American Dream Coalition
Freedom, Mobility, and Affordable Homeownership

The American Dreamer

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From the Director

by Eileen Bruskewitz

The American Dream Coalition is very proud that Ed Braddy, our executive director since 2009, was elected mayor of Gainesville, Florida in April and took office in May. In order to do his new job justice, he has stepped down from his ADC position, and the executive committee asked me to take his place.

Until I decided not to run for re-election in 2012, I served six terms as a county supervisor in Dane County, Wisconsin. I discovered the American Dream Coalition soon after I was first elected. With ADC's help, I led the No Tax for Tracks initiative that stopped an expensive and wasteful plan for a commuter train in Madison, Wisconsin's state capital and Dane County's seat.

As ADC's new director, my first job is to encourage people like you to attend the 2013 conference in Washington, DC. These conferences are fantastic, with dozens of educational presentations, workshops, and strategy sessions all designed to help you be more effective in advocating for mobility, housing affordability, and freedom. I look forward to seeing you there.

Your Chance to Help Reform Federal Transportation Policy

The 2013 Preserving the American Dream conference, to be held on October 27-29, will call on Congress to end gridlock and reform federal transportation policy. The Washington, DC location will give participants the opportunity to pass the latest land-use and transportation research on to their congressional delegates.

Congress traditionally reauthorizes and reforms federal highway and transit programs every six years. But in 2012 Congress was torn between tea-party Republicans in the House who wanted to end deficit spending, and Democrats in the Senate who wanted to massively increase spending. They compromised by making only minor modifications to existing programs and extending them (along with the deficit spending) for two years.

This compromise was in fact a win for the Obama administration, which is using transportation funding to encourage cities to build streetcars and other obsolete rail lines and to encourage metropolitan planners to increase urban densities and discourage single-family housing. Meanwhile, Congressional overspending and diversions of gas taxes to transit and other programs mean that the Highway Trust Fund will run out of money in 2015.

More than two dozen experts will discuss these and related issues at the Preserving the American Dream conference. The conference will start on Sunday, October 27, with a tour of recent transportation and land-use projects in the Washington DC area.

Monday morning, October 28, will feature speakers such as the Reason Foundation's Robert Poole and Cato Institute's Randal O'Toole discussing how Congress should reform the transportation bill it must pass in 2014. Monday afternoon will focus on land-use issues, including the sustainability planning that the Obama administration wants all metropolitan areas to do. Speakers will include Tom Rubin, Sam Staley, and Wendell Cox.

Tuesday morning, October 29, will present a series of speakers on how grassroots activists can be more effective. Conference participants should plan to meet their representatives in Congress on Tuesday afternoon or Wednesday so they can promote more sensible federal policies.

The 2013 conference will take place at the Doubletree Inn, 1515 Rhode Island NW, near Dupont Circle.

The first Preserving the American Dream conference, which journalist John Fund called "one of the four best meetings I've ever attended," was held in Washington DC in 2003. Since then, annual conferences have been held in Atlanta, Houston, Portland, San Jose, and several other cities.

This conference is a must for state legislators, county commissioners, city councillors, think-tank researchers, tea-party members, tax and land-use watchdogs, and other activists who want to understand and effectively influence federal, state, and local land-use and transportation policies.

Reforming Federal Transportation Policy

With the law allowing federal spending on highways and transit set to expire in 2014, American dream supporters are offering a variety of reforms that could be incorporated into any new law. That law, however, will have to overcome the gridlock that exists with a Republican-dominated House and a Democrat-dominated Senate.

"The federal government's ultimate goal for transportation should be to devolve the resources and decision making to the states, who know their transportation needs better than Washington does," argues Heritage Foundation's transportation researcher Emily Goff. When Congress distributes the funds, too much money is diverted to non-transportation projects or pork-barrel projects that provide little transportation value.

Emily Goff, Heritage Foundation

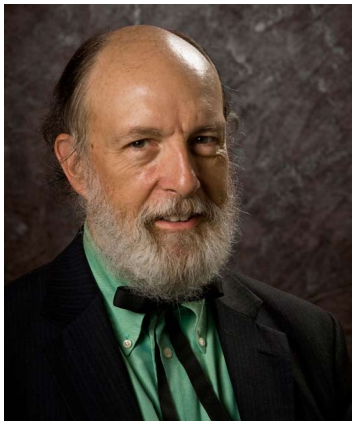
One way to devolve federal funding, most of which comes out of the 18.3-cent federal gasoline tax, would be to allow individual states to opt out of federal funding by raising their own taxes by 18.3 cents, while the federal government eliminates its tax in those states. This idea, which has been promoted by Representatives Scott Garrett (R-NJ) and Jeff Flake (R-AZ), would effectively eliminate the middleman, allowing the states far more discretion on how their money is spent.

Such a plan is likely to receive little support in the Senate however. As an alternative, Reason Foundation transportation director Robert Poole proposes to rededicate the gas tax solely to highways. Currently, about 20 percent of the federal gas tax goes to transit and up to 20 percent goes for non-transportation projects. Congressional overspending out of the trust fund has forced Congress to supplement it with tens of billions of dollars in general funds.

