

Transportation Challenges of Metropolitan Areas
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Good morning Mr. Chairman, members of the Committee. My name is Mike Wiley and I am the general manager / CEO for Sacramento Regional Transit District. I'm honored to be here and appreciate the opportunity to speak to you today about the Transportation Challenges of Metropolitan Areas.

First, let me thank the committee, especially Congresswoman Matsui, for your on-going support of transit in Sacramento. The Sacramento region has a history of supporting transit. For the past three days, a group of nearly 400 delegates from the Sacramento region comprised of elected officials, business, labor and government leaders met with federal elected and government officials to make the case for federal funding and policy activity on many important issues that affect the six county region's economy, prosperity, businesses and families. One of our major priorities includes advocating for balanced transportation solutions that improve mobility for all of the region's residents.

A major challenge facing our metropolitan area is that as a region, we must develop ways to define growth, instead of being defined by it. Fortunately, our leaders and communities are committed to smart growth and transit. In the past four years alone, the state of California and the Sacramento region have approved separate transit-supportive funding measures. During this same time, the Sacramento region's MPO, the Sacramento Area Council of Governments (SACOG), has developed an innovative plan that crafts an alternative vision that integrates transit with smart growth concepts such as higher-density, mixed-use developments and reinvestment in existing developed areas. Meanwhile, the Sacramento Regional Transit District (RT) continues to exceed ridership expectations in its 418 square-mile service area. In order to maintain this type of success, the relationships between RT, its MPO and the state DOT must continue to grow.

Over the past decade, California has been one of the fastest growing states in the Nation. The Sacramento region's growth has exceeded both the state and national averages and is expected to add one million new residents by 2020. In an attempt to keep up with this growth, there had been a continued practice of building large-lot, low-density housing. If allowed to continue undeterred, this type of development will ultimately consume another 660 square miles of undeveloped land. Residents would face longer commutes, more vehicle trips, dirtier air and a growing disconnect between where they live and where they work.

To many people, this growth pattern was not acceptable if the region was going to reverse the trends of growing traffic congestion and worsening air quality. In 2004, Sacramento's MPO, the Sacramento Area Council of Government (SACOG) took the first big step in changing the region's land-use patterns.

In 2002, SACOG's Board of Directors initiated the Blueprint project. The motivation for the project was to determine if there were alternatives to current transportation investment priorities and land use patterns that would make improvements to the region's travel patterns and air quality, while being consistent with local attitudes and values. At the foundation of the Blueprint is a plan for managing the inevitable growth in the Sacramento region.

Through a series of Blueprint workshops at the neighborhood, city, county and regional level, more than 5,000 residents, elected officials, business leaders and environmental interests helped craft an alternative vision that integrates smart growth concepts such as higher-density, mixed-use developments and reinvestment in existing developed areas. The analysis shows that following smart growth principles will shorten future commute times, reduce traffic congestion, lessen dependence on automobiles and provide for housing choices that more closely align with the needs of an aging population.

In the end, elected leaders and communities approved a plan that will shape the region's future by promoting more efficient and sustainable development and more transit choices as an alternative to sprawl. The vision, known as the Sacramento Region Blueprint, is intended to guide land-use and transportation choices over the next 50 years as the region's population grows from its current population of 2 million to include more than 3.8 million people.

The Blueprint helps put the Sacramento region squarely on a path toward a more livable and sustainable future by embracing the concepts of more walkable, transit-oriented communities that better integrate jobs and housing. By defining smart growth for the region, the plan provides the opportunity to meet the transportation and planning challenges that lie ahead.

Following the approval of the Blueprint, SACOG updated the region's Metropolitan Transportation Plan (MTP). This plan not only guides development consistent with the plan, but also looks at funding areas such as transit, which is vital to the plan's success. As a non-attainment region, SACOG is required to update its (MTP) every four years.

In March 2008, SACOG's Board of Directors adopted the MTP 2035. With the Blueprint as a backdrop, the plan provides a 21% increase in transit funding over the previous MTP. Also, programs and planning, which support transportation investments, such as rideshare matching and Spare the Air campaigns, increased by 35%. This is the first big step in following the growth plans consistent with the Blueprint.

Each of the region's cities (and their residents) played a significant role in establishing the growth plan and so are currently updating their general plans to reflect the land-use and growth patterns established in the preferred Blueprint scenario.

