

**Statement of**  
**Atlanta Mayor Kasim Reed**  
**on behalf of**  
**The United States Conference of Mayors**  
**before the**  
**House Transportation and Infrastructure Committee**  
**hearing on**  
**“Building the Foundation for Surface Transportation Reauthorization”**  
**January 14, 2014**

Chairman Shuster, Ranking Member Rahall and Members of this Committee, I am Kasim Reed, Mayor of Atlanta.

I thank you for this opportunity to appear before you and this Committee on behalf of The United States Conference of Mayors, the national, bipartisan organization of mayors, representing the nearly 1,400 U.S. cities with a population of 30,000 or more. I am pleased to speak about the challenges before all of us as we work together to sustain and even expand the nation’s commitment to investment in infrastructure, especially investment in our surface transportation infrastructure.

The issues before you today are not unlike what we face each day in our cities. How do we get more value and better performance from our investment of taxpayer dollars, and how do we find additional resources to grow and expand our investments in core assets, like infrastructure, and the other critical services that fuel economic growth and ensure future prosperity for our citizens? These values drive all of us in public service, and represent burdens that we cannot shirk.

Increasingly, our success as a nation in achieving these values depends largely on how we address our transportation and other infrastructure needs in our city and county metropolitan areas. As a leader of the Atlanta region, I can assure you that nothing is more important than investment in the basic infrastructures, especially our water and transportation systems, which underpin all of our prosperity. Going forward, all of us at the local level, in state capitols and in Washington, DC are being challenged to find additional resources so that we invest properly and do our part to secure the future for generations that follow.

Mr. Chairman, Ranking Member Rahall and this Committee, the nation's mayors and the Conference of Mayors will stand with you in this endeavor. It is hard work, which we as mayors especially know. But it is work that must be done.

Our job as mayors is often all about infrastructure. We work most days to keep these vital systems and the services they provide operating smoothly. We work daily to find additional resources to make timely investments in the rehabilitation of these assets. And, we also work to find the resources to expand and modernize these systems to respond to the growing demands of economic expansion.

Every mayor will tell you that we cannot accomplish these outcomes for our taxpayers with constant or flat lined budget commitments. Every mayor will tell you that we will fail completely if we try to do it with declining investment.

As you prepare for renewal of the federal surface transportation law, which expires October 1<sup>st</sup>, all of us must work together to help find the resources we need to build on and expand our current levels of investment. And, certainly, we must avoid simply flat lining these commitments. Reducing federal commitments is simply not an option; this would only shift the burden to others to do your part in financing the governmental partnership on surface transportation, which has been developed over more than two generations.

I am especially proud to report that mayors and other local governments have stepped forward to do our part in our shared partnership in funding our transportation infrastructure. It is well understood about our rising local commitments to public transportation investment, but our record in providing for increased highway investment is less understood. Since 1998, the year TEA-21 was enacted, cities and counties have more than doubled their new revenue commitments to highway investment, outpacing both federal and state commitments. We have done this with non-user revenues. Despite these sizable efforts, we could never raise enough revenues to offset loss of federal resource commitments to our shared transportation partnership.

There are some certain absolutes about our infrastructure challenges. We must rehabilitate and maintain our systems on pre-determined schedules. And, we must always be ready to make necessary upgrades to expand the capacities of these systems. Our success in these efforts controls the economic output of our regions, and thereby largely shapes the economies of our states and the nation.

We work hard at the local and regional levels to develop capital improvement programs along with the corresponding commitments in our operating budgets to provide for the continuous and reliable delivery of services these infrastructures support, whether highway, transit or other transportation facilities. Nothing is more disruptive than interrupting the flow of resources, an potential outcome this Committee must confront if additional dollars are not found later this year for the transportation trust funds. On behalf of the nation's mayors, I can assure you that we stand ready to support you in any way we can to avert a disruption in the predictable flow of federal transportation resources.

Committee Members here today should recall the disruption that occurred from the relatively brief lapse in funding when the FAA authorization expired. Mayors were perhaps more acutely aware as local construction projects in their communities ground to a halt. Mayors who manage and expand airports were especially affected by this upheaval. As Mayor of Atlanta, I have ultimate responsibility for the management and development of Hartsfield–Jackson Atlanta International Airport, the world’s busiest airport. Stability and certainty is everything in the operation of this infrastructure, and there are economic consequences that go well beyond our own region if this one facility, a critical one nationally, does not perform.

