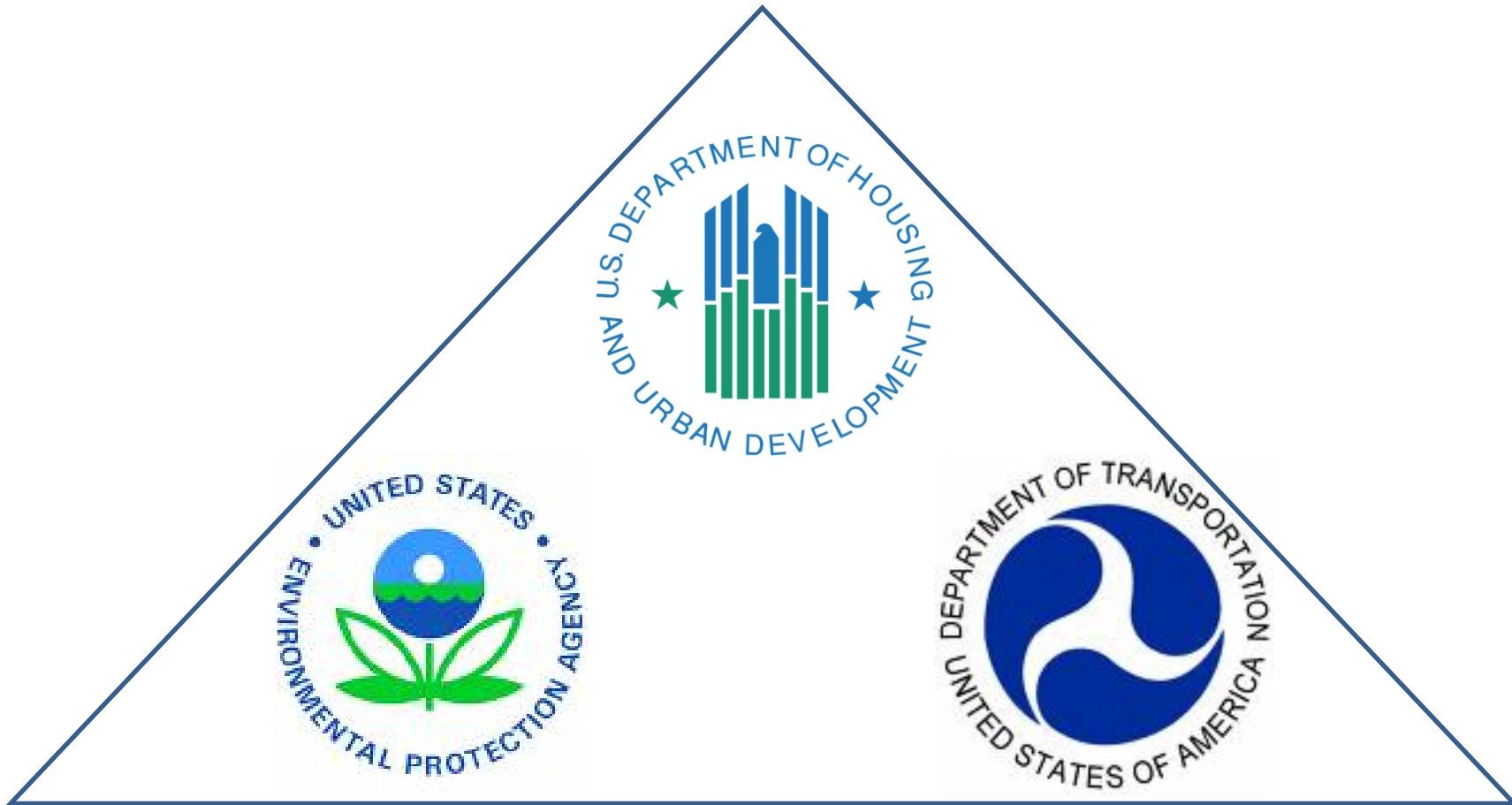


Sustainable Communities Initiative: Partners in Action



Secretary Donovan – House Appropriations Committee

The goal of this initiative is not just to develop plans – it is to set a vision for growth that is tailored to discrete metropolitan markets, and then apply federal housing, transportation, and other investments in an integrated manner that supports that broader vision.

...In the coming months, we will be conducting an intensive review of programs to ascertain how to support the marriage of housing and transportation, and to emphasize location efficiency in all that we do.

...I pledge to you that we will subject all of our programs – including FHA – to a rigorous review that determines how we can orient the business of our department in support of this integrated planning.

March 18 2009



Secretary La Hood : House Appropriations Committee

A new focus on livability can help transform the way transportation serves the American people and the contribution it makes to the quality of life in our communities.

Transportation can play an enhanced role in creating safer, healthier communities with the strong economies needed to support our families.

Integrating transportation planning with community development and expanding transportation options will not only improve connectivity and influence how people choose to travel, but also enable communities to consider the design of transportation and land use together.