One of the most important aspects of the preferred Blueprint scenario is the reliance on transit to help satisfy the goals of the plan. SACOG's MTP 2035 recognizes this fact and includes a provision for additional transit operating funds (the equivalent of a ¼-cent sales tax) by 2012.

The development of the preferred Blueprint scenario and the MTP 2035 has highlighted the challenges facing the Sacramento region over the next 25+ years. Challenges include significant increases in population, employment and new households; an aging population with particular needs; and continuing reliance on the car with continuing issues relating to congestion and air quality as a result. Improving air quality is a particularly important issue for the region. As a non-attainment region, not addressing air quality containment threatens public-private sector investment through a cessation of building permit issuances.

The “smart growth” principles underpinning the Blueprint are central to how many of these issues will be addressed. One of the key principles, “Providing a variety of transportation choices”, highlights the key role that a modern, high quality, affordable and attractive transit network will have in delivering a sustainable future for the Sacramento region. This principle will have a direct impact on the requirement for RT's services.

The Blueprint plan estimates the following:

- Region-wide transit trips will grow from 93,000/day to 629,000/day by 2050.
- Region-wide trips into the Sacramento downtown will rise by approximately 40%.
- Region-wide transit mode share (i.e. the percent of all trips taken by transit) will triple, with a 400% increase in Sacramento County.

These huge increases will impact the costs of running the Regional Transit network. Many of the growth assumptions that have been made are based on an expected expansion of the transit network. A number of factors will contribute to the predicted growth in transit patronage over this period, including:

- Increased housing densities (following ‘smart growth principles’) making transit provisions more efficient and cost-effective.
- Changing behavior resulting in people ‘choosing’ to live closer to transit and closer to their places of employment, shopping, education and recreation.
- Regional demographic changes with the number of seniors more than doubling over this period.
- Growing concerns over climate change and energy security resulting in increased social pressure for transit investment.

In response to these growing transit needs, RT is undertaking a comprehensive update of its Transit Master Plan (TMP), Short Range Transit Plan (SRTP) and ADA/Paratransit Plan. The previous Regional Transit Master Plan was adopted in 1993. While that document has been useful, it is outdated. The master plan must be updated to help guide RT for the next 10, 20 and 30 years and to make sure it is consistent with the Blueprint and MTP 2035 plans. This process includes an extensive public and stakeholder engagement program and will be completed in the spring of 2009.

In order to continue to grow the transit system to support the Blueprint, the region will continue to look for ways to fund the capital projects that are crucial for the smart-growth path that has been established. It is vital that local transit agencies receive federal funds to provide more frequent and reliable services. RT, SACOG and the state's DOT (Caltrans) work closely to utilize flexible federal funds by allowing local decision-making to apply the funds to the most urgent needs. Also, New Starts funds have been invaluable for recent light rail extensions in Sacramento.

From the state and local side, the Sacramento region and the State of California have stepped up to provide support with local match funding. The support is strong enough that in some cases, such as RT's \$260 million Amtrak / Folsom light rail extension, local, state and federal flex funds provided 100% project funding. In 2009, RT will also begin work on a 1-mile light rail extension that will be the first phase of an eventual federally funded light rail project that will bring service to the Sacramento International Airport. The \$37 million project will be funded entirely by local and state dollars.

In 2006, California's Governor and Legislature initiated the first phase of a comprehensive Strategic Growth Plan to address California's critical infrastructure needs over the next 20 years. Voters approved five separate propositions in 2006, which included over \$20 billion in general obligation bonds to fund state and local transportation improvement projects. Some of this money will be spent on capital improvements, which shows a commitment by California's citizens to improve transportation throughout the state.

Prior to the passage of the state bonds, Sacramento County voters overwhelmingly supported renewal of Measure A, a 30-year ½-cent countywide increment to the retail sales tax to fund local transportation and air quality improvements. As part of the renewal, local funding for transit increased 8% over current funding levels. Measure A provided much needed local funding to support existing transit operations and will help build the 4.3-mile South Line II light rail project scheduled to begin construction in 2009.

