

Deputy Administrator Speeches 2009

<u>10/29/2009</u>	Mineta Transportation Institute/Commonwealth Club		
<u>10/29/2009</u>	International Industry Leaders Panel		
<u>10/28/2009</u>	Keynote at California Transit Assoc. 44th Annual Fall Conference and Expo		
<u>10/13/2009</u>	APTA's Transportation Tuesday		
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Fargo Transit Garage Groundbreaking

09-21-09

**Deputy Administrator Therese McMillan
Fargo Transit Garage Groundbreaking Ceremony
Talking Points
Fargo, ND**

Thank you Brian (Arett) for that kind introduction...

On behalf of President Obama and Secretary Ray LaHood, I'm delighted to be here today, along with Mayor Dennis Walaker, North Dakota DOT Director Francis Ziegler, and everyone else involved in this effort, to celebrate the opening of the new Fargo Transit Garage for Fargo Senior Services.

Your organization provides such an important service for senior citizens in the Fargo-Moorhead metro area. It operates as an alternative for those, who in the past, could only ride the more expensive paratransit service.

It's also an important part of the overall public transit system in this community.

The new \$1.75 million Fargo transit facility will not only provide housing for up to 25 vehicles, but it will allow Fargo Senior Services to consolidate its vehicles into one facility from the three different garages currently used and will provide a central base of operations.

Although this facility was not built with Recovery Act funds, funding was made available for this project as a result of the Recovery Act.

The infusion of stimulus money allowed Fargo to fund bus replacement needs, and therefore, \$1.4 million in FTA bus program funds could be used to fund the capital costs of this new facility.

All over the country we are seeing the Recovery Act bring much-needed funding and jobs to rural and urban communities.

Over the course of 18 months, the Department of Transportation is investing \$48 billion in Recovery Act funds to rebuild roads, bridges, transit systems, airports, and seaports around the country. Out of that \$48 billion, \$8.4 billion is for transit funding -- almost doubling our FTA annual budget.

On September 1, we met and exceeded the goal set in law for us to obligate 50% of FTA Recovery Act funds to each of our formula grantees, including about \$11 million each in Recovery Act funds for North Dakota and South Dakota. We have now obligated almost 90% of our ARRA funds to grantees.

This was quite a feat! The Recovery Act is essential to bringing our economy back -- but it's also a dress rehearsal for an even more ambitious effort.

We at FTA want to ensure that transportation plays a major role in our ability to create the kinds of neighborhoods people want to live in; to reduce our dependence on private vehicles and foreign oil; promote a cleaner, greener environment; and ensure that rural communities have access to high-quality transportation.

To do so, we are working with Congress, our grantees, and our Federal partners to re-think our Federal spending priorities and focus on transportation investments that more effectively meet the needs and priorities of our nation's communities.

One of these major priorities is the livability of your communities.

Livability in rural states such as North Dakota and South Dakota means:

- Elderly people can stay in their homes;
- Individuals with disabilities can hold a job;
- A parent can keep a job because he or she can trust the local transit service to safely transport his or her children;
- Low-income individuals don't need to spend their limited resources on purchasing/maintaining a private vehicle;
- Seniors and other individuals without private transportation don't have to live in isolation and suffer from nutrition issues;
- Young adults have access to affordable, safe and reliable transportation to high school and/or college;
- And much needed feeder service, which helps intercity bus providers maintain those critical routes, is provided.

The Fargo community has needed this transit facility for many years ... and as the senior population and their demand for transit service continues to grow in the Fargo-Moorhead area... this facility will allow the further consolidation of services and aid in future service expansion.

Thank you to everyone who made this a possibility, and thank you for inviting me to celebrate in your achievement.

Congratulations!

I know you all will keep up the good North and South Dakota, and I want to assure you that FTA will be supporting you along the way.

So, on behalf of the President and the Secretary, I want to thank everyone who made this project possible.

Congratulations!

Opening Remarks at Dakota Transit Association Annual Meeting

09-21-09

Deputy Administrator Therese McMillan Dakota Transit Association Annual Meeting Opening Remarks Fargo, ND

Thank you for that introduction Barb (Cline).

And I want to thank the planning committee and the DTA Board for their hard work in putting this event together.

I'm delighted to be here on behalf of President Obama and Secretary LaHood for Dakota Transit Association's (DTA) 25th Anniversary.

DTA's long-term success is a result of dedicated, hard-working employees.

I was told we have two transit professionals in the audience who have been with DTA for all of its 25 years – Brenda Paradis of Mitchell, South Dakota and Carol Seurer of Sisseton, South Dakota.

Brenda's system has the 2009 South Dakota Dispatcher of the Year and Carol's system is the 2009 South Dakota Innovative Agency of the Year.

Brenda and Carol, I can't thank you enough for all your hard work and your commitment to DTA.

This is my first time visiting the Dakotas. Though your transit systems may be smaller than the New Yorks and San Franciscos of this world, they are no less important to the livability of your communities.

President Obama has made livable communities a key aspect of his agenda.

Livable communities are safe communities; communities that provide a strong economic base for their citizens; provide housing and transportation choices for residents with various needs; and are sustainable from an environmental perspective.

Expect to see livable communities as a centerpiece of the upcoming transportation authorization legislation and as elements of new Department of Transportation programs and policies.

The era of one-size-fits-all transportation projects must give way to an approach that preserves and enhances unique community characteristics – be they urban or rural.

Rural Livability

Transportation that provides reliable, safe access to jobs, education, health care and services is every bit as important to rural areas as urban areas.

More remote locations in rural areas do present unique challenges but the livability of our rural communities is enhanced when:

- Our elderly citizens can stay in their own homes even when they give up driving;
- Citizens with disabilities can get to a job;
- Young adults have affordable and reliable transportation to education and training programs; and
- Families can reduce their transportation expenses.

Not only is transit already playing a key role in the livability of the Dakotas, there are some big, creative ideas coming from these smaller communities.

Prairie Hills Transit in Spearfish, South Dakota is a great example of creative coordination of transit with other valuable community services:

- Space in their main facility is currently shared with a food bank;
- **Space for Child Care Services is proposed to be housed with their new transit facility;**

FTA encourages innovative transit investments such as this that support broader social and economic development goals.

Standing Rock Public Transportation in North Dakota which has provided service for over 20 years (Sept 1 was the anniversary “Transit Day” celebration) to 14 tribal communities spread over two states and four counties:

- Provides the only source of mobility for many tribal and non-tribal residents;
- 10 daily fixed routes target low-income and HUD housing developments;
- Two demand response routes link to all fixed routes and major off-reservation medical services, including Veterans Hospitals in North and South Dakota; and
- An interliner service connecting both state capitals--in cooperation with Bismarck Transit, River Cities Transit, and Jefferson Lines motor coach company.

Souris Basin Transportation in Minot, North Dakota which provides services to seven (7) rural counties:

- Open to the public but caters to the elderly and people with special needs;
- Close, cooperative effort with nursing homes, assisted living, senior housing complexes and medical services at Minot Air Force Base, providing over 34,000 rides;

- In a combined effort with the City of Minot Commission on Aging, reduced overhead costs and coordination has led to a 29% increase over individual agency rides.

Focusing Federal rural economic development resources in town and commercial centers can enhance a sense of community while reducing fuel, transportation, and other costs.

While many view community planning and multi-modal transportation as affecting urban or “big city” areas, there are many benefits to small towns and rural areas as well, including:

Strong, well planned town centers can provide easier access to jobs, shopping and medical services;

Increased foot traffic around locally-owned small businesses;

Protects nearby open spaces and valuable farm and ranch land.

Partnership

Earlier this year the Secretaries of DOT, HUD, and EPA announced a Partnership agreement to help American families in all communities—urban and rural—by better coordinating Federal investments for transportation, housing, economic development and environmental protection.

The departments are committed to six guiding principles:

- Providing more transportation choices that decrease household costs, reduce dependency on foreign oil, improve the environment;
- Promoting equitable affordable housing that expand housing location choices to increase mobility and lower housing and transportation costs;
- Enhancing economic competitiveness through reliable access to employment, education & services;
- Supporting existing communities by targeting Federal funding to revitalization efforts in those communities;
- Coordinating policies and investments to remove Federal barriers to effective programs at the local level;
- and Valuing the uniqueness of communities and neighborhoods by investing in safe, healthy, and walkable neighborhoods—urban and rural.

