

Blueprint for the Next Generation of Place-Based Policy

Policy Example—Transportation

Advancing racial equity and boosting upward mobility across the United States will require a robust national commitment to reversing the legacy of segregation and disinvestment that disproportionately harms low-income communities of color. As policymakers design new place-based policies and programs and strengthen those already in place, they must contend with key design decisions that will determine how effective the policy is in catalyzing lasting improvements in places for the benefit of current and future residents.

This policy example outlining a new approach to **federal transportation policy** is a companion to the report *A Blueprint for the Next Generation of Federal Place-Based Policy*.^{*} The blueprint offers a two-step process for policy analysis and program design that starts with high-level, analytical questions that help provide the aspirational framework for then addressing a series of specific design decisions. It aims to help federal agency officials, congressional staff, and policy advocates design place-based policies and programs that respond to the priorities of local practitioners to actively address racial inequity and injustice, bridge sectors and policy domains, respect and build community voice and power, deliver sufficient resources and lasting system reforms, and promote continuous learning.

* With support from Blue Meridian Partners, the Urban Institute and PolicyLink developed a policy blueprint for the next generation of federal place-based policy. The blueprint offers actionable guidelines and examples federal policymakers can apply to both design new place-based policies and improve implementation practices at different scales and in different policy domains. It draws upon community voices, research evidence, and practitioner insights to lay out principles and a structure for incorporating lessons from the past into future place-based policies that confront long-standing racial inequities and injustices. This effort was informed by a policy working group that advised on lessons learned from past place-based programs, and it aims to clear a path forward for communities and policymakers interested in strengthening federal investments in place-based work and improving upward mobility for people regardless of where they live [Margery Austin Turner, James Ladi Williams, Justin Milner, Jessica Pizarek, and Ashleigh Gardere, *A Blueprint For the Next Generation of Federal Place-Based Policy* (Washington, DC: Urban Institute; Oakland, CA: PolicyLink)].

Figure 1. Key Design Questions

Design decision	Guidance
Which federal agency or agencies will implement this program?	<ul style="list-style-type: none"> ➤ Clearly define roles for lead and contributing agencies. ➤ Specify governance mechanisms for interagency collaboration.
What types of local entities will be eligible to receive funding?	<ul style="list-style-type: none"> ➤ Establish requirements that engage and strengthen entities with deep community relationships. ➤ Give weight to the full spectrum of qualifications and capacities required to lead place-based efforts across different geographies.
How will participating local entities be selected from among those eligible?	<ul style="list-style-type: none"> ➤ Clearly specify an equitable formula for allocating funding (if applicable). ➤ Define equitable selection criteria that advance the program’s aspirations. ➤ Establish mechanisms to monitor equity outcomes of the selection process.
What scale of federal funding will be provided?	<ul style="list-style-type: none"> ➤ Match funding to program goals for population-level impact. ➤ Consider giving participating organizations preference for other federal funding sources.
What additional supports will the program provide?	<ul style="list-style-type: none"> ➤ Provide flexibility with accountability. ➤ Build in needed technical assistance supports. ➤ Include support for data collection and learning.
What will participating organizations be obligated to do?	<ul style="list-style-type: none"> ➤ Specify both authorized and required activities. ➤ Formalize community ownership beyond engagement. ➤ Include pathways to partnership.
How will the program’s effectiveness be measured?	<ul style="list-style-type: none"> ➤ Establish a parsimonious set of data requirements. ➤ Encourage the use of multiple sources and types of data. ➤ Plan any formal evaluation from the outset.

Source: Authors’ analysis of federal place-based programs.

By offering recommendations across key design decisions, this policy example illustrates how equity-focused, place-based federal transportation policy and grant resources could reverse adverse environmental and social outcomes, and expand mobility for the most vulnerable U.S. residents.

Step 1: Frame the Aspiration

As a first step, it is essential to articulate the broader goals of the program and how it will improve the lives of real people.

What population outcomes does the program aim to improve and for whom?

Overview

A transformative federal approach to transportation policy should center equity and achieve tangible benefits for all by constructing sustainable infrastructure for communities most affected by disinvestment—particularly low-income communities and communities of color.¹

Design Recommendations

The next generation of federal transportation policy should advance three core objectives:

- ▶ First, it should **ensure affordable, reliable, and effective access to daily needs for all residents**, particularly those living in communities that have experienced historical disinvestment. Agencies should improve existing planning practices to ensure fair representation and input from low-income communities and communities of color.
- ▶ Second, it should **promote a long-term effort to link transportation investments to sensible land-use decisions and walkable, transit-accessible communities**. An equitable transportation policy will ensure connection to employment opportunities as well as commercial and basic services, such as schools and health care centers, and reduce transportation-related displacement pressures in low-income communities and communities of color.
- ▶ Third, future policy should **aim to address climate change**, eliminating the transportation sector's contribution to greenhouse gas emissions while ensuring that new investments are designed and built in a manner that is resilient to a changing climate for the planned life of the investments, and reducing the negative health impacts of particulate-based emissions that disproportionately affect low-income communities and communities of color.

