

# InfrastructureUSA

## Guest on THE INFRA BLOG

**Therese McMillan, Acting Administrator, Federal Transit Administration (FTA)**

**Conversation with Steve Anderson, Managing Director, InfrastructureUSA**

### **Safety Depends on Working Infrastructure**

Our existing transit infrastructure is in a challenging place whereby we estimate that there's a current backlog of \$87 billion in maintenance and repair on the existing system. But that's probably an outdated number. We estimate that grows by \$2.5 billion a year if we continue to invest at the same rate we're doing right now. We need a jump of an additional \$2.5 billion in order to start making up that backlog and not slipping even farther behind. One big link that probably shouldn't be a surprise to anyone is that if you have infrastructure that is not in a state of good repair, that can create compromises in safety. So that linkage between managing our existing assets and keeping them in safe working order is a major piece of our new safety portfolio. Not the only thing, obviously, because worker safety and operating your system in a safe manner is also a major piece of that, but infrastructure is obviously an important part of what we are going to be doing with our new safety responsibilities.

### **Transit Generates Jobs and Spurs Investment**

The economic impact of transit investments has different faces, if you will. First, it should be recognized that any time you are building and repairing transit services, that in and of itself is creating jobs in the near term. And so one of the reasons that President Obama advanced the American Recovery and Reinvestment Act was that the creation of jobs in terms of buying into new infrastructure as well as rehabilitation and repairs of existing infrastructure was a job creator in and of itself. But in the long term the other piece of transit investment is an anchor and catalyst for economic development. We particularly have seen that evidence attached to the transit extension through investments with our Capital Investment Grant Program, New Starts and Small Starts, as well as just some of the expansions that agencies are doing with their core formula funds. Let me just give you an example. One doesn't usually associate the state of Texas as a transit stronghold, but the city of Dallas right now has the most miles of light rail of any system in the nation. And the investment in that network has generated over \$7 billion in economic activity and the concurrent tens of thousands of related jobs in the last decade since they've been putting that system on the ground. That's one example of, again, this catalytic effect over a long period of time where the existence of effective transit brings with it investments in jobs and housing around the stations and within the corridors. Another thing, though, that's important to think about in terms of economic impact, is the ability of transit to connect people to their jobs, and often to connect them in a more efficient and effective way than being caught in traffic and congestion. So that's the third space, if you will, of what transit can do to aid in economic growth here in America.

## **No Two Transit Systems Are Alike**

One of the things that's been a mantra for the Federal Transit Administration is that if you've seen one transit agency, you've seen one transit agency, because what transit can mean to any community can be vastly different. New York, with the onslaught of Hurricane Sandy and the shutdown of that system, showed dramatically how critical the extensive legacy transit system is to a major metropolitan area. It was a laboratory we didn't want to experience, but it was one, I think, that was incredibly insightful and led the Congress to respond very swiftly with a huge infusion of funding. It was, at the end of the day, \$10.4 billion for transit alone in terms of repair and recovery and resiliency investments for Hurricane Sandy. So that's one end of the spectrum. I was just at a summit with Native American tribal leaders on the work that we do with transportation investing in their communities. And one of the leaders for the Cherokee Nation was describing a traffic signal--and again it wasn't transit but I say this only to illustrate the other end of the spectrum of transportation investments--a traffic signal that had not existed on the busiest road in their community that was considered one of the most dangerous roads in the country, across from a high school, where there were significant numbers of fatalities, some involving children, and the single investment in that signal was huge in terms of dramatic personal effects for that community. We've heard with transit on tribal lands and in rural areas that this is the only connection that people, who otherwise would be isolated, have to regional medical facilities many, many miles from where they may live. I think it's more a matter of how can we invest in transit in a way that provides enough resources to respond to the unique needs of a community and are flexible enough to be able to respond to the unique needs of a community. How can the Federal Government partner with local jurisdictions, with the states and others, to reinvest in transportation infrastructure? To throw out another big number, we're the largest economy in the world today, and we're estimated to rank only 28<sup>th</sup> in infrastructure investment for transportation writ large. That's not an OK comparison, and so we must make an investment that lifts us above the status quo, because if we stay at the status quo it means we lose ground.

## **Communities Should Set Their Own Transit Goals**

I would agree that good public policy, no matter what the subject, benefits from an educated and engaged citizenry. They're the ones that will be impacted by whatever public policy is implemented. In transportation, one of the things that certainly we have encouraged is the involvement of communities to set their visions so that we can help them realize their visions. And in setting those visions the best ones are the ones where the community members themselves, the general public, interested stakeholders, local elected officials, work together to develop that vision. Because it's going to unfortunately often be a long journey to fully realize those visions. You need champions that will stick with it for the long term because funding and implementing these major infrastructure investments often takes a long time. So to the extent that people are educated and committed to the benefits of these projects and not just consumed with the potential costs of the projects, is one of the things that can make for success in the long term.

## **The Federal Transit Administration (FTA): Maintaining Infrastructure & Securing New Investments**

The Federal Transit Administration is one of several operating modes within the U.S. Department of Transportation. We have headquarters here in Washington DC, but more importantly, ten field offices in ten regions across the country. We have a pretty broad portfolio. The core of our work is managing federal funding for transit infrastructure, and in some cases for transit operations. Within that, it's very important to recognize that we do a lot and put a lot of attention toward making sure that our existing infrastructure remains in a state of good repair. So significant investments are made with federal dollars for replacing and repairing and rehabilitating existing transit infrastructure that's on the ground already. Then we also play an important role in the process of getting funds out for new capital projects. You're probably familiar with what was fondly known as the New Starts/Small Starts Program. Now it's called the Capital Investment Grant Program. That is to encourage communities to invest in new capacity, whether it be light-rail, commuter rail, major fixed guideway, but also bus rapid transit, and expanded bus services that may be better matched to the communities' needs. And then overall, beyond that, we have a new very important rule in transit safety, and that is a new authority that was provided to us with the last authorization, MAP-21, that went into effect for fiscal years '13 and '14. So that's a broad overview of the infrastructure part of our portfolio.

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