

**LOCAL PERSPECTIVES ON THE LIVABLE  
COMMUNITIES ACT**

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**HEARING**  
BEFORE THE  
**COMMITTEE ON**  
**BANKING, HOUSING, AND URBAN AFFAIRS**  
**UNITED STATES SENATE**  
ONE HUNDRED ELEVENTH CONGRESS  
SECOND SESSION  
ON  
EXAMINING THE LIVABLE COMMUNITIES ACT

—————  
JUNE 9, 2010  
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Printed for the use of the Committee on Banking, Housing, and Urban Affairs



Available at: <http://www.access.gpo.gov/congress/senate/senate05sh.html>

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U.S. GOVERNMENT PRINTING OFFICE

61-988 PDF

WASHINGTON : 2010

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## LOCAL PERSPECTIVES ON THE LIVABLE COMMUNITIES ACT

WEDNESDAY, JUNE 9, 2010

U.S. SENATE,  
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,  
*Washington, DC.*

The Committee met at 10:03 a.m., in room SD-538, Dirksen Senate Office Building, Senator Christopher J. Dodd (Chairman of the Committee) presiding.

### OPENING STATEMENT OF CHAIRMAN CHRISTOPHER J. DODD

Chairman DODD. The Committee will come to order. Let me welcome our witnesses and our guests to the Banking Committee this morning, and I welcome my colleague from New Jersey as well. I see Senator Menendez.

This morning, we are pleased to have a hearing on a subject matter that I think is of growing interest in the Nation, local perspectives on livable communities, and I want to commend my colleagues. There are a number of Members on this Committee who have cosponsored the bill that we are proposing. We have had a good working relationship with the Administration. We have had a number of meetings, symposiums, and gatherings of one kind or another to talk about this perspective, and I am very grateful for the contributions that have been made by people who are interested in this, I think, very important subject matter. I particularly want to thank the Obama administration for early on understanding the concept and the idea behind livable communities and the importance of addressing the issue in a holistic fashion. One of the best gatherings we had occurred in this very room with representatives from the Departments of Housing, Energy, and Transportation to act in a coordinated fashion on how we might develop ideas to have intelligent, smart growth in our Nation.

I am going to share a few opening comments, if I can, with you this morning. I will turn to my colleagues who are here—and I welcome my colleague from Ohio, Sherrod Brown, as well—and see if they have any opening comments they would like to make. Then we will turn to our witnesses and have a conversation with each other about this idea and your perspectives on how we can move this idea further along. So I thank all of you for joining us here today as we gather local perspectives on the Livable Community's Act.

This legislation provides funding for regions to plan future growth in a coordinated way that reduces congestion, generated good-paying jobs, creates and preserves affordable housing, meets

our environmental and energy goals, protects rural areas and green spaces, and revitalizes our main streets and urban centers and, further, makes our communities better places in which to live, to work, and, of course, most importantly, to raise our families.

Creating livable communities is about giving our cities and towns the tools to plan their own futures, giving people more transportation and housing choices, and encouraging sustainable development to ensure a better future for our Nation as a whole.

If we are going to address some of the long-term problems facing our Nation, we are going to have to break down our policy silos and approach these issues in a far more coordinated fashion than we have. For many years, Federal housing and transportation policies incentivized development further and further and further away from existing communities and small town main streets. Today, as a result, we have what I would describe as worsening traffic congestion, costing tens of billions of dollars in lost time and fuel, not to mention reduced productivity, lost time with families, and reduces quality of life.

Traffic is not the only problem, however. Dispersed and uncoordinated development patterns require billions of dollars in new infrastructure costs at the same time that existing infrastructure is deteriorating at an alarming rate all across our Nation from lack of attention and, of course, funding as well at any level of government. And well over a million—in fact, closer to 2 million acres of open space and farmland are lost each year to the development of our metropolitan and rural fringes. Imagine that, almost 2 million acres a year being lost.

One can argue that this has been true for years, so why should we act now, of course? Our Nation is facing a number of significant problems, including a deep economic recession, a housing foreclosure crisis that we are all painfully aware of on this Committee, the looming threat of climate change, and increasingly worrisome dependence on oil, deteriorating infrastructure, and, yes, of course, as we all know, worsening traffic congestion.

Future demographic trends make our current patterns unsustainable. Our population is expected to grow by over 100 million people between now and 2050, and the first of the baby boomers are reaching retirement age, portending a huge demographic shift in the coming years.

Let me just share with you some additional demographic issues. This is not what we fear may happen. This is what is going to happen. This is not what we would like to do. This is what we must address.

The percentage of households with children under the age of 18 has dropped from about half of all households in 1960 to about one-third today. Only one-quarter of households will have children under the age of 18 by the year 2050, so one-quarter. Again, just a dipping demographic point in terms of the needs. The people who live in these houses, what are their needs going to be? So you are down to one-quarter of households who have children under the age of 18.

The portion of residents 65 years of age is projected to approximately double from 13 percent today to 20 percent of the population between now and 2050—and, again, I think a demographic

that demands different accommodations that we are going to have to address along the way.

So we must address these challenges, as I said, in a coordinated way, and as Chairman of the Committee, I have sought to make this happen through the hearings and ideas that we have tried to bring to this Committee.

Soon after he took office last year, I wrote President Obama urging him to improve the coordination between our Federal housing, community development, transportation, energy, and environmental policies. Last March, the Banking Committee hosted a symposium entitled "Creating Livable Communities: Housing and Transit Policy in the 21st Century." A dozen housing, transit planning, and real estate experts from around our Nation participate in that symposium, and last June, this Committee held a hearing with Transportation Secretary Ray LaHood, HUD Secretary Shaun Donovan, and Environmental Protection Agency Administrator Lisa Jackson. It was at this hearing that these three agencies announced their Partnership for Sustainable Communities, which recognizes the importance of working across traditional boundaries of the Federal Government to create more cohesive and collaborative policies.

In August, I, along with a number of Members of this Committee, introduced the Livable Communities Act. The legislation will provide resources for comprehensive planning. The design of our communities is often seen as primarily a local issue, but the enduring consequences of how we lay out our communities are national in scope as well. New studies show that location-efficient homes are less likely to risk foreclosure, for instance. Less compact communities that force residents to rely solely on their cars increase the cost burden of transportation on households. And transportation is already the second largest expense for American households, way ahead of clothing, food, and health care. The American Public Transportation Association estimates that families with access to good public transportation can save an average of \$9,000 per year in transportation costs compared to households with no transit access.

Our Livable Communities Act will also provide capital grants so that regions can compete to implement their plans. These grants can be tailored to meet the needs of diverse regions. One community can use the grants to develop brownfields in a postindustrial area. Another region can use the funds to develop and preserve mixed-income housing near transit. And yet another might create a workable, pedestrian-friendly main street or town center.

By creating these livable communities, our neighborhoods and our communities can attract and retain young people, recruit new workers, put existing residents back to work, accommodate the needs of our older citizens, and see to it that they have the kind of retirement that they deserve with dignity and safety.

So I look forward to hearing from our witnesses today, and our colleagues, each of whom has experience in dealing with these issues. As I look down the panel of those who have gathered, my colleague from New York, my colleagues from New Jersey and Ohio and Oregon, you get a sense here of the kind of diversity that can be represented at our table here. We have talked to our rural mem-

bers as well about ideas they have. We want this to be a national scope and plan idea that can make a difference for them.

With that, let me turn to my colleagues to see if they would like to make any brief opening comments on the subject matter, because I know the demands of the time are such that you may not be able to spend as much time as I would like or that you would even like to this morning. So let me turn, if I can, to Senator Menendez, and I will go right down the line here with any of you here for a few opening comments, then introduce our witnesses, and hopefully you can stay as long as you can to listen to them as well. Bob.

#### **STATEMENT OF SENATOR ROBERT MENENDEZ**

Senator MENENDEZ. Thank you, Mr. Chairman, for the opportunity, and I will be in and out because we have Secretary Salazar at the Energy Committee talking about the spill. But I wanted to be here because I appreciate your work and leadership on this issue, which I have a great deal of interest in, going back a long time, in creating more livable communities. I believe it is legislation that can help jump-start our economy, reinvigorate the housing market, increase our energy security, and make the air that we breathe cleaner and our communities healthier. And I think that the bill would expand on the successes of community projects all over America, including my home State of New Jersey, where we have been working on transit villages, something that I helped create when I was in the House of Representatives, where we create, for example, communities in which high-speed, nonpolluting light rail lines are at the focus of centers that can then create a nexus to jobs, access to hospitals, access to cultural opportunities, and has spurred development along the entire rail line and taken a lot of cars off the road. And that is the type of successful community projects that have shown that livable communities can save Americans money while significantly improving the environment we live in and the quality of our lives.

So whether we call it a livable city or smart growth or sustainable development, I think what people want, Mr. Chairman, is a community where they have the freedom to walk out their door, grab a bite to eat, run an errand; the freedom to hop on mass transit to commute to work or catch up with their friends and family, to see their favorite band or baseball team. What people want are development policies and transportation choices that get them out of bumper-to-bumper traffic and give them more time with their families, more productive time at work, but also the benefits, I think, go far beyond that, even. By giving people the choice to live in communities where they do not necessarily have to use their cars, traffic is reduced, it means the rate of asthma and other breathing ailments are reduced, and to reduce our energy consumption as well as our emissions.

I think we can take lessons from across the country, and those lessons as well as helpful competition I think can accelerate this process. I know your bill does that to a large degree, establishing at HUD a department, an office to coordinate Federal policy on smart growth, to create competitive grants, to provide incentives for communities to compete to create truly sustainable commu-

nities, and I certainly hope, Mr. Chairman, that you will move forward in a markup of the bill and an opportunity for us to create the Federal incentive to help communities move in a direction that can both fuel our economy, improve our energy security, and improve the quality of life. There are few pieces of legislation that get to do all of that. I think this does, and I commend you and look forward to working with you.

Chairman DODD. Well, thank you very much to my colleague. Senator Brown.

#### **STATEMENT OF SENATOR SHERROD BROWN**

Senator BROWN. Thank you, Mr. Chairman, and thanks for holding the hearing and for your leadership on livability issues.

Earlier this spring, I was in Columbus, the capital city of my State, for the unveiling of a report by a public policy and grassroots organization called Greater Ohio, titled "Restoring Prosperity: Transforming Ohio's Communities for the Next Economy." The report outlined a number of critical smart growth and livability ideas that we are already working on, transitioning to a clean-energy economy, investing in infrastructure, capitalizing on home-grown talent rather than seeing so many young people leave our State.

One of the key suggestions was taking steps to ensure that our communities are places where people want to live and to work. Communities in my State are making several of these important steps. They are embarking on regional planning strategies. They are promoting walkable communities or developing better land-use policies to protect our farmland. As Chairman Dodd suggested, they are initiating neighborhood revitalization programs in our older industrial cities. Whether it is brownfield development, whether it is investments in public transportation that spur transit-oriented economic development, these programs are vital, as we know, for any State.

In Ohio, we have a number of cities that have shrunk dramatically in the last 50 or so years. In 1950, Cleveland had a population just under 1 million people. Today's population in Cleveland as estimated in 2000 was under half a million and will likely have dropped significantly in large part because of foreclosure issues, perhaps as low as 400,000. Youngstown, with a population of 170,000 in 1950, has shrunk to less than half its size where some estimates are 40 percent plus of properties in Youngstown are vacant.

There are numerous cities around the country with thousands of vacant homes and empty neighborhoods. We know that is a problem in terms of the shrinking cities. That is why last year Senator Schumer and I introduced the Community Regeneration, Sustainability, and Innovation Act. It would help older cities that have experienced serious population declines from Buffalo to Birmingham and lots of cities in between to—as we think we know how to manage growth, we do not necessarily how to manage shrinkage, and that is something that this legislation that Senator Schumer and I have worked on will do.

In Youngstown, Mayor Jay Williams has developed a comprehensive planning effort called Youngstown 2010 to create a smaller, greener, and cleaner city. I was in Youngstown last week and met

for the third time with members of the Mahoning Valley Organizing Collaborative, headed by Pastor Harrison, with Kirk Noden as its executive director, who have been tireless promoters of their city and thought through in a comprehensive way how to reduce the number of vacant properties and improve the quality of life in the Mahoning Valley. They know what empty neighborhoods and abandoned neighborhoods do in terms of crime, in terms of sucking up city resources. They know that Youngstown can once again attract a new population and new jobs to compete with cities like Portland and Salt Lake and Atlanta. We have seen that already, an incubator project in Youngstown, several small businesses have 300 employees, average age 28, average wage \$58,000. A company from San Francisco is moving to Youngstown, just announced recently. We are seeing that kind of turnaround in that city, but we obviously need outside help.

We should ensure that older so-called “shrinking cities,” whether Gary, Indiana, or Detroit or Cleveland, have a place in this bill for innovative programs needed to address their unique set of challenges. I look forward to working with the Chairman on doing that.

