

Cresa Research

Commute & Traffic Congestion Washington Metro Region 2021

Understanding Commute Patterns in a Post-COVID Environment

Washington Metro Region

Overview

Commuters in the District of Columbia, Northern Virginia, and Suburban Maryland region have historically experienced some of the worst commutes in the country, averaging nearly 45 minutes one-way pre-pandemic. COVID-induced work from home policies saw 42% of the US labor force working remotely during the pandemic, while the remaining population was not working (33%) or in-person as essential personnel (26%). Commute times in 2020 dropped significantly, as office occupancy never exceeded 25% in the region. As COVID case rates continue to fall, more people become fully inoculated, and summer travel plans taper off, office occupancies will begin to climb. Many employers in the region are setting an early Fall 2021 back-in-person date while considering flexible workplace strategies.

Telework

Before pandemic-induced pressures forced immediate work-from-home policies into place, Washington DC Metro's teleworking policies grew in popularity. In 2019, an estimated 35% of regional commuters teleworked at least occasionally. Due to newly implemented flexible workplace strategies, family schedules, and hesitancy to go back into offices until the region is widely inoculated, the quantity of employees teleworking is expected to remain high through Summer 2021.

Spring 2020

12% full-time remote, 44% full-time office

Work from home mandates continued, workplace occupancy levels remained low.

Fall 2020

19% full-time remote, 29% full-time office

Summer hours & weekends concluded, travel flexibility desired.

Spring 2021

54% expecting to be in office 3+ days a week

COVID restrictions relax across the United States; many employers encourage employees to return to the office as a soft opening.

Fall 2021

Occupiers will implement formal Return to Office plans post-Labor Day 2021. A Hybrid workforce is widely anticipated across industries moving forward.

Hybrid Workforce

The idea of a "one size fits all" solution has all but disappeared when discussing a Hybrid workforce and workplace. As a result of the pandemic, employers are now more than ever considering flexible remote work policies as an integral part of their real estate strategy. As occupiers return to the workplace and life begins to "normalize," new workplace strategies will be put in motion to better support businesses, a mobile way of working, people, and company culture.

Office-Centric Approach

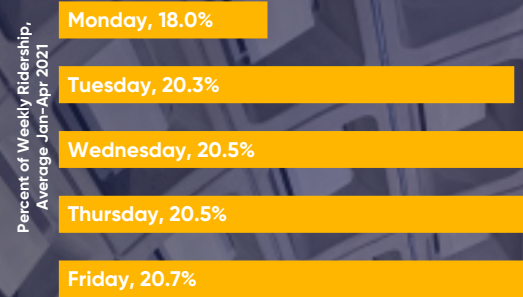
Many occupiers have begun to offer increased flexibility, choice, and control to employees concerning where and how to work compared to pre-pandemic days. Though additional flexibility is provided, employers continue to set expectations and requirements that the office should continue to be a primary workplace during the workweek.

Virtual First Approach

Occupiers recognize remote work "works" as employees are engaged and happy and want to incorporate remote work as a large part of their culture. Despite the benefits, certain aspects such as creativity, collaboration, and mentoring are not replicated easily in a virtual setting. As such, occupiers look towards a workplace strategy to better support a virtual first culture and fosters collaboration and innovation.



Weekday Metro Ridership Distribution



Average Daily Rail Entries

	2017	2018	2019	2020	2021
6AM	5.1%	5.0%	4.9%	5.7%	6.4%
7AM	10.1%	10.0%	9.9%	9.7%	7.9%
8AM	12.6%	12.8%	12.9%	11.5%	7.0%
9AM	6.2%	6.2%	6.2%	5.8%	5.1%
10AM	3.2%	3.2%	3.1%	3.3%	4.3%
11AM	2.9%	2.9%	2.9%	3.2%	4.2%
12PM	3.1%	3.0%	3.0%	3.5%	4.7%
1PM	3.2%	3.2%	3.2%	3.8%	5.2%
2PM	4.0%	4.0%	4.0%	4.7%	6.6%
3PM	6.2%	6.3%	6.4%	7.2%	9.1%
4PM	10.0%	10.1%	10.2%	10.1%	9.8%
5PM	13.1%	13.2%	13.2%	12.0%	9.0%
6PM	7.8%	7.7%	7.6%	7.0%	5.7%
7PM	3.8%	3.8%	3.8%	3.7%	3.8%
8PM	2.4%	2.4%	2.4%	2.5%	2.8%

