might fit the bill – someone who is civic minded and would also bring a valuable perspective to the group. It is a tall order to have somebody represent the private-sector in general and not just Company XYZ, but maybe you each know such a person. We have also met with many folks at the county level through last year's work on the Freight Around the Region (FATR) project that we will tap for more contacts.

Mr. Schermann added that as the Freight Subcommittee meetings return to a bimonthly schedule, additional outreach to member jurisdictions will be conducted on the "off months" to engage local jurisdictions directly and also to identify potential private-sector participants.

Mr. McWay noted that the trucking companies, particularly the small "mom & pop" operations are very busy managing day-to-day operations and that it would be a considerable investment for them to attend one of these meetings – they would have to get something useful out of it. What would we offer to get them to attend?

Mr. Cleckley agreed and said that private-sector people attend meetings when there is money on the table, discussion of a controversial project, or new regulations. Our challenge is to pull together meetings that are interesting and valuable to them, which leads us to the task of finding informational topics that private-sector participants want to know more about.

Informational Topics of Interest to the Subcommittee: A wide-ranging discussion about which topics or themes should be developed for future Freight Subcommittee meetings was engaged by the Subcommittee resulting in the following list of themes for further investigation by staff:

- Food distribution;
- Petroleum / energy distribution;
- Household goods moves;
- Air cargo;
- Cargo needs associated with the federal government (GSA); and
- Technology (or technological advancements behind logistics).

Freight Around the Region Project and Regional Freight Plan Update: The Subcommittee would also be required to review the Regional Freight Plan Update and the Freight Around the Region Project during CY 2014.

Top Ten Freight Project List: Discussion of the Format of the Top Ten Freight Projects List will be held at a later meeting. Mr. Meese informed the group that this item, along with similar “top lists” for bike/ped, buses and others, could be impacted by the soon-to-be-onboard new leadership at COG.

Second National Capital Region Freight Forum (2015): The Subcommittee agreed to support another Freight Forum next year – tentative April, 2015 timeframe.

Commuter Rail / Freight Rail Interactions: Mr. Meese noted that we were specifically asked by our Board to look into commuter rail / freight rail interaction so we should add that to the list of topics to be discussed by the Subcommittee. Mr. Cleckley agreed.

Richard Roisman, MWCOG, Proposed COG Forum on Air Cargo and the Regional Economy

Supervisor Matt Letourneau, Loudoun County, in conjunction with the Metropolitan Washington Airports Authority (MWAA) and the Loudoun County Department of Economic Development, is supporting an initiative to grow air cargo at Dulles Airport. As part of this effort he has proposed a forum to talk about air cargo and airports more generally. We are looking at having this forum during the fall, perhaps in September. Additional information will be shared with the Subcommittee as it becomes available.

Jon Schermann, MWCOG, MAP-21 NPRMs

This year the USDOT is releasing 11 NPRMs (Notice of Proposed Rulemakings) related to MAP-21 performance provisions. These proposed rules relate to planning, highway safety, highway conditions, congestion and system performance, and transit performance. Three have been released so far – two related to safety and one to planning.

The first NPRM released was the Safety Performance Measures Rule. In a nutshell, the proposed rule identifies the four safety performance measures that states and MPOs will track.

1. Number of fatalities
2. Rate of fatalities (per 100 million VMT)
3. Number of serious injuries
4. Rate of serious injuries (per 100 million VMT)

This rule also requires states to establish targets for each measure, sets timelines for doing so, and proposes sanctions for states that do not either meet the targets or “make significant progress”.

The second safety NPRM released was the Highway Safety Improvement Program rule. One of the key provisions of this rule is the requirement for states to collect and use a set of proposed roadway safety data elements for all public roadways, including local roads.

The most recently released NPRM was the Statewide and Metropolitan Planning Rule. COG staff is currently reviewing the language of this proposed rule. It has major impacts for how MPOs conduct transportation planning but it does not appear to impact freight planning other than requiring states with freight plans to integrate them more formally into the broader transportation planning process.

Ms. Jackson added that their final guidance on transit representation on MPO was published on the same day the Statewide and Metropolitan Planning NPRM was released. This guidance is derived from statutory language and will be part of the certification process. As a point of clarification, the National Freight Plan will not come out as a NPRM, but as the National Freight Strategic Plan (release date unknown) and will include a description of the national freight network.

Roundtable Update-MWAA

Joseph Maly announced that next week Air China begins non-stop service between Dulles and Beijing using Boeing 777s four times a week.

Next Meeting August 7, Room 1