

Presentations

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Peter Dreier, *Occidental College*
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Dennis Archer

We are delighted to have all of you here, and I can't begin to tell you how proud we are to be able to welcome you to the city of Detroit, and I thank you for the opportunity to address your association.

It is appropriate, I think, that your association is meeting here on Sunday, because all of you are doing the Lord's work. You are also doing the demanding job of providing the best possible public transportation to the residents of America's cities. The focus of your conference, as I understand it, is properly on transportation in America's largest cities.

Our challenges are great. Every major city faces financing, infrastructure, employment and training, and political issues inherent in the management of regional transit systems that involve numerous cities and towns.

The difficulties of large cities are rooted in our constant challenge to maintain our tax bases and grow in the face of social trends and government policy that seem to benefit the suburbs more than the city. Like other major cities, Detroit has been adversely affected by the growth of the suburbs, the expansion of highways and malls, and the loss of manufacturing jobs, retail stores, and housing units.

Some cities such as New York, Chicago, Boston, and San Francisco have been able to retain a business presence substantial enough to provide a sufficient tax base for important city services. Others, like Detroit, have struggled. We were hit with a loss, for example, of 61,000 housing units and 180,000 citizens between 1980 and 1990. The metropolitan area as a whole lost 108,000 jobs between 1973 and 1982, and this produced a situation where, by 1990, 32.2 percent of Detroit's population, or 328,000 of our people, lived below the federal poverty level, 46.6 percent of our children lived in poverty, and, despite Detroit's historic status as the automotive capital, 35 percent of our citizens could not afford to own a car.

Yet the opportunities for us to be successful in the revitalization of Detroit and the other major cities are unlimited. Since 1994, we have experienced a turnaround here in Detroit in improved attitudes toward our city, an improved image of our city, and the real increase of investment in the city. We have attracted at least \$7 billion in new economic development commitments since January 1, 1994. I hope that you heard about the new stadium we are building downtown for the Detroit Tigers and the Detroit Lions, and I hope that you also heard about the General Motors purchase of the Renaissance Center complex. General Motors will invest \$500 million to make improvements to the complex and to our riverfront.

By the way, let me back up on the stadium issue for just a moment. Unlike other cities that have been faced with demands by team owners that you build or expand or renovate or we leave, that was never the case here. The Detroit Tigers, for example, put in \$145 million; the Detroit Lions invested \$70 million; the corporate community invested \$50 million; the state of Michigan, \$55 million; Wayne County, \$100 million; and the city of Detroit, \$85 million, on a total investment of \$505 million for two stadia being built side by side. Detroit's Downtown Development Authority will be running both stadia.

Much more is on the way in our city, including housing developments for all income levels.

We do not have a downtown. You'll notice that if you ride on our people mover. But we're getting ready to take down the Hudson building. We're going to implode that. It's going to create, added to the other vacant space, a 9.2-acre downtown office and retail development space that will restore Woodward Avenue in the heart of our central business district.

Large cities are proving that they not only can survive but thrive. The renewal of big urban cities, especially Northern cities, with an industrial base—we weren't supposed to be a part of the 21st century, according to many of the experts. The future was supposed to be in small towns or suburbs, with their own central business districts, the so-called edge cities. We're proving in Detroit that the futurists underestimated the resiliency and the appeal of big cities. They also missed the call on the potential for an alliance between major cities, older suburbs, and the rural areas on the issue of urban sprawl.

The June 1998 issue of *Governing* magazine notes that, across the country, political resistance to unlimited development of farmland and wooded areas is growing. Our metropolitan areas are drawing the line on continued expansion into greenfields. The wisdom of redeveloping urban areas and industrial brownfields seems to be dawning on a growing number of our leaders.

In addition, futurists have underestimated forces such as the global economy, which requires us to think of ourselves as part of a region rather than an individual community. Thoughtful leaders now recognize that the economic destinies of both cities and suburbs are completely interdependent. We are now a country of regions, bound together within a global economy. Detroit not only competes with Chicago, Los Angeles, and Cleveland, but also with Bonn, Tokyo, and Melbourne.

Because Detroit is the center of our region, investment in Detroit translates directly into more prosperity for the region.

Gone are the days when our metropolitan regions could waste time engaging in regional frictions and constructing artificial barriers between central cities and suburbs. Gone are the days when leaders could exploit differences in race, religion, and ethnicity for local advantage. Those are the acts of the past. They have no place in our future.

Some political leaders, however, still need to be enlightened on that issue, especially when it comes to improving and expanding regional public transportation. The times will force them to face the reality of what metropolitan residents and employers demand in the way of mass transportation.

People want to travel to and from our major cities every day as conveniently as possible. Why? Well, our central cities are still the headquarters for our major medical and research institutions, our main sports and entertainment venues, and the sites of our cultural institutions.

We find that much new investment in Detroit has come from health care companies, which also run our leading hospitals and clinics. They have expanded and renovated their

facilities and added jobs. The Detroit Medical Center recently announced a \$56 million expansion, including seven new outpatient clinics and the renovation of eight other health centers in the city. It is also a major tenant in the new headquarters building of the Detroit Symphony Orchestra on Woodward Avenue.

Henry Ford Health System has invested \$70 million on a hospital expansion, and Wayne State University, which has an outstanding medical school, has reinvested in its urban campus to the tune of over \$200 million.

We see a renewed commitment to the art institutions headquartered in Detroit. Our Center for Creative Studies Arts College will build a new campus near the central business district thanks to a \$20 million gift from a private donor last year.

Another recent example of our cultural involvement was a \$1.5 million initiative raised during a 9-month campaign led by Dayton Hudson Corporation. Dayton Hudson started with a \$500,000 donation to our cultural and arts institution in the Detroit Cultural Center. It challenged the community to match that donation, then added another \$500,000 when that goal was met.

Reinvestment in Detroit is creating jobs in the city similar to those in outlying areas. For example, Detroit has new automobile manufacturing and supplier plants coming on line. We seek, however, to add new research and development laboratories, sales offices, and divisional headquarters for foreign and domestic automobile suppliers.

I think people sometimes forget that some 700 foreign businesses employ more than 75,000 people in the Detroit metropolitan area. They come from all over the world. They are engineers, designers, and the like, and they are principally connected with the automotive manufacturing industry.

Meanwhile, Detroit's growing theater district, which, by the way, is second only to that of New York in the number of theater seats, will bring many of the immediate region's 4 million citizens back to the city for entertainment, as will the casinos that we are going to be bringing on line, three land-based developments, and our stadia, restaurants, and cafés.

The growing appeal of Detroit and other large cities will create greater demand for public transportation that is convenient, safe, and reliable. We will continue to see increased demand for excellent public transportation within our nation's cities. We will also need reliable connections between our cities and our suburbs.

To meet the transportation needs of the future, we must expand and enhance the existing infrastructure. The infrastructure in our central cities is in need of serious updating, at least it is in Detroit. To ignore existing infrastructure and allow it to fall into a state of disrepair or decay is bad public policy. For example, if you drive around the Detroit freeways now, you will see a lot of work being done on our bridges. That work, in my view, should have been done some time ago.

Why do I suggest that? I think we're the only city in Michigan—I don't know how many other cities can report this with shame—but we're the only one that I know of in the state of Michigan that has had concrete fall off our overpass bridges onto cars. That's when the state finally went into action, and that's when you started seeing Detroit's bridges being repaired.

We cannot afford to let our bridges begin to fall and crumble.

Michael Porter, an economist and professor at Harvard Business School, has studied what he called the competitive advantage of the inner city and comes to some fascinating conclusions. One is that the infrastructure for transportation is a competitive advantage for central cities. The proximity of ports, railways, major highways, and city airports gives urban businesses an edge. Each of these infrastructure components is present in Detroit and in many other large cities.

One example of transportation potential in Detroit is the development of an intermodal freight-handling facility. This privately owned facility will allow for the transfer of freight from truck to rail, and eventually international shipping via the Detroit River will be a part of its operation. The employment potential for such a reality is most beneficial.

When it comes to public transportation, similar potential exists on presently established railway lines from downtown Detroit throughout the region.

Right after I became mayor on January 1, 1994, Grand Trunk Railroad took me on a tour. I was amazed to see the railroad track that we traveled on—got in a van that had the ability to place itself on the railroad track cars and drive.

We went all around the area of Detroit, all throughout the city. All we have to do is put in less than a mile line—we could go from Metropolitan Airport to railway line already existing, and if we turn left, we could go to Ypsilanti, Ann Arbor, Jackson, all the way to Chicago, or if we turn right, we could come to downtown Detroit—if we wanted to go north, we could go to Ferndale, Royal Oak, Birmingham, Bloomfield, Pontiac, Flint, and so on, or if we wanted to continue going east, to Mount Plymouth, Port Huron, and up to Toronto.

The tracks that we have in Detroit could be used to develop the rapid mass transit system Detroit now lacks. It is very obvious that Detroit is one of the very few larger cities in the country without a rapid rail system. Indeed, Detroit is the largest metropolitan area in the United States that does not have some kind of regional mass transit system.

Rail is an efficient and effective mode of public transit. While metropolitan Detroit is behind the curve, we envision a future of rapid rail service that connects the city to major employment markets in the metropolitan area and to Detroit Metropolitan Airport, with its daily international flights.

A study is being proposed by members of the Michigan legislature on how using an existing rail could help transport, for example, GM workers from Flint, Pontiac, Lansing, Royal Oak, Detroit, and other cities to the Renaissance Center downtown and back—we're excited about the potential for enhancing public transportation in the near future. In the meantime, we remain committed to our goal of a first-class bus system for Detroit. We have been disappointed, I should mention, about the lack of an agreement between the city and our suburban municipalities. It's in terms of how to better coordinate our routes.

We will, nevertheless, I predict, achieve that goal sooner rather than later. While we're disappointed and regret the hardship that this has caused some Detroit workers, we remain enthusiastic about the improvements we have made in our own department of transportation.

Further improvement in our city bus system is on the way. Under the leadership of our director, Al Martin, with the cooperation of our unions, we've saved money by allowing our mechanics to take on rehabilitation work that used to be done in Chicago. We have hired at least 500 new drivers, added 225 new buses, reintroduced 24-hour bus service on major routes, expanded service, and increased frequency of service on major routes.

