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HIGHLIGHT:

The jobs are in the suburbs. But getting there is hard for inner-city residents without cars or efficient public transit. Experimental programs aim to provide direct transportation to work sites and address such needs as extended child care.

BODY:

BALTIMORE--Scot T. Spencer was driving along Eager Street one weekday noon in a shabby section of Baltimore's east side, past clusters of men who were hanging out on the corners and didn't look very eager at all.

Spencer, physical development director for the Historic East Baltimore Community Action Coalition, is eager to put them and others to work. But jobs are scarce around here. Even though the typically employment-rich Johns Hopkins Hospital complex is just a few blocks away and this neighborhood is part of Baltimore's empowerment zone--the local target area for the Clinton Administration's urban revitalization scheme--more than half the adult population is unemployed.

So Spencer is about to do something radical, if not downright contradictory, for an organization implementing an empowerment zone program. He's going to look for suburban employment for inner-city residents.

"I'd love to place people in jobs around here," he said. But even though the empowerment zone is spurring employment in the neighborhood, he continued, "the reality is, there probably aren't enough jobs in the city."

In a rare departure from its traditional economic development focus on creation of inner-city jobs, the Housing and Urban Development (HUD) Department is sponsoring a \$ 17 million, five-city experiment in reverse commuting called Bridges to Work. Baltimore is one of the participants, along with Chicago, Denver, Milwaukee and St. Louis. The experiment arises from a new appreciation at HUD, and among urban advocates generally, of the economic interdependence of cities and their suburbs.

'We cannot think about our inner-city communities as economies unto themselves, even though we think they have substantial economic development potential,' Michael A. Stegman, assistant HUD secretary for policy development and research, said. 'If you get a job out (in the suburbs) and bring back a good paycheck into your community, you can do a much better job of supporting the supermarkets, the retail developments that have been missing in your community. You're importing dollars to sustain your neighborhood.'

Welfare reform, with its requirement that most recipients find jobs within two years, has increased the urgency of expanding job searches to the entire metropolitan area. But this development was probably inevitable anyway in the face of a new economic geography. The suburbs are where the jobs are. In the 10 largest metropolitan areas, more than two-thirds of all jobs created during the 1980s were in the suburbs. The proportion of blue-collar jobs was even higher. (See chart, p. 2548.)

'You fish where the fish are,' said Mark Alan Hughes, vice president of Public/Private Ventures, a Philadelphia-based community and economic development consulting firm, who dreamed up Bridges to Work and is overseeing it for HUD. 'You start with the fact that you've got lots of poor people in the cities and jobs moving to or starting up in the suburbs and you've got three options--dispersal: move the poor people out to the suburbs; development: recentralize jobs back in the city; and mobility: just try to connect the dots.'

That's easier said than done. In Baltimore, for example, even though shorthanded suburban businesses are hungry for the kind of minimally skilled workers Spencer can supply, political, psychological and economic barriers stand in the way.

And an even greater immediate obstacle is this logistical fact of life: You can't get there from here. Unless, of course, you drive a car. And Spencer estimates that at least half the potential workers in East Baltimore don't.

In fact, the reason Spencer was in his car on that weekday noon was to drive a car-less reporter from his office to Penn Station in downtown Baltimore. She had to catch an intercity Amtrak Metroliner for the 13-minute ride out to the Baltimore-Washington International (BWI) Airport business district, where jobs are sprouting faster than the weeds that were uprooted to clear mile after mile of land for industrial parks and warehouse complexes.

The \$ 8 trip is the only public transit option available at that time of day. It may be luxurious, but it's also expensive and not very convenient. A much cheaper light-rail system runs streetcars into the general area every 15 minutes, but the stations are even farther away from the airport complex.

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Although 80 square miles of commercial opportunity surround BWI, all that's visible from its railroad station is a vast stretch of parking lot. Every few minutes, a shuttle bus goes to the air terminal. Nothing goes to most of the job sites.

So the reporter called Neil M. Shpritz, executive director of the BWI Business Partnership Inc., the suburban organization collaborating with Spencer on HUD's suburban job-placement experiment. Shpritz had to bring his own car to pick up the reporter. For the 400 aspiring employees they hope to place through Bridges to Work, Shpritz and Spencer are working on more-efficient arrangements.

Shpritz describes his involvement as purely pragmatic. Of Hughes's three options, mobility is the only practical solution, he said. Employers around BWI "know they have problems finding a relatively low-wage labor force out here, and they know they need a labor force because their businesses are doing well," he explained. "And the segment of the labor force they're looking for--at wages of \$ 7-\$ 11 an hour--can't afford houses out here."

With \$ 1.6 million from HUD through the Bridges to Work program, Spencer is buying vans to whisk his East Baltimore workers out to Shpritz's job sites. That's the physical bridge, but it's only the beginning. The program will also feature a job-placement service, orientation sessions to make the suburbs seem less alien to people who may not have been there before, the guarantee of a free ride home during the work shift in case of emergency and supplemental child care assistance because the commute will lengthen an average workday.

Just to conceive of such a comprehensive reverse-commuting program required breaking out of the narrow mental confines of urban isolationism. To translate this small experiment into a routine part of metropolitan economic life, however, will require leaping a series of other barriers. None is likely to be higher than those imposed by traditional public transit notions and practices.

TRANSIT REVERSAL

Until very recently, to many close observers of the urban scene the phrase "innovative public transit" was a contradiction in terms. Most city systems still operate as they have for decades. A few suburban systems do try new ways to provide transit, but creativity is a slow, difficult process.

The suburban bus division of Chicago's Regional Transportation Authority, called Pace, is one transit agency that has broken out of the mold. "We're just trying to be responsive and flexible," Terrance Brannon, Pace's deputy executive director, said. "A lot of transit agencies just aren't interested in this kind of stuff."

Even Pace didn't set out to be different, Brannon conceded. "The reason we're doing it is because of our charge to

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serve a suburban market,' he continued. 'It kind of forces you to become creative, because it's not a good market for transit.'

Transit typically accounts for only 2 per cent of suburban transportation. Brannon, who is trying to increase this market share, is banking on city-to-suburb riders to do it. At present, 47 per cent of his riders travel between suburbs, 41 per cent from suburb to city and only 12 per cent from city to suburb. But the outbound ridership increased by 33 per cent during the 1980s, the fastest-growing segment.

Not surprisingly, Pace is to be a major player in Chicago's Bridges to Work demonstration. Also not surprisingly, Baltimore's Mass Transit Administration (MTA) isn't. The Maryland legislature, which heavily subsidizes MTA, requires the transit agency to recover 50 per cent of its costs from fares. So the agency can't establish a new service or even a different route without the assurance of a sufficient number of paying customers.

'In some ways it does constrain us,' Harvey Zelefsky, MTA's director of planning, acknowledged. 'But it does keep us honest.'

That's not how Spencer would describe it. 'You can't create a demand if people can't get down there for a (job) interview in the first place,' he said. 'It's almost comical that this happens.'

Reverse commuting of the kind envisioned in Bridges to Work turns traditional transit planning on its head. The immutable rule of mass transport has been to move a lot of people at once from one densely concentrated place to another. Within cities, where mass transit began and where most of it still operates, that means sending large-capacity vehicles down fixed routes.

The commute from suburb to city requires only a slight variation. The transit operator picks up riders at a central location--a big suburban parking lot that riders reached by car--and travels along a fixed route to the city's business district.

To simply reverse that doesn't work. Just to get to a central pickup point within the city using public transportation could take as long as the total commute would take by car. And what happens at the other end of the ride? 'You can't just drop folks at the corner of an expressway and let them walk two miles to work,' Joseph Tierney, who is co-directing Bridges to Work for Public/Private Ventures, said.

In Chicago's suburbs, Pace operates between the end of the regular Chicago Transit Authority (CTA) lines out to such major employers as Sears, Roebuck and Co., which four years ago moved its headquarters with 4,000 employees from Chicago's West Side to the far northwestern suburbs.

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But that's not a viable solution for most inner-city residents because it means a very long commute. A CTA elevated line, for example, runs from the North Lawndale section of the West Side out to the edge of the city, and a Pace bus goes the rest of the way to various job locations. ''You theoretically could make the connections, but it would take almost two hours to do that. So people just won't use it,'' said John J. Plunkett, president of Suburban Job-Link, a nonprofit job-training organization in Chicago that pioneered a comprehensive reverse-commuting program for West Side residents 10 years ago. Plunkett heads the Chicago version of Bridges to Work.

Suburban Job-Link, among other things, reduces the commute to 25 minutes by running express buses from the West Side out to job sites. That, ironically, means setting limits. Plunkett restricts eligibility for his program to people who live within three blocks of his bus routes.

''We get people who say, 'I'll get to your bus no matter how far I have to go,''' Plunkett said. ''But we know if we apply our restriction rigidly, we're going to have a much happier ridership. People are going to keep their jobs longer because they're not going to have to get up real early in the morning just to hook up with us. It just works better.''

Time of day presents another problem. Suburb-to-city transit is designed for the office rush hours. That's not the schedule used by factories, warehouses and other employers of blue-collar workers in the suburbs. Many operate around the clock, and even the day shift starts much earlier than rush hour.

''That's another thing about being flexible,'' Brannon said. Even if you can transport people for an evening or overnight shift, for example, ''if you're not there to pick them up in the morning when they get off of work, you're going to lose them.''

There's yet another timetable for job interviews, which typically take place during the day after rush hour. ''We found that when our regular transportation was out here to take people to work, that was really no good for people looking for a job,'' Plunkett said. ''So now we run two kinds of transportation.''

CROSSING THE BARRIERS

The physical constraints inherent in providing mass transit are the first barrier to cross in placing inner-city residents in suburban jobs, but they're far from the only ones.

''I think it's really important not to make the mistake of saying, 'If we just had the transportation problem solved, everything would be fine,' '' said Margery Austin Turner, who recently returned as principal research associate to the Urban Institute in Washington from a stint as deputy assistant secretary at HUD, where she helped plan Bridges to Work. ''Transportation is part of the problem, but if you fix that,

that would probably be the solution for only a relatively small number of people.''

Plunkett solved several problems early in 1995 with the construction of what he calls the Suburban Oasis, a job training-job search site and transit transfer point in DuPage County not far from the Cook County line. In a breakthrough for the new metropolitan-wide thinking, Chicago helped finance the building and has invested more than \$ 1 million in the program. ''I'm sure eyebrows were raised at both ends, in City Hall as well as the suburbs,'' Plunkett said.

Among other things, the Oasis provides an island of cultural, ethnic and racial familiarity in an unfamiliar world. The psychological wall between city and suburb is often much higher than job-placement specialists expect it to be. In Baltimore, for example, Spencer is finding a large proportion of potential workers ''who say, 'I don't want to leave the city,' '' he said. ''In trying to understand why, we find it means escaping their comfort margin. It can be distance. It can be family (needs). It can be race or perceptions of race, but they don't want to escape'' that margin of comfort.

In Chicago, Plunkett finds the Oasis a big help in breaking down this barrier of fear. ''One of the reasons we moved our orientation to the suburbs is so we can physically demonstrate (the feasibility of working in the suburbs) on the very first day,'' he said. ''Somebody gets on our vehicle (on the West Side) and is whisked out here and it really didn't take all that long--well, that's a surprise in itself. Then we run around some of the industrial areas where our facility is, and they've never seen so many factories in their entire life. So right away, they'll internalize some of the notions that we just used to talk about.''

Even so, once they are on the job without cars, they're stuck. That's why an important component of Bridges to Work is a guaranteed ride home in case of emergency or unanticipated overtime. At the BWI complex, Shpritz already provides a similar guarantee for middle-class suburban workers who volunteer to take public transportation as a means to relieve highway congestion and alleviate air pollution. ''It gets used less than we expected,'' he said. ''It's really an insurance policy (for the workers), and it works very well.''

Then there are economic humps to overcome in reverse commuting. It might cost more to work in the suburbs than closer to home, for example, because of extended child care. Plunkett has not subsidized child care in his Suburban Job-Link program, but Bridges to Work intends to do so. In the Baltimore area, both Spencer and Shpritz see it as a necessary incentive to get potential workers into the program.

Spencer is planning to pay for the additional time a child would need to be cared for because the commute would

lengthen the parent's workday. Using a child care center closer to the job would probably not be feasible. "There are some child care facilities out here," Shpritz said. "But they're not cheap. I can't see a \$ 7-an-hour worker affording them."

Other economic constraints are more subtle. For some suburban commutes, the most efficient form of transportation is a vanpool. In suburban Chicago, Pace operates 250 vanpools, most of them between suburbs. Brannon envisions setting up vanpools for Bridges to Work participants, but there are problems.

Pace's vans are driven by workers who pay for fuel and maintenance with a credit card provided by Pace and keep the vans at home in their own garages. That requires the vanpool drivers to have a good credit history--which usually means a long work history--and a garage.

"A lot of people in Bridges to Work don't have that," Brannon said. "So we're looking at getting some kind of central storage location and fuel and maintenance contracts with, maybe, some local inner-city service stations." Not necessarily a big problem, but one more bump in the road to metropolitan job opportunities.

GUARANTEED FUTURE

Bridges to Work intends to put a total of 1,600 inner-city residents to work outside Baltimore, Denver, Milwaukee and St. Louis and another 1,600 in suburban Chicago. The significance of that number would be lost in rounding off the statistics of the millions of potential inner-city workers and job openings in suburbs across the country. If the experiment works, the Clinton Administration promises to seed 75 additional Bridges to Work programs. That's still small change.

Real access for inner-city residents to the metropolitan labor market will require the institutionalization of cross-county job placement and effective regional public transit. Those are perhaps the biggest obstacles of all.

County welfare administrators and those who run the Job Training Partnership Act (JTPA), the major federal employment program for the disadvantaged, "draw a mental map that confines the residents of (inner cities) to the bleakest part of the metropolitan labor market," Hughes, the father of Bridges to Work, said. "They're not even thinking about reaching out (across county boundaries)."

The need to put welfare recipients to work fast may force the states--now in the process of devising their own welfare-to-work programs--to look to metropolitan-wide job placements. JTPA still doesn't make it easy, however. That program is administered within geographically narrow service delivery areas. Caseworkers in one service delivery area have no incentive to go outside the area for placements. Indeed, to do so invites a bureaucratic hassle. Congress has had a JTPA overhaul under consideration for

several years but has failed to pass it.

On the transit side, as long as the reverse commute is dependent on a narrow federal grant program such as Bridges to Work, it isn't likely to become a major factor in the work life of most communities. To guarantee its spread and its future as a viable transit option, reverse commuting will have to become as universal and as institutionalized as the inbound commute.

That might happen on a small scale. Indeed, Pace has already taken over four of the most efficient Suburban Job-Links routes. In Baltimore, Zelefsky said he would be monitoring Bridges to Work closely. "If they can demonstrate there's demand and it would be economically feasible, then we would definitely consider taking over that service," he said.

But the seeds of failure lurk in the blossoms of success. So far, those involved insist they haven't heard any suburban resistance to busloads of mostly minority, inner-city residents showing up in their communities. They also acknowledge, however, that few suburban residents are aware of the prospect of their arrival, and that when their presence is felt in suburbs, there could be a racial backlash from the communities.

If the program works and disadvantaged inner-city residents get good jobs in the suburbs, the first thing they are likely to do is buy cars. Indeed, Plunkett has a roster of hundreds of former Job-Links participants who now either own cars or carpool with others to good suburban jobs. Inbound public transportation is in demand because of road congestion and lack of downtown parking, two problems that commuters to the suburbs probably won't face any time soon.

As Pace and a few other creative transit agencies are doing already, however, Bridges to Work is expected to demonstrate that you can get there from here. That's vital to businesses around BWI, Shpritz recognized. "You can't have healthy growth in the (suburban) counties if Baltimore City fails," he said.

During the campaign, President Clinton kept citing the 10.5 million jobs created during his first term. "Without transportation," Hughes said, "they might as well be in Mexico as in the suburbs."

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MOVING AMERICANS FROM WELFARE TO WORK: IMPROVING ACCESS TO JOBS AND TRAINING

To support his comprehensive welfare reform initiative, President Clinton proposes to build on existing transit programs that work with innovative approaches to helping people make the transition to the working world. One of the biggest barriers faced by those moving from welfare rolls to payrolls is finding transportation to jobs, training, and support services such as day care. Poverty and welfare eligibility rules mean that few welfare recipients own cars, and public transit often provides inadequate connections to job and training centers. This problem is becoming more serious, since two-thirds of new jobs are in suburbs.

ISTEA SUCCESSES

- ✓ Our Livable Communities program integrates transit with jobs, schools, and housing. In Corpus Christi, local residents worked with local officials on developing three bus transfer centers and improving pedestrian access to local amenities, and a Los Angeles neighborhood initiative is successfully providing community-senative transit that links transportation services with community needs.
- ✓ The Joblinks program provides transportation and training in both urban and rural areas. Oregon's Glendale-Azalea School District used Joblinks funds to transport 400 unemployed and undereducated residents to training and to jobs in the first year alone. The success of initiatives such as Joblinks and Livable Communities provides a model for new efforts to improve community access to jobs and other necessities.

KEY NEXTEA PROVISIONS

- NEXTEA includes a six-year, \$600 million grant program to support flexible, innovative transportation alternatives, such as vanpools, to get people to where the jobs are. Funding would also provide access to training centers and to support services such as day care at transit links. This program would be closely coordinated with other human services assistance that would be provided to states and localities working to meet the special needs of the welfare population.
- Since transportation and construction jobs are among America's best-paying, we want to open opportunities in these fields for welfare recipients and other disadvantaged people. NEXTEA would increase incentives for states and localities to provide job training in conjunction with federally-funded technology and construction projects, and to enable them to offer hiring preferences to welfare recipients and residents of Empowerment Zones and Enterprise Communities.

***MOVING AMERICANS FROM WELFARE TO WORK:
PRESIDENT CLINTON'S ACCESS TO JOBS LEGISLATIVE PROPOSAL***

- **\$600 Million in New Funds** -To support Federal, state and local welfare reform efforts, DOT's NEXTEA proposal for surface transportation reauthorization includes \$100 million annually to fund access to work transportation for welfare recipients.
- **New Flexible Transportation Services** - A new competitive grant program will assist states, local governmental authorities, and private non-profit organizations to plan and establish new transportation services targeted at linking welfare recipients to jobs. Grants are available for planning and implementation.
- **Targeted Grants** - Challenge grants will target funds based on both need and demonstrated willingness to address the transportation needs of welfare recipients. Criteria include:
 - 1) the severity of the welfare problem;
 - 2) the need for additional services to transport economically disadvantaged persons to jobs, training and other employment support services, and the extent to which proposed services will address these needs;
 - 3) existence of or willingness to establish a mechanism to coordinate transportation and human resource services planning;
 - 4) performance under other welfare reform initiatives;
 - 5) state and local share a financial commitment.
 - 6) other factors, such as:
 - coordination of existing public and employer-provided transportation service operations and long term financing strategies to support the program.
- **State and Local Partnership** - FTA will provide 50% of the project costs. Grant applicants must provide the remaining 50% match from local funding sources. Other Federal funds may be used as part of the local match.
- **Broad Eligibility** - Challenge grants may be used for a broad range of services, including:
 - Operating and capital costs for services.
 - Coordinating transit, private and human resource services.
 - Promotion of employer-provided transportation.
 - Planning and developing important support facilities at transit sites, such child care.
 - Development of financing strategies.
 - Collaborative planning activities.
 - Administrative costs.
- **Federal Technical Assistance Program** - A portion of Federal funding will be used to provide state and local grant recipients with technical assistance and to evaluation programs to ensure success and to document best practices so other communities can learn from their experience..

MOVING AMERICANS FROM WELFARE TO WORK:

Studies on the Spatial Mismatch

In his 1997 State of the Union Address, President Clinton set a goal of moving 2 million welfare recipients to work by the year 2000. But welfare recipients can't work if they can't get to work. The majority of available entry level positions are located in suburbs and exurbs -- far from urban and rural centers of poverty. Lack of convenient and affordable transportation to jobs is a major roadblock in communities all over this country. Access to jobs, training, and support services such as child care -- the "to" in "welfare to work" -- is essential to speed the transition from welfare rolls to payrolls.

Getting to work or school is difficult for welfare recipients. Nationally, just under six percent of Temporary Assistance for Needy Families (TANF) families own cars. Cutbacks in transit funding and operations have further limited their options.

Most welfare recipients live in our city centers. But half of today's jobs are located outside of central cities, and this trend is accelerating: two-thirds of all new jobs are in suburbs. Transit services are generally confined to move people within cities or from suburbs to cities. Existing services also can be inconvenient for welfare recipients, many of whom work off-hour and late night shifts. Support services such as day care and employment centers are often located far from transit lines, creating additional difficulty for parents with small children.

In the studies outlined below, the transportation systems of three cities were examined as part of broader efforts to evaluate the capacity to move the welfare population to work. They created map identifying concentration of welfare recipient residences, the location of entry-level jobs, and public transportation lines. The results present a troubling picture at best, -- half of the entry-level jobs are not accessible within a reasonable commute time.

CLEVELAND

The Cleveland metropolitan area's economy has been growing, but mostly at the outskirts. Most entry-level jobs in the region cannot be reached easily by welfare recipients from inner-city Cleveland with the current configuration of public transportation. For example, a recent study examined five downtown neighborhoods and found that the inner-city residents could only reach eight to fifteen percent of entry-level job openings by public transportation within an 80 minute transit ride. Less than 45% of entry-level jobs are accessible by this standard, leaving the other 55% of the job market completely out of reach by public transportation to Cleveland's welfare population.

CONTACT: Neil Bania

Center of Urban Poverty & Social Change, Case Western Reserve University
(216) 368-8670.

BOSTON

The Boston study, prepared by the Volpe National Transportation Systems Center, found that their highest growth areas of entry-level jobs were along Route 128, located well outside the central city. Boston has an extensive mass transportation system, TANF recipients living in

central Boston have excellent access to public transportation: 99% of recipients live within a reasonable walking distance (0.5 miles). Nevertheless job-growth areas are under-served. Just, 43% -- less than half -- of potential employers are within half a mile of transit lines.

