

Building One America

Infrastructure Agenda

Summary

Federal and state investments and policies for the economic growth and sustainability of metropolitan regions *must* include and benefit the entire region and not just a few central city neighborhoods or a handful of favored exurbs. We believe we can do better for more communities, families, and workers if transportation-funding dollars are allocated and leveraged based on smarter and fairer criteria - criteria that will give a fair chance to more communities across an even playing field.

In metropolitan regions throughout the United States there are hundreds of middle class suburbs, small towns and older industrial cities struggling to keep their communities viable under the weight of rising school costs, crushing property taxes, stagnant home values and aging infrastructure. These problems are often compounded by burdensome and unfunded federal and state mandates around water infrastructure, schools, housing and transportation making it that much harder for midsize communities to remain places of middle class opportunity, especially as middle class families have been falling behind economically.

Federal policy has too often worked against these middle and working class communities encouraging a race to the bottom, destructive interregional competition and often rewarding (perhaps inadvertently) those communities with the greatest assets and the fewest challenges while others fall behind.

Federal and state policy makers can change this by prioritizing midsize middle class communities - communities with the greatest fiscal challenges and communities that are the most economically and socially inclusive. This is not to say we should pit city against suburb or rural against urban but rather that federal and state policy guidelines can and should do more to encourage balanced investments that lift up the region as a whole, reduce sprawl and waste, create and connect people to jobs and make our metropolitan region more economically competitive.

One way that federal policy makers can begin to do this is by funding, reforming, and passing a federal surface transportation bill that provides a secure source of funding and begins to address the challenges of middle class communities while encouraging regional cooperation and economic growth.

All over the region there are yawning needs for structural repairs of bridges, roads and highways, as well as the building or expanding of access ramps, interchanges and important transportation corridors of all kinds. In many areas there is a growing need for public transportation (both rail and bus) maintenance and expansion including expansion into developed areas outside of central cities.

The current federal highway act that funds and directs the allocation of over \$100 billion in federal transportation dollars will expire in October of this year. Congress will need to write a new multiyear bill that includes not only a funding mechanism but the formulas and criteria that guide and direct what gets build where.

Our small towns and older industrial cities and suburbs of our regions and states can impact this bill so that: a. more infrastructure investments flow to our region, b. our regions have more say over how funds are allocated and c. our middle class communities have more say over how regional decisions and investments are made. Below are some of the issues we would like to see addressed in the next bill.

1. Secure sustainable funding for transportation. The transportation bill must be adequately funded with a stable and sustainable source of revenue. The gas tax in its current form is not sustainable. There needs to be a serious and bipartisan commitment to seek and agree upon a secure and adequate funding mechanism.

Without a funding mechanism there will be no transportation investments. However, unless we address some of the unique and serious challenges of middle class communities it will be very difficult to build the bipartisan support needed to meaningfully address the funding challenge.

Transportation funding (like other investments) must do a better job of driving regional priorities for:

- *Economic growth and jobs*
- *Environmental sustainability*
- *Inclusion and social equity*

The following recommendations are being proposed to address these priorities:

2. Give more power to regions: “Local control” means regions and municipalities (mayors and regional leaders) – not just state highway departments and governors. Local communities exist within the context of metropolitan regions and regional economies (not just states); therefore the transportation bill should include language that gives regions (through their MPOS and other regional bodies) more say in how federal transportation dollars are spent and increases “sub-allocations” to regions based on regional priorities for *all* modes of transportation.

3. Give more power to local communities: The transportation bill should include language that gives local municipalities more say over regional decision-making and access to funding. Metropolitan Planning Organizations must be representative, accountable, and transparent and can be more responsive to mid-size, middle class communities outside of central cities.

4. Promote regional cooperation and planning: Transportation funding should be tied to participation in and adherence to regional plans that are agreed upon by all (or at least most) communities in a region.

5. Even the playing field for more diverse and fiscally strained communities

Transportation funding should prioritize communities that are struggling and economically diverse. Funding priorities, when tied to matching dollars and “shovel ready” status often favor high tax base, low poverty communities with the greatest fiscal, administrative, and political assets. This should be changed to “*even the playing field*” with fiscal capacity indexing to allow lower tax base, residential communities with more economically diverse or low-income populations a fair chance to compete for transportation dollars.

6. Implement a *broad* “Fix It First” policy for transportation investment: guidelines that incentivize infill investment and strong anti-sprawl policies are essential to achieving a sustained commitment to devoting most federal and state grants to repairing and maintaining existing roads, bridges, and transit lines. However, density and diversity must not be defined so narrowly as to exclude large swaths of regions including many post-war, second and third-ring suburbs that may not fit fashionable images of *new urbanism* yet are increasingly diverse and economically stressed. Such criteria needs to be *relative to the region* and deliberately crafted to include the small towns, recently developed rural suburbs and older industrial communities and *not* based on unrealistic goals for “urbanization”.

7. Incentivize private investment in midsize communities and regional planning: With a \$3.7 trillion municipal bond market, billions needed in transportation and (often federally mandated) water infrastructure projects and millions of American out of work more can be done to incentivize public/private partnerships and private financing of smaller and midsize communities including support for multi-municipal and regional efforts.

8. Connect transportation with job creation, land use planning, housing and jobs access: The federal government should allow and encourage Metropolitan Planning Organizations (MPOs) and State DOTs to connect transportation planning and funding allocation with sound land use planning to promote economic growth and sustainable development. Regions and states can do more to narrow the job-housing mismatch, develop effective and efficient public transportation systems, and reduce sprawl by encouraging clustered job development around transportation hubs and corridors and by directing affordable housing support to job-rich, high opportunity areas. And, it can promote direct job creation by requiring all future highway, bridge, public transit, passenger rail, and airport projects financed by U.S. taxpayers be “made in America” and crafted with American workmanship.

Our regions and communities have an important role to play in building bipartisan consensus for smart but substantial investments in our public infrastructure to support and stimulate our private economy and stabilize and strengthen our middle class communities. We live in regions represented by many powerful legislators from both parties including members of the powerful Transportation and Infrastructure Committee. We have an opportunity not only to support bipartisan action but we have the ability and the responsibility to help shape these decisions in the best interest of our communities, our region, and our nation.