Chairman DODD. Senator Brown, thanks very, very much. I appreciate it.

Senator Merkley.

#### **STATEMENT OF SENATOR JEFF MERKLEY**

Senator MERKLEY. Thank you very much, Mr. Chair, and it is a pleasure to be here.

Oregon set in motion an experiment in the 1970s where we put an urban growth boundary around each of our urban settings, and this was to confine the area in which sprawl—or confine sprawl and protect forestland and farmland. And that set the stage for a rethinking of how we designed our cities.

While many cities had inner cores that were burning out and inner suburban areas that were going into poverty and creating kind of a doughnut effect around the urban core, the center of Oregon cities started to thrive with reinvestment, and then transportation and housing policy followed—transportation policy to try to diminish the commute time, and that meant light rail and now the addition of streetcars; then housing policy that would encourage people to live adjacent to industrial manufacturing areas or to live along the light rail in order to utilize it to get to work, creating what has now been termed the Intertwine, which is a network of trails and bike paths that go throughout the urban center so that people can have another alternative, and it has turned Portland and Eugene and some other cities into major, major biking centers. And all of this has worked to greatly diminish the commute times, to enhance the number of folks who choose to walk or to bike, and it has dramatically reduced the production of greenhouse gases.

While many cities continue to produce more greenhouse gases per person, Portland has had a net decrease, not just in the total but the amount per person. And so there is a high corollary to quality of life and to quality of the environment that comes from smart city urban planning, and I certainly love this effort to focus on how housing, transportation, and environment are connected and should be connected through good planning. Welcome.

Chairman DODD. Thank you very much, Senator.  
Senator Schumer.

**STATEMENT OF SENATOR CHARLES E. SCHUMER**

Senator SCHUMER. Thank you, Mr. Chairman. I want to thank you for holding this hearing. I thank my colleagues, Senator Brown and I who have legislation, Senator Merkley for his creative ideas, Senator Menendez faced with similar problems we face in downstate New York and then some of the problems we face in upstate New York are similar to the ones Senator Brown mentioned in Youngstown.

I also want to thank Secretaries Donovan, LaHood, and Jackson for their leadership in creating the Interagency Partnership for Sustainable Communities, which I believe will help communities cut through the red tape.

I am going to abbreviate my statement and ask unanimous consent it be read in the record, but just point to one area where we need the help and why this is so important, and that is, Long Island, New York, America's oldest suburb. I wrote to heads of the Interagency Partnership to ask them to visit Long Island to see firsthand how sustainability initiatives could help with housing, transportation, and water infrastructure needs. Long Island's transportation and sewer infrastructures are aging and falling out of states of good repair. Many of them were built, as the suburb started growing in the 1950s and 1960s, 50 years ago.

The aging housing stock places a large burden on residents saddled with rising utility costs. Most homes built before the mid-1970s did not have any insulation at all because oil was so cheap, gas was so cheap. And the communities are built around policy that was designed to meet demographic needs of the U.S. in the mid-20th century.

So it is about time we got down to business here in Congress to support better planning of our Nation's communities. We need smart and future-focused coordination of housing, environmental, and transportation initiatives to provide communities like Long Island with the tools necessary to retain a young, viable population and revitalize their local economies.

We have great education on Long Island, but a lot of the young people leave if there are no jobs and no recreational activities. Revitalizing our downtowns really helps keep the young people there. And Long Island communities, like so many in New York State and across the country, need a jump-start from the Federal Government to propel them into the small but growing universe of 21st century communities built on innovation.

We all know that when key Federal resources are missing from the picture, smart growth and sustainability development projects stall and communities suffer. These towns and villages do not have the wherewithal on their own to get this done. They need help.

The Livable Communities Act would create a competitive grant program—it is just what the doctor ordered—to help communities carefully coordinate every aspect of regional planning, from housing and transportation to environmental initiatives. The end result of this type of planning is long-term strengthening of overall infrastructure, economic sustainability that residents and businesses

will truly feel. But too many municipalities have struggled to work through many of the land-use planning and financial intricacies at the Federal level, too complicated for them to get through, too cumbersome, too bureaucratic. The Interagency Partnership creates a one-stop shop for local governments looking for guidance on sustainability planning, and I am confident this is the beginning of a very promising future trend, a trend which community development will no longer be piecemeal work but will instead incorporate multiple initiatives that bolster entire regions all working together.

I am happy to report that the Interagency Partnership has indeed pledged to visit Long Island this summer to meet and work with local leaders on revitalization projects, and I look forward to working with everyone to see Long Island and other communities in New York prosper. And I want to thank my colleagues and again thank Chairman Dodd for this innovative and much needed legislation.

Chairman DODD. Senator, thank you very, very much. I appreciate my colleagues' participation.

Now let me turn to my witnesses, if I can, this morning who are here. We thank all four of you for joining us. Let me introduce you briefly.

Jackie Nytes is currently serving her third term on the Indianapolis and Marion County, Indiana, City-County Council. Councillor Nytes has served as the president of the Indiana Economic Development Council and is currently the executive director of the Mapleton Fall Creek Development Corporation. She is testifying today on behalf of the National League of Cities, and we thank you for joining us.

Joe McKinney has served in city, county, and regional government management since 1991. Since 2003, Mr. McKinney has served as the executive director of the Land-of-Sky Regional Council, which serves a four-county region in western North Carolina. He is testifying today on behalf of the National Association of Development Organizations.

Lyle Wray is the executive director of the Capital Region Council of Governments based in Hartford, Connecticut. Dr. Wray has previously served as county administrator for Dakota County, Minnesota, and director of the Ventura County Civic Alliance. He is testifying today on behalf of the National Association of Regional Councils, and I thank my constituent for joining us.

And, last, we have the Honorable Julia Gouge, who is currently in her fifth term as Carroll County, Maryland, commissioner, serving as the president of the Board of Commissioners. Commissioner Gouge has also served as mayor of Hampstead, Maryland, as president of the Maryland Association of Counties, and as a member of the Board of Directors of the National Association of Counties. She will be testifying today on behalf of the National Association of Counties, and we thank you as well for joining us.

I will ask you to begin in the order that I have introduced you. Jackie, we will begin with you, if that is all right, with opening comments, and I will inform you that any documents or supporting material that you think is important for us to have, we will include it in the record. Consider it included, in fact. That goes for all of you this morning as well.

Try and keep your comments, if you can, down to that 5, 6, or 7 minutes or so, so we can hear from all of you, and then we will turn to some questions.

**STATEMENT OF JACKIE NYTES, CITY-COUNTY COUNCILLOR,  
CITY-COUNTY COUNCIL OF INDIANAPOLIS AND MARION  
COUNTY, INDIANA, ON BEHALF OF THE NATIONAL LEAGUE  
OF CITIES**

Ms. NYTES. Thank you and good morning, Chairman Dodd and Members of the Committee. I am grateful for the opportunity to speak to you today on behalf of the National League of Cities and the thousands of locally elected municipal officials like myself who value the important partnership that our American cities have long shared with the Federal Government. We have accomplished so much together. The Livable Communities Act will ensure that we continue to do so in even better ways than before, despite the increasing demands on available resources.

Across America, rapidly changing economies, demographic shifts, environmental pressures, and aging infrastructure keep us in local government awake at night. City governments and their local partners work hard to deliver the many programs developed and funded by Congress. We are immensely grateful for the opportunity those programs have given us to address the challenges inherent in sustaining and growing our old cities, new suburbs, and small towns.

Reviewing the purposes of the Livable Communities Act, I am encouraged by the recognition that these many programs cannot be allowed to act as single instruments but, in fact, will achieve their greatest impact if they play as an orchestra providing coordinated and integrated support. From my own experience, I want to speak to the value of such united efforts to underscore the importance of the approach that is called for in the Livable Communities Act.

In Indianapolis, we have a number of redevelopment efforts underway, each of them the product of extensive, community-driven planning and engagement.

In the Binford Redevelopment and Growth area, referred to as BRAG, residents and area businesses originally joined together simply to fight blight and sprawl. They have since become a united voice to spearhead six issues: pedestrian access and connectivity, business development, crime reduction, increasing green space, sustainability, and the development of transit-driven opportunity.

In the Mapleton Fall Creek area, where portions of this old neighborhood were 50 percent vacant and abandoned, a community-based development corporation expanded its focus from affordable housing to a vision of comprehensive community redevelopment where they understand that removing blight, creating green space, restoring commercial and retail services, as well as enhancing transportation options are all necessary to transform a neighborhood built in the 20th century for 21st century lifestyles.

In the Martindale Brightwood community, long abandoned rail yards and former industrial sites are now being rescued and repurposed for urban agriculture, transit-oriented development, and the provision of new schools and recreational opportunities.

All these stories lead one to ask why, if cities are doing so much already with our Federal dollars, would we need the Livable Communities Act?

We need it because we must encourage the shared sense of vision about the work to be done. The most sustainable growth must be nurtured from every possible angle. Cities cannot just fix houses or just build parks. They cannot just enhance mobility by either adding sidewalks or more transit options. Cities must do all of these things in concert, and we can only act in concert back home in our cities if the programs supporting our efforts share this holistic approach.

Given the current and near-term fiscal environment, local governments are working hard to continue to identify ways to improve efficiency and streamline the delivery of services to lessen the impact of the downturn on the families living in our neighborhoods. The Livable Communities Act would help our cities achieve these goals by formalizing the links between the different Federal agencies that every city and town comes into contact with—facilitating the interdependency of programming that we have come to understand is critical.

In Mapleton Fall Creek, they are building highly energy efficient homes and they are retrofitting 90-year-old homes to meet the highest current energy standards, but trying to help the financial industry appreciate what these energy savings can mean to the financial capacity of a first-time home buyer is still a challenge.

In BRAG, developing that new transit stop means that families can afford to stay in their homes in that area even if the jobs have moved elsewhere because the decreasing costs of transportation and increased access give them more affordable options.

In Martindale Brightwood, the resurgence of community gardens and schools that value walking and riding over automobiles allow that community to tackle a frightening trend in the younger populations of our inner city—childhood obesity.

This can all happen when we focus the resources of community development programs such as the Community Development Block Grant Program, the transit and other housing programs, the energy efficiency programs, the finance and mortgage regulators, and those who help us fund our infrastructure—all on the same prize: healthy, livable communities.

I commend Senator Dodd and the other sponsors of this legislation for seeking input from the National League of Cities and other local government groups from the very beginning, and I urge this Congress to continue your role as a great partner for our American cities. We still have a lot of work to do.

Chairman DODD. Thank you very, very much. I appreciate that. Mr. McKinney, welcome.

**STATEMENT OF JOE MCKINNEY, EXECUTIVE DIRECTOR,  
LAND-OF-SKY REGIONAL COUNCIL, ASHEVILLE, NORTH  
CAROLINA, ON BEHALF OF THE NATIONAL ASSOCIATION OF  
DEVELOPMENT ASSOCIATIONS**

Mr. MCKINNEY. Thank you. Good morning, Chairman Dodd and Members of the Committee. I want to thank you for the opportunity to testify today and share our region's perspective on the

Livable Communities Act. Again, my name is Joe McKinney and I am the Executive Director of the Land-of-Sky Regional Council headquartered in Asheville, North Carolina. I also serve on the Board of Directors of the National Association of Development Organizations.

Mr. Chairman, NADO fully supports the principles set forth in the Livable Communities Act and remains deeply committed toward maintaining and enhancing key aspects of the legislation.

First, we strongly urge the legislation reserve no less than 20 percent of the regional planning and program implementation resources for small metropolitan and rural areas.

Second, retain the bill's focus on incentivizing regional development strategies that are locally developed and locally controlled on a voluntary basis, absent any Federal mandates.

Third, solidify and maintain the strong ownership role envisioned for local governments and the valuable partnership role outlined for regional councils in coordinating sustainable development, planning, and implementation activities.

The Land-of-Sky Regional Council serves as administrator and provider of a number of transportation, economic development, energy efficiency, and environmental programs that our local governments have identified as critical for sustaining quality of life and economic opportunity in our four-county region. Despite being a predominately rural area, our local officials, in partnership with other businesses and community and civic leaders, have already begun the process that is focused on sustaining our community's assets while providing economic opportunities for our residents. I would like to briefly describe a few of those initiatives.

First, as an Economic Development Administration designated Economic Development District, we have developed a comprehensive economic development strategy for our region that has helped connect our area's jobs and our job creation strategies with fundamental principles for sustainable development. This was a process that our local leaders initiated in 2007. This process has led to a partnership between our 19 local governments and the region's Chamber of Commerce, private foundations, and nonprofits to launch the Western North Carolina Livable Communities Initiative, which combines our region's economic development strategies with the six livability principles outlined.