Less than one percent of employers in high-growth areas can be reached within 30 minutes by transit from central-city poverty areas. Over 40% of employers in high-growth areas require a more than two-hour commute time. Even when a welfare recipient can make the connection to a job on public transit, other problems arise: gaps between destinations, unpredictable service and insufficient operating hours. The study does not examine these and other impediments.

CONTACT: Annalynn Lacombe
VOLPE National Transportation Systems Center
(617) 494-2161

ATLANTA

Atlanta faces many of the same challenges as Cleveland and Boston. A study by Michael Rich at Emory University of job openings advertised in one 1997 Sunday edition of the *Atlanta Journal Constitution* shows that three out of every four jobs are in the suburbs. Just under half of the entry-level jobs are within a quarter mile of a bus or rail line. The most transit-accessible jobs are those that pay less than \$15,000 per year, with roughly about two-thirds located within a quarter mile of a transit route. Less than one out of three entry-level jobs that paid more than \$15,000 a year -- those jobs most likely to enable welfare recipients to make the transition to economic self-sufficiency -- are located within a quarter mile of a transit route. (This ongoing study has not yet analyzed at travel times.)

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Save for May 20

NATIONAL GOVERNORS' ASSOCIATION WELFARE TO WORK TRANSPORTATION PROJECT

- * The National Governors' Association (NGA) in cooperation with two Department of Transportation's (DOT) agencies, the Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA), is awarding grants and providing technical assistance to 24 State and one territory to develop transportation strategies to support State welfare to work efforts.
- * Participating States are forming task forces, led by each State governor's office, to devise a plan of action to address the transportation issues involved with welfare reform. The groups include State transportation and human resources agencies, along with local transportation providers, community human service and business representatives. State welfare to work transportation action plans will be completed by during 1997. They are expected to place strong emphasis on coordination of existing public transportation, human service private sectors and other services to assume that welfare recipients can get to where the jobs are.
- * States were selected to participate: Alaska, Arkansas Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.
- * The U.S. Department of Transportation is providing \$325,000 to support the NGA cooperative agreement.
- * The NGA/DOT program was initiated in recognition that individuals transitioning from welfare to work must largely depend on public and human services transportation to reach jobs and other employment support activities. Nationally, only 6% of welfare recipients own automobiles.
- * Today, it is difficult for welfare recipients to access existing entry level job opportunities. One study, of Cleveland metropolitan area, only about 40 percent of entry level jobs were reachable from inner city neighborhoods even with transit trips of 50 minutes.
- * Transportation is a major challenge because (1) many entry level jobs have shifted to suburban settings where public transit connections from inner city neighborhoods where many welfare recipients live are inadequate, (2) entry level shift work can occur during irregular hours, either late at night or on weekends when transit services are reduced or curtailed and (3) trips are often complex especially for women who often need to get their children to child care. In rural areas, the problems are equally, if not more significant only about half of rural counties nationwide have any public transit.

MOVING AMERICANS FROM WELFARE TO WORK:

Federal Highway Administration On-the-Job Training and Supportive Services Programs Fact Sheet

ISTEA SUCCESSES

Since 1971, through its On-the-Job Training (OJT) Program, FHWA has required that highway contracts funded with Federal dollars provide some training positions for higher paying transportation trades. This program ensures that a diverse workforce is available to meet the highway construction hiring needs and is specifically targeted at moving women, minorities and disadvantaged persons into journeyman status. For example, participants can be trained for positions such as carpenters, concrete finishers, construction equipment operators, pipe layers, and truck drivers. Funds for the OJT program are made available under 23 U.S.C. 140 (a) which requires States to use Federal-aid construction funds to establish apprenticeship and skill improvement training programs.

In 1972, the On-the-Job Training Supportive Services (OJTSS) Program was established to supplement the OJT program and support State Highway Agencies by providing services to highway construction contractors and assistance to the highway construction apprentices and trainees. For example, services such as recruitment, pre-employment assessments, counseling/job placement, transportation, child care and skills training are provided. Funds for the OJTSS program are made available under 23 U.S.C. 140(b) through two different funding methods: 1) funds are authorized under the FHWA general operating account, but have not been appropriated since 1996, and 2) States may draw down ½ of 1 percent of their allocated Surface Transportation and Bridge Improvement funds. Approximately \$40 million is available this year. In FY 96 States spent only 12% (\$3.9m) of the available funds. Expenditures in prior years were: \$3.6 m in 1995, \$5.5 m in 1994, and \$1.6m in 1993.

KEY NEXTEA PROVISIONS

Since transportation and construction jobs are among America's best paying, the Administration has proposed the following changes to allow States to create jobs for welfare recipients.

Training

- States would be allowed to reserve a certain number of OJT training slots on its Federal-aid contracts for welfare recipients.
- The training has been expanded to include technology training. This change is proposed to capitalize on training opportunities in connection with Intelligent Transportation Systems and other transportation-related technology.
- The language authorizing the States to draw down a portion of their funding for the OJT Supportive Services Program has been strengthened to help increase the funds actually devoted to training.

Employment

A new subsection, **Welfare Recipient Employment**, has been added to allow States to implement a preference for employment of persons who receive welfare assistance from States and persons who reside in Employment Zones or Enterprise Communities on all Federal-aid construction projects. This new subsection allows States to create job opportunities that move people from welfare to work.

MOVING AMERICANS FROM WELFARE TO WORK:

Successful Transportation Initiatives

1. Suburban Job Link Corporation, Chicago

The Suburban Job Link Corporation is a non-profit poverty organization in the Chicago area. It provides transportation access to suburban jobs and a variety of social service support services for welfare and unemployed persons living in the inner-city neighborhoods in Chicago. They developed five express routes linking inner-city neighborhoods with employment sites in suburban DuPage County. The demand for this service was so successful that fares covered almost 80 percent of their operating costs. They turned over the service to PACE, the suburban Chicago metropolitan transit agency, to ensure continued sustainability. PACE, in turn, has leased vans to Suburban Job Link corporation to get unemployed persons to job interviews. The Joblink Corporation has initiated another six routes with their remaining buses.

2. Southeast Arkansas Transportation (SEAT)

The Area Agency on Aging (AAA) of Southeast Arkansas in Pine Bluff built a rural public transportation system out of its senior citizen and disabled-oriented program. The AAA began its original senior transportation service in the 1970's and expanded to rural public service in 1993 with an FTA Section 18 grant. Today, SEAT has more than 100 vehicles serving 10 counties. Under FTA's joblinks demonstration program, SEAT initiated an employment service using senior center vans during off-times in rural Jefferson County. An important part of this strategy was to develop good working relationships with the county Department of Human Services Project Success case workers who are required to link welfare recipients with employment training and work. Ridership has grown to a high of 56 daily passengers and more than a 1,100 monthly passengers. The cost per ride has dropped from \$22 to \$8. The cost per vehicle hour dropped from \$43 per hour to less than \$22 per hour. This demonstration service has now been integrated into regular SEAT rural service.

3. St. Louis East West Gateway Coordinating Council

In St. Louis, the East-West Gateway Coordinating Council which serves as the Metropolitan Planning Organization for the Missouri and Illinois bi-state region, is the convenor and development intermediary for the St. Louis Regional Jobs Initiative. The Council, responded to the principles identified in the area's long range transportation plan by launching an initiative linking transportation investment with economic, employment and other community benefits. A basic premise was that this initiative will only succeed if the diverse group of employers, workers and other stakeholders in the regional labor market are included in planning, decisionmaking and outcomes. Therefore a broad consortium -- 16 agencies and organizations - serve as a governing board for the initiative which focuses on jobs available along the Metrolink rail line as well as in the suburbs. All workforce development projects are developed in partnership with specific employers. Transportation is integrated using a broad approach that addresses total mobility needs to support access to work.

4. Metropolitan Dade Transit Agency

In Miami, the Metropolitan Dade Transit Agency is making monthly bus passes available to certain Medicaid patients, as an alternative to more expensive paratransit service. This gives Medicaid recipients unlimited transportation service to meet all their needs, generates between \$1.5 - \$2 million additional revenue for the transit system at no added cost and saves the local Medicaid agency between \$5-6 million annually -- dollars that can be used for other important Medicaid needs. All transit agencies should be exploring such beneficial relationships.

5. The Transit Authority of River City, Louisville, Kentucky

Louisville, Ky., like many cities, has seen much of its downtown job base pack up and move to the outlying suburbs and industrial parks. Recently, the Transit Authority of River City (TARC) and the Kentuckians Regional Planning and Development Agency joined forces in a JOBLINKS project to provide vital transportation to isolate inner city residents. The two agencies selected a neighborhood in West Louisville. TARC designed a new bus route to the Bluegrass Industrial Park. Without the new route, the trip was typically two hours or more. With the new route, it takes less than 40 minutes. More than 40 people were using the route every day soon after its inception.

Additionally, the City of Louisville and the Transit Authority of River City will convert the Tube Turns office building into the Nia Neighborhood Travel and Jobs Center. The idea of a travel center was conceived by the community as part of the Empowerment Zone Process. The name Nia represents one of seven African principles meaning "purpose."

The Nia Neighborhood Travel and Jobs Center will serve as a focal point for bus service to employment opportunities in outlying areas, as well as a variety of transit and paratransit services. TARC will purchase 10 small wheelchair accessible buses to serve the center. The Nia Neighborhood Travel and Jobs Center will become the central element of an economic development "campus" including several surrounding buildings which will collectively provide support services for neighborhood economic development. These services may include job training programs, child care facilities, a privately financed development bank, a small business incubator (i.e., space for start-up businesses), a small business administration information office and a manufacturing technology transfer center.

The Nia Neighborhood Travel and Jobs Center is being funded under a grant by the Federal Transit Administration with local funds from City of Louisville and TARC.

6. Talahina, Oklahoma

A rural community in Southeastern Oklahoma, Talahina is served by the Kibbois Area Transit System (KATS) which is based in Stigler, OK. Talahina was facing a 15 percent unemployment rate, and it is the only population base in a 40-mile radius. Job developers with the Oklahoma Department of Human Services and KATS officials agreed to initiate a work shuttle from Talahina to Fort Smith, Ark. -- home of numerous poultry processing plants that needed workers. To avoid interfering with KATS' normal operations, special runs were established on the graveyard shift (5:00 p.m. to 1:00 a.m.) and to keep costs down, KATS trained a rider to drive the Fort Smith employment run. The first van began with 10 passengers, all of whom were either unemployed and/or on welfare. Since its inception, this program has launched three more full vans and new routes have been started to Heavener, OK and Wilburton, OK.

7. The Suburban Mobility Authority for Regional Transportation Detroit, Michigan

During the 1980's, Detroit, Michigan lost 100,000 jobs, while the outlying tri-county suburban region gained 250,000. The Suburban Mobility Authority for Regional Transportation (SMART) set out to bring these isolated inner city residents back to work. In 1993, SMART launched a program designed that gives a month's worth of free passes to anyone who has recently found a job. To-date, nearly 1,000 employers and 7,000 people have participated in the program. Then in 1994, SMART restructured its entire service, doing away with many of its no-longer productive routes and moving to a major route and feeder system. To operate this feeder system, SMART began to purchase smaller, more flexible buses. Today, 800 employers and more than 16,000 actual jobs are within SMART's service area that were not before.

In Oregon, Clackamus County has used school buses to take rural residents to distant jobs. In North Carolina and Florida, the state has taken action to establish coordinated human service transportation networks on which to build new employment transportation services.

2ND STORY of Level 1 printed in FULL format.

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NOVEMBER 23, 1996

SECTION: EMPLOYMENT; Pg. 2546; Vol. 28, No. 47

LENGTH: 4707 words

HEADLINE: The Reverse Commute

BYLINE: ROCHELLE L. STANFIELD

HIGHLIGHT:

The jobs are in the suburbs. But getting there is hard for inner-city residents without cars or efficient public transit. Experimental programs aim to provide direct transportation to work sites and address such needs as extended child care.

BODY:

BALTIMORE--Scot T. Spencer was driving along Eager Street one weekday noon in a shabby section of Baltimore's east side, past clusters of men who were hanging out on the corners and didn't look very eager at all.

Spencer, physical development director for the Historic East Baltimore Community Action Coalition, is eager to put them and others to work. But jobs are scarce around here. Even though the typically employment-rich Johns Hopkins Hospital complex is just a few blocks away and this neighborhood is part of Baltimore's empowerment zone--the local target area for the Clinton Administration's urban revitalization scheme--more than half the adult population is unemployed.

So Spencer is about to do something radical, if not downright contradictory, for an organization implementing an empowerment zone program. He's going to look for suburban employment for inner-city residents.

'I'd love to place people in jobs around here,' he said. But even though the empowerment zone is spurring employment in the neighborhood, he continued, 'the reality is, there probably aren't enough jobs in the city.'

In a rare departure from its traditional economic development focus on creation of inner-city jobs, the Housing and Urban Development (HUD) Department is sponsoring a \$ 17 million, five-city experiment in reverse commuting called Bridges to Work. Baltimore is one of the participants, along with Chicago, Denver, Milwaukee and St. Louis. The experiment arises from a new appreciation at HUD, and among urban advocates generally, of the economic interdependence of cities and their suburbs.

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'We cannot think about our inner-city communities as economies unto themselves, even though we think they have substantial economic development potential,' Michael A. Stegman, assistant HUD secretary for policy development and research, said. 'If you get a job out (in the suburbs) and bring back a good paycheck into your community, you can do a much better job of supporting the supermarkets, the retail developments that have been missing in your community. You're importing dollars to sustain your neighborhood.'

Welfare reform, with its requirement that most recipients find jobs within two years, has increased the urgency of expanding job searches to the entire metropolitan area. But this development was probably inevitable anyway in the face of a new economic geography. The suburbs are where the jobs are. In the 10 largest metropolitan areas, more than two-thirds of all jobs created during the 1980s were in the suburbs. The proportion of blue-collar jobs was even higher. (See chart, p. 2548.)

'You fish where the fish are,' said Mark Alan Hughes, vice president of Public/Private Ventures, a Philadelphia-based community and economic development consulting firm, who dreamed up Bridges to Work and is overseeing it for HUD. 'You start with the fact that you've got lots of poor people in the cities and jobs moving to or starting up in the suburbs and you've got three options--dispersal: move the poor people out to the suburbs; development: recentralize jobs back in the city; and mobility: just try to connect the dots.'

That's easier said than done. In Baltimore, for example, even though shorthanded suburban businesses are hungry for the kind of minimally skilled workers Spencer can supply, political, psychological and economic barriers stand in the way.

And an even greater immediate obstacle is this logistical fact of life: You can't get there from here. Unless, of course, you drive a car. And Spencer estimates that at least half the potential workers in East Baltimore don't.

In fact, the reason Spencer was in his car on that weekday noon was to drive a car-less reporter from his office to Penn Station in downtown Baltimore. She had to catch an intercity Amtrak Metroliner for the 13-minute ride out to the Baltimore-Washington International (BWI) Airport business district, where jobs are sprouting faster than the weeds that were uprooted to clear mile after mile of land for industrial parks and warehouse complexes.

The \$ 8 trip is the only public transit option available at that time of day. It may be luxurious, but it's also expensive and not very convenient. A much cheaper light-rail system runs streetcars into the general area every 15 minutes, but the stations are even farther away from the airport complex.

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Although 80 square miles of commercial opportunity surround BWI, all that's visible from its railroad station is a vast stretch of parking lot. Every few minutes, a shuttle bus goes to the air terminal. Nothing goes to most of the job sites.

So the reporter called Neil M. Shpritz, executive director of the BWI Business Partnership Inc., the suburban organization collaborating with Spencer on HUD's suburban job-placement experiment. Shpritz had to bring his own car to pick up the reporter. For the 400 aspiring employees they hope to place through Bridges to Work, Shpritz and Spencer are working on more-efficient arrangements.

Shpritz describes his involvement as purely pragmatic. Of Hughes's three options, mobility is the only practical solution, he said. Employers around BWI 'know they have problems finding a relatively low-wage labor force out here, and they know they need a labor force because their businesses are doing well,' he explained. 'And the segment of the labor force they're looking for--at wages of \$ 7-\$ 11 an hour--can't afford houses out here.'

With \$ 1.6 million from HUD through the Bridges to Work program, Spencer is buying vans to whisk his East Baltimore workers out to Shpritz's job sites. That's the physical bridge, but it's only the beginning. The program will also feature a job-placement service, orientation sessions to make the suburbs seem less alien to people who may not have been there before, the guarantee of a free ride home during the work shift in case of emergency and supplemental child care assistance because the commute will lengthen an average workday.

Just to conceive of such a comprehensive reverse-commuting program required breaking out of the narrow mental confines of urban isolationism. To translate this small experiment into a routine part of metropolitan economic life, however, will require leaping a series of other barriers. None is likely to be higher than those imposed by traditional public transit notions and practices.

TRANSIT REVERSAL

Until very recently, to many close observers of the urban scene the phrase 'innovative public transit' was a contradiction in terms. Most city systems still operate as they have for decades. A few suburban systems do try new ways to provide transit, but creativity is a slow, difficult process.

The suburban bus division of Chicago's Regional Transportation Authority, called Pace, is one transit agency that has broken out of the mold. 'We're just trying to be responsive and flexible,' Terrance Brannon, Pace's deputy executive director, said. 'A lot of transit agencies just aren't interested in this kind of stuff.'

Even Pace didn't set out to be different, Brannon conceded. 'The reason we're doing it is because of our charge to

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serve a suburban market," he continued. "It kind of forces you to become creative, because it's not a good market for transit."

Transit typically accounts for only 2 per cent of suburban transportation. Brannon, who is trying to increase this market share, is banking on city-to-suburb riders to do it. At present, 47 per cent of his riders travel between suburbs, 41 per cent from suburb to city and only 12 per cent from city to suburb. But the outbound ridership increased by 33 per cent during the 1980s, the fastest-growing segment.

Not surprisingly, Pace is to be a major player in Chicago's Bridges to Work demonstration. Also not surprisingly, Baltimore's Mass Transit Administration (MTA) isn't. The Maryland legislature, which heavily subsidizes MTA, requires the transit agency to recover 50 per cent of its costs from fares. So the agency can't establish a new service or even a different route without the assurance of a sufficient number of paying customers.

"In some ways it does constrain us," Harvey Zelefsky, MTA's director of planning, acknowledged. "But it does keep us honest."

That's not how Spencer would describe it. "You can't create a demand if people can't get down there for a (job) interview in the first place," he said. "It's almost comical that this happens."

Reverse commuting of the kind envisioned in Bridges to Work turns traditional transit planning on its head. The immutable rule of mass transport has been to move a lot of people at once from one densely concentrated place to another. Within cities, where mass transit began and where most of it still operates, that means sending large-capacity vehicles down fixed routes.

The commute from suburb to city requires only a slight variation. The transit operator picks up riders at a central location--a big suburban parking lot that riders reached by car--and travels along a fixed route to the city's business district.

To simply reverse that doesn't work. Just to get to a central pickup point within the city using public transportation could take as long as the total commute would take by car. And what happens at the other end of the ride? "You can't just drop folks at the corner of an expressway and let them walk two miles to work," Joseph Tierney, who is co-directing Bridges to Work for Public/Private Ventures, said.

In Chicago's suburbs, Pace operates between the end of the regular Chicago Transit Authority (CTA) lines out to such major employers as Sears, Roebuck and Co., which four years ago moved its headquarters with 4,000 employees from Chicago's West Side to the far northwestern suburbs.

But that's not a viable solution for most inner-city residents because it means a very long commute. A CTA elevated line, for example, runs from the North Lawndale section of the West Side out to the edge of the city, and a Pace bus goes the rest of the way to various job locations. "You theoretically could make the connections, but it would take almost two hours to do that. So people just won't use it," said John J. Plunkett, president of Suburban Job-Link, a nonprofit job-training organization in Chicago that pioneered a comprehensive reverse-commuting program for West Side residents 10 years ago. Plunkett heads the Chicago version of Bridges to Work.

Suburban Job-Link, among other things, reduces the commute to 25 minutes by running express buses from the West Side out to job sites. That, ironically, means setting limits. Plunkett restricts eligibility for his program to people who live within three blocks of his bus routes.

"We get people who say, 'I'll get to your bus no matter how far I have to go,'" Plunkett said. "But we know if we apply our restriction rigidly, we're going to have a much happier ridership. People are going to keep their jobs longer because they're not going to have to get up real early in the morning just to hook up with us. It just works better."

Time of day presents another problem. Suburb-to-city transit is designed for the office rush hours. That's not the schedule used by factories, warehouses and other employers of blue-collar workers in the suburbs. Many operate around the clock, and even the day shift starts much earlier than rush hour.

"That's another thing about being flexible," Brannon said. Even if you can transport people for an evening or overnight shift, for example, "if you're not there to pick them up in the morning when they get off of work, you're going to lose them."

There's yet another timetable for job interviews, which typically take place during the day after rush hour. "We found that when our regular transportation was out here to take people to work, that was really no good for people looking for a job," Plunkett said. "So now we run two kinds of transportation."

CROSSING THE BARRIERS

The physical constraints inherent in providing mass transit are the first barrier to cross in placing inner-city residents in suburban jobs, but they're far from the only ones.

"I think it's really important not to make the mistake of saying, 'If we just had the transportation problem solved, everything would be fine,'" said Margery Austin Turner, who recently returned as principal research associate to the Urban Institute in Washington from a stint as deputy assistant secretary at HUD, where she helped plan Bridges to Work.

"Transportation is part of the problem, but if you fix that,

that would probably be the solution for only a relatively small number of people.'

Plunkett solved several problems early in 1995 with the construction of what he calls the Suburban Oasis, a job training-job search site and transit transfer point in DuPage County not far from the Cook County line. In a breakthrough for the new metropolitan-wide thinking, Chicago helped finance the building and has invested more than \$ 1 million in the program. 'I'm sure eyebrows were raised at both ends, in City Hall as well as the suburbs,' Plunkett said.

Among other things, the Oasis provides an island of cultural, ethnic and racial familiarity in an unfamiliar world. The psychological wall between city and suburb is often much higher than job-placement specialists expect it to be. In Baltimore, for example, Spencer is finding a large proportion of potential workers 'who say, 'I don't want to leave the city,' ' he said. 'In trying to understand why, we find it means escaping their comfort margin. It can be distance. It can be family (needs). It can be race or perceptions of race, but they don't want to escape' that margin of comfort.