The Partnership is intended to align HUD, DOT, and EPA programs to:

- Encourage integrated planning that addresses livability, affordability, and environmental excellence;
- Engage in joint research and outreach efforts that directly support local communities;
- Knock down government and interdepartmental barriers;

- And most importantly, maximize the benefits of their combined Federal investments in our communities.

You're going to see new levels of Federal cooperation to help deliver the integrated transportation solutions we need.

Grass-Roots Efforts in the Dakotas

The type of planning and community engagement that we would like to see is already happening here in the Dakotas...like I said earlier – big ideas come from small places!

The **Rural Learning Center**

- Started out as a grass-roots effort to develop a new vision and a new future for the small town of Howard in Miner County, South Dakota.
- Now a national resource for other rural communities looking for a sustainable future.
- Provides a variety of services and resources, including a blog called “ReImagine Rural” for connecting people, with ideas and resources to inspire rural residents to become part of changing their communities.

Design: South Dakota

- Represents a new way to help rural communities in South Dakota create a future through design.
- Cooperative effort by the South Dakota chapter of the American Institute of Architects and the Rural Learning Center.
- Organize and conduct three-day planning workshops to engage local residents to design, plan, and develop a sustainable future vision for their communities.

AARP Fargo Summit on Livable Communities

- Hosted by North Dakota State University last year.
- Focus on the unique factors that impact rural residents as they age.
- Addressed questions: What makes a community livable? What factors are present or missing in Fargo, small towns and rural areas of North Dakota?

These examples demonstrate that livability must incorporate the concept of collaborative community decision-making, which:

- Gets better results; more community support; and faster and lower cost projects and programs.
- Encourages all of you to become even more engaged with your communities —transit is at the heart of improving livability through mobility.
- Gives new consideration how DOT, HUD, and EPA programs can work together to achieve your communities vision/dream/needs

What all of you do—can and does make a difference.

This Administration wants to do everything to help you make that difference, whether it's coordinating livability efforts or providing additional funding in the form of the American Recovery and Reinvestment Act.

The Recovery Act is good news for rural providers: \$765 million!

My agency – the FTA – saw an 80 percent spike in our annual funding level – a far higher percentage for transit that was directed to highways or aviation. The only percentage growth that was higher was the new historic investment in another public transportation investment – the President's new High Speed Rail program.

When I first came to FTA earlier this summer, we faced a looming deadline – 50 percent by September 1st. We first thought that we would struggle to reach it. But instead, we reached it and beat it. Now at 90 percent.

The Recovery Act is not the only bright spot for rural transit funding: FTA received an annual appropriation of \$512 million which is the largest annual appropriation for rural transit ever under SAFETEA-LU.

FTA is also continuing its efforts to improve timely administration of the Job Access and Reverse Commute and New Freedom programs.

Authorization

Before closing, let me touch on Authorization. . .

As you know, the current authorization for Federal transportation programs —SAFETEA-LU—expires at the end of the month.

The Administration has proposed an 18th month extension while some in Congress have other ideas.

Whatever legislative approach is taken, we think livability needs to be part of the debate and should consider whether to:

Provide the authority and funding to regions and communities to carry out livability programs in partnership with States;

Improve consideration of land use, energy, the environment and other livability criteria in planning; and

Establish program performance-based criteria focused on livability outcomes.

FTA will continue to work with Congress and our FTA grantees, such as DTA, to ensure transportation needs across the nation are met and residents of your communities enjoy a high quality of life. For us to succeed in these dynamic times it's crucial that our programs and policies are informed by you – the individuals those programs and policies are meant to serve.

I look forward to working with you in the future and seeing what other innovative ideas come out of the Dakotas!

Thank you for the opportunity to be with you today. . . .

Climate Leadership Academy

09-22-09

Deputy Administrator Therese McMillan

Talking Points

Climate Leadership Academy

Chicago, IL

September 22-23, 2009

Livability Initiative

Fostering livable communities is a key aspect of President Obama's urban policy agenda and Vice President Biden's Middle Class initiative.

How a community is designed – including the layout of its roads, transit systems and walkways – has a huge impact on its residents. For instance, nearly one-third of Americans live in neighborhoods without sidewalks and almost one-half of households say they lack access to public transportation.

Improving the livability of our Nation's communities will help raise living standards.

To address this, Secretary LaHood has implemented a DOT-wide Livability Initiative to enhance the economic and social well-being of all Americans by creating and maintaining a safe, reliable, intermodal and accessible transportation network that enhances choices for transportation users, provides easy access to employment opportunities and other destinations, and promotes positive effects on the surrounding community.

DOT- HUD- EPA Partnership

Secretary LaHood has also partnered with the Secretary of HUD and the Administrator of the EPA to form an interagency Partnership for Sustainable Communities.

Six guiding 'livability principles' will be used to coordinate Federal transportation, environment, and housing investments at each agency:

- **Provide more transportation choices** by developing safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce GHG emissions and promote public health.
- **Promote equitable, affordable housing** by expanding location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.

- **Enhance economic competitiveness** through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.
- **Support existing communities** through transit-oriented development (TOD), mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.
- **Coordinate policies and leverage investment** to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
- **Value communities and neighborhoods** and enhance community characteristics by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

To implement these principles, FTA staff is now working with our Federal partner agencies to:

- Identify and propose solutions to institutional and legal barriers that inhibit coordinated planning and program development.
- Examine localities that are already successfully applying the Partnership principles for Sustainable Communities. We want to better understand the ingredients for success, including how the challenges were overcome. And share what we learn with all communities.
- Develop programs of training and technical assistance to improve the institutional capacity of State/local officials to produce Sustainable Communities.

Livability-Related Programs/FTA Priorities

FTA has long fostered and promoted livability through various agency programs and activities. Examples:

The New Starts and Small Starts programs are the Federal government's primary financial resource for supporting locally planned, implemented, and operated major transit capital projects.

These programs have helped make possible dozens of new or extended transit fixed guideway systems across the country – heavy rail, light rail, commuter rail, bus rapid transit, and ferries.

These public transportation investments have improved the mobility of millions of Americans, provided alternatives to congested roadways, and fostered the development of more viable, safe, and livable communities.

The FTA-HUD Working Group is another example. FTA is working with the Department of Housing and Urban Development (HUD) to better coordinate affordable housing and transit through joint planning,

demonstration projects, and research on best practices of TOD and affordable housing.

The average American household now spends 34 percent of its annual budget on housing and 19 percent on transportation—more than half of its budget.

For low-income working families, the impact is even greater.

These transportation figures drop significantly for transit-rich areas and increase for auto-dependent exurbs.

Building upon previous efforts to better coordinate transportation and housing plans, FTA and HUD have developed an “Action Plan” that reported to Congress ways in which the two agencies propose to promote affordable housing near transit.

We have also established an interagency working group to develop coordinated/integrated strategies, methods, and policies to promote the role of public transportation in affordable housing. We are currently working with HUD to develop a workplan for implementing their proposed strategies in this area.

We are also working together to conduct research on good practices for development of a “Best Practices Manual” to provide guidance to local communities on how to best plan and develop affordable housing near transit.

The Job Access and Reverse Commute Program (JARC) provides low-income workers and students with transportation services to jobs, employment centers, and educational institutions.

A recent study of the economic benefits of employment-related transportation services concluded that transportation funded through the JARC program provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs.

FTA: Building Sustainable Communities

As you can see, livability is not a new concept for FTA. In fact, at FTA we think that we have always been “all about livability.”

Key Federal transit initiatives supporting sustainability include:

- Improving mobility and accessibility;
- Promoting TOD and joint development;
- Improving housing affordability; and
- Coordinating land use- transportation planning

Land use has always been a key factor in transit planning and investment decision making.

Local zoning ordinances and other land use policies dictate the nature and type of development that may occur, and the extent to which that development will be transit supportive.

We all know that the success of transit depends upon the underlying pattern of land development.