Second, for over 18 years, our organization has administered a Waste Reduction Partners Program which uses highly experienced volunteer and retired engineers and scientists to provide our region's businesses and industries with waste, water, and energy reduction assessments and technical assistance. Since that time, this program has helped reduce the participants' utility costs by more than \$23 million and greenhouse gas emissions by more than 125,000 tons. The program has also helped conserve more than 600 million gallons of water and reduced the amount of solid waste in our landfills by 200,000 tons. While the program embraces the essential principles of sustainability, it is firmly rooted in enhancing the economic competitiveness of our area businesses and industries.

Third, in 2002, the Land-of-Sky Regional Council became one of the first organizations in a rural area to address brownfield rede-

velopment on a regional basis. In the 8 years our organization has partnered with the EPA, we have helped turn more than 20 abandoned properties with environmental impairment into vibrant working and productive properties. As a mountainous community with limited developable areas, it is critical that we are able to reuse and repurpose land to generate and spur economic activity.

Finally, our organization serves as the primary planning agency for coordinating transportation investments in our metropolitan and rural communities. In this capacity, we are tasked with coordinating a variety of projects that not only enhance the capacity of our existing transportation network, but also those that enhance alternative transportation options and those that allow our region to become more self-sustaining with regard to fuel production and consumption.

In closing, Mr. Chairman, the Livable Communities Act would provide our region with the resources needed to fully integrate and implement these individual strategies and programs into a larger, cohesive vision for our area of Western North Carolina and take the next steps necessary to ensure our vision for sustainability and economically competitive region can become a reality.

Again, thank you for the opportunity to testify and I welcome any questions.

Chairman DODD. Thank you very much. I appreciate it very much.

Lyle, it is good to see you. I welcome you to the Committee, and you were very helpful, of course, a few weeks ago when we had our meetings in Connecticut with the Secretary of Transportation, so we welcome you to the Committee this morning.

**STATEMENT OF LYLE D. WRAY, EXECUTIVE DIRECTOR, CAPITAL REGION COUNCIL OF GOVERNMENTS, HARTFORD, CONNECTICUT, ON BEHALF OF THE NATIONAL ASSOCIATION OF REGIONAL COUNCILS**

Mr. WRAY. Thank you, Mr. Chairman. Good morning. Chairman Dodd and Members of the Committee, I want to thank you for the opportunity today to speak in favor of the Livable Communities Act. My name is Lyle Wray. I serve as the Executive Director of the Capital Region Council of Governments serving the Metropolitan Hartford area. We are about 800,000 people. I also serve on the Executive Director's Committee of the National Association of Regional Councils and I am speaking on their behalf today.

Today, I want to address the need for the Livable Communities Act from the regional planning perspective, something we do day in and day out, and I want to use my own region as an example of some of the things we are already doing and how the Livable Communities Act would help us to make a lot more progress going into the future.

The National Association of Regional Councils is the national organization representing Regional Planning Organizations, urban and rural, large and small, throughout the country. The National Association and its members, like CRCOG, is governed by local elected officials and provides advocacy, technical assistance, and training to advance the capacity of these Regional Planning Organizations to meet the kinds of needs that have been discussed so

far this morning. The entire U.S. population is covered by a regional council under one name or another. We call them Metropolitan Planning Organizations or Economic Development Districts or Planning Development Councils.

More than ever, Regional Planning Organizations, both in rural and urban areas, are being called on as ways to help local governments save money, time, and achieving outcomes through working together with resources and developing integrated solutions to some of our most complex challenges.

The Act would provide even more opportunities and incentives for regional collaboration to interweave strategic regional transportation, economic, and environmental, as well as land use, housing, and other aspects through a locally created and approved comprehensive regional plan. These plans provide the framework by which local governments, businesses, community groups, and citizens working through a regional council can determine the needs of communities and desires as well as guiding the allocation of collective resources and capabilities. The Act would support the ways we already nurture, enhance, and protect our regions and communities of all sizes and different make-ups to ensure that our unique characteristics, histories, and offerings are preserved and expanded for future generations.

So without providing mandates or other requirements, the Act would give us much needed competitive funding to move forward on work that we are trying to do to make communities better places to live, work, and play, and to raise families. It would assist in fostering community-driven comprehensive planning and investments that are cost effective and efficient, reduce congestion, generate good-paying jobs, meet environmental and energy goals, and provide affordable housing, protect rural areas and green space, and revitalize main streets and urban centers.

Let me just turn for a moment to the Metropolitan Hartford Region, I think, and give some concrete examples of what might be done with this. As you know, Chairman Dodd, the Metropolitan Hartford Region is at the crossroads of the Interstates of 84 and 91 and we have almost 800,000 people, and in that region, half the freeway congestion is on one stretch of I-84 west of downtown Hartford, 50 percent of the congestion, which has been a sort of burr under the saddle of local elected officials for many years.

Ten years ago, a very comprehensive planning process looked at various options. Do you build rail, do you expand the freeway, or do you do a bus rapid transit? And after a very long process, we came up with a bus rapid transit option of 9.4 miles going from Hartford to New Britain Southwest. What is interesting about that, it joins two areas of redevelopment, the West End of downtown Hartford and downtown New Britain, with a series of stations along the way, all of which need redevelopment. And so this is a classic example of work we have begun working on that would allow us to leverage the major investments that were potentially coming.

We are on the threshold now of getting \$1.5 billion of support for the commuter rail work, which you have been doing very strongly, from Springfield to New Haven and New York, as well as the bus rapid transit investment. But linking that investment to better op-

portunities for housing, jobs, and environmental improvement, I think, is going to be what the Livable Communities Act allows us to do.

We did a study with the Regional Planning Association of New York that showed that by intensifying transit use in our region, we could save 5 to 20 percent of the carbon footprint in the region without any major dislocation, which is an amazing achievement that would be doable, and would help us to provide housing alternatives so we would stop the outflow of 24- to 35-year-olds that we have been experiencing since the 1990s, a huge outflow of young professional talent, and we believe that transit-oriented development would be one of the ways to help stem that tide.

Increasingly, more Americans, in fact, are choosing to live in these types of areas, transit oriented development, and your findings in your Act talked about somewhere around 30 percent of the people would choose housing in the transit oriented development type. Right now, 75 percent of Americans would actually support public transit and housing around them, according to a study in 2007 by the National Association of Realtors. So there is a need here for helping to provide what people want that is currently being unmet.

As I begin to conclude my testimony, I wanted to hark back to something that was done in Hartford in 1957. I was on a tricycle at the time, but it was still important. Lewis Mumford, a noted urban expert, keynoted a major conference in Hartford barely a year after the Interstate Highway Act was passed and he had a very strong presentation where he cautioned that unless you are very careful, if you just build highways without integrating that with land use, bad things will happen to you. So in 1957, he said, be very careful that you don't produce a lot of sprawl and kill the core cities. Now, this is a matter of record in 1957 at a major conference.

This Act today, I think, is partly a restitution of some of the challenges that have come about by not integrating land use and environmental planning with highway planning and transit planning that we talked about in 1957. So it is actually sort of back to the future in terms of that comment, but it really, I think, speaks to the kind of challenges we have.

So my Regional Planning Organization and others around the country have the mechanisms, the capacity, and the willingness to move forward to help implement the Livable Communities Act provisions and we look forward to the opportunity to do that, and I thank you today for the opportunity to speak on behalf of the Act on behalf of the National Association of Regional Councils. Thank you, Chairman Dodd, for all your work.

Chairman DODD. Thank you very much, Doctor. I appreciate it very much.

Ms. Gouge, you are our final hitter here. You have actually been elected a mayor, too, so you know what it is like to go through that election night, so we welcome you.

**STATEMENT OF JULIA W. GOUGE, PRESIDENT, BOARD OF COUNTY COMMISSIONERS, CARROLL COUNTY, MARYLAND, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES**

Ms. GOUGE. That is right. I do. And Chairman Dodd, I appreciate very much the opportunity to be here, and to the Members of the Committee. I am Julia Gouge, President of the Carroll County Board of Commissioners, member of the National Association of Counties Board of Directors Environment, Energy, and Land Use Steering Committee and the Rural Action Caucus. And we do thank you very much for the opportunity to testify on the Livable Communities bill, S. 1619, and it is my privilege to represent NACo today.

NACo is the only national organization representing America's 3,068 counties, supports the Livable Communities Act to provide incentive grants to local areas for regional planning around housing, transportation, environment, energy, land use, and health initiatives. Last year, NACo passed a resolution supporting your legislation.

Rural, suburban, and urban counties have been pursuing local strategies to create livable communities and implement sustainable development for decades. NACo has worked to support our members in achieving sustainable development for more than 15 years through assistance on issues including smart growth and planning, sustainable economic development, and business retention. Priorities now include clean energy development and disaster recovery. In 2007, NACo began the Green Government Initiative, providing comprehensive resources for local governments on all things green.

Planning for sustainable communities is, by nature, a regional effort. Whether individually with neighboring jurisdictions or through Regional Councils, counties have the primary role in planning and economic development decisions impacting and determining growth, development, and livability. Many rural and midsize counties would like to begin sustainable planning and development but lack the resources to do so. The grants would be available to meet the needs of the counties to begin the process for sustainable development or for implementation, which is why this legislation is so very important.

Carroll County, Maryland, has a population of 175,000. We have created three LEED certified green buildings which are oriented for site optimum lighting and solar control, extensive stormwater management, geothermal systems, and the use of high recycled content materials. To reduce our carbon footprint, we invested in the purchase of hybrid cars for our fleet as well as hybrid vans for our transportation system within Carroll County.

Carroll County also participates in the Energy Management Initiative provided through partnership with the Baltimore Metropolitan Council, or the BMC. In fiscal year 2009, Carroll County estimated an electricity savings from BG&E of \$900,000. We are an active participant on the Regional Sustainable Council of the BMC, promoting coordinated policies amongst regional districts and jurisdictions to adopt alternative energy and sustainable plans.

To preserve our rural history, we implemented an installment purchase plan for farm preservation, and this allows us to purchase development rights by leveraging our money so more land can be

purchased at today's prices. To date, we have placed over 60,000 acres into permanent preservation on our farms and our goal is 100,000 acres, which is one-third of our county.

NACo continues to believe sustainability should be voluntary and encouraged through a Federal grant program rewarding regions and communities undertaking sustainable programs. We do not believe sustainability should be a condition for receiving housing, transportation, and other traditional sources of Federal funding. NACo believes all communities should be eligible for the program and we support funds being set aside for a subcategory of all rural areas. Rural communities represent the majority of the Nation's land mass and most counties are rural by population. In fact, 2,835 counties, over 90 percent, have populations below 200,000, many below 100,000, and many below 50,000.

Due to the difficult times of our economy, it is more important than ever that counties have the support of neighboring jurisdictions as well as State and Federal resources. Efforts at local and regional planning are hindered when Federal funds are not granted directly to local governments. NACo appreciates that the bill allows counties to receive the funding directly, and I think that is most important.

And so today, I do thank you for the opportunity to testify. We appreciate the opportunity, Chairman Dodd, and look forward to working with you.

Chairman DODD. Well, thank you very, very much. Your timing of your testimony was perfect, because my friend from Montana has arrived and I could see his head jump up as you started talking about development rights and preserving farmland in rural areas. No one defends rural areas better than the Senator from Montana and understands where the future may be. Montana is in the lucky position of being able to manage this better than some of our other States did who didn't appreciate what was going on years ago.

Ms. GOUGE. That is good.

Chairman DODD. I am going to ask to put in the record, by the way, we have some 200 local and national organizations have endorsed this bill, which is pretty stunning, considering we are almost really in the early stages of this, in the next few months, and they run the gamut, you might imagine. I won't read the list, obviously, but I am going to ask consent that it be included in the record so we get some sense of the kind of national support this legislation has been able to gather.

Chairman DODD. I am going to take a few minutes on some questions and then I will turn to my colleague from Montana.

Let me first of all raise the issue, because all four of you here represent public entities, in a sense, cities and counties and regional bodies around the country, and there is a cost obviously associated with this. We are talking about planning grants, then we are talking about real money to come in to actually provide assistance once the communities have made decisions to move forward.

But I think we need to also—several of you mentioned this, and I think it needs emphasizing—the kind of economic development from a private sector perspective, I think is going to be an important consideration here as we look down the road, the kind of cost

savings involved, as well, being able to reduce, if the numbers I have been given are accurate, that you can actually reduce the cost of an average family's transportation cost by \$9,000, that is not insignificant on a yearly basis occurring.

And to have economic development and business advantages associated with sustainable development, I don't think we have been as—we haven't taken as much time to emphasize the importance of that aspect of this and I wonder if you might. Maybe we will begin with you, Dr. Wray, if you would talk about that, because I think that is a very critical component in all of this.

I mentioned earlier home values, for instance. In North Carolina, in Charlotte, when they put a light rail system in, the values of real estate along that light rail system increased tremendously. Contrary to what we have grown up to think, if you lived near the railroad tracks, property values went down. We are living in a very different era today. Actually, that is a desirable place to be, and so there is that advantage from a business perspective.