Robert Poole, Reason Foundation

Poole suggests that the federal gas tax is adequate to meet our highway construction and maintenance needs provided Congress stops diverting it to other uses. Since Congress has to appropriate money to the fund anyway, such appropriations should simply go to transit and other purposes that Congress deems worthwhile.

Cato Institute researcher Randal O'Toole has offered another proposal: abolish the New Starts/Small Starts fund that provides money for construction of new light rail, streetcars, and other fixed-guideway transit projects. Most federal transportation dollars are distributed using formulas based on such factors as a state's land area, population, or road miles. But New Starts is supposed to be a competitive grant fund with money going to the most deserving projects.



Randal O'Toole, Cato Institute

In fact, says O'Toole, the funds are distributed politically, and transit agencies have learned they can get the most money by proposing the most expensive, rather than the most efficient, projects. Since the few efforts the FTA has made to control spending have been overruled by Congress, this wastes billions of dollars a year on projects that often use more energy than they save, increase traffic congestion, attract few people out of their cars, and obligate transit agencies to huge maintenance costs in the future. "Abolishing New Starts should be the top priority of fiscal conservatives dealing with the 2014 transportation bill," says O'Toole.

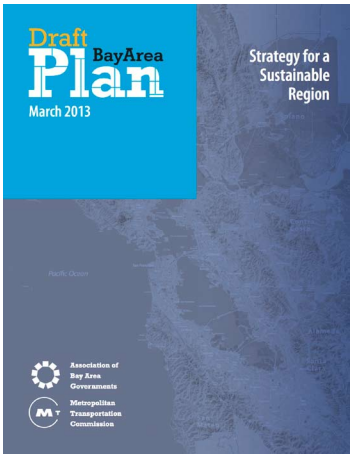
The environmental impact statement for the Purple Line light rail proposed for Maryland suburbs predicts that the line will increase congestion, use more energy than the cars it takes off the road, and cost $22 million more per year to operate and maintain than a bus-rapid transit line. Yet the Federal Transit Administration has recommended that it be funded with New Starts money, which O'Toole says demonstrates the failure of the New Starts process.

Instead of New Starts, O'Toole proposes to distribute the same amount of money—about $2 billion a year—using a formula that emphasizes transit ridership or fare collections. This will give transit agencies incentives to invest in projects that truly benefit the communities they serve, rather than just the rail construction industry.

All of these proposals will be discussed in detail at the 2013 Preserving the American Dream conference in Washington, DC on October 27–29. The morning of October 28 will be dedicated to transportation issues with a special focus on reauthorization.

Plan Bay Area: The Future of Urban Planning?

Tens of thousands of single-family homes will have to be destroyed to implement Plan Bay Area, a so-called "sustainability plan" written for the nine counties around San Francisco. The plan seeks to accommodate a 30-percent increase in population without developing any more acres. To do so, the plan calls for redevelopment of nearly a quarter of the developed lands in the region to much higher densities.



"Sustainability plan" for the San Francisco Bay Area

The plan was written by the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) to comply with the Sustainable Communities and Climate Protection Act (SB 375), which the California legislature passed in 2008. The law sets a target of reducing per capita greenhouse gas emissions from automobiles by 15 percent and claims as a fact that the only way to achieve that target is through a densification strategy.

It turns out the legislature was wrong about that, as a 2009 law directed the California Air Resources Board to set auto fuel-economy standards aimed at reducing emissions. The standards set by the board (which were later applied to the entire nation by the Obama administration) will reduce per capita emissions by far more than 15 percent. Meanwhile, despite making optimistic assumptions on the effects of density on driving, Plan Bay Area estimates that densification and new transit investments will reduce greenhouse gas emissions by less than 1 percent.

"If we can exceed the target by continuing what appears to be working very well," asks ADC member and Oakland resident Tom Rubin, "why do we need to try risky, unproven, and expensive experiments to make major changes in the way we live and get around in the Bay Area?" Rubin and Cato Institute researcher Randal O'Toole debated the president of ABAG and a member of the MTC council in San Rafael on May 30.

Tom Rubin, accountant extraordiaire.

In addition to reducing greenhouse gas emissions, SB 375 directed planners to make housing more affordable. Currently, the region's low-income families have to spend 66 percent of their incomes on housing and transportation, and the plan set a target of reducing this to 56 percent, which is supposed to be the national average. Instead, projections indicate the plan will actually increase it to 69 percent.

Plan Bay Area considered five different alternatives: do nothing (which is unrealistic because something will be done); the preferred alternative; and three others. All of the alternatives call for densification; the only differences are which neighborhoods will be densified.

Relaxing the region's highly restrictive urban-growth boundaries, which is the only way the plan could have made housing more affordable, was not considered. In fact, all of the alternatives except "do nothing" actually called for making growth boundaries even more restrictive. Currently, just 18 percent of land in the nine-county region has been developed, while 20 percent has been permanently set aside in parks and the rest is outside of urban-growth boundaries.