Transit also plays a critical role in community building. Federal transit programs were located in HUD even prior to the establishment of DOT. Transit is still crucial to “place making,” in addition to providing mobility.

Transit is part of the network of roads, streets, walkways and bikeways that are key to building “place.”

Transit provides a catalyst for targeted economic development in existing and proposed station areas enhancing the economic health and vitality of communities.

What is Transit-Oriented Development & Joint Development?

TOD is compact, mixed-use development near transit facilities and high-quality walking environments.

TOD is development-oriented toward transit usage. TOD is:

- Multi-use, multi-density development
- Pedestrian friendly
- Reliable transit – frequent headways, on-time performance with jobs and housing within ½ mile of station/center

TOD is about creating sustainable communities where people of all ages and incomes have transportation and housing choices, and increasing location efficiency where people can walk, bike and take transit. It provides value for both the public and private sectors. This is why affordable housing TOD is so important.

TOD leverages transit infrastructure to promote economic development and smart growth.

It boosts transit ridership and reduces automobile congestion.

And, most importantly, TOD creates a sense of “place” and enhanced community livability.

FTA has a specific form of TOD called “joint development.” Joint development takes place on, above or adjacent to transit agency property and involves the common use of property for transit and non-transit purposes.

Joint development uses real estate in which FTA has an interest for construction of a project undertaken jointly by an FTA grantee and another party.

The non-transit portion of the joint development can be for public or private use.

TOD or Joint development activities are eligible under FTA existing programs. TOD is an eligible planning expense and transit-related components of TOD and joint development are an eligible capital expense.

To be eligible for Federal transit funding, the TOD component must be transit related, and generally:

- Provide a public transportation benefit, by enhancing the effectiveness of a public transportation project; or
- Provide an economic link, by enhancing economic development.

The transit agency interest in TOD or joint development is: **RIDERSHIP**.

In many places, the transit agency's annual funding may depend on maintaining or improving ridership.

TODs can increase transit ridership, making existing and planned transit systems more productive.

Livability's Role in Mobility and Accessibility

DOT and FTA believe all segments of the population must have access to safe transportation services to get to work, housing, medical services, schools, shopping, and other essential activities.

Transit provides critical "lifeline" services that connect all members of the community with employment, health, educational, and other important opportunities and services.

As we work to reduce GHG emissions and increase the livability of our communities we need to make sure that community transportation services are seamless, comprehensive, and accessible to those who rely on them for their lives and livelihoods.

For persons with mobility limitations related to advanced age, persons with disabilities, and persons struggling for self-sufficiency, transportation within and between our communities needs to be as available and affordable as possible.

FTA emphasizes the need to coordinate the transit services provided through its JARC, New Freedom, and Elderly/Persons with Disabilities Programs enabling communities to leverage non-FTA human services transportation and extend transit service coverage.

This effort needs to be woven into any transportation/land use planning to ensure that physical design of, and service provisions within the TOD structure serve broad and diverse mobility needs.

Planning is Fundamental

Planning is the under-pinning for livable communities.

FTA recognizes that to improve planning, States and localities must focus on the outcomes of our plans and investments.

They need to coordinate land use and transportation plans to ensure that investments of limited transportation funds support development patterns that are energy efficient and increase the mobility and accessibility of a community's residents

FTA and our sister agencies are working to increase the capability of States, regions and localities to meet their planning challenges.

Examples include the Transportation Planning Capacity-Building Program (TPCB) that provides opportunities for the planning community to network and learn from each other; and Administration of the Public Transportation Participation Pilot Program (PTP) which targets innovative approaches to public involvement in public transit.

Also, in fostering effective planning for TOD, FTA is working with Reconnecting America and the Center for Transit-Oriented Development (CTOD) on a number of items. Most recent is the report, "TOD Tools for MPOs," which is now out for review/comment by a long list of stakeholder organizations, including APTA.

Greenhouse Gas Emissions and TIGGER

Along with making communities more livable and sustainable, transportation has a large role to play in reducing greenhouse gas (GHG) emissions.

Transportation accounts for 28 percent of the United State's GHG emissions—second only to emissions from utilities.

Thus, Federal investments made today in public transportation infrastructure will have lasting impacts on reducing GHG emissions and mitigating transportation's impact on climate change.

Public transportation offers a low-emissions alternative to driving and facilitates compact development, further reducing travel distances and a community's carbon footprint. Transit can help communities become more environmentally sustainable.

Through the National Transit Database, FTA collects data on passenger miles traveled and electricity, diesel, and other energy consumption from transit agencies across the country.

DOT is working with EPA to develop new coordinated tailpipe emissions and fuel-economy standards for 2012 through 2016. This national level data show significant GHG emission savings by use of public transportation.

Studies show that transit's land use effects have an even greater impact on reducing GHG emissions than transit's efficiency over the private auto. In addition to producing lower GHG emissions per passenger mile, transit can reduce GHG emissions by facilitating compact land use.

TOD and the denser urban form facilitated by transit availability means that people do not need to travel as far to get to their destinations. Combining transit and supportive land use policies offers synergies that increase each strategy's impact.

Transit's ability to reduce GHG emissions was recognized in the American Recovery and Reinvestment Act.

The Recovery Act provided FTA with \$100 million in discretionary stimulus funds to support transit capital projects that resulted in GHG emissions reductions or reduced energy use.

FTA published a Federal Register Notice on March 24, 2009 announcing the availability of funding and inviting proposals for these grants titled Transit Investments for Greenhouse Gas and Energy Reduction...or TIGGER as we like to call them.

FTA received more than 200 application proposing more than 550 projects, totaling over \$2 billion.

Because of the intense demand for the TIGGER funds, FTA was unable to fund all eligible applications.

It was a tough decision as there were so many innovative projects sent in; but on Monday, Secretary LaHood announced 43 award recipients for TIGGER funds. (OR...we will be announcing the award recipients soon).

Future Challenges

- Program Coordination within DOT
- Program Coordination between Federal and other governmental programs
- Funding: at all levels

APTA's Transportation Tuesday

10-13-09

Deputy Administrator Therese McMillan Talking Points Transportation Tuesday at APTA Washington, DC

Thanks Bill...

I'd like to thank APTA for inviting me to "Transportation Tuesday" to discuss what's going on in the world of public transportation...

This is a great time for public transportation, and we have great leadership who truly support the Federal Transit Administration in increasing public transportation services for our Nation.

Recovery Act

If you want to look at this Administration's commitment to public transportation, you don't have to look any farther than the Recovery Act.

My agency - the FTA - saw an 80 percent spike in our annual funding level—a far higher percentage for transit than was directed to highways or aviation. The only percentage growth that was higher was the new historic investment in another public transportation investment—the President's new High Speed Rail program.

When I first came to FTA, we faced a looming deadline—obligating **50 percent** of our Recovery Act formula funds by September 1st. We first thought that we would struggle to reach this goal. But instead, we reached it and beat it. We're now at **90 percent obligation**.

And, a couple weeks ago, FTA announced the award recipients of the TIGGER program—we awarded 43 grants under that extremely competitive \$100 million program.

These transit investments truly capture the President's vision for recovery. They are putting hundreds of thousands of people to work to improve the lives of millions more. These dollars are being spent right here at home in the short term to improve our quality of life in the long term.

The Recovery Act is essential to bringing our economy back—but it's also a dress rehearsal for an even more ambitious effort.

State of Good Repair

We at FTA are committed to maintaining the nation's bus and rail systems in a State of Good Repair (SGR). This is crucial if public transportation systems like our DC metro are to provide safe and reliable service to their daily ridership.

Maintaining the condition of our transit infrastructure is an issue of national importance—especially here, in the Nation's capitol.

It's also an issue that poses pressing challenges—challenges that require creative approaches to financing necessary repairs and upgrades for aging transportation assets.

In 2008, FTA brought together representatives from 14 public transportation providers and State Departments of Transportation to discuss the state of good repair of our Nation's transit inventory. We discussed, among other things, transit recapitalization and maintenance issues, asset management practices, and innovative financing strategies.

This year, we will convene a State of Good Repair Roundtable to further discuss the challenge of transit recapitalization, lessons learned, and best practices.