March 18, 2009



Senate Appropriations Committee Report 111-69

The interagency partnership among HUD, DOT, and EPA is a first step to removing barriers that limit the ability of communities to coordinate the housing, transportation, and water infrastructure resources that support smart community redevelopment.

The objective of this interagency partnership is to work together to identify and remove barriers to collaboration. Removing these barriers should create new opportunities to design and build communities that link the housing, transportation, services, and commercial assets that comprise vibrant, economically diverse communities.

August 5, 2009



**Sen. Dodd:
S. 1619 – Livable
Communities Initiative**

....Last month I brought together Secretary of Transportation Ray LaHood, Secretary of Housing and Urban Development Shaun Donovan, and Environmental Protection Agency Administrator Lisa Jackson at a Banking Committee hearing-- three public servants who don't often find themselves in the same hearing room at the same time.

They brought with them a pledge that the administration would work across agency lines to take a holistic look at development policy--and a firm commitment to livability principles that would serve as the foundation for that policy going forward.

The administration's principles demonstrate a true understanding of the best way forward. Sustainable development, as grounded in these principles, provides more transportation choices for families, expands access to affordable housing, (and) enhances economic competitiveness

August 6 , 2009



Sec. Donovan on Livability Principles – Sen. Banking Committee

I think it is crucially important that the federal government speak with one voice on these issues, and these principles reflect that conviction.

They represent a powerful statement of common goals, strategies and purpose – not only for the three agencies you have here today, but for communities across the country whose vitality in the 21st century depends on our ability to work together in partnership.

June 16, 2009



Livability Principles

- **Provide more transportation choices.**
- **Promote equitable, affordable housing.**
- **Enhance economic competitiveness.**
- **Support existing communities.**
- **Coordinate policies and leverage investment.**
- **Value communities and neighborhoods.**

Principle 1: Provide More Transportation Choices

- Develop safe, reliable and economical transportation choices in order to decrease household transportation costs, reduce our nations' dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.

Principle 2: Promote Equitable, Affordable Housing

- *Expand location and energy efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.*

Principle 3: Increase Economic Competitiveness

- Enhance economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.

Principle 4: Support Existing Communities

- Target federal funding toward existing communities to increase community revitalization, the efficiency of public works investments and safeguard rural landscapes.

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Principle 5: Leverage Federal Investments

- Cooperatively align federal policies and funding to remove barriers, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth.

Principle 6: Value Communities and Neighborhoods

- Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

Collaboration with Other Agencies

HUD-DOE Partnership Continued...

3. Develop a common baseline for measuring home energy use and the gains from efficiency improvements
4. The goal of this effort is to provide the information base and metrics necessary to help support a national energy efficiency market for the housing sector
5. Explore home energy disclosure and audit standards as well as new financing tools that will enable national scale investment in residential energy efficiency
6. Utilize revolving funds, expanded energy mortgage financing tools through FHA and the use of DOE loan guarantee authority in the residential sector

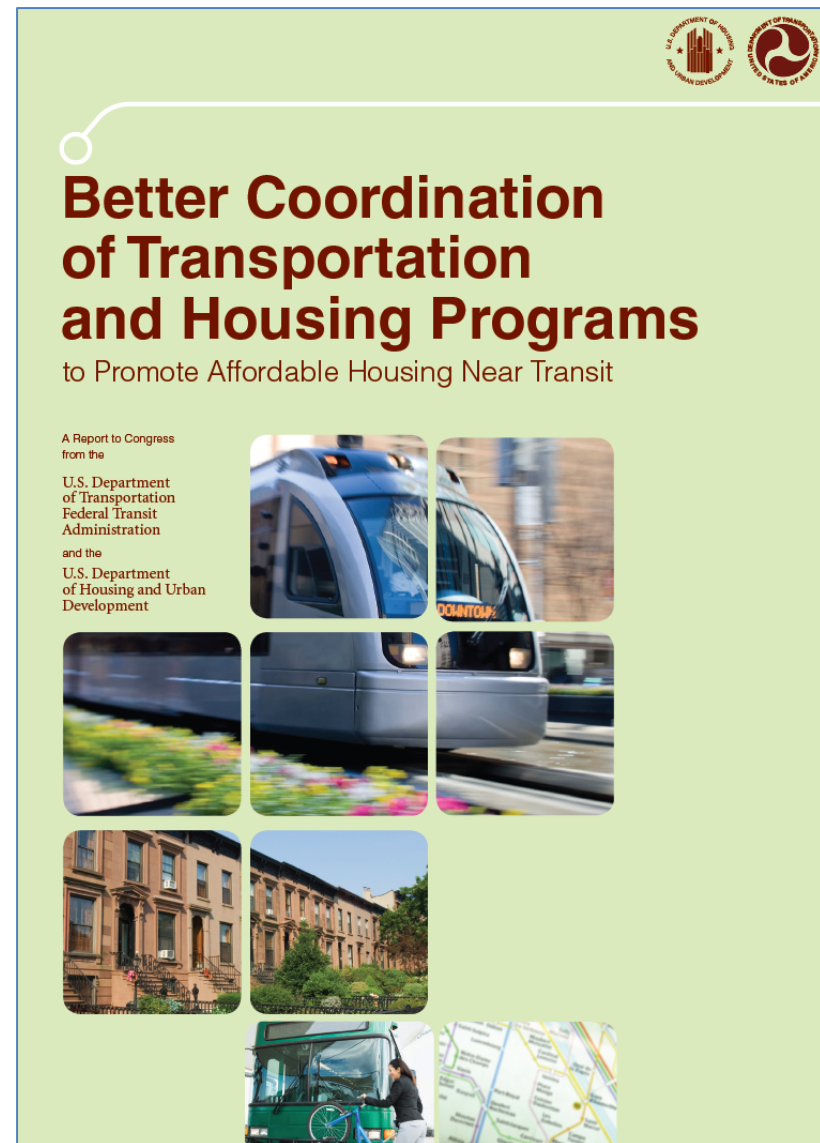
Sustainable Communities Initiative: Housing and Transportation

