

SECRETARY OF TRANSPORTATION ANDREW CARD

U.S. CONFERENCE OF MAYORS

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Thank you Mayor Flynn -- glad to hear from someone else who doesn't have a funny accent. And thank you Mayor Lanier of Houston for hosting this important conference -- I have not yet been to any hometown barbecue, but I hear its a lot like a New England Clam Bake, only with some extra -- a lot of extra -- spice.

I appreciate the time to talk to you this morning at your 60th annual conference of Mayors. There are plenty of familiar faces out in the audience. I see [*give names*]. And as I continue to travel around the country -- on business, on regularly scheduled airlines, and on coach fare -- I hope to meet even more of you.

You have already heard from the Administration's quarterback -- Jack Kemp -- now its time to hear from one of its offensive linemen.

As John Kennedy once said, "politics is like football. If you see daylight you go through the hole." And I plan to go right through that hole -- to cut away from the doom and gloom players. To let you know how we are

making a difference in revitalizing America's cities through the building of our nation's transportation network.

My goal today is not a simple one. It is to impress upon you that all of us -- from local to federal public officials -- have to make hard choices when it comes to funding transportation projects. But that we also have a number of tools such as ISTEA and privatization, which enable us -- which empower us -- to do even more.

Our role -- the federal government's role -- is somewhat different from yours as we aim to address all the nation's infrastructure needs -- rather than concentrating just on a handful of special projects for some of the nation's urban areas.

MAYORS "READY TO GO LIST"

I bring this latter subject up, of federal responsibility, because I had a chance to go over your "ready to go" list quite carefully -- and it's quite a tall stack of projects.

While many of those projects mentioned would help improve your transportation system or create jobs -- some clearly are not appropriate for federal funding. I have in mind the building of new skyboxes at sports stadiums ... or constructing a new bandstand ... or

doing renovations to the fourth floor of a local courthouse.

These are not bad projects *per se*, only that they do not seem worthy of, or eligible, for federal financial support in a time of tight budget constraints.

Moreover, we are already funding a number of projects on your "wish list," -- but those which help tie the cities together, ease the movement of people and commerce, and provide needed access to transportation for all of our citizens.

We are funding an important intermodal project in Anaheim, California ... we are involved in the rehabilitation of the vital Schenley Park bridges in Pittsburgh, Pennsylvania ... we are making stations and railcars accessible to thousands of disabled citizens in the Philadelphia/ Southern New Jersey area ... and we are doing other important projects you brought to light in your report.

MAKING HARD CHOICES

Like everyone else here, we too have a wish list -- but again, economic constraints call for some "hard realism," for making some hard choices in deciding where transportation funds should go.

In regard to more federal funding, this past winter, the President's 1993 budget was criticized by some for underfunding ISTEA programs. Yet we thought that \$22.2 billion for programs -- a 3 percent increase over 1992 -- was pretty good given competing priorities.

However, you should know that the House Appropriations Subcommittee last week set funding for ISTEA highway programs in 1993 at about 2 billion dollars less than the President requested.

This should cause you considerable concern for two reasons.

-- First, you and your state DOT partners deserve a predictable and even flow of federal funding for transportation needs.

-- Second, this Congressional attempt to reduce available 1993 highway funding could have a direct impact on transit funding. For as I'll mention in a moment, under ISTEA, you now have the flexibility to use highway funds for transit projects. So fewer highway dollars also means the possibility of fewer dollars for the funding of mass transit.

Even if federal assistance should drop, that doesn't mean we will neglect what needs to be done for our cities. It means that we have to be able to get our

priorities straight. We have to concentrate on putting our resources in those specific programs and projects which show the most promise in moving people and commerce. And that means we may have to leave some of those pet projects behind -- especially many of those "pork barrel" projects earlier earmarked by Congress for ISTEA funding.

LINKING CITIES TO PEOPLE AND COMMERCE

There is, though, reason to be optimistic. Our nation's transportation system remains the best in the world -- in moving people, goods and services in and out of our urban areas and to the world's markets. And our transportation system is definitely doing its part in revitalizing our nation's urban areas.

There are plenty of examples out there of how the transportation system can help re-energize downtown and surrounding areas -- how it can help bring back civic life and culture and commerce to the city's core.

Just look at Portland Oregon [*Observations on Portland*] or Atlanta, Georgia [*Observations on Atlanta*] or for that matter our host city of Houston --where public-private partnerships have been highly successful, especially in the building the Sam Houston Highway Tollway.

Mayors like [*names insert*] are making it happen -- they are using their transportation networks as arteries to pump new life back into the heart of the city.

ISTEA: MAKING IT WORK FOR YOU

If [*mayor names*] and others can be successful in using their transportation systems to facilitate urban growth, so can you. And today, with the new ISTEA legislation you have even more tools available to work with and a bigger role to play.

With ISTEA, you have a seat at the table in planning for your transportation needs. You now can participate fully in the decisions on how you want your transportation funds to be used -- you help establish the priorities.