Step 2: Define Policy and Program Details

Design decisions will ultimately drive whether policies and programs truly advance upward mobility for the populations of interest. The questions and recommendations below offer a starting point for how decisionmakers should think about refining federal transportation policy.

Which federal agency or agencies will implement this program?

Overview

The Department of Transportation (DOT) implements federal surface transportation programs, primarily by distributing aid to agencies that build and maintain infrastructure. Some programs are formula based (meaning funds are allocated automatically to states, regional governments, local governments, and transportation agencies according to rules set in congressional legislation), and others are competitive-grant based (meaning DOT allocates funds with some discretion, following congressional guidelines). Following Congress's recent passing of the infrastructure bill, the secretary of transportation now has considerable discretion to assign more than \$100 billion in project and planning funds to eligible transportation entities over five years. Transportation agencies may use these funds for projects focused on modernizing transit systems, expanding routes, enhancing transportation safety, and reconnecting communities divided by prior infrastructure projects, among others.²

Design Recommendations

- ▶ **Create partnerships with nongovernment stakeholders.** Using the leverage competitive grant funds make possible, the federal government should encourage recipients of federal transportation funds to construct permanent partnerships among public, nonprofit, and private entities working not only in transportation but also in housing, economic development, natural resources, and neighborhood advocacy.
- ▶ **Create partnerships across federal agencies.** DOT should develop long-term partnerships with other agencies, such as the Department of Housing and Urban Development (HUD), to develop coordinated grant programs or otherwise coordinate funding in the same states and localities.

What types of local entities will be eligible to receive funding?

Overview

Under current policy, a wide range of entities are eligible to receive funding for transportation projects. These include state and local governments, transportation agencies, metropolitan planning organizations (MPOs), nonprofit organizations, and Tribal governments. Formula funding is typically allocated on the basis of population and conditions of the transportation system; discretionary funding is distributed on the basis of the quality of grant proposals.

Design Recommendation

- ▶ **Support capacity to plan and engage stakeholders.** DOT should enhance local, regional, and state capacity to *plan* in ways that coordinate transportation and land use as well as to *engage* underserved communities in joint development of proposals that address a historic lack of investment. This may involve increasing grant support for planning and development or, perhaps more importantly, redirecting federal support from state agencies to local governments, transit agencies, and MPOs through competitive planning grants for new approaches to transportation infrastructure.

How will participating local entities be selected from among those eligible?

Overview

Historically, the large majority of federal transportation funding has been distributed through a formula to state departments of transportation. States have used federal transportation dollars largely to build, expand, and maintain the highway network, with little funding left for public transportation or intercity rail programs. Further, little attention is paid to coordinating transportation and land use, because few states leverage their land-use authority to chart a path toward more sustainable development patterns. The consequence is a mobility system that is costly to use, inefficient (typically with great distances separating daily needs and destinations), and largely inaccessible to those not traveling by car, including families with low incomes, the young and old, and people with disabilities. More than half of all trips in the US are less than three miles, yet nearly three-quarters of them are now taken by car.³ The federal transportation program's focus on roadways has encouraged excessive carbon emissions and particulate pollution. As a result, the transportation sector is now the greatest contributor to greenhouse gas emissions in the US.

Design Recommendations

- ▶ **Engage local stakeholders in planning.** Equity in process and outcomes—expanding the inclusiveness of the planning process and maximizing benefits to those who have been historically excluded—should be a core principle that underpins prioritization of the federal government’s choice of grantees. Equitable planning and selection should incorporate the views of people living in neighborhoods *hurt and helped* by projects, people who *gain accessibility* from projects, and people who *use* projects, all to ensure a broad-scale understanding of project outcomes and desired project benefits. Cocreation of projects with communities should result in the selection of projects that reduce racial and economic inequities.
- ▶ **Focus special attention to specific groups affected by policies.** The federal government should enhance its requirements for federal grant recipients, such that project planners develop a comprehensive understanding of potentially burdened and benefitted groups and communities, provide those groups the resources to engage successfully in planning processes, and ensure that plans ultimately reflect the needs and desires of disproportionately burdened communities.
- ▶ **Reward creativity.** Transportation agencies should select local entities that pledge to implement innovative, sustainable, and equity-focused transportation solutions that better meet the needs of communities nationwide. Partnerships with nontransportation groups such as community development organizations, housing providers, and local businesses should be incentivized to produce effective plans and projects that build wealth, prevent displacement, and improve access.
- ▶ **Prioritize local entities whose projects tackle the climate crisis.** Reducing emissions requires major changes in the ways US residents move around, not only in electrifying the transportation system but also in shifting people out of cars and into more environmentally friendly transit, biking, and walking.