In Chicago, Plunkett finds the Oasis a big help in breaking down this barrier of fear. 'One of the reasons we moved our orientation to the suburbs is so we can physically demonstrate (the feasibility of working in the suburbs) on the very first day,' he said. 'Somebody gets on our vehicle (on the West Side) and is whisked out here and it really didn't take all that long--well, that's a surprise in itself. Then we run around some of the industrial areas where our facility is, and they've never seen so many factories in their entire life. So right away, they'll internalize some of the notions that we just used to talk about.'

Even so, once they are on the job without cars, they're stuck. That's why an important component of Bridges to Work is a guaranteed ride home in case of emergency or unanticipated overtime. At the BWI complex, Shpritz already provides a similar guarantee for middle-class suburban workers who volunteer to take public transportation as a means to relieve highway congestion and alleviate air pollution. 'It gets used less than we expected,' he said. 'It's really an insurance policy (for the workers), and it works very well.'

Then there are economic humps to overcome in reverse commuting. It might cost more to work in the suburbs than closer to home, for example, because of extended child care. Plunkett has not subsidized child care in his Suburban Job-Link program, but Bridges to Work intends to do so. In the Baltimore area, both Spencer and Shpritz see it as a necessary incentive to get potential workers into the program.

Spencer is planning to pay for the additional time a child would need to be cared for because the commute would

lengthen the parent's workday. Using a child care center closer to the job would probably not be feasible. "There are some child care facilities out here," Shpritz said. "But they're not cheap. I can't see a \$ 7-an-hour worker affording them."

Other economic constraints are more subtle. For some suburban commuters, the most efficient form of transportation is a vanpool. In suburban Chicago, Pace operates 250 vanpools, most of them between suburbs. Brannon envisions setting up vanpools for Bridges to Work participants, but there are problems.

Pace's vans are driven by workers who pay for fuel and maintenance with a credit card provided by Pace and keep the vans at home in their own garages. That requires the vanpool drivers to have a good credit history--which usually means a long work history--and a garage.

"A lot of people in Bridges to Work don't have that," Brannon said. "So we're looking at getting some kind of central storage location and fuel and maintenance contracts with, maybe, some local inner-city service stations." Not necessarily a big problem, but one more bump in the road to metropolitan job opportunities.

GUARANTEED FUTURE

Bridges to Work intends to put a total of 1,600 inner-city residents to work outside Baltimore, Denver, Milwaukee and St. Louis and another 1,600 in suburban Chicago. The significance of that number would be lost in rounding off the statistics of the millions of potential inner-city workers and job openings in suburbs across the country. If the experiment works, the Clinton Administration promises to seed 75 additional Bridges to Work programs. That's still small change.

Real access for inner-city residents to the metropolitan labor market will require the institutionalization of cross-county job placement and effective regional public transit. Those are perhaps the biggest obstacles of all.

County welfare administrators and those who run the Job Training Partnership Act (JTPA), the major federal employment program for the disadvantaged, "draw a mental map that confines the residents of (inner cities) to the bleakest part of the metropolitan labor market," Hughes, the father of Bridges to Work, said. "They're not even thinking about reaching out (across county boundaries)."

The need to put welfare recipients to work fast may force the states--now in the process of devising their own welfare-to-work programs--to look to metropolitan-wide job placements. JTPA still doesn't make it easy, however. That program is administered within geographically narrow service delivery areas. Caseworkers in one service delivery area have no incentive to go outside the area for placements. Indeed, to do so invites a bureaucratic hassle. Congress has had a JTPA overhaul under consideration for

several years but has failed to pass it.

On the transit side, as long as the reverse commute is dependent on a narrow federal grant program such as Bridges to Work, it isn't likely to become a major factor in the work life of most communities. To guarantee its spread and its future as a viable transit option, reverse commuting will have to become as universal and as institutionalized as the inbound commute.

That might happen on a small scale. Indeed, Pace has already taken over four of the most efficient Suburban Job-Links routes. In Baltimore, Zelefsky said he would be monitoring Bridges to Work closely. "If they can demonstrate there's demand and it would be economically feasible, then we would definitely consider taking over that service," he said.

But the seeds of failure lurk in the blossoms of success. So far, those involved insist they haven't heard any suburban resistance to busloads of mostly minority, inner-city residents showing up in their communities. They also acknowledge, however, that few suburban residents are aware of the prospect of their arrival, and that when their presence is felt in suburbs, there could be a racial backlash from the communities.

If the program works and disadvantaged inner-city residents get good jobs in the suburbs, the first thing they are likely to do is buy cars. Indeed, Plunkett has a roster of hundreds of former Job-Links participants who now either own cars or carpool with others to good suburban jobs. Inbound public transportation is in demand because of road congestion and lack of downtown parking, two problems that commuters to the suburbs probably won't face any time soon.

As Pace and a few other creative transit agencies are doing already, however, Bridges to Work is expected to demonstrate that you can get there from here. That's vital to businesses around BWI, Shpritz recognized. "You can't have healthy growth in the (suburban) counties if Baltimore City fails," he said.

During the campaign, President Clinton kept citing the 10.5 million jobs created during his first term. "Without transportation," Hughes said, "they might as well be in Mexico as in the suburbs."

LANGUAGE: ENGLISH

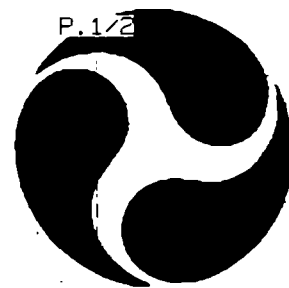
LOAD-DATE: December 02, 1996

Office of the Secretary
of Transportation

P-10

FAX TRANSMITTAL SHEET

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AND SAFETY



TO: Cynthia Rice

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Dorothy Robyn

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FAX # (202) 366-7618

NUMBER OF PAGES TO FOLLOW: _____

SPECIAL REMARKS OR INSTRUCTIONS:

Draft AGENDA ???



Date: May 16, 1997
To: See List Below
From: Cynthia Rice
Re: Meeting originally scheduled for May 16, 1997 10:00am
 regarding \$3 billion Welfare to Work Plan has been
 RESCHEDULED FOR MONDAY, MAY 19, 1997 1:00pm OEOB 211

LAST	FIRST	AGENCY	PHONE	FAX
Tarplin	Richard	HHS	690-7627	690-7380
Leonard	Paul	HUD	708-3896	708-0309
Golden	Olivia	HHS	401-2337	401-4678
Gruber	Jonathan	Treasury	622-0563	622-2633
Barr	Michael	Treasury	622-0016	622-0073
Stegman	Michael	HUD	708-1600	619-8000
Garrison	David	HUD	690-7858	690-7383
Uhalde	Ray	Labor	219-6050	219-6827
Finegan	Terrence	Labor	219-6050	219-6827
Harris	Seth	Labor	219-6181	219-6924
Rosewater	Ann	HHS	690-7409	690-6562
Palast	Geri	Labor	219-4692	219-5288
Cohen	Mary	HHS	401-2337	401-4562
Shelbourne	Robert	HHS	401-2337	401-4562
Bourdette	Mary	HHS	690-7850	690-8425
Oellerich	Donald	HHS	690-7409	690-6562
Fortuna	Diana	WH/DPC	456-5570	456-7431
Lewis	Anne	WH/NEC	456-2802	456-2223
Parker	Emil	WH/NEC	456-2809	456-5802
Apfel	Kenneth	WH/OMB	395-4844	395-5730
Fontenot	Keith	WH/OMB	395-4686	395-4875
Matlack	Larry	WH/OMB	395-3262	395-1596
Higgins	Kathryn	WH/Labor	456-2572	456-6704
Bromberg	Emily	WH/IGA	456-2896	456-2889
Levine	Phil	WH/CEA	395-4597	395-6853

Not 1. of
to Cyathia

Call
Newey
MF

Cyathia Rice

Need to connect
transit people

Thurs. $\approx$ 1pm

Completion of maps & who
before in WTW

May 19 - 3-4:15 : briefing on WTW aspects of bill

• 600M

• training

• hiring

Utada:

366-4835

• speakers

• inv. TEE &

East Room 1:30

May 20 : WTW 2:10 - POTUS arrival

• 100 CEOs

• rollout / launch of WTW p/shop (El. Signal)

audience:

- CO's

- affiliated bus. groups

- S-L (Voironich & Carpenter, Sen. K. D. V. Ely)

- need a few Ms

May 19

This is imp. to POTUS' overall WTA initiative;
we're going to fight for it.

- Slater - overview / big picture
- Reed - how this fits in w/ Admin's WTA initiative
- Gordon-Linden - \$600M access to jobs
- Janna - training; hiring

May 20

• Should POTUS highlight an ex?

- Chicago
- St Louis

Boul is swing vote

• Announcement: launch of
: NGA grants

• \$600M

1. Announcements of ~~degrees~~ • launching WTA P/Ship
• NGA \$5
• Challenge

2. ^{POTUS} WTA heard

3. list of CO's that made commitment

4. 10 CO's highlighted

- Dot: TPs for Members

- Key Aff: Invidees for 20th

* - Org. Will Steph briefing ~~on~~

- List of VIPs for ^{May} 20th
↳ transit

- ¹/₂ pager for 20th

* - Conf. call ^{on May 19th} - 2pm ¹/₁₀

POSSIBLE ORGANIZATIONS FOR WHITE HOUSE BRIEFING

May 19, 1997

3:00 - 4:15 pm

TRANSPORTATION

American Association of State Highway and Transportation Officials (AASHTO)

Daryl Rensink, President
Francis B. Francois, Executive Director
444 N. Capitol Street, NW
Washington, DC 20001
202-624-5800
202-624-5806 (Fax)

Community Transportation Association of America (CTAA)

Dale Marsico
Executive Director
1440 New York Avenue, Suite 440
Washington, DC 20005
202-624-1480

American Public Transportation Association (APTA)

Paul Carlson, Director Policy Development
Amy Coggin, Executive Director Policy and Intergovernmental Relations
1201 New York Avenue, NW Suite 400
Washington, DC 20005
202-898-4000

WELFARE / EMPLOYMENT TRAINING

American Public Welfare Association (APWA)

John Sciamanna
Senior Policy Analyst
810 First Street, NW, Suite 500
Washington, DC 20002
phone: 202-682-0100
fax: 202-289-6555

Interstate Conference of Employment Security Agencies (ICESA)

Kathleen Cashen
Employment, Training & Congressional Relations Director
444 N. Capitol St. NW, Suite 142
Washington, DC 20001
phone: 202-628-5588
fax: 202-783-5023

Jobs for the Future (research Institute in Boston)

Richard Kazis
Vice President for Policy & Research
One Bowdoin Square
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phone: 617-742-5995
fax: 617-742-5767

National Association of Private Industry Councils (NAPIC)

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President
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fax: 202-289-2846

National Alliance of Business (NAB)

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National Employment Leadership Council (NELC)

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The Welfare Information Network (WIN)

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National Association of Manufacturers

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Senior Policy Director
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fax: 202-637-3182

Manpower Demonstration Research Corporation (MRDC)

David Butler
3 Park Avenue
New York, NY 10016
phone: 212-532-3200

National Association of Workforce Development Professionals

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US Conference of Mayors

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Academy for State and Local Government

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202-434-4850
202-432-4851

National Association of Towns & Townships

Tom Halicki, Federal Affairs
1522 K Street, NW, Suite 730
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202-737-5200

POSSIBLE ORGANIZATIONS FOR WHITE HOUSE BRIEFING

May 19, 1997

3:00 - 4:15 pm

TRANSPORTATION

American Association of State Highway and Transportation Officials (AASHTO)

Daryl Rensink, President
Francis B. Francois, Executive Director
444 N. Capitol Street, NW
Washington, DC 20001
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202-624-5806 (Fax)

Community Transportation Association of America (CTAA)

Dale Marsico
Executive Director
1440 New York Avenue, Suite 440
Washington, DC 20005
202-624-1480

American Public Transportation Association (APTA)

Paul Carlson, Director Policy Development
Amy Coggin, Executive Director Policy and Intergovernmental Relations
1201 New York Avenue, NW Suite 400
Washington, DC 20005
202-898-4000

WELFARE / EMPLOYMENT TRAINING

American Public Welfare Association (APWA)

John Sciamanna
Senior Policy Analyst
810 First Street, NW, Suite 500
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fax: 202-289-6555

Interstate Conference of Employment Security Agencies (ICESA)

Kathleen Cashen
Employment, Training & Congressional Relations Director
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fax: 202-783-5023

Jobs for the Future (research Institute in Boston)

Richard Kazis
Vice President for Policy & Research
One Bowdoin Square
Boston, MA 02114
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fax: 617-742-5767

National Association of Private Industry Councils (NAPIC)

Robert Knight
President
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phone: 202-289-2950
fax: 202-289-2846

National Alliance of Business (NAB)

Tom Lindsley
Vice President for Legislation & Policy
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fax: 202-289-1303

National Employment Leadership Council (NELC)

Burt Menninga
Communications Associate
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fax: 202-822-8026

The Welfare Information Network (WIN)

Julie Strawn
Senior Associate
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Washington, DC 20005
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fax: 202-626-4484

National Association of Manufacturers

Phyllis Eisen
Senior Policy Director
1331 Pennsylvania, NW
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Washington, DC 20004
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Manpower Demonstration Research Corporation (MRDC)

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Tom Halicki, Federal Affairs
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202-737-5200

May 19
3-4:15

- Slater
- Reed

- Gordon Laxton
- Janna - hiring & training pref's

May 20

- non-TF being est'd by CEOs W-d-W Partnership

 - assist CO's meet

- P/swp will be launched on

 - hopefully, they will have commitments from
~50 CO's

- POTUS:

 - \$10K planning
p-grants

 - announce ~~plans~~ to ~25 states

 - \$600M/yr - in NEXTA

- mid-day - East Room or other big room

- audience:

 - CEOs

 - bus. assoc's

 - state officials

Mosley-Brown

Todd • Kirkland L

Conf. Call - WTA Briefing
5/15/97

- Speakers

- Audience

- Paper

- J. Weiss 6-9045

THE WHITE HOUSE
WASHINGTON

- Roy Kienitz 462-2833

· If Shuster doesn't get his \$,
· is

IT people

- spin

- make John Kasich the bad guy

Ward McGerriger - Overstar

Sarbanes - Paul Weck
- Loretta

THE WHITE HOUSE
WASHINGTON

- Boyer & Braun are vulnerable
(less so Dodd)
D'Amato head of GOP

- But D'Amato has to look
for his support largely on Dem.
side, b/c ^{most} GOPs don't care
abt. transit

- approach them if only to get
Santorum....
He's not vulnerable

THE WHITE HOUSE
WASHINGTON

This is really important
you need

*Surface Transportation Policy Project**draft 11/21/96*

Welfare Dependency and Transportation: A Proposal

The recent welfare bill has made the task of getting people off welfare and into work even more urgent than before. In its search for ways to assist this transition, the Clinton administration should look to transportation. Federal transportation funds can be used to give welfare recipients better access to jobs, and to make communities with high levels of welfare dependency more attractive to job creation. Reauthorization of ISTEA presents an opportunity to provide funding for these activities, and for the Clinton administration to show it is making access to jobs a priority.

Background

A significant share of the welfare dependent population is concentrated in urban and older suburban areas with high unemployment, few job opportunities and poor access to job growth centers. Getting and holding a job requires more than basic skills and daycare; poor access to suburban employment centers can be a major barrier.

Access to a car is least prevalent among the lowest income classes; nearly 40% of workers with annual income below \$10,000 don't commute by car, compared to around 20% in even the relatively modest \$25,000 to \$35,000 income range¹. This is largely because of cost; the American Automobile Association estimates that in 1995 it cost an average of \$6500 to own and operate one car. Most low income workers spend less, but even a fraction of this amount can be too much for a minimum wage salary of \$9880 per year to support. In 1977, the median price of a new car was 18 weeks salary for the average worker. In 1991, it was 25 weeks salary².

Although low income workers use public transportation more than others, in many places transit does not provide good access to the suburbs, where most job growth occurs. Traditional suburb-to-central city and newer suburb-to-suburb service is a big revenue source for transit systems, and routes are structured to serve the middle income riders that use these routes. Commuting by certain kinds of transit -- commuter trains, subways and elevated rail -- is actually higher among middle income workers than the poor. Low income "reverse commuters" -- workers who need to leave the central city or inner ring suburb in the morning to reach a suburban job -- have limited options. Where service does exist, suburban transit stations tend to be some distance from the workplace, and connector bus or van service is either unavailable or infrequent. Park and Ride lots help make suburban transit stations accessible to traditional commuters, but these investments don't help the reverse commuter.

In addition to the problem of direct access to jobs, past transportation investments have contributed to a growing spatial mismatch between jobs and workers, particularly low income workers. Public sector highway investments at the suburban fringe have bought down the cost of development in those areas to the disadvantage of older communities, and in many areas this spending has crowded out spending to maintain

basic infrastructure necessary to keep older communities competitive. In 1994 and 1995, per capita spending of federal road money in urbanized areas was \$54; in what the Census Bureau calls "non-urbanized areas" -- mostly low density outer suburbs -- per capita spending was \$115.³ Other factors are clearly involved in the deterioration of older communities, but the persistent imbalance in roadway spending cannot be ignored.

The Proposal

ISTEA II should contain a federal commitment to funding strategies that improve access to jobs for the chronically underemployed. Eligible activities for funding would fall into two general categories:

1. ***Programs that bring people to jobs.*** This includes reverse commute and suburban job link programs involving van-pools, buses or fixed rail, and transit pass or transit voucher programs to buy down the cost of longer distance commutes. Examples of each kind of program -- Chicago's "Shuttle Bug" suburban job link program and New York City's TransitChek voucher program -- are attached.
2. ***Programs that bring jobs to people.*** This includes a variety of ways to use transportation investments to make troubled communities more attractive to job growth. Examples are joint development agreements to revitalize transit stations and the neighborhoods around them, redevelopment of blighted "brownfields" areas to encourage new businesses to locate in urban areas, and improvements to the extensive but poorly maintained rail infrastructure in many urban areas in conjunction with the location of manufacturing and shipping facilities in these areas. Examples of such projects from the Chicago and Tampa areas are attached.

The program would be run by US DOT in coordination with other federal agencies, which could include the Departments of Labor, HUD and/or HHS, or perhaps the Community Empowerment Board. It would build on experience gained from the FTA Livable Communities Initiative and administration's Bridges to Work program. Eligible recipients of funding would be more than just the state DOTs: the likely list would include state and local governments, either through their transportation, social service or economic development agencies, or non-profit social service groups and community development corporations.

This is not conceived as a small pilot program to test these ideas. They have been tested, and the purpose of this program is implementation. Accordingly, funding would begin at \$100 million per year and grow to \$400 million per year in a few years.

¹ See *Commuting In America II*, Eno Transportation Foundation, Inc., 1996. p.56.

² Ibid, p.40.

³ See *Getting A Fair Share: An Analysis of Federal Transportation Spending*, Surface Transportation Policy Project, 1996, p. 6.

The "Shuttle Bug" Reverse Commute Project

Lake & Cook Counties, IL

Shuttle Service Promotes Transit and Helps Inner City Workers

Background: An innovative project on the outskirts of Chicago is providing shuttle service from a suburban commuter rail station to nearby companies, providing inner-city workers with access to suburban jobs. This program, known as the "Shuttle Bug," is part of a \$750,000 CMAQ funded project to provide improved multimodal access to a suburban business center in the Lake-Cook corridor. Located in Deerfield and Northbrook, approximately 25 miles northwest of downtown Chicago, the reverse commute project provides service between a Metra commuter rail station and local businesses. The service, which began in March, 1996, operates weekdays during rush hour and serves six routes in 15-passenger vans. Initial weekly ridership totaled 550 passengers, and ridership is growing. As of June, 1996, weekly ridership totaled over 840 passengers, and the Transportation Management Association (TMA) of Lake-Cook, which sponsored the project, is looking to expand service with larger vehicles. According to the Executive Director of the TMA of Lake-Cook, "This project is a win-win for all parties involved. The shuttle service will improve the labor accessibility of employers in the corridor, provide employees a convenient, reliable and hassle free way to commute to work and help reduce the traffic congestion on Lake-Cook Road."

The Shuttle Bug service is complemented by a separate CMAQ funded project in the Villages of Deerfield and Northbrook for the construction of improvements in the sidewalk system within 1/2 a mile of the Metra Station. This will improve pedestrian access in the vicinity of the commuter rail station.

Community Benefits: Shuttle Bug improves labor force accessibility for firms in the Lake-Cook area, particularly to the inner city labor force. With decentralization a continuing trend in the Chicago area, projects such as these provide needed access for low-income, inner city residents who, without such systems, are at a disadvantage in the labor force. The reverse commute project facilitates the hiring of inner city workers by suburban firms.

Transportation Benefits. By providing convenient shuttle service between the rail station and local businesses, individual employees will be encouraged to take mass transportation. As a result of this modal diversion, the project will help reduce congestion on roads in the Lake-Cook area and reduce auto emissions.

Economic Impacts: The project is public-private partnership between the TMA of Lake-Cook, the Villages of Northbrook and Deerfield and their respective Chambers of Commerce, and 14 businesses representing over 11,000 employees. Both the public and the private sector provided the local share funding for the project. Further, due to diversions from the private automobile, local governments may reduce the need to build new and wider roads, thus cutting back on the costs of infrastructure.

Contact: William Baltutis
Executive Director, TMA of Lake-Cook
847.948.4023

TransitChek®

New York, NY

Innovative financing promotes transit in the Big Apple

About the Program: The TransitChek Program in the New York City area coordinates the distribution of employer-purchased transit fare subsidies. It began in 1987 when the TransitCenter created the nation's first subsidy voucher system for transit. Using one voucher, employees or employers could purchase fare media (i.e., passes, tickets, or tokens) from any transit agency in the area. Before the TransitCenter, companies had to purchase tickets or token from each transit agency in the region and distribute them to employees according to their commuting patterns. Under the system developed by TransitCenter, companies could purchase TransitChek vouchers up to \$15 per month per employee that were valid for all local transit systems. In return for purchasing the transit vouchers for employees, participating companies received a tax break and TransitCenter received a small fee. The TransitCenter's position as intermediary agent between the transit agencies and the employers made the program attractive to a large number of employers because it eliminated administrative burden.

