Valonda Calloway: Hello and welcome to this National Broadcast Series Webcast presented by the Center for Transportation and the Environment at North Carolina State University in Raleigh. I'm Valonda Calloway, your host and moderator for today's program. This live forum is a part of CTE's technology transfer initiatives to engage transportation and environmental professionals in a dialogue about emerging issues in policies, research applications, and best practices. CTE is a nationally recognized University Transportation Center established by the U.S. Department of Transportation. We're pleased to bring you this 44th broadcast in CTE's teleconference series which launched in 1994 and is celebrating its 15th year of programming. Today's webcast will discuss the DOT-HUD-EPA Interagency Partnership on Sustainable Communities. Earlier this year the Department of Transportation, the Department of Housing and Urban Development and the Environmental Protection Agency announced an unprecedented agreement to help U.S. families gain better access to affordable housing, more transportation options and lower transportation costs. The agreement established six principles to coordinate policy for Federal transportation, environmental protection and housing investment. We are pleased to be joined today by Administration Officials from Washington, DC, who will provide an overview of this partnership and highlight its core or its current efforts. Before introducing the panelists, here are a few notes about the webcast to get us started. First, thank you to the many professionals across the U.S. and internationally who are viewing this live webcast. We hope you'll be an active participant in today's discussion during the question and answer segment of this program. Starting now, you may e-mail your questions and comments for the panelists to cte_email@ncsu.edu during the live webcast on November 9th, 2009. The e-mail address will appear on screen throughout the webcast and we'll begin answering your questions in the second hour of the program. The program agenda is available for download from CTE's website at cte.ncsu.edu. This document will be helpful while viewing the webcast. The agenda includes a brief biography profile of each panelist, instructions on how to access the live audio feed by telephone if needed and contact information just in case you need technical assistance while viewing the live webcast. Finally we want to recognize and thank the Federal Highway Administration and the Federal Transit Administration for their valuable assistance in bringing this program to you, and the Environmental Protection Agency for
Elizabeth Wilkins: Thanks Valonda. It's a pleasure to be here today and before I start I'm going to give a little bit of a perspective on the White House's priorities for urban and rural policy and how this particular partnership fits in with that. It's a very high priority for the White House. But before I start I want to say two things, first, it is truly a pleasure to be here because one of the sort of coordinates of the way we want to do business for urban and rural policy in this administration is to make sure that policymaking is really a part of a true partnership, that we understand that people at the local level need a supportive partner in the Federal Government to meet the challenges that they are facing and so it's great to begin this dialogue today with all of you. The second is to say that I am a member of the Urban Policy Team within the White House but we work very closely with our colleagues on the National Economic Council and within the Domestic Policy Council who focus on rural policy and we have come together to understand key priorities and a philosophy around urban and rural policy of which, again, this partnership is a very high, high priority, so again, a pleasure to be here today. I wanted to go through a few key points and the way that we think about how to do urban policy from the White House in this administration. In addition to this idea about partnership, a few other things, first, we hope that through our policy making we can encourage regional approaches to the challenges that are facing states and local communities throughout the country. We understand that challenges, such as congestion, environmental spillovers and pollution and other issues don't stop at political boundaries and therefore our challenges have to meet the scope and scale of, the solutions have to meet the scope and scale of the challenges that we face and so what can the Federal Government do to make sure that we are helping local communities and states to figure out how to work together to meet those challenges. Second, we're interested in encouraging interdisciplinary thinking. Again, as, in fact, many of the people listening today know, none of these challenges are just transportation challenges or just housing challenges or environmental challenges. They're all intertwined and one of the things that this partnership seeks to achieve and what we hope that all of our urban and rural policy achieves is a true interdisciplinary approach that can generate creative solutions to those challenges. That's not easy. We're set up as separate agencies with separate missions, as we know many state and local governments are. So what can the Federal Government do to bridge those divides and that means a couple of things. That means both figuring out how to create incentives to make that happen so that it's easier for really innovative thinkers to create those partnerships on the state and local level and also getting the Federal Government out of the way. We understand that there are a number of ways in which we do policy that are really difficult for folks who are trying to create these innovative solutions on the ground. Again, this partnership is a great example of how hard work at the Federal level can lead to knocking down some of those barriers and making it easier for innovative thinkers to create solutions. Third, we're looking to create programs and policies that are characterized by defined and clear goals but also give states and localities the flexibility to meet their own challenges. We understand that there's no one size fits all solution to the challenges we face and we've heard many, over and over and over again that there are some programs that are overly prescriptive in the implementation and not clear enough on the end goal. So how can we create policy that gives clear objectives but gives folks at the state and local level the flexibility to meet both their local priorities and the state, national priorities that we see and finally
and this is something that comes from, very clearly from the President and from his background and his experiences, the understanding that the best ideas come from outside of Washington and that there are innovative solutions to difficult challenges all over the country. In fact, particularly for the last decade or two, folks all over the country have been dealing with these, dealing with issues of how to plan for sustainable development and for our future for a long, long time and there's no reason for us to reinvent the wheel and again it's one of the reasons why the dialogue that we're having today and that we hope to continue to have, is so important, is so that we can understand what's already going on at the local level and the ways in which we can feed your ideas back into the way that we do business here at the Federal level. Again, as I mentioned, we see urban and rural policy not in opposition but as interdependent and intertwined, that metropolitan areas both include urban and rural areas and that our regional economies are interdependent on one another and this partnership and you'll, I'm sure hear more of this today, really reflects that in two ways, understanding that sustainable and livable communities are just as applicable to rural areas as they are in urban. We could be talking about transit oriented development in a big metropolis or we could be talking about figuring out how to keep a main street vibrant to keep young people there and keep that community vibrant and a place where people want to live. And also, we know that as the country grows the only way that we're going to protect our green spaces, our landscapes, our farmland is by being really thoughtful about the way that we grow and develop in our major urban communities and so we understand that this agenda is something that we think is important to everyone living in all sorts of communities and it's about creating options, it's about creating choices for places, different types of places where people can live wherever they may be. Again, this particular partnership creating sustainable and livable communities and what the Federal Government can do to support that is one of our top priorities in the White House for our urban and rural agenda. We were excited to see these three departments, HUD, DOT and EPA come together in June to start this partnership and I will say with full humility, it was not the White House that asked them to do this, it was these agencies and their constituencies and understanding that there's a real demand for this kind of partnership and their response to that that created this partnership and it's been a pleasure working with the folks that you'll hear from today and others in these agencies who are taking the lead and really trying to create change in the way that the Federal Government does business. The White House is fully supportive and tries to figure out ways to push this agenda forward when necessary and again I'll just close by saying this is a partnership between three Federal agencies, we feel like it's a great partnership between the White House and the cabinet agencies and the others who are involved and that we know that we need to make sure that it's also a partnership with folks at the state and local level because here in Washington we can have all the discussions that we want, but it doesn't matter unless that means that real things can change in real communities across the country for real people. So, we are again so delighted to have this dialogue today and looking forward to your questions. Thanks.

Valonda Calloway: Thank you very much Elizabeth. Beth, let's turn now to you, Shelley and John for a departmental overview of this important partnership and its current efforts and what impacts it will have on state and municipal agencies.