We are one of only two cities in the nation with a transit circulating system for people using the bus in our central business district. We're acquiring new buses that are powered by compressed natural gas to be used throughout our downtown area. These vehicles, obviously, will be very friendly to the environment. We have technology in place that will allow Detroit riders at bus stops to view bus schedules on computer monitors and use computers to determine the correct routes to get from one location to another.

Because the lack of child care is known to be one of the biggest barriers to maintaining employment, the city is working with child care providers to establish child care centers close to major bus routes, transfer points, and transit centers.

We are confident about the ability of Detroit and, I'm sure, other urban areas to provide the quality of service our customers demand and deserve.

We need the continued support of government on all levels to provide the assistance that every mass transportation system in the world requires. For instance, the cost of riding the bus in Detroit would be \$6 a trip if we asked our passengers to pay the real cost. There is no successful public transportation system in America that runs on fare box receipts only.

Two final points.

There is a growing demand for a federally mandated paratransit service for our physically challenged. This is a result of the Americans with Disabilities Act of 1991. Within the next 6 months, the demand for this service will challenge our ability to provide the service in Detroit. We will meet that challenge, but government support is necessary.

In Michigan, as in other states, combining funds for public transit and funds for roads continues to result in outcomes favoring roads. However, the public demand for connec-

tions to and from and within the city will require a change in favor of public transportation over roads. So the debate will rage. I hope that you will join Detroit in keeping the pressure on for better public transit for our citizens and visitors to our respective cities. As we each continue to improve our service to the best of our ability, let's remain confident that our primary product will keep growing in popularity, and that product is access to our cities.

Let me just say that I'm delighted that you're here in Detroit. I wish that you might have been here last Wednesday. You could have gone out in the evening and celebrated with over 1 million people on our side, a couple hundred thousand people on the other side of the water, which is Windsor, and you could have enjoyed the world's largest display of fireworks, or if you had been here a week earlier, you could have been downtown and celebrated with us as we celebrated our world champion Stanley Cup Redwings after winning the hockey game. But you're here now, and I want you to take full advantage of every opportunity that you see here.

Take a look at a city that is reinventing itself. You come from cities that have fabulous downtowns. We don't have one today. You come from great cities that take so many amenities for granted that we don't have today. But come back next year, and you will see a dramatic difference. And come back in 2 years, or better yet, come back when we celebrate our 300th anniversary on July 24, 2001. By that time, I would venture to say that, by any objective standard, Detroit will be well on its way to achieving world-class status.

To make that happen, transportation, transit, all of those kinds of things, the things that you do so well for your respective cities, counties, and municipalities, will be the key for making us great, as well.

Our Deputy Director, Sandra Bowmar Parker, who is here with Al Martin, is going to be learning a lot from you. You represent some great cities. We're going to be picking your brains.

So, when you come back and see us in the future—you have great cities now, but we're going to knock your socks off.

Thank you very much.

Peter Dreier

When Buzz Paaswell called me 5 or 6 months ago to ask me to speak about the trends in America's large cities, I was reminded of the story about the man who goes to the doctor. The doctor says, "I have bad news and worse news." The patient says, "Tell me the bad news first." The doctor says, "You have 24 hours to live." The patient says, "Well, what's the worse news?" "I've been trying to reach you since yesterday."

On the other hand, Mayor Archer, like many mayors, spoke in optimistic terms about the future of American cities and, with some cautious optimism, suggested that the fate of America's cities is on an upswing. I agree in part with that. My paper suggests that there are contradictory trends in America's large cities, both among various cities, with some on the upswing and some on the downswing, and within cities themselves, the metropolitan areas, optimistic and pessimistic trends.

I'm not going to read my paper, obviously. The footnotes alone would take about an hour. What I would like to do is summarize the key points and make some remarks, hopefully provocative, that will lead to discussion later.

My major point in the paper is that the problems facing America's large cities are not primarily economic and they're not primarily social. They're primarily political. If you look across the river and across the border to a country that has relatively the same distribution of wealth and income as our country, Canada, and relatively the same level of poverty as our

country, about one-fifth to one-sixth of the population in poverty, you notice that their cities are in nowhere the same condition as ours.

So the forces driving Canadian and American cities are not primarily economic or social but have to do with the policies and the politics of the two countries. They help explain the differences in our cities. In the United States, the basic trends that I outlined in the paper are not news to any of you, so I needn't go into too much detail.

The problems facing American cities are basically a mirror image, in geographic terms, of the larger trends facing the nation: a widening disparity of income, persistent racial segregation, and increasing concentration of poverty.

In the 85 largest metropolitan areas, central city per-capita income as a percentage of suburban per-capita income fell in the last decade, but, probably more important, the poverty rate in cities went up. The poverty rate in the inner-ring suburbs went up, as well. Even during periods of economic prosperity, you haven't seen much change in the poverty rate in the large cities or the metropolitan area inner-ring suburbs.

Increasing concentration of poverty leads to many of the social, criminal, and behavioral issues that make the newspapers and give the public an image of our cities as cesspools of despair, a misguided image but one that much of America faces anyway.

Increasing geographic segregation of the poor is intertwined with increasing racial segregation.

We also see increasing economic disparities between regions, between metropolitan areas of the United States over the last decade. In 1989, for example, median household income varied as much as 100 percent between the 70 largest American metropolitan areas, from a low of about \$24,000 in New Orleans to about \$50,000 in the Bridgeport-Stamford-Norwalk-Danbury area of Connecticut.

This difference does not have to do with the skills of the people in New Orleans and in Connecticut, and it does not have to do with the job mix. It has to do with other factors, which local governments have little control over. In San Francisco, for example, secretaries earned 46 percent more than secretaries in New Orleans. That has nothing to do with skill levels or education.

Not only is there inequality among regions in terms of average wages or median income, but regions have widely differing degrees of income inequity within them.

Between 1970 and 1990, only 35 percent of the new jobs created in the Boston area paid less than \$20,000 a year compared with 77 percent of the new jobs in Milwaukee and 73 percent of the new jobs in Detroit. These pay levels don't have to do with the skills of the people; they have to do with the health of the regional economy, the competitiveness of the local labor market.

We see growing disparities of income and race not only between metropolitan areas but between cities and suburbs and between inner cities and outer suburbs and inner suburbs, as well.

Another major trend—and here I might differ a bit with Mayor Archer—is that the revitalization of central business districts often does not have much effect on these poverty and income statistics. A rising tide in the downtown does not necessarily lift all boats in the neighborhoods adjacent to or outlying from the central business district. Cities that have built their skyscraper downtowns, their sports complexes, their cultural institutions, their university and hospital complexes, and other aspects of their downtown have not necessarily seen an improvement in the quality of life for those people in the bottom half of the population in terms of income.

Also, national economic recovery over the last few years has not had the effect on central cities that one would expect, another example that the rising tide doesn't lift all boats when not everybody has a boat or some people have leaky boats. So, you have to recognize that market forces alone, though they may improve the economic conditions of regions and central business districts, don't necessarily improve the conditions for the have-nots in urban areas.

So why do I call it primarily a political issue, given all these social and economic trends that would lead one to be despairing?

For reasons that probably most of us already know, the public policies of the last 50 years have had a negative impact, have done more harm than good to America's cities. I don't have to revisit the issues of transportation policies, tax policies, the homeowner deduction, labor laws encouraging companies to move outside of cities into right-to-work states, some environmental laws, housing policies, FHA policies, and so forth.

Federal policy has not been friendly to cities. Despite the public view that, since the beginning of the Depression or at least the War on Poverty in the 1960s, we've poured lots of money into cities, we've actually poured more money into promoting suburbanization and fragmentation, urban sprawl, and the decentralization of our populations and our jobs.

One of the largest myths of America that has to be dispelled by those of us concerned about the fate of our central cities has to do with this imbalance of public policy that actually has undermined the fiscal, social, and economic conditions in our central cities. But perhaps the most important fact is that the political isolation of cities has been exacerbated, and there are several ways to calculate that. In the paper I suggest at least two.

One has to do with the percentage of the urban population that represents the national electorate in presidential and congressional elections. The presidential election of 1992 was the first in which an absolute majority of the voters, not a plurality but an absolute majority, came from suburban areas compared with central cities and rural areas. That is an extremely important fact, and that trend continued in the 1996 election.

Second, and perhaps more important, is the fact that the congressional delegations representing suburbs have increased considerably while the congressional delegations representing central cities have declined significantly in the last three decades. Some of that has to do with the way we redistrict and gerrymander our congressional districts. That's a long and complicated debate that I would be happy to get into if you would like, but it basically has to do with following the demographics and how districts get carved out. Safe seats for cities create more conservative and more suburban seats in Congress that lead to more conservative and anticity policies. I think that's an important fact. I won't bore you with the statistics in my paper, but you can find them there.

This leads me to kind of a mind game that I like to play with people when I talk about this dilemma. Imagine you're the mayor of a major city facing the kinds of economic and social conditions I just outlined. There is a bill before Congress for X billions of dollars to promote job training, affordable housing, education, road repair, and transit in the central city. Your job is first to go to the city councillor of the suburb about 20 miles outside your central city and then to the congressperson who represents that suburb, whose district does not include your central city, and persuade both the suburban politician and the congressperson to vote for the bill. What would you argue? How would you make the case that a suburban congressperson with constituents like the city councillor or the planning board person or the selectman or the whatever should be voting for that urban aid bill?

If you can't answer that question, then the future of American cities is pretty dismal, because that's the dilemma facing American cities. The political isolation of cities means that, to create an urban agenda at the federal level and to promote a more even playing field for American cities, we have to persuade some significant proportion of the suburban electorate and the suburban electorate's delegation in Congress that they have a reason to support the revitalization not only of central business districts but of the residential areas of the city and the commercial strips outside the downtown business district.

There are basically three kinds of appeals that this mayor can make to these suburban people.

One is to focus on compassion, to care about the condition of the more needy, a sense of doing good and conscience. That sometimes works, but during tough economic times, it's harder to make that argument. It's even hard sometimes during good economic times, particularly if people believe, as most Americans do according to polls, that the money would be wasted anyway, because even if we had the money, the cities don't know how to save themselves with our tax dollars. So compassion would not necessarily work.