Planners tried to reassure residents that less than 5 percent of the region would be densified. But since less than 20 percent has been developed, that means roughly a quarter of developed areas will be densified. Planners call for "transit-oriented developments" of 20 to 300 dwelling units per acre, which is equal to 27,000 to 400,000 people per square mile. For comparison, New York City averages about 27,000 people per square mile while Manhattan is less than 70,000 people per square mile. In short, Plan Bay Area's strategy of using densification to reduce greenhouse gases and make housing more affordable is a complete failure, yet planners refused to even consider alternative strategies that would have worked.

California is not the only state to have adopted such prescriptive planning. The Washington state legislature passed a law requiring cities to increase densities in order to achieve a 50 percent reduction in per capita driving—a goal that is neither desirable nor likely to be achieved.

The Obama administration is also using SB 375 as a model for what it wants metropolitan planners to do in the rest of the country. Prodded by a combination of incentives (in the form of federal sustainability planning grants) and mandates, planners in cities ranging from Des Moines to Lafayette, Louisiana are writing plans similar to Plan Bay Area. Plan Lafayette, for example, mimics Plan Bay Area by offering four alternatives: do nothing and three versions of densification. Clearly, planners are putting their own densification agendas ahead of both public preferences and the reality that densification does little or nothing to reduce greenhouse gas emissions.

Sustainability planning will be a major topic of discussion at the 2013 American Dream conference, especially during the afternoon of Monday, October 28. Tom Rubin will describe how Plan Bay Area does more harm than good; Wendell Cox will discuss what cities really need to do to prosper; and architect Rick Harrison will show how single-family homes can be more energy-efficient than typical multi-family housing.

User-Fee Funded Bridges & Roads in Good Shape

Contrary to the claims of many media pundits, the collapse of the Skagit River Bridge in Washington state is not a symptom of America's deteriorating infrastructure. The bridge fell when an oversized truck hit a critical structural support; this could have happened the day the bridge opened, and has nothing to do with a lack of maintenance.

The failed Interstate 5 bridge over the Skagit River. Flickr photo by Martha T.

While many alarmist media reports cite the number of bridges that are rated "structurally deficient," they rarely mention that this number has steadily declined over the past two decades. In 1992, nearly 119,000 highway bridges, or close to 21 percent of the total, were considered deficient (which means they require more than the usual amount of maintenance). By 2012, this number had fallen to less than 67,000, or 11 percent, even as the total number of bridges grew from 572,000 to 607,000.

The Skagit River Bridge is what is known as a "fracture critical" bridge, meaning it can collapse if only one major support is damaged. American road engineers stopped building fracture critical bridges in the 1960s, and only 18,000 such bridges are left, down from 22,000 just five years ago. While some people have proposed that the nation go on a crash program to replace these bridges, this hardly seems necessary.

On one hand, replacement would be very expensive: the cost of replacing just 2,000 of them is estimated to be more than $60 billion. On the other hand, the chance of any one of these bridges collapsing in any given year is very remote: only a handful of bridges have collapsed in the past several decades. There are far better ways to spend $60 billion that would save more lives and energy and reduce congestion.

America's highways are improving in another way as well: pavement smoothness. Highway engineers have developed an "international roughness index" that measures pavement problems. The index ranges from 0, which means perfectly smooth, to more than 200, which is very rough. Although you may find a particular pothole on your street to be annoying, in recent decades the average roughness index for all of our major road systems has steadily declined.

The roads and bridges in the best shape tend to be those that are managed by the states, which get most of their road funding from user fees. The ones that are in worst share tend to be those managed by cities and counties, which get most of their road funding out of general funds. The difference is that politicians are more likely to spend general funds on new projects that get the public's attention than on maintenance. This suggests that the best way to insure the future of our highways and bridges is to fund transportation out of user fees rather than general funds.

ADC Conference Registration and Membership Form

You can join ADC, renew your membership, or register for the 2013 Preserving the American Dream conference using this form or on-line. If you just want to register for part of the conference, please use the on-line form.

- ❑ Yes! Please sign me up to attend the 2013 Preserving the American Dream Conference. I am enclosing a check for:
  - ❑ $299 standard rate (conference and meals from Sunday dinner through Tuesday lunch)
  - ❑ $199 student/low-income (same meals)
- ❑ Please include me on the optional Sunday tour, including lunch, for $50

Meal preferences: ❑ Kosher ❑ Vegetarian ❑ Vegan

- ❑ Please enter or renew my membership in the American Dream Coalition for $30
- ❑ I also want to contribute:
  ❑ $100 ❑ $1,000 ❑ $_____
- ❑ Enclosed is my check
- ❑ I will pay by Credit Card through PayPal using on-line registration at www.americandreamcoalition.org

Name _____

Address _____

City _____

State _____ Zip _____

Phone _____

e-mail _____

Please make checks payable to American Dream Coalition and send to ADC, P.O. Box 76, Camp Sherman, Oregon 97730. Full refunds will be provided if you cancel before October 4 or if someone else takes your place.

The Doubletree Washington, 1515 Rhode Island Avenue NW, offers a conference rate of $139 per night from October 24 through 30 if you make reservations by October 4th. To reserve rooms, call 800-492-5195 and specify that you are attending the American Dream conference.