Beth Osborne: Well thank you very much. I'd like to say right off the bat that we always knew that there was a lot of interest in these issues and some frustration that these issues were not being addressed at the Federal level but I don't think even we appreciated the extent to which people had hoped that we would start initiatives like this one and the participation level that we've heard that this broadcast has today, has really taken us by surprise but we're so pleased to have so many of you as partners. So I'm going to start by describing what we mean by a sustainable or livable community. A lot of people come to this from different perspectives and I think it's important for us to at least begin by giving you a sense of what we think of when we're talking about these types of communities and there are several different ways you can define it and what's interesting is people tend to know it most when they see it, not when they hear it described to them, but I'm going to try to describe it and I'm going to start with, as a policy person myself, with a more policy wonk-ish description but a livable community is one where people have multiple
convenient transportation and housing options as well as destinations easily accessible by people traveling both in and out of cars. Now what does that actually mean? I've heard it described as living some place where you can always walk to buy a slice of pizza. I've heard it described as a place where families, extended families can all live within walking distance of each other and that means that a woman who's just graduated from college and has moved into a rental apartment, can live within walking distance of her brother and his family who lives in a single family detached house who can also live within walking distance of his parents, the grandparents that might want to live close to their grandkids and they maybe moved into a condo because they didn't want to mow lawns and replace roofs now that the kids were gone. Most communities cannot provide that to their residents. Another way to describe it is it's the type of community that every area puts on their tourism pamphlets. You tend to see historic areas, unique, what makes that community unique, something that stands out as something that is individual to that particular community. It's always a mixed use area where you can see restaurants and shops and housing all within walking distance of each other and it's a community where people can safely and easily walk around. But the best description is probably the one that my boss, Secretary LaHood uses who is unencumbered by a policy wonk nature, and that is that livability means a community where you can take your kids to school, go to work, see a doctor, drop by the grocery, go out to dinner and a movie and play with your kids at the park all without having to get into a car. So why are these communities so important to the Federal Government? This is something that has traditionally been left to local communities to address the way their communities are designed but there are serious Federal policies and ramifications for not coordinating between the different levels of government and their responsibilities. First of all, transportation costs to the household are higher in communities that do not have transportation choices that are not livable. If you need a car for every single person over 16 in your household in order for everybody to accomplish what they want to in their daily lives, obviously the costs are going to go up and go up substantially. Those who can use their vehicles less or own fewer, maybe two cars instead of three or three cars instead of four save substantial amounts of money, estimated to be between $6,000 and $8,000 a year. In terms of the economy, small businesses do better in these type of communities because small businesses do not have the budgets to attract people to make a special trip to their storefront, they rely on pedestrian traffic and impulse buyers who see the store and remember there's something that they might need to get from there and walk in. Even big businesses do better. Target opened a two-story store in a mixed use, mixed income, walkable neighborhood with strong transit service about 18 months ago and that has become their most profitable location in the country. What's interesting is the development of this Target, which the facility also includes several other stores like Bed, Bath and Beyond and a gymnasium and many other things, it was held up because there was an argument over the size of the parking lot and now that it's been open, if you go to that parking lot, it is often almost completely empty. Target is now having to undertake a process by which they determine how to count pedestrian and transit users in order to figure out their customer loads as opposed to vehicle counts which most stores use. In terms of the environment, oil use and pollution dropped substantially in communities where people don't have to drive everywhere. That is relatively obvious but the extent to which it is the case, is often not obvious. An NPR case study in Atlanta compared the carbon footprint of a family in a walkable transit-served neighborhood to a family in a car-dependent neighborhood and the carbon footprint of the car-dependent family was 40% larger than the one in the transit-served neighborhood and the difference between the two families was 95% attributable to transportation. Our experience with CAFE which is Corporate Average Fuel Efficiency Program, that's what tells you how many gallons per mile or miles per gallon you get in your vehicle, we set standards in 1975 and saw an extremely large increase in the fuel efficiency of our vehicles in this country, but our oil usage went up anyway and that's because we took down transit systems. We built communities where you could not walk safely, didn't have sidewalks and had fast moving traffic between people's homes and their kid's schools. We also just built everything far away from each other, offices and houses and groceries and post-office were built from away from one another forcing everyone to drive everywhere. So if we try to just focus on the vehicle itself we are not going to be successful. Finally, in terms of the Federal Government's priorities in constrained budget times, it means real money when you don't coordinate where you put housing and business and transportation
services. Envision Utah, which is our program in Salt Lake City, found that when they focused development in areas that already exist and their infrastructure investments in areas that already exist, they saved $4.5 billion dollars in infrastructure costs over a ten year period of time. Envision Utah or Salt Lake City, Utah is a sizeable city but $4.5 billion dollars saved over ten years for a community of about 2-3 million people is huge and gives you a sense of what the cost savings could be to government if we did collaborate and coordinate these development decisions and further, just in perspective of the Transportation Department, Salt Lake City also found that they reduced traffic congestion as well. The problem is that these communities which are so attractive for tourism and for people in terms of where they want to live, they are actually illegal to build in most communities in this country and that is partially due to local land use decision-making, but it is a great deal due also to Federal programs that do not incentivize or prioritize funding to projects that produce the benefits of livable communities. While recent market research has found that a third of the housing market is interested in these types of communities, we only provide 2% supply to meet that demand and government is the one that's standing in the way. Now, within the Department of Transportation we have already stated that it's a priority to create a Livable Communities Program. When we put forth a proposal for an extension of the Surface Transportation Program, we had asked that even an extension of Livable Communities Program be created, so that's a strong indication of what you can expect to see in any of our reauthorization proposals. We are also reviewing our current programs to make sure that as we approach the reauthorization debate, we are incorporating the benefits of livability into those core programs. In the Recovery Act, we were given $1.5 billion dollars in multimodal discretionary funds. Very unusual in the case that it was multimodal, we don't get much in the way of multimodal funds, and in the fact that it was discretionary, most of our funding goes out by formula. When we put together the criteria by which we would evaluate projects, we put livability at the top. It's up there with safety and economic competitiveness. We could not have made a stronger indication about what our priorities are and finally, we are working with our University Transportation Centers, we're going to look to find what's going on within those UTCs in terms of research that could support our initiative and try to coordinate amongst them in terms of building the tools we need to direct investments to the sorts of projects that we know produce multiple benefits and livability. So I look forward to getting your questions and from here I'm going to send it over to Shelley.