In short, we must avert a precipitous drop in the flow of federal funds for any of the modes, an outcome mayors would expect would be avoided at all costs. This scenario is the polar opposite from what we know we should be doing to be successful in transportation – continue improving our planning and project development efforts, and ensure stable and sufficient investment levels.

At the Conference of Mayors, we have been studying city and county metropolitan economies for more than 15 years in partnership with Global Insight. In a July 2012 report, *U.S. Metro Economies: Outlook – Gross Metropolitan Product, and Critical Role of Transportation Infrastructure*, we looked specifically at transportation and population demographics, finding that:

“Over the next 30 years, the report shows that U.S. metros will grow in population by 32 percent or nearly 84 million people. More specifically, the report predicts that the population will grow by over 50 percent in 59 metro areas, over 75 percent in 21, and will more than double in three. Already, these regions are home to most of the nation’s traffic congestion, costing the average American commuter \$713 annually.”

My region is one of the fastest growing in the nation, with our population projected to grow by 67.8 percent from 2012 – 2042. All of our metro areas – 363 in total throughout the U.S. – will be home to another 84 million residents over the next 30 years. Mr. Chairman, this is more people than the current population of my home state, your State of Pennsylvania as well as Arizona, Indiana, Illinois, Michigan, North Carolina, Tennessee, and Virginia combined.

These areas now house a substantial share of the nation’s current economic output and population, and these reports show that a larger share of the nation’s future economic growth and population will come from these areas. At the Conference of Mayors, we are in our second decade of studying our metropolitan economies and their current and future role in driving U.S. economic growth.

My own state is almost a microcosm of the nation. Our state’s 15 metro areas account for 85.5 percent of all employment in the State of Georgia. All U.S. metro areas account for 85.6 percent of total U.S. employment. Like many states, there are dominant metro areas, like my home region, officially called the Atlanta-Sandy Springs-Marietta metro area. Our region accounts for 59.1 percent of all Georgia jobs. My region’s economic output of \$294 billion in 2012 exceeded the output of 33 states.

It is hard to fathom how a constant or declining federal resource commitment will ensure that America reaps all of the potential economic growth that can occur in the future. And, as all of the economic data show, the future is increasingly about a competition among U.S. metro areas with other regional economies throughout the world. Our U.S. economy and our state economies will rise and fall based on how well our metro economies perform and compete in this global competition. Mayors have believed for some time that the federal government must continue to be a strong partner in our shared efforts to make our nation's regions more competitive in the future. We know with total certainty that adequate and expanding transportation infrastructure – with smarter investment – is a key element of a successful strategy for future U.S. economic growth.

Mr. Chairman, shifting to specific policy issues before you in the upcoming renewal, I did want to offer our perspectives on the need to give more policy attention to the issues before us in our metropolitan areas.

During deliberations on the last renewal, what came to be known as MAP-21, I know that this Committee and your colleagues in the Senate were guided by the values I talked about earlier in my comments. In the end, MAP-21 sought to embrace these values in policy reforms now set forth in the new law. By consolidating programs, improving project delivery, providing for greater accountability through new performance measures, and assisting project sponsors at the local and state level with more financing options, these changes and others if properly delivered should translate into the more effective use of available federal resources. Importantly, the law affirmed longstanding commitments to public transportation and clean air improvements through the CMAQ program, along with continuing resources for transportation alternatives.

That said, there are still things that were left undone. We have yet to fully address the demands of an increasingly metropolitan American economy and the calls from the thousands of local officials like myself who seek greater empowerment of local officials in deciding how available federal transportation dollars are invested. At the same time, more power was concentrated in state capitols with state transportation bureaucracies, and more resources were directed at a smaller subset of our vast highway network.

In the end, this direction will prove self-defeating. Our taxpayers want the maximum bang for their buck. We know that this can be achieved only by putting as many of our transportation assets and options on the table – modes, networks, and solution sets – if we hope to get for our taxpayers what they want. And, local taxpayers expect their local elected officials to have more say over how available resources are invested in projects affecting their communities and regions.

