

REMARKS AS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
RSPA ANNUAL AWARDS CEREMONY
WASHINGTON, D.C.
DECEMBER 4, 1996

(Introduction to be made by RSPA Administrator Dr. D. K. Sharma)

Thank you, Dr. Sharma. I want to start by bringing you all greetings from Secretary Peña, who couldn't join us today.

As you know, the Secretary is leaving office next month, and we're going to miss his leadership.

The Department has had many accomplishments during the Secretary's term in office, but -- as the Secretary himself noted when he announced his departure -- those successes are made possible only by the efforts of hundreds and thousands of people, working in cooperation towards a common goal.

That's certainly true of RSPA. RSPA may be small in comparison with the FAA or the Coast Guard, but your achievements during our term have been big.

Today we're going to hear about some of them -- the success stories you've made possible as you've worked to fulfill RSPA's missions.

Each of the Department's operating administrations has its own missions, and RSPA has three fundamental ones: advancing research and technology; ensuring the safe and environmentally-sound movement of people and products; and supporting emergency preparedness.

Each of these missions is critical to America's prosperity and well-being, and while all of the DOT agencies support them to some extent, they're at the very core of RSPA's purpose.

Your work in research and technology development is vital in an era when the demands on transportation are greater than ever -- when Americans expect more than ever.

We want our transportation systems to move us safely -- quickly and conveniently -- and without pollution. And in each of these areas the level of expectations has risen dramatically over the past generation.

You're meeting this challenge -- and laying the foundation for the next generation of transportation systems -- systems that will be safer, more efficient, and better for the environment than today's.

Initiatives as diverse as the University Transportation Centers -- the University Research Institutes -- and this past October's Transportation Education Conference have furthered the academic community's contribution to our transportation progress.

The Volpe Center is recognized as *the* national leader in transportation research.

Efforts such as the Technology Sharing Program are eliminating geographic and institutional boundaries and enabling researchers and practitioners to benefit from research being done throughout the world.

And our work with the National Science and Technology Council to further the federal transportation research and technology strategy will better coordinate work being done throughout the government, eliminating duplication and maximizing synergies.

As chair of this effort, I can speak personally of how important RSPA's work has been to its success, and of how we're looking forward to its completion next month.

Together, these initiatives will enable us to use transportation technology and research to make real differences in people's daily lives -- differences that will be seen and felt.

In the last couple of years RSPA has taken on added responsibilities in the second of its three missions -- ensuring the safe and environmentally-sound movement of people and products.

You've helped to make sure that the expanded trade from our NAFTA partners brings benefits -- rather than costs -- by strengthening and harmonizing hazardous materials transport regulations and response mechanisms.

Pipelines move the bulk of natural gas and other liquid fuels, and are as important to our prosperity as highways or railroads.

By protecting the national system's integrity, you're ensuring that they'll continue to play their part in our transportation system.

You've enhanced their safety by adding inspectors and other resources -- by improving outreach and partnerships with state and local governments and pipeline operators -- and by supporting development of better materials and new ways of identifying and repairing pipeline flaws.

RSPA and its employees also should be proud -- as the Secretary and I are -- of how well you've carried out your third mission: supporting emergency preparedness.

Some question government's role in our society -- but not anyone who has lived through a hurricane -- a flood -- an earthquake -- or any of the other emergencies we've helped out on.

Through the Emergency Transportation Program and the state-of-the-art Crisis Management Center, you've been vital in the effort to get transportation systems up and running in these crises, saving lives and property and helping people to get their lives back to normal.

In carrying out each of these three missions RSPA staff have acted in the spirit of Vice President Gore's National Performance Review, eliminating bureaucracy and red tape and improving customer service.

You led the Department in erasing over 500 pages of unnecessary regulations and requirements and rewriting another 500 pages to make them more customer-friendly -- exceeding your targets by 300 percent.

You've cut paperwork and reporting requirements and sped up evaluations for applications and permits, cutting the backlog of overdue exemption applications by half.

And your reengineered procurement processes have become a model for other agencies -- reducing acquisition lead times by half and producing savings for taxpayers and for our customers.

Together, these efforts to reinvent the way we do business are important -- not just because of the better service and savings they produce, but because they help us to capture the imagination of the American people with a vision of what government can be -- and then to make it a reality.

Well, I've spent a little more time up here than I originally meant to, but I wanted to review these many successes because it's important to take note of how much the work you're doing matters.

The work you're doing is vital to achieving President Clinton and Secretary Peña's vision of a safer, more efficient, more environmentally-friendly transportation system.