Innovative Financing: Although the program was off the ground in the early 1990s, TransitCenter was still financially supported by its host agencies, the Port Authority of New York and New Jersey, the Metropolitan Transportation Authority, and New Jersey Transit. However, two events enabled TransitCenter to become financially self-sufficient. First was enactment of the National Energy Policy Act in 1992, which raised the cap on the subsidy to \$60 per employee per month. This provided larger tax savings to companies and a greater revenue stream for TransitCenter. The cap increase and better marketing helped raise 1993 sales of vouchers 200 percent from 1992 and, according to Larry Filler, Executive Director of TransitCenter, the number of fare subsidy programs across the country increased three fold.

TransitCenter then received \$1.7 million in ISTEA CMAQ funds to hire a sales force to market TransitChek and assist large companies in using the program. With the grant, TransitCenter hired eight sales representatives to expand marketing activities and expanded their service to the entire New York State nonattainment area. The result was that between 1993 and 1995, sales of vouchers increased by 78 percent, bringing annual sales to nearly \$42 million. As a result of these sales increases, TransitCenter will become financially self-sufficient in 1997 from the revenues generated by the TransitChek Program. More importantly, the TransitChek Program has increased transit ridership in the New York Metropolitan area. Last year alone, TransitChek was responsible for generating over 2 million additional rides.

Contact: Larry Filler
Executive Director, TransitCenter
(212) 435-8100

Ybor City Electric Streetcar

Tampa, FL

A New Streetcar Helps Revitalize an Older Community

Background: Ybor City, a district of Tampa, Florida, is constructing a historic streetcar line to enhance economic development and provide an alternative mode of transportation to the automobile. To facilitate the construction of the 2.3-mile line, Ybor City was awarded a Livable Communities Initiative demonstration grant by the Federal Transit Administration in April of 1996. The line will run through Ybor, a classic urban village which has shown strong signs of revitalization in recent years and was designated as an Enterprise Community by the Department of Housing and Urban Development. The electric streetcar, along with pedestrian enhancements, will assist in the revitalization efforts as well as provide a new and economical way of moving between various destinations. The streetcar will run between downtown Ybor and the Tampa Convention Center and will connect most of the residential, commercial, community, and public service activities in this ethnically diverse community. Destinations along the line include historic Ybor, cruise ship terminals, retail shops along Garrison Channel, the Ice Palace (hockey arena), the Sheraton Hotel, the Florida Aquarium, and the Tampa Convention Center.

Economic Impacts: The historic district of Ybor City and the waterfront area in Downtown Tampa is a significant residential area and an emerging art, entertainment, and convention district. The \$21 million project, funded from federal, state and local sources, will make the area more attractive as a tourist destination and will increase the national appeal of the Tampa Convention Center.

Transportation Benefits: The streetcar will provide improved connections between trip attractions in the Ybor City district and will alleviate traffic congestion parking pressure. The electric cars will make more frequent stops, and operate longer hours, with lower costs, than the existing bus system, and transit ridership is expected to increase. The clean electric cars will help Tampa maintain its recent Clean Air Act designation as an air quality maintenance area.

Community Benefits: The streetcar will improve transit service and increase access to jobs for community residents, particularly the low income and minority populations that live along the line. Because of the streetcar project and Ybor's designation as an Enterprise Community, economic activity and employment in the community is expected to increase. The project is unlike many others in that it was conceived by the community, rather than a governing body or independent agency. The project evolved in response to recommendations by the Tampa Enterprise Community Vision, which called for improved transportation by various modes and a renewal of the economic base of the area. The Community Vision was developed through a series of community meetings organized by residents, business leaders, service providers, and government officials. Local architects, engineers, historians, and community residents volunteered their time and services to develop the project plan.

Contact: Steve Carroll
Hillsborough Area Regional Transit (HARTline)
(813) 223-6831

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

of pages ► 18

To Dorothy Robyn	From Michael Freedberg
Dept./Agency	Phone #
Fax # 456-2223	Fax # 708-5446
NSN 7540-01-317-7368	5098-101 GENERAL SERVICES ADMINISTRATION

Draft JEH 6/28/96

FACT SHEET

BRIDGES TO WORK DEMONSTRATION LINKING INNER-CITY RESIDENTS TO METROPOLITAN-WIDE OPPORTUNITIES

What is Bridges to Work?

Bridges to Work (BtW) is a research-demonstration program to link poor but work-ready inner-city job candidates with suburban jobs. BtW responds to the growing spatial mismatch between poor households concentrated in large cities and increasing numbers of employers located in surrounding suburbs.

The problem is severe:

- o central-city poverty rates ranged from two to five times the suburban rate in the eight largest metropolitan areas in 1990; furthermore, central-city unemployment rates were twice the suburban rate in five of the eight metropolitan areas.
- o more than two-thirds of the net new jobs during the 1980's were located outside the central city in the suburbs, in six of the eight largest metropolitan areas. In three of these areas (Chicago, Detroit, and Philadelphia) all net job growth was located in the suburbs.

BtW will test the ability of regional partnerships to link poor central-city residents with productive work and higher wages in outlying areas of job growth. It will examine how un- and under-employed poor persons and the suburban business community seeking qualified workers may benefit from linkage programs.

What are the Components of a Bridges Program?

Each program has an identified geographic "origin" (low income neighborhood(s)) and "destinations" (suburban job opportunity site(s)). BtW participants will receive coordinated and comprehensive job placement and retention services, transportation assistance, and necessary supportive services (such as child care) for a limited time.

There must be three basic program elements:

- o a simple but effective metropolitan placement mechanism to place work-ready city residents in

existing, private-sector suburban jobs and assist with job retention and advancement by working with the employer and employee for a limited time;

- o a targeted commute to help participants reach suburban job locations; and
- o support services to ensure that participants can sustain these connections, including counseling, crisis intervention, child care.

A BtW program consists of a lead entity and three to six collaborative partners representing local government, private enterprise, nonprofit service providers and neighborhood organizations all working to make the linkage of poor households concentrated in cities with jobs in the suburbs.

Where Are The Projects And How Were They Selected?

The demonstrations will operate in Baltimore, Chicago, Denver, Milwaukee, and St. Louis for four years.

The sites were selected by means of semi-competitive process reflecting local need and initiative. Initially, supported by under Foundation funds, 20 metropolitan areas were studied to measure three decades of increasing concentrations of unemployment and spatial from suburban job opportunities. Also there were studies of prior linkage efforts and their outcomes. Based on the study findings, Public Private Ventures (a nonprofit research firm in Philadelphia) identified 10 of the 20 metropolitan areas as experiencing significant spatial mismatch and the local capacity to address the spatial gaps. With support by five foundations and the Federal government (HUD and DOT), Public Private Ventures (PPV) designed the Bridges to Work concept and provided the ten target sites with small feasibility and planning grants. Each of the ten sites developed service provider collaboratives and a linkage plan. PPV selected the five strongest BtW plans using standard selection criteria. PPV then proposed and HUD agreed to support five demonstrations under a cooperative agreement with each site and local cost sharing.

What's the Research Element and How is it to be Used?

In addition to providing overall guidance and technical assistance to the five demonstration sites, Public Private Ventures (PPV) has designed an independent research and evaluation component to document what works and why. A research firm will be competitively selected to do the

random assignment of participants, and conduct baseline and follow-up surveys. PPV will monitor and evaluate the demonstration, following principles established by PPV and HUD.

The Baltimore, Denver, Milwaukee and St. Louis projects are to place and maintain at least 400 low income residents of city neighborhoods in suburban jobs and to monitor their activities for three years. The Chicago project will attempt to place 1,500 workers by the end of the second year, without conducting a random assignment element (see research components).

To identify BtW impacts, the Baltimore, Denver, Milwaukee and St. Louis projects, in addition to placing 400 "treatments" under the enhanced BtW service program, will identify a "control" population of 400 persons using random assignment techniques. The 400 controls will not be provided BtW enhanced services but rather rely on existing services. Chicago will document issues and challenges involved in attempting to place as many persons as possible in jobs using enhanced strategies.

The rigorous experimental design will enable PPV to provide solid social science findings on the potential of BtW linkages, the success of alternative local approaches to place individuals in jobs, the importance of enhanced time-limited services, and the BtW impacts on participant lives in terms of quality of life measures, socio-economic and housing conditions and reduced dependence on long-term government supports. Bridges will provide much information.

What's the Relationship of Bridges to Other Federal, State and Local Jobs Initiatives?

The BtW demonstrations are built upon local level programs supported under other Federal or state initiatives. BtW collaboratives include under employment and training (JTPA SDAs, One-Stop Service Centers, Private Industry Councils); welfare reform initiatives (Wisconsin Works, Missouri Futures, etc.); and transportation providers specializing in reverse commutes. There is also a linkage with Empowerment Zone programs in Baltimore and Chicago and the Enterprise Community activity in St. Louis.

The BtW strategy is the third element of three complementary national opportunity strategies. Given the diversity of communities and their populations, it is necessary to undertake multiple strategies to assure opportunity for disadvantaged low-income households that will result in self-sustaining progress. The other complementary strategies

are:

Community Revitalization .. expansion of jobs and employment in economically distressed areas such as Empowerment Zones, Enterprise Communities, or the Jobs Plus Initiative at public housing projects.

Moving to Opportunity .. opening opportunities for poor persons receiving Federal housing assistance to locate in communities with decent schools, jobs, and safe from crime.

BtW is stabilizing. Participants would, in effect, move from dependence to self-sufficiency. A significant number would "import" wages into their city neighborhoods as suggested by the successes of a BtW forerunner (Chicago's Suburban Job Link). Some participants might use their new suburban jobs as an entre to suburban residence, which also furthers Federal policy to enhance individual choice and independence.

Whos Funding Bridges and How Much Does it Cost?

Spatial mismatch studies -- \$300,000 (Ford and MacArthur Foundations)

Design of BtW concept and 10 BtW Demonstration Plans -- \$1,500,000 (Ford, Casey, MacArthur, Pew and Rockefeller Foundations, and HUD and DOT/FTA)

Five Projects -- \$11 million over four years (\$3 million in local matches and \$8 million from HUD)

Research and Evaluation -- \$5.7 million over four years (Ford, MacArthur and Rockefeller Foundations and HUD)

Whats the Timeframe?

The BtW research and demonstration phase is to commence September 1996 conclude in December 2000 -- 4 years.

After the demonstration, it is anticipated, given successful outcomes, that the projects in all five metropolitan areas will be self-sustaining using existing Federal, state and local resources but in new client-focused and integrated manner.

What is the Expected Positive Result?

It is hoped that Bridges will prove to win-win strategy that complements other important urban policy strategies. It is

hoped that:

- o Suburban employers will learn the demonstrated value of enhanced access for entry-level workers to business success and be willing in some circumstances to defray partial costs of the placement mechanism, the targeted commute, and support services.
- o Community-based organizations and policy makers will learn the demonstrated value of enhanced access to suburban work sites and of imported suburban wages, and be willing to support placement mechanism and leverage the "imports" into neighborhood economic development initiatives.
- o Regional transportation providers will learn the demonstrated value of increased market share in "reverse commuting" ridership, and be willing to start-up new service to support the targeted commute.
- o Federal policy makers at HUD, DOT, DOL, and HHS will learn the demonstrated value of coordinated, comprehensive, time-limited services at the metropolitan scale, and be willing to incorporate those lessons into the re-invention plans for housing assistance, employment training and placement programs, and transportation assistance, support services, and land use decision making.

202 395 7711

MAY-09-1997 08:49 TO:54 - HUD

FROM:GAYMON, D.

P. 3/12

JOHN H. CHAFEE, SENATOR, RHODE ISLAND, CLASSIFIED

JOHN W. MARRAS, SENATOR, RHODE ISLAND, CLASSIFIED
 ROBERT M. MARRAS, SENATOR, RHODE ISLAND, CLASSIFIED
 JAMES H. MARRAS, SENATOR, RHODE ISLAND, CLASSIFIED
 CHRISTOPHER L. MARRAS, SENATOR, RHODE ISLAND, CLASSIFIED
 THE MARRAS FUND, RHODE ISLAND, CLASSIFIED
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 A. BENDER, SENATOR, RHODE ISLAND, CLASSIFIED

United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
 WASHINGTON, DC 20510-6176

March 28, 1997

Mr. Michael Huerta
 Associate Deputy Secretary
 U.S. Department of Transportation
 400 Seventh Street, S.W.
 Washington, D.C. 20590

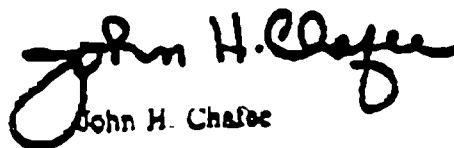
Dear Mr. Huerta:

Thank you for appearing before the Subcommittee on Transportation and Infrastructure on March 13, 1997 to discuss the reauthorization of the Intermodal Surface Transportation Efficiency Act and program eligibility. Your testimony was helpful and I know that your input will prove valuable as the Subcommittee continues its work on this important topic.

Enclosed are my questions for the hearing record. Please submit your answers by April 7, 1997 to the attention of Abigail Kinnison, Senate Committee on Environment and Public Works, 410 Dirksen Senate Office Building, Washington, D.C. 20510.

Again, thank you for your assistance and please contact Dan Corbett at 202-224-7863 if you have any questions. We look forward to reviewing your answers.

Sincerely,


 John H. Chafee

Enclosures

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MAY-09-1997 09:49 TO:54 - HUD

FROM:GAYMON, D.

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5/17/11 draft**RESPONSE TO SENATOR CHAFFEE'S QUESTIONS FOR MR. HUERTA**

QUESTION #1: The Administration's NEXTEA expands the eligibility of ISTEA's programs to better accommodate all modes of transportation and meet the nation's diverse transportation needs. Regrettably, some interests criticize increased flexibility as a "diversion" of highway trust funds from "highway purposes." Is there any way to reconcile the "diversion" argument with flexibility, which is one of the key principles of ISTEA?

ANSWER: As long as "diversion" occurs whenever funds from motor fuel taxes are spent on items other than the construction, maintenance and operation of highways and highway vehicles, the arguments can never be reconciled. The goal of maintaining identical correlation between the source and use of funds will unavoidably conflict with the goal of providing local options. Transportation decision makers often must balance these valid and conflicting priorities in the establishment of public policy.

Congress, of course, has previously crossed the "diversion" line to meet other competing public goals. In 1982 it dedicated a portion of the motor fuel tax toward transit capital projects. In 1993 it dedicated a portion toward the reduction of the Federal deficit. In ISTEA, Congress explicitly linked Federal transportation assistance to national clean air goals via a program (CMAQ) that funds improvements other than additional highway construction.

By offering states and cities the ability to spend ISTEA funds on an expanded set of transportation solutions, Congress has reaffirmed that the ultimate goal of transportation spending—to provide all Americans with access to opportunity—can best be met through strategies that respect regional differences. This "diversion" of motor fuel taxes supports a diversity of transportation solutions to best fit the needs of State and local decision makers.

QUESTION #2: I commend the Administration's NEXTEA proposal for providing greater program eligibility and funding flexibility for States and localities in meeting their transportation needs. In your opinion, what aspect of increased flexibility and eligibility in the NEXTEA proposal is the most substantial departure from current law?

ANSWER: Extending eligibility to certain passenger and freight rail facilities mark the most significant departure from current law. Amtrak capital projects would be specifically eligible for funding under the NHS and STP, as would publicly-owned freight rail projects.

In truth, however, NEXTEA expands only incrementally on the approach embodied in ISTEA, which truly revolutionized Federal transportation spending. The major new programs established by ISTEA—NHS, STP and CMAQ—remain the cornerstones of our proposal for reauthorization.

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QUESTION #3: As you know, representatives from the American Short Line Railroad Association and Association of American Railroads are here and will testify shortly. The Administration's proposal NEXTEA extended Surface Transportation Program funding eligibility to publicly-owned freight rail infrastructure. It did not extend funding eligibility to private freight rail. Why is it appropriate not to do so?

ANSWER: The Administration did consider extending eligibility to private freight rail, provided that the improvements demonstrated public benefit. Constructing an acceptable test of public benefit, however, promised to be problematic and controversial. Our selected approach relies upon the fact of public ownership as a simple and undisputed demonstration of public benefit.

QUESTION #4: Your testimony indicates that ISTEA played an important role in some brownfield success stories. Can you provide me with an example of a success story? How does NEXTEA address brownfields?

ANSWER: One example of a success story is the Lawrence Gateway Project in Lawrence, Massachusetts. This brownfields redevelopment project called for the cleanup of the most visible brownfield in Lawrence -- The Oxford Paper Plant -- located at the gateway to the historic, industrial part of town. Following almost a decade of frustration and lack of funding, in 1994 officials launched an initiative to redevelop the Oxford site by linking the project with a nearby bridge replacement and traffic interchange project, thus enabling the city to draw on Massachusetts Highway Department funds. Working closely with citizens and the business community, Lawrence officials developed a new plan to revitalize the city by restoring the historic entrance into the city.

Under this plan, a historic bridge will be converted into a pedestrian crossing, and a new arched bridge will be built to handle automotive traffic. In spring 1998, officials expect to begin building the new road and bridge that will form the backbone of the Lawrence Gateway Project.

Total projects costs are expected to be over \$8 million. Over half of this funding was secured through the Massachusetts Highway Department, which dedicated \$4.5 million for demolition and remediation at the Oxford site, as well as construction of the new canal Street bridge and a traffic interchange. FHWA contributed 80 percent of this money, the state provided the remaining 20 percent. DOT also provided \$500,000 in ISTEA enhancement funds. ISTEA money cannot be used for any demolition or construction activities; instead, it will fund Gateway corridor studies for establishment of a historic, scenic parkway.

According to city officials, the Lawrence Gateway Project has triggered a domino effect of revitalization in Lawrence's historic industrial district. Encouraged by

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redevelopment at the Oxford Paper site, public and private investors already have committed over \$160 million for improvement in the surroundings area.

NEXTEA addresses brownfields by continuing the emphasis on strong planning and funding flexibility necessary to support successful transportation-related brownfields redevelopment. NEXTEA will allow States and MPOs to continue: (1) funding brownfields cleanup as part of its infrastructure development efforts; (2) working with transportation and economic development agencies and industries to consider the redevelopment of brownfields for transportation-related uses; (3) encouraging consideration of transportation access in redevelopment planning; and, (4) identifying policies that discourage transportation-related brownfields redevelopment.

QUESTION #5: Your testimony clearly indicates that NEXTEA would expand funding flexibility and program eligibility. Why then is it appropriate to maintain two separate State Infrastructure Bank accounts (one to fund highway projects and one to fund transit capital projects) when NEXTEA expands eligible projects funded out of the highway account to all Title 23 projects, including transit capital projects?

ANSWER: Maintaining separate transit and highway accounts within State Infrastructure Banks (SIBs) reflects the desire to maintain a balance between the goal of preventing "diversion" and the goal of enabling flexibility, as cited in the answer to question one, above.

Of course, the separate accounting for SIBs mirrors the separate accounting within the Highway Trust Fund. The NEXTEA proposal would keep the SIB program structure consistent with its original establishment in Section 350 of the National Highway System Designation Act of 1995. DOT has not heard from the initial pilot States that the separate accounts have posed a significant obstacle.

QUESTION #6: Can you expand on NEXTEA's welfare to work initiative? What does it involve and what are the goals of the program?

ANSWER: The Access to Jobs proposal is a transportation program, and is offered because it is recognized that employment transportation services are often lacking and need to be created in a timely fashion to support the objectives of welfare reform. Given the many demands on both transit and human resource agencies, such service needs may not be addressed. Transportation agencies are hard pressed to respond because of reductions in operating assistance, the financial demands of implementing ADA services and budget constraints in general. Human resource agencies view transportation as an ancillary concern and generally respond by providing assistance directly to clients for transportation costs. Welfare agencies seldom directly develop employment transportation services. Nor should such agencies seek to create separate and uncoordinated services.

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The Access to Jobs program supports a timely response to the transportation needs that exist for additional employment transportation services in both urban and rural areas. It is intended to assist localities who have the most severe problems. The criteria for selection spell out several indicators that will help us address the most severe transportation needs. The project selection criteria include: (1) the severity of the welfare transportation problem as measured by the percentage of the population on welfare, (2) the need for additional services to transport economically disadvantaged persons to specified jobs, training and other support services, and the extent to which proposed services will address these needs, and (3) the extent to which the applicant's program addresses a comprehensive assessment of access to work transportation needs.

One goal of the program is to support the development of a comprehensive regional transportation strategy to meet the transportation needs of those persons transitioning from welfare to work. While each local program may have many components in terms of both providers and services, the Access to Jobs initiative is intended to support a regional employment transportation program, not address individual piecemeal elements. Therefore, DOT would solicit a single proposal from a region as programmed by the transportation planning organization.

Another goal is to foster local collaboration between transportation and the human service/employment development networks, including employers, in addressing this problem. Recipients are required to establish a mechanism to coordinate transportation and human service planning as condition of assistance. The program also requires coordination with existing service providers to take advantage of existing resources in meeting new needs. This reduces the cost of and enhances the efficiency of supplementary services.

A third program goal is to create transportation/human resource network financial partnerships. Providing the transportation needed to transition individuals from welfare to work should be seen as a shared responsibility. Human service funding provided by HHS, DOL, HUD and other agencies can be applied as the local match in meeting these transportation needs.

Finally, we believe that it is possible to apply the latest technology developments to help solve this welfare to work transportation challenge. The ITS technology will allow us to integrate many transportation service providers into a coordinated service network that can provide recipients high quality and reliable service.

It also should be noted that the Access to Jobs program affords localities great flexibility in determining the best solutions to meeting these important employment transportation needs. Collaborating partners including transportation agencies, existing transportation operators, welfare, employment

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training and other human service entities working with employers and community stakeholders are in the best position to develop appropriate service strategies. provider strategies. Strategies may range from conventional bus services to flexible paratransit, including ride-sharing strategies. A local employment transportation program developed through local collaboration may include a variety of transportation providers including transit agencies, non-profit social service providers, local neighborhood or community-based transportation ventures, private-for-profit operators, ride-sharing organizations, employer transportation management associations and other arrangements to provide additional employment transportation services.