But I wonder if you might just comment on the economic value to this beyond the cost associated, which is obviously going to be a concern, and legitimately so, of my colleagues. What do I tell them about economic development and business growth as a result of livable communities?

Mr. WRAY. Mr. Chairman, I think that is perhaps the unsung story here, which is I will give you an example. In the Metropolitan Hartford area, we are in the middle of combining sewer overflow separation, not a very sexy topic, but basically, by doing green infrastructure, we could probably save \$500 million by having less water go into the sewer system and having to scale it down. So by having things like permeable pavements and holding ponds and rain gardens and other kinds of things. So development costs related to things like sewer construction could be cut perhaps by a third or a half by using these kind of sustainable models. So that is one very simple example.

The second, as mentioned before in terms of buildings, LEED certified buildings and others that reduce energy consumption for businesses have a way of dramatically reducing the cost of operating.

The third aspect, though, is the employee cost, getting people to and from the office and the inefficiencies of people stuck in traffic for a half-an-hour or an hour on either end of the day, walking to work or being able to take a break and having employees arrive in a less frazzled state. It is kind of hard to measure. But just the very dimensions of employees as participating in economic growth is very important.

And then the last but not least, I think, Senator, one of the things that I think we are seeing around the country is that sustainability is becoming an industry in itself. Some of the major industries in Connecticut, United Technologies and others, are in this as a business. So there is a sort of direct aspect to this in terms of energy management systems, fuel cell alternatives, and other kinds of aspects, alternative transportation, where sustainability is actually a business in itself.

So this is really kind of a very multifaceted set of savings, but one is you can save perhaps a third or a half on some infrastruc-

ture. You can reduce electric consumption. You can have more available convenient workforces. And then the actual aspect of sustainability is a business in itself, that the actual content of energy management systems and other kinds of things becomes a major employer.

Chairman DODD. Does anyone else want to comment on this at all?

Mr. MCKINNEY. Sure. I will just give a different perspective, and that would be that coming from a rural mountainous community in North Carolina that is heavily dependent on tourism, the economic development focus of our land use decisions are primarily to continue that sustainability, and having the good fortune to be in Montana, I am sure their economic development strategy is the same, and that is we have got to have our natural assets to continue to attract the tourism. We have got to maintain from an environmental standpoint good air quality. There is not going to be a lot of economic development in my region if there is nothing—the visibility is limited to see the beautiful mountains.

So the land use decisions that our local governments make a lot of times have a direct impact on our economic development from a tourism standpoint, and so this bill, I think, incorporates many of those planning activities that we are already doing in support of the economic development in my region.

Chairman DODD. Yes, Ms. Nytes?

Ms. NYTES. Yes, Senator. One of the things in this bill that I think is particularly valuable in this regard are the references to some research that is authorized in the bill in which there will be attempts made to further document the actual value of the location efficiency and the transportation efficiency, the mortgage efficiency, if you will. Those are factors that we find sometimes the rest of the business community or the development community and some of the local government officials still are not educated enough about.

And the language in this bill that calls forth for some additional research and reporting on those factors, I think will go a long way in promoting good decision making at the local level about sustainable communities. A lot of times, I think the local government officials are hesitant to make some of the tough calls that need to be made about encouraging this kind of development because they don't have enough information to back them up. This bill will assist in that fashion, as well.

Chairman DODD. And, Ms. Gouge, what are your thoughts, representing a rural county in Maryland, of this?

Ms. GOUGE. Well, one of the things that we have been doing in Carroll County since the mid-1960s is our master plan—

Chairman DODD. Is that microphone on?

Ms. GOUGE. Is it OK?

Chairman DODD. Yes.

Ms. GOUGE. One of the things we have been doing in Carroll County since the mid-1960s is our master plan, where we had planned to put all of our growth in and around our eight municipalities. That has worked very well, because we really wanted to put our growth where our services were, police, garbage pick-up, water, sewer, that type of thing, and it has worked very well, but

at the same time, we are now facing, as these towns grow, they need help, as well, with many of this type of planning.

We as a county work with them, but at the same time, they need to do a lot of these things to promote within the economic development. We are seeing a lot of streets on our cities right now. They are fairly small, but a lot of them are seeing a lot of closed doors for economic development. So there are a number of things that could really help something like this.

When we look at other counties across the Nation, and I have talked to a lot of people at our national meetings, they are small counties and they do not have the people to do things. We have a planner, an economic development person, someone for recreation, and that type of thing, someone for tourism. But you take a small county in the Midwest or in the South, wherever, and even some counties in Maryland, they have one person who does all four of those jobs. So, consequently, they don't have the staff to do the work. They don't have the ability to do the research. And if we have something like this bill that is going to give them equal opportunity to apply for some of these grant monies, it is going to make all the difference in the world.

Chairman DODD. Well, very good.

Let me ask you one last question. I see my good friend and colleague from Virginia has joined us, as well. I thank Senator Warner for coming this morning.

We have had a tremendously positive response to the legislation from all over the country, from diverse communities, small and large, and you have offered your testimony this morning to that effect. One of the commonalities among responses has been the frustration at the barriers that exist in the type of sustainable, livable planning, and you have just highlighted that, Ms. Gouge, with your comments.

I wonder if you could just describe some of these additional obstacles that you see. Obviously, personnel, the resource capacity in smaller communities and counties, obviously the pressures that everyone is facing today economically. And so we want to make good decisions. We want to make sound planning decisions for our communities. Obviously, cost is a barrier. But are there other factors that contribute to this, as well, that we should be aware of?

Doctor, do you want to share some thoughts?

Mr. WRAY. Mr. Chairman, thank you. I think that is a critical question. The first, I would suggest, might be very close to this room, which is silo funding. We get funding in silos. Your efforts to get the Administration to work on an interagency fashion is most welcome, but we need to do the same thing at the local level.

Chairman DODD. Mm-hmm.

Mr. WRAY. So we get funding that comes in a slot so we can get our State transportation program approved and we get down the slot. One of the things we need to do, and this is hard work, and a barrier, is to work across. But we don't have in our State a working group at the same level that you have at the Washington level. And then the question is, how do we actually get those silos to integrate so that you do transportation that makes sense for economic development that makes sense for housing that makes sense for the environment.

So that is the first barrier, is getting the regional and State agencies to work sideways the same way, which I think is a huge barrier, because even though at this level the Federal Government is now working on an interagency fashion, the other layers are not always in the same alignment.

Chairman DODD. Mm-hmm.

Mr. WRAY. The second one is the major barrier is the simple cost. It is much easier to do a greenfield site and put a shopping center in a cornfield than it is to take a brownfield site that has multiple ownership disputes, that has all kinds of other limitations, maybe small parcels that need to be assembled. And so part of that is just the nature of complexity of pulling together redevelopment as opposed to development.

Of course, in Connecticut, as you know, with a 150-year history of industrialization, we have a lot of brownfield sites, but also very well located sites that are convenient. So we have that barrier of assembling sites and cleaning things up. It is much harder to do than just moving to greenfields. So complexity is one barrier.

And the last one, I think, is long term *versus* short term. Many times, finance is on a very short basis. What can you show me in the next 90 days? Some of the sustainability issues are a much longer perspective.

As an example, we have two to three million acres of struggling strip malls in the United States that are not very financially viable, two to three million acres, which is absolutely amazing, and many of them are near transit and many of them are near existing major highway infrastructure that would be perfect for redevelopment into housing and mixed use with some work. But that is a long-term perspective. It is a lot easier to just go out to a greenfield and start from scratch and build mixed-income housing than it is to sort of take on that two to three million acres of struggling strip malls in the country and sort of say, how do we turn this into something different?

We have in our package that was submitted to the Committee a report called "Gray Infrastructure: From Gray to Green," where we have a pilot in one of our regions in the city of Manchester, Connecticut, that looks at how you take a dead strip mall and turn it into a sustainable mixed-use, mixed-income development that is environmentally friendly. But the point about that is, it is way more complicated. There are a lot more moving parts, Senator, to getting that whole package put together than just walking up the road 10 miles and putting in a new development.

So I think those are the major things, the silo funding, that we still have to work hard on integration with the reauthorization of the transportation bill. Perhaps how that evolves could be helpful there. The greenfield *versus* brownfield complex is just a lot more complicated. And then, finally, this long-term perspective. It takes time to address those two to three million acres of struggling shopping centers around the country, but they are a great opportunity. I mean, some people talk about them as the land bank of the future, that struggling strip malls are the land bank of the 21st century. So I think there is some optimism there, as well.

Chairman DODD. Just quickly, on that point, I remember when we dealt with the brownfields legislation, we made, I thought, a

very intelligent decision that in order to remediate, to clean up these sites, we didn't insist that it ought to be so clean that you could put a child care center on it—

Mr. WRAY. Right.

Chairman DODD. —but that if you had an alternative idea, if it wasn't going to pose the kind of risks obviously that you want an infant child in the midst of, that that would make some sense, being the alternative, you couldn't do anything. If you couldn't make it that clean, it was sitting there vacant.

It seems to me that in order—we ought to incentivize this kind of idea you are talking about so that it actually becomes an attractive financial investment for someone willing to make or take that property and begin to turn it into something that is also a tax-producing property and providing the kind of either housing or commercial space that would make it work.

Mr. WRAY. Mr. Chairman, I think the point in Connecticut is on the commuter rail line from Hartford to New Haven and the busway line that is planned from Hartford to New Britain, we have about probably 15 downtown areas that have exactly the kind of sites you are talking about. But pulling it together, you know, the issue of brownfields and how they could be cleaned up, we did a major clean-up site, as you well know, in the Goodwin College area on the Connecticut River with help from you and others. That can be done. But the upshot of it is, I think is the barriers you just asked about when you talk about those 15 city town centers with multiple ownership, multiple brownfield sites, small parcels that need to be assembled, redevelopment in a green sustainable infrastructure way.

All I am suggesting is that is why we need this bill. It is a heavy lift, because someone might ask, well, why don't you just do it? Well, because we have been working on it. We have been doing our homework on station area planning and brownfields and so on, but there is a lot of work to be done to weave all those pieces together. And, as I say, the 15 station areas that we have on the drawing board in Connecticut could use this help, but most of them are brownfield sites. Most of them need assembly of land into larger parcels that would be suitable for construction for private sector.

Chairman DODD. Yes. Let me turn to—I have taken a lot of time. I want to come back to this point. I know you all have points you want to raise, as well, but let me turn to Senator Tester because I have taken a lot of time.

Senator TESTER. Thank you, Mr. Chairman. I want to thank the panelists for being here, and you are astute in your analysis of the thoughts running through my head as the Commissioner was talking.

I want to start with Dr. Wray. You had talked about back in 1957, back in the tricycle ages when an individual talked about highway systems encouraging sprawl and how in retrospect he was spot on in his analysis. I don't want to put words in your mouth, but that is what I heard, and I agree with that.

In many areas, I think, of the country, but in many areas of Montana in particular, noting that planning is a local duty and should be a local duty because the challenges in every area is a little bit different as you go around the country, education is so criti-

cally important because a lot of people don't understand, as they did in 1957, they didn't understand how important planning was, and today, that attitude still exists. We end up building our houses on the best farmland available. We end up dealing with septic systems that in a few years or decades we find out are polluting our water and we have got to spend a bunch more money. Anyway, we all know how important planning is.

The education component of this bill, where does it fall in? Is it adequate? Is it even there? And is that something we should pay attention to?

Mr. WRAY. Senator, thank you very much for the opportunity. Even though I live in Connecticut, I was born about 70 miles north of Havre, so I am pretty familiar with their neck of the woods.

Senator TESTER. My gosh, that is Alberta.

Mr. WRAY. Medicine Hat.

Senator TESTER. Oh, really?

Mr. WRAY. Yes.

Senator TESTER. Born in the Hat. All right.

Mr. WRAY. Yes. I knew Great Falls better than my hometown, so thank you, Senator. I had cowboy boots before I had dress shoes. [Laughter.]

Senator TESTER. You are all right in my book.

Mr. WRAY. But I don't tell anyone that in Connecticut.

[Laughter.]

Mr. WRAY. I think the idea of a sustainability group that is talked about for the regions for this education, where you bring together private sector, public sector, and others in a consortium to talk about these ideas, it is extremely important, and we started to do that in the Hartford, Connecticut area, which has been very powerful. But the builders' association, developers, private investors, and others, and they get it.

The idea of green infrastructure, when you say you can cut your sewer costs in half or by a third by doing different kinds of stormwater—when I was a county manager, the idea was to get stormwater off the grass and onto a blacktop and into a sewer as soon as possible. That was sort of what I was taught. And now we are saying, flip that all around, saying keep it in holding ponds, rain gardens, and so on. But the point about that is, when you bring all those people together in a group, so our sewer authority, our developers begin to have conversations that are, I think, mutually educative.

Senator TESTER. OK.