**Shelley Poticha:** Thanks Beth and thanks Valonda, this is a great opportunity and thank you all for joining in on this webinar, it's really terrific, as Beth said, to have so much interest in this set of issues and I think that what you'll see throughout this session is a remarkable partnership emerging between these three Federal agencies that have a tremendous amount to do with how we build our communities and their resilience and sustainability, as well as the leadership of the White House which has really helped elevate this set of issues to something that is very important for all of our work. From the perspective of the Department of Housing and Urban Development, we see that the Sustainable Communities Partnership is key to getting our communities back on their feet after the economic collapse. There's a real urgency to help people who have been hit by the most extreme foreclosure crisis in history to find a way to be able to live in ways that are more sustainable and more affordable. Our research is showing a remarkable alignment between the neighborhoods that Beth described as being places where every trip has to be made by a car and the concentration of the greatest number of foreclosures in the housing markets. So that might be a coincidence but we're not so sure because we've looked at almost every metro region in the country and found this same pattern. So, one of the goals of the Department of Housing and Urban Development is really to find ways that we can build more affordably and allow households the option to be able to live in places where they're not being hit by rising gas prices or having to spend so much money, so much of their regular budget on transportation expenditures. So, a central core piece of this partnership is the recognition that these issues of environment, of land use, how and where we build and transportation infrastructure that supports our communities are inter-related and so we have to work together to be able to, as Elizabeth said, form the kind of partnership that can be supportive of the efforts that local communities really are trying to advance. In June of this year the principals of our three agencies identified six principles to govern our partnership and they have guided the development of new policies,
our work program and a set of efforts that we're rolling out over the next few months to embed these ideas in the way that our three agencies operate. The six principles are, number 1, to provide more transportation choices, to decrease household transportation costs, reduce our dependence on oil, improve air quality and promote public health. There's a real recognition, as Beth said earlier, that we've done a terrific job of accommodating building the most incredible highway system in the world, now it's time to build the additional transportation infrastructure that help people walk, bike and get around by transit. Number 2, expand location and energy efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation, and in this principle I want to put forward, kind of, two basic values. One is that we want to promote communities where all Americans can be part of the future so that we want to ensure that people of all ages, incomes, races and ethnicities are really engaged in the future prosperity of our communities and secondly, as a key piece to this, the recognition that affordability is more than simply the cost or the rent for a house, it also has to do with how much we're spending every month on driving or getting around in our communities and the extent to which we can lower those combined costs will be able to create greater affordability and opportunity for Americans. Number 3, improve economic competitiveness of neighborhoods by giving people reliable access to employment centers, educational opportunities, services and other basic needs. For those of you who have been engaged in discussions about Sustainable Communities for a long time, this movement is not new, it's something that's new to the Federal Government but not new to many communities, we've often focused on where we live and what kind of housing we live in, but we often haven't thought about the connectivity to job centers and the need to be able to make it possible that once you actually get to work, you can walk for some of those daily errands that you need to take care of during the day or go out to lunch with your colleagues without having to have a car. Number 4, target Federal funding toward existing communities through transit-oriented development and land recycling, to revitalize communities, reduce public works costs and safeguard rural landscapes. This is extremely important because we're in a period where we don't have a lot of additional tax dollars to pay for investments that may sound like a great idea but are actually quite expensive when you step back and look at them. So, the way that we can use our existing resources and coordinate them is particularly important. Number 5, align Federal policies and funding to remove barriers to collaboration, leverage funding and increase the effectiveness in programs to plan for future growth. This, in itself, is a remarkable step forward because we see that there's a real opportunity here to align the way that we operate. About a month ago, Secretary Donovan announced a new, a change in the way that HUD does business, that basically said we will now remove the barriers to building housing that HUD funds on Brownfield sites, that are cleaned up, something that every community across the country is really trying to deal with, you know, recycling land and building in existing developed areas. Often the issue of contaminated properties comes up. We know how to clean these properties up but evidently HUD had rules on the books that made it impossible to use our funding for housing on cleaned sites. So that barrier has been removed. And then finally, number 6, enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods whether rural, urban or suburban, reflecting the ideas that Elizabeth brought forward, that this is not going to be a program where the Federal Government is going to be prescribing how communities should grow, but should be a bottom's up community-based approach that helps identify, preserve and strengthen the unique characteristics of communities and that our approach will be to identify performance outcomes that we'd like to see if communities seek to use funding from this initiative, not a recipe for exactly how to use that money. We hope to use this partnership to ensure that our programs are coordinated in a meaningful way and for example, HUD is bringing in and inviting our partners from the partner agencies to develop and review applications to a proposed Sustainable Communities Planning Grant Program that will have two components, one is a grant program that will help regions integrate land use and transportation investments, environmental planning at the regional scale and the second component of that will be a grant program that will help communities who want to change their zoning codes, be able to have the resources and technical assistance to be able to do that. So we have not only identified funds that can help implement these ideas but we also are bringing in our partners to ensure that when we do develop these programs, we're thinking in an integrated and interdisciplinary
way. We also are identifying, as I said earlier, a list of policies and barriers to livable communities that our own way of operating gets in the way, so one of the things that we'll be seeking input from you throughout this session is, you know, what are the policies that you run up against when you work with HUD or EPA or DOT that are problematic to your work and then finally, we'll be identifying a set of performance measures to help us determine which investments are most supportive of our livability and sustainability goals. One of the first pieces of work that we'll be undertaking is looking at how we might use this idea of combining the costs of housing and transportation into one measure of affordability and how it might influence different programs, particularly at HUD where the location of housing is particularly sensitive to transportation ups and downs, costs and ups and downs, so we are going to be initiating a major program this year that will help both consumers be able to understand or have the information available to make better decisions about how much a particular home might cost, including their transportation expenditures and how HUD's programs might be aligned and coordinated to be able to do this and then finally I would say that we want to be a partnership that enables great work on the ground. We know that many communities across the country are experimenting with these ideas but we don't want each community to have to start from the beginning and invent their own set of strategies. We want to be able to provide tools, technical assistance, ready-to-go material that allow you to be able to start a dialogue in your communities about what to do and have the resources and tools to be able to move quickly into implementation. So there's a real focus in this partnership on implementing and setting the table to be able to be a better partner with you. I'll turn it over now to John Frece at the Environmental Protection Agency.

**John Frece:** Thanks very much Shelley. Good afternoon everyone. I want to start by thanking the Center for Transportation Environment at North Carolina State University for hosting this webcast and for the hundreds of you who signed up for it. The participation level really has excited us and we're glad so many people are interested in the work we're doing and we think we're on the right track, we hope we are. I'm going to talk a little bit about why EPA is interested in these issues, interested in the built environment. Some of the environmental challenges that we're facing, some of the environmental benefits from having more sustainable communities and then some of the demographic changes that this country is experiencing that makes this shift more necessary than ever I think. My job is I run the Smart Growth Program at EPA. This program has been around since 1996, it's an effort to encourage development that revitalizes neighborhoods that use resources more efficiently, that protects farmland and open space, that keeps housing affordable and provides more transportation choices. It's a development that's good for the economy, for the community, for public health and for the environment. I would be remiss if I didn't say that the interest in this partnership for Sustainable Communities at EPA starts with Administrator Lisa Jackson and it goes all the way down to the major program officers we have at the EPA in the Brownfields office, the Office of Air and the Office of Water and our Office of Environmental Justice. The Smart Growth Program that I'm privileged to head, tries to assist local governments and state governments that are interested in developing sustainable communities. We do this in a variety of ways. We do it by developing publications that provide guidance on how state and local governments can change their codes, how they can redesign their roadways, how they can better manage their storm water runoff, just to give you three examples. We do a variety of research, we help to develop tools that state and local governments and even other Federal agencies can use as they try to manage growth and development in ways that better protects the environment. We also provide technical assistance, on the ground technical assistance, where we try to learn lessons that can be replicated in other communities around the country and we sponsor, with the National Endowment for the Arts, a state assistance program called the Governor's Institute on Community Design that goes into states and helps governors specifically and their cabinets and staff. So we try to help state and local governments in a variety of ways. For most of the past decade, Smart Growth Program at EPA has been just about the only office in the Federal Government that was looking comprehensively at the environmental effects of growth and development. I'm really happy to say that's no longer the case. This partnership for Sustainable Communities has changed all of that. Now, all these major agencies are working together on these kinds of issues and I think we'll end up with more, better environmental outcomes as a result. Shelley and Elizabeth and Beth talked about the origin of this
partnership back in June. I have said in a number of settings that from a taxpayer standpoint, cooperation among agencies is the least you would expect and I say that again, but anyone who's had any experience with government knows how difficult it is to get one department to cooperate with another and I think that we have found that over time, by not cooperating we haven't been using our funding efficiently and we've actually been getting in the way of state and local governments that want to do a better job. So what we're trying to do is use our money more efficiently, align our resources and as I think Beth said, get out of the way when we need to get out of the way. This is somewhat revolutionary for the Federal Government to be doing this. We're begun, as Shelley just mentioned, with regard to the brownfields issue, we've begun concentrating on barriers, where are we in the way and what can we do about it? We're interested in performance measures. We're interested in developing a series of performance measures so we will know over time whether we're achieving our goal of creating more sustainable communities and we're working on pilot projects in which we might have historically done them unilaterally, one agency at a time, now we're doing them jointly and we think we'll have better results as a result of that. What we hope to accomplish through this partnership is frankly, simply more sensible, cost-effective Federal investment. We want to coordinate our Federal resources in urban areas, suburban areas and rural areas. We want to make clear that our funding approaches can and should work together. The goal of this partnership is really pretty ambitious. We want to find ways to help local and state governments make sustainable communities the default style of development in the United States, rather than the exception. Let me turn it a little bit and outline some of the environmental challenges I think we're facing. The U.S. population is projected to grow from about 307 million this year, to about 439 million in 2050, that's a 40% increase. To support this population, an estimated 89 million homes and 190 billion square feet of new offices, institutions, stores and other buildings will need to be built. This is going to directly affect every citizen in this country and every government at all levels. It'll affect our Federal budget and it'll affect our state budgets and we need to pay attention to it and it certainly affects our environment. I think because of this growth we really have no choice but to use our infrastructure investments more effectively and that's the general goal of this new Federal partnership. As many people know, we have already been consuming land faster than population is growing for decades now. According to the U.S. Department of Agriculture's National Resources Inventory, developed land in the contiguous United States increased 34% between 1982 and 1997 and during that same 15 year period, the population only grew by 15%, 34% increase in developed land, 15% increase in population. Thus, land consumption occurred at more than twice the rate of population growth. More than a quarter of all the land converted from rural to urban and suburban uses since European settlement occurred, occurred between 1982 and 1997, a period of only 15 years. Often when I'm giving presentations about these issues I show a map of Cuyahoga County, Ohio, which had a population in 1948 of about 1.3 million and if you look at this map you will see that about all the population was concentrated in about a third of the county. If you look at a map of Cuyahoga County today, you would see that that population is now spread throughout the entire county but the population is the same, 1.3 million. What this means is for any infrastructure or services in that county, it now has to be spread over a much larger geographic area but it serves, but is paid for by the same number of rate payers. This, one of the local officials said that to continue that sort of approach is really economic suicide and you could, it's not just Cuyahoga County, you could see this repeated in places all over the country. From an air quality standpoint, since 1990 carbon dioxide emissions from personal vehicles rose by 23% and emissions from trucks have risen by 80%. Buildings and transportation together account for about two-thirds of U.S. greenhouse gas emissions. From a water quality perspective EPA estimates that more than 70% of our urban water bodies are now impaired and disbursed development affects more areas and produces almost 50% more storm water runoff than compact development and finally we are experiencing losses of habitat in critical areas and treasured landscapes as our growth spreads all over the landscape. There are many environmental benefits from a Smarter Growth pattern or a more sustainable community pattern. By some estimates, if the U.S. shifted just 10% of new housing starts to a more Smart Growth development pattern over the next 10 years, Americans would save about five billion gallons of gasoline and about $220 billion dollars in household and transportation expenses. We can reduce emissions. One EPA study found that more compact development alone, I'm sorry, that more compact development along
with complimentary pricing strategies could reduce Co2 emissions by 24% by 2050. We can also reduce water remand, we can help clean up some of the 425,000 Brownfield sites that are in this country and return them to productive use. Almost by definition, many, if not most of those Brownfield sites are located within the existing footprint of our towns and cities. We can create more walkable and healthier neighborhoods. People in walkable neighborhoods are 7% less likely to be obese and when you're obese there are a lot of health issues that go along with that. Let me finally just talk a little bit about some of the demographic changes that we're likely to experience. First I just say in general, the demographics in the United States are changing rapidly. The percentage of households with children under 18 has dropped from about one-half of all households in 1960 to about one-third today and that trend is expected to continue with only about one-quarter of all households having children under 18 by 2050. Meanwhile as baby boomers become empty nesters and retirees they are drawn to more compact walkable communities. The portion of residents over 65 years of age is projected to approximately double from 13% to 20% of the population between 2010 and 2050 and they are going to be looking for different styles of development, they're going to need other means of transportation other than just driving themselves. Common sense tells us that these major shifts in demographics should translate into changing preferences in housing, lifestyles and transportation needs. Finally, a point that I believe Beth made, there's buyer preference for this kind of development. There are a number of different private sector and academic, private sector surveys and academic research that consistently show that from one-third to one-half of potential homebuyers are looking for a smarter development pattern. One study by EPA showed that there's as much as 33% market demand for this kind of development and less than 1% of supply. Let me just conclude by saying I think that this partnership was formed because we believe jointly that we can no longer afford single outcome actions. We must get multiple outcomes from single actions and we can only do that if we work together and that's really what this partnership is all about. Thank you very much.