We will report to Congress as well on the level of investment needed to bring the Nation's largest rail transit agencies to a state of good repair.

Transit Safety

State of Good Repair is inextricably linked with another transit issue that's made its way into the news recently—safety. We are a safe industry. That has to be remembered.

But even our newer systems are aging. Because this Administration wants more transit service and more transit options, we must also ensure that transit is perceived by all as safe. We must focus on ensuring that a safe industry stays safe, and keeping catastrophic accidents from pushing passengers back onto the highways.

Our goal is to help agencies steadily raise their standards of safety and accurately identify their risks. APTA has done a great service on developing voluntary standards. Together, we can do more.

The science of effective SMSs has come a very long way. By strengthening our partnerships with State Safety Oversight and bringing resources to the efforts, we can lean forward and guarantee that a safe industry stays safe, even as it ages.

For all the talk on New Starts, we need to remember that the vast majority of our enterprise doesn't run rail service and doesn't plan to in the near future. We need to stay focused on the safety of our bus operators.

Last week, FTA launched a new website designed to help rural and small urban transit providers build and implement effective safety, security and emergency preparedness programs.

What does this website mean to the thousands of rural and small urban transit providers across the Nation? It means having quick and easy access to practical and relevant information resources. It means having a tool to help you assess your program's strengths and weaknesses. It means having the ability to ask questions and receive answers from peers on critical safety matters.

The site will give users quick and easy access to a comprehensive resource library that houses over 1,000 technical assistance documents.

Identifying safety as our number one priority is not just about rhetoric. As Secretary LaHood stated, we plan to lean forward in this area in ways that we never have before.

Livability Initiative

Along with Recovery, State of Good Repair, and Safety, this Administration has a vision of livable communities, including sustainable transportation options and the construction of green facilities.

Fostering livable communities is a key aspect of President Obama's urban policy agenda and Vice President Biden's Middle Class initiative.

How a community is designed – including the layout of its roads, transit systems and walkways – has a huge impact on its residents. For instance, nearly one-third of Americans live in neighborhoods without sidewalks and almost one-half of households say they lack access to public transportation.

Improving the livability of our Nation's communities will help raise living standards.

To address this, Secretary LaHood has implemented a DOT-wide Livability Initiative to enhance the economic and social well-being of all Americans by creating and maintaining a safe, reliable, intermodal and accessible transportation network that enhances choices for transportation users, provides easy access to employment opportunities and other destinations, and promotes positive effects on the surrounding community.

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These programs have helped make possible dozens of new or extended transit fixed guideway systems across the country - heavy rail, light rail, commuter rail, bus rapid transit, and ferries.

These public transportation investments have improved the mobility of millions of Americans, provided alternatives to congested roadways, and fostered the development of more viable, safe, and livable communities.

The FTA-HUD Working Group is another example. FTA is working with the Department of Housing and Urban Development (HUD) to better coordinate affordable housing and transit through joint planning, demonstration projects, and research on best practices of TOD and affordable housing.

The average American household now spends 34 percent of its annual budget on housing and 19 percent on transportation—more than half of its budget.

For low-income working families, the impact is even greater.

These transportation figures drop significantly for transit-rich areas and increase for auto-dependent exurbs.

Building upon previous efforts to better coordinate transportation and housing plans, FTA and HUD have developed an “Action Plan” that reported to Congress ways in which the two agencies propose to promote affordable housing near transit.

We have also established an interagency working group to develop coordinated/integrated strategies, methods, and policies to promote the role of public transportation in affordable housing. We are currently working with HUD to develop a workplan for implementing their proposed strategies in this area.

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The Job Access and Reverse Commute Program (JARC) provides low-income workers and students with transportation services to jobs, employment centers, and educational institutions.

A recent study of the economic benefits of employment-related transportation services concluded that transportation funded through the JARC program provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs.

FTA: Building Sustainable Communities

As you can see, livability is not a new concept for FTA. In fact, at FTA we think that we have always been “all about livability.”

Key Federal transit initiatives supporting sustainability include:

- Improving mobility and accessibility;
- Promoting TOD and joint development;
- Improving housing affordability; and
- Coordinating land use- transportation planning

Land use has always been a **key factor** in transit planning and investment decision making.

Local zoning ordinances and other land use policies dictate the nature and type of development that may occur, and the extent to which that development will be transit supportive.

We all know that the success of transit depends upon the underlying pattern of land development.

Transit also plays a critical role in community building. Federal transit programs were located in HUD even prior to the establishment of DOT. Transit is still crucial to “place making,” in addition to providing mobility.

Transit is part of the network of roads, streets, walkways and bikeways that are key to building “place.”

Transit provides a catalyst for targeted economic development in existing and proposed station areas enhancing the economic health and vitality of communities.

What is Transit-Oriented Development & Joint Development?

TOD is compact, mixed-use development near transit facilities and high-quality walking environments.

TOD is development-oriented toward transit usage. TOD is:

- Multi-use, multi-density development
- Pedestrian friendly
- Reliable transit – frequent headways, on-time performance with jobs and housing within ½ mile of station/center

TOD is about creating sustainable communities where people of all ages and incomes have transportation and housing choices, and increasing location efficiency where people can walk, bike and take transit. It provides value for both the public and private sectors. This is why affordable housing TOD is so important.

TOD leverages transit infrastructure to promote economic development and smart growth.

It boosts transit ridership and reduces automobile congestion.

And, most importantly, TOD creates a sense of “place” and enhanced community livability.

FTA has a specific form of TOD called “joint development.” Joint development takes place on, above or adjacent to transit agency property and involves the common use of property for transit and non-transit purposes.

Joint development uses real estate in which FTA has an interest for construction of a project undertaken jointly by an FTA grantee and another party. The non-transit portion of the joint development can be for public or private use.

TOD or Joint development activities are eligible under FTA existing programs. TOD is an eligible planning expense and transit-related components of TOD and joint development are an eligible capital expense.

To be eligible for Federal transit funding, the TOD component must be transit related, and generally:

- Provide a public transportation benefit, by enhancing the effectiveness of a public transportation project; or
- Provide an economic link, by enhancing economic development.

The transit agency interest in TOD or joint development is: **RIDERSHIP**.

In many places, the transit agency’s annual funding may depend on maintaining or improving ridership.

TODs can increase transit ridership, making existing and planned transit systems more productive.

Livability’s Role in Mobility and Accessibility

DOT and FTA believe all segments of the population must have access to safe transportation services to get to work, housing, medical services, schools, shopping, and other essential activities.

Transit provides critical “lifeline” services that connect all members of the community with employment, health, educational, and other important opportunities and services.

As we work to reduce GHG emissions and increase the livability of our communities we need to make sure that community transportation services are seamless, comprehensive, and accessible to those who rely on them for their lives and livelihoods.

For persons with mobility limitations related to advanced age, persons with disabilities, and persons struggling for self-sufficiency, transportation within and between our communities needs to be as available and affordable as possible.

FTA emphasizes the need to coordinate the transit services provided through its JARC, New Freedom, and Elderly/Persons with Disabilities

Programs enabling communities to leverage non-FTA human services transportation and extend transit service coverage.

This effort needs to be woven into any transportation/land use planning to ensure that physical design of, and service provisions within the TOD structure serve broad and diverse mobility needs.

Planning is Fundamental

Planning is the under-pinning for livable communities.

FTA recognizes that to improve planning, States and localities must focus on the outcomes of our plans and investments.

They need to coordinate land use and transportation plans to ensure that investments of limited transportation funds support development patterns that are energy efficient and increase the mobility and accessibility of a community's residents

FTA and our sister agencies are working to increase the capability of States, regions and localities to meet their planning challenges.

Examples include the Transportation Planning Capacity-Building Program (TPCB) that provides opportunities for the planning community to network and learn from each other; and Administration of the Public Transportation Participation Pilot Program (PTP) which targets innovative approaches to public involvement in public transit.

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Greenhouse Gas Emissions and TIGGER

Along with making communities more livable and sustainable, transportation has a large role to play in reducing greenhouse gas (GHG) emissions.

Transportation accounts for 28 percent of the United State's GHG emissions—second only to emissions from utilities.