The Access to Jobs program provides funding flexibility, even beyond that afforded in the transit formula program. Funding may be used for operating and capital service costs for new and supplementary transit services. Funds may be additionally used for capital for needed support facilities at transit stations such as a day care and other employment support services, identifying transportation needs and planning services strategies, linking transportation and welfare planning, local service coordination to maximize efficiency, support for providing employer transportation services, and the development of long term financing strategies and other related activities.

Therefore, the Access to Jobs program initiative, similar to other programs funded under ISTEA, reflects a strong national purpose, but affords localities the maximum flexibility in deciding how to respond.

We anticipate funding the programs that are ready to be implemented to meet the needs of those transitioning from welfare to work. Although the funds are flexible and can be used to plan welfare to work activities, we are urging states and localities to plan and develop their strategies now, so that when funding becomes available, they may move to implement services quickly. The time constraints associated with welfare reform requires speedy action.

Becoming Regional: A Federal Role

by Harriet Tregoning

We are at an interesting juncture in U.S. metropolitan development. As metropolitan areas grow and become decentralized, severe metropolitan problems seem to thwart both national and local attempts at solution. National solutions are often too generic and ill-fitting to be effective. While efforts are underway in many federal agencies to devolve federal programs to the local level, it is unclear whether tools available to local municipal — or even county — government can address the often severe and self-perpetuating physical, social, economic and environmental problems of our metropolitan cities and suburbs. Local solutions are often too narrow, not taking into account cross-jurisdictional impacts, or too reactive, rather than prospective. What we need may lie between — in strategies that attack local problems with the resources of the entire region.

REGIONAL EVOLUTION

The decentralization of our metropolitan areas has been one of the dominant social trends of the past half century. During the last 20 years alone, the total population of the large cities in the 39 largest metropolitan areas has increased by only about 1 million people, while the total suburban population in these same areas has increased by more than 30 million people. The United States is becoming a metropolitan nation where a majority of the population lives and works in large urbanized areas that include both historic central cities and inner and outer rings of suburban development.

With this suburbanization has come a decentralization of the economic base. People no longer live close to where their food is grown, or buy products made completely in their home community. Now goods are manufactured and assembled with raw materials and parts from all over the country and the world. The North American Free Trade Agreement and the General Agreement on Tariffs and Trade ensure that this trend will continue. At the same time, advances in telecommunications and other information technology have given businesses and individuals the flexibility to relocate outside the urban core areas. Indeed, over two-thirds of the employment growth (3 million of 11.8 million jobs) has occurred outside the city centers. More than half of all existing metropolitan jobs are located outside the central city.

According to many sources, including the Environmental and Energy Study Institute, federal policies have helped drive this pattern of spatial and economic decentralization. Federal public policies that support low density development include the underpricing of transportation. Even today the federal subsidy of highways is at 44% of total capital spending, and it has been higher in the past. That subsidy allowed cheap access to suburban and exurban development locations. Federal policies also keep gas prices lower than the true cost of driving, which includes pollution and congestion. Other implicated federal policies include the capital gains tax on home sales, tax-free employee parking subsidy, and mortgage underwriting criteria that favor single family detached homes, as well as the tax deduction for home mortgages, especially the deduction for second homes that are typically vacation residences far from central locations.

Whatever the cause, the new patterns of development have contributed to growing disparities between declining central cities and the rapidly expanding suburbs and exurbs. Infrastructure in our older urban areas — transit systems, housing stock, water and sewer facilities, among others — are in need of rehabilitation and maintenance, while the outlying communities struggle to keep up with demand for totally new infrastructure. The changes in our urban

areas have resulted in greater social separation and segmentation. Low-income and minority populations in the inner cities lack transportation to reach jobs in the suburbs and are priced or zoned out of the suburban housing markets. The high concentrations of poverty in cities contributes to the weakening economic base.

Nearly all major regional problems facing our cities today transcend the jurisdictional boundaries of existing institutions. Air pollution spreads throughout an entire air basin, regardless of where in the region it is generated. Major congestion problems typically affect transportation mobility throughout a whole region. Furthermore, many of these major problems are intertwined. Poorly planned development can pollute the air and water as well as cause congestion. Severe traffic congestion can deter additional economic growth.

Individual cities and towns are battling fiercely for shrinking resources and development opportunities. Referring to this increasingly hostile combat, a local official in Kansas City captured the essential dilemma, "I know it is wrong, but I'll stop when they stop." But slowly communities are beginning to recognize a need for change. Studies since the early 1990's have documented the interdependence between cities and suburbs and the importance of regional cooperation in achieving economic growth and prosperity. A study of the nation's three largest metropolitan areas — New York, Los Angeles and Chicago — concluded that suburbs do not constitute a self-sufficient outer city autonomous from the central city. A majority of suburban companies in these regions remain dependent on their metropolitan area's central city for financial and professional services (Alex Schwartz, 1992).

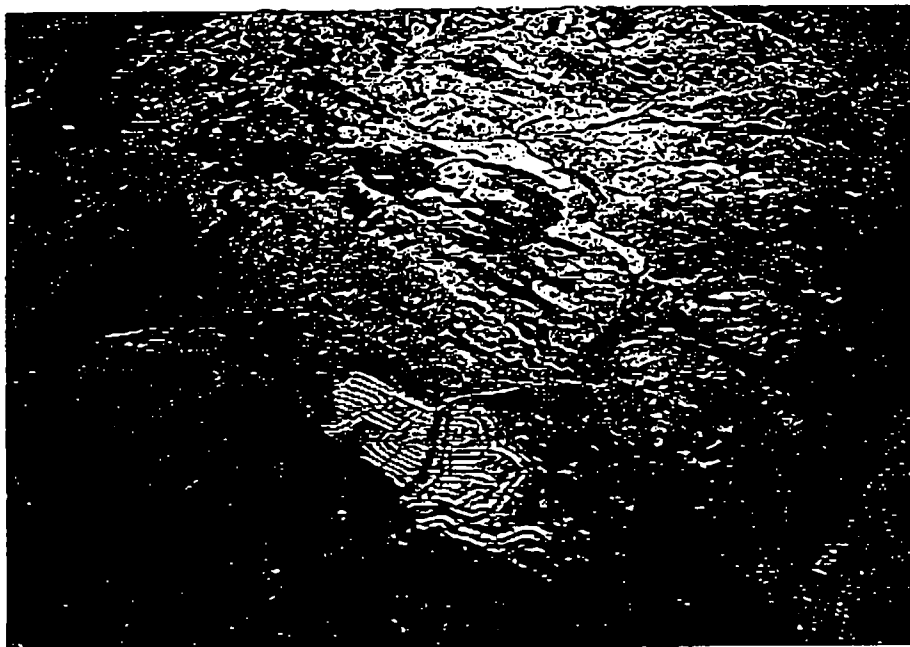
While the competing interests and lack of coordination among cities and suburbs persist, public and private sector leaders and citizens are finding ways to cooperate regionally so that they can flourish locally and compete globally. All levels — private sector, local, state and federal governments — have sponsored successful experiments in regional cooperation. For example, local governments have created an array of regional authorities to deliver water, sewer, transit, solid waste, and other common services. Private businesses have created regional chambers of commerce.

The federal government has a critical role to play in the development of new approaches to regional and metropolitan problems. National goals — promoting economic prosperity, enhancing the environment, and improving safety, mobility and quality of life — serve as the framework for federal actions.

FEDERAL INCENTIVES FOR REGIONALISM

The Intermodal Surface Transportation Efficiency Act (ISTEA) and the 1990 Clean Air Act Amendments are already a strong force for cross-jurisdictional cooperation. The 1990 Amendments gave new priority to environmental objectives in the transportation sector by requiring that transportation activities conform to state air quality plans. The 1990 Amendments ensure the timely implementation of transportation control measures to improve air quality. To implement these requirements, ISTEA provides tools including flexible funding, better intermodal choices and connections, increased metropolitan-level decision making, expanded public participation, and improved planning.

This federal legislation provides substantial motivation for local jurisdictions to overcome significant technical, political, and institutional



ON THE GEOMETRY

U.S. Department of Housing and Urban Development
Washington, D.C. 20410-7000



HUD/CPD

451 7th St. SW, Room 7100

Washington, DC 20410-7000

FAXDate: 5.16.97Number of pages including cover sheet: 11

To:

Dorothy Robyn

Phone:

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CC:

From:

Michael Freedberg

Phone:

(202) 708-2690 708-5440

Fax phone:

(202) 708-3336

REMARKS:

☐ Urgent☐ For your review☐ Reply ASAP☐ Please comment

Probably more than you need -

I compiled this set of urban/
suburban job data for then
A/S Cuomo last November

Might (or might not) be helpful.

The shift towards metropolitan economies

Metropolitan regions have witnessed profound economic, social and demographic changes over the past thirty years. The most important change has been decentralization of jobs and people to the suburbs.

- o Overall national trends show that the metropolitan employment balance shifted to the suburbs during the mid-1970s and has been "deconcentrating" at a rate of approximately one percent per year. Manufacturing employment is now over 70 percent suburban; wholesaling and retailing is just under 70 percent. The "last bastion" of central-city employment dominance -- business services -- was surpassed by suburban office employment in the mid-1980s.
- o Over two thirds of employment growth -- 8 million of 11.8 million jobs, has occurred outside the city centers. More than half of all metropolitan jobs are located outside the central city. In Atlanta from 1980 to 1986, 75 percent of net new jobs were created outside the central city; in Washington it was 91 percent.
- o Employment growth rates from 1980 to 1990 were highest in the suburban counties of the largest metropolitan areas (30 percent in Frostbelt suburbs, and 49 percent in the sunbelt). (Kasarda)

Many suburban employment centers grew at a rapid pace during the 1980s:

- o The North Dallas Parkway area, 12-15 miles north of downtown, now has over 20 million square feet of office space, a five-fold increase since 1980.
- o Clayton, outside St Louis has 50 percent as much office space as the CBD. Tyson's Corner, 12 miles West Of Washington DC, contains more office space than downtown

Baltimore or Miami. Post Oak Galleria in Houston, if it were freestanding, would be the ninth largest office agglomeration in the country, surpassing downtown Atlanta.
(Kasarda)

- o By 1990, 57 percent of the nation's office space was located outside central cities, compared to only 25 percent in 1970. (Urban Policy Report)

Population Shifts

- o During the past 20 years, the total population of the large cities in 39 metropolitan areas has increased by 8.9 million, while total suburban population has increased by 30.3 million.
- o In 1990, the suburbs constituted nearly 60 percent of the U.S. metropolitan population; between 1980 and 1990, the rate of population growth more than doubled the central city pace.

Poverty and income shifts

The other important shift, related to the shift of jobs and population, has been the concentration of poverty in central cities:

- o In the largest 85 metropolitan areas, average per capita incomes in the cities and suburbs were nearly equal in 1973, but by 1989, the city average was 16 percent lower than that of the suburbs¹.
- o Similarly, whereas in 1970, the largest cities housed about the same proportions of poor and non-poor populations (23 and 22 percent), by 1990, the share of the non-poor had declined dramatically -- to just 15 percent. And over the same period, the number of people living in concentrated poverty areas (mostly in central cities) grew from 3.8 million

to 10.4 million.

- o In many cities this has been accompanied by a declining tax base: in Detroit, for example, with 22 percent of the region's population, has just 7 percent of the region's tax base.
- o From 1960 to 1990, for the 94 largest cities, population as a percent of total U.S. population declined from 26.1 percent to 20 percent; minority population increased from 18 percent to 40 percent; median family income as percent of U.S. median family income dropped from 106 percent of median to 87 percent of median. (On the other hand, the poverty rate dropped from 17 percent to 15 percent in these cities).

Sunbelt-Rustbelt distribution of jobs²

There has been a big shift in manufacturing jobs from the Frostbelt to the sunbelt.

- o Between 1980 and 1990, the Frostbelt (Northeast and Midwest) lost 1.5 million manufacturing jobs and \$40 billion in aggregate manufacturing worker earnings, while the sunbelt (south and west) added 450,000 jobs and gained \$21 billion in manufacturing worker earnings.
- o From 1970 to 1990, the Northeast and Midwest lost over 2.1 million manufacturing jobs, while the south and west each gained over 1 million.
- o During the 1980s, the central counties of the Frostbelt's largest metropolitan areas lost nearly 1 million manufacturing jobs and over \$28 billion in manufacturing worker earnings.

Loss of manufacturing jobs

During 1980s, the 28 large metropolitan central counties of the Frostbelt lost nearly 1 million manufacturing jobs, while 65 mid-size metropolitan central counties lost another 350,000 manufacturing jobs(Kasarda). Some examples:

- o In Cook County, manufacturing earnings dropped by \$5.3 billion from 1980 to 1990.
- o In New York City manufacturing earnings dropped by \$3.2 billion. Pittsburgh manufacturing earnings dropped by \$3.2 billion as well, or 52 percent of total earnings.
- o Wayne County (Detroit) lost 32 percent of its manufacturing earnings, whereas Phoenix (Maricopa County) experienced a 27 percent increase.

Intrametropolitan trends

- o Between 1967 and 1987, Chicago lost 60 percent of its manufacturing jobs; Detroit, 51 percent, New York City, 58 percent; and Philadelphia, 64 percent. In absolute numbers, NYC's manufacturing employment declined by 520,000 jobs, Chicago's by 326,000 jobs, Philadelphia's by 168,000, and Detroit's by 108,000.
- o In contrast, overall suburban ring employment growth in northern metropolitan areas was very strong. Between 1977 and 1987, the suburban rings of NYC added 472,000 jobs; Chicago, 256,000; Philadelphia, 249,000, and Detroit, 232,000.
- o Sunbelt cities did not suffer nearly so much with manufacturing and trade job losses as did the Frostbelt cities. Most major sunbelt cities added manufacturing jobs between 1977 and 1987, and also experienced considerable growth in their trade and service sectors.

Skills and Spatial mismatch of jobs

Central city residents with no education beyond high school have become increasingly displaced as urban economies have transformed from goods processing to information processing.

- o Jobless rates for central city black males with only a high school diploma rose steeply after the late 1960s. In northeastern cities, the rate rose from 11 to 31 percent; in the Midwest from 10 to 41 percent; in the South from 1 to 22 percent (1968-1970 to 1990-92). Less-educated white city residents also saw steep increases in unemployment.
- o Suburbanization of blue collar jobs, particularly manufacturing and services such as fast foods, has physically isolated minorities from the bulk of deconcentrating job opportunities. One-way commuting times to suburban jobs by central-city black residents using public transit exceeded 50 minutes in Chicago, Los Angeles and New York.

Trends from 1990 - 1996

We're beginning to see a real turnaround since 1990 in these numbers, according to census data compiled by Jack Underhill.

- o Unemployment is coming down at a faster rate in many older cities. From 1990 - 1996, in Detroit, unemployment came down by over 5 percentage points, compared to nation as a whole which dropped by only 1 point. Cleveland, Pittsburgh, Newark, New York City (3.5 points) also experienced significant reductions.

Local cases

New York

The Regional Plan Association has documented these trends in the New York City/tristate region:

- o From 1982 to 1992, employment in the region was sluggish -- it grew by only 8 percent (compared to a national average of 22 percent). Services eclipsed goods production in the region in 1977.
- o As of 1995, New York City familed to restore the peak level of employment achieved in 1969 of 3.5 million jobs. All net new job formation in the region over this period (1969-1995) occurred outside the city. While from 1977 through 1989 there was a gain of 420,000 jobs, the city has since lost three of every four jobs gained.
- o Over the next 15 years, one in every three manufacturing jobs in New York City face elimination.

Cleveland

- o In 1990, Cleveland's Cuyahoga County had 570,000 jobs (held by County residents) -- an increase of 18,000 from 1980 to 1990. From 1980 to 1990, the City of Cleveland lost 6.2 percent of its jobs, while the suburbs gained 13 percent (even though the County population dropped by 3 percent).
- o There's been a dramatic change in the composition of jobs in Cleveland: the number of blue collar jobs in Cleveland dropped from 88,240 in 1980 to 64,356 in 1990, a decline of 27 percent. Professional white collar jobs increased by 13 percent. But 72 percent of these professional jobs went to suburban residents.³

Current Local Initiatives

A number of regional initiatives are now underway across the country to develop coordinated economic development across city/suburban and suburb/suburban lines. These include, for example, New York's Competitive Region Initiative, and initiatives in Cleveland, Minneapolis, Chicago, Metropolitan Miami, metropolitan Boston, to name a few.

The Need for Regional Cooperation

If cities and suburbs each go their own way, the cooperation necessary for flexible and innovative regional economies can be stretched to the breaking point.

- o Various studies indicate that the greater the income disparity between cities and suburbs, the worse the economic performance of the region as a whole. In other words, city-to-suburb wage inequality hurts a region's growth.⁴
- o The economic reality is that cities and suburbs are "all in it together," in the words of a recent National League of Cities report.

Regional economic clusters

Metropolitan economies are strongly tied to the regions that surround them. Some see America's economy as a common market of metropolitan-based local economic regions.⁵ These regional economies might both take advantage of the "comparative advantage" of the central city, but also will enable the U.S. to compete in the global economy. Local community ties provide the social infrastructure required to enable people and businesses in a region to collaborate in the face of global competition. Harvard economist Rosabeth Moss Kanter writes, "For a place to be world class, it must feature a concentration of skills that are hard to decouple from local assets-- for

example, colleges and universities in Boston, [or] Latin American experts in Miami." Other examples of regional economic clusters are California's Silicon Valley and Route 128 around Boston.

The role of central cities

Within this broader metropolitan approach, urban areas have a clear role to play in the development of a high-wage, high-productivity economy. In fact, urban locations are rebounding as favored production sites for manufacturing. With new information technologies feeding businesses changes in the market, production has begun to shift away from standardized mass-produced goods to more varied, customized products. Cities frequently provide a existing networks of transportation and communications infrastructure that make these new work systems very cost-effective.⁶

The Federal Role

Historically, the Federal government has played an important role in shaping and defining metropolitan and regional structures and planning. Section 701 of the Federal Housing Act in 1954 defined comprehensive planning and provide support for planning activities at the local level. In 1965 the Housing Act encouraged formation of regional planning organizations or regional councils. Later, the Federal government required "clearinghouses" for intergovernmental coordination at the state and metropolitan level (which were abolished in the 1980s). In 1975, the Department of Transportation established the Metropolitan Planning Organizations (MPOs) to carry out urban transportation planning. The role of the MPOs was given enhanced role in metropolitan planning through the Intermodal Surface Transportation Efficiency Act (ISTEA).

On the other hand, federal, state and local policies have often undermined sustained regional strategies. Federal tax policies, for example, historically have favored investments in such mobile assets as technology over place-based investments in people. Federal tax policies also encourage rapid depreciation of plant and equipment, thus encouraging further a "use-it-up-and-move" mentality. State and local governments have tended to compete to hand out ever-escalating financial incentives, as governments compete in the short run to lower a business's costs rather than think in terms of the long run by encouraging rich business environments that nurture flexible, innovative production.

Notes:

1. Barnes and Ledebur
2. Kasarda, "Industrial Restructuring and the Changing Location of Jobs", *State of the Union, America in the 1990's*, Russell Sage Foundation.
3. Richard Bingham, Veronica Kalich, Cleveland State University, "The Tie that Binds: Downtowns, Sburbs and the Dependence Hypothesis", *Journal of Urban Affairs*, 1996, Vol. 18, No. 2.
4. Neil Peirce
5. William Barnes and Larry Ledebur, *Local Economies: The U.S. Common Market of Economies*, National League of Cities, August, 1994
6. Elliot Sclar

THE NEW YORK TIMES OP-1

America's Rush To Suburbia

By Kenneth T. Jackson

This week in Istanbul, experts from around the globe are attending a United Nations conference on urbanization. The timing is propitious, because in the next few years the world will pass a historic milestone. For the first time, half the earth's population, or more than three billion people, will be living in cities.

At the turn of the century, only 14 percent of us called a city home and just 11 places on the planet had a million inhabitants. Now there are 400 cities with populations of at least one million and 20 megacities of more than 10 million.

But while cities around the world are becoming more dense, those in the United States are moving in the opposite direction. The typical model here is a doughnut — emptiness and desolation at the center and growth on the edges.

Many of the great downtown department stores — including Hudson's in Detroit and Goldsmith's in Memphis — are now closed. Meanwhile, new megamalls, discount centers and factory outlets are springing up every day on the peripheries of America's cities.

Though some cities are still thriving, of the 25 largest cities in 1950, 18 have lost population. For example, from 1950 to 1990, Baltimore lost 22 percent of its population, Philadelphia 23 percent, Chicago 25 percent, Boston 28 percent, Detroit 44 percent and Cleveland 45 percent. (It's true that many cities — Houston, San Diego, Dallas and Phoenix, among them — have grown since 1950, but that is largely because they have annexed their outlying territories. New York City, unique as always, has the same number of people, although its boundaries are unchanged.)

By contrast, during the same period, the suburbs gained more than 75 million people. In 1990, our nation became the first in history to have more suburbanites than city and rural dwellers combined.

Kenneth T. Jackson, a professor of history at Columbia University, is editor of "The Encyclopedia of New York City" and author of "Crabgrass Frontier: The Suburbanization of the United States."

Why should Americans care whether Portland, Me., or Portland, Ore., is losing inhabitants? Because our system of governance balkanizes social responsibility in our country, a nation divided by race and income.

Only in America are schools, police and fire protection and other services financed largely by local taxes. When middle- and upper-class families flee from the cities, they take with them needed tax revenues.

In Europe, Australia and Japan, such functions are essentially the responsibility of national or at least regional governments. In any of these places, moving from a city to a suburb does not have much impact on a citizen's taxes or on the quality of services.

Americans tend to regard a move to the suburbs as natural — even inevitable — when people are given choices about where to live.

