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Transportation
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President-elect Barack Obama
Presidential Transition Office
451 6th Street, NW
Washington, DC 20008

Dear President-elect Obama:

The economic recovery bill released yesterday by the House Appropriations Committee provides a strong path toward renewal of the nation's economy. We applaud both the effort of the committee and your leadership on this issue. As transportation officials from some of the country's largest cities, we have a strong interest in the transportation title. In that title, the bill sets a good course for investments in roads, bridges and transit infrastructure around the country. After reviewing the plan in detail, we would like to bring some issues to your attention.

The recovery plan could better meet cities' transportation needs by following these principles:

1. Meet the Public's Call for More and Better Transit

Transit is the future of our nation's metropolitan regions, which represent 80 percent of the population. Even during a period of budget and service cutbacks, mass transit ridership has been increasing, and the increases have been sustained despite the drop in gas prices. Transit is the answer to traffic congestion and sustaining urban growth in the 21st Century. Unfortunately, the recovery plan in its current form stays close to the spending patterns of the past and proposes a ratio of \$30 billion for highways and \$9 billion for transit, which equates to 23 percent for transit. We can and must do much better than this. The proportion of funds going toward transit projects should be increased significantly so that cities can catch up with the public's demand for transport choices.

2. Support the Nation's Transit Systems During the Crisis Period

Millions of transit riders across the country are facing service cuts and fare increases in response to budget shortfalls at the state and local levels. At a time when they can least bear it, those who rely on transit for access to a job, grocery store, school, and other daily needs are being left with fewer options and more limited access. The recovery plan should provide operating support to these systems for the short term. Otherwise, the loss of service will have a direct negative impact on both regional mobility and local economies. Transit operating assistance in this time of crisis will go a long way in keeping Americans moving, while saving green jobs.

3. Prioritize Maintenance and Repair

The recovery plan needs a much greater emphasis on bringing existing infrastructure to a state of good repair. Repair projects put more funds into U.S. employment, both through labor and manufacturing, than other transportation investments. Disrepair also comes with its own costs in terms of safety, economic vitality and long-term fiscal health. Transportation funding for repair and maintenance should be prioritized to reflect this need in our cities.

4. Fund Large Cities Directly to Move Projects Faster

Accelerated project delivery is a primary tenet of the economic recovery bill, which seeks to fund "shovel-ready" projects. For locally-sponsored projects, passing funds through state departments of transportation (DOTs) can add significant delay to project lead time. The recovery bill should make direct federal aid from FHWA available to cities who opt to be designated recipients. Many large cities are already self-certified to receive and administer FTA funds, and several cities have as much or more capacity than state DOTs. For example, New York City's DOT is larger than two-thirds of the state DOTs in the country. Direct aid is a timely and appropriate provision for the recovery bill.

5. Incorporate Bureaucratic Streamlining Measures

While flexible funding is a good tool that allows communities to use federal funding to address their greatest local needs, it often doesn't work efficiently. Funds under the FHWA title that are to be flexed to transit projects should be moved quickly through the system. In some regions, transfers between accounts can take several months. The economic recovery bill should set a maximum deadline of 15 days for flexing funds from FHWA to FTA.

Further, for projects that have moved forward under state or local procurement rules, federal requirements should be waived wherever possible so that these projects can move to contract without delay. For many cities and states, procurement already follows strict guidelines similar to federal requirements.

6. Strengthen the Accountability Provision.

The accountability provisions should be taken beyond the current requirements of simply tracking and reporting on how the money is spent. Collecting and analyzing data on the projects funded by this recovery will provide valuable information about the returns on this unique federal investment. This information would be a useful tool in assessing which projects offer taxpayers the highest returns and would be invaluable in prioritizing and goal setting in the future.

With these additions, the transportation section of the recovery plan will be profoundly strengthened and the bill will more directly address the needs of the nation's cities and metropolitan areas. NACTO applauds this great effort to support and sustain our communities, and we look forward to working closely with your team to achieve lasting improvements in the quality of life in our cities.

Sincerely,



Janette Sadik-Khan

President of National Association of City Transportation Officials