Thus, Federal investments made today in public transportation infrastructure will have lasting impacts on reducing GHG emissions and mitigating transportation's impact on climate change.

Public transportation offers a low-emissions alternative to driving and facilitates compact development, further reducing travel distances and a community's carbon footprint. Transit can help communities become more environmentally sustainable.

Through the National Transit Database, FTA collects data on passenger miles traveled and electricity, diesel, and other energy consumption from transit agencies across the country.

DOT is working with EPA to develop new coordinated tailpipe emissions and fuel-economy standards for 2012 through 2016. This national level data show significant GHG emission savings by use of public transportation.

Studies show that transit's land use effects have an even greater impact on reducing GHG emissions than transit's efficiency over the private auto. In addition to producing lower GHG emissions per passenger mile, transit can reduce GHG emissions by facilitating compact land use.

TOD and the denser urban form facilitated by transit availability means that people do not need to travel as far to get to their destinations. Combining transit and supportive land use policies offers synergies that increase each strategy's impact.

Transit's ability to reduce GHG emissions was recognized in the American Recovery and Reinvestment Act.

As I said before, the Recovery Act provided FTA with \$100 million in discretionary stimulus funds to support transit capital projects that resulted in GHG emissions reductions or reduced energy use, and we were able to provide 43 grants!

Funding

And it's not just the White House that is concerned about greenhouse gas emissions or congestion relief or the need to reduce our dependence on foreign oil. The new majorities in Congress are speaking with an equally strong voice. No longer is public transportation just viewed as an appropriate solution if it can be done cheaply enough. Our enterprise is viewed as worthy in and of itself.

Secretary LaHood is making sure that FTA always has a full seat at the table when it comes to the debate over our transportation challenges. We all know that wasn't always the case.

For so many years we were expected to be the lesser cousin when it came to surface transportation - the runt of the litter. We were told to keep our expectations low because we required a public subsidy. We were told to not compare ourselves to highway investments because highway investments paid for themselves through the Highway Trust Fund while transit investments needed a combination of funds from the Trust Fund and the General Fund.

Well I have news for those of you that have been busy operating transit systems and not focusing on the debate in Washington of recent. That paradigm is now dead. It's been dead for well over a year when the

Highway Trust Fund first had to be bailed out with an \$8 billion infusion of General Fund revenues. The only thing that's happened since then is that Congress was required to put billions more in General Fund revenues into the Highway Trust Fund to keep our highway investments flowing.

And mark my words, before all the debate is done on the financing of highways and transit systems in the future, there will be yet more General Fund transfers into the Highway Trust Fund to keep the Trust Fund afloat.

My purpose here is not to revel in the problems facing the highway program – I would like nothing more than to see the highway program get back on a firm footing. Let's remember the Federal aid highway program continues to flex over a billion dollars a year to public transit.

In fact, just from the Recovery Act, we're expecting to see roughly \$300 million in highway funds flexed over for transit. And the reality is that the Mass Transit Account of the Trust Fund isn't in good shape either. We may get through this fiscal year, but we won't get very far into the next fiscal year before we too will need an infusion of cash.

My point in raising this is to remind everyone that we are all in the same lifeboat - highways and transit together. Everything is up for grabs, including the Federal financing of our enterprise. Which is why we all must look to the future and explain that yes, our enterprise provides all those benefits you want, and yes, it requires subsidies to do it. Just like highways.

What are we doing at FTA? We are being aggressive in articulating how transit fits into our broader agenda and how transit has to fit into future Federal budgets.

We are aggressively tackling changes to the New Starts decision process. That has been a core focus this month as we prepare to recommend a streamlined process to the Secretary. We currently have a process that is unnecessarily complicated, frustrating, lengthy, and positively incomprehensible to the public, the Congress, most of the transit community, and even senior managers at the FTA.

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We must stop our constant pursuit of a process that may be incrementally more perfect. Instead, we need a process that is faster; more understandable and defensible to the Members of Congress; and the taxpayers that are actually paying for these projects.

Authorization

Before closing, let me touch on Authorization. . .

As you know, the current authorization for Federal transportation programs —SAFETEA-LU—expires at the end of the month.

The Administration has proposed an 18th month extension while some in Congress have other ideas.

Whatever legislative approach is taken, we think livability needs to be part of the debate and should consider whether to:

- Provide the authority and funding to regions and communities to carry out livability programs in partnership with States;
- Improve consideration of land use, energy, the environment and other livability criteria in planning; and
- Establish program performance-based criteria focused on livability outcomes.

FTA will continue to work with Congress and our FTA grantees, such as DTA, to ensure transportation needs across the nation are met and residents of your communities enjoy a high quality of life.

For us to succeed in these dynamic times it's crucial that our programs and policies are informed by you - the individuals those programs and policies are meant to serve.

I look forward to hearing your questions and thoughts.

Thank you.

Keynote at California Transit Assoc. 44th Annual Fall Conference and Expo

10-28-09

Deputy Administrator Therese McMillan Keynote Speaker California Transit Association's 44th Annual Fall Conference and Expo Pasadena, California

Thanks ...

I'd like to thank CTA for inviting me to speak at its annual fall conference and expo. It's always nice to have a reason to return to my home state!

This is a great time for public transportation, and we have great leadership who truly support the Federal Transit Administration in increasing public transportation services for our Nation.

Recovery Act

If you want to look at this Administration's commitment to public transportation, you don't have to look any farther than the Recovery Act.

My agency - the FTA - saw an 80 percent spike in our annual funding level - a far higher percentage for transit than was directed to highways or aviation. The only percentage growth that was higher was the new historic investment in another public transportation investment - the President's new High Speed Rail program.

When I first came to FTA, we faced a looming deadline - obligating **50 percent** of our Recovery Act formula funds by September 1st. We first thought that we would struggle to reach this goal. But instead, we reached it and beat it. We're now at **90 percent obligation**.

And, a couple weeks ago, FTA announced the award recipients of the TIGGER program - we awarded 43 grants under that extremely competitive \$100 million program.

These transit investments truly capture the President's vision for recovery. They are putting hundreds of thousands of people to work to improve the lives of millions more. These dollars are being spent right here at home in the short term to improve our quality of life in the long term.

The Recovery Act is essential to bringing our economy back -- but it's also a dress rehearsal for an even more ambitious effort.

State of Good Repair

We at FTA are committed to maintaining the nation's bus and rail systems in a State of Good Repair (SGR). This is crucial if public transportation systems like our DC metro are to provide safe and reliable service to their daily ridership.

Maintaining the condition of our transit infrastructure is an issue of national importance—especially here, in the Nation's capitol.

It's also an issue that poses pressing challenges—challenges that require creative approaches to financing necessary repairs and upgrades for aging transportation assets.

In 2008, FTA brought together representatives from 14 public transportation providers and State Departments of Transportation to discuss the state of good repair of our Nation's transit inventory. We discussed, among other things, transit recapitalization and maintenance issues, asset management practices, and innovative financing strategies.

This year, we will convene a State of Good Repair Roundtable to further discuss the challenge of transit recapitalization, lessons learned, and best practices.

We will report to Congress as well on the level of investment needed to bring the Nation's largest rail transit agencies to a state of good repair.

Transit Safety

State of Good Repair is inextricably linked with another transit issue that's made its way into the news recently - safety. We are a safe industry. That has to be remembered.

But even our newer systems are aging. Because this Administration wants more transit service and more transit options, we must also ensure that transit is perceived by all as safe. We must focus on ensuring that a safe industry stays safe, and keeping catastrophic accidents from pushing passengers back onto the highways.

Our goal is to help agencies steadily raise their standards of safety and accurately identify their risks. APTA has done a great service on developing voluntary standards. Together, we can do more.

The science of effective SMSs has come a very long way. By strengthening our partnerships with State Safety Oversight and bringing resources to the efforts, we can lean forward and guarantee that a safe industry stays safe, even as it ages.

For all the talk on New Starts, we need to remember that the vast majority of our enterprise doesn't run rail service and doesn't plan to in the near future. We need to stay focused on the safety of our bus operators.