What scale of federal funding will be provided?

Overview

The expansion in federal infrastructure funding will dramatically increase support for transportation programs, particularly those related to intercity rail. Over the five years following bill passage, the legislation will almost double federal expenditures on surface transportation overall. The bill will also significantly expand the amount of funding to be directed through competitive programs by the secretary of transportation. This funding could be instrumental in redirecting federal priorities toward plans and projects that promote equitable access and sustainability.

Existing funds could also be better leveraged for equitable and sustainable transportation. Since 1991, the federal government has allowed local and state transportation agencies to transfer billions of dollars of funds originally designated for roadways into transit and other uses.⁴ Yet few agencies have leveraged this allowance. In other words, though the federal government has allowed increased support for nonroads projects, grantees have frequently chosen to forgo the opportunity.⁵

Design Recommendations

- ▶ **Refocus plans and resources away from highway expansion** (which typically does little to increase access for communities overall, and provides only temporary reductions in delays for existing users) toward maintaining existing infrastructure and investing in new affordable, reliable, and sustainable transport modes that improve access to daily needs. Current program funds, grants, and transportation plans should be reallocated to prioritize equitable access, affordability, and sustainability. Examples include preventing the use of federal funds for highway expansion if existing roads and bridges need maintenance or repair and mandating expanded access through modes such as transit, walking, and biking.
- ▶ **Incentivize flexible funding streams.** DOT should encourage agencies to identify funding that can be “flexed” from highway accounts to transit accounts. MPOs specifically could play a large role in encouraging this flexing by identifying available revenue sources, targeting them for multimodal uses, and reallocating support to them.

What additional supports will the program provide?

Overview

In addition to addressing capacity-building and technical assistance needs for individual projects, there is a need to reduce costs and improve the efficacy of construction for roads, bridges, transit, bikeways, and other forms of infrastructure. Such effort warrants providing technical assistance at both national and multistate, regional scales. Technical assistance can help fill the capacity gaps local governments face and address two problems plaguing US infrastructure investment. First, construction projects here are significantly more expensive than in other countries. Compared with cities in wealthy European and Asian countries, US cities are able to build only about half as much public transportation infrastructure for the same cost.⁶ Second, because the US nonautomobile transportation system is so much less advanced than that in other countries, standards for facilities, from catenary design to railroad viaduct installation to trains themselves, are often implemented haphazardly and ineffectively.

Design Recommendations

- ▶ **Improve the quality and quantity of technical assistance provided.** Significant additional technical assistance and capacity building are needed to fill capacity gaps at the local, MPO, and state levels. Better technical assistance, such as through detailed data and analytics, can ensure all communities are able to apply for funds to support effective, well-designed projects. Better capacity building can ensure communities complete effective, equitable, sustainable projects.
- ▶ **Share best practices.** The federal government, working with partners in and out of the public sector, should identify best practices in agencies across the country and encourage joint purchasing for materials and equipment to guarantee lower costs and better outcomes.

What will participating organizations be obligated to do?

Overview

The federal government can build equity on the way to restorative justice by significantly ramping up requirements. Federal grant recipients should demonstrate how their short- and long-term plans—plus the individual infrastructure projects encompassed within them—can improve quality of life for people and communities who have historically experienced disinvestment while fostering affordable access to convenient, reliable mobility.

Design Recommendations

- ▶ **Require clear approaches to reduce vehicle miles traveled.** DOT should require that local governments, MPOs, and state governments develop a clear strategy to reduce vehicle miles traveled as a core element of their local, regional, and state transportation plans. This should include requirements that the maintenance of the existing roadway system is prioritized before its expansion and that proposed investments will shift travelers from cars and into less-polluting modes.
- ▶ **Specify—and give significant weight to addressing—climate change in any evaluation of proposed projects.** DOT should mandate that grant recipients show how they will adapt to changing conditions (such as more frequent flooding and extreme weather) and reduce the growth of the ecological footprint of urban land use. This requires that all levels of government show how their plans and projects will result in better joint regional land-use and transportation planning.
- ▶ **Mandate plans to consider inequities.** DOT should develop a regulation to mandate that agencies receiving DOT funds conduct assessments of racial and economic inequity, while showing how changes in future plans would help address historic and present disparities documented in the assessments. Such a rule could be incorporated into an expansion of Title VI–required equity assessments, with the requirement that plans show how they can increase equitable access.