Then there's what I call riot insurance, which is fear. If you put enough fear into the hearts of suburban people, you might persuade them, at least for a short time, to add money to the

urban agenda. But the riots of the 1960s and the riots in Los Angeles in 1992 didn't persuade me or most Americans that that was a useful approach to getting suburban cooperation, because ultimately it results in more draconian than useful public policies.

Obviously, the third alternative is the notion that we're all in the same boat, that if one end of the boat is leaking, the other side of the boat eventually will sink, as well.

So we have to think about our common fate. Mayor Archer made that comment—in fact, probably every speaker you'll hear during this meeting will argue the notion of the importance of regions, metropolitan areas, cooperation, this metaphor of the boat or the common good of cities and suburbs. I agree with that, but let me try to fine-tune that view.

There are many good reasons why we need more regional cooperation that academics like myself can point to. Metropolitan government is not on the agenda in all of the major cities that you represent and probably in most major cities. There are some exceptions—for example, Portland and the Twin Cities—but for the most part, it's not likely to be a thriving way.

There are good reasons for regional cooperation, but there are many obstacles to it. Despite the fact that, over the last 5 or 6 years, people like Neil Pierce, Kurt Johnson, and David Rusk have made persuasive arguments on why regions are important—and economists, sociologists, and political scientists can argue this—there are at least three different reasons for cooperation, and they are in some ways mutually exclusive, though not entirely.

Some groups of people want regional cooperation for purposes of efficiency—sharing police departments, transportation infrastructure, or other kinds of services or having one set of building codes or a common tax rate around a region is good for business. Business leaders tend to like the notion of regional cooperation because a streamlined, one-set-of-rules approach to regional government means that investment and permits and so forth can be done more efficiently.

A second reason for cooperation is that it's more environmentally friendly. We want to have sustainable regions. The only way to promote that, to avoid sprawl, to avoid the uglification of our metropolitan regions, to avoid the taking of green space and farmland, is to promote regional planning. Environmentalists and transportation experts and planners in most cases like that approach.

The third argument is the equity argument, which is that we need regional cooperation to redress the imbalance between rich suburbs and poor cities.

Advocates of the efficiency argument don't necessarily agree with the advocates of the equity argument, who don't necessarily agree with the advocates or the reasons of the environmental argument. So, at some point, we're talking past each other when we talk about regionalism. There's a healthy new awareness of the importance of regions, but getting those three groups of people with three different motives for cooperating across metropolitan areas to talk to each other about a common purpose and a common goal is quite difficult.

All of you who are familiar with ISTEA—you're one of the success stories, to some extent, of regional cooperation. But that is not the way most of us in the urban field think when we try to bring these three groups of people together. So the arguments for regional cooperation need to find some kind of common ground among the different people who are talking different languages.

That reminds me of another story.

A man knocks on the door of a house in a wealthy suburb. A woman answers the door. The man says, "I haven't worked for a couple of weeks and I'm hungry and I need a job. I'm willing to do any chores you'd like me to do. Do you have any work for me?" The woman says, "Well, in fact, I do. Why don't you go to the back of the house and paint the porch?" The man says, "I'd be happy to." She says, "I'll pay you some money and I'll give you a meal."

About 3 hours later, the man knocks on the door again, and the woman answers the door. The man is covered with green paint, and the woman of the house says, "Well, how did it go?" The man says, "It went really well, I really enjoyed working for you, but I think you made a mistake. It's not a porch, it's a BMW."

All that simply says that we need to talk the same language when we talk about regions. These notions of equity and environmentalism and efficiency need to find some kind of common ground or talk the same language.

There is a growing interest in what's often called community-building or community development. One of the most exciting and positive things of the last 20 years in our urban areas has been the rise of groups that work at the neighborhood level, improving the community that they live in through housing developments, small business, job development, and various social services, epitomized by the growth of the institution known as the community development corporation.

There are now almost 2,500 community development corporations, or CDCs, around the country, who are doing God's work trying to improve conditions in urban and some inner suburban neighborhoods. They have the support of groups like the Ford Foundation and other foundations.

Some local governments are supportive of them. I know they are here in Detroit. I know, in most cities, there are public-private partnerships with business and government and community organizations working with these CDCs, and there is a lot of research saying that they've actually done a good job with limited resources in improving the conditions of their neighborhoods. Many of the empowerment zone cities have forged some partnerships with community development corporations and businesses.

One of the major problems facing American cities—and this is the theme of a report I did with several colleagues last year—is that the people interested in regions and the people interested in communities also never talk to each other. The people interested in regional economic development and regional economic prosperity and the people who talk at the neighborhood level about revitalizing communities rarely sit at the same table, rarely talk to each other about regional policies, areas of job growth, or public infrastructure projects. Transportation is an example of that, I'm afraid.

In Los Angeles right now—and there are people here from Los Angeles who may disagree with me—the two largest public works projects in the region, the subway and the light rail through the Regional Transportation Agency and the Alameda Corridor project, have both been designed with almost no thinking about their impact or how they can connect with the local communities doing this kind of community-building activity.

That was less true, fortunately, when I happened to be in Boston, when the state and the Regional Transportation Agency were building the subway, the red line and the orange line. There was some attention paid to its impact and its connection with community development and community-building efforts. That had to do mostly with the political clout of the community-based organizations in Massachusetts as compared with those in Los Angeles, but I think the disconnect between the people thinking regionally and the people thinking about community is an important area for research and public policy discussion.

In fact, it seems to me that one of the major goals of federal policy in the next decade or so needs to be connecting the regional thinking with the community thinking, not to bypass local governments or state governments but to recognize that the groups right now at the regional level and at the community level need to find some forum for talking to each other. Therefore, it's important for us to think broadly about where we want public policy to go and then figure out how transportation and transit policy fit into these larger goals. Since I don't pretend to be a transportation expert, I want to outline, at least very briefly—there is more detail in my paper—what I consider to be the major areas for policy and research discussion over the next period.

The most important public policy goal that needs to get on the agenda is the idea of leveling the playing field across metropolitan regions.

I was fortunate to be the deputy to Ray Flynn at a time when Boston and the Boston area were prospering. The investment of the private sector—and, to some extent, the public sector, but mostly the private sector—in the Boston metropolitan area allowed us the room for maneuver to do some interesting public policy things around housing and economic development, job creation, and neighborhood improvement.

If I were the deputy to the mayor of Camden or to the mayor of Youngstown, I probably would not have survived the decade I spent in city hall, and I probably wouldn't have looked back at it as a very existentially rewarding experience, because the regions of Youngstown, Ohio, and Camden, New Jersey, are very different.

So we need to find some way to get the federal government to level the playing field, to find some agreement that regions are important but that we need to level the playing field between the regions. That doesn't mean bringing everybody down; it means bringing everybody up. One of the issues that faces American regions is this constant bidding war between regions and states for private investment.

I'm a big fan of Mayor Archer, but when he said earlier this afternoon that he was proud of the fact that Detroit has saved money by allowing its mechanics to do rehabilitation work that used to be done in Chicago—well, if I were living in Chicago, I wouldn't feel so good about that.

It seems to me that full employment at decent wages is basically the agenda for a level playing field. I say "decent wages" because so many of our jobs being created in the last decade or so are low-wage jobs, so that the interregional dilemmas need to be faced squarely. One suggestion has to do with the way federal tax policy can encourage or discourage these bidding wars—if you change the tax status of local tax giveaways, you remove one of the incentives for these kinds of bidding wars.

So leveling the playing field is important.

A second suggestion has to do with using federal carrots and sticks to promote regional cooperation the way ISTEA does, although sometimes that cooperation is less than cooperative. It seems absolutely ridiculous, from my point of view, as someone who has spent some time in local government, that there are 3,400 local housing authorities, that there are almost an equivalent number of job-training areas and welfare or, now, welfare-to-work programs, that the idea that regions should cooperate means that we have to change the way we do business. The federal government has sticks and carrots that make that possible, but, again, it has to be done in a context of bringing the inner suburbs into the political coalition.

So promoting regional cooperation using federal incentives and disincentives is important.

Third, reducing income inequality and the concentration of poverty in the central cities is clearly important. There is an important role for transportation policy, such as reverse commuting programs and so forth. It seems to me that, as long as we have this high concentration of poverty in our central cities, our inner suburbs and older suburbs will increasingly face these dilemmas of the large cities.

Fourth, we need to improve the physical and social conditions in our inner-city and inner-suburban neighborhoods. That is where the community development movement needs to connect to the notion of regions and find common ground.

Finally, we need to find ways to improve the political condition of cities. It seems to me that, as I argue in the paper, there are a number of things that are not considered urban policy that would have a major impact in reducing the political isolation of America's cities.

Campaign finance reform is important for cities, even though it's not considered an urban policy, because it will reduce some of the pressures of the global economy to decentralize if folks with big money have less influence over public policy, and I can go into more detail. Labor law reform would have a major impact on the conditions of our large central cities, and changes in voter registration laws would have a major impact on the political isolation of our central cities.

Let me close with one other observation. The way the media report the problems of our central cities has a major impact on our politics, on urban policy, and on the policies that affect cities that aren't considered urban policy. As I said earlier, most Americans now believe that the cities have resisted being saved and wouldn't know what to do if they had the money to save themselves.

Reporting by the major broadcast and print media toward central cities is almost uniformly negative, and that has major consequences. One of the most important research tasks is to document, using academics that are expert in content analysis and interpretation of media reporting, the relentless negative views of our central cities that the media portray—not just the urban papers but also the national media, the networks, the cable networks, and the weekly magazines.

A consortium of transportation agencies, the conference of mayors, and others, with several universities, over a course of several years, documenting and monitoring and doing a

report card on a regular basis, would raise the level of consciousness of the media leaders toward how they misinterpret the cities in several ways.

I'll close on this.

In Los Angeles, you can read the *Los Angeles Times* on a daily basis and, with a few exceptions, not know that the problems of one part of the region are similar to those in another part of the region, because the people who get the paper in one part of the region read, literally, a different edition of the paper. So there's no common regional ground. There's no neighborhood reporter on the *Los Angeles Times*. There's no one whose job is to cover the inner city. There's no one who's responsible for understanding the connection between the central city and the region.

The budget of Los Angeles County is bigger than that of many states, but you wouldn't know there's a county government unless you've looked carefully on a regular basis.

I don't think the *Los Angeles Times* is unique.