Last week, FTA launched a new website designed to help rural and small urban transit providers build and implement effective safety, security and emergency preparedness programs.

What does this website mean to the thousands of rural and small urban transit providers across the Nation? It means having quick and easy access to practical and relevant information resources. It means having a tool to help you assess your program's strengths and weaknesses. It means having the ability to ask questions and receive answers from peers on critical safety matters.

The site will give users quick and easy access to a comprehensive resource library that houses over 1,000 technical assistance documents.

Identifying safety as our number one priority is not just about rhetoric. As Secretary LaHood stated, we plan to lean forward in this area in ways that we never have before.

Livability Initiative

Along with Recovery, State of Good Repair, and Safety, this Administration has a vision of livable communities, including sustainable transportation options and the construction of green facilities.

Fostering livable communities is a key aspect of President Obama's urban policy agenda and Vice President Biden's Middle Class initiative.

How a community is designed – including the layout of its roads, transit systems and walkways – has a huge impact on its residents. For instance, nearly one-third of Americans live in neighborhoods without sidewalks and almost one-half of households say they lack access to public transportation.

Improving the livability of our Nation's communities will help raise living standards.

To address this, Secretary LaHood has implemented a DOT-wide Livability Initiative to enhance the economic and social well-being of all Americans by creating and maintaining a safe, reliable, intermodal and accessible transportation network that enhances choices for transportation users, provides easy access to employment opportunities and other destinations, and promotes positive effects on the surrounding community.

DOT- HUD- EPA Partnership

Secretary LaHood has also partnered with the Secretary of HUD and the Administrator of the EPA to form an interagency Partnership for Sustainable Communities.

Six guiding 'livability principles' will be used to coordinate Federal transportation, environment, and housing investments at each agency:

- **Provide more transportation choices** by developing safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce GHG emissions and promote public health.
- **Promote equitable, affordable housing** by expanding location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.
- **Enhance economic competitiveness** through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.
- **Support existing communities** through transit-oriented development (TOD), mixed-use development and land recycling - to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.
- **Coordinate policies and leverage investment** to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
- **Value communities and neighborhoods** and enhance community characteristics by investing in healthy, safe and walkable neighborhoods - rural, urban or suburban.

To implement these principles, FTA staff is now working with our Federal partner agencies to:

- Identify and propose solutions to institutional and legal barriers that inhibit coordinated planning and program development.
- Examine localities that are already successfully applying the Partnership principles for Sustainable Communities. We want to better understand the ingredients for success, including how the challenges were overcome. And share what we learn with all communities.
- Develop programs of training and technical assistance to improve the institutional capacity of State/local officials to produce Sustainable Communities.

Livability-Related Programs/FTA Priorities

FTA has long fostered and promoted livability through various agency programs and activities. Examples:

The New Starts and Small Starts programs are the Federal government's primary financial resource for supporting locally planned, implemented, and operated major transit capital projects.

These programs have helped make possible dozens of new or extended transit fixed guideway systems across the country - heavy rail, light rail, commuter rail, bus rapid transit, and ferries.

These public transportation investments have improved the mobility of millions of Americans, provided alternatives to congested roadways, and fostered the development of more viable, safe, and livable communities.

The FTA-HUD Working Group is another example. FTA is working with the Department of Housing and Urban Development (HUD) to better coordinate affordable housing and transit through joint planning, demonstration projects, and research on best practices of TOD and affordable housing.

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Thank you.

International Industry Leaders Panel

10-29-09

**Deputy Administrator Therese McMillan
Talking Points
Plenary Session: International Industry Leaders Panel
TRB 4th International Conference on
Women's Issues in Transportation
Irvine, California**

Thanks ...

I'm delighted to be able to serve on this panel today. Not only do I get to talk about women and transportation issues, but it's always nice to have a reason to return to my home state!

This is a great time for public transportation, and we have great leadership who truly support the Federal Transit Administration in increasing public transportation services for our Nation.

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Maintaining the condition of our transit infrastructure is an issue of national importance—especially here, in the Nation's capitol.

It's also an issue that poses pressing challenges—challenges that require creative approaches to financing necessary repairs and upgrades for aging transportation assets.

In 2008, FTA brought together representatives from 14 public transportation providers and State Departments of Transportation to discuss the state of good repair of our Nation's transit inventory. We discussed, among other things, transit recapitalization and maintenance issues, asset management practices, and innovative financing strategies.

This year, we will convene a State of Good Repair Roundtable to further discuss the challenge of transit recapitalization, lessons learned, and best practices.

We will report to Congress as well on the level of investment needed to bring the Nation's largest rail transit agencies to a state of good repair.

Transit Safety

State of Good Repair is inextricably linked with another transit issue that's made its way into the news recently - safety. We are a safe industry. That has to be remembered.

But even our newer systems are aging. Because this Administration wants more transit service and more transit options, we must also ensure that transit is perceived by all as safe. We must focus on ensuring that a safe industry stays safe, and keeping catastrophic accidents from pushing passengers back onto the highways.

Our goal is to help agencies steadily raise their standards of safety and accurately identify their risks. APTA has done a great service on developing voluntary standards. Together, we can do more.

The science of effective SMSs has come a very long way. By strengthening our partnerships with State Safety Oversight and bringing resources to the efforts, we can lean forward and guarantee that a safe industry stays safe, even as it ages.

For all the talk on New Starts, we need to remember that the vast majority of our enterprise doesn't run rail service and doesn't plan to in the near future. We need to stay focused on the safety of our bus operators.

Last week, FTA launched a new website designed to help rural and small urban transit providers build and implement effective safety, security and emergency preparedness programs.

What does this website mean to the thousands of rural and small urban transit providers across the Nation? It means having quick and easy access to practical and relevant information resources. It means having a tool to help you assess your program's strengths and weaknesses. It means having the ability to ask questions and receive answers from peers on critical safety matters.

The site will give users quick and easy access to a comprehensive resource library that houses over 1,000 technical assistance documents.

Identifying safety as our number one priority is not just about rhetoric. As Secretary LaHood stated, we plan to lean forward in this area in ways that we never have before.

Livability Initiative

Along with Recovery, State of Good Repair, and Safety, this Administration has a vision of livable communities, including sustainable transportation options and the construction of green facilities.

Fostering livable communities is a key aspect of President Obama's urban policy agenda and Vice President Biden's Middle Class initiative.

How a community is designed – including the layout of its roads, transit systems and walkways – has a huge impact on its residents. For instance, nearly one-third of Americans live in neighborhoods without sidewalks and almost one-half of households say they lack access to public transportation.

Improving the livability of our Nation's communities will help raise living standards.

To address this, Secretary LaHood has implemented a DOT-wide Livability Initiative to enhance the economic and social well-being of all Americans by creating and maintaining a safe, reliable, intermodal and accessible transportation network that enhances choices for transportation users, provides easy access to employment opportunities and other destinations, and promotes positive effects on the surrounding community.

DOT- HUD- EPA Partnership

Secretary LaHood has also partnered with the Secretary of HUD and the Administrator of the EPA to form an interagency Partnership for Sustainable Communities.

Six guiding 'livability principles' will be used to coordinate Federal transportation, environment, and housing investments at each agency:

- **Provide more transportation choices** by developing safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce GHG emissions and promote public health.
- **Promote equitable, affordable housing** by expanding location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.
- **Enhance economic competitiveness** through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.
- **Support existing communities** through transit-oriented development (TOD), mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.
- **Coordinate policies and leverage investment** to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
- **Value communities and neighborhoods** and enhance community characteristics by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

To implement these principles, FTA staff is now working with our Federal partner agencies to:

- Identify and propose solutions to institutional and legal barriers that inhibit coordinated planning and program development.
- Examine localities that are already successfully applying the Partnership principles for Sustainable Communities. We want to better understand the ingredients for success, including how the challenges were overcome. And share what we learn with all communities.
- Develop programs of training and technical assistance to improve the institutional capacity of State/local officials to produce Sustainable Communities.

Livability-Related Programs/FTA Priorities

FTA has long fostered and promoted livability through various agency programs and activities. Examples:

The New Starts and Small Starts programs are the Federal government's primary financial resource for supporting locally planned, implemented, and operated major transit capital projects.

