

United States Senate
Banking, Housing and Urban Affairs Committee
Subcommittee on Housing, Transportation, and Community Development
“Building Economically Resilient Communities: Local and Regional Approaches”
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Thank you very much Chairman Robert Menendez and Ranking Member Jerry Moran for the opportunity to present this statement for the record and speak today on the importance of transportation and economic development in the Reno-Sparks metropolitan region in northern Nevada. I also want to thank Nevada’s senators - Majority Leader Harry Reid and Banking committee member Dean Heller who have both been outstanding leaders for Nevada’s interests during the *Great Recession*.

It’s said that we can only be sure of death and taxes, but the historical relationship of transportation with economic development, land use, and housing is so strong, that I believe we can be equally sure of that. From the earliest days of our country, the Federal Government has furthered land and economic development with support for turnpikes, canals, railroads, the Federal interstate system and more recently, transit. Access is everything to the health of our communities.

About the RTC

The Regional Transportation Commission (RTC) of Washoe County serves as the metropolitan planning organization, local road builder and regional transit authority to the nearly 500,000 residents and 5 million visitors to the Reno-Sparks metropolitan area. The RTC works closely with Federal, state and local partners on project and program service priorities to improve infrastructure and create jobs. The RTC invests over \$350 million a year in regional street, highway and public transit projects, programs and services. Since 2009, RTC has completed a number of significant regional street and highway projects funded through a voter approved fuel tax indexing plan known as RTC-05. The local option motor fuels tax is indexed to the producer price index and since 2009 this program has generated over \$500 million which has been invested in the local economy through the construction of regional roadways, preventative road maintenance, and reconstruction activities. Projects funded with this local source of funding include widening the freeway system, ongoing construction of a new north-south arterial known as the Southeast Connector, and retrofitting local arterials with bicycle lanes, improved sidewalks, traffic calming measures, and ITS improvements.

The RTC recognizes the importance of investing in transit. The RTC’s public transit program includes operating over 70 fixed-route buses and 40 paratransit vehicles, and promoting vanpool services. The fixed-route and paratransit bus system serves an area of approximately 58 square miles and has an annual ridership of almost 8.5 million, and the services are operated and maintained by private contractors. RTC opened a bus rapid transit (BRT) line in 2010 called RAPID, with advanced design stations, vehicles and utilizing ITS technology. The service has been embraced by the community - - Ridership on the BRT system increased 19 percent since last year and has for four years running sustained double digit percentage increases in ridership. RTC is planning to expand the BRT system along 4th Street and Prater Way linking downtown Reno and Sparks, as well as extending the BRT system along Virginia Street to the University of Nevada Reno. The 4th Street Prater Way project has already

been approved into the Federal Transit Administration's (FTA) Project Development phase of the Small Starts program.

Planning Is Key

While we do not claim to have all the answers, there are a number of examples that we can point to in our mid-sized metropolitan region that may have applicability elsewhere. One of these is our planning process to improve quality of life, promote safe and healthy communities and develop our community both economically and sustainably. Together with our stakeholders, the RTC has created a unifying vision for regional development, based on scenario planning, with broad involvement of the public at large, local elected officials and the business community. The results of the most recent effort in this educational, scenario planning and visioning exercise are incorporated in the document submitted to the Committee with this paper, *the 2035 Regional Transportation Plan*, which reflects public interest in livable communities with mixed uses that permit walking or bicycling for many kinds of shopping, recreational and service needs. Key to our planning process are partnerships that promote efficiency, consensus, and sensitivity.

The Regional Transportation Commission of Washoe County was recognized by the American Planning Association in 2013 for their 2035 Regional Transportation Plan, the region's 20-year long range plan that followed an 18-month public participation process. The process entailed an extensive and comprehensive community engagement program to develop the transportation vision, policies and priorities for the Washoe County metropolitan area's future transportation system.

Why Livability?

Our primary goal in Nevada is to create jobs and expand economic opportunity. Key to the state's success is maintaining and improving the quality of life for our residents and visitors. Very important to our region is affordable housing, proximity to family and friends, mobility, walkability, and public transportation. Clearly transportation's contribution is critical to creating a 21st century economy.

What we are learning from our community is that a large majority of Millennials want access to better transit options and the ability to be less reliant on a car. According to a new survey of Millennials in 10 major US cities, released by The Rockefeller Foundation and Transportation for America, more than half (54%) of Millennials surveyed say they would consider moving to another city if it had more and better options for getting around, and 66% say that access to high quality transportation is one of the top three criteria they would weigh when deciding where to live. Young people are the key to advancing innovation and economic competitiveness in mid-sized cities, like Reno and Sparks, Nevada. The RTC has to balance a car-centric model of mobility and consider more equitable and sustainable transportation options.