Mr. WRAY. The second thing, I think, is that the private sector is not sitting on its hands here. The LEED certification in many of our private sector buildings is coming along. But I think convening people who are working on these areas together, and I think it is extremely important to get investors, developers, contractors, road associations together in the room so we all talk on the same sheet of music.

So that education is not abstract. It is about projects. And, as I mention, we have almost a billion dollar combined sewer overflow project going on in our region, and when we knocked on the door of the regional sewer authority and said, we could actually save a lot of money by doing green infrastructure, trust me, they took our

call and said, can you meet, like, later today? So that education function, I think, is proceeding apace.

Senator TESTER. OK, and it is adequate in the bill simply because you are automatically bringing folks together for a common goal?

Mr. WRAY. Yes.

Senator TESTER. OK. That is good. I want to talk the Commissioner a little bit. Julia, you talked about subcategories for rural in your testimony—and I think that is interesting—to ensure that rural is able to share in the pie.

Ms. GOUGE. Right.

Senator TESTER. Is there population levels that you see—and, I do not know, I mean, we are talking—you know, there is—I mean, I come from a town of 700 people. It is 120 miles south of Medicine Hat. But there are a lot of towns of 3,500 in the State of Montana, I mean, a lot of them that have some challenges. Do you see this bill being able to work for them? And is it structured so it can work for them?

Ms. GOUGE. I think it is most important that these small counties and small areas be concerned, and maybe we need to emphasize it even more importantly that the smallest areas are just as important as the large cities.

The biggest problem, I think, that is going to be for any of the smaller areas is whether or not they have the ability to have grant writers or people who can really get to the information itself. Sometimes it is more difficult. We have good grant writers right now in my particular county, but I have talked to a lot of other small counties, and they say, “We do not even have anyone our staff such as that.” So how do we reach those smaller jurisdictions that they can be included, that they feel they are part of this whole plan?

If we do not start with the small areas like that, we are going to lose our land mass. I mean, there is no question. You were just talking about, you know, development overall. We are facing right now, just as you said, houses that were built in small towns or villages that really have no water or sewer system, trying to find monies—and we really work through the USDA bill to see if we could get some grants for some of those small towns. But the cost would be about \$400 a month for them.

So, in-filling some of the areas is almost impossible at times, you know, even though everybody talks about the in-fill. But if you do not have money for water and sewer systems, you cannot even begin some of those processes. So we need to really be thinking in the broad point of view for the small communities. How do we reach them? Are we making it more difficult for them to find the monies and then to actually use them?

Senator TESTER. OK. Thank you.

Thank you, Mr. Chairman.

Chairman DODD. Thank you, Senator.

Senator Warner, welcome.

Senator WARNER. Thank you, Mr. Chairman, and I apologize to the panel about missing your testimony, but this is an area that I have interest in as well. Before I had this job, I was Governor, and this concept of livability is something that we have wrestled with at some level in the Commonwealth of Virginia and continue

to wrestle with and a lot of the issues—I do not reveal this often, although the Chairman often reminds folks whenever we are together I actually grew up in Connecticut. I try not to emphasize that in Virginia too often.

[Laughter.]

Senator WARNER. But, you know, I am familiar with some of the challenges there, but we have got the same—

Chairman DODD. We brag about you all the time.

Senator WARNER. —challenges in Virginia, where we have got enormous growth opportunities, and that question of, you know, go down the road and build a new shopping center *versus* the in-fill. We have got a lot of that in some of our inner suburbs in Northern Virginia, for example, a lot down in Hampton Roads as well.

So I believe in the concept and, you know, I am very interested in learning more about this legislation and commend the Chairman and those who have been cosponsors already. I am trying to get more comfortable with it myself.

There are some—you know, this is going to be a tougher row to hoe in today's climate than it was even a couple years back, I sense. You know, there is an enormous—you know, the immediate critiques of this bill will be, you know, is it just about squishy livability; you know, is it once again the Federal Government further extending its reach into areas that, as my colleague from Montana, Senator Tester, said, has always been appropriately a local process? And, you know, the payback timeframe on any new initiative I think now is going to be at a level of scrutiny, at least I personally hope, that we need to be unprecedented.

So I guess—and just, again, as a set-up, one of the other areas that I have been big on has been Government performance and metrics, and they have actually given me a little portfolio on that here to try to keep me quiet in the Senate. And one of the things I have wondered about is, you know, as we think about livability, is there a way—and this is for anybody on the panel to respond to—that we can define this with metrics that are truly measurable, that can—to make sure that we might have a more full participation actually from our Committee on both sides of the aisle on a future basis so we can make the case that this is value-add, that there is a way to measure the performance of livability, that we could even go—and I would even like to extend the question to the question of, you know, is there an ability to—and this would be relatively radical, but, Ms. Gouge, as you have mentioned, you know, to actually tie Federal grant awards based upon meeting some of these metrics or based upon kind of having this collaboration at the local level and that collaboration in having all of these groups participate in this planning process would enhance the ability to receive Federal or State funding. So, you know, how do we make—how do we move this from being a good-government concept into today's more hard-nosed metrics and appropriately cost-contained world? Anybody want to take a crack at that?

Mr. WRAY. Can I start, Senator? And then we can go from there.

Senator WARNER. Yes.

Mr. WRAY. Performance measurement is one of my passions, too, and I have been published in the area for a long time. This is a very complex area, and this will require a constellation of meas-

ures, so there is not one measure, but what I was saying before is cost of infrastructure. When you look around the world, places have done cost of infrastructure estimates with more sustainable models. It is in the 20- to 30-percent savings range, whether it is sewer systems, electric plants. By having more compact development, you save money. So just in terms of the hard-nosed numbers, you will not find a single measure. That is one.

I think one of the—

Senator WARNER. Well, let me just interject here one moment. It seems to me—and I think your example earlier was dead on—that when the developer says it is easier to go do that greenfield site, to develop that commercial shopping center—let us take that example—the cost equation that goes into the developer is really the cost of the land, the cost of the processing permit, but the added infrastructure burdens that we, the public, have to pick up, to take on, to build the road infrastructure to get to that shopping center is never factored in. How do we make, you know, all the externality costs truly fit in so there can be a real, better business case analysis of how we do the in-fill in a better way?

Mr. WRAY. Well, Senator, you have put your finger on one of the things, because some people would say this is social engineering and we should not be doing that. Well, 90 percent Federal funding for an interstate highway system and mortgage interest deduction are social engineering, if you want, too, which is pushing it in a certain direction. So the policies you set here in terms of tax policy and investments really do set directions.

The point you are mentioning I think is a very complex one, and that is, in many systems we have gotten into trouble because the externalities are not priced in, so pollution has not historically been priced in to certain things in terms of auto emissions for a long time. Transportation costs have not been factored into building highways further out and so forth.

That is the kind of work I think that goes onto the research side of this, which is various parts of the world are struggling with very similar issues. We are not unique in that circumstance. I think we have to look at—I think one aspect is revealing these costs. One of the things that has not been done is just putting these things out on the table. Many times people do not understand these costs.

The second, though, I think is the reduction of the effort to do brownfield development. We have to make it a lot easier for a developer just in terms of getting through red tape and threading a needle. When you look at—we have a recent proposal in Connecticut for transit-oriented development off of a spur line on the Metro North line, and they had a list of the funding arrangements and regulatory approvals. It took two PowerPoint slides with small type. That just would not be true if you were doing greenfield. So we need to streamline at the local level, too, some of the processes for getting through the regulatory thicket. It is not just money.

So the points you are mentioning are very large points. I think it goes to the transportation reauthorization bill in terms of Secretary LaHood talking about livability as one of the dimensions of projects. I think how we structure the way we issue money here already I think is one of the aspects.

But the metrics, I think, for this are complex. Let me give you one example. The European Union has a very nice book with two pages for each metropolitan area, and this does not speak to the rural areas, but it is equally true there. On the left-hand side is, "Where does your carbon come from, your carbon dioxide come from?" On the right-hand side, "What are sensible mitigation strategies that actually are progrowth competitive positioning?" In other words, here is one set of metrics that they are using, which is here is where your carbon dioxide is coming from, here is what you can do in terms of transit-oriented development or changing your sourcing for electricity or whatever it is on the right-hand side. But those are the kinds of things that have to get developed.

Again, how that actually gets done is incentives for local governments making decisions and then finally developers I think is critical, but I think carbon emissions is one. Time in congestion is another metric. There is a whole series of these that would have to be articulated, and the point you mentioned I think is a critical one, and that is, bringing the externalities back into the decision.

Just as an example of that, 2 to 3 million acres of struggling or dead strip malls in the United States, you know, that is a cost right now. And the question is, How do you look at the 20- or 30-year horizon of redeveloping those in ways that are sustainable and sensible for economic development? But I think one of the real problems here is the time horizon for some of these things might be a little longer than the private sector is comfortable making. If you are looking at speculative office buildings or speculative commercial, they do not have the kind of timeframes that would perhaps be supported right now unless we have them think in a different way.

Senator WARNER. Do others want to comment on this question?

Mr. MCKINNEY. Sure, briefly I will address that. I think one difference in this bill is the fact that there is implementation dollars at the end of the rainbow that I think motivates local governments to plan rather than just make a plan and hug and go home. So with those implementation dollars, I think you can then look at how do you measure the success of those. And I think we are working with EPA on a number of grants now on measurability, and one of those certainly is reduction of utility costs. I think there is a dollar amount you can place on that that our planning efforts led to this reduction, measuring greenhouse gas emissions, a reduction there, as well as private leveraging. I mean, I think these are not the only dollars that are going to go into implementing a regional sustainability plan. In fact, I think you are probably aware that the Ford Foundation yesterday pledged \$200 million to livability principles that are contained in this very bill.

So I think there are measurables that you can establish because there is—at the end of the rainbow, it is not just development planning and hoping you find money, but there is incentive to do that, and then I think you could measure your success based on a couple things that the EPA is already doing.

Ms. NYTES. Senator, I am very excited to hear of your interest in performance measurement and subsequently, I assume, performance management. The National League of Cities and 12 other groups have actually been engaged over the last year in trying to

come to some agreement about the language and the approach and the important considerations as we ask governmental units to use those very tools in managing their resources better going forward.

I do think there is a very important role for the Federal Government in these discussions. I do not think it is just squishy, as you said. But, in fact, the problem that we have is that it is a big-picture problem and it is a long-term problem, and the improvements have to be measured over time.

In the case, for example, of some of our older cities, it is going to take some time, but if we do these things right, over time we are going to find that pockets of our cities that have had low per capita income, for example, or low per capita education, for example, or that have had high utility cutoffs or any of these other indicators that we use to try to determine what is the quality of life in an area, if we make the right choices about energy-efficient homes, easy access to transportation, the reuse of existing structures, whether they be old schools or old factories, however we do these things, over time those indicators will rise. Right now in an area like Indianapolis, if you look at the outer ring around the city over the last 10 years—

Senator WARNER. I was actually born in Indianapolis and lived there for a decade as well.

[Laughter.]

Ms. NYTES. Well, then, you know of what I speak. Absolutely. The indicators in the outer ring have risen while the indicators in some of the inner neighborhoods have fallen. But it takes a long time for that to change, and it takes multiple agencies coordinating efforts to bring about that change, and that is where I do think the Federal Government does have an important role.

Senator WARNER. Julia, did you want to add something? And I just had one more comment, and my time has run over.

Ms. GOUGE. I just think it is very important for goals to be made—for the counties to reach or whoever happens to be doing this, and I know as a commissioner on programs that we are funding directly from county government as well as grants, I am constantly asking, you know, what are the results of this, what have we been able to do, how has our money really been used. And I think it is only natural that the Federal Government, if they are giving out grants, should have goals.

I do agree that sometimes you cannot see that goal in 6 months. It might take several years until you would really see the full extent of the value. But if we do not have some of these things, a lot of it is not going to happen. And Senator Dodd talked about the land we are losing every year, and we are losing it because people can go out in that clean area, build houses, put it on private septic and wells, where if they had the incentive to bring some of those things in closer to the municipalities, we would use that land, we would in-fill, and the reality would be our land would be so much better. The energy costs would be so much less. All of the things that we have been talking about in this bill could actually become a reality if we were able to help some of those things.

Senator WARNER. Well, three quick points, and, again, my time has gone way over. One is, you know, I think you need those metrics that are understandable and translatable beyond Govern-

ment performance geeks like us—you know, that are understandable, number one.

And, number two, to Mr. McKinney's point, I think there ought to be some ability to then say that those implementation dollars at the end of the rainbow, that there ought to be differential grantmaking based upon whether you have met these criteria of proving that you are going to hit these metrics and their cost-effectiveness.

Number three, again, back to Dr. Wray's point, one of my—and this is politically incorrect to say, I acknowledge, but, you know, one of my great concerns as a former Governor was that, you know, I would—my friends in the environmental community would appropriately be concerned about sprawl and raise those issues, but then be unwilling to relax—and the Chairman raised this on the brownfields issue, which I think, you know, then we would still not be willing to relax any of the in-fill process requirements that make the project not viable. You know, it is just whacky. You cannot have it both ways. There is going to have to be that moment of judgment that the enhanced value of the in-fill, those 3 million acres of dead strip malls, it is devastating to leave them there for communities, and particularly, you know, in terms of older cities, appropriately your process.