These programs have helped make possible dozens of new or extended transit fixed guideway systems across the country – heavy rail, light rail, commuter rail, bus rapid transit, and ferries.

These public transportation investments have improved the mobility of millions of Americans, provided alternatives to congested roadways, and fostered the development of more viable, safe, and livable communities.

The FTA-HUD Working Group is another example. FTA is working with the Department of Housing and Urban Development (HUD) to better coordinate affordable housing and transit through joint planning, demonstration projects, and research on best practices of TOD and affordable housing.

The average American household now spends 34 percent of its annual budget on housing and 19 percent on transportation—more than half of its budget.

For low-income working families, the impact is even greater.

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We have also established an interagency working group to develop coordinated/integrated strategies, methods, and policies to promote the role of public transportation in affordable housing. We are currently working with HUD to develop a workplan for implementing their proposed strategies in this area.

We are also working together to conduct research on good practices for development of a “Best Practices Manual” to provide guidance to local communities on how to best plan and develop affordable housing near transit.

The Job Access and Reverse Commute Program (JARC) provides low-income workers and students with transportation services to jobs, employment centers, and educational institutions.

A recent study of the economic benefits of employment-related transportation services concluded that transportation funded through the JARC program provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs.

FTA: Building Sustainable Communities

As you can see, livability is not a new concept for FTA. In fact, at FTA we think that we have always been “all about livability.”

Key Federal transit initiatives supporting sustainability include:

- Improving mobility and accessibility;

- Promoting TOD and joint development;
- Improving housing affordability; and
- Coordinating land use- transportation planning

Land use has always been a key factor in transit planning and investment decision making.

Local zoning ordinances and other land use policies dictate the nature and type of development that may occur, and the extent to which that development will be transit supportive.

We all know that the success of transit depends upon the underlying pattern of land development.

Transit also plays a critical role in community building. Federal transit programs were located in HUD even prior to the establishment of DOT. Transit is still crucial to “place making,” in addition to providing mobility.

Transit is part of the network of roads, streets, walkways and bikeways that are key to building “place.”

Transit provides a catalyst for targeted economic development in existing and proposed station areas enhancing the economic health and vitality of communities.

What is Transit-Oriented Development & Joint Development?

TOD is compact, mixed-use development near transit facilities and high-quality walking environments.

TOD is development-oriented toward transit usage. TOD is:

- Multi-use, multi-density development
- Pedestrian friendly
- Reliable transit – frequent headways, on-time performance with jobs and housing within ½ mile of station/center

TOD is about creating sustainable communities where people of all ages and incomes have transportation and housing choices, and increasing location efficiency where people can walk, bike and take transit. It provides value for both the public and private sectors. This is why affordable housing TOD is so important.

TOD leverages transit infrastructure to promote economic development and smart growth.

It boosts transit ridership and reduces automobile congestion.

And, most importantly, TOD creates a sense of “place” and enhanced community livability.

FTA has a specific form of TOD called “joint development.” Joint development takes place on, above or adjacent to transit agency property and involves the common use of property for transit and non-transit purposes.

Joint development uses real estate in which FTA has an interest for construction of a project undertaken jointly by an FTA grantee and another party.

The non-transit portion of the joint development can be for public or private use.

TOD or Joint development activities are eligible under FTA existing programs. TOD is an eligible planning expense and transit-related components of TOD and joint development are an eligible capital expense.

To be eligible for Federal transit funding, the TOD component must be transit related, and generally:

- Provide a public transportation benefit, by enhancing the effectiveness of a public transportation project; or
- Provide an economic link, by enhancing economic development.

The transit agency interest in TOD or joint development is: **RIDERSHIP**.

In many places, the transit agency’s annual funding may depend on maintaining or improving ridership.

TODs can increase transit ridership, making existing and planned transit systems more productive.

Livability’s Role in Mobility and Accessibility

DOT and FTA believe all segments of the population must have access to safe transportation services to get to work, housing, medical services, schools, shopping, and other essential activities.

Transit provides critical “lifeline” services that connect all members of the community with employment, health, educational, and other important opportunities and services.

As we work to reduce GHG emissions and increase the livability of our communities we need to make sure that community transportation services are seamless, comprehensive, and accessible to those who rely on them for their lives and livelihoods.

For persons with mobility limitations related to advanced age, persons with disabilities, and persons struggling for self-sufficiency, transportation within and between our communities needs to be as available and affordable as possible.

FTA emphasizes the need to coordinate the transit services provided through its JARC, New Freedom, and Elderly/Persons with Disabilities

Programs enabling communities to leverage non-FTA human services transportation and extend transit service coverage.

This effort needs to be woven into any transportation/land use planning to ensure that physical design of, and service provisions within the TOD structure serve broad and diverse mobility needs.

Planning is Fundamental

Planning is the under-pinning for livable communities.

FTA recognizes that to improve planning, States and localities must focus on the outcomes of our plans and investments.

They need to coordinate land use and transportation plans to ensure that investments of limited transportation funds support development patterns that are energy efficient and increase the mobility and accessibility of a community's residents

FTA and our sister agencies are working to increase the capability of States, regions and localities to meet their planning challenges.

Examples include the Transportation Planning Capacity-Building Program (TPCB) that provides opportunities for the planning community to network and learn from each other; and Administration of the Public Transportation Participation Pilot Program (PTP) which targets innovative approaches to public involvement in public transit.

Also, in fostering effective planning for TOD, FTA is working with Reconnecting America and the Center for Transit-Oriented Development (CTOD) on a number of items. Most recent is the report, "TOD Tools for MPOs," which is now out for review/comment by a long list of stakeholder organizations, including APTA.

Greenhouse Gas Emissions and TIGGER

Along with making communities more livable and sustainable, transportation has a large role to play in reducing greenhouse gas (GHG) emissions.

Transportation accounts for 28 percent of the United State's GHG emissions—second only to emissions from utilities.

Thus, Federal investments made today in public transportation infrastructure will have lasting impacts on reducing GHG emissions and mitigating transportation's impact on climate change.

Public transportation offers a low-emissions alternative to driving and facilitates compact development, further reducing travel distances and a community's carbon footprint. Transit can help communities become more environmentally sustainable.

Through the National Transit Database, FTA collects data on passenger miles traveled and electricity, diesel, and other energy consumption from transit agencies across the country.

DOT is working with EPA to develop new coordinated tailpipe emissions and fuel-economy standards for 2012 through 2016. This national level data show significant GHG emission savings by use of public transportation. Studies show that transit's land use effects have an even greater impact on reducing GHG emissions than transit's efficiency over the private auto. In addition to producing lower GHG emissions per passenger mile, transit can reduce GHG emissions by facilitating compact land use.

TOD and the denser urban form facilitated by transit availability means that people do not need to travel as far to get to their destinations. Combining transit and supportive land use policies offers synergies that increase each strategy's impact.

Transit's ability to reduce GHG emissions was recognized in the American Recovery and Reinvestment Act.

As I said before, the Recovery Act provided FTA with \$100 million in discretionary stimulus funds to support transit capital projects that resulted in GHG emissions reductions or reduced energy use, and we were able to provide 43 grants!

Funding

And it's not just the White House that is concerned about greenhouse gas emissions or congestion relief or the need to reduce our dependence on foreign oil. The new majorities in Congress are speaking with an equally strong voice. No longer is public transportation just viewed as an appropriate solution if it can be done cheaply enough. Our enterprise is viewed as worthy in and of itself.

Secretary LaHood is making sure that FTA always has a full seat at the table when it comes to the debate over our transportation challenges. We all know that wasn't always the case.

For so many years we were expected to be the lesser cousin when it came to surface transportation – the runt of the litter. We were told to keep our expectations low because we required a public subsidy. We were told to not compare ourselves to highway investments because highway investments paid for themselves through the Highway Trust Fund while transit investments needed a combination of funds from the Trust Fund and the General Fund.

Well I have news for those of you that have been busy operating transit systems and not focusing on the debate in Washington of recent. That paradigm is now dead. It's been dead for well over a year when the Highway Trust Fund first had to be bailed out with an \$8 billion infusion of

General Fund revenues. The only thing that's happened since then is that Congress was required to put billions more in General Fund revenues into the Highway Trust Fund to keep our highway investments flowing.