While I claim no expertise in the area of affordable housing, I would point out that studies by the Brookings Institution and the Urban Land Institute in recent years have demonstrated the close relationship between transportation and housing costs. Families and seniors who cannot afford housing close to central city jobs frequently buy further out, with resulting increased household costs for transportation. This often leaves the elderly and disabled isolated from community services. Families in most American cities spend an average of 20% or more of their household income on transportation – the largest single expense outside of housing.

These community members are our friends and neighbors; some of them are our honored service men and women; and, they rely on us to provide transportation solutions critical to their well-being and

mobility. Across the country, the demand for more efficient and reliable connections, by seniors and individuals with disabilities, to doctor appointments, shopping, activities, religious services, among others, is rapidly outpacing the ability to adequately provide service. The RTC is working with our Federal delegation to develop a pilot program that seeks to address these issues by expanding the flexibility of dedicated federal resources to include operating costs as eligible for formula and grant funding; to increase the federal match for senior and disabled service; and to ensure that new federal services and medical facilities are sited along existing transit and transportation corridors by requiring that these planning documents be reviewed and approved by the local metropolitan planning organization.

Livability Projects in Washoe County

Our region values safety, access and mobility. In response the RTC has developed and constructed several important projects to improve quality of life; they are described here.

Sutro Street – This project improved conditions for transit riders on three major bus routes in Reno. This project provides Washoe County residents access to schools, work and medical facilities. Most notably the routes on this section of Sutro Street provide access to the Senior Center, the Salvation Army, the Washoe Ability Resource Center, Renown Regional Medical Center and multiple schools including Charter and high schools. 17 bus stops were improved to benefit the quality of life for the substantial elderly and disabled population in this area.

RAPID BRT service on Virginia Street -The Virginia Street Corridor is the cornerstone of RTC transit service; designated a Transit Oriented Development (TOD) corridor by the City of Reno, and selected by the Truckee Meadows Regional Planning Agency as the preferred corridor for demonstrating TOD operational and development strategies, improvements along Virginia Street will attract choice riders. This Bus Rapid Transit line also known as RAPID operates for 7 miles along Virginia Street and includes upgraded bus stops, real-time vehicle arrival information, distinctive articulated buses, queue-jumping lanes, signal pre-emption or priority and designation of existing curb or roadway lanes. The new demonstration service began operation on in October 2012 and data show a 10 percent increase in ridership in the corridor.

4th Street Station and Centennial Plaza - This project created intermodal transportation facilities in Downtown Reno and Sparks that are currently operating over capacity. The new transit centers were designed to meet long-term transportation demands as well as community needs including childcare, retail services, access to a shelter and new baseball park.

Investing in the Future of Northwestern Nevada

4th Prater Way - This project will improve safety, support local redevelopment plans, and improve infrastructure for walking, biking, and transit. The 4th Street/Prater Way Complete Streets Project will reconstruct and revitalize our historic and aging downtown corridor by upgrading the arterial roadway that links Reno to the City of Sparks and the greater Washoe region. The design of this project benefited from extensive public involvement and reflects the community's demand for a rapid transit corridor, commuter bike lanes, accessible sidewalks, enhanced bus stops, traffic signal coordination infrastructure and traffic calming features.

Virginia Street RAPID Extension linking UNR/Midtown/Downtown - This year, the RTC will be considering an extension of the RAPID BRT from downtown to the University of Nevada. In addition, the RTC must

retrofit an existing maintenance facility as well as construct a new large vehicle facility to accommodate additional articulated buses and clean fuels vehicles.

Southeast Connector – This highway project is an important regional investment in the Truckee Meadows that addresses the long-term transportation needs to improve the safety and mobility of people, goods, and services in the Reno/Sparks area. The project is an ongoing effort between the RTC, partner agencies, and the community that began almost 50 years ago. Once completed, the new Southeast Connector roadway, which will be called Veterans Parkway, will stretch 5.5 miles from the intersection of Greg Street and Sparks Boulevard at the northern end, to the existing intersection of Veterans Parkway and South Meadows Parkway at the southern end. The Southeast Connector Project will provide many long-term benefits to the community and to the quality of life of Truckee Meadows residents. Utilizing valuable input received from federal, state, and local agencies; regional environmental groups; and local business and community organizations, the project team has developed strategies to optimize traffic operations; enhance the environment within the corridor; and maximize the safety of drivers, bicyclists, and pedestrians.

