

**Testimony of
Richard H. Bradley, Executive Director
Downtown DC BID Corporation**

**Council of the District of Columbia
Committee on Economic Development
Public Oversight Roundtable
“Green Economic Development and its Benefit to
Small Business in the District of Columbia”**

**Monday, October 22, 2007
11:00 a.m.
Council Chambers**

Chairman Brown, members of the Economic Development Committee, my name is Richard Bradley and I am the Executive Director of the Downtown DC Business Improvement District. I am pleased to be here today to talk about the implications of making the DC labor economy more environmentally sustainable. In particular, I would like to focus on the importance of the Downtown—an area we define as incorporating both the Downtown and Golden Triangle BID areas—because it is the primary engine of the city’s economy and fiscal health, and the steps that we have initiated to make the Downtown BID economy greener, as well as more productive.

Let me start by highlighting the economic and fiscal importance of the Downtown area to the city.

- \$11.5 billion of development has been built since 1997 --
65 percent of the city’s total.

- Today \$3.7 billion of development is under construction – 39 percent of the city’s total.
- \$4.7 billion of development is in the pipeline for the near and medium term – 25 percent of the city’s total.
- Office property values have tripled since 1996. Today, office property values rank second only to Midtown Manhattan in the U.S.
- The Downtown area has added 61,500 new jobs since 1996 – more than 6,000 per year on average.
- The Downtown area accounts for 369,000 of the 684,000 jobs in the city, or 54 percent.
- The Downtown BID area alone experienced an 8.2 percent increase in jobs over the past three years, compared to 4.2 percent for the city as a whole and 6.8 percent for the Washington region.
- During the past three years, the Downtown area produced 2,100 new low-skilled jobs – 42 percent of the city’s total gain.
- The Downtown area produced \$1 billion in taxes in 2006 – 24 percent of the city’s total tax revenues.
- After deducting the cost of government services (approximately \$400 million), the Downtown area produced a net positive fiscal impact of \$600 million to the DC government in fiscal 2006. That number equals 60% of the local school budget. In each of fiscal years 2007 and 2008, the net positive fiscal impact is projected to grow by another \$50 million.

Clearly, it is important to continue to make this economy work to the benefit of all of the citizens in the city, but at the same time, we need to make it as sustainable as possible. In this regard, this year the Downtown BID has

initiated a four-part green economic development program.

We have targeted our efforts on (1) buildings, (2) businesses, (3) the physical environment and (4) transportation. Let me describe our efforts to you in some detail.

With regard to building green structures, today, many Downtown developers are constructing buildings to meet new LEED standards. To compliment those efforts, the Downtown BID has begun a series of meetings and workshops aimed at sharing best practices with property managers to assist them in reducing energy costs in existing buildings.

Some properties, like the Willard Hotel, have been able to reduce energy use as much as 50 percent, and are being recognized nationally and internationally for their efforts. The Downtown BID's goal is to make best practices into common practices. If, as a result of our efforts, all property owners and managers in the Downtown BID area move in this direction, we believe that we can provide millions of tons of reduced carbon to help meet the city's commitment to the Kyoto Accords.

The second initiative, which is about to begin, focuses on the tenant businesses occupying Downtown buildings. We will develop guidebooks and workshops to share information. We will encourage businesses to take steps to make their business practices as environmentally friendly as possible.

The third effort focuses on the physical environment. The Downtown BID

wants to partner with the city to place additional trashcans on the streets for recycling glass, plastic and aluminum containers. We are working with the National Park Service to improve the quality of the 33 parks and reservations in the Downtown BID area, which have suffered from a lack of resources rather than attention. We also want to accelerate our work in conjunction with the city's Urban Forestry Administration and Casey Trees.

Lastly, the Downtown BID is focused on transportation. We are focusing our immediate attention on working in partnership with the city to reduce congestion caused by motorists waiting at traffic lights, driving around looking for parking spaces or sitting behind illegally parked delivery trucks. To this end, the Downtown BID is beginning to work with the DC Department of Transportation to manage intersections better with more traffic control aides having expanded duties, and to focus on goods delivery. We are working to create smart parking options that use new and wireless technologies to guide motorists directly to available parking spaces.

Through our partnerships with DDOT, WMATA and five other BIDs, we are helping to plan the second phase of the DC Circulator, which will be initiated in the coming year. We are working together toward possibly integrating the DC Circulator into the interpretive tour system that serves the millions of visitors who visit the National Mall. And, we are willing to serve as a ready participant with the city in planning to introduce streetcars into the transportation mix.

Without question, there are opportunities for creating new jobs in all of this. We will need specially trained staff to retrofit buildings. We will need more

building engineers specifically trained to operate environmentally friendly structures. We will need technicians who can service businesses to make their operations as efficient as possible. We will need more workers to help us sustain our parks and make our public environment, including trees, produce additional green benefits. We will need more intersection control officers, as well as traffic enforcement officers, to help us ease traffic congestion. We will need bus and streetcar drivers as we expand public transit.

In conclusion, for the foreseeable future, the Downtown and center city areas will be the primary source of jobs and fiscal benefits to the city. They need sustained investment, particularly in transportation, in order to grow and generate new tax revenues to help meet social needs. The Downtown and center city areas also need hundreds of additional workers, many with new job skills, who can serve the city's core economy and who will help DC be recognized as one of the most sustainable and green cities in the world.

Thank you for your leadership on this issue and for inviting the Downtown BID to participate in the public discourse.