And, we must continue to strive to get all partners – federal, state, regional, local governments, private entities and the public – to the transportation decision-making table, instead of pretending that concentrating power with state transportation bureaucracies is the solution, especially in a nation which continues to concentrate more of its economic potential and future in its metropolitan areas.

All of us talk about metropolitan mobility and how congestion cuts the production of our mighty city/county metro economies, but this new law did very little to further empower me and my local elected colleagues throughout the Atlanta metropolitan area and others throughout Georgia and across the states. All of us approach these challenges with the goal of making our cities and regions stronger economically and more viable and desirable to investors, businesses, and people, whether existing residents or potential newcomers. But, it is tough to do this if we do not more fully empower local and regional decision-makers who work on these issues daily and are responsible for a range of other systems and policies that are so critical to more effective transportation investment.

In my region, longstanding federal funding commitments under the Surface Transportation Program declined by 2 percent, while the State of Georgia's share of these flexible STP dollars increased by 39 percent.

Let me turn to some specific issues and initiatives in my own city and region to illustrate our vision for more economically-productive investments and show the value of bringing all transportation assets together and to produce greater economic returns and benefits.

The Atlanta Region is one of the largest and fastest growing metropolitan areas in the nation. We have had a long history of thoughtful transportation planning and innovation in the projects and services we deliver to our citizens. Our principal transit system – MARTA – is the ninth largest in the country and serves the core population of the City of Atlanta and two central counties. Suburban and regional bus systems have evolved and now provide service to 11 counties surrounding Atlanta.

Our highway system is one of the best maintained in the nation and we have been innovative in the application of technology and design to achieve more efficiency from the existing system. The Atlanta Olympics, and our partnership with the U.S. Department of Transportation on a state-of-the-art ITS system, gave us a head start in deploying technology in our region, which still pays dividends today. In addition, we have taken steps to reshape the transportation network to place renewed emphasis on transportation demand management, including ride-sharing and bicycle and pedestrian projects especially in major activities centers where most of our jobs are located.

We have even moved to reshape the urban form of our community through such regional programs as the Livable Centers Initiative which rewards communities which choose to develop in a more transportation efficient direction, including emphasis on transit, pedestrian and bicycle facilities as fundamental elements of the transportation system. In addition, our regional rail system, MARTA, is pursuing a vigorous Transit Oriented Development policy to ensure the maximum opportunity for ridership on our existing transit system and to build the kinds of communities our growing population seeks.

Within the City of Atlanta, we are pursuing an innovative and even inspiring project – the Atlanta BeltLine – the redevelopment of a largely abandoned rail corridor for bicycle and pedestrian trails, housing, parks, job opportunities and transit.

In our community there is no dearth of ideas and innovation for dealing with the challenges of growth and transportation. Yet we also continue to have some of the most significant congestion in the nation – largely because of a mismatch of resources to our needs.

The Atlanta Regional Commission just last week released recommendations for an update of our Regional Transportation Plan. The vision outlined in those recommendations would cost \$123 billion to the year 2040 – yet we have available only about \$59 billion during that period. An overwhelming 71 percent of all available funds will go to the maintenance and optimization of the existing system with only 26 percent of potentially available funds to provide for system expansion.

The consequence of course is that we must target our projects more carefully – and that is appropriate. Emphasis will be placed on travel demand management programs, basic bridge and road maintenance, safety projects and innovation in roadway design. We will prioritize service to major activity centers, addressing freeway bottlenecks and promote active transportation such as bicycles and walking even as we plan valuable and cost effective transit expansions. A major focus of our investments will be on our regional freight network which is now a vital part of our economy and likely to become even more so as international freight increases through the Port of Savannah.

So – as a region, we are doing the right things to make the best use of our funds. But we are also expecting another three million people – people with diverse skills for a changing economy, people with diverse needs for new transportation services and people who will expect a high quality of life rather than wanting to devote an ever increasing proportion of their time to slow and inefficient commutes. We know what the projects are that we need beyond the existing \$59 billion plan – and those needs are estimated to be about \$64 billion to provide the reliability and safety our citizens deserve in their daily travel. The question is – where will we find those funds? The City continues to believe that the federal government should be a funding partner even as the City shoulders a greater burden to make an investment in the surface transportation infrastructure needs of the City.