Principles for Reauthorization

Raise the gas tax – The citizens of Washoe County Nevada have increased local fuel taxes and so have many other communities around the country because the voters understand the importance of the need to invest in infrastructure and the link that has to economic development. The Federal government should do the same. Congress should continue to look for other ways to expand the base of funding like off shore tax relief for foreign investments brought home.

Congress should continue to utilize the gasoline tax as a source of revenue for the Highway Trust Fund, and increase it to ensure adequate resources for future needs. The gasoline tax has not been raised in twenty years and has not kept pace with the increasing costs of highway and transit maintenance and construction. The history of the federal gasoline tax goes back to 1932, when the federal government levied a 1-cent tax. Three presidents increased the gasoline tax to reduce deficits at the time. President Reagan was the first to do so in 1983 when he raised it to 9 cents followed by President Bush who raised it to 14.1 cents in 1990 and finally, President Clinton who raised it to 18.4 cents in 1993.

By increasing the gas tax, Congress can decrease or even eliminate the reliance on general funds and fund infrastructure repair. Indexing the tax would help ensure that revenues keep pace with costs in the future. In 2009, Washoe County residents passed a measure that indexed the local gas tax and allotted those funds to road construction and repair. Indexing has been successful and is credited with creating opportunities for economic development, and improving transportation options for people to get to work, school, healthcare and daily activities in Northern Nevada.

There is growing recognition of America's underinvestment in its infrastructure. It is paramount that Congress return solvency to the Highway Trust Fund and the mass transit account. The American Society of Civil Engineers gave our country's infrastructure a D+ as many elements of our most critical systems are aging, deteriorating and severely congested. By allotting sufficient funding to the Highway Trust Fund, Congress can ensure that our country's infrastructure is sustainable and safe for future use.

Federal Funding for Bus and Bus Facilities - Many of the Nation's small and mid-sized transit authorities lack sufficient capital funding to construct and develop bus maintenance facilities and stations, and to purchase vehicles and equipment. MAP 21 significantly reduced the amount of bus program funds available -- in effect cutting the longstanding bus program in half. There is a severe and inequitable imbalance between the funding available for bus capital and the needs that exist. According to The Bus

Coalition, bus systems in the U.S. carry more than 52% of all transit riders yet receive only 9.5% of capital program funds under MAP 21. Congress should restore that funding and create a competitive discretionary program that would provide FTA with the authority to fund both the development of facilities/stations and bus purchases alike.

The RTC is considering the construction of a new vehicle maintenance facility to replace our current one located under the US395 viaduct. Height limitations and the inability to use alternative fuels make this facility outdated and inefficient. However, because the funding for the FTA bus and bus facility program was significantly cut in MAP 21 and the remaining funds formularized, it is unlikely RTC will be able to amass the capital necessary to develop such a facility anytime soon. This will limit our ability to expand public transportation service, increase our use of alternative fuels in our fleet, maintain vehicles in a state of good repair, and continue to support job growth in emerging sectors of the economy.

Washoe County's need for a new maintenance facility would qualify for funding under a restored bus program, and benefit many other communities across the country facing these similar funding challenges. Increased funding for this program would directly translate into jobs and an improved state of repair of our transit infrastructure.

Federal policies should support Smart Growth and Complete Streets legislation – Transit oriented development should be supported with federal tax credits, incentives to banks to lend money to TOD developers. Further, USDOT should encourage the development of greater responsibility by regional planning agencies and/or Metropolitan Planning Organizations for the coordination of federally supported transportation with federally supported housing and environmental decisions.

Streamline Federal Regulatory and Permitting Process - There is a continuing need to reduce the regulatory burdens posed by the permitting and environmental processes. While we recognize the important role environmental requirements play in developing transportation projects, the process should be more transparent and streamlined. Project sponsors are hindered in their planning efforts by unnecessary delays in the regulatory process and inability of Federal agencies to act in a timely way on permit applications. Many aspects of the Federal permitting process are laden with uncertainty and unpredictability that hinders investment, economic growth, and job creation.

Conclusion

National goals for global competitiveness, energy security, environmental sustainability and economic vitality, all point to transportation investment. When compared with Europe and much of Asia, our current transportations systems struggle to compete. We need efficient, multi-modal rural, suburban and urban transportation systems that will keep America's economic engines productive and efficient. Federal standards should be established to promote and support the incremental development of top quality public transit systems, providing real travel choices to residents, in every area of our country – decisions for investments over the next 30 years that will affect future generations. New paradigms must include sustainability, environmental responsibility, accountability, walkability, regional planning, urban goods movement, and transportation and housing choices.

Thank you again for this opportunity. If you have any questions or need any additional information, I can be reached at 775-332-0162 or lgibson@rtcwashoe.com.