Although I've raised a number of economic, social, and political issues that might provide some food for thought, one of the most specific recommendations I can make for future research is to look at the way the media miscover the problems of our central cities, our inner-city neighborhoods, and our metropolitan regions.

Regina Armstrong

It's my pleasure to talk to you today about the central cities of the 12 largest metropolitan or urban regions in the United States, which is the primary focus of the conference today. I'll be talking about the economic and social relevance of the central cities with respect to their regions and the United States as a whole.

The Washington-Baltimore urban region is now the fourth-largest in the nation, which reflects the change that has taken place since the 1990 census. In 1996 the Office of Management and Budget redefined metropolitan areas, or urban regions, in the United States to reflect changes in commutation, the longer journey-to-work trips that are now occurring, and this has caused 7 of the 12 major urban regions to become much larger than they were before, and it has caused Washington and Baltimore to merge in the Northeast Corridor. We now have a continuous corridor of urban region settlement, of course, from Boston to Washington.

The cities and the urban regions that they empower comprise the essential core of the American economy. With few exceptions, they are the major centers of product innovation and technological advancement, actually the wellspring of our competitive edge.

During the past 30 years, their economies have changed rapidly, evolving from goods-handling industrial to information-intensive service activities that required millions of square feet of office and other commercial space to be developed, much in the central business districts. During that time, inner-city factory, warehouse, and other goods-moving districts have become functionally obsolete and have been abandoned, leading to the emergence of strategically located brownfields and polluted waterfront areas.

Throughout this period of transformation, the last quarter century, roughly, the major central cities have continued their hold on an overwhelming share of headquarters functions in the nation's financial, industrial, commercial, communications, and public sectors. The cities are also at the front line of demographic change, attracting the bulk of new immigrants to the United States; evolving new lifestyles and family and household relationships; coping with a major growth in elderly population; sending the highest proportion of women to the labor force; and meeting the social, economic, and transportation needs of a disproportionate share of low-income, carless, and linguistically isolated people.

First, a word about the urban regions they anchor.

In 1996 the 12 largest urban regions in the United States contained 91 million people. That was larger than the population of Mexico and Germany. Over the 1990 to 1996 period, they grew by about 5 million people. All that growth occurred in the suburban parts of the region. Nonetheless, the urban regions continue to maintain a one-third share of the national population on only 3 percent of the U.S. land area.

The care and feeding of 91 million people require something like 41 million job opportunities.

The journey to work is handled both by public transit and automobile, of course, but the 12 largest metropolitan areas are the major source of public transportation, with 99 percent of all subway, 97 percent of all rail, 76 percent of all streetcar, and 61 percent of all bus work trips in the United States.

The significant attributes of the urban regions are essentially as follows:

- Race and ethnicity: They are the most diverse places in the United States. They have a much broader base of multiracial and multiethnic population.
- Nativity: One-third of the U.S. population lives in them but they have two-thirds of all foreign-born persons.
- Language spoken: They have more than one-half of all U.S. households that speak a language other than English as their primary language, and these non-English-speaking households represent a quarter of the households of all the urban regions.
- Educational attainment: They attract the highest proportion of well-educated Americans, with more than 43 percent of all U.S. graduates of advanced educational programs and professional degrees.
- Household formation: They have a disproportionate share of large households and non-family households.
- Labor force participation: They provide about 35 percent of the U.S. total. One of every two people residing in an urban region is a participant in the labor force.

Many of the significant differences of urban regions in the United States are attributable to the differences that characterize their central cities.

In 1996, the 14 central cities of the 12 largest urban regions had a population of 23 million. As such, they contained 8.6 percent of the U.S. total, down from about 9.1 percent in 1990. Between 1990 and 1996, of course, population did not grow in these central cities.

But while all population growth occurred in the suburbs, not all employment growth followed it to the suburbs. The central cities contain a disproportionate share of jobs, more than 11 percent, and between 1990 and 1996 the erosion in share that occurred in population did not occur as deeply in employment.

As a share of urban regions' population and employment, the 14 central cities still contain one-third of all the jobs in metropolitan areas and one-quarter of all the metropolitan residents, and this, of course, occurs on only about 3 percent of the metropolitan land area.

Their main demographic feature, of course, is a high proportion of minority population—nearly three out of every five are black non-Hispanic, Asian non-Hispanic, or Hispanic, and two out of every five residents in central cities are white non-Hispanic.

About one in every four residents of central cities is foreign-born, and this proportion is increasing. Between 1990 and 1996, when the United States received close to 5 million immigrants, the central cities of these 12 largest metropolitan regions captured 1.3 million. This occurred without a growth in population, which meant, of course, that the resident population of about 2 million people in the central cities moved out to suburbs and elsewhere, while immigrants took their place. The results have been that the households are much more multilingual and multicultural, the population has a greater proportion at dependent ages, and of those of working age in the city, a high proportion are high school dropouts. The pool of high school dropouts is about half again as large as the adults with college and graduate degrees. Cities, of course, have 20 percent of their population in poverty.

The economic relevance of the 12 largest urban regions in the United States is indicated by the fact that these areas, which comprise only about 3 percent of the U.S. land area, contain one-third of all the jobs in the United States. In 1997, that represented 41 million jobs, and that employment base has grown. While they contain one-third of all jobs, they produce about 45 percent of gross domestic product, a remarkable difference that testifies to the productivity advantages of urban regions. Over the past 20-odd years, the growth of employment in urban regions has been slow and steadily upwards, and this is likely to continue.

In 1990, when the urban regions contained about 40 million jobs, their central cities housed 13 million, or fully one-third of jobs. Blue-collar jobs were fewer, representing only 20 percent of all central city employment opportunities.

In every major central city that we're discussing today, the demand for employment outstrips the supply of resident workers living within the city, leading to the increase of commutation, which has grown over the 1990 to 1996 period. The commutation difference on high white-collar work amounts to an inflow of about 1.4 million workers. In low white-collar, clerical, and administrative support jobs, there is a net inflow of about 1 million workers.

In service and blue-collar, obviously the demand for employees from the suburbs is less, perhaps about 150,000 service workers, 250,000 high blue-collar workers, and 70,000 low blue-collar workers. The cities can pretty much fill those needs for employment.

The level of employment in the central cities contributes to but is not always the most significant factor in explaining the volume of commutation. Employment in the central cities is not always a reflection of the size of metropolitan areas. Places like Houston pop out to have quite strong employment when they are rank-ordered by size. The result, of course, is a net inflow of commuters to central cities. The Dreier work data of 1990 indicate that two places, New York and the Washington-Baltimore metropolitan area, each drew in on a net basis more than 400,000 workers from the suburbs, but there were smaller large urban regions that drew significant commuters, among them Houston, Atlanta, Boston, and Dallas. All together, the net commutation flows to central cities to meet the employment demand for labor amounted to 3 million daily one-way trips.

The benefits of economic linkages between central cities and urban regions are many. Not only are central cities the major source of commuter jobs and earnings outside of the suburban areas, but they are also a source of new business formation and relocations or spin-offs to suburban areas, they provide the resources that underpin suburban consumer markets, they provide many of the linkages of corporations that have moved to the suburbs in terms of corporate advanced services, and they are the gateways of regions to the global economy.

In the area of commuter jobs and earnings, the daily inflow, which is probably the most visible if not the most important linkage between the economies of central cities and suburbs, amounts to an income transfer of about \$160 billion. That amount represents the earnings of suburban workers in the 14 central cities under study and is 18 percent of the labor payments of central cities and about 15 percent of the income of suburbanites.

Beyond their role as engines of regional economies, the central cities play a significant role in the global economy, which has been alluded to by our preceding speakers. This role has emerged as telecommunications and information processing has created a global network of production and consumption, and cities have emerged as the major nodes on this network.

Not all cities perform these global functions, but, collectively, they serve as command posts for multinational businesses, managers of global financial markets, and providers of advanced corporate services. They are centers of culture, art, fashion, and entertainment. They are world-class office centers and centers of world government.

One indicator alone, the Fortune 500 and the Global 500 corporation locations, is a telling one. The 14 central cities of the 12 largest urban regions have 140 of the Fortune 500 corporations. They direct the production of more than \$2 trillion worth of goods and services. As such, they represent about 28 percent of the largest corporations in the United States and about one-third of the earnings, all of this stemming from central cities, which, as we saw before, contain only about 11 percent of U.S. population.

In addition to the Fortune 500, the cities are home to 40 percent of the American corporations that function in global markets. They have 57 of the 500 largest corporations in the world. Detroit itself, of course, is home to the largest.

Cities are also managers of domestic financial markets. Collectively, they have two-thirds of all the funds on deposit in the United States. And cities are home to foreign banks. In this regard, New York stands out much more prominently than most others.

How do cities stand with respect to the flow of federal funds? It's difficult to estimate the revenues to the federal government that derive from cities because of consolidated corporate financial statements, which don't allow us to break out what part of the business output comes from the cities, but on an expenditure basis, the cities and urban regions do quite well.

The urban regions, with one-third of the U.S. population, receive about 34 percent of all federal direct expenditures. The cities receive a slightly higher share with respect to population, but probably, if the facts were known, less than they contribute to gross national product.

I want to wind up with some of the issues about central city economies that have a bearing on transportation investment.

The economic factors will change the economies of central cities and their relationships to the regional, the national, and the global economy. Certainly, central cities will continue to develop as command posts for the global marketplace. That will require strengthening access to the global economy, particularly airport access in most cities.

Cities, as we have seen, are not well matched on a labor supply-demand basis, which results in reverse commutation of many resident workers to outlying suburban jobs, not fully counterbalancing, obviously, the in-commutation from the suburbs.

I think both of those linkages need to be strengthened.

The diversification in the economies of urban regions is leading to more and more consumption in downtowns, which indicates the need to support 24-hour environments. Cities are becoming places of entertainment and a high degree of tourism, and transportation systems need to address that. There's also an unknown challenge for transportation systems stemming from the growth of self-employment, the work-at-home tendency, and telecommuting. And finally, the cities need to be connected on an intermetropolitan basis as they grow together in megalopolitan chains of development.

Thank you.