Valonda Calloway: Thank you so much. We have several e-mails so let's get to the first one and anyone can answer but I think Beth this one might be best suited for you. The question is can you discuss this initiative as it relates to rural public transportation?

Beth Osborne: Absolutely and I would actually talk about it in broader terms than just public transportation because public transportation works best, in fact all transportation works best when it's coordinated with all the other types of instruction investment work we're discussing here today. Our roadways work better when you plan for where housing and jobs go and where people's basic needs and educational opportunities will be as well. So what I'd like to do is just talk about why this is important to rural areas in general. Rural areas face the same problems that urban areas do in terms of giving their citizens access to their daily needs but they face it in an extreme manner, especially in remote rural areas. Access for their citizens to a medical facility may mean going a town or two over and sometimes 50 or more miles away. These are also communities that tend to face the challenge of the aging of the population to a much larger extent than urban areas. So not only do they have farther to go to get to the things that they need but they have a larger portion of the population that may not be able to drive to all of them and so it's particularly important that we focus on access needs of those communities and that is going to involve inner city transportation, more than just a vehicle, it's going to mean rail, it's going to mean bus, it's going to mean van and carpools. But even within those communities we shouldn't give up on these rural towns and just assume that everyone's always going to have to travel outside of their hometown in order to get what they need. We need to be reinvesting in the town centers of all these communities so that maybe those folks in rural communities can walk or bike to their town center, park and achieve a lot of the things they need to within walking distance of one another. It's interesting that we talk about rural areas as somehow not needing this focus or it not being applicable to rural areas because what we're really talking about doing in urban areas is bringing that small town rural feel to an urban area. A little neighborhood that has a town center and that everyone can feel is a community place. One other thing I'd like to point out with regard to those rural areas is, if we don't put this focus in these areas, like Elizabeth said, young people aren't going to stay and our elderly are going to be forced to leave and this is
particularly traumatic. It's traumatic enough when somebody has to leave their home because they're unable to take care of themselves and they're unable to get to the doctor or the grocery on their own. It's particularly traumatic when we ask them not just to leave their home but their entire community and support system and this is really unacceptable. Those who are concerned about rural areas should be very much enthusiastic about joining us in our effort to make sure that we are providing access to necessities for people in rural areas whether they can drive or want to drive or not.

John Frece: I'd like to add something to that if I may. There's a flip side right. I agree with everything that Beth said there but there's also the flip side of it which is, as our growth becomes more dispersed we end up building in places that provide environmental services, help cleanse our water, cleanse our air, I'm talking about forests and other natural areas. We encroach into farming areas and agricultural areas and lumber areas where we need to preserve those rural economies and we encroach into some of our most beautiful scenic vistas, our treasured landscapes and change those in ways that once lost are forever lost. One of the best land preservation strategies actually is to create a vibrant community and that's really what we're trying to do.

Valonda Calloway: Alright, thank you so much. The next email, how can other Federal agencies that are interested in participating in the partnership be included?

Shelley Poticha: Well, we are very interested in partnering with a whole variety of Federal agencies on this initiative. We have had discussions with many, many Federal agencies and their staff about how we might work with them and I think that at this point we're just in the, sort of, start-up mode for this three agency partnership. If there are other agencies that are interested in partnering they should contact the folks that are at this table with some specific suggestions about ways in which you'd like to get engaged in this effort.

Beth Osborne: And I will add to that by saying we've already reached out to the Department of Agricultural. The Department of Agriculture mirrors a lot of our agencies in terms of the programs that they offer. They have transportation programs in rural areas, they have housing programs, they have economic development programs and they have water infrastructure programs and so to not coordinate with USDA would to be, to create a parallel structure for rural and urban communities that is truly unacceptable. We do need to make sure we have collaborated there. We are proceeding very carefully because frankly collaborating between three agencies is a challenge and as we are learning and solidifying our own partnership we will look to partner beyond these three. One thing is, we can always work with other agencies on a project by project basis and rather than pulling that entire agency into everything we do, work with them on particulars. I know that HUD is engaged in work with Department of Energy, we have also been speaking with the Department of Energy. I know that EPA is working with FEMA on disaster hit areas and how they're rebuilt. We are all working with our partner agencies in any number of ways and with Elizabeth and Derek at Urban Affairs within the White House, we've been encouraged to work with 12 or 13 agencies, I believe, on general policy issues and it's provided us the opportunity to work across agencies in a really productive way and in ways we might not have necessarily seen had we not been put in the same room to talk about each other's priorities, so rest assured we are looking for ways to partner. We will always measure the need to bring another agency in against the effectiveness of doing so at that point. We are always going to seek to ensure we are on stable ground before we add something else in that could involve us in a lot of procedure that takes us away from substance.

Valonda Calloway: Alright, thank you very much and thank you to all the panelists for the presentations and discussions so far. We're going to take a short break now and we'll begin answering or continue answering the questions from participants when we return. Remember participants, you can e-mail us at cte_email@ncsu.edu with your questions and comments for the panelists. We'll resume the program in just a few minutes.
Valonda Calloway: Welcome back to our discussion of the DOT-HUD-EPA Interagency Partnership on Sustainable Communities. I'm Valonda Calloway, your host and moderator for today's program. We want to hear from you on this important topic so please e-mail your questions during today's live webcast using the address appearing on your screen. Let's resume the discussion now and reintroduce our panelists joining us from Washington, DC. Beth Osborne is the Deputy Assistant Secretary for Transportation Policy and the U.S. Department of Transportation, Shelley Poticha, Senior Advisor for Sustainable Housing in Communities and the U.S. Department of Housing and Urban Development and John Frece, Director of the Smart Growth Program for the U.S. Environmental Protection Agency. Thank you so much for being with us. We have an e-mail from the Louis Berger Group out of New York. How can specialists who have been working in the field get involved in your effort? Do you have Interdisciplinary Advisory Committee of outside experts?