At the federal level, it is crucial that Congress identify a funding source that is sustainable and growing to meet the nation's infrastructure needs. The current rate of 18.4 cents per gallon cannot sustain the existing Federal program beyond

2009 as well as allow for growth in the Federal investment. These funds could come from many sources, such as gasoline tax increases, a carbon tax, a cap and trade program for greenhouse gas emissions, or private sector funding. Federal legislators should seek more flexibility between highways and transit, and a criteria that focuses on and rewards a reduction in Vehicle Miles Traveled (VMT) and GHG emissions when deciding on capital expansion projects.

Prioritization of funding should be given to those urban locations that are considered non-attainment areas for air quality issues. Also, those regions that provide local funding and commit to the type of land use plans that create more compact, transit-supportive neighborhoods, should be given financial incentives to continue this practice. Adoption of smart growth principles is a key step in cleaning our air and reducing our dependency on foreign oil.

The next authorization should begin to connect land-use patterns with sustainable living and increased transit. As most people know, public transportation already plays a strong and beneficial role in the climate change solution; however increased growth in public transportation use, while good for the climate at large, also results in additional operating costs and per capita reduction in carbon output. We must address the need for additional allocations to address the impact on operating costs.

Further, when public transportation service is linked to greater intensity of development adjacent to transit stations, we see shorter passenger trips, which doesn't require the use of carbon-based fuels. These benefits offer the opportunity to provide carbon offsets for other sectors of the economy.

Workforce development is another key issue facing transit agencies throughout the nation. The Transportation industry is the 17th highest economic driver of the U.S. economy, per the U.S. Department of Labor. The transit industry, currently and over the next 5 years plus, is experiencing a 30-50% turnover of staffing, largely due to baby boomer retirements. With significantly less Generation X and Y workers entering the workforce, and other industrial sectors constricting and downsizing, the transit vacancy rates create viable employment options for displaced and new workers.

As Congress and Administration begin the process of reauthorizing highway and transit legislation, we must emphasize the continuing significance of the federal role in transportation. Transit provides mobility to millions of Americans, spurs economic development on a large scale, reduces energy consumption, and creates jobs across America.

The relationships between the transit agency, MPO and DOT in some parts of the country may not be as important as they are in Sacramento. In Sacramento, the stakes are enormous and the partnerships are critical. Today, SACOG, Caltrans and RT are working together, which results in better outcomes

measured by funding allocations and project selection. This positive relationship greatly assists us in our technical and policy decision-making, leading to improved transportation and land use plans. By working together on models, we can produce credible forecasts that garner support from other stakeholders. The relationship also opens up lines of communication between all three organizations, which are crucial for effective planning for the region.

People in large metropolitan areas, such as Sacramento, are facing a difficult choice: continued auto subsidy and dependency, more sprawl, decaying city centers, and more pavement; or market-based pricing reforms for economic efficiency, green belt protection, urban revitalization and transit.

California and the Sacramento region are taking the necessary steps to be leaders in Smart Growth efforts, which we hope will make a significant impact nationally.

Although we have seen success in finding dollars for transit, we still face the challenge of securing a reliable stream of state transit funding. As budgets get strained, transit funds tend to be one of the easier targets for state legislators to draw from. For FY 2007, RT lost approximately \$14 million in transit-dedicated funds that were used to balance the state's budget. This type of action makes the job of operating a transit agency difficult. An inability to rely on certain funding levels creates an inability to develop a long-range plan and a budget that's associated with it. In order to grow the transit system to reach the region's future needs, we are working to implement a stable and reliable local funding source by 2012.

Transit has an important role to play in addressing the challenges of a growing region, but to do so requires reinforcing the achievement attained by the transit industry. Transit must continue to play an important role in transportation planning, as well as land-use policy. SAFETEA-LU provides a national transportation policy that provides safe, secure and reliable mobility options as an integrated part of a balanced transportation system.

We must recognize that public transportation provides all Americans, from all walks of life, access to social and economic opportunity to enrich their lives and their communities. We must invest in the development of the transportation system capacity needed to enable economic growth and reduce traffic congestion. By recognizing the central role of public transportation in achieving other critical national policy goals, including national security, cleaner air, conserving our energy resources and reducing our dependency on foreign oil, we create a cleaner environment and enhance the community we live in. A strong partnership between transit, the MPO and the DOT will ensure that these goals are reached in a much timelier manner, and such partnerships need to be encouraged and rewarded by National policy.

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