Within the City of Atlanta, as all major cities, we have taken stock of our transportation needs. Over the last several years we have completed two major analyses of our transportation infrastructure needs. The first milestone was the adoption of Connect Atlanta – a comprehensive, long-term evaluation of our transportation needs to support our renewed population and employment growth. The key elements of our approach include:

- Building Transit Infrastructure – we have defined and proposed new transit corridors in the City and begun the development of a Streetcar network to provide the last mile connectivity with our existing regional rail network and we are exploring options for inter-city and commuter rail service. This Spring we will open the first 2.7 mile phase of the Atlanta Streetcar – linking the historic Martin Luther King District to Centennial Olympic Park – built with TIGER II funds and in partnership with MARTA and the downtown business community
- Improve Existing Transit Service – we have begun to fundamentally rethink transit routes within the City to ensure they address our changing residential and employment patterns and are moving to diversify the rail and bus fleet to ensure a safe comfortable two-seat ride to most City destinations
- Promote Sustainable Travel Modes – we have a renewed commitment to building and maintaining sidewalks as a legitimate mode of transportation for many neighborhood and activity center trips and are moving aggressively on a system of bicycle facilities and bike-share programs
- Untangle “Hot Spots” – we work regularly with the private development community especially in activity centers to fix localized problems and create alternative travel routes to handle growth and are pursuing a goods movement strategy which will be increasingly important as the economy regenerates
- Achieve a State of Good Repair – we are focusing on fixing our infrastructure fast to ensure timely repair of streets and sidewalks, managing the signal system for the efficient operation of intersections and focusing especially on renewal of deteriorating bridges
- Develop New Funding Sources – we are working with local businesses through self-taxing Community Improvement Districts to leverage private resources, exploring opportunities for viable public-private partnerships and joining with regional partners to develop achievable and sustainable sources of new revenue.

What do we get if we find the courage to invest in these new ways? We get nothing less than a re-shaped community – a vibrant place to live, work and play. We can:

- Improve transit’s reach from 70,000 to 500,000 residents within a 10 minute walk of rapid transit – a 600 percent increase
- Improve bike access to greenspace from 1,000 acres to 3,400 acres
- Reduce the average block size in unprepared growth areas by 25% - making alternative transportation more feasible
- Add over 60 miles of new street network

- Add over 300,000 new people who are within a 20 minute commute of our Downtown, Midtown and Buckhead employment districts
- A completely re-timed and functional traffic signal system
- Create 900 miles of new sidewalks
- Ensure that all of our bridges are safe and prepared for long term use
- Create a sustainable menu of revenue sources

In the near term, we are also focusing on the backlog in our transportation infrastructure maintenance. Our second milestone initiative examined this backlog in our State of the City's Infrastructure Report. The findings were disturbing but not surprising. Our existing infrastructure would cost over \$3.4 billion to replace (2008) – and therefore must be maintained in a state of good repair. Key elements in need of immediate repair include:

- Paving streets
- Repair or replacement of bridges
- Sidewalks
- Traffic signals
- Street lights and
- School flashers

In all, the infrastructure repair backlog is estimated to be \$900 million – with the highest priority items costing about \$300 million to bring back to good repair. These are not major enhancements to our community but simply the requirements to have a safe and operable transportation system and to protect the enormous investment local, state and federal resources have provided in the past.

Our hope is that within the next year we will be able to launch an initial bond referendum to begin the first phase of long term infrastructure renewal. Our citizens have participated in examining and setting priorities and are willing to take on this renewed investment. We seek a partnership with the federal government to protect the investments we have made together and to ensure the health of the central city which – like cities all over the country – is the driver of regional economic growth and vitality.

Cities are the country's laboratories for innovation. Cities are where public and private entities collaborate on the ground level to create jobs and build places people want to live. In Atlanta, where transportation is always a regional topic of conversation, we have taken several creative approaches to meet the challenges of the 21<sup>st</sup> century. One of the most prominent examples of how we have taken a proactive approach to build for the future and attract investment and jobs is the Atlanta BeltLine.