Gloria Jeff

I did my welcome-to-Detroit spiel yesterday, and today I rise, not so much as Gloria Jeff, but as Roy Earl Slater. We in transportation are interchangeable. We don't all look alike. Although I have to admit that at one point I had a boss at Michigan Department of Transportation, where, as those of you who are from the Michigan area know, Bob Adams, my boss, and I used to change off regularly; he would have to make an appearance or I would have to. We got into a routine where his nickname made it very interesting for me to sub for him. His nickname was Whitey. It was always fun to stand up and say, "I am Whitey today." The nervous laughter can continue, it's okay. He was called Whitey because he had bleached blond hair; it was not for other, more contemporary, reasons.

Let me bring you greetings, first of all, from the Secretary. He really would have liked to have been here today. The issues of the cities are critically important to him. The members of NACTO know that, because he has provided them immediate and ready access. Those of you from Michigan and from other parts of the United States know that he has visited your communities. He has listened to the leadership from not just the state level but also from the cities and metropolitan areas, as well, to get a sense of what your issues were, what you

hoped to have accomplished, what you hope to see as your future, and how transportation can make a difference.

It is good to see you here and it is good to see the folks from the city of Detroit. They are looking forward to learning and sharing and, indeed, coming of age with all of us through this process.

The timing, as Michael Winter from the Federal Transit Administration said last night, is extraordinary for this particular conference, because we find ourselves within a very few weeks of the passage and signing of the historic TEA-21, the Transportation Equity Act for the 21st Century. This legislation, while it is a 6-year bill, is really about more than the next 6 years; it is about the next 60 years, and about how we as a nation will shape ourselves for the 21st century.

It is an opportunity for us to move ourselves from being U.S. Department of Transportation, a holding company composed of 10 individual modes, and move more realistically into a one-DOT concept in which we are integrated and coordinated in our activities. It is also a unique opportunity in terms of the timing of this conference, in that one of the elements of implementation of TEA-21 is that we are going to go out and talk to our customers. We are going to listen to you folks in terms of ideas, suggestions, things that you would like to see us put in the guidance or the regulations associated with the implementation of TEA-21. So this is an opportunity for those of us from U.S. DOT to listen to you and hear what you have to say.

In addition, it is an opportunity for you to share with us not only those ideas for implementation, but recommendations for policy deliberations and research undertakings. As we look at central cities and their continuing role, we see, indeed, an opportunity to focus not only on them but also on our urban regions and how they, too, can contribute to America's greatness.

Today we are in the midst of probably one of the most expansive bull markets in the history of the United States. Real income is rising. The stock market is reaching new heights. People are transitioning from welfare to work in a very real and tangible way, as we see the number of jobs being created reaching all-time highs. We see many of our major cities, such as Detroit, Atlanta, Houston, and Philadelphia, undergoing major renaissances. Crime is down in many of these communities and optimism is definitely up. Americans feel good about the future and are coming together, as some of our papers have pointed out, to foster dynamic and positive changes within their communities and for the future of this country.

Transportation has always been a major component of development in our cities, be it New York or Boston, where their deep draft harbors initially fostered their development. Our nation depended on that waterborne transport in its infancy and still does to this day for international commerce. All one need do is look at the fact that more than 90 percent of all the goods and materials arriving in the United States come by waterborne transport.

Cities like Chicago, Houston, Kansas City, and Dallas are major cities in part because they have benefited from the presence of railroads, roadways, or access to waterways. Many of these cities have also benefited from the construction of the Interstate highway system, which has provided them with access to new markets as well as with new jobs.

Many cities today continue to enjoy this access, but, unfortunately, in our central cities, a lot of that infrastructure is in need of repair, rehabilitation, or replacement. In focusing on the role of cities as a resource, we find ourselves needing to look at all levels of government so that we can aid in sustaining the vital engines of America's economy that the cities represent.

Our nation's cities are more than simply what the media present them to be as places where there is crime, deterioration, and congestion. They are vital, vibrant locations of America's families, corporate headquarters, places of work, places of recreation, and places to educate and improve ourselves. Big cities are also in many cases proximate to major institutions of higher education, where we send our citizenry to become educated and to improve our national lot.

When one looks at our cities, we find that they have undergone a very challenging period, during which, as papers have already indicated, federal housing policies that were intended

to encourage creation of the middle class instead resulted in a situation not only enlarging the middle class but in some cases providing them with the mobility to abandon the cities for the suburbs.

Real median income continues to increase in this nation, while in our central cities it has declined. Suburbs now contain over 75 percent more families than do our cities, which is a 25 percent increase from the 1970s. We find that for every American who moved into a city between 1970 and 1990, four individuals relocated out of a city and into a suburb.

We have seen folks flee the city, but we began to see that a renaissance is occurring. Those who have remained in the central cities and have taken advantage of their architectural treasures, their compact form and conservation of resources, have increasingly organized themselves at the neighborhood and community levels to change the perception of who they are and what they are about.

Neighborhood programs from Cleveland to Los Angeles to Chicago have been successful in turning the tide and organizing political clout on local governing structures. Neighborhood revitalization is a sign that urban residents haven't given up on their neighborhoods, haven't given up on their communities. All one needed to do is to have heard the remarks of Roy Roberts last night, about General Motors' commitment to the city of Detroit, or look around in any of our major cities and, again, see that same kind of commitment among the residents to hold onto their neighborhoods, to continue their vitality and their usability.

Many experts believe that, for economic reasons alone, we cannot write our urban areas off. We have already gone through why they are important. So while we have indeed seen a number of jobs relocate to the suburban areas, the foundations of the economic engines remain in the central cities.

Countless dollars have been spent to provide what Michael Porter describes as the competitive advantage of the central city in providing that infrastructure, at both the national and the international levels. When we look at the number of corporate headquarters located within our central cities and the amount of research that takes place in those central cities, we begin to see that cities like New York and San Francisco are indeed the engines that drive the metropolitan regions that are becoming so increasingly important. All across the nation we see that urban cores are starting to augment their role and generate new tax receipts, new tax base, and new economic excitement.

Mayor Archer already talked about some of the things going on here. I know that within the breakout groups there have been conversations about the other communities. In all candor, not only the economic vitality but also the need for central cities is indicated by the fact that we have gathered here today to focus on them.

In that regard, let me depart from my script and challenge you a little bit for the afternoon. As we have talked about the challenges facing our cities and what needs to be done, we have given a lot of attention to their role in the metropolitan context. One of the things that we talked about in developing this particular conference was not only how central cities fit into their metropolitan regions, but also how their own bureaucracies function. What relationships exist there in terms of, Is the parking department talking to the transportation department? Is the department of public works talking to the planning department? Are they all coming together in a way that makes some cohesive sense out of delivering transportation services?

Some of the cities represented here have deputy mayors for transportation, heads of their departments of transportation, but when one looks at the comprehensive picture—how they are working and how these central cities, particularly these large central cities, get their internal bureaucracies in order—this needs to be one of the challenges as you move forward to this afternoon.

In addition to the economic engine focus and the livability of our communities, when we look at the example in St. Louis, we are utilizing, interestingly enough, federal highway dollars to construct a light rail line. Indeed, we began to see some revitalization and some sustainability of communities in the St. Louis area.

Transportation design is an art. There are those who talk about the renaissance. Let me do another one of my unpaid but heartfelt commercials for the city of Detroit. Those of you

who get a chance to ride the people mover will have an opportunity to see transportation as art. In each station there has been a commissioned piece of art, and you will get an opportunity to see 10 different visions of transportation and art and how it fits into the urban forum. In terms of transportation design being art, we have looked at automobiles, bicycles, and pedestrians.

The economic engines are not only limited to what we do on the ground, but also in terms of air, water, and, of course, freight movement, as we move forward in looking at the economic contributions.

So the challenges that face our major central cities today are those of inclusion. How do we begin to wrestle with this question of including a holistic perspective within the individual community structures for central cities, as well as within the regions and within the states? I know that many of the attendees here are concerned with their own sets of issues with respect to how are they going to work with their state departments of transportation or the federal government to address some of their central city issues. The issue of equity should be included.

The 21st century transportation system needs to be inclusive in service in terms of making sure that service is available to all. I heard Al Martin talk yesterday about public transportation, as well as all transportation, not being viewed as a new form of classism, but as being available to all regardless of income.

We need to look at the question of balance in terms of capacity and maintenance. We need to look beyond how we provide new capacity, at the same time rehabilitating and reconstructing our previous investments. We also have to do a better job of ensuring that we give people more intelligent choices in terms of travel. We have to look at central cities, where we provide bus service, rail service, taxicab service, and, in the case of New York, waterborne public transportation. But we have to give choices to our businesses as well as to our residents if we are going to share this planet in an intelligent way. So part of the balancing act is not only capacity versus rehabilitation, but how we share the planet intelligently.

We need to redefine mobility and access in a way that ensures that our definition of transportation looks not just at the physical movement but telecommunications as well. All one need do is look at some of our neighbors, for example, Mexico, which has a Transportation-Telecommunications Department, because they recognize that the movement does not just include people and materials, but information. In the 21st century the telecommunications centers that we have in our central cities will become a critical part of the transportation system.

We have to look at economic focus of value, and that has received a lot of attention already. And then, finally, we must look at this whole question of system integration. While I talked about the fact that U.S. DOT has begun to move itself from being a series of holding companies toward integration, the same has to take place within our metropolitan areas and our central cities in terms of how we provide a system approach, as opposed to an individual modal approach.

The role of the U.S. DOT in this regard is not simply, "Here's the check, go have a good time," although I suspect that there are those who would love for us to say just that. It is one of moving beyond simply providing financial assistance and doing some research. It is one of being, as we now describe ourselves, a visionary and vigilant organization in providing proactive leadership by assisting in the identification of opportunities, by utilizing information and data that we collect for central cities, and by looking at what they are, what they can become, and what challenges they will have in the future.

We need to look beyond simply saying here's the money, and here's a set of regulations, and we'll tell you what to do. We need to focus on outcomes and do that by facilitating and mediating, where necessary.

Those in southeast Michigan and in other parts of the United States have come to see that the new role of U.S. DOT, particularly as delivered by the Federal Highway Administration, has not been to choose sides and declare this side right and that side wrong. We come in, and, where there is a conflict, we bring the forces together—the stakeholders, those who need to be a part of that decision-making process—and say, "Let us reason together as ratio-

nal, intelligent human beings and find solutions that work for all of us,” as opposed to being the bully on the block and saying, “I have the money, you haven’t.” I have got the money—I have got the money—no one gets the money if we don’t agree. Our role is to facilitate and mediate those kinds of activities. We provide technical assistance and create forums like this one, where there is an opportunity to exchange success stories and identify the solutions to the various challenges that remain for central cities as they enter the 21st century.