So take pride in the successes I've talked about today -- and the ones you'll be hearing about shortly -- and let that pride inspire you in your future efforts.

We have a full program today, so now I'd like to turn the podium back to Dr. Sharma so we move on to what everyone *really* came here to see: the honoring of outstanding achievements by RSPA's employees.

Let me close by thanking you for inviting me to join you today, and by wishing you the best for the coming year.

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REMARKS AS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
MIDWAY AIRPORT IMPROVEMENT GRANT
CHICAGO, ILLINOIS
DECEMBER 5, 1996

*(Introduction to be made by Chicago Aviation Commissioner
Mary Rose Looney)*

Thank you, Commissioner Looney, for that introduction. I also want to thank Mayor Daley for his leadership in developing the financial plan that's moving this project forward.

Congressman -- or I should say Senator-elect -- Dick Durbin and Congressman Bill Lipinski have been instrumental in developing the federal contribution to this initiative.

I also want to acknowledge the contributions of two people who couldn't be with us today: Senator Carol Moseley-Braun and Southwest Airlines' President, Herb Kelleher.

Before I begin my remarks, I want to bring you greetings from Secretary Peña, who will be leaving office next month.

Over the past four years the Secretary has worked to give Americans the transportation system we need to sustain our prosperity and our high quality of life. We're going to miss the Secretary's leadership -- but he's leaving us a sound legacy.

A big part of that legacy forms the foundation for the 21st century's aviation system. A decade from now, 40 percent more people will be flying, and a lot of them will be flying to -- and through -- Chicago for business and for pleasure.

O'Hare International -- already the world's busiest airport -- can't handle this growth alone, even with the improvements planned for it. Midway is already the second-fastest growing airport in the country.

More capacity in the right place is essential if Chicago is going to make the most of the economic growth this travel increase is going to bring.

Today, I'm pleased to announce that the federal government is committing to doing its part in helping you create that capacity.

We intend to make \$138 million available to the City of Chicago for airfield improvements -- for passenger security initiatives -- and for better access here at Midway Airport.

These improvements will enable Midway to accommodate *two-thirds* more passengers than today -- and to do it comfortably.

Our commitment includes an initial grant of \$14 million to be made this fiscal year, and an additional \$124 million in grants scheduled out through the multi-year development period.

These grants will form part of a \$700 million plan of improvements developed under Mayor Daley's leadership -- a plan that will make Midway more efficient well into the 21st century.

Today's announcement of our intent will enable Chicago to begin construction of the airfield and terminal improvements next summer, dramatically speeding up their completion and availability to the traveling public.

That's going to allow passengers on Southwest and the other airlines serving Midway to benefit from these improvements several years sooner, and the public will save money by avoiding added interest and inflation costs.

You know, we call these grants "investments," and it's because they produce a genuine return. The improvements at Midway will save the airlines more than \$15 million in annual operating costs and save their passengers about \$24 million a year in travel-related expenses.

It's also estimated that -- by 2012 -- development here at Midway will create 19,000 jobs and an additional \$740 million in annual economic benefits for the Chicago region. Those returns on investment are real, too, and they're going to benefit real people all across the Chicago region.

We're proud to be your partners in making this possible, and we're looking forward to making Midway an airport for the 21st century. Thank you for inviting me today, and best wishes as you move forward with this project.

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REMARKS AS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
RAIL STATIONS: GETTING ECONOMIC DEVELOPMENT ON TRACK
WILMINGTON, DELAWARE
DECEMBER 11, 1996

Good morning. I'm Mortimer Downey, Deputy Secretary of Transportation, and I'll be moderating this panel. Let me take a moment to introduce the panel's members: David Lewis of Hickling Lewis Brod...

...David King of the North Carolina Department of Transportation...

...and Jackie Grimshaw of the Center for Neighborhood Technology.

Before I begin I want to thank Governor Carper and the Delaware Department of Transportation -- and Tom Downs and Amtrak for co-sponsoring this conference.

Amtrak, of course, has been a driving force behind America's rail renaissance, and Delaware -- through Governor Carper and through the efforts of Senators Biden and Roth -- has been among this revival's strongest supporters. It's good to see them all coming together to make this conference a reality.

I'd like to start by bringing you greetings from Secretary Peña. As you know, the Secretary recently announced that he plans to leave office next month.

He's been a strong supporter of passenger rail and we're going to miss his leadership. But -- as he departs -- he leaves us a sound legacy. That legacy includes a strengthened commitment to transportation infrastructure.

Today, I'd like to review two areas of support made possible by that commitment: our Livable Communities initiative and our Partnership for Transportation Investment.