Slow

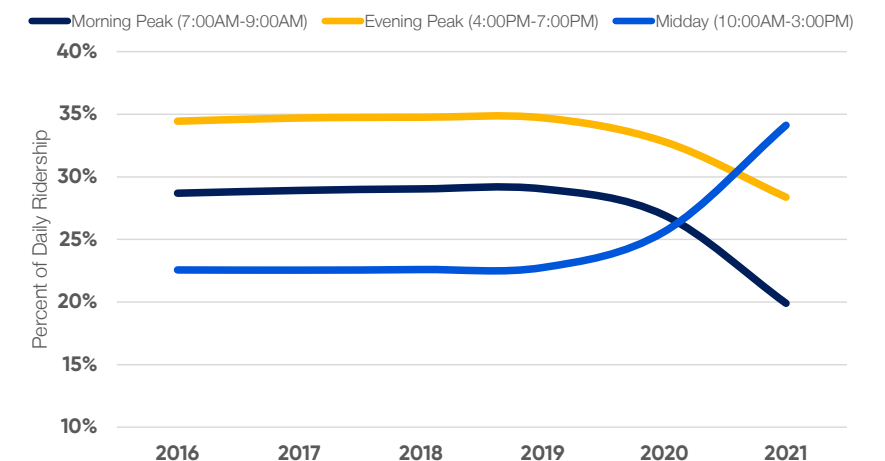
Busy

Metro Ridership

In the last few years, Metro ridership has been increasing, reflecting Washington Metro commuters' evident reliance on public transportation. In 2020, Metro ridership all but ceased due to pandemic-induced work-from-home policies, dropping 93% in total ridership. This drop-off in ridership cost the Washington Metropolitan Area Transit Authority (WMATA), at its lowest, a loss of \$2 million in daily revenue. Though nerves surround the future of metro ridership and public transit have been tense, the Washington Region has already experienced a rebound in commuters.

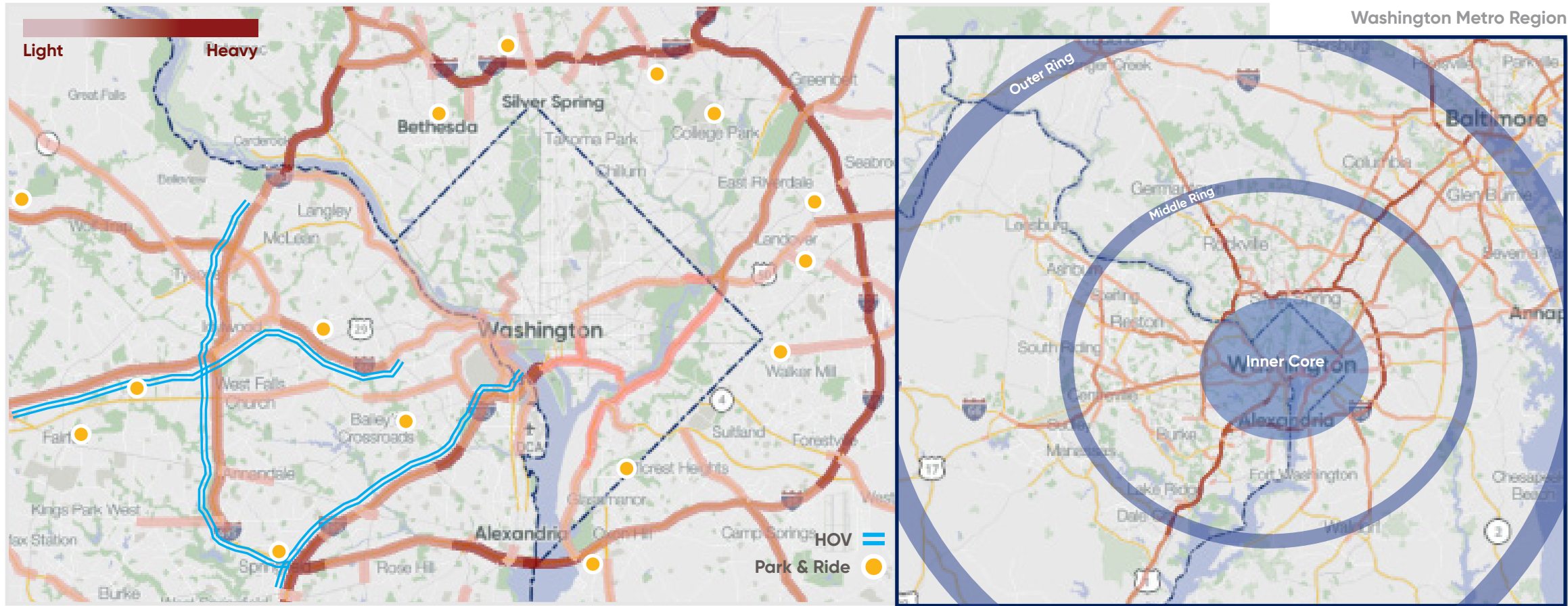
At the beginning of the year, Metro expected 42% of pre-pandemic riders to return, though they would likely be taking fewer trips. As of April 2021, total Metro station entries have reached 7.36 million. These ridership entries are already showing the shift in commuting due to greater flexibility in work schedules. Traditional morning (7:00 AM-9:00 AM) and evening (4:00 PM-7:00 PM) peak times have shown decreases in daily ridership this year, dropping 7.0% and 4.4%, respectively. Comparatively, midday (10:00 AM-3:00 PM) metro ridership has recorded an 8.5% increase during 2021. This new distribution in metro ridership is also reflected in weekdays, as 2021 ridership numbers show commuters favoring Tuesdays through Fridays, with the least likely commute day being Monday.