Beth Osborne: I guess I'm starting, everyone looked at me. We do not have a formal Advisory Group, however, we meet every single Wednesday and we have been inviting people who have a lot of experience in this field in to meet with us and present some of the lessons learned and their expertise to us. We also continue to look for ways to interface with various stakeholders. We recently had a meeting with Representatives from 30 different states to talk about the challenges they're facing and doing these sorts of projects in their states and what they're looking forward to in terms of the reauthorizations of our various programs. We will be looking to continuously reach out to those groups through formally set up meetings and meetings where we bring them in to just talk with us in one of our weekly meetings but in terms of setting up a formal Advisory Committee, we have opted not to do that. When you do that with a Federal Government Agency, it adds a lot of complications and can often slow down your work and so we think it's best to continue in more of an informal fashion that allows us to remain relatively flexible.

John Frece: I would add one thing to that, is we hope to set up a joint partnership website in the next few weeks I hope and we will have an ability, people will have an ability then to just e-mail directly into that website and give us your ideas and we will then sort through those ideas and respond.

Valonda Calloway: Thank you so much. We have another e-mail from the Community Transportation Association of America. What does sustainability mean for rural communities, particularly in regard to isolation and poverty?

Beth Osborne: Well, I'll start out with that. As we, it's somewhat, what was discussing right before the break with regard to making sure they have access to their daily needs and that's making sure that people have access to medical facilities, to educational opportunities, to job opportunities, to job retraining opportunities, this is, in many ways, more important for rural areas than for urban areas. When urban areas grow unfettered they eat up those rural areas. I remember in the first hearing that our bosses all attended before the Banking Committee, we found that Senator Tester of Montana made the statement that it's always the best farmland that's eaten up by urban sprawl, it's never the marginal stuff, it's always the best stuff. So, rural area survival is based upon making sure that we look at how urban areas are growing but then also rural area survival is based on whether or not they're attractive to young people and whether or not they allow people to age in place, and again, if people cannot get to their doctor after they can't drive maybe, as often or at night, they are going to be forced not just to leave their homes but to leave their communities so this is extremely important to rural areas. Urban areas will continue to function, maybe not as efficiently as they should of and maybe not as well as they could for their citizens, but rural areas will literally see the abandonment of their communities and so we have to make this something that focuses on all communities of all sizes and all types.
Shelley Poticha: You know one of the pieces of feedback we've heard as we've gone around the country and talked to communities about this partnership is the challenge of building high quality affordable housing in rural communities and I've been working with my counterparts within the other programs at HUD to try and identify ways that we can not only build the capacity of affordable housing developers and Housing Authorities to build great housing in rural community town centers but also to streamline the application process for funding and build the capacity or assist in the efforts of rural communities to actually be able to meet the requirements that HUD has put forward for obtaining money. It's something that came forward during the efforts to distribute funds from the Recovery Act and Secretary Donovan has directed the departments at HUD to find specific ways of expediting and facilitating the distribution of affordable housing funds to the rural communities.

Valonda Calloway: Alright, thank you so much. Our next question, will the Department of Health and Human Services and other agencies that promote healthy lifestyles be included in this partnership?

Shelley Poticha: Well the Health Impact Assessment and the whole notion that we need to recognize that the pattern of development in our communities has a tremendous bearing on the health of our citizens is really central to this effort. Deputy Secretary Ron Sims comes from King County, Washington, which has done some of the most advanced work to try and link up and measure health outcomes and community development patterns. We know that Health and Human Services and the Centers for Disease Control have done a tremendous amount of work in this area. HUD has already reached out to learn more about that and try and determine how we can best partner with HHS to be able to incorporate these ideas into the work that we're doing. It's something that as Beth said before the break, we need to work very carefully as we move forward to ensure that we are forming partnerships that are lasting, that have an impact and frankly have resources behind them and that's something that we're going to continue to expand and work on as we mature this partnership but, yes, the ideas that have been put forward through Healthy Community Design efforts are really key to this initiative and very important.

Valonda Calloway: Alright, we have a question from the EPA CDC out of Georgia. Are you familiar with the Centers for Disease Control's work in Healthy Community Design and Health Impact Assessment and have you considered inviting CDC to be part of this exciting partnership?

John Frece: It sounds like, very much like the same question that Shelley just answered. We are familiar with that and the work that Shelley described is a lot of the work that the Smart Growth Program at EPA has been engaged in for a number of years. The connection between Public Health and Environmental Health and Smart Sustainable Communities is very obvious to us and to this partnership and I think that we'll be reaching out to CDC and others to help with that.

Valonda Calloway: OK, thanks so much. Is the partnership working on creating incentives through either the Transportation Reauthorization Bill or in the Livable Communities Act of 2009 to cause MPOs and Regional Councils to work together in a long-term planning and implementation?

Beth Osborne: Absolutely. We have already, within DOT, as I mentioned earlier, we were given discretion over the dollars that we distributed in the Recovery Act. We were given $1.5 billion dollars in multimodal discretionary funding and we have made this a major priority in terms of how that money will be distributed. We are looking for projects that will increase the accessibility of people to jobs and educational opportunities, medical needs and just basic needs like a grocery and the post office. We are looking for communities that have made the very connections you're talking about. We understand that it's not difficult or that it's not easy to work amongst various programs, not just the Federal level but in any level and therefore we would like to see any discretionary dollars that come through DOT to be focused on communities that have gone ahead and made those connections, to reward those who have done things that will create major benefits to their citizens and frankly to the Federal Government in terms of needing
less of our support. As I mentioned, those communities that coordinate these programs don't have to spend as much on infrastructure which means they don't have to come to the Federal Government as much for infrastructure investment so there is a real bottom line need to reward those communities that are making these connections. We are also going to be working very closely with HUD on their Sustainable Communities grants. This is going to be funding to support regional blueprint planning, rezoning efforts and all kinds of efforts to collaborate between housing, water resource, transportation, and land use economic development policies and so we want to provide the tools to communities to do this and we want to reward those that do.

Valonda Calloway: Alright, next e-mail from Michigan DOT. Will agencies that provide funding for the construction of public service facilities, social service offices, libraries, etcetera make access to existing public transit a factor in their facility location decisions?

Beth Osborne: This is another great question and it has been an issue we've been discussing with the White House recently. The President put out an Executive Order with regard to greening government and it has a lot of things that you'd expect to hear in greening government in terms of how efficient are our buildings and, you know, what is our oil usage and what is the makeup of our vehicle fleets and those sorts of issues but it also includes a provision that this partnership sought to include, which is to look at the location of Federally funded facilities and we three agencies are going to work with the General Services Administration and security agencies to develop recommendations and policies for the citing of Federal facilities to address exactly what the questioner raised. We recognize that there has been a pattern of Federal Government buildings being moved from an urban core or a rural small town center to the fringes of town and that not only generates new infrastructure costs and new pollution frankly because people having to drive more, but it creates accessibility problems and when you're talking about programs for the working poor or job retraining, it's particularly important that these facilities are being located with the knowledge that the people they are serving may not have a vehicle available to them to get there whenever they need to be there.

Valonda Calloway: OK, we have an e-mail. Where can we find the six principles guiding this partnership?

John Frece: It's smartgrowth.org.

Valonda Calloway: Alright, simple enough. OK we have a question for Shelley. Given that land use generally does not generate affordable housing, what assistance incentives will the Federal Government use to increase the amount of affordable housing and could something like the location efficient mortgage be considered again?