With ISTEA you have flexibility in funding projects. Highway funds can now be used for mass transit projects and the other way around.

In fact, we have two recent examples of local governments deciding to use highway dollars for transit projects. Omaha, Nebraska is planning to purchase buses and Sacramento, California wants to use highway funds to reconstruct a bus maintenance facility.

PRIVATE SECTOR INVOLVEMENT

Finally, with ISTEA, the private sector can now be brought back into building, operating and maintaining our transportation infrastructure.

For the first time ever, federal funds will now be available to combine with the private funds of entrepreneurs who are willing to build or improve roads that motorists want and are willing to pay to use. In both California and Northern Virginia, we are seeing proposals to develop private toll roads.

But more needs to be done to involve the private sector in meeting the transportation needs of the cities. We need to look for more opportunities to privatize a number of federal, state and local transportation assets

As one columnist recently wrote, "today, selling the Brooklyn Bridge no longer seems like a joke." As you are aware, last month the President issued an Executive Order establishing federal support for communities that want to sell or lease locally owned assets -- including roads, bridges and airports -- to the private sector.

Already I've heard from groups that want to buy everything from the Massachusetts Turnpike to the Los Angeles Airport. We, however, want to see privatization used more as a means to create new

airports, roads and other transportation facilities than simply selling those already in existence.

Overall, we encourage you to look closely at the privatization option or the creation of public/private partnerships in the building and the operation of transportation infrastructure and services. It's a sure way for you to secure funding without raising new taxes or spending more federal dollars. No doubt, Bob Lanier and Harris County Judge, John Lindsay, would be pleased to share Houston's success with you.

GETTING MONIES OUT OF THE PIPELINE

Of course, the question that I know has been on your minds all along, is what am I specifically doing to make your transportation needs and wants become a reality?

Well for starters, I've been busy working to get those ISTEA dollars -- some \$12 billion in federal highway and transit authorizations this fiscal year -- out of the pipeline. And over 60 percent of this year's highway authority has already been obligated.

We still need to get more of this money out. So I'm standing before you today to make the same commitment I have made to the county officials and to the governors. That is, I will do whatever it takes to get

these monies out to address our nation's transportation needs. Let me know how I can help.

I am also busy encouraging states experiencing financial difficulties to use the temporary matching fund waiver under ISTEA, to move highway projects off the drafting boards and into city construction sites.

And I am working to apply this waiver also for mass transit construction. [*Insert FTA's Advanced Match Initiative here.*]

SPECIAL PROGRAMS TARGETING URBAN AREAS

Besides the acceleration of surface transportation funds, we are working on programs to empower neighborhood, civic and community groups to develop businesses to meet the transportation service needs of their communities. This is our portion of the multi-agency "Weed and Seed" effort to rejuvenate targeted inner city areas.

One approach is to support reverse commute services. These services might take the form of subsidized vanpool operations that connect areas of high urban unemployment with potential jobs in adjacent suburban areas.

In addition to getting people to jobs, we are also trying in our own way to help those without work.

We are involved in a three-year demonstration project to provide services for homeless people who congregate in certain transit facilities in New York City, Baltimore and San Francisco. And we are involved in several ongoing and potential job educational programs. In California, for example, through the Los Angeles County Transportation Commission, internally generated funds are providing for job training for 11th and 12th grade students interested in transportation related careers.

KEY MISSION: BUILDING INFRASTRUCTURE

As I said at the beginning, our role is less to fund special projects than to build this nation's transportation infrastructure. To make sure that we have the necessary roads, bridges, mass transit networks, and airports, to keep this country competitive in world markets.

In the construction of the Central Artery-Third Harbor Tunnel in Boston (which will further link the city and the suburbs together) ... in the purchasing of light rail vehicles for the San Francisco Municipal Railway System (which will help carry the more than 239 million passengers a year using the system) ... in the

rehabilitation of runways and construction of roads at Greater Pittsburgh International Airport (which will greatly improve the efficiency of one of our nation's largest airports) ... to name just a few of the major projects we are involved with ... we are investing in our nation's future in a big way.

In particular, we are thinking intermodally -- of creating a seamless transportation system, one that brings all modes of transportation together. I've already mentioned Atlanta, but there are plenty of other examples all across the nation.

In Los Angeles, Interstate 105 -- the Century Freeway Project -- is another prime example of intermodalism at work. The freeway not only improves access between LA area ports and several major interstate highways, but in the median strip is the Green Line -- a new high-tech, driverless mass transit system that will help ease freeway congestion.

I could, of course, continue to read you a laundry list of all the various projects and programs we are involved with, but let me stop here.

CONCLUSION

In closing, I have talked today about the hard choices that lay ahead for all of us. But by thinking creatively -- using ISTEA to its full advantage, bringing in the private sector in building and operating transportation infrastructure, and joining the modes of transportation together in one seamless system -- you can help boost your city's economy as well as community's well being.

While we stand by ready to help, you must take the first steps.

Thank you, have a good conference.

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