Livable Communities has created a new focus for federal support of transportation while firmly linking transportation to the communities it serves.

Livable Communities recognizes two fundamental facts: transportation doesn't solve anything if it doesn't take people where they want to go -- and development can't achieve its promise if people can't get there.

Transit systems in places such as San Francisco, Washington, and -- especially -- Portland, Oregon have been the tools to shape development and spur land-use patterns that make sense. Livable Communities is the latest step in this process.

Although the early emphasis has been on transit, it's equally applicable to intercity rail -- obviously in those cases in which Amtrak shares a station with a commuter rail or subway line, but also in those cases in which an Amtrak terminal can become a major destination in its own right, as is already the case with Washington's Union Station.

By centering development around transportation hubs that combine other uses -- such as offices, shops, or housing -- we can create instant destinations that can be served by transit and intercity rail.

In the case of transit, research shows that combining it with mixed-use development can reduce auto trips by 18 percent without inconveniencing travelers, and increase transit ridership by 4 percent or more.

That doesn't sound like a lot, but a relative handful of auto trips can spell the difference between congestion and free-flowing traffic -- benefitting not only transit users and area residents but also the remaining drivers.

Simple steps such as safe and secure pedestrian access -- conversion of unused terminal space to new stores and similar amenities -- and other improvements can have real impact. The sale or lease of unused air rights can also produce revenue to pay for station construction or renovation.

I say renovation because it's important that these efforts not be limited to new stations. They also can make older neighborhoods around existing stations more vibrant even as they increase transit's viability by attracting more riders.

We're doing our part through Livable Communities.

We've made \$35 million in grants to 16 different projects -- projects as diverse as the SEPTA commuter rail station in Chester, Pennsylvania and a subway station on 110th Street in Harlem.

These projects work best when they leverage other funding, from such sources as Community Development Block Grants and the Enterprise Zone program, as well as from the private sector.

This type of cooperation -- leveraging funding from other sources -- is a theme which runs through our efforts to pay for transportation.

In spite of the dramatic funding increases that the President has provided, there just isn't enough federal money available for all of the infrastructure we need. We're going to depend more and more on private sector and nonfederal public capital to build these projects.

That brings me to the second new source of federal support for transportation infrastructure: the Partnership for Transportation Investment.

Secretary Peña announced this effort two years ago, and it's an umbrella term for a wide range of innovative financing strategies.

We accelerated concepts like the flexible use of federal funds -- making loans or providing credit assistance to projects with potential revenue streams -- and other means of generating capital.

And we cut red tape to move projects ahead faster and to attract private and nontraditional public sector resources that leverage federal funding.

These strategies have produced more than 70 new projects in 31 states with a construction value of more than \$4.5 billion -- including more than a billion dollars in new capital. Many of these projects are moving to construction two years ahead of schedule.

We've also begun state infrastructure banks, which use federal seed money to leverage other public and private funding. Earlier this year the Secretary announced 10 pilot states -- a number which may increase -- and we're providing \$150 million in new seed capital to help get them underway.

Finally, we've worked outside of the envelope to provide standby lines of credit for toll roads in Orange County, California and a direct loan to the Alameda highway-rail corridor in Los Angeles.

Most of these strategies have focused on building highways, transit stations, and related facilities, but we're ready to explore ways to apply them to passenger rail stations.

The opportunity to do so is coming. Much of what I've talked about has been made possible by ISTEA -- the Intermodal Surface Transportation Efficiency Act, which authorizes highway and transit programs through 1997.

ISTEA expires next year, and we plan to submit a reauthorization proposal to Congress when the President delivers his Fiscal Year 1998 budget message in February.

Our draft proposal is being reviewed, so it's at a very awkward stage -- too old to be kept in the nursery, too young to be let out on its own.

Although I can't discuss its details, I *can* give you insight into some of the general principles which may affect rail station development.

We want to continue creating new ways to pay for the infrastructure and technologies we need, and to explore how we can use them for all forms of transportation.

We want to see greater devolution of decision-making authority to state and local officials so they'll have more flexibility to use federal funds in meeting their communities' needs.

We want to see the playing field levelled so that projects can be chosen on their merit, rather than on whether they happen to fall into some fixed category.

And we want to ensure that our transportation and community development policies and programs support each other.

As we move towards reauthorization, it's vital -- whatever our views -- that we work together to build the kind of broad consensus that gave us ISTEA -- and that will put transportation on a sound basis for the 21st century. I hope that you'll make *your* voices and your ideas heard.

I've heard some good ideas so far today, and now I'm looking forward to hearing more of them from our panel members...

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