And then just one last process thing, and this is more about Senate process than anything. The transportation modes that have been advocated in the bill have been mostly transit-focused, and they are appropriate for this Committee and needed. But at some point if the bill reaches the floor, it needs to include highway and congestion pricing around highway transportation, and particularly other rail modes as part of this overall structure.

I really appreciate the Chairman and appreciate his leadership on this issue.

Chairman DODD. On that point, obviously that is the case. My concern has always been about these issues, that the transit version or transit part of the transportation bills have always been just almost an afterthought. You do not have to be a Ph.D. in political science. When you get 80 cents on the dollar from the Federal Government to build a highway and you get 20 cents to build a transit system, which of the two are you going to take? And so aside from whether or not you want to have an alternative available, it is just—talk about a metric that works against you. When Uncle Sam is going to give you 80 cents on the dollar as opposed to 20 cents on the dollar, which of the two are you going to choose? And so all we are doing is trying to create some sort of a level playing field that allows communities to make those intelligent decisions. If it is the highway that is the thing they need, then they ought to have the ability to get whatever level of support you are going to provide but not discriminate against the alternative means of transportation, which in many of our areas today, given the examples that can be set by other communities, or around the world for that matter, what they have been able to do with this in terms of these other issues I think is very, very important as well.

I was going to raise a couple of other questions for you, and, of course, one of the things about this, this is all purely voluntary in a sense. This is not a question where Uncle Sam is going to come

in and tell you what to do. But what we are looking for here is to be able to take hard-earned taxpayer money that comes to Washington to really get it back to communities, communities that have the appetite to want to move in this direction, to either preserve rural space, to encourage tourism in an area, to take brownfields in older cities, industrialized places, to make them work. And they are working. It is wonderful. You talk about places that are really working, you got to a place like a Portland, Oregon, where I was not long ago—Jeff Merkley was here a while ago—a city that was in real trouble, and, again, with a light-rail system coming in, they made some very intelligent decisions. Portland is a very viable city. I have got some family in the room here today. Providence, Rhode Island, has been a great story that has happened, not many years ago a place that was in real trouble, typical of many industrialized cities. Today, a very livable city. Real estate values are up. People are living there. There is a lot of activity going on. You can give example after example of places that are working and getting this done in different ways.

So I am excited about the concept and the idea, and I just want to raise a couple of issues, if I could. I have got a series of questions which I may submit to all of you as well to respond. I am not going to take a long time with you here. But I wanted to raise with you, if I could, Dr. Wray—you have mentioned here and I have mentioned the Charlotte, North Carolina, light-rail system and what a value and difference that made in that community's sustainable and smart growth. You know we have been working at home with the Governor and so forth—you had mentioned the New Haven to Springfield, Massachusetts, line. I wonder if you can just discuss the opportunities for development that that new transit corridor or transit corridors like that to communities and some of the challenges they face in moving that kind of development forward. And I think you have addressed this already by talking about all of those criteria you have to meet in order to do this and how discouraging it can be and why developers do not want to step up and do it. And I am just a great believer—we have got to learn how to cut through a lot of this. Here we are moving forward. The biggest hang-up we have got here now are the environmental issues. Now, they are very important, but if you cannot get through it and you lose those resources, then everything else fails, in my view.

But I wonder if you might just comment on that briefly and then ask others to address that issue.

Mr. WRAY. Mr. Chairman, I was frankly mystified that we have to do an environmental impact statement in full regard for a 150-rail road bed, but maybe I am just a little thick. But that is another story. The Federal NEPA process is rather interesting.

We have a lot of communities that are excited and chomping at the bit to move on the commuter rail line and the busway line. Basically you have, in the case of Springfield to New Haven and from Hartford to New Britain, as I say, a dozen and a half communities that have downtowns that are struggling. Even within Hartford, the part near Union Station is struggling.

So in all these areas, you have usually brownfields, usually small sites that need to be assembled, and complex sets of ownership.

And where I think the Livable Communities Act would be very helpful in terms of the implementation side is helping to pull together all those things, like master agreement, very boring kind of basic development services kind of functions that are very hard to do.

Now, we have been doing brownfields work in the region with help from you and others to get moving on this, but the point about it is the assembly of land, the organization of parcels needs to be done on a larger basis. And, frankly, as you were mentioning, we have many small communities—our largest city is 120,000, and they are much, much smaller than that. And so sometimes we need a regional attempt to help smaller communities along the line take advantage of these station areas.

We have places like Windsor Locks near the Bradley Airport, Windsor and other places that are ready to go, very excited about this bill, and would look very much forward to helping. But it is taking older, somewhat polluted sites, assembling them, redeveloping them, getting them ready, as you say, not for use as a playground for children but for more commercial uses that takes some work, and it is actually a very complex and, unfortunately, lengthy process to get that done.

Chairman DODD. I should point out, by the way—and, Julia, you will appreciate this. I will not bore the Committee with the history of this, but Connecticut is one of the few States in the country that does not have any county government. We did. And I have to watch every bill that comes through because most legislation is written and where counties are the political entity that we provide resources to, and if I do not watch every bill to make sure that towns and communities, with my 169 cities and towns in a State that is 110 miles by 60 miles in size, I mean, I did not say it when Jon Tester of Montana—he has got counties that are twice the size of my State in terms of geographically speaking. But we have to watch it all the time. We got rid of county government. This was devolution of government back in the 1950s, and we have paid an awful price for it over the years, and trying to get cooperation, I want to recognize Dr. Wray's efforts in that regard, and other leaders of our Council of Regional Governments in Connecticut that have done a good job with that.

I wonder if you might comment on the—I mentioned the demographic issues, and I want to turn to some of our other witnesses here. I was sort of stunned by the very numbers as I read them over with my staff last evening about the number of households declining with 18-year-olds or younger in them, and getting down to the point where only a quarter of our homes by the year 2050 will have 18-year-olds or younger in their homes today. And obviously an aging population, a great credit to our health care system and other things, lifestyles, people living longer, healthier lives. But, obviously, their needs differ, and so I wonder if you might comment briefly on this. I will begin with you, Jackie, if I can, and just share some thoughts on the demographic issues and whether or not and how you are addressing those questions.

Ms. NYTES. Thank you, Senator. I am glad you have returned to that. When you mentioned it in your opening remarks, I was reminded once again of how serious I think this is.

If we all think just in our own worlds of the number of people we know who are living to an age where they should no longer be driving or at least should no longer be driving on interstates, and yet, of course, we want for our populations to stay active. Our older populations are saying very active. They need a way to move around our communities, and that comes back to some of the core concepts of this legislation, which is walkable communities, for example, communities that have fully integrated multimodal transit systems, which means buses and light rail, those other kinds of things. People have got to be able to get from one side of town, downtown to go to a Sunday afternoon symphony performance because they want to but they do not want to drive anymore. They need to be able to get to a grocery store, but they do not necessarily want to get in the car and take the interstate out to the super store, which takes longer to walk through than they can even have the energy for any longer. So, clearly, the length of our life is changing our patterns, and we have got to be thinking about this.

It also impacts a lot of supply-and-demand issues in our communities. In many of our older communities, we now have empty or near-empty schools, and we have suburban pressures to build new schools. Well, if we look over the long run, the day is going to come when we are going to have empty schools out there, too, and so if we do not focus on in-fill construction and on trying to change the paradigm that Ray Suarez talked about in the old neighborhood where it was this constant pattern of out-migration, if we do not find a way to get people to think about the American dream in a different way, we are going to have a lot of half-empty buildings that governmental units are trying to support and do not have the tax base to keep up. And I think looking at it through the lens of the demographic change is actually something that people can process. Decision makers can get that if we talk about it enough and we help them do the math to understand what it says about the provision of services, and then ultimately at the local level the payment for those services.

Chairman DODD. I think marketing, too. We know it is how people perceive life to be, and if someone—I live seven blocks from this building in an area on Capitol Hill, aside from, obviously, my home in Connecticut. I have seen change in the last few years in this city in terms of what is available, how we spend our weekends and time. And I have two very young children. It is becoming very, very livable. My daughters are taking a swimming lesson tonight, and there is a dance class around the corner. There is a library down the street. There is the Eastern Market on weekends. There are all sorts of things that you do not normally associate with the inner city—not that I am necessarily in inner city, but living in an urban area. So, again, marketing these places as viable, vibrant communities I think can do a lot.

Julia, do you want to comment on this as well, the demographic issues.

Ms. GOUGE. Yes. We are actually considered an aging group in the Baltimore region. We call ourselves the graying group, but the reality is more and more, particularly in my county, the homes are being built for 55 and over and definitely no children can be included in any of those homes. We have two very large complexes

run by religious organizations but for hundreds and hundreds of people owning their own home, going on then to assist living, even then to nursing homes all within the same facilities. So people can go there, and that is really part of their lifestyle now to know that they can truly grow old there with someone taking care of them.

But one of the other things we are finding besides all of these 55-and-over homes that are being built is the senior centers. Since I have been a commissioner, we have built five senior centers, and two of those we have actually changed and enlarged quite a bit. There are hundreds of people that come every day, and the activities are so diverse so that the people can truly come there, feel like this is one very large family, whether it is woodworking, whether they are playing pool or bingo or some other thing, or doing crafts. The lessons, the community college comes in and teaches classes all the time to our seniors as well.

So this is the graying community, and we are having to work with them. And, of course, the senior centers, I mean, they just love them because particularly widows or widowers can now come and really become a part of the community again. And so many of them said, "We would not even be alive today, we do not believe, if we would not have had these activities and people to really care about us."

So I think that is going to be even more important in the future. If you think a county of our size that can have five large senior centers plus all these other things, it is obvious what people truly need.

Of course, whenever I talk to seniors, I always encourage them: Have you been to our senior center? Please go. You will feel wonderful. And that is keeping our people healthier longer.

Chairman DODD. That is good.

Let me mention, if I can, I was curious whether or not any of you were involved in this. HUD recently announced the availability of \$100 million for sustainable communities regional planning grants. It is very close, obviously, to the planning grants we have authorized or would authorize in this bill. I have heard a great deal of excitement about the program at the Hartford session we had, Doctor, with HUD and DOT and EPA officials. I wonder, is this the kind of program your communities are interested in applying for? And does it offer any lessons that we ought to be looking at in our Livable Communities Act? And I suspect, Joe, you may be—the question—it is a grant, planning grants, but it does not have that rainbow you talked about at the end. Am I anticipating an answer to my question?

Mr. MCKINNEY. I think there is at least a small pot at the end of the rainbow in terms of that grant, and I am glad you brought that up.

I will say that back home in Asheville today we have about 90 local officials meeting with HUD, EPA, DOT, and other Federal agencies to talk specifically about livable communities and the HUD opportunity. So I would like for you to write me a letter of excuse for my absence there today.

But I will say that that opportunity has really excited our community, and, again, going back to the fact that it is not just planning for planning's sake, that HUD I think is offering an oppor-

tunity for communities to come together and look at a coordinated planning process that at the end of the day is not just a document that sits on the shelf. And we have been fortunate to have started that process regionally a couple years back, but the HUD opportunity I think is exciting a lot of communities. And I think our group has said if we never see a dollar from that, starting that process of getting people to the table to talk about coordinated planning efforts, transportation, housing, environment, and so forth is the start of our livable initiative in our region.

So we are excited about that opportunity, as I am sure others at this table are as well. So that is a good start.

Chairman DODD. Anybody else want to comment on that? Yes, Doctor?

Mr. WRAY. Mr. Chairman, we are very excited. We actually have been working with the Pioneer Valley across the border in Massachusetts. We are actually part of a two-State region, as you know, between Springfield and Hartford. So we have been working on this.

And back to your point about the pot of gold at the end of the rainbow, the initial concept was to have no more than 20 percent on planning, a very broad regional discussion and sort of important things like affordable housing, transit-oriented development and so on, but reserving 80 percent of the money for actually doing something with the plan. So there would be subchallenge grants to the regional communities once the plan was approved to actually do something with this.

Chairman DODD. That is encouraging.

Mr. WRAY. So we think it is important because I think we have all been around the planning business long enough to sort of—as you say, the “plan, hug, and go home” model really does not work very long. But we have had a lot of excitement around it. Frankly, there was a little jostling and elbowing about who gets the money, which you might expect. But the good news I think we see this as a template for working together for the next 10 or 20 years.

Chairman DODD. That is good.

Mr. WRAY. Because the integration of environment, transportation, economic development across a corridor like that we think is the way we are going to be doing a lot of work. So it is not just getting ready for the T–HUD grants; it is really the issue of working this way together over the long haul, plus the sustainable Capitol Region Initiative which we are working on. So we see the T–HUD money as helping and moving in that direction, but, again, our idea would be to reserve 80 percent for actually doing something on the ground.