And mark my words, before all the debate is done on the financing of highways and transit systems in the future, there will be yet more General Fund transfers into the Highway Trust Fund to keep the Trust Fund afloat.

My purpose here is not to revel in the problems facing the highway program - I would like nothing more than to see the highway program get back on a firm footing. Let's remember the Federal aid highway program continues to flex over a billion dollars a year to public transit.

In fact, just from the Recovery Act, we're expecting to see roughly \$300 million in highway funds flexed over for transit. And the reality is that the Mass Transit Account of the Trust Fund isn't in good shape either. We may get through this fiscal year, but we won't get very far into the next fiscal year before we too will need an infusion of cash.

My point in raising this is to remind everyone that we are all in the same lifeboat - highways and transit together. Everything is up for grabs, including the Federal financing of our enterprise. Which is why we all must look to the future and explain that yes, our enterprise provides all those benefits you want, and yes, it requires subsidies to do it. Just like highways.

What are we doing at FTA? We are being aggressive in articulating how transit fits into our broader agenda and how transit has to fit into future Federal budgets.

We are aggressively tackling changes to the New Starts decision process. That has been a core focus this month as we prepare to recommend a streamlined process to the Secretary. We currently have a process that is unnecessarily complicated, frustrating, lengthy, and positively incomprehensible to the public, the Congress, most of the transit community, and even senior managers at the FTA.

As I'm sometimes required to remind my staff - we are not charged with curing cancer here. We are deciding whether to invest some money into laying some rail or buying some paint to make an existing street lane into a designated bus lane.

We must stop our constant pursuit of a process that may be incrementally more perfect. Instead, we need a process that is faster; more understandable and defensible to the Members of Congress; and the taxpayers that are actually paying for these projects.

Authorization

Before closing, let me touch on Authorization. . .

As you know, the current authorization for Federal transportation programs —SAFETEA-LU—expires at the end of the month.

The Administration has proposed an 18th month extension while some in Congress have other ideas.

Whatever legislative approach is taken, we think livability needs to be part of the debate and should consider whether to:

- Provide the authority and funding to regions and communities to carry out livability programs in partnership with States;
- Improve consideration of land use, energy, the environment and other livability criteria in planning; and
- Establish program performance-based criteria focused on livability outcomes.

FTA will continue to work with Congress and our FTA grantees, such as DTA, to ensure transportation needs across the nation are met and residents of your communities enjoy a high quality of life.

For us to succeed in these dynamic times it's crucial that our programs and policies are informed by you – the individuals those programs and policies are meant to serve.

I look forward to hearing your questions and thoughts.

Thank you.

Mineta Transportation Institute/Commonwealth Club

10-29-09

Deputy Administrator Therese McMillan
Talking Points
Mineta Transportation Institute/Commonwealth Club
San Francisco, California

“The Next 50 Years: Addressing California's Mobility in a Time of Financial Challenge”

Thanks ...

I'm delighted to be able to serve on this panel today. Not only do I get to talk about transportation issues in my home state of California, but I get to visit my home state at the same time!

This is a great time for public transportation, and we have great leadership who truly support the Federal Transit Administration in increasing public transportation services for our Nation.

Recovery Act

If you want to look at this Administration's commitment to public transportation, you don't have to look any farther than the Recovery Act.

My agency - the FTA - saw an 80 percent spike in our annual funding level - a far higher percentage for transit than was directed to highways or aviation. The only percentage growth that was higher was the new historic investment in another public transportation investment - the President's new High Speed Rail program.

When I first came to FTA, we faced a looming deadline - obligating 50 percent of our Recovery Act formula funds by September 1st. We first thought that we would struggle to reach this goal. But instead, we reached it and beat it. We're now at 90 percent obligation.

And, a couple weeks ago, FTA announced the award recipients of the TIGGER program - we awarded 43 grants under that extremely competitive \$100 million program.

These transit investments truly capture the President's vision for recovery. They are putting hundreds of thousands of people to work to improve the lives of millions more. These dollars are being spent right here at home in the short term to improve our quality of life in the long term.

The Recovery Act is essential to bringing our economy back -- but it's also a dress rehearsal for an even more ambitious effort.

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As I said before, the Recovery Act provided FTA with \$100 million in discretionary stimulus funds to support transit capital projects that resulted in GHG emissions reductions or reduced energy use, and we were able to provide 43 grants!

Funding

And it's not just the White House that is concerned about greenhouse gas emissions or congestion relief or the need to reduce our dependence on foreign oil. The new majorities in Congress are speaking with an equally strong voice. No longer is public transportation just viewed as an appropriate solution if it can be done cheaply enough. Our enterprise is viewed as worthy in and of itself.

Secretary LaHood is making sure that FTA always has a full seat at the table when it comes to the debate over our transportation challenges. We all know that wasn't always the case.

For so many years we were expected to be the lesser cousin when it came to surface transportation - the runt of the litter. We were told to keep our expectations low because we required a public subsidy. We were told to not

compare ourselves to highway investments because highway investments paid for themselves through the Highway Trust Fund while transit investments needed a combination of funds from the Trust Fund and the General Fund.

Well I have news for those of you that have been busy operating transit systems and not focusing on the debate in Washington of recent. That paradigm is now dead. It's been dead for well over a year when the Highway Trust Fund first had to be bailed out with an \$8 billion infusion of General Fund revenues. The only thing that's happened since then is that Congress was required to put billions more in General Fund revenues into the Highway Trust Fund to keep our highway investments flowing.

And mark my words, before all the debate is done on the financing of highways and transit systems in the future, there will be yet more General Fund transfers into the Highway Trust Fund to keep the Trust Fund afloat.

My purpose here is not to revel in the problems facing the highway program - I would like nothing more than to see the highway program get back on a firm footing. Let's remember the Federal aid highway program continues to flex over a billion dollars a year to public transit.

In fact, just from the Recovery Act, we're expecting to see roughly \$300 million in highway funds flexed over for transit. And the reality is that the Mass Transit Account of the Trust Fund isn't in good shape either. We may get through this fiscal year, but we won't get very far into the next fiscal year before we too will need an infusion of cash.

My point in raising this is to remind everyone that we are all in the same lifeboat - highways and transit together. Everything is up for grabs, including the Federal financing of our enterprise. Which is why we all must look to the future and explain that yes, our enterprise provides all those benefits you want, and yes, it requires subsidies to do it. Just like highways.

What are we doing at FTA? We are being aggressive in articulating how transit fits into our broader agenda and how transit has to fit into future Federal budgets.

We are aggressively tackling changes to the New Starts decision process. That has been a core focus this month as we prepare to recommend a streamlined process to the Secretary. We currently have a process that is unnecessarily complicated, frustrating, lengthy, and positively incomprehensible to the public, the Congress, most of the transit community, and even senior managers at the FTA.

As I'm sometimes required to remind my staff - we are not charged with curing cancer here. We are deciding whether to invest some money into laying some rail or buying some paint to make an existing street lane into a designated bus lane.

We must stop our constant pursuit of a process that may be incrementally more perfect. Instead, we need a process that is faster; more understandable and defensible to the Members of Congress; and the taxpayers that are actually paying for these projects.

Authorization

Before closing, let me touch on Authorization. . .

As you know, the current authorization for Federal transportation programs —SAFETEA-LU—expires at the end of the month.

The Administration has proposed an 18th month extension while some in Congress have other ideas.

Whatever legislative approach is taken, we think livability needs to be part of the debate and should consider whether to:

- Provide the authority and funding to regions and communities to carry out livability programs in partnership with States;
- Improve consideration of land use, energy, the environment and other livability criteria in planning; and
- Establish program performance-based criteria focused on livability outcomes.

FTA will continue to work with Congress and our FTA grantees, such as DTA, to ensure transportation needs across the nation are met and residents of your communities enjoy a high quality of life.

For us to succeed in these dynamic times it's crucial that our programs and policies are informed by you - the individuals those programs and policies are meant to serve.

I look forward to hearing your questions and thoughts.

Thank you.