Shifts in "Peak" Time Ridership



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Commuter Rings

As employers consider flexible workplace strategies, employees will adjust their desires based on commutes and workplace desires. Though there will likely be a dip in daily commutes on “off-peak” days, commuting-type distributions will likely stay the same. That being said, commuters living within the “inner core” will likely become more walker and biker friendly, already representing 17% of pre-pandemic commutes, as they look to avoid crowded metro cars. Employees with longer commute times, primarily those living in the outer ring, are likely to transition to telework. Though the percent of commute type will likely not change, the number of employees commuting will decrease due to lengthy commutes and painful traffic congestion.

Parking Incentives

As employers return to the office and anticipate an increase in employees driving, parking allowances have become a popular incentive. To stay competitive, landlords are adapting incentive offerings. Never-before-offered incentives include higher parking ratios and shareable parking areas.

Outside the Beltway

With the closing of offices and forced work-from-home policies, its unsurprising traffic plummeted nearly 90% from previous 2019-levels. As traffic levels plummeted, congestion did as well, giving “essential” commuters a year of respite from one of the nation’s worst congested cities. Though its popularity has decreased as of late, driving alone is still the most popular method of transportation. As offices begin to reopen and considering a record-high boom in car sales, traffic congestion is only expected to increase as employees return to the office.

High Occupancy Vehicle (HOV) Lanes:

Primary toll routes in the Washington DC Metropolitan area are the I-495 express lanes and I-95 express lanes. Each express lane fell drastically during April, May, and June 2020, due to pandemic-induced work from home policies. Toll lane revenues on I-495 and I-95 generated \$22 million and \$33 million in revenue, dropping 88% and 89% in 2020 from year-ago levels, respectively. Average trips per day also dropped 71% to 14,000 per day on I-495 and 66% to 19,000 on I-95. As employees begin to commute back into the office, HOV traffic is expected to increase to pre-pandemic levels due to employees returning to the office and growing new drivers.

Parking

Free parking is far less common in Inner Core

23% of Inner Core workers have free parking

Average parking cost: ~\$250/month

80% of Middle Ring workers have free parking

Average parking cost: ~\$130/month

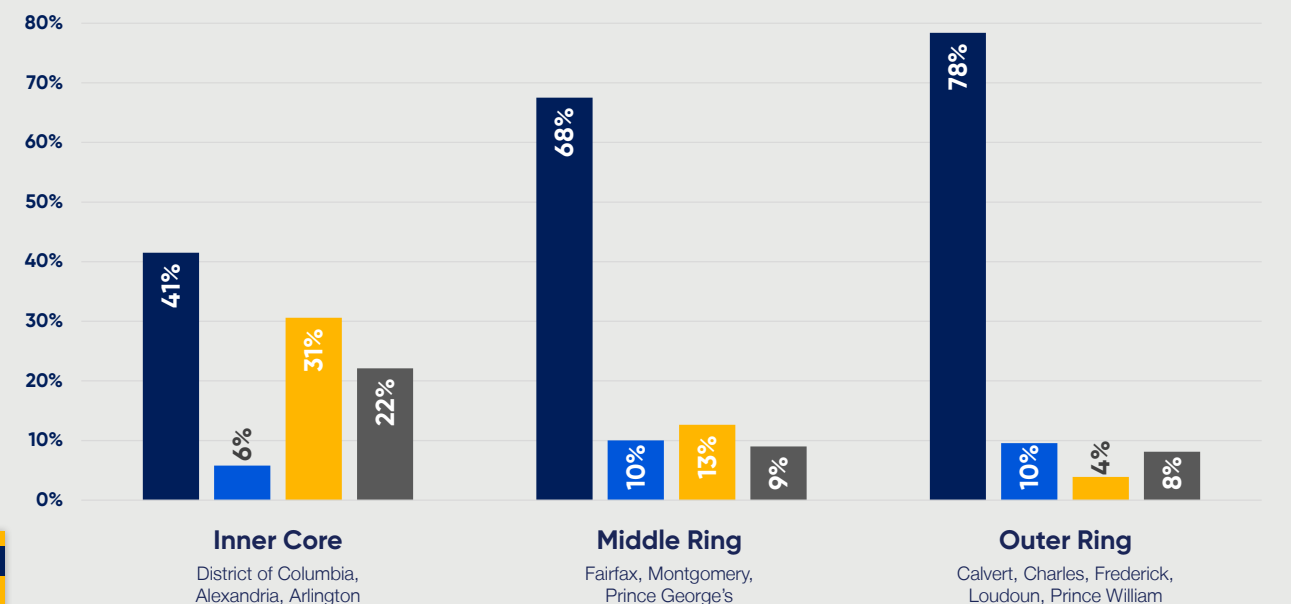
84% of Outer Ring workers have free parking

Average parking cost: ~\$85/month



Ring Commuter Distributions

■ Drive Alone ■ Carpool ■ Public Transit ■ Other



*Source: 2019 Census Data