Part of our role will also be to provide publications and multimedia release of success stories, techniques that have proved successful and how we move forward to make the 21st century the best that it can be.

One thing we know is that one size does not fit all. We are not proposing in our role as the U.S. Department of Transportation to give you a cookie cutter by which you stamp out, but, rather, to help find differing solutions for differing circumstances.

We care about people. You have heard more of this in the last 5 years than I think you want. It’s a mantra, but it is more than that. It really is an attitude and a mind-set, that transportation is about more than concrete, asphalt, and steel; it is about people. We have to have a sustainable future, and transportation is an essential element in creating that.

The road ahead is a challenging one. It is not quite the yellow brick road, although there are times when one goes along and says, yes, there are lions and tigers and bears, oh, my. But it is indeed a pathway, a railway, an airway in which transportation is the linchpin that holds central cities together. It is their economic vitality, their ability to move their people to the advantages of the city, in terms of employment, recreation, medical attention, and educating young people, that becomes an important element in the infrastructure and the competitive advantage.

Institutional issues include looking within city bureaucracies and pulling them together in a more intelligent way so that the transportation services and programs are delivered in a coherent fashion.

We need to look at relationships within metropolitan areas. I personally am a big advocate of the MPOs. We have to work hard to make MPOs functional and get the right cast of characters at the table and involved in the decision-making process. That includes government, the private sector, and academia, for without all of those forces coming together, we will find ourselves shortchanging the American public on this roadway ahead.

We need to look at partnership in circumstances like you see with the city of Atlanta in air quality, or General Motors and the city of Detroit. I look forward to being able to run off a laundry list of our 10 largest cities in a year or two and having that kind of private-sector partnership be there as well.

In addition, we need to deal with the institutional issues of how we at the federal level or those at the state level can better interact with central cities to recognize their economic importance, our moral responsibility and our need for involvement with them, for we cannot afford to throw any single individual in the United States away because of the contribution we as individuals can make. The same is true of our central cities; we cannot afford to throw them away either.

The benefits that TEA-21 brings to us continue to build upon the successes of ISTEA. We indeed invest in rebuilding America with record levels of dollars being made available. In addition, we are providing minimum guaranties to the states and are taking proactive steps to ensure that the sharing that takes place at suballocations below the National Highway System level and for states, indeed, passes that prosperity along to other participants in the provision and operation of transportation. The focus continues to be on flexibility, on using dollars in a manner in which they address transportation needs, and not simply on chasing after the transportation pot.

We are focusing on safety. We are working very hard. Those of you who arrived Saturday night may have had an opportunity to see some of the local news stories in which the state police have begun to look at the hot spots for entertainment and have said it is important that you have a good time, that you make a contribution to the local economy. But they are also saying, oh, by the way, if you are going to drink, don’t drive, get a designated driver. Buckling up is mandatory.

Safety is an important part of TEA-21. The reality in our central cities is that we can focus on educating our young people; we can focus on creating improved conditions within our central cities by upgrading their transportation management systems and their traffic signal systems so that the roadways are safe.

We also are talking about access to opportunities. Our welfare-to-work program, the retention of the disadvantaged business enterprise program, the inclusion of training slots as part of it—all benefit central cities. We are also looking at ways to protect the economic environment, and we have talked about that at length, but, as part of TEA-21, we are also focusing on protecting the natural and social environments. As I mentioned earlier, one of the challenges is finding balance in terms of sharing the planet and giving people better choices.

We are focusing on outcomes rather than processes as we look toward solutions. As we look toward the 21st century and the road ahead, central cities will be the engines of tomorrow. They are the engines of the past and of today. We need not forget them, but we need to recognize that we have to continue the renaissance that they are experiencing from an economic standpoint and continue to make transportation a vital element of it.

Thank you.

Michael Meyer

I have the unenviable role of trying to summarize these six papers with regard to common problems, issues, and emerging opportunities. It is a challenge because in some sense the papers don't lend themselves to a summary across those three major issues. In some cases the papers were sympathetic to me and said here are the problems, issues, and emerging opportunities. In other cases the papers didn't really organize themselves in that way. What I have done in almost all the cases is, if not explicitly stated, to assume that what I am about to say was implicit in the papers. In other words, this is what you should have said, if you didn't say it.

First, all of the papers have a common point of departure: the central cities play a significant role in the metropolitan areas as well as in the nation. In his paper, Dreier says that central cities remain the key to regional and national productivity, growth, and competitiveness. In her paper, Armstrong says that the central cities anchor the attractiveness of the urban region. So all the papers begin with that premise.

Now instead of getting into a semantic argument about what is a problem and what is an issue, I came up with a term—challenge—that encompasses both of them, so what I am about to do is go through what I perceive to be the stated challenges facing the central cities in three or four major categories and then finish my summary with comments on the emerging opportunities.

Certainly, challenge is due to changing demographics. There was a lot of information in some of the papers concerning the change in population in the central cities and how that change has occurred over the last several decades. Armstrong in her paper talks about the central city population on the one hand being youthful, multicultural, educated—and given that I live in a central city I am in that category—and, on the other hand, indicates that there are disproportionate concentrations of those who are isolated linguistically, high levels of foreign-born individuals, for example, a large pool of high school dropouts, large sectors of unemployment, and fairly high levels of poverty.

Deakin in her paper suggested that this presents serious challenges or problems, if you will, to transportation in terms of getting people who aren't employed to where a lot of the jobs are.

The next set of challenges comes in many ways from the changing demographics. The term coined by Dreier was “disparities,” and I liked that term because it really did high-

light some of the key issues that are being faced by central cities. These disparities occurred in these five areas that I identified in the papers, and I suspect there were many, many more.

The first disparity is the widening gap in income and wealth not only between metropolitan areas in the country but within the regions themselves.

Dreier, in one of the more interesting aspects of his paper, discussed the hypothesis that a prosperous economy in fact leads to a decline in poverty but suggested that—in terms of causality—the opposite also could be true, in fact that it was more plausible. The central city with concentrated ghetto poverty, which is his term, will hasten capital flight and will drive out essential investment in infrastructure. He suggested that that was still an important issue that has yet to be resolved, but the linkage between economic prosperity and poverty in the central city is a key issue.

In his paper on innovative financing, Giglio discussed not only population growth but also where that population is locating. He suggested that we have an increasing disparity between where the labor force is living and where the jobs are located. Dreier came back to the disparities in terms of the fiscal ability to handle some of the services and infrastructure issues, not only between central city and suburban areas but also among suburban areas themselves, especially the older, inner-ring suburbs, where there are serious disparities with regard to the ability of the suburbs and central cities as compared with some of the wealthier suburbs to provide the services and the infrastructure that are necessary.

Then, finally, are the disparities in terms of geographic segregation, and again the suggestion is that the poor and low income tend to congregate and segregate themselves in central cities or certain areas of the region.

The next series of challenges has to do with politics and institutional framework, and this links to the fact that metropolitan areas are constituted by large numbers of cities and towns, special-purpose authorities, and organizations. Political fragmentation and competition among local jurisdictions, one of which of course is the central city, were key issues when I was in Massachusetts. At the state level we dealt a lot with the metropolitan planning organization in Boston and the metropolitan region. There were 101 cities and towns in the Boston metropolitan region along with all sorts of special-purpose transportation agencies and a variety of groups, so that is often a key challenge in trying to come up with regional transportation solutions.

As Dreier points out and mentioned yesterday in his presentation, the urban electorate as a proportion of the total has declined, and thus at the national level and certainly at the state legislative level the political clout of the central city has decreased as well. That is a serious issue in allocating dollars from the federal and state governments.

In his paper on institutional issues, Peyrebrune raised some serious questions that again reflect the fact that we are talking about the institutional framework, which is somewhat complex, to put it mildly. For example, what is the appropriate decision-making structure for transportation investments, that is, what is the relationship between the central city and regional planning? What is the relationship between the central city and the MPO? Giglio also discussed the importance of having representatives of transit at the table when important decisions are being made concerning allocation of funds.

All the issues, in terms of the political fragmentation and institutional structures, link to the ability of regions to make decisions in a very complex environment and the political strength to bring resources to the region.

In his paper, Schulz discussed several areas in terms of infrastructure as it relates to central cities. The urban arterials, which he referred to as “irreplaceable transportation links,” are extremely congested and face serious deterioration in many metropolitan areas and central cities. However, in his paper, which I found quite interesting, he suggested that there are no national data to conclude that the central cities’ transportation infrastructure is any worse off than that of the suburban areas, and he recommended that a study be done to examine that issue.

He also discussed the backlog in capital investment in transit. Mayor Archer, in his opening remarks yesterday, talked about transit in Detroit, and I interpreted that as being kind of

a backlog investment need. Because of the congregation of major transportation facilities and services in central cities and because of the economic activity that occurs in those central cities, the transportation networks leading into the central cities tend to have high levels of congestion.

Several of the authors talked about the importance of the connectivity provided by the transportation system and the regional and global significance of central cities in terms of providing the services and economic activity that will make them prosper in the global market. The lack of connection is a serious problem. In her paper, Deakin talked about connectivity being an important issue. When there is no connectivity, to jobs for example, that becomes important to transportation officials.

Deakin also discussed how connectivity often tends to be congregated in certain areas, which often could lead to higher levels of environmental impacts because of that congregation and the use of those particular facilities.

Finally, Giglio discussed the financing issues associated with transportation infrastructure and the provision of transportation services.

As was mentioned yesterday, the central cities provide competitive advantages in a global market to a greater extent than some other parts of the metropolitan region. Many of the suggestions that came out of the papers with regard to emerging opportunities reflect this concept of competitive advantage.

In their papers, Dreier and Deakin suggested that one of the characteristics in our urban areas today is an increased willingness to participate in the development of partnerships with many different areas and groups to build the community. People at the local level are interested in trying to make their neighborhoods livable as well as, in some sense, sustainable, and that that is an emerging opportunity. The challenge, of course, is linking that with regional issues and regional planning, but that is a very important characteristic of what we see in the central city, certainly in Atlanta.