Chairman DODD. Jackie.

Ms. NYTES. Senator, I could answer the question better on Friday because tomorrow at lunch we are meeting with the Assistant Secretary from HUD back in Indianapolis to discuss this. I can tell you more in a follow-up.

Chairman DODD. Drop us a note afterwards.

Ms. NYTES. We will be happy to. Thank you.

Chairman DODD. Julia, any comments on this?

Ms. GOUGE. Just that our regional planning council, the Baltimore Metropolitan Council, is working on a number of these things

and on transportation, a very long range program for energy efficiency, all of those things, yes.

Chairman DODD. Let me ask you to do me a favor. I am going to wrap this up, but I have a couple other questions. I think we have covered the rural stuff very well. I thought Senator Tester's questions, obviously interested in that. The health issues you have addressed as well, I think. All of you have commented to one degree or another about the importance of the health aspect of this thing, which we have not really addressed. So those are sort of the remaining questions I had for you on this subject matter.

But I would like you to—the first question I asked you was one that I can sense already—and you heard it from Senator Warner, and it is a very legitimate question, and it is one that you obviously think about all the time because you have to ask yourself the same question every time you talk about these issues, and that is, these economic metrics in a sense.

I would like you to contribute to my conversation with my colleagues about this because I anticipate a very legitimate question coming. We are asking for an authorization of \$400 million for the planning grants for the country. We are asking for an authorization of something in excess of \$3 billion for actually implementation grants on this. At a time, obviously, when the country is deeply concerned about rising deficits, how do you pay for this, what are the benefits to come out of this thing, what are the costs and so forth, we need to have better answers than we have.

All four of you can really help, I think, by giving us some ideas that you obviously understand already, that you can—there are huge cost savings involved both for individuals, for communities, and for the Federal Government, if we think about this and recognize the value of investing in this area, how much of a return comes immediately back to our Nation as a result of this.

So I would be very interested in having for the benefit of the Committee as we move forward with this to be able to respond intelligently to these questions, and obviously, you have thought about them, so that would be a great help to us. I will ask you if would you do that in the coming couple of weeks as we think about moving forward.

You have been tremendously helpful this morning. I am very, very grateful to all four of you for your knowledge, and I thank you for your service as well. I was deeply impressed, looking over your resumes, how every single one of you has been deeply involved in your communities for a long time, even running for public office, Julia. I have often thought—someone once said that—I say this facetiously before I read about it tomorrow in the paper—that in order to vote, you have to run for public office. You do not have to get elected. You just have to know what it is like to have a screen door slammed in your nose.

[Laughter.]

Chairman DODD. That joy of facing people who are in this day and age obviously as angry as we have ever seen them, and with a lot of cause and justification. Things are not moving as well as we would all like them to be. But I admire people immensely. The toughest politics in the country are at the local level. You do not get to leave town. You do not get to go to your capital city and get

away. You certainly do not get to go to Washington and get away. You make decisions at night. You get up in the morning, and your kids and your family will be—you do not have to wait a week to get a response. People let you know before the ink is dry. We do not celebrate enough, in my view, in the country the people who literally as volunteers basically, is what it comes down to, it is really almost volunteering, what they do every single day in those 3,000 counties and the thousands and thousands of communities across our country, good people who get up every day to try to improve the quality of life of the people of their community at the local level. And we ought to do more to celebrate what you do every day, so I thank you immensely for your service to your communities and to our country.

With that, the Committee will stand adjourned.

[Whereupon, at 11:46 a.m., the hearing was adjourned.]

[Prepared statements, responses to written questions, and additional material supplied for the record follow:]

**PREPARED STATEMENT OF SENATOR RICHARD C. SHELBY**

Thank you, Mr. Chairman.

Given the poor history of urban planning in the United States in the 20th century, I believe it is worth noting that each of our witnesses have had successes with locally driven community planning initiatives.

Unlike the central planning of the 1960s that bulldozed entire neighborhoods, built expressways through city centers, and established acres of public housing units, today's witnesses planned with an eye towards the consumer, incorporating pedestrian-friendly city centers, accessible parking and public transportation; all in full partnership with private enterprise.

With the documented successes achieved through local initiative and ingenuity, I question the centralized approach to planning that is being advocated today.

I am eager to hear from our witnesses about how their locally based planning successes would have been affected if the legislation we are discussing had been in place when they were developing their master plans.

The legislation is designed to encourage localities and regions to plan cities and neighborhoods that incorporate public transportation, pedestrian and bicycle paths, more affordable housing, and environmentally friendly, sustainable development.

This "encouragement," however, is really a mandate as the Federal dollars would only be provided if the plans meet specific requirements.

While there are some benefits to these goals, decision making should always be made at the State and local level. It is fundamental that each community be allowed to employ the means of development that best meets the needs of its citizens.

A quick comparison of the planning requirements and residential needs of Tuscaloosa, Alabama, to those of East Haddam, Connecticut, Hoboken, New Jersey, Salt Lake City, Utah, or Billings, Montana, would yield significantly different results.

Legislation that dangles a \$4 billion pot of money in front of cash-strapped communities to ensure that they plan according to a Federal master plan is not what this country needs. Whether it is a voluntary grant program or not, the intention is clear, do it the way the Federal Government has decided it should be done.

While I am eager to hear from our witnesses, I continue to believe that planning and zoning decisions are best left at the State and local level. The Federal Government does not have the answer to every problem and it certainly should not have the keys to cities all across the country to do with them what it will. I am concerned that is where this legislation is trying to lead us.

Today's approach is often driven by the marketplace and supported by cities and communities—quite different from the top-down, cookie cutter approach planners took in the 60s.

Governors, Mayors, and City Council members are learning that it takes a coordinated public/private approach to implement a comprehensive master plan. Through locally determined—not federally established—standards and requirements, communities all across America are experiencing "guided" growth that meets the needs of their citizens.

Thank you Mr. Chairman.

**PREPARED STATEMENT OF JACKIE NYTES**

CITY-COUNTY COUNCILLOR, CITY-COUNTY COUNCIL OF INDIANAPOLIS AND MARION COUNTY, INDIANA, ON BEHALF OF THE NATIONAL LEAGUE OF CITIES

JUNE 9, 2010

Good morning Chairman Dodd, Ranking Member Shelby, and Members of the Committee. Please allow me if you will to offer a special greeting from the folks back home to our Hoosier Member of the Committee, Senator Evan Bayh.

I am grateful for the opportunity to speak to you today on behalf of the National League of Cities and thousands of locally elected municipal officials like myself who value the important partnership that our American cities have long shared with the Federal Government. We have accomplished so much together. The Livable Communities Act will ensure that we continue to do so in even better ways than before, despite the increasing demands on available resources.

Across America, rapidly changing economies, demographic shifts, environmental pressures and aging infrastructure keep us in local government awake at night. City governments and their local partners work hard to deliver the many programs developed and funded by Congress. We are immensely grateful for the opportunity those programs have given us to address the challenges inherent in sustaining and growing our old cities, new suburbs, and small towns.

Reviewing the purposes of the Livable Communities Act, I am encouraged by the recognition that these many programs can not be allowed to act each as single instruments, but in fact will achieve their greatest impact if they play as an orchestra providing coordinated and integrated support. From my own experience, I want to speak to the value of such united efforts to underscore the importance of the approach called for in the Livable Communities Act.

In Indianapolis, we have a number of redevelopment efforts underway, each the product of extensive, community driven planning and engagement.

In the Binford Redevelopment and Growth area (BRAG), residents and area businesses originally joined together to fight blight and sprawl. They have since become a united voice to spearhead six priority issues: pedestrian access and connectivity, business development, crime reduction, increasing parks and green space, sustainability, and the development of transit driven opportunity.

In the Mapleton Fall Creek area, where portions of the old neighborhood were 50 percent vacant and abandoned, a community based development corporation expanded its focus from affordable housing to a vision of comprehensive community redevelopment where they understand that removing blight, creating green space, restoring commercial and retail services and enhancing transportation options are all necessary to transform a neighborhood built in the 20th century for 21st century lifestyles.

In the Martindale Brightwood community, long abandoned rail yards and former industrial sites are now being rescued and repurposed for urban agriculture, transit oriented development and the provision of new schools and recreational opportunities.

These stories lead one to ask why, if cities are doing so much already with our Federal dollars, do we need the Livable Communities Act?

We need it because we must encourage a shared sense of vision about the work to be done. The most sustainable growth must be nurtured from every possible angle . . . cities can not just fix houses, or just build parks, or just enhance mobility by either adding sidewalks or more transit options—cities must do all of these things in concert and we can only act in concert back home in our cities if the programs supporting our efforts share this holistic approach.

Given the current and near term fiscal environment, local governments are working hard to continue to identify ways to improve efficiency and streamline delivery of services to lessen the impact of the downturn on the families living in our neighborhoods. The Livable Communities Act would help cities achieve these goals by formalizing the links between different Federal agencies that every city and town comes into contact with—facilitating the interdependency of programming that we all have come to understand is critical.

In Mapleton Fall Creek, they are building highly energy efficient homes and retrofitting 90-year-old homes to meet the highest current energy standards and trying to help the financial industry appreciate what these energy savings can mean to the financial capacity of a first time home buyer.

In BRAG, developing the new transit stop will mean that families can afford to stay in their homes in the area even if the jobs have moved elsewhere because the decreasing costs of transportation and increased access give them more affordable options.

In Martindale Brightwood, the resurgence of community gardens and schools that value walking and riding over automobiles allow the community to tackle a frightening trend in the younger populations of our inner city—childhood obesity.

This all can happen when we can focus the resources of the community development programs like the Community Development Block Grant Program, the transit and the housing programs, the energy efficiency programs, the finance and mortgage regulators and those who help to fund our infrastructure—all on the same prize: healthy, livable communities.

I commend Senator Dodd and the other sponsors of this legislation for seeking input from the National League of Cities and other local government groups from the very beginning; and I urge this Congress to continue your role as a great partner for our American cities. We have much work yet to do.

**Attachment**



**Mapleton-Fall Creek  
Development Corporation**

*130 East 30th Street • Indianapolis, Indiana 46205 • 317/923-5514*

**Rehabilitation of 342 E. 30<sup>th</sup> St.**



**BEFORE**



**AFTER**

### Project Description

This Housing Trust Fund request will support a comprehensive community development effort in the heart of Mapleton-Fall Creek. These funds will rehab a blighted property on a major thoroughfare and provide affordable housing to 4 low income tenants, priority of which will be given to clients of the Bethlehem House program who are re-entering the community. The project is an extension of the work being completed in the 20/21 Area through the Neighborhood Stabilization Program (NSP). By leveraging these two funding sources, MFCDC can begin revitalizing the 30<sup>th</sup> St. Corridor and use NSP to impact more homeownership units and commercial properties in the 20/21 Plan.



MFCDC purchased 342 East 30<sup>th</sup> from an out of state investor who had neglected the property for decades. The quad-plex sits on the boundary between the 20/21 Area and the Historic Meridian Park Neighborhood. The plans are to restore this property to maintain historic qualities while adding energy efficiency and modern designs (See Attachment A). The vacant lot behind this property is in the Indy Land Bank, and will be purchased to provide surface parking and outdoor sitting space. The rehab quality will emphasize green building practices and meet (at a minimum) Energy Star standards. These features are standard to provide renters with the lowest housing costs and the greatest value.

These units will provide MFCDC more flexibility in providing housing to individuals who otherwise do not qualify for housing in the vicinity. Due to the challenges these individuals are overcoming, few pass the initial credit and background check that is given to potential tenants. MFCDC's relationship with Bethlehem House, coupled with HTF's support of this project, offers a unique opportunity for quality housing in the neighborhood. Considering transportation is one of the largest hurdles Bethlehem House participants must overcome, this project's location is ideal for the individuals they are serving.

MFCDC shares its facilities with Bethlehem House, an HIV and addictions counseling organization. The partnership at 342 East 30<sup>th</sup> provides an opportunity for MFCDC to offer

quality housing to Bethlehem House's clients. Currently, there is a lack of 1 Bedroom units within walking distance of Bethlehem House, and many of their clients experience chronic housing problems and lack transportation. These units are 2 blocks from their day center (and MFCDC's leasing office), which will provide the residents with the level of support and monitoring they'll need to be successful in their treatment program.

The property management team at MFCDC has 59 units under management, including 50 currently being developed by the Whitsett Group in the immediate vicinity. However, MFCDC has no 1 bedroom units to meet the demand identified by Bethlehem House. MFCDC has hired two full-time staff to serve as Asset Manager and Leasing Agent, both of whom have intimate knowledge of the neighborhood and our rental properties. Josh Kupke MSW and Roselyn Huggins started work in April, 2010, both live in the neighborhood and are committed to providing quality affordable housing.