Shelley Poticha: Well, this question is right on the money and it's at the heart of the discussions that we've been having in this partnership and also throughout HUD's program offices. One of the things that we found is that this imbalance between the demand in the marketplace for walkable transit-connected neighborhoods and the very low supply of these places is that it drives up the price when we let the market take over and one of the biggest challenges is insuring that people of all incomes are able to take advantage of the benefits of these types of neighborhoods including the lower transportation costs that people have, particularly low income households have, when they're able to walk or bike or take transit to work or to daily shopping. We are looking throughout HUD at the ways in which we can include location criteria to guide the allocation of funds for all kinds of investments that HUD makes. So we have been directed by Secretary Donovan to develop a feasibility study of what it would take to redefine the measure of affordability to include both the cost of housing and the cost of transportation and to use that through all of our grant programs and formula fund programs. In addition we are likely to create a set of incentives, perhaps initially through points that we might give to competitive grant applications for communities that actively proactively identify strategies that address both preserving existing available affordable housing in
communities that have the characteristics of walkability and transit connectiveness and programs that help ensure that we build more of this kind of housing so that's an initial first step and we think over the years we're going to begin to see more and more of our discretionary funding be focused toward places where people are able to have a more affordable lifestyle.

**Beth Osborne:** I'd like to jump in here because what, it occurs to me that while the connection between transportation and housing is obvious to some, it's not always obvious to all and we've had many people come to us and say, while you're developing an affordability index, why aren't you looking at the cost of utility, the cost of education and many other fixed costs in the household which are, clearly impact what people can afford in terms of their homes and there's a very good reason, there are two reasons. One, is housing and transportation are generally the top two expenses in people's home but the other thing is the drive till you qualify concept which has become the main stay of real estate agents in this country, you know, they point out that the further you get away from urban centers or town centers and the further you get away from transit, the lower housing costs go but the further you get away from these things, while housing costs go down, transportation costs go up and the further you come into the city, housing costs come up but transportation costs go down so due to the inverse relationship here we cannot talk about the affordability of one without the other and I just think it's really important when you're talking about affordable housing and when you're talking about meeting market demand because when you put the two together it makes perfect sense why these communities that keep transportation costs low and allow people to invest more in their houses, which over the long term is a much more sound economic investment, are attractive to people.

**Valonda Calloway:** Alright, thank you very much. We have an e-mail from Greenville County, South Carolina. Shelley mentioned that barriers to HUD initiatives in Brownfield areas are being removed, could she elaborate on this.

**Shelley Poticha:** Sure. When we formed this partnership I don't think that the folks from the housing community knew that there was a problem with building on brownfields and it was only through this interagency collaboration that this issue or barrier was identified. HUD had a series of protocols and rules on the books that created such a lengthy and onerous process for the qualification of using HUD assisted funding on any development project on cleaned brown fields that essentially it de facto made it practically impossible for these projects to be built and through this collaboration we were able to work together across agencies to identify specifically what the problem was with HUD's protocols to revise those protocols and to work out an agreement between EPA and HUD that allowed the use of this money to be able to be moved forward. This is, as I said earlier, very, very important because one of the central tenants of this partnership is that we need to value the communities that we've already built and land recycling on sites that might have been old rail yards or waterfront properties that have been contaminated or other industrial sites that are perhaps obsolete are often some of the largest land holdings in communities, whether they're urban communities, suburban communities, even rural communities and the extent to which that we can remove the barriers to ensure that once these sites are fully cleaned up they should return to productive use. This is very important to us. So, we want to be part of the solution and that's really key to this whole effort.

**John Frece:** I want to add that very often there are disadvantaged communities that live in the neighborhood of these Brownfield sites that haven't been cleaned up and redeveloped and by being able to target them for remediation and then redevelopment, we can help the communities that live nearby at the same time and as I said a little earlier in this webcast, it is also important because most of these Brownfield sites are located within our existing communities and every time we can find parcels that we can redevelop in those communities, that's one more Greenfield possibly that we don't have to develop.
Valonda Calloway: OK, we have an e-mail from the Transit Center, Inc. from New York. Given that resources are scarce we should be leveraging both public and private funds. How is this initiative involving the business community since employer transportation practices and policies can either promote or discourage transit, vanpools, etcetera for commuting?

Beth Osborne: I'll jump in there. Again, there's not a lot of our funding that we have at DOT discretion over but where we have I think we have sent a very clear signal and I think it's important to look at the signals we sent in our TIGER Grant criteria because, most importantly, we see this as the future for funding. We expect that there will be more discretionary grants given to DOT and in that criteria we made clear that we're looking for funding that's not just leverage between our programs within the Federal Government but with local and state programs and with Federal dollars. We are looking, in terms of coordinating where housing and employment opportunities go, you have to work with employers and when you're looking to retrofit suburban communities and particularly at some rural communities, carpooling and vanpooling are going to be essential parts to providing alternatives to single use vehicles or single occupancy vehicles. In those suburban communities, well in any community, you're not going to put in a full-fledged new rail transit system in the matter of a year or two so these vanpools and carpools are going to be essential modes of mobility for the people who live in those communities.

Shelley Poticha: I'd like to just add to that. The private sector is very, very interested in these issues. The development community has very clearly said that the only place that they're willing to invest are places that are livable, walkable, transit-connected and sustainable and they've learned their lesson in the fallout of the economy that they need to be building in more resilient places. We've also learned that at the scale of the region we have to form multi-sector partnerships to be able to be effective. I think that one of the most salient examples is in the Denver region where the Regional Chamber of Commerce became the core advocates for promoting the Fast Tracks Transit Network and really helped bring in the business community to be part of the solution and so as we develop our Sustainable Communities Initiative, as we put together the Grant Program for this effort, we're going to be hoping to reward places that have built bridges with the private sector and are looking at creative ways of leveraging these relationships and these partnerships to be able to be more effective.

Valonda Calloway: OK, we have another question. What kind of assistance and tools are DOT, HUD and EPA planning to provide and develop to assess the economic benefits and costs of Sustainable Community projects and policies?

John Frece: What kind of tools?

Valonda Calloway: Mmm, hmm.

Beth Osborne: Well I can start.

John Frece: Go ahead.

Beth Osborne: We are starting to work on a website that will include a tool kit to help communities that are interested in taking on these types of projects. We actually invite everybody's feedback in terms of what tools would be most helpful to you. We'd like to get what we have out to the public as quickly as possible while we're developing new ones. One of the things Shelley mentioned was – and excuse me, I have a cough drop because I'm the one that's coughing in the background all the time. We are going to look at setting performance measures that we can attach to our programs to determine which investments provide the best output. We are also going to be working with the University Transportation Centers. Some are doing a lot of work on transportation demand modeling. Our current models really are built specifically to know where to build highways and how wide to make them and that's not a knock on the models, that's
exactly what we needed them for in the 1950s when we built our Interstate Transit System, Transportation System, but we're, we've moved beyond the need for just interstate roadways. Interstates are incredibly important and ours are the marvel of the world but we're not starting from scratch there and we have a more complex problem we have to address which is looking at moving people to the destinations that they have to reach on a regular basis and that involves more than just Interstate Systems, it involves state highways and local street networks and sidewalks and bike lanes and transit, whether it's rail transit or buses or vanpools and carpools, so we really need to have a model that is capable of giving us a sense of what the impact of these various investments will be on the movement of people and our transportation demand models cannot do that right now. Several of the UTCs are looking into this right now but we could coordinate efforts and provide a lot more training and capacity building to the folks who would then have to utilize those models once they are available. There's also a lot of data that has to be gathered in order to put into the models and that will then tell us the very outputs we're looking for.

Valonda Calloway: Alright, we have an e-mail from NOACA out of Ohio. When will the two HUD Planning Grant Programs be available and at what funding levels overall and what are the maximums or minimums per grantee?

Beth Osborne: If only we knew. 

Shelley Poticha: Yeah, really. HUD's 2010 budget requests ask for $140 million dollars worth of funding for two programs that we expect to deliver through competitive grant programs. The first is a $100 million dollar request for a Sustainable Community Planning Grant Program. We have not decided yet what the eligibility requirements are for that. We have not set minimum funding or maximum funding levels for that for individual recipients and we expect that once the appropriation to HUD has actually been approved, which we hope will be by the end of this calendar year but may be early next year, we'll be able to work collaboratively with our partners here to be able to define that category or that program in more detail. The second program that we've requested funding from for, is Sustainable Communities Challenge Grant Program, it's a $40 million dollar and it's focused on assisting communities in developing the implementation tools for sustainable communities. Initially this program is going to focus on helping communities deliver the codes, the zoning codes and the building codes that allow this kind of development.