Although it was not mentioned by the authors, I would go back to diversity as a real opportunity. My sense is that, for a certain segment of the population, diversity in terms of having many different groups of individuals—racially, linguistically, agewise, education-wise—provides a very interesting place to live, not for all people, but certainly for some people, such as my family. We live in central city Atlanta primarily because of the activity and the action at all times of the day and night—good action, not bad action—and that is an environment that my wife and I wanted to raise our kids in. So, at least for some people, that diversity, the activity, the representation of what is going on in the central city, is attractive. I think many central cities could market that to their advantage.

Several of the authors talked about the emerging, although I wouldn't necessarily call it emerging because I think it's been there for some time, but the willingness of corporate America to participate in community building, to participate in regional planning and in enhancing the economic health of central cities. You heard that last night with the speaker from General Motors about what General Motors is willing to do in terms of investing in Detroit.

In Atlanta—again I will just use my own example—last week the Chamber of Commerce and several leading business CEOs and presidents of universities announced a major effort to “solve”—in quotation marks—the transportation problem. They felt that the transportation planners had had enough time to figure it out and weren't able to do it and now it's about time for the private sector to take over and figure out what they are going to do. In their own inimitable way they are going to do their plan and wait until after the November elections and then give it to the new governor because certainly he will understand the importance of implementing this, and the problems will be solved.

Naive, clearly, but I think this comes out of frustration with regard to the fragmentation of the political aspects of trying to do something in a metropolitan region like Atlanta. It indicates the willingness of corporate America at least to come to the table and say, “Look, we need to do something about this.” They feel threatened, by the way, because of the air quality issues and all the possible sanctions, and that is what is causing them to come to the table, no question about it. But it is something that they are willing to do at this point in time.

A couple of the authors talked about the emerging opportunities relating to TEA-21. Some of the environmental concerns such as air quality are perhaps more strongly motivating than a willingness—let's go in and do this for the good of humanity—but we have to go in and do this because we have to. Again, several authors suggested that the TEA-21 mechanism could possibly, with emphasis on “could,” provide some increasing motivation for renewed focus on what the region can do and where the central city fits in.

Giglio, in his paper, discussed innovative financing opportunities. He offered some caution with regard to what innovative financing can and cannot do, and he discussed the importance of having everyone at the table, but the point was that we have, in the last 10 years, been interested in nontraditional financing of our transportation system and services. That that will likely continue over the next several years.

Finally, Dreier, in his paper, mentioned a renewed interest in regionalism. He suggested, correctly so, that it is not a new idea in urban America but that there are really three major factors that are now driving this interest and focus on regionalism in some areas—not all areas. In some sense, he claims, it is like a legacy of the rational planning movement that occurred 40, 50, or 60 years ago, environmentalism and the understanding that now issues like air quality require us to have a regional approach. You can't do it on a jurisdiction-by-jurisdiction basis. You really need to have regional cooperation to govern metropolitan areas. Many of the services and systems, such as transportation, for example, are inherently regional, and thus you need a regional perspective and regional planning to make it work. And that is what I got out of the papers.

Roy Roberts

Good evening to everyone. I'm delighted to join you this evening.

I'm very aware, as are all of us at General Motors, of the important challenges that lie ahead in meeting the transportation needs of America's largest cities. The issues you are addressing over the next two days impact everyone who lives in, works in, or visits America's greatest cities. Having a transportation infrastructure that will be viable in the 21st century is crucial not only for the vitality of our major cities but also for sustaining the economic growth and prosperity of America itself. I believe that the right solutions are out there and that they will be forged through cooperation and partnerships with all who have a stake in the prosperity of our cities.

We need a lot of energy behind this effort, and we need a lot of people working together to make it a reality. This includes federal, state, and local governments, major corporations, big and small business enterprises, scientific and research institutes, and community and economic development foundations. The people who are going to make this happen are the individuals who can see around corners, who won't accept defeat, who function with cool heads in the face of battle, and who have the ability to find a host of alternative routes to achieve the goal.

Dick indicated that I'm on the board of a railroad. There's a story going around about a young man named Bill who applied for a job as a signalman on the railways. He was told to meet the inspector at the signal box. The inspector put this question to him: “What would you do if you realized that two trains were heading for each other on the same track?” Bill answered, “I would switch the points for one of the trains.” “What if the level broke?” asked the inspector. “Then I'd dash down out of the signal box,” said Bill, “and I'd use the manual lever over there.”

“What if that had been struck by lightning?” asked the inspector. “Then,” Bill replied, “I'd run back into the signal box and phone the next signal box.” “What if the phone was busy?”

“Well, in that case,” said the young man, “I’d rush down out of the box and use the public emergency phone at the level crossing.”

“What if that was vandalized?” asked the inspector. “Oh, well, then I’d run into the village and get my uncle.” “Your uncle?” asked the puzzled inspector. “Why would you do that?” And Bill answered, “Because he’s never seen a train wreck before.”

Because of partnerships between local businesses, government, and industry, I’m confident that we can avoid train wrecks on the way toward solving the unique transportation challenges of America’s big cities.

A little over two weeks ago, Andrew Cuomo, Secretary of the Department of Housing and Urban Development, issued his 1998 State of the Cities Report to the U.S. Conference of Mayors. There was a lot of good news in the report. In the past 5 years, the economy has produced 16 million new jobs with record low unemployment. The number of employed workers living in central cities increased more than 10 percent, by almost 3.7 million people. There are increased job opportunities in our nation’s cities. Crime rates are down significantly, particularly for violent crimes, and the cities are improving as places to live. In fact, many downtown areas and central city districts are experiencing a renaissance as centers of tourism, sports, entertainment, and the arts. Cities such as Baltimore, Cleveland, Denver, San Antonio, Seattle, and Washington, D.C., have all become new destinations for tourists and residents of the larger region. I’m proud to say that our Mayor, Dennis Archer, who talked to you this morning, and his administration are adding Detroit to this list, and I will talk more about Detroit’s renaissance in a moment.

Some of you live and work in these cities, and you and people with you have played a major role in their renewal. What has happened in places like Cleveland and Baltimore is a sterling testament to what’s possible when different government bodies, community foundations, and local businesses and industries all work together to improve the vitality and quality of life in the central business district.

At the same time, not all the news is as rosy. Minority youth unemployment remains high. There is a wider wage gap, and a lot of this is exacerbated by the fact that people can’t get to the jobs that are being created. In many major metropolitan areas, transportation or the lack of transportation is rapidly becoming a barrier to continued growth and economic prosperity.

Businesses and industry have jobs available, good jobs, jobs that contribute to the overall economy and take people off public assistance rolls, but we have to be able to get people from where they live to the places of employment. When we can’t accomplish this, it drains business growth, community development, and government resources. Every component has an equal stake in this, which is why collaboration is so vitally important if you and I are going to be successful.

General Motors has long recognized the value of partnering with government agencies, research foundations, and business consortiums to solve the challenges we face in the transportation industry. I’m sure that many of you are familiar with GM’s leadership in ITS technology, or what we call intelligent transportation systems. Since the early 1990s, GM has partnered with various agencies like Caltrans, the Federal Highway Administration, the U.S. Department of Transportation, the American Automobile Association, the State of Florida, the City of Orlando, and other state and local governments to advance technology for in-vehicle navigation and automated traffic management systems.

We have to organize a national automated highway consortium to develop an automated highway prototype for the next century. Some of you probably attended the MO-97 in San Diego last August and experienced firsthand where the industry is headed with smart car and smart highway technology.

GM is also a leader in the Department of Energy’s clean cities program, which is a voluntary government-industry partnership to mobilize local stakeholders to expand the use of alternative-fuel vehicles. Our experience bringing the first electric vehicle, the EV-1, to market in California has shown how vitally important it is for industry and government to work together for common purposes. We would not be as far along as we are today in marketing this clean technology without a constructive relationship with California’s agencies

and utilities. We're taking baby steps now, but we will need to expand our partnerships and collaboration to develop an infrastructure that will support the next generation of electric vehicles.

On another front, GM, Ford, and Chrysler joined with the federal government to cooperatively reach for a new generation of clean vehicles by early in the next century. We're targeting a supercar that would be a family vehicle getting 80 miles per gallon and producing less than half of the CO₂ of today's vehicles without increasing price or decreasing performance of the vehicle. It's a huge challenge, it's a huge partnership, but we have to get that done. We have to get that done if we care about people, if we care about our cities.

Safety is another important area where cooperation and collaboration are paying big dividends. GM is collaborating with research consortiums and governmental agencies like the National Highway Traffic Safety Administration to push forward the development of radar sensors and specifications for automobile crash avoidance systems.

But not all of our collaborations are strictly product-oriented or future technology-driven. Last year, General Motors made a \$10.6 million, 5-year commitment to National Safe Kids to help prevent automobile injuries and fatalities that result when children are unrestrained or improperly restrained in vehicles. Last August, I had the honor of joining U.S. Secretary of Transportation Rodney Slater, Dr. Edward Koop, and others in Washington, D.C., to announce GM's sponsorship of Safe Kids Buckle Up. Since then, GM dealers have partnered with the local Safe Kids coalition in their communities on over 250 seat checkup events nationwide. Obviously, child safety is something in which we can all believe very strongly, and you just can't accomplish something like this without effective partnerships between government agencies, local business, and the community.

This brings me to one of my favorite subjects, which is the outstanding partnership that exists between General Motors, the city of Detroit, and the state of Michigan, all working together to improve the health and vitality of the southeastern Michigan region. No one of us could get it done by ourselves.

As most of you know, Detroit is in the midst of a great renaissance, with an influx of new businesses and substantial plans for new residential housing, a stadium, and entertainment complexes. A renaissance is occurring at General Motors, as well, with more focused brands and vehicle development processes leading our charge into solving the transportation challenges of the 21st century.

We talk about the 21st century, the next millennium, and it sounds like the distant future, but I suggest, my friends, that it's only 520 days away and even fewer shopping days.

With GM moving its global headquarters into the Renaissance Center, the renaissance of Detroit and the renaissance of General Motors are interconnected. As an employee and officer of General Motors, nothing could make me prouder. In fact, the division of General Motors that I head, Pontiac-GMC, was the first marketing division to make the move downtown.