The Atlanta BeltLine is a comprehensive program to improve mobility, create needed park land, catalyze new real estate development and attract jobs to the urban core. At the program's core is the re-use of 22-miles of mostly abandoned rail corridors that encircle the heart of the city and connect to the regional mass transit system – MARTA.

The Atlanta BeltLine will create 22-miles of new light rail/modern streetcar transit, 33-miles of multi-use trails, 1,300 acres of new and improved parks and is estimated to add \$10 to \$20 billion to the City's tax base over 25 years. By planning and implementing these elements, together with the help of partners in the public, private and nonprofit sectors, we already are realizing a substantial return on investment. Since the beginning of the Atlanta BeltLine in 2006, we have invested more than \$360 million from public and private sources, which has generated more than \$1 billion in new private real estate development for a roughly three to one return on investment within the project's tax district boundaries. The City is prepared to make a substantial investment in the Atlanta BeltLine, but continued robust authorization of the Federal Transit Administration (FTA) Capital Investment Grants is necessary as a match to the City's investment. Down the road, the City supports continued and expanded funding for the FTA State of Good Repair program to provide funds to maintain the streetcar system and regional rail system.

On the Eastside of the Atlanta BeltLine, near the birthplace of Dr. Martin Luther King Jr., public and private investments in new parks and transportation infrastructure have catalyzed a once blighted area. The Eastside Trail, the first developed two-mile stretch of the old rail corridor that we opened in 2012, has experienced more than \$775 million in new real estate development within a half mile of the project.

Next to the Eastside Trail is the Historic Fourth Ward Park project, which opened in 2011. There is more than \$400 million of new real estate development within one block of the park, including Ponce City Market, the largest historical preservation development in the City of Atlanta's history. By building this park with a storm water detention pond as its central feature, we solved a chronic flooding problem that enabled the City to sell the historic Sears and Roebuck building to a private developer, Jamestown Properties. Jamestown is investing \$200 million in the new Ponce City Market development, a mixed-use project with retail, commercial and residential components that has already attracted several growing technology companies, such as Athena Health and MailChimp, totaling more than 1,000 full time jobs. In addition, this project has generated more than 500 construction jobs. The building will open later this year.

Most recently, the Atlanta BeltLine was awarded an \$18 million TIGER V grant from the US Department of Transportation to build out the southwest segment of the corridor. We also have a \$10 million funding commitment from the private sector for this project, which will have a significant economic impact on the surrounding community.

It is this type of success that we are looking to replicate around the 22-mile Atlanta BeltLine, by using public infrastructure and amenities to spur private development and job creation. Our progress to date has occurred largely during the throes of the Great Recession, which gives us confidence that as the economy continues to improve our success will be even greater.

Public private partnership has been at the heart of our success, with the philanthropic community donating more than \$41 million to the Atlanta BeltLine to date. Moving forward we are looking for even more robust partnerships with the private and philanthropic sectors. The private sector recognizes the value in our holistic approach and more than \$1 billion in new real estate development to date demonstrate the community's confidence in this vision of our city's future.

I believe the City of Atlanta has been particularly innovative in its approach to its development and transportation future. We have envisioned our city as a vibrant place for education, work and living. We have developed ideas for a supporting transportation system – inclusive of all modes – and connecting to our regional neighbors. We have aggressively sought and responsibly used resources from local, state, federal and private partners to preserve and expand our mobility and access.

Atlanta is not unique though. Other cities throughout the country have their own versions of vision and innovation. Other cities also have challenges in maintaining what they have and building what they need. Other cities are developing partnerships to reshape their communities and transportation systems. I believe the future of solving much of our nation's transportation problems lies within the vision and leadership we find in our cities. I hope you will agree that providing the resources and decision-making authority increasingly to cities and their regions will yield enormous benefits not only to the nation's mobility but to the returning health of our nation's economy.

Mr. Chairman, Ranking Member Rahall and Members of the Committee, I thank you for this opportunity to present the views of The U.S. Conference of Mayors and their members, and to share perspectives from my city and region. Please know that the Conference and the nation's mayors stand with you as you work to strengthen this important partnership with us on surface transportation.