Beth Osborne: And I'll just quickly add that the latest news from Congress is that this Bill could be out by the end of this month, which as soon as that funding is approved, we're going to get to work immediately on defining these parameters and getting the money on the street as soon as possible but we've heard that it might be done quickly before so certainly no guarantees, it's just the latest word is by the end of this month.

Valonda Calloway: OK, we have an e-mail from ISC out of Washington, DC. Can the speakers say more about how the partnership is being operationalized and what kinds of funding opportunities exist for local governments? Are there training opportunities available?

John Frece: I guess by operationalized, one way to describe that is, as Beth and Shelley have both mentioned, we meet every week. We meet sometimes in large groups from the three agencies, sometimes in work groups working on specific tasks, sometimes a smaller leadership formed. We are beginning the process of reaching out to a variety of different stakeholder groups, state government officials, local government officials, private stakeholder groups, private sector stakeholder groups, trying to get feedback and get information about how they think we should proceed. We are trying to work through our respective budget initiatives and develop proposals for each of our agencies that we can, for the first time, actually work on jointly. Let me just talk, I'll let Beth and Shelly talk about DOT and HUD but I can just tell you a couple things we're doing at EPA for example. The administrators expressed a strong interest in us doing
more work in terms of providing technical assistance to states on how to use state revolving fund money for clean water infrastructure and so we're in the process now of looking for three or four states that wish to explore this flexibility that have these kind of goals. We're also working with our Brownfield's Program to set up some pilot sustainable sites. We're looking for five different transit-oriented sites that will be selected to receive some specific technical assistance and we're trying to find sites in locations where HUD and DOT are also making investments at the same time. The administrators also talked about an Urban Waters Initiative. The details of this are still being formed but again we want to involve HUD and DOT in this implementation and our waterways run, of course, through the middle of many of our communities and in many instances the waterways are degraded and the areas near these waterways are degraded and a lot of times these are areas where disadvantaged communities are located and so our, I think the administrator's idea is to promote more equitable water development adjacent to these urban waters and reinvest in the existing infrastructure and improve the water quality and revitalize these waterfront neighborhoods without pushing out the people who currently live there and the last one I'll talk about is our Smart Growth Program that EPA has for a number of years had technical assistance programs which we've done around the, the small communities around the country and we've always done this unilaterally and just within the EPA. This year for the first time DOT and HUD have joined us at the table right from the first meeting on and we're doing these programs together. I don't know if you all want to add anything.

Beth Osborne: Absolutely, I think right off the bat you're just going to notice that every proposal that comes out of any of our agencies is going to be developed with each other and it's not, you know, I'm relatively new to the Administration and I'm learning how there are mechanisms in place to make sure each of the agencies can oversee what the others are doing in terms of, things are cleared through all the agencies, everybody has a chance to comment but that is not the level we're talking about here. We're talking about really sitting down together and getting each other's input and feedback to make sure that the other agencies have the chance to let us know about potential barriers or problems even by the best intentions in terms of programs we're developing, but we're not waiting for new programs to be developed. Like John said we are collaborating on their Smart Growth technical assistance, Shelley's already described how we're all going to work together in the creation of the criteria and the selection of cities for the, or communities rather for the Sustainable Communities Planning Grant and DOT is seeking assistance from HUD and EPA and they have volunteered it to help us review TIGER Grants when there are particular questions that come up, you know, one thing is we've asked for this huge collaboration or proof by all of the folks who have asked for funding through TIGER to show us how there'll be major environmental benefits and how they're coordinating their transportation and their housing policy but we don't necessary within DOT have the expertise to determine which application has done that the best so we're going to go to our experts at HUD and EPA to get that information and to learn about which projects they may already be involved in so that we are doing the best we can to capitalize on current Federal investment.

Shelley Poticha: Just one other piece to this which is something that all three of our agencies are trying to figure out how we can do effectively, which is driving down responsibility for decision-making on these issues into the regional and field offices and we're looking at ways of sort of creating a mirror between what's happening here in Washington, DC in each of our regional offices so that there is a group that can respond effectively to requests by local jurisdictions and can actually be a partner and a liaison to the Federal Government headquarters offices in order to be able to deliver this. In order to create this telescoping set of structures, we're going to need to build the capacity and do training to help our field and regional office staff really be able to be effectively involved in this and that's something that we'll be developing over the next few months is a strategy for how we build the capacity of those that are going to be actively involved on a daily basis.

Valonda Calloway: OK, we have an e-mail asking will your agencies be offering a new Pass Through Grant Program for states to support Smart Growth planning and/or implementation via a competitive process?
Beth Osborne: I think the short answer to that is that you need to look at what we've developed through HUD Sustainable Communities Planning Grants because that will be the first program like that available and it's looking good in terms of the size of program. Right now in the House and in Senate bills it is up at the $100 million dollar mark which is a substantial amount of funding. Now, of course, that's not going to meet national need, that we need much more than just that, but that is a substantial beginning and so I would pay very close attention to that. I would also say as we move forward on the reauthorization of the Surface Transportation Program I think you can expect to see us look at developing similar types of programs and frankly infusing these sorts of concepts and the funding and capacity building to support it in our core program, but that, the development of our reauthorization proposal is under way. I can say definitively that we're going to do something on this, I think we've made it very clear in terms of our proposal for a longer term extension of our program which included the proposal that we create a Livable Communities Program right off the bat. I think we've made it pretty clear that we're going to want to see that in the long term bill as well.

John Frece: I wanted, if I may, come back to the previous question because I had an additional thought. There was a question about how we're operationalizing this in our regions. I think that I said at the outset that one of the goals of this partnership is to try to make Sustainable Communities sort of the default style of development in the country and there's no way you can do without having the help of our regional folks as well as state and local government folks, I mean, we can't do this from Washington and so I know at EPA we have reached out already to all 10 of our regions around the country, had a big meeting two weeks ago in Kansas City with them to discuss the ways, new ways of working together on these issues. There was a lot of excitement among our EPA regions, many of them have already reached out to their counterparts at DOT and FDA and HUD and are trying to form what you might call mini partnerships within the regions so I think that we're going to see this spread all over the country.

Valonda Calloway: OK, our next e-mail, how will the partnership work on tribal lands? What funding will be available to tribal governments through this interagency partnership?

Beth Osborne: Tribal areas will be eligible for the same programs that I mentioned before. We understand that communities of all different kinds, whether you're talking about tribal communities, smaller cities, smaller regions, rural communities, have different types of capacity needs and so we will be sensitive to the fact that various communities might need a little more help up front in terms of being able to run the models that we're talking about and find the best way to collaborate between these programs.

John Frece: The only thing I would add to that is that I know that some of the EPA regions that are working on these issues have already carved out some pilot projects to deal specifically with tribal areas.

Valonda Calloway: OK, question from USDA Forrest Service out of Washington, DC. How does the Sustainable Communities focus connect with Federal public lands, National Park Service, National Forest, Wildlife Refuge, etcetera?

Shelley Poticha: Well I think that again this is part of an evolving strategy to look at the way that we build in America and we clearly have several lands that are tremendous important assets to the health of our country and I mean that specifically in terms of our ability to meet our climate commitments. These lands are enormously important to be able to absorb Co2 and be able to become counters to the emissions that urbanized areas create. When we move into the phase of this effort where we are able to issue planning grants to regional consortia to look at the long term growth issues of a particular community, we're going to be seeking those kinds of partnerships and so we've left that very broadly defined so that for a region that may have substantial Federal properties, a Federal agency or a regional office within a Federal agency may actually be a significant partner in the development of these growth scenarios. One of the ideas that we've been kicking around is the notion that these grant funds could be used for, what we call scenario planning,
that might look at different ways of accommodating the growth in a particular region and then measuring
the kinds of impacts or benefits from these different scenarios across a set of performance measures so
clearly in addition to economic goals, mobility goals, we'll have a series of environmental goals, that look at
both how we are protecting our resources but also how are we addressing long term climate goals so the
Federal lands are a very important piece of this and we're thinking at this point that it primarily comes in
when we form these regional partnerships but if there are other issues that we ought to be considering as
we develop this program, we'd be very interested in hearing about it.