General Motors purchased the Renaissance Center in 1996 to be our global headquarters for the 21st century. This puts GM at the epicenter of the world's most powerful manufacturing cluster and symbolizes our commitment to global integration and continuous improvement. With over 5 million square feet, approximately five times the space in the old GM building, the Renaissance Center allows us to consolidate over 9,000 headquarters team members, key executives, and decision makers in one centrally located complex with the amenities to support all our necessary functions. The Renaissance Center allows GM to grow and to expand and move into the future.

At the same time, we want our GM global headquarters to create a highly effective business environment that helps to reinvigorate Detroit. This includes building a stronger relationship between the General Motors teams and other Detroiters to accelerate the core city's resurgence and help ensure Greater Detroit's long-term economic future and vitality. GM's vision for the Renaissance Center includes major upgrades for the hotels and retail, dining, and entertainment areas. Our plans include extensive reworking of the public access areas to make it easier and more efficient to get around.

Today, when you walk or drive along Jefferson Avenue, there are large berms in front that act as a barrier to the building. We're going to get rid of those berms and create a spectacular main entryway on Jefferson Avenue that will be a showplace, inviting visitors into the building. We're also planning a five-story winter garden atrium on the south side of the building that opens out to the Detroit River to create a direct pedestrian connection to the riverfront from the building.

We're going to invest \$590 million in this, and we're going to do it because we believe in Dennis Archer and his vision for this city, and we're committed to this city. The winter garden that I talked about will house cafés and restaurants, stores, other retail establishments, and recreational amenities that can be enjoyed by all Detroiters and visitors to the Renaissance Center. We want the Renaissance Center to be a popular destination, an environment that draws people into Detroit for both business and recreation.

If we're going to be big and great, then we ought to stand for something, and this is what we want to stand for. We want to take a stand right here and make a difference.

We're working with the city, various agencies, and other property owners to create a riverfront promenade that can extend all the way from Belle Isle to the Ambassador Bridge. This would enhance the downtown riverfront area and encourage even more individuals and new businesses to make Detroit their home.

In April, GM also acquired ownership interests of the Millinery Center, which is a multiple-purpose facility directly across the street, on this side, from the Renaissance Center. We're committed to spending about \$25 million there over the next several years to upgrade the hotel and the office and retail space in the Millinery Center.

Combining the hotel, retail, and parking components of the two centers will allow us to do more with each of these elements than we could have if we had continued to operate as separate developments. It expands the possibilities of what we can do in both locations.

GM has made a commitment to work with the city and other interested parties to create a comprehensive plan for riverfront development that will link the central business district to the river town area. Naturally, this entails working with the city, the county, and the state to improve traffic flow and parking access in the Renaissance Center area.

There are a lot of vibrant things happening in Detroit. I have focused only on GM, but there are many collaborative efforts between the city, the county, and other businesses and industries in the metropolitan area. Personally, I don't believe there's ever been a more exciting time to be in business or to live and work in the Detroit area. Thanks to the strides made by Mayor Dennis Archer and his administration, the good citizenship and cooperation of southeast Michigan entrepreneurs and major corporations, and the spirit of Detroiters themselves, we're experiencing a great renaissance in our business, professional, and community lives. There are more opportunities in Detroit than you can shake a stick at, and I'm pleased that General Motors has made a commitment to be a leader of change in our industry and our community.

When you look around and see what others have done, you quickly realize it is impossible to have a world-class city without cooperation and understanding between business and government. You also realize that it's impossible to have a world-class city without a transportation infrastructure that can support economic growth and development in the 21st century.

I applaud your commitment to meet these serious challenges head-on. The health and vitality of our great cities, indeed the health and vitality of our great nation itself, will depend, in large measure, on what you are, what you determine, and where you decide to go from this place when you leave here.

I sincerely hope that you will accomplish all of your conference objectives and that you will also find some time to get out and enjoy our great city.

I want to thank you for inviting me. We're going to do everything we can to be the very best corporate citizen that we can possibly be.

Thank you very much.

Brigid Hynes-Cherin

My charge was to review the resource papers for suggestions on research, development, demonstration, and additional information exchange activities to advance both the state of the art and the state of the practice in planning, financing, implementing, and operating and managing transportation in the nation's largest metropolitan areas. Now isn't that a mouthful. And you would certainly think that given that broad charge, I would be able to find a lot of things in the papers that would do that. It's also the guts of why we're here, because unless we can come up with some implementation actions, we probably have shared some information, but we're not really advancing the state of the practice. So it's a difficult thing to do.

The papers focused more on defining the problems and the issues that are faced in the central city, and they gave us some very useful and relevant information and trends that we can use. But when they got into the actual where the rubber meets the road, they were not as helpful. Any action items mentioned were often expressed in a very broad context, which doesn't make them undoable but does make them a little bit harder to get implemented, because you have to go one step further and continue to define them.

This is the same challenge, incidentally, that you're going to be facing in the breakout groups, and I think it was very helpful to narrow it down to seven items so that we can have a chance of coming out with something very concrete.

To go back to the papers, Peter Dreier contends that since a number of the problems that the cities face were created by federal policies, it's now incumbent upon the federal government to develop new national policies that will actually help the central cities. His paper looked at a number of recent success stories that are taking place at the community, the city, and the regional level, and he suggested that the federal government should look at these and develop them into national policies in six areas. I'll just read those to you, and you'll get a sense then of where he's going and where we need to be going: to promote a level playing field, to promote metropolitan cooperation and strengthen the ties between regional development and community building, to undo the antiurban bias of existing policies and strengthen the capacity of metropolitan areas to address their own problems, to reduce inequality and deconcentrate poverty, to improve physical and social conditions in urban and inner-suburban neighborhoods, and to reduce the political isolation of cities and urban constituencies. Obviously, this is not a small agenda.

The paper does provide a starting ground, though, for identifying what some of these national policies are that we should be looking at, and I'm hopeful that in the breakout sessions you will be narrowing those down to something that is very doable, because in the context as it's presented, we wouldn't be able to use that to move the agenda forward.

Joe Giglio, on the other hand, had one very concentrated action item, and that was to urge cities to become skilled practitioners of the different innovative financing techniques currently available. He had one piece of key advice—he put it in the sense of transit operators, but it certainly applies to anyone, and that was to be at the table, because if you're not there when the decisions are made, then you're going to lose out on the money.

He also said there is no cookie-cutter approach to doing innovative financing, that you need staff who are willing to be flexible and creative, to go out and learn things and develop individual financial strategies for what they are trying to address. That leads me to think that a fruitful area for research is to make the innovative financing techniques more user-friendly, to describe them a little bit better so that you don't have to be a specialist in them.

The research agendas in the papers are spelled out a little bit more specifically, but they still need better definition to be put into action. Peter Dreier suggests that central cities must find allies in the suburban communities; that these suburban communities, especially the inner-circle ones, have the same problems as the central cities; and that they should therefore be natural allies. That leads one to think that maybe a fruitful piece of research would

be to identify these similarities so that they can be documented and then used to develop these coalitions.

Dreier also suggests that new housing, workforce development, welfare reform, and land use planning programs should be administered at the metropolitan level, and he says ISTEA is a good example of this. By inference, if this is a good example, what we need to do is document that ISTEA made a difference at the regional level in the capital investments that were made in the metropolitan cities. I don't think that we have actual documentation of that fact at this time. We all have some of our own experiences that indicate that's true, but if we want to use this as a model for other programs, then we have to go out and document how ISTEA worked.

Betty Deakin provides a concise summary and voluminous references. If you remember, yesterday she was in competition for the award because she had as many pages of references as the text, but she gives some good resources. They support her hypothesis that several new initiatives are available to address central city problems. These initiatives run the gamut of those that can be applied when you use them, so in other words they can be at the planning level or at the implementation level; they can be at the narrow issue of a street in terms of traffic calming, or they can be at the broader issue of sustainable development. She gives us some good information on that. She suggests that the most meaningful research, though, is to evaluate the efficiency and the interrelationships of these initiatives—in other words, how they are working together, and especially the extent to which partnerships are successful in fostering implementation.

In general Dave Schulz reviewed the state of the system performance and was highly supportive of the need to maintain our existing highway infrastructure at all levels, the state, the arterials, and even the rural areas, and from both a freight and a passenger perspective. He was also supportive of continuing the investment in reducing bicycle barriers and ensuring that existing airports remain viable. He wasn't quite as generous to transit, and he raised the question whether transit infrastructure expansion has been detrimental to our existing service. He called for research on the extent to which transit's loss of market share is due to the decline in the condition of the infrastructure. I think that's an interesting point.

He also laments the fact that he couldn't find any credible data for comparing the central city with the suburbs of that urbanized area; most of the data are maintained at the urbanized area level. And he suggested that we need to develop some of this information, particularly before we go about developing any policies that may favor the central city over the suburbs.

Henry Peyrebrune, on the other hand, approached this issue from an institutional perspective. While he wanted this same kind of information, his focus was on whether the data could be used to show a difference between the way central cities responded to problems based on the institutional structure.

They're both coming at this issue. What this indicates is that we need to clearly define what the data are going to be used for before we do this extensive data collection, because if we don't have a good sense of that, we're just going to be creating problems.

Another subquestion would be whether we need a baseline, in other words, whether the existing data can be substratified such that we could have a baseline of previous years to future years, or whether we have to create new data, which would then mean that anything would just be starting from here on out.

So those are some of the research issues that need to be addressed.

Finally, Henry would also like to see cities better share information on existing institutional and government structure issues. As a next step he suggests that we need to see whether some of the changing conditions cited in Regina Armstrong's paper call for a change in the mission of the central cities and whether that change would then call for us to reinvent the institutional and governance structures for that new mission.

As I said at the beginning, these suggestions represent a broad range of actions and research items. We all know from our own experience that conferences like this can result in very good suggestions that never end up being implemented because they are too generally written. So your charge in the workshop is to come up with some very specific action and research items.

The key, though, is that the recommendations be specific enough, and I want to make a special offer to you. Rick Bacigalupo is here. He's the head of TRB's legal research committee, TJ05, and we'll be meeting sometime between October, when the TOPS meeting is. If any of the issues that come out of this program are related to legal aspects, we are going to try and make sure that those get on the TOPS agenda, and we can use our TJ05 money for that. So there is already a source of money. Now it's your turn to go out and develop some good recommendations for us to be able to implement.

Thank you.