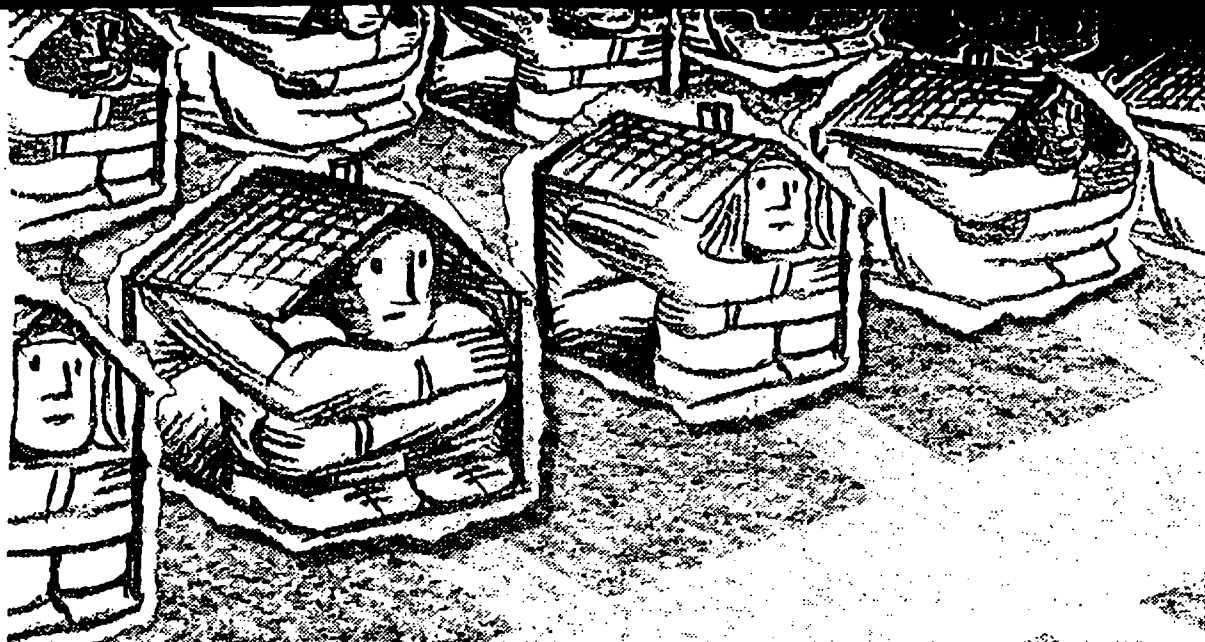
But in fact the pattern arises not because land is abundant and cheap (which it is) and not because we have racial and economic divides (which we do) but largely because we have made a series of public policy decisions that other countries have not made.

First, the tax code allows us to deduct mortgage interest and property taxes for both first and second homes. Most other advanced nations do not allow this.

Second, gasoline is essentially not taxed in this country. The 12-country European Union, which has fewer vehicles on the road than the United States does, takes in more than five times as much in gasoline taxes as America does. Our gasoline is cheap compared to that in other advanced industrialized nations, so living in the suburbs, without public transportation, is an attractive option.

Third, the United States has long had a policy, unique in the developed world, of making the provision of public housing voluntary. For the most part, communities across the country can choose to apply — or not — for public housing. The result of this is that the central cities have become the homes of the poor while the suburbs have become places to escape the poor.

By contrast, the French, British, Germans and Japanese spread public housing around. Indeed, in many countries a demonstrably higher proportion of public housing units go to the periphery than to central city



Milan Trenc

Tax, housing and gasoline policies doom our cities.

— and this discourages middle-class urban flight.

Finally, in the United States, government at all levels has affected cities by what it has not done. In Europe, land is regarded as a scarce resource that has to be controlled in the public interest rather than exploited for private gain. Thus, governments have acted to preserve open space and deter suburban sprawl.

There are other policies, too, that work against urban areas in the United States, but the larger point is clear: American cities operate under a series of unusual handicaps.

St. Louis offers an extreme example of the consequences of all this. Once the fourth largest city in the nation, the so-called Gateway to the West has become a ghost of its for-

mer self. In 1950, it had 857,000 people; by 1990, the population had dwindled to 397,000. Many of its old neighborhoods have become dispiriting collections of eviscerated homes and vacant lots. Aging warehouses and grimy loft factories are now open to the sky; weeds cover once busy railroad sidings.

Will the experience of St. Louis, become typical of other cities in the 21st century?

In recent years, such prominent authors as Paul Hawken, John Naisbitt and Alvin Toffler have predicted that cities are doomed and that new telecommunications have made human interaction unnecessary. In the future, they suggest, our journey to work will be from the breakfast table to the home computer. There, in splendid isolation, we will work, shop and play in cyberspace.

Perhaps the futurists are correct, and the cities of our time, like conquered Carthage, will be razed and sowed with salt. But I doubt it. It is more likely that New York, Chicago, Los Angeles, San Francisco, Boston and a dozen or so other places will remain great cities well into the next millennium, despite government policies that cripple them.

That's because the same catalytic mixing of people that creates urban problems and fuels urban conflict also spurs the initiative, innovation and collaboration that taken together move civilization forward. Quite simply, metropolitan centers are the most complex creations of the human mind, and they will not easily yield their roles as marketplaces of ideas.

Cities are places where individuals of different bents and pursuits rub shoulders, where most human achievements have been created. Whereas village and rural life, as well as life in the modern shopping mall, is characterized by the endless repetition of similar events, cities remain centers of diversity and opportunity. If they express some of the worst tendencies of modern society, they also represent much of the best.

As Charles E. Merriam, a professor at the University of Chicago, told the United States Conference of Mayors in 1934: "The trouble with Lot's wife was that she looked backward and saw Sodom and Gomorrah. If she had looked forward, she would have seen that heaven is also a pictured as a city." □



Indicators of Urban Sprawl

Prepared by Oregon's Department of Land Conservation and Development
May 1992

* From 1970 to 1990, the density of urban population in the United States decreased by 23 percent.

Source: Associated Press article "Census: Cities Takeover U.S.," *Statesman Journal*, December 18, 1991.

* From 1970 to 1990, more than 30,000 square miles (19 million acres) of once-rural lands in the United States became urban, as classified by the U.S. Census Bureau. That amount of land equals about one third of Oregon's total land area.

Source: Associated Press article referred to above.



* From 1969 to 1989, the population of the United States increased by 22.5 percent -- and the number of miles driven by that population ("vehicles miles traveled" or "VMT") increased by 98.4 percent.

Source: Federal Highway Administration, "Selected Highway Statistics and Charts--1989," quoted in March 1991 *Special Trends*, by the Urban Land Institute.

* From 1983 to 1987, the population of the United States increased by 9.2 million-people -- and the number of cars and trucks increased by 20.1 million.

Source: *Statistical Abstract of United States, 1989*, quoted in Anthony Downs' "The Need for a New Vision for the Development of Large U.S. Metropolitan Areas."

* "In the 1980s in Oregon, the number of vehicle miles traveled increased eight times faster than the population."

Source: TRI-MET Strategic Plan (Discussion Draft), April 1992, p. 3.



* From 1940 to 1970, the population of the Portland urban region doubled-and the amount of land occupied by that population quadrupled.

Source: The University of Oregon's Atlas of Oregon, 1976.

Quotations About Sprawl

"Taken together, the studies [on costs of sprawl] reach similar conclusions: development spread out at low densities increases the costs of public facilities."

Douglas R. Porter, in the foreword to
The Costs of Alternative Development Patterns,
by James E. Frank, 1989

"Studies conducted over the last 30 years have concluded that when development is spread out at low densities, the per-unit cost of constructing and maintaining public facilities increases. The reason for this is that low-density development requires more miles of roads, curbs, sewers, and water lines; and municipal services must be delivered over a greater geographic area."

The Urban Land Institute
The Case for Multifamily Housing, 1991

"For the last three decades, urban economists and city planners have recognized that unplanned sprawling residential development is very costly. As this development extends outward from the core, city infrastructure, service and maintenance costs increase exponentially"

Katherine E. Stone and Dennis Martinek
"The Economic Consequences of Unmanaged Growth"
Western City, November 1991

"By updating and standardizing the studies Frank [cited above] found that streets, utilities, and schools for a suburban single family development with 3 dwelling units per acre built 5 miles from sewage and water treatment plants in a leapfrog pattern would cost \$43,381 per dwelling in 1987 dollars. Building the same development adjacent to existing development and near central facilities would reduce costs by \$11,597 per dwelling unit, a 27 percent reduction."

Center for Urban Studies (PSU) and Regional Financial Advisors, Inc.
DLCD's Local Government Infrastructure Funding in Oregon, 1990

"For Loudon County, the average annual revenue shortfall or net public be approximately three times as large (\$2200 per dwelling) from the lowest-density residential community projected in the study as from the highest-density community (\$700 per dwelling)."



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF POLICY DEVELOPMENT AND RESEARCH

FROM: Paul A. Leonard
Deputy Assistant Secretary
for Policy Development

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May 19, 1997

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NUMBER OF PAGES INCLUDING COVER SHEET:

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NOTE:

Summary of Bridges to Work



Bridges to Work: Access to Jobs

The economic gap between the Nation's inner cities and suburbs has widened significantly during the last decade. Unemployment and poverty have increased in many inner cities while many suburbs have prospered. Through unique local employment, transportation, and empowerment partnerships, Bridges to Work (BtW) will help to close that gap.

BtW is a new empowerment research demonstration program that will operate for 4 years in Baltimore, Chicago, Denver, Milwaukee, and St. Louis. BtW is administered jointly by Public/Private Ventures (P/PV), a Philadelphia-based nonprofit research and program development organization, and the U.S. Department of Housing and Urban Development (HUD). The initiative, which connects inner-city residents with suburban employment opportunities, brings local partners together to provide job placement, transportation, and support services to assist lower income, inner-city residents in becoming self-sufficient and working toward strengthening regional economies.

Program Benefits: BtW was designed to be a "win-win" initiative, in which both inner-city job seekers and suburban employers gain benefits. BtW participants will receive coordinated and enhanced job placement and retention services, transportation assistance, and necessary supportive services (such as child care and counseling) to attain and retain productive suburban jobs. Higher wages will help these inner-city residents work toward self-sufficiency. Employers who are in need of workers due to suburban labor shortages will gain access to a work-ready labor force.

Program Sites: With financial support from HUD, the Department of Transportation Federal Transit Authority, and various

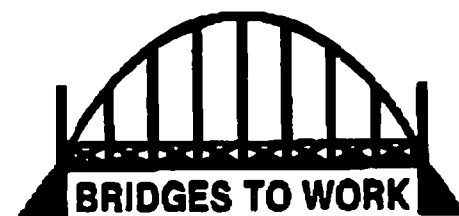
foundations, P/PV assisted 10 cities in developing plans to participate in the BtW program. Five of these sites—Baltimore, Chicago, Denver, Milwaukee, and St. Louis—were selected to operate BtW programs for 4 years.

Program Partnerships: A key component of BtW is the formation of regional collaboratives to provide job linkage services. These local partnerships include representatives of neighborhood groups, employer organizations, nonprofit service providers, regional transportation providers, metropolitan planning organizations, and local and State governments.

Program Funding: Total funding for BtW is \$17 million over 4 years. This includes \$11 million for program operations—\$8 million from HUD and \$3 million in local contributions from the participating communities. Program monitoring, research, and evaluation will cost approximately \$6 million and will be provided by HUD and the Ford, Rockefeller, and MacArthur Foundations. P/PV will conduct research and evaluate the program. They plan to evaluate the impact of the BtW program on income and employment and the effectiveness of the BtW job placement services.

For More Information: Contact Beth Palubinsky, Public/Private Ventures, 215-557-4400.

FACT SHEET



BRIDGES TO WORK DEMONSTRATION LINKING INNER-CITY RESIDENTS TO METROPOLITANWIDE OPPORTUNITIES

What is Bridges to Work?

Bridges to Work (BtW) is a new empowerment research demonstration program that will operate for 4 years in Baltimore, Chicago, Denver, Milwaukee, and St. Louis. BtW is administered jointly by Public/Private Ventures (P/PV), a Philadelphia-based nonprofit research and program development organization, and the U.S. Department of Housing and Urban Development (HUD). The initiative connects inner-city work-ready residents with suburban employment opportunities through local partners that provide job placement, transportation, and support services. BtW will assist lower income, inner-city residents in becoming self-sufficient and working toward strengthening regional economies.

How did the idea for BtW originate?

With initial foundation funding, P/PV examined the link between inner-city poverty and unemployment and the suburbanization of employment over three decades within 20 metropolitan areas. Building on this research and with additional support from HUD and the U.S. Department of Transportation Federal Transit Authority (DOT/FTA), P/PV developed BtW as a research demonstration to link poor but work-ready inner-city residents with suburban jobs.

Why is BtW needed?

Through its initial research, P/PV found a severe problem of spatial

mismatch occurring between poor households concentrated in large cities and the increasing number of employers located in the surrounding suburbs.

- In 1990 inner-city poverty rates were from two to five times higher than those in the suburbs of the Nation's eight largest metropolitan areas. In five of the eight areas, inner-city unemployment rates were twice those of the suburbs.
- In six of the eight largest metropolitan areas, more than two-thirds of the jobs created during the 1980s were located in the suburbs. In three of these areas (Chicago, Detroit, and Philadelphia) all net growth was in the suburbs.

BtW will link poor, inner-city residents with productive, higher wage jobs in outlying areas of job growth. The BtW program will examine how unemployed and underemployed inner-city residents and suburban employers seeking qualified workers may benefit from this linkage.

What is BtW expected to achieve?

BtW is intended as a "win-win" initiative that complements other important urban policy strategies. Its goals are as follows:

- Low-income city residents will gain access to private-sector jobs that will enable them to become self-sufficient and to import wages back into their city neighborhoods.

- Suburban employers will see the inner city as a source of work.
- Regional transportation providers will learn the value of increased market share as a result of the additional city-to-suburb ridership generated by the program and be willing to initiate new services to support "reverse commuting."
- Federal, State, and local policy-makers will discover the value of coordinated, comprehensive, time-limited services on a metropolitan scale and incorporate these benefits into their planning for programs in housing assistance, employment training and placement, transportation, support services, and land use.

What are the components of a BtW program?

Each BtW site has an identified geographic origin (a low-income, inner-city neighborhood) and a destination (a suburban job opportunity site). As BtW participants, work-ready inner-city residents will receive enhanced program services provided through BtW's three key program elements:

- Placement in existing, private suburban jobs through a metropolitan employment placement mechanism.
- A targeted commute connecting workers to otherwise inaccessible suburban job locations.
- Support services, such as counseling, crisis intervention, and child care, to ensure that workers can sustain



these connections and to mitigate any demands created by the suburban commute.

The BtW model also requires each site to form regional partnerships called *collaboratives*, which typically include a lead community-based organization, a transportation provider, nonprofit service providers, a metropolitan planning organization (MPO), and/or a city-suburban government agency.

How were the BtW project sites selected?

From its initial research of the Nation's 20 largest metropolitan areas, P/PV identified 10 areas that had both significant spatial mismatch and the local capacity to address these gaps. With support from five foundations, HUD, and DOT, P/PV allocated small planning grants to the 10 target sites to develop their local program plans. Using standard selection criteria, P/PV chose the five strongest plans.

What is the demonstration timeframe?

BtW's 4-year research and demonstration phase is scheduled to commence in September 1996 with a 3- to 6-month pilot phase. Implementation is projected to begin no later than January 1997. The program is scheduled to conclude in December 2000, but if successful, all five sites will continue their BtW operations using existing Federal, State, and local resources.

Who funds BtW, and how much does it cost?

BtW is funded through the support of foundations, the Federal government, and local resources.

Predemonstration costs include:

- Spatial mismatch studies—\$300,000: the Ford and MacArthur Foundations.

- Design of the BtW concept and development of 10 BtW site plans—\$1,500,000 from the Ford Foundation, the Annie E. Casey Foundation, the John D. and Catherine T. MacArthur Foundation, the Pew Charitable Trust, the Rockefeller Foundation, HUD, and DOT/FTA.

Demonstration costs include:

- Five demonstration programs—\$11 million over 4 years, including \$8 million from HUD and \$3 million in local matches.
- Research and development—\$5.9 million from the Ford Foundation and HUD/Office of Policy Development and Research (Rockefeller Foundation and MacArthur Foundation support is pending).

What methodology will be used in program research?

BtW is a rigorous, experimental research effort guided by P/PV. The research will evaluate the BtW impact on earnings and employment, document the potential of regional BtW partnerships and job placement mechanisms, and measure the value of time-limited services and the reduced dependence on long-term government supports.

A competitively selected, independent research firm will randomly assign 800 participants at 4 BtW sites into treatment and control groups and will conduct baseline and followup surveys. These four experimental sites—Baltimore, Denver, Milwaukee, and St. Louis—will each place and maintain 400 people from the treatment group who will receive BtW enhanced services and 400 from the control group who will rely on existing services. Chicago, the sole scale BtW site, will attempt to place 1,500 workers without random assignment and will document issues and challenges involved in attempting to place as many persons

as possible using enhanced BtW strategies.

Is BtW related to other Federal, State, and local jobs initiatives?

In addition to building on local level programs supported under other Federal or State initiatives, BtW has brought together unprecedented partnerships among city and suburban service delivery areas and private industry councils that administer the Job Training Partnership Act (JTPA), State and local human service providers, and regional transportation providers. Baltimore and Chicago BtW programs are linked directly to the HUD Empowerment Zone initiatives, and the St. Louis program is involved in Enterprise Community activities. As such, BtW is one of three complementary national strategies designed to offer low-income residents the opportunity for independence and self-sufficiency. The other strategies include:

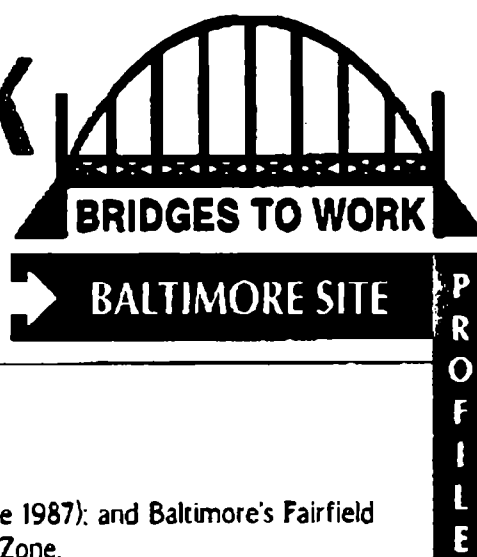
- Community Revitalization. Expansion of jobs and employment in economically distressed areas such as Empowerment Zones, Enterprise Communities, or Jobs Plus Initiatives in public housing projects.
- Moving to Opportunity. Relocation opportunities for poor persons receiving Federal housing assistance to move into safer communities with better schools and jobs.

Other Federal jobs initiatives will play a role in BtW. These include the JTPA one-stop service centers and HUD's Jobs Plus Initiatives for public housing residents.

How can I learn more about BtW?

For information about Bridges to Work, contact Beth Palubinsky or Joseph Tierney, the project's codirectors at P/PV, at 215-557-4400.

Bridges to Work Demonstration



Project Manager

Historic East Baltimore Community Action Coalition (HEBCAC), a community-based organization and Baltimore Empowerment Zone "Village Center"

Local Partners

Mayor's Office of Employment Development (MOED), the city's Job Training Partnership Act (JTPA) Service Delivery Area (SDA)

Yellow Transportation, Inc. (a private, for-profit, metrowide transit provider)

BWI (Baltimore-Washington International Airport) Business Partnership (an economic and transportation management association)

Jubilee Jobs, Inc. (a private, nonprofit employment counseling/job placement service)

Genesis Jobs, Inc. (a private, nonprofit employment counseling/job placement service)

The Local Design

Origin. Neighborhoods in and around HEBCAC's East Baltimore catchment area; intersects generally with boundaries of the eastern section of the city's Empowerment Zone; includes more than 600 units of public housing.

Destination. BWI Airport Business District, which has 125,000 jobs—nearly one-third of all jobs in the Baltimore region (which has experienced 25 percent average

job growth since 1987); and Baltimore's Fairfield Empowerment Zone.

Placement. HEBCAC to broker expanded city-suburb relationships; will manage job development and placement activities for Bridges to Work (BtW) referral partners in conjunction with MOED's East Side Career (one-stop shopping) Center.

Targeted Commute. Near-direct service via vanpools from origin neighborhoods to suburban destinations. Vans to be leased/purchased and managed by HEBCAC; service to be provided by an experienced, private transportation company (Yellow Transportation); BtW participants to pay a portion of the fare.

Support Services. Pre- and post-employment counseling, crisis intervention/conflict resolution counseling, and child care referrals to be provided by BtW staff and partner agencies; guaranteed emergency rides home to be provided by local taxi companies.

Linkages to Other Federal Initiatives

- The Baltimore Empowerment Zone.
- JTPA (one-stop service center) programs.
- Aid to Families with Dependent Children (AFDC) and Job Opportunities Basic Skills (JOBS) programs.

For information about BtW in Baltimore, contact Scot T. Spencer, Director of Physical Development, Historic East Baltimore Community Action Coalition, Inc., 410-614-4218.



Bridges to Work Demonstration



Project Manager

Suburban JobLink, Inc. (a private, not-for-profit employment service and transportation program)

Local Partners

Chicago Jobs Council (a public policy reform and program development coalition)

Mayor's Office of Employment and Training (MOET), the city's Job Training Partnership Act (JTPA) Service Delivery Area (SDA)

Cook County President's Office of Employment and Training

Pace Suburban Bus Company (regional transit provider for Chicago's metropolitan area)

Private Industry Council of Cook County (a county JTPA SDA)

Community Workshop on Economic Development, represents Chicago's federally designated Empowerment Zone

The Local Design

Origin. The Bridges to Work (BtW) "scale site," with a mandate to place as many as 1,000-1,500 workers in new suburban jobs. Eighteen communities in the city, nearly all of the city's West Side, and a corridor along the Dan Ryan Expressway on the South Side; origin includes nearly 9,500 public housing units.

Destination. O'Hare Airport industrial complex and adjacent suburbs, with 1,300 or more jobs added during 1993-94, and posted overall job gains for the period that established record employment growth in the area.

Placement. BtW job developers and case managers linking participants to jobs through traditional employer contact methods (direct mail, telemarketing), the Oasis job database, leads obtained from BtW alliance members, and by "word of mouth."

Targeted Commute. A mix of transportation modes that include BtW-provided express bus service and vanpool service provided by Pace Suburban Bus Company.

Support Services. Guaranteed emergency rides home, Oasis-provided job-retention services, and participant referrals to child care and other support services.

Linkages to Other Federal Initiatives

- Public housing.
- Aid to Families with Dependent Children (AFDC) and Job Opportunities Basic Skills (JOBS) programs operated by the Illinois Department of Public Aid.
- Cook County JTPA SDA (one-stop service centers).
- Head Start delegate agencies.