Valonda Calloway: We have an e-mail from Massachusetts. Shelley, can you say more about the program
for regions to integrate land use in transportation?

Shelley Poticha: Well as I said just a moment ago, this program is very much in the developmental stage.
We have not been authorized to issue grants under this program yet and we're hoping that we're able to
issue a Notice of Funds Available sometime early next year. There are going to be plenty of opportunities
for stakeholders in communities across the country to have input on what the scope of these grant
programs ought to be and how it might actually address some of the local issues that you might be facing,
but right now it's a little bit too early to say what that program will exactly do because we need to be
authorized to be able to do that.

Beth Osborne: As much as we would like to be able just to make a program up, we are partners with
Congress and they do have expertise over there as well so we will work with Congress to develop these
programs both in terms of collaborative programs, but like I said, through the reauthorization of our
various programs make sure the concepts are imbued into those programs as well.

Valonda Calloway: OK, our next e-mail. Beth, where is the Target store you mentioned located and how
many square feet is it?

Beth Osborne: You know I have been teased often for making a lot of my talks about livable communities
personal. This is one of those examples. It is in Columbia Heights in Washington, DC, four blocks from my
house. It is a place where, the Target that I used to go to before this one was built, is several miles outside
of town and I went there about once a year. This one I go to several times a week, I'm sorry to say, and has
definitely not helped in building up savings, having it so close by but it's been good for Target. It is the
standard square footage. It's actually a two-story version so it takes up a smaller footprint in the city. It's as
big as any suburban facility. It doesn't look like a suburban facility. It actually fits in beautifully with the
neighborhood and it's the same size height-wise as the townhouses that surround it.

Valonda Calloway: Alright, a question from USEPA out of Massachusetts. How will this initiative connect
with EPA programs that are critical for achieving environmental improvements in urban areas?

John Frece: Well I've talked a little about this already. At EPA we have worked closely with the Assistant
Administrators of Water, the Office of Air, the Office of Solid Waste, and Brownfields so that we are trying to
integrate this Sustainable Communities partnership with the work that they already do, the good work they
already do under the Clean Water Act, Clean Air Act and brownfields and as I said, we also are already
working with our regions to try to integrate it that way.

Valonda Calloway: Alright, question out of Washington, DC. As a state DOT employee, how can I
incorporate these ideas, goals, partnerships into my projects with limited funding? Will any of these ideas
will be required under NEPA?

Beth Osborne: Well, OK, let's start with the first one on how you can. I hope that we will be able to provide
funding as we've talked about the Sustainable Communities Grants to support your efforts to do this. I
don't think that, I'll let John talk to this more if he'd like to, but we're not looking to go about this in a regulatory manner. We're looking to utilize our funding to reward those communities that do this and as we are developing discretionary grant programs, you will see that those communities that are willing to put out the effort to coordinate with their state counterparts, with their Federal counterparts, with other programmatic offices within their governmental level, with non-profit organizations, with local community based advocates, with businesses in the area, that they are going to do better under our discretionary grant programs than those who fail to. Those who fail to have a lot of the problems that I raised at the beginning of this session in terms of increased cost in terms of infrastructure investment, in terms of decreased access to the things that people need, in terms of increased cost to household budgets and many other environmental problems so we are going to take our Federal dollars and put it towards the investments that we know will pay off in many, many ways as opposed to areas that, while they might have developed one discreet project that is impressive, because it is not coordinated with everything else, creates a lot of difficulties in terms of that investment as well. We will do nothing that will not look for ways to increase your own capacity at the local level in order to engage in this process. We're asking you to do something more complex and therefore we're going to have to supply people with the training and the resources and the capacity and development and the tools to do that.

Valonda Calloway: E-mail question. Where do we find contact information for the panelists?

Beth Osborne: I'll just jump in there too. We were talking about this right before we came on, that we need to have a better way for people to contact us and what we decided we're going to do is create a partnership e-mail so that people can reach us collectively rather than having to go place to place to place and we will commit to send that information out to everyone who participated in this webcast.

Valonda Calloway: OK, how is DOT coordinating on transportation and livability priorities between FTA and FHWA?

Beth Osborne: Well both FHWA and FTA are very much involved with this initiative as is the Research and Administrative Technology Administration and FRA. We are developing new programs in conjunction and we are looking for ways to break down barriers even between our agencies. We fully recognize that there are barriers within DOT and not just between DOT, EPA and HUD and through the TIGER Discretionary Grants, we have had to reorganize the way we operate as a department because the funding doesn't follow a mode. So this has been an excellent exercise in figuring out how to design the department based on outcomes and not based on modal investment and we're learning as we go.

Valonda Calloway: We have an e-mail from Minnesota. How would you recommend changing the evaluation and funding of Federal New Starts Transit Projects to better reward communities that make appropriate changes to local zoning and not just land use plans?

Beth Osborne: We're going to need another two hours to discuss this issue. Suffice it to say that this is under substantial discussion within FTA and the department at large. We absolutely recognize that the New Starts System that we currently have is not acceptable and we are trying to look for ways to address the very issues that you brought up.

Valonda Calloway: OK, question. Will either the Transportation Reauthorization or Livable Communities Bill allow regional groups to fund workforce housing units in mixed used projects adjacent to multimodal transportation options as a strategy to reduce household's carbon footprint?

Shelley Poticha: Well, workforce housing is one of the most challenging types of housing to fund and build in our communities. I was just at a conference last week with the Urban Land Institute that focused on the extraordinary need for more housing for working families. We will, at HUD, be looking at ways that we can
align the funding from different programs that implement the regional planning grants to ensure that there is a path toward funds that help communities that want to invest in workforce housing and all the ideas that are brought forward in the Sustainable Communities Initiative.

Valonda Calloway: Regrettably we are out of time for today's program. Before we close here are some web links that will provide you with additional information about the interagency partnership on Sustainable Communities and related topics, www.epa.gov/smartgrowth is the homepage for the Environmental Protection Agency's Smart Growth Program. This site has centralized information about Smart Growth and several links to learn about grants and funding, publications and other resources on the topic; www.hud.gov and www.dot.gov are the general homepages for Housing and Urban Development and Department of Transportation respectively. From these homepages you can search for keywords sustainability, livability and smart growth to find numerous links to information and resources on these topics. As we close let me first thank our distinguished panelists in Washington, DC for taking time out of their busy schedules to present and discuss this important topic, and thanks so much to our many webcast participants across the U.S. and internationally for joining us today. If we were unable to answer your question on air today, we invite you to visit CTE's “After the Broadcast” web discussion forum for today's program. Unanswered questions received during the live webcast will be posted on the forum and forwarded to our panelists for reply. You may also post additional questions for the panelists about issues raised during this program. Visit the CTE website at cte.ncsu.edu to find the discussion forum link. The forum opens later today and will remain active for two weeks. We'd also like to get your feedback on today's webcast. An online evaluation form is available on CTE's website. Please take a moment to complete the form and let us know your comments and suggestions for future webcasts. In the coming days you can view a video recording and download a written transcript of this webcast from the CTE Video Archive. DVDs of this and past broadcasts also can be ordered from the website. The program agenda and panelists slide presentations will remain available online for download as well. We invite you to visit the CTE website regularly for more information on national broadcasts in development throughout the year. CTE is pleased to recognize the services of several organizations which helped make today's broadcast production possible. Closed captioning for the webcast and studio facilities were provided by The North Carolina Agency for Public Telecommunications in Raleigh. Washington, DC studio facilities were provided by Reuters Television. Additional broadcast services were provided by Microspace Communications and EastBay Media. Finally, our thanks to the U.S. Department of Transportation's Research and Innovative Technology Administration, who's financial support at CTE through the University Transportation Center's Program makes possible our national broadcast series. That is our program for today, I'm Valonda Calloway and it's been a pleasure sharing this discussion with you. Until next time, thank you and good day from Raleigh, North Carolina.