- ▶ **Require plans that encourage short walk, bike, or transit trips.** DOT should encourage that the MPO-produced short- and long-range plans incorporate minimum density levels around transit stations, provide for a mix of land uses, and establish neighborhood-level affordable housing goals. State governments could mandate that such regional plans are executed by local municipalities.
- ▶ **Reward success.** Problems related to congestion on our roadways usually result from a failure to coordinate and manage land use in conjunction with transportation investment. Yet when that poor planning results in massive traffic congestion, DOT provides huge funding to address the problem with more roads.⁷ The federal government should develop programs that reward state and local governments that direct growth or prevent congestion by managing land use to reduce the length of trips, allow trips by sustainable modes, and increase affordable access to daily needs.
- ▶ **Encourage partnerships between grantees and nontransportation organizations at the core of their plans.** These partnerships can incorporate housing agencies and nonprofits, groups promoting economic development, environmental advocates and stewards of natural spaces, and community groups, among many others.

How will the program's effectiveness be measured?

Overview

The federal government currently collects only minimal data on its transportation investments. Though significant progress has been made in measuring the access to opportunity offered by new mobility projects, federal programs do not require such analysis in the process of selecting projects. Nor does the federal government currently mandate that transportation projects demonstrate how they will reduce climate change-producing pollutants.

Design Recommendations

- ▶ **Increase support for data collection and analysis.** Additional data and measurement programs are needed to ensure projects fulfill the goals of increasing access and reducing carbon emissions. The federal government should work with stakeholders to improve the quality of data and analytical tools available, so that grant applicants can easily test the potential outcomes of proposed projects.
- ▶ **Develop tools to support equitable planning.** DOT should produce a tool, similar to the Location Affordability Index developed jointly with HUD,⁸ that can measure access across applicant geographies, identify disparities, and map them by race and income. This type of tool would be focused on the needs of low-income residents and people of color and would acknowledge differences across time and by modes of mobility. It should also create an online scorecard measuring the greenhouse gas emissions the transportation will produce.

Notes

- 1 Christina Stacy, Yipeng Su, Eleanor Noble, Alena Stern, Kristin Blagg, Macy Rainer, and Richard Ezike, *Access to Opportunity through Equitable Transportation: Lessons from Four Metropolitan Regions* (Washington, DC: Urban Institute, 2020), <https://www.urban.org/research/publication/access-opportunity-through-equitable-transportation>; and Rafael H. M. Pereira, Tim Schwanen, and David Banister, “Distributive Justice and Equity in Transportation,” *Transport Reviews* 37, no. 2 (2017): 170–91.
- 2 House Committee on Transportation and Infrastructure, “After a More Than 15-Hour Markup, Committee Advances Legislation to Invest in More Equitable and Sustainable Transportation Systems and Infrastructure,” news release, September 15, 2021, <https://transportation.house.gov/news/press-releases/after-15-hour-markup-committee-advances-legislation-to-invest-in-more-equitable-and-sustainable-transportation-systems-and-infrastructure>.
- 3 Darren Flusche, National Household Travel Survey: Short Trips Analysis, January 22, 2010, <https://www.bikeleague.org/content/national-household-travel-survey-short-trips-analysis>.
- 4 Robert Puentes, *Flexible Funding for Transit: Who Uses It?* (Washington, DC: Brookings Institution, 2020).
- 5 Tanya Snyder, “GAO: States ‘Flexing’ Fewer Federal Dollars to Transit,” *Streetsblog USA*, November 21, 2012, <https://usa.streetsblog.org/2012/11/21/gao-states-flexing-fewer-federal-dollars-to-transit/>.
- 6 Romic Aevaz, Brianne Eby, Paul Lewis, and Robert Puentes, *Saving Time and Making Cents: A Blueprint for Building Transit Better* (Washington, DC: Eno Center for Transportation, 2021).
- 7 Steve Davis, “How Bad Land Use and Transportation Decisions Go Hand-in-Hand with ‘the Congestion Con,’” Smart Growth America blog, March 5, 2020, <https://smartgrowthamerica.org/how-bad-land-use-and-transportation-decisions-go-hand-in-hand-with-the-congestion-con/>.
- 8 The most recent version the Location Affordability Index, version 3, is available at <https://www.hudexchange.info/programs/location-affordability-index/>.



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