For information about BtW in Chicago, contact John Plunkett, Executive Director, Suburban JobLink Corporation, 708-595-0010.



Bridges to Work Demonstration



Project Manager

Mayor's Office of Employment and Training (MOET), the city's Job Training Partnership Act (JTPA) Service Delivery Area (SDA)

Local Partners

Regional Transportation District (RTD), the Denver metropolitan area's public transit provider

Arapahoe County Employment and Training (county JTPA SDA)

Denver Regional Council of Governments, the Denver area's Metropolitan Planning Organization

Curtis Park Community Center (CPCC), the lead Bridges to Work (BtW) community-based organization

Southeast Denver and Douglas County Economic Development Council (SEDC, an economic development association and BtW's employer liaison)

The Local Design

Origin. Denver's Five Points/Curtis Park section, located in the city's 10-year-old Enterprise Zone, and Old Aurora, located partly in the Denver portion of Adams County and partly in Arapahoe County; origin includes seven public housing complexes.

Destination. Denver Technological Center, located in southeast Denver and Douglas County, which has the fastest overall industrial and business development growth in the region.

Placement. SEDC and MOET determine employer needs and market BtW to employers. BtW job

developers, housed at SEDC's Tech Center offices, secure and communicate job orders to the BtW Center (at CPCC). BtW placement staff based at the BtW Center match applicant with job order and coordinate ongoing links with employers.

Targeted Commute. Three options (based on participant need and project capacity): RTD public transit service (express bus), circulator van and transit service, and dedicated vanpool. Rides to be "targeted" between BtW origin and destination according to participant proximity to bus stops, child care, and other essential services. BtW riders to receive free monthly ride pass, called ECO-Pass.

Support Services. Guaranteed emergency rides home, child care referrals and limited subsidies, diversity training for employers and employees, and transportation planning assistance.

Linkages to Other Federal Initiatives

- JTPA SDAs (city and county).
- Aid to Families with Dependent Children (AFDC) (Denver Family Job Opportunities Basic Skills (JOBS) Opportunity program).
- U.S. Department of Housing and Urban Development (HUD) (public housing-based employment and social services programs).
- Youth Fair Chance Programs (northwest and northeast Denver).

For information about BtW in Denver, contact David Ford, Senior Planner, Mayor's Office of Employment Training, 303-893-3382.



Bridges to Work Demonstration



Project Manager

Private Industry Council of Milwaukee County, the city's Job Training Partnership Act (JTPA) Service Delivery Area (SDA)

Local Partners

Private Industry Councils of Waukesha, Ozaukee, and Washington Counties (WOW PIC)

Milwaukee County Department of Human Resources

Washington County Economic Development Corporation (employer liaison)

Wisconsin Department of Health and Social Services

Milwaukee County Department of Human Services

Wisconsin Department of Transportation

Milwaukee Job Center Network (one-stop job centers and Bridges to Work (BtW) intake and recruitment sites)

The Local Design

Origin. Takes in 16 ZIP Codes in Milwaukee's north, south, and central neighborhoods. Includes the city's Community Development Block Grant jurisdiction and contains more than 4,700 units of public housing.

Destination. Two targets: Washington and Waukesha Counties; both high-growth areas and rich sources for difficult-to-fill, entry-level jobs. Each has a good mix of employment distribution and is within reasonable commuting distance of BtW origin.

Placement. All placement functions (eligibility and placement-readiness determination, employment plan development, BtW orientation) fully integrated across the Milwaukee County and WOW PICs via Milwaukee Job Center Network. Also, WOW PIC to link suburban employers and city job seekers in Milwaukee via the State job service's automated matching system.

Targeted Commute. Bus or van service (depending on residence, rider density, and location) contracted to private operators, as in Wisconsin's JobRide program. Near-direct service involves pickup and dropoff at strategic origin and destination sites.

Support Services. Child care assistance, guaranteed emergency rides home, counseling for participants and employers, and orientation and mapping to and from the suburbs.

Linkages to Other Federal Initiatives

- U.S. Department of Housing and Urban Development (HUD) public housing programs.
- JTPA SDA (one-stop service centers).
- JobRide.
- Wagner-Peyser programs.

For information about BtW in Milwaukee, contact Angie Serwe-Turner, Facilitator, Private Industry Council of Milwaukee, 414-225-0931.



Bridges to Work Demonstration



Project Manager

East-West Gateway Coordinating Council (the Metropolitan Planning Organization for the Missouri-Illinois St. Louis region)

Local Partners

St. Louis Agency on Training and Employment, one of the region's seven Job Training Partnership Act (JTPA) Service Delivery Areas (SDAs)

Bi-State Development Agency (key regional public transit agency)

Division of Employment and Training, St. Louis County Department of Human Services (one of the region's seven JTPA SDAs)

Missouri Department of Social Services (statewide welfare reform agency)

The Urban League of Metropolitan St. Louis (a key community-based organization)

Economic Council of St. Louis County (regional economic development agency)

Missouri FUTURES Program (the State's Job Opportunities Basic Skills (JOBS) program)

The Local Design

Origin. Two sectors: portions of north St. Louis County, and the greater north side of the city of St. Louis. Currently 3,000 residents and 4,500 public housing units are served by JTPA, JOBS, the Urban League, and other training programs.

Destination. Portion of the I-64 corridor in west St. Louis County, surrounding job-rich "Chesterfield Valley," anchoring the Spirit of St. Louis Airport (with 2,000 jobs); an additional 2,000 jobs in nearby industrial, hotel, and health services development.

Placement. Coordinated between Bridges to Work (BtW) job coach/case manager (develops transportation and support services plans) and BtW job developer (determines employer needs, secures job orders, and oversees job referrals and employer followups).

Targeted Commute. BtW transportation between origin and destination to include fixed route, express bus service provided by the Bi-State Development Agency, augmented by circulator vans provided by the St. Louis chapter of the American Red Cross.

Support Services. Counseling and diversity education for participants and/or employers, temporary child care subsidies, partial transit subsidies, and guaranteed emergency rides home.

Linkages to Other Federal Initiatives

- U.S. Department of Housing and Urban Development (HUD) public housing programs.
- City and county JTPA programs and Private Industry Councils (PICs).
- Welfare reform efforts via city, county, and State Job Opportunities Basic Skills (JOBS) programs.
- U.S. Department of Transportation via St. Louis Regional Transportation Improvement Program.

For information about BtW in St. Louis, contact Blair Forlaw, Director of Policy and Programming, East-West Gateway Coordinating Council, 314-421-4220.



ADDRESSING WELFARE DEPENDENCY WITH TRANSPORTATION

The recent welfare bill has made the task of getting people off welfare and into work even more urgent than before. In its search for ways to assist this transition, the Clinton administration should look to transportation. Federal transportation funds can be used to give welfare recipients better access to jobs, and to make communities with high levels of welfare dependency more attractive to job creation. Reauthorization of ISTEA presents an opportunity to provide funding for these activities.

Background

A significant share of the welfare dependent population is concentrated in urban and older suburban areas with high unemployment, few job opportunities and poor access to job growth centers. Getting and holding a job requires more than basic skills and daycare; poor access to suburban employment centers can be a major barrier.

Access to a car is least prevalent among the lowest income classes; nearly 40% of workers with annual income below \$10,000 don't commute by car, compared to around 20% in the relatively modest \$25,000 to \$35,000 income range¹. This is largely because of cost; the American Automobile Association estimates that in 1995 it cost an average of \$6500 to own and operate one car. By necessity, low income workers spend less, but even a fraction of this amount can be too much for a worker on a minimum wage salary of \$9880 per year. In 1977, the median price of a new car was 18 weeks salary for the average worker. In 1991, it was 25 weeks salary².

Although low income workers use public transportation more than others, transit is often a poor provider of access to the suburbs, where most job growth occurs. Traditional suburb-to-central city "AM inbound; PM outbound" service is a big revenue source for transit systems, and routes are structured to serve the middle income riders that use these routes. Use of certain kinds of transit -- commuter trains, subways and elevated rail -- is actually higher among middle income workers than the poor. Low income "reverse commuters", who leave the central city or inner ring suburb in the morning to reach a suburban job, have limited options. Where service does exist, suburban transit stations tend to be far from the actual workplace, and connector bus or van service is either unavailable or infrequent. Park-and-Ride lots have helped make suburban transit stations accessible to suburban-dwelling commuters, but these investments don't help the reverse commuter.

In addition, transportation investments have contributed to a spatial mismatch between jobs and workers, particularly low income workers. Forty years of highway building at the suburban fringe has bought down the cost of development in those areas to the disadvantage of older communities. In many places, the cost of building new roads -- almost always in low-density exurban areas -- has made it impossible to spend adequate funds on maintaining existing infrastructure. The strong emphasis on road building as a priority for federal funds has led to a program with an unintentional but definite anti-urban bias. In 1994 and 1995, per capita spending of federal road money

in urbanized areas was \$54; in what the Census Bureau calls "non-urbanized areas" - mostly low density outer suburbs -- per capita spending was \$115.³.

Proposal

ISTEA II should fund strategies that improve access to jobs for the chronically underemployed. Eligible activities for funding would fall into two general categories:

1. ***Programs that bring people to jobs.*** This includes reverse commute and suburban job link programs involving van-pools, buses or fixed rail, and transit voucher programs. Descriptions of two such programs -- Chicago's "Shuttle Bug" suburban job link program and New York City's TransitChek voucher program -- are attached. Similar efforts are currently being funded in five cities by HUD's \$17 million "Bridges to Work" pilot program.
2. ***Programs that bring jobs to people.*** This includes a variety of ways to use transportation investments to make troubled communities more attractive to job growth. Examples are joint development agreements to revitalize transit stations and the neighborhoods around them, redevelopment of blighted "brownfields" areas to encourage new businesses to locate in urban areas, and improvements to extensive but poorly maintained rail infrastructure in urban areas together with the location of manufacturing or shipping facilities in these areas. Descriptions of sample projects in the Chicago and Tampa areas are attached.

The program would be run by US DOT in coordination with other federal agencies, possible including the Departments of Labor, HUD and/or HHS, or perhaps the Community Empowerment Board. It would build on experience gained from the Federal Transit Administration's Livable Communities Initiative and HUD's Bridges to Work program. Eligible recipients for grants would include the state DOTs that get most other ISTEA money, but would also include other state agencies, local governments, either through their transportation, social service or economic development agencies, non-profit social service groups and CDCs.

This would not be a pilot program to test these ideas. They have been tested. The purpose of this program is implementation. Accordingly, funding could begin at around \$100 million per year and grow to as much as \$400 million per year.

- Attachments:
1. *National Journal* article "The Reverse Commute", 11/23/96
 2. *New York Times* Op-Ed "From Welfare To Work, Without A Car", 11/23/96
 3. Shuttle-Bug Reverse Commute Program, one-page summary
 4. TransitChek voucher program, one-page summary
 5. Ybor City Streetcar project, one-page summary
 6. Tootsie Roll Factory project, one-page summary

¹ See *Commuting In America II*, Eno Transportation Foundation, Inc., 1996. p.56.

² Ibid, p.40.

³ See *Getting A Fair Share: An Analysis of Federal Transportation Spending*, Surface Transportation Policy Project, 1996, p. 6.

The Reverse Commute

The jobs are in the suburbs. But getting there is hard for inner-city residents without cars or efficient public transit. Experimental programs aim to provide direct transportation to work sites and address such needs as extended child care.

BY ROCHELLE L. STANFIELD

BALTIMORE—Scot T. Spencer was driving along Eager Street one weekday noon in a shabby section of Baltimore's east side, past clusters of men who were hanging out on the corners and didn't look very eager at all.

Spencer, physical development director for the Historic East Baltimore Community Action Coalition, is eager to put them and others to work. But jobs are scarce around here. Even though the typically employment-rich Johns Hopkins Hospital complex is just a few blocks away and this neighborhood is part of Baltimore's empowerment zone—the local target area for the Clinton Administration's urban revitalization scheme—more than half the adult population is unemployed.

So Spencer is about to do something radical, if not downright contradictory, for an organization implementing an empowerment zone program. He's going to look for suburban employment for inner-city residents.

"I'd love to place people in jobs around here," he said. But even though the empowerment zone is spurring employment in the neighborhood, he continued, "the reality is, there probably aren't enough jobs in the city."

In a rare departure from its traditional economic development focus on creation of inner-city jobs, the Housing and Urban Development (HUD) Department is sponsoring a \$17 million, five-city experiment in reverse commuting called Bridges to Work. Baltimore is one of the participants, along with Chicago, Denver, Milwaukee and St. Louis. The experiment arises from a new appreciation at HUD, and among urban advocates generally, of the economic interdependence of cities and their suburbs.

"We cannot think about our inner-city communities as economies unto themselves, even though we think they have substantial economic development potential," Michael A. Stegman, assistant HUD secretary for policy development and research, said. "If you get a job out [in the suburbs] and bring back a good paycheck into your community, you can

do a much better job of supporting the supermarkets, the retail developments that have been missing in your community. You're importing dollars to sustain your neighborhood."

Welfare reform, with its requirement that most recipients find jobs within two years, has increased the urgency of expanding job searches to the entire metropolitan area. But this development was probably inevitable anyway in the face of a new economic geography. The suburbs are where the jobs are. In the 10 largest metropolitan areas, more than two-thirds of all jobs created during the 1980s were in the suburbs. The proportion of blue-collar jobs was even higher. (See chart, p. 2548.)

"You fish where the fish are," said Mark Alan Hughes, vice president of Public/Private Ventures, a Philadelphia-based community and economic development consulting firm, who dreamed up Bridges to Work and is overseeing it for HUD. "You start with the fact that you've got lots of poor people in the cities and jobs moving to or starting up in the suburbs and you've got three options—dispersal: move the poor people out to the suburbs; development: recentralize jobs back in the city; and mobility: just try to connect the dots."

That's easier said than done. In Baltimore, for example, even though short-handed suburban businesses are hungry for the kind of minimally skilled workers Spencer can supply, political, psychological and economic barriers stand in the way.

And an even greater immediate obstacle is this logistical fact of life: You can't get there from here. Unless, of course, you drive a car. And Spencer estimates that at least half the potential workers in East Baltimore don't.

In fact, the reason Spencer was in his car on that weekday noon was to drive a carless reporter from his office to Penn Station in downtown Baltimore. She had to catch an intercity Amtrak Metroliner for the 13-minute ride out to the Baltimore-Washington International (BWI) Airport business district, where jobs are sprouting

faster than the weeds that were uprooted to clear mile after mile of land for industrial parks and warehouse complexes.

The \$8 trip is the only public transit option available at that time of day. It may be luxurious, but it's also expensive and not very convenient. A much cheaper light-rail system runs streetcars into the general area every 15 minutes, but the stations are even farther away from the airport complex.

Although 80 square miles of commercial opportunity surround BWI, all that's visible from its railroad station is a vast stretch of parking lot. Every few minutes, a shuttle bus goes to the air terminal. Nothing goes to most of the job sites.

So the reporter called Neil M. Shpritz, executive director of the BWI Business Partnership Inc., the suburban organization collaborating with Spencer on HUD's suburban job-placement experiment. Shpritz had to bring his own car to pick up the reporter. For the 400 aspiring employees they hope to place through Bridges to Work, Shpritz and Spencer are working on more-efficient arrangements.

Shpritz describes his involvement as purely pragmatic. Of Hughes's three options, mobility is the only practical solution, he said. Employers around BWI "know they have problems finding a relatively low-wage labor force out here, and they know they need a labor force because their businesses are doing well," he explained. "And the segment of the labor force they're looking for—at wages of \$7-\$11 an hour—can't afford houses out here."

With \$1.6 million from HUD through the Bridges to Work program, Spencer is buying vans to whisk his East Baltimore workers out to Shpritz's job sites. That's the physical bridge, but it's only the beginning. The program will also feature a job-placement service, orientation sessions to make the suburbs seem less alien to people who may not have been there before, the guarantee of a free ride home during the work shift in case of emergency and supplemental child care assistance because the commute will lengthen an average workday.

Just to conceive of such a comprehensive reverse-commuting program required breaking out of the narrow mental confines of urban isolationism. To translate this small experiment into a routine part of metropolitan economic life, however, will require leaping a series of other barriers. None is likely to be higher than those imposed by traditional public transit notions and practices.

TRANSIT REVERSAL

Until very recently, to many close observers of the urban scene the phrase



Scot T. Spencer of the Historic East Baltimore Community Action Coalition
He'd like to help people work in the city but says there probably aren't enough jobs there.

"innovative public transit" was a contradiction in terms. Most city systems still operate as they have for decades. A few suburban systems do try new ways to provide transit, but creativity is a slow, difficult process.

The suburban bus division of Chicago's Regional Transportation Authority, called Pace, is one transit agency that has broken out of the mold. "We're just trying to be responsive and flexible," Terrence Brannon, Pace's deputy executive director, said. "A lot of transit agencies just aren't interested in this kind of stuff."

Even Pace didn't set out to be different, Brannon conceded. "The reason we're doing it is because of our charge to serve a suburban market," he continued. "It kind of forces you to become creative, because it's not a good market for transit."

Transit typically accounts for only 2 per cent of suburban transportation. Brannon, who is trying to increase this market share, is banking on city-to-suburb riders to do it. At present, 47 per cent of his riders travel between suburbs, 41 per cent from suburb to city and only 12 per cent from city to suburb. But the outbound ridership increased by 33 per cent during the 1980s, the fastest-growing segment.

Not surprisingly, Pace is to be a major player in Chicago's Bridges to Work demonstration. Also not surprisingly, Baltimore's Mass Transit Administration (MTA) isn't. The Maryland legislature, which heavily subsidizes MTA, requires the transit agency to recover 50 per cent of its costs from fares. So the agency can't establish a new service or even a different route without the assurance of a sufficient number of paying customers.

"In some ways it does constrain us," Harvey Zelefsky, MTA's director of plan-

ning, acknowledged. "But it does keep us honest."

That's not how Spencer would describe it. "You can't create a demand if people can't get down there for a [job] interview in the first place," he said. "It's almost comical that this happens."

Reverse commuting of the kind envisioned in Bridges to Work turns traditional transit planning on its head. The immutable rule of mass transport has been to move a lot of people at once from one densely concentrated place to another. Within cities, where mass transit began and where most of it still operates, that means sending large-capacity vehicles down fixed routes.

The commute from suburb to city requires only a slight variation. The transit operator picks up riders at a central location—a big suburban parking lot that riders reached by car—and travels along a fixed route to the city's business district.

To simply reverse that doesn't work. Just to get to a central pickup point within the city using public transportation could take as long as the total commute would take by car. And what happens at the other end of the ride? "You can't just drop folks at the corner of an expressway and let them walk two miles to work," Joseph Tierney, who is co-directing Bridges to Work for Public/Private Ventures, said.

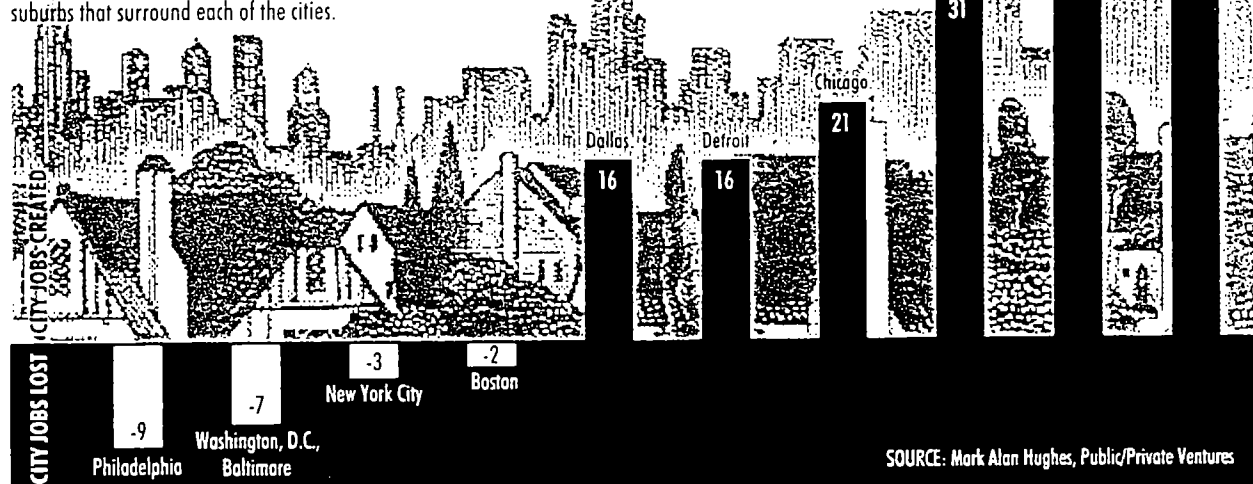
In Chicago's suburbs, Pace operates between the end of the regular Chicago Transit Authority (CTA) lines out to such major employers as Sears, Roebuck and Co., which four years ago moved its headquarters with 4,000 employees from Chicago's West Side to the far northwestern suburbs.

But that's not a viable solution for most inner-city residents because it means a

Rochelle L. Stanfield

Where New Jobs Are: Suburbs

Far more jobs are created in the suburbs than in the central cities. The chart shows the number of jobs created (or in some cases lost) from 1985-91 in 10 big cities for every 100 jobs created in the suburbs that surround each of the cities.



very long commute. A CTA elevated line, for example, runs from the North Lawn-dale section of the West Side out to the edge of the city, and a Pace bus goes the rest of the way to various job locations. "You theoretically could make the connections, but it would take almost two hours to do that. So people just won't use it," said John J. Plunkett, president of Suburban Job-Link, a nonprofit job-training organization in Chicago that pioneered a comprehensive reverse-commuting program for West Side residents 10 years ago. Plunkett heads the Chicago version of Bridges to Work.

Suburban Job-Link, among other things, reduces the commute to 25 minutes by running express buses from the West Side out to job sites. That, ironically, means setting limits. Plunkett restricts eligibility for his program to people who live within three blocks of his bus routes.

"We get people who say, 'I'll get to your bus no matter how far I have to go,'" Plunkett said. "But we know if we apply our restriction rigidly, we're going to have a much happier ridership. People are going to keep their jobs longer because they're not going to have to get up real early in the morning just to hook up with us. It just works better."