- **Integrate transportation and housing planning and decisions in a way that maximizes choices for residents and businesses, lowers transportation costs, and drives more sustainable development patterns.**
- **Three central components:**
 - A regional planning effort jointly administered by HUD/DOT
 - Community challenge grants
 - Research and evaluation effort also jointly administered by HUD/DOT

Housing and Transportation

Congress directed HUD to conduct this study in collaboration with the Federal Transit Administration (FTA) on expanding affordable housing opportunities near transit.

The average American household spends nearly 60 percent of their income on combined housing and transportation costs.



Housing and Transportation

Followed previous study jointly sponsored by HUD and FTA to research linkages between housing and transportation in 5 case study cities.

Realizing the Potential: Expanding Housing Opportunities Near Transit



Executive Summary

Reconnecting America's Center for
Transit-Oriented Development

April 2007

Housing and Transportation

The new Administration has identified this as a priority issue: HUD Secretary Donovan and DOT Secretary LaHood have announced an expanded partnership to address housing and transportation issues as a key element of HUD's Sustainable Communities Initiative.

Overview

THE RISING COSTS of transportation and housing are straining family household budgets. One recent study found that for every dollar saved on housing in a lower-cost suburban location, households spent an additional 77 cents on transportation to get them there – nearly wiping the savings out. Location matters a great deal when it comes to affordability. While the average household spends 19 percent of its income on transportation, households with good access to transit spend just 9 percent. This savings can be critical for low-income households that need to make every dollar count.

The real estate market, too, has recognized the value of locations near transit. Demographic changes and the unceasing problem of traffic congestion have combined to support a building boom in higher-density multi-family housing in urban downtowns and urban neighborhoods and suburban town centers across the U.S. This is good news for all those concerned about sustainable growth, continued economic competitiveness, dependence on foreign oil and global climate change. But unless cities act early to create and preserve affordable housing near transit before the market heats up, rising prices could force low-income households who already live near transit to move out.

It is clear that building transit and mixed-income communities around transit stations is one strategy that makes it possible for households of all income levels to lead affordable, convenient, active lives. This report examines five case study regions – Boston, Charlotte, Denver, the Twin Cities, and Portland – and the proactive strategies they are using to create and preserve mixed-income housing near transit. The strategies can be grouped into five broad categories of action:

- Identify and utilize TOD opportunities in the region and along transit corridors.
- Provide incentives that help catalyze the market for mixed-income TOD.
- Remove regulatory barriers to higher-density mixed-income development.
- Coordinate housing and transportation plans and investments.
- Improve local capacity, partnerships and data collection.

It is clear that all levels of government can play a role in catalyzing the market and ensuring that a mix of incomes is served. This report is intended as an inventory of existing planning, policy and funding tools in five metropolitan regions of the United States.

In 2004 Denver voters passed a local sales tax initiative to fund construction of five light rail lines in 15 years. Land speculation has begun but there's still opportunity to acquire sites for mixed-income housing. Tools to aid this effort include an inclusionary zoning ordinance and a TOD Fund that provides \$53 million in bonding authority for multifamily housing near transit.



Sustainable Communities Initiative: Regional Planning Grants

- **\$100 million proposed to enable metropolitan areas and rural communities to set a vision for growth and then apply federal transportation, housing, and other investments in an integrated way in support of the broader vision.**
 - Metropolitan or rural planning organizations and consortia of local recipients to submit joint applications
 - Support development of integrated, state of the art regional development plans, using latest data and state of the art analytic, modeling, and mapping tools.

Sustainable Communities Initiative: Community Challenge Grants

- **\$40 million in community challenge grants would be used to support metropolitan and local leaders to make market-shifting changes in local zoning and land use rules**
 - Help states and localities design and implement a variety of reforms

Sustainable Communities Initiative: Research and Evaluation

- **\$10 million for a research and evaluation effort jointly administered by HUD and DOT.**
 - Joint data development
 - Information platforms
 - Analytic tools and research
 - Housing affordability index
- **Goal is to gauge the effectiveness of federal investments as well as inform private investments and consumer decisions.**