Time of day presents another problem. Suburb-to-city transit is designed for the office rush hours. That's not the schedule used by factories, warehouses and other employers of blue-collar workers in the suburbs. Many operate around the clock, and even the day shift starts much earlier than rush hour.

"That's another thing about being flexible," Brannon said. Even if you can transport people for an evening or overnight shift, for example, "if you're not there to pick them up in the morning when they get off of work, you're going to lose them."

There's yet another timetable for job interviews, which typically take place during the day after rush hour. "We found that when our regular transportation was out here to take people to work, that was really no good for people looking for a job," Plunkett said. "So now we run two kinds of transportation."

CROSSING THE BARRIERS

The physical constraints inherent in providing mass transit are the first barrier to cross in placing inner-city residents in suburban jobs, but they're far from the only ones.

"I think it's really important not to make the mistake of saying, 'If we just had the transportation problem solved, everything would be fine,'" said Margery Austin Turner, who recently returned as principal research associate to the Urban Institute in Washington from a stint as deputy assistant secretary at HUD, where she helped plan Bridges to Work. "Transportation is part of the problem, but if you fix that, that would probably be the solution for only a relatively small number of people."

Plunkett solved several problems early in 1995 with the construction of what he calls the Suburban Oasis, a job training-job search site and transit transfer point in DuPage County not far from the Cook

County line. In a breakthrough for the new metropolitan-wide thinking, Chicago helped finance the building and has invested more than \$1 million in the program. "I'm sure eyebrows were raised at both ends, in City Hall as well as the suburbs," Plunkett said.

Among other things, the Oasis provides an island of cultural, ethnic and racial familiarity in an unfamiliar world. The psychological wall between city and suburb is often much higher than job-placement specialists expect it to be. In Baltimore, for example, Spencer is finding a large proportion of potential workers "who say, 'I don't want to leave the city,'" he said. "In trying to understand why, we find it means escaping their comfort margin. It can be distance. It can be family [needs]. It can be race or perceptions of race, but they don't want to escape" that margin of comfort.

In Chicago, Plunkett finds the Oasis a big help in breaking down this barrier of fear. "One of the reasons we moved our orientation to the suburbs is so we can physically demonstrate [the feasibility of working in the suburbs] on the very first day," he said. "Somebody gets on our vehicle [on the West Side] and is whisked out here and it really didn't take all that long—well, that's a surprise in itself. Then we run around some of the industrial areas where our facility is, and they've never seen so many factories in their entire life. So right away, they'll internalize some of the notions that we just used to talk about."

Even so, once they are on the job with-

out cars, they're stuck. That's why an important component of Bridges to Work is a guaranteed ride home in case of emergency or unanticipated overtime. At the BWI complex, Shpritz already provides a similar guarantee for middle-class suburban workers who volunteer to take public transportation as a means to relieve highway congestion and alleviate air pollution. "It gets used less than we expected," he said. "It's really an insurance policy [for the workers], and it works very well."

Then there are economic humps to overcome in reverse commuting. It might cost more to work in the suburbs than closer to home, for example, because of extended child care. Plunkett has not subsidized child care in his Suburban Job-Link program, but Bridges to Work intends to do so. In the Baltimore area, both Spencer and Shpritz see it as a necessary incentive to get potential workers into the program.

Spencer is planning to pay for the additional time a child would need to be cared for because the commute would lengthen the parent's workday. Using a child care center closer to the job would probably not be feasible. "There are some child care facilities out here," Shpritz said. "But they're not cheap. I can't see a \$7-an-hour worker affording them."

Other economic constraints are more subtle. For some suburban commutes, the most efficient form of transportation is a vanpool. In suburban Chicago, Pace operates 250 vanpools, most of them between suburbs. Brannon envisions setting up vanpools for Bridges to Work participants, but there are problems.

Pace's vans are driven by workers who pay for fuel and maintenance with a credit card provided by Pace and keep the vans at home in their own garages. That requires the vanpool drivers to have a good credit history—which usually means a long work history—and a garage.

"A lot of people in Bridges to Work don't have that," Brannon said. "So we're looking at getting some kind of central storage location and fuel and maintenance contracts with, maybe, some local inner-city service stations." Not necessarily a big problem, but one more bump in the road to metropolitan job opportunities.

GUARANTEED FUTURE

Bridges to Work intends to put a total of 1,600 inner-city residents to work outside Baltimore, Denver, Milwaukee and St. Louis and another 1,600 in suburban Chicago. The significance of that number would be lost in rounding off the statistics of the millions of potential inner-city workers and job openings in suburbs across the country. If the experiment works, the Clinton Administration



Susan M. Mumia

Michael A. Stegman, an assistant Housing and Urban Development secretary
Workers can help their inner-city communities by spending their suburban wages at home.

promises to seed 75 additional Bridges to Work programs. That's still small change.

Real access for inner-city residents to the metropolitan labor market will require the institutionalization of cross-county job placement and effective regional public transit. Those are perhaps the biggest obstacles of all.

County welfare administrators and those who run the Job Training Partnership Act (JTPA), the major federal employment program for the disadvantaged, "draw a mental map that confines the residents of [inner cities] to the bleakest part of the metropolitan labor market," Hughes, the father of Bridges to Work, said. "They're not even thinking about reaching out [across county boundaries]."

The need to put welfare recipients to work fast may force the states—now in the process of devising their own welfare-to-work programs—to look to metropolitan-wide job placements. JTPA still doesn't make it easy, however. That program is administered within geographically narrow service delivery areas. Case-workers in one service delivery area have no incentive to go outside the area for placements. Indeed, to do so invites a bureaucratic hassle. Congress has had a JTPA overhaul under consideration for several years but has failed to pass it.

On the transit side, as long as the reverse commute is dependent on a narrow federal grant program such as Bridges to Work, it isn't likely to become a major factor in the work life of most communities. To guarantee its spread and its future as a viable transit option, reverse commuting will have to become as universal and as institutionalized as the inbound commute.

That might happen on a small scale. Indeed, Pace has already taken over four

of the most efficient Suburban Job-Links routes. In Baltimore, Zelefsky said he would be monitoring Bridges to Work closely. "If they can demonstrate there's demand and it would be economically feasible, then we would definitely consider taking over that service," he said.

But the seeds of failure lurk in the blossoms of success. So far, those involved insist they haven't heard any suburban resistance to busloads of mostly minority, inner-city residents showing up in their communities. They also acknowledge, however, that few suburban residents are aware of the prospect of their arrival, and that when their presence is felt in suburbs, there could be a racial backlash from the communities.

If the program works and disadvantaged inner-city residents get good jobs in the suburbs, the first thing they are likely to do is buy cars. Indeed, Plunkett has a roster of hundreds of former Job-Links participants who now either own cars or carpool with others to good suburban jobs. Inbound public transportation is in demand because of road congestion and lack of downtown parking, two problems that commuters to the suburbs probably won't face any time soon.

As Pace and a few other creative transit agencies are doing already, however, Bridges to Work is expected to demonstrate that you can get there from here. That's vital to businesses around BWI, Shpritz recognized. "You can't have healthy growth in the [suburban] counties if Baltimore City fails," he said.

During the campaign, President Clinton kept citing the 10.5 million jobs created during his first term. "Without transportation," Hughes said, "they might as well be in Mexico as in the suburbs." ■

From Welfare to Work, Without a Car

By John O. Norquist

MILWAUKEE
During the Great Depression, Ira Gershwin wrote "Nice work, if you can get it." In today's sprawling metropolitan areas, you're more likely to hear "Nice work, if you can get to it."

The goal of the new Federal welfare law is to move millions of people from welfare to work. But while the poor are largely concentrated in central cities, employment opportunities are increasingly located in far-flung suburbs. Many people on welfare don't have reliable, affordable ways to reach those jobs.

Policy makers are slow to catch on. In southeast Wisconsin, for instance, state transportation officials are getting ready to spend up to \$2 billion to expand an interstate highway that already runs through the heart of Milwaukee. They would prefer not to include affordable rail

John O. Norquist, a Democrat, is Mayor of Milwaukee.

transit as part of the plan, leaving out central city residents who want to follow the migration of jobs to the suburbs but cannot afford cars.

The American Automobile Association puts the average cost of car ownership at \$6,500 per year. That's far beyond the reach of households at the poverty level. And without cars, or affordable public transportation,

The new law
makes it smart to
help mass transit.

many jobs will remain beyond their reach.

In a study of the San Francisco Bay area, for example, the Applied Research Center found that service-sector jobs were more likely to be in suburbs but housing costs, lack of mass transit and discrimination combined to make it "nearly impossible for urban residents of color" to get those jobs.

The Clinton Administration has proposed a "Bridges to Work" program to subsidize buses and vans taking city residents to suburban and exurban jobs. But this is a stopgap measure at best. Door-to-door long-distance shuttles simply are not cost effective.

Over the long term, we need to stop subsidizing suburban sprawl. Housing credits and the \$8.5 billion a year the nation spends for new roads alone help pull jobs and businesses away from urban neighborhoods.

Some forward-looking communities have taken a different approach.

In St. Louis, where the recently opened Metro-Link light rail line connects Lambert Field Airport with downtown and East St. Louis, an innovative program has brought together business, government and community groups that collaborate on creating jobs, providing housing and delivering social services along the rail corridor.

In Maryland's Montgomery County, officials changed zoning and housing codes to encourage construction of moderately priced new homes. They have begun to meet their goal of attracting police officers, teachers and other public employees who had



been priced out of the region's real estate market.

The nonprofit Surface Transportation Policy Project is working with communities across the nation to duplicate such programs. Congress can do its part by enhancing the 1991 Intermodal Surface Transportation Efficiency Act. That law was a good beginning, stimulating community involvement in transportation decisions and increasing overall financing for transit. Now, as Congress considers reauthorizing the legislation, it should allocate more money for mass transportation — with incentives for transit systems that offer urban residents access to jobs in the suburbs.

If we are to successfully assist people in moving off welfare and into work, we must make it easier for them to get to work. □

The "Shuttle Bug" Reverse Commute Project

Lake & Cook Counties, IL

Shuttle Service Promotes Transit and Helps Inner City Workers

Background: An innovative project on the outskirts of Chicago is providing shuttle service from a suburban commuter rail station to nearby companies, providing inner-city workers with access to suburban jobs. This program, known as the "Shuttle Bug," is part of a \$750,000 CMAQ funded project to provide improved multimodal access to a suburban business center in the Lake-Cook corridor. Located in Deerfield and Northbrook, approximately 25 miles northwest of downtown Chicago, the reverse commute project provides service between a Metra commuter rail station and local businesses. The service, which began in March, 1996, operates weekdays during rush hour and serves six routes in 15-passenger vans. Initial weekly ridership totaled 550 passengers, and ridership is growing. As of June, 1996, weekly ridership totaled over 840 passengers, and the Transportation Management Association (TMA) of Lake-Cook, which sponsored the project, is looking to expand service with larger vehicles. According to the Executive Director of the TMA of Lake-Cook, "This project is a win-win for all parties involved. The shuttle service will improve the labor accessibility of employers in the corridor, provide employees a convenient, reliable and hassle free way to commute to work and help reduce the traffic congestion on Lake-Cook Road."

The Shuttle Bug service is complemented by a separate CMAQ funded project in the Villages of Deerfield and Northbrook for the construction of improvements in the sidewalk system within 1/2 a mile of the Metra Station. This will improve pedestrian access in the vicinity of the commuter rail station.

Community Benefits: Shuttle Bug improves labor force accessibility for firms in the Lake-Cook area, particularly to the inner city labor force. With decentralization a continuing trend in the Chicago area, projects such as these provide needed access for low-income, inner city residents who, without such systems, are at a disadvantage in the labor force. The reverse commute project facilitates the hiring of inner city workers by suburban firms.

Transportation Benefits. By providing convenient shuttle service between the rail station and local businesses, individual employees will be encouraged to take mass transportation. As a result of this modal diversion, the project will help reduce congestion on roads in the Lake-Cook area and reduce auto emissions.

Economic Impacts: The project is public-private partnership between the TMA of Lake-Cook, the Villages of Northbrook and Deerfield and their respective Chambers of Commerce, and 14 businesses representing over 11,000 employees. Both the public and the private sector provided the local share funding for the project. Further, due to diversions from the private automobile, local governments may reduce the need to build new and wider roads, thus cutting back on the costs of infrastructure.

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TransitChek®

New York, NY

Innovative financing promotes transit in the Big Apple

About the Program: The TransitChek Program in the New York City area coordinates the distribution of employer-purchased transit fare subsidies. It began in 1987 when the TransitCenter created the nation's first subsidy voucher system for transit. Using one voucher, employees or employers could purchase fare media (i.e., passes, tickets, or tokens) from any transit agency in the area. Before the TransitCenter, companies had to purchase tickets or token from each transit agency in the region and distribute them to employees according to their commuting patterns. Under the system developed by TransitCenter, companies could purchase TransitChek vouchers up to \$15 per month per employee that were valid for all local transit systems. In return for purchasing the transit vouchers for employees, participating companies received a tax break and TransitCenter received a small fee. The TransitCenter's position as intermediary agent between the transit agencies and the employers made the program attractive to a large number of employers because it eliminated administrative burden.

Innovative Financing: Although the program was off the ground in the early 1990s, TransitCenter was still financially supported by its host agencies, the Port Authority of New York and New Jersey, the Metropolitan Transportation Authority, and New Jersey Transit. However, two events enabled TransitCenter to become financially self-sufficient. First was enactment of the National Energy Policy Act in 1992, which raised the cap on the subsidy to \$60 per employee per month. This provided larger tax savings to companies and a greater revenue stream for TransitCenter. The cap increase and better marketing helped raise 1993 sales of vouchers 200 percent from 1992 and, according to Larry Filler, Executive Director of TransitCenter, the number of fare subsidy programs across the country increased three fold.

TransitCenter then received \$1.7 million in ISTEA CMAQ funds to hire a sales force to market TransitChek and assist large companies in using the program. With the grant, TransitCenter hired eight sales representatives to expand marketing activities and expanded their service to the entire New York State nonattainment area. The result was that between 1993 and 1995, sales of vouchers increased by 78 percent, bringing annual sales to nearly \$42 million. As a result of these sales increases, TransitCenter will become financially self-sufficient in 1997 from the revenues generated by the TransitChek Program. More importantly, the TransitChek Program has increased transit ridership in the New York Metropolitan area. Last year alone, TransitChek was responsible for generating over 2 million additional rides.

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Ybor City Electric Streetcar

Tampa, FL

A New Streetcar Helps Revitalize an Older Community

Background: Ybor City, a district of Tampa, Florida, is constructing a historic streetcar line to enhance economic development and provide an alternative mode of transportation to the automobile. To facilitate the construction of the 2.3-mile line, Ybor City was awarded a Livable Communities Initiative demonstration grant by the Federal Transit Administration in April of 1996. The line will run through Ybor, a classic urban village which has shown strong signs of revitalization in recent years and was designated as an Enterprise Community by the Department of Housing and Urban Development. The electric streetcar, along with pedestrian enhancements, will assist in the revitalization efforts as well as provide a new and economical way of moving between various destinations. The streetcar will run between downtown Ybor and the Tampa Convention Center and will connect most of the residential, commercial, community, and public service activities in this ethnically diverse community. Destinations along the line include historic Ybor, cruise ship terminals, retail shops along Garrison Channel, the Ice Palace (hockey arena), the Sheraton Hotel, the Florida Aquarium, and the Tampa Convention Center.

Economic Impacts: The historic district of Ybor City and the waterfront area in Downtown Tampa is a significant residential area and an emerging art, entertainment, and convention district. The \$21 million project, funded from federal, state and local sources, will make the area more attractive as a tourist destination and will increase the national appeal of the Tampa Convention Center.

Transportation Benefits: The streetcar will provide improved connections between trip attractions in the Ybor City district and will alleviate traffic congestion parking pressure. The electric cars will make more frequent stops, and operate longer hours, with lower costs, than the existing bus system, and transit ridership is expected to increase. The clean electric cars will help Tampa maintain its recent Clean Air Act designation as an air quality maintenance area.

Community Benefits: The streetcar will improve transit service and increase access to jobs for community residents, particularly the low income and minority populations that live along the line. Because of the streetcar project and Ybor's designation as an Enterprise Community, economic activity and employment in the community is expected to increase. The project is unlike many others in that it was conceived by the community, rather than a governing body or independent agency. The project evolved in response to recommendations by the Tampa Enterprise Community Vision, which called for improved transportation by various modes and a renewal of the economic base of the area. The Community Vision was developed through a series of community meetings organized by residents, business leaders, service providers, and government officials. Local architects, engineers, historians, and community residents volunteered their time and services to develop the project plan.

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Chicago and the Tootsie Roll Factory: An Intermodal Success Story

by Don Chen and David Chandler

Chicago's economic heritage owes much to its role as a transportation hub. As historian William Cronon contends, during the latter half of the 19th century, "[Chicago] was where the West began." It served as the interface where frontier resources could be drawn in, then channeled to the nation's great Eastern cities. Even today, where trains and barges compete with trucks and planes, Chicago's importance to the American freight industry is astounding. According to the General Accounting Office, "...nearly half of all intermodal freight shipments [in the US] either originate, terminate, or connect in Chicago."

In recent years, however, what was once Chicago's great strength—its regional transportation system—is now one of the factors threatening the economic heart of the city.

Traffic congestion, deteriorating facilities, and the development of new infrastructure in exurban areas have diminished

To counteract these dispersing forces, community leaders have started implementing innovative measures

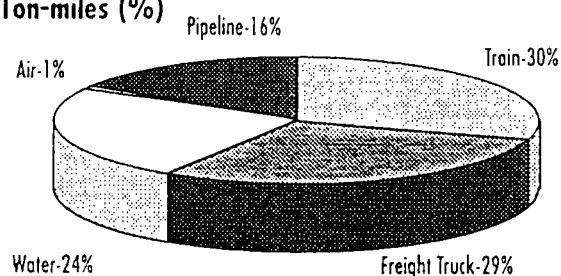
the city's intermodal transportation resources and the potential for economies of scale to create favorable conditions in industrial zones. With support from the city and a variety of sources, the project is a joint effort between Greater Southwest and local industries, and centers around an ideal region for industrial investment.

The industrial corridor is located on Chicago's Southwest Side, which is crisscrossed by freight rail lines that drove its early development and continue to provide direct service to industrial giants like Nabisco, Tootsie Roll, and Occidental Chemical. The area is also the site of intermodal freight depots for Sante Fe, Norfolk & Southern, and the Belt Line (which plays a major role in intra-region transfers) to name a few.

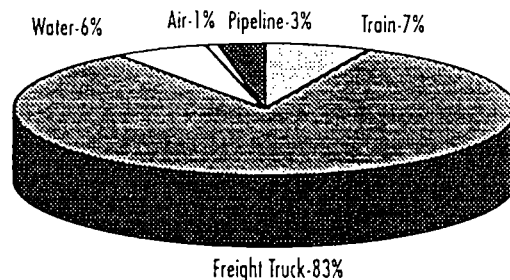
continued page 6

The U. S. Freight Transport System, 1989

Ton-miles (%)



Energy Use (%)



Source: U.S. Congress, Office of Technology Assessment, Saving Energy in U.S. Transportation, OTA-ETI-539, July 1994, page 44.

the advantages of locating in the city. As a result, many large businesses, such as Sears, have been enticed to pull up stakes and head for the suburbs.

aimed at retaining businesses and revitalizing communities. One effort, spearheaded by the Greater Southwest Development Corporation, draws on

Chicago Freight continued from page 3

Furthermore, the area is accessible by bus and rail transit.

Chicago's Southwest Side is one of a limited number of areas in America in which a range of industrial customers do business directly with freight rail lines, sending or receiving full freight cars as producers or users. In this area, there are also industrial companies that provide products or services for other nearby manufacturers, and there are companies whose waste provides feedstock for neighboring industries. In this setting, rail lines sometimes provide the only practical transport link from producer to consumer, bypassing the highway system entirely and optimizing environmental as well as economic efficiencies. As urban industrial areas such as Chicago's Southwest Side are reinvigorated, this highly integrated type of transport development may become more common.

As part of its overall planning effort, Greater Southwest conducted a needs assessment survey of forty-one industrial companies in the area.

These companies ranked "a good arterial street system and availability of public transportation" as the single most attractive feature for industrial location in their area. Also, infrastructure development, particularly street and viaduct improvements, were among the most significant concerns of the responding companies. In several cases, respondents to the Southwest survey were the intermodal depot operators who voiced the same concerns noted in a recent FHWA study of Chicago intermodal rail facilities. Greater Southwest is supporting efforts to secure these improvements as part of an integrated development strategy, which recognizes the importance of maintaining state-of-the-art intermodal facilities so that local industries can continue to be served by efficient freight rail. As projects like the Southwest corridor are developed, it is becoming increasingly clear that their success will largely hinge on the availability of resources to improve highway infrastructure leading to

and from Chicago intermodal yards. Another critical element will be the level of coordination and economic development planning to take advantage of all the possible transfer and partnership opportunities.

It is largely because of the efforts of Greater Southwest that the Southwest Side is enjoying an economic renaissance. And the project is just part of Greater Southwest's pursuit of a community vision. It has in the past worked to preserve the social and economic fabric of the region by opposing the development of an expressway that would have destroyed a number of residential neighborhoods. It later focused community energy on advocating the development of the Orange Line, a major new passenger rail line that connects the Southwest Side to Chicago's Loop and the Midway Airport.

But the intermodal corridor development project is an effort to promote total community economic development, while taking advantage of Chicago's wealth of intermodal

resources and boosting the regional economy. It also underscores the fact that planning and partnerships are essential to reaping the energy efficiency and environmental benefits associated with intermodal freight movement. And increasingly, Chicagoans are recognizing that increasing the rail share of cargo movement between states and between intermodal yards could also yield significant economic rewards for the region. It may take a while before significant numbers of companies like Tootsie Roll, Kraft, and Nabisco decide to work in intermodal freight coalitions with their neighbors. But the support for intermodal freight from the city and groups like Greater Southwest signifies a deepening understanding that Chicago could stand to gain a lot by nurturing an environment in which transportation modes don't just compete against each other, but also complement one another. That's the part of Chicago's history that is really worth creating. ▼