Historically, maintaining a good relationship with tenants has been difficult due to lack of adequate staff. This led to rental properties being neglected and tenants becoming dissatisfied with their situation. With the addition of our Asset Manager and Leasing Agent, this project will have an opportunity to succeed at providing a safe, quality home where the management staff will be active and engaged. This, in turn, will benefit not only the tenants of this project, but the neighborhood as a whole (Attachment B: Staff Resumes).

The development will cost \$ 246,307 and MFCDC requests \$214,807 from the Housing Trust Fund (HTF). Attachment C provides the Development and Operating Budgets for the project. MFCDC will utilize funding from NSP to cover acquisition cost (\$27,500), and Citizens Energy will provide up to \$4,000 for energy efficiency efforts. HTF funding will cover hard construction costs, a 10% contingency and an 8% developer fee. We estimate construction to cost \$67/s.f. based on the costs for two similar rehab projects currently under contract. One adjacent lot will be purchased from the Indy Land Bank for this development.

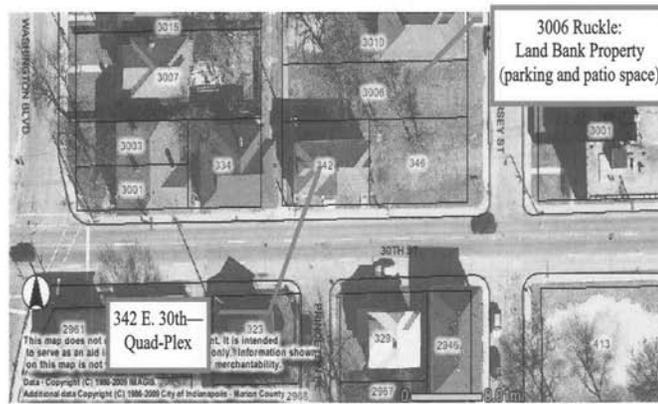
The operating budget will have positive cash flow based with rent affordable to households at 30-50% AMI (See Attachment C). Target rent will be \$325 per unit, and the energy efficient units will minimize utility costs for the long term.

In addition to energy efficient green design, the exterior of the property will see a major facelift and outdoor living space will be incorporated into the site design. An exterior patio and parking area will be included in the site design. The model-type of development will help attract investment in the community by providing a model of how to do it.

**Attachment A**

**Plot Lines**

3006 New Jersey will be purchased from the Indy Land Bank to provide surface parking and green space for the rental at 342. The adjacent lot (346 E. 30<sup>th</sup>) is owned by a responsible property owner, and conversations about the future of that lot will be happening in the near future.



After sitting vacant for ten years, this home was made habitable through a combination of NSP dollars, State NAP tax credits to raise money, and HOME funds for down payment assistance for a young family including children and grandmother.

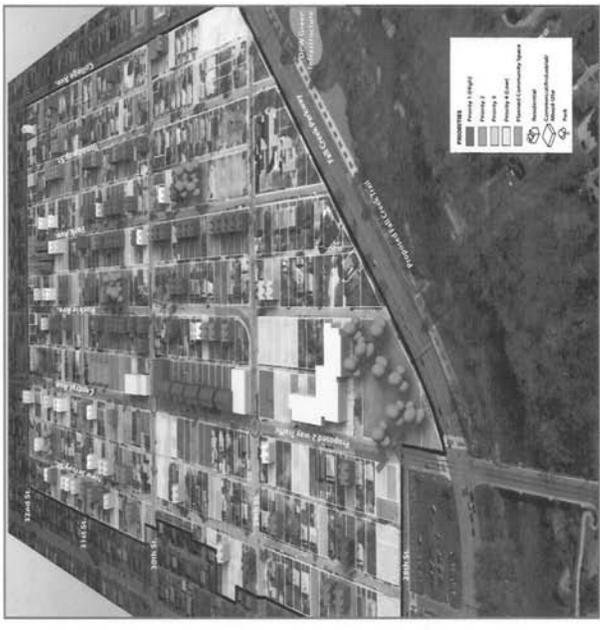


BEFORE



AFTER





Mapleton-Fall Creek Development Corporation  
**MASTER PLAN**  
 WORK PLAN

**TARGET AREA MASTER PLAN**

**HABITAT FOR HUMANITY**  
 Homes in this Mapleton-Fall Creek neighborhood are typically small, one-story, single-family detached homes. In the context of the larger neighborhood, Habitat for Humanity homes located in the neighborhood adjacent to typical homes are in the 2800 block of Central, 3000 block of Buckle, and 2000 block of Park.

**MIXED USE DEVELOPMENT**  
 MFCDC has responded in the 2000 block of Central Avenue. The proposed use for this development is retail on the first floor with various housing above. The development will be located on the east side of Central Avenue. Although this neighborhood is located outside the Target Area, the development is a key component of the design of this development should follow the principles set forth.

**SCHOOL DEVELOPMENT**  
 MFCDC has continued to look for opportunities to bring a school to the neighborhood. A school building is currently under construction in the 2000 block of Central Avenue. The phase-out of the building has students who are currently housed in the 2000 block of Central Avenue. The proposed location of a school development is in the 2000 block of Central, on the east side of Central Avenue. The school has been granted for this development.

**INDUSTRY DEVELOPMENT**  
 MFCDC currently has three bus routes that travel in the Target Area neighborhood: 2, 17, and 30. With the possibility to expand the bus routes, MFCDC is looking for opportunities to bring a school to the neighborhood. The school is currently under construction in the 2000 block of Central Avenue. The school has been granted for this development.

**CONCLUSION**  
 The MFCDC and its partnering team have developed a strategic vision for the neighborhood. If implemented successfully, the development will provide a great opportunity for families and businesses. With the surge of development in the neighborhood, the development will provide a great opportunity for families and businesses. With the surge of development in the neighborhood, the development will provide a great opportunity for families and businesses.

- MASTER PLAN INITIATIVES**
- NEIGHBORHOOD IMPROVEMENTS**
- With fifty percent vacancy, there are significant opportunities to improve the neighborhood. The team established a list of projects that could be completed in order to stabilize the neighborhood within the Target Area. The proposed project categories included:
- Acquire property
  - Rebuild single-family homes
  - Rebuild multi-family buildings (for home ownership or rental)
  - Develop a school
  - Build retail/restaurant housing
  - Build multi-family housing
  - Grant money for home repair assistance
  - Grant money for facade improvements

**MASTER PLAN HIGHLIGHTS**

The project designated as high-priority were: Acquire to the Target Area, Rebuild single-family homes, Rebuild multi-family buildings (for home ownership or rental), Develop a school, Build retail/restaurant housing, Build multi-family housing, Grant money for home repair assistance, Grant money for facade improvements.

The project designated as high-priority were: Acquire to the Target Area, Rebuild single-family homes, Rebuild multi-family buildings (for home ownership or rental), Develop a school, Build retail/restaurant housing, Build multi-family housing, Grant money for home repair assistance, Grant money for facade improvements.

**GOALS**

There are several goals planned for the neighborhood. The Central Indiana Community Foundation has granted MFCDC dollars to develop a school in the neighborhood. The school is currently under construction in the 2000 block of Central Avenue. The school has been granted for this development.

**CONCLUSION**

The MFCDC and its partnering team have developed a strategic vision for the neighborhood. If implemented successfully, the development will provide a great opportunity for families and businesses. With the surge of development in the neighborhood, the development will provide a great opportunity for families and businesses.

*Planning for the 21st Century*



**PREPARED STATEMENT OF JOE MCKINNEY**

EXECUTIVE DIRECTOR, LAND-OF-SKY REGIONAL COUNCIL, ASHEVILLE, NORTH CAROLINA, ON BEHALF OF THE NATIONAL ASSOCIATION OF DEVELOPMENT ASSOCIATIONS

JUNE 9, 2010

Thank you, Chairman Dodd, Ranking Member Shelby, and Members of the Committee, for the opportunity to testify today to share our region's perspective on the Livable Communities Act and the need to better integrate housing, community development, transportation, and sustainable development policies.

My name is Joe McKinney. I serve as Executive Director of the Land-of-Sky Regional Council, a regional planning and development organization serving 19 communities in Western North Carolina. Our four county region has a population of approximately 385,000, anchored by our largest city, Asheville, with a population of 78,000. My organization is a member of the National Association of Development Organizations (NADO) and I currently serve on the NADO board of directors.

The National Association of Development Organizations (NADO) provides advocacy, education, research and training for the national network of 520 regional development organizations. NADO members—known locally as councils of governments, economic development districts, local development districts, planning and development districts, regional councils and regional planning commissions—are focused on strengthening local governments, communities and economies through regional collaboration, comprehensive development strategies and program implementation.

Our Nation's regional development organizations manage and deliver a variety of Federal and State programs. Based on local needs and priorities, programs may include aging, census, community and economic development, emergency management and homeland security preparedness, GIS, housing, small business development finance, transportation and workforce development. A policy board of local elected officials, along with business, education and citizen representatives, governs and sets the priorities for each regional organization.

NADO and its members fully support the Livable Communities Act and appreciate the indispensable role the legislation outlines for regional councils in coordinating and administering sustainable development planning and implementation activities with our local governments along with business, community and civic leaders. We encourage the Committee to retain the legislation's focus on supporting and incentivizing the development and implementation of regional strategies that are regionally focuses and locally controlled on a voluntary basis.

We want to strongly avoid Federal mandates and requirements on regional and local planning, yet also provide the incentives, tools, ideas and program framework to reward and encourage regional planning and development that links community and economic development, housing, and transportation in a more strategic and sustainable manner.

Despite being a predominantly rural community, our region's leadership has been actively involved in comprehensive planning for many years. With an economy heavily influenced by tourism, the Asheville region has focused on sustaining our communities' assets while continuing to provide economic opportunities for our residents. In my testimony today, I will offer examples of how the Livable Communities Act can support our regional and local initiatives, as well as similar efforts across rural America.

Mr. Chairman, to give you a better understanding of who I represent, it is important to point out that our organization has been in existence since 1966 and is led by local elected officials—mayors and county commissioners—as well as representatives from the private sector and minority communities.

Land-of-Sky Regional Council's mission, as adopted by the board of directors, is to foster desirable social, economic, cultural, and ecological conditions in our four-county area. The work of the organization is supported through a variety of funding sources, including local, State, Federal, and private investment dollars.

Specific program services provided to the region's communities include economic and community development planning, environmental planning and implementation, regional transportation planning, housing, land use planning, and aging planning and service delivery.

I would like to highlight four specific program areas that I feel are relevant to the Livable Communities Act and provide you with some background on how our small metropolitan and rural communities are already planning for the implementation of this legislation.

First, Mr. Chairman, within the transportation arena, the Land-of-Sky Regional Council serves as the primary planning agency for both the Metropolitan Planning

Organization (MPO) and the Rural Planning Organization (RPO) in Western North Carolina. These entities are partnerships between local and State governments that make strategic transportation planning decisions in urban and rural areas and fulfill the planning requirements established by Federal and State authorizing legislation.

Essentially, our organization is where the “rubber meets the road” in terms of making local decisions on which roads are built or improved, what alternative transportation options are available, and how we work together as a region to be more self-sustaining with regard to fuel production and consumption.

Our organization is currently in the process of developing a Long-Range Transportation Plan that will incorporate the livability principles set forth in this legislation. This includes increasing transportation choices for our citizens while protecting and developing our environmental assets which are important to our mountain communities.

Second, Mr. Chairman, I believe our Waste Reduction Partners program fits perfectly within the principles set forth in the Livable Communities Act. This program, which has been in existence for 18 years, utilizes highly experienced volunteer and retired engineers and scientists to provide our businesses, industries and institutions (both public and private) with waste, water, and energy reduction assessments and technical assistance.

This specific program has had an amazing impact on the region’s quality of life, including total utility savings costs of more than \$23 million and a reduction in greenhouse gas emissions of more than 125,000 tons. The program has resulted in more than 600 million gallons of water conserved and 200,000 tons of solid waste reduced in North Carolina.

The Waste Reduction Partners program already embraces essential principles of sustainability by enhancing our businesses and industries’ economic competitiveness while preserving and protecting the beautiful Asheville and surround region’s environment.

Third, Mr. Chairman, the Livable Communities Act can have significant impact on ongoing brownfields redevelopment in rural areas. Brownfield sites are abandoned or underused industrial and commercial facilities available for reuse. Expansion or redevelopment of such a facility may be complicated by real or perceived environmental contaminations. In 2002, Land-of-Sky Regional Council became one of the first organizations in a rural area to address brownfields on a regional basis.

In less than 8 years, our organization, in partnership with the Environmental Protection Agency (EPA), has helped turn more than 20 abandoned properties with real or perceived environmental impairment into vibrant, working and productive properties.

Since 1992, EPA has invested more than \$3.5 million in the Asheville region to help our rural communities address environmental challenges and support our region’s economy. The Regional Brownfields Initiative helped transform a vacant mica plant in Asheville into 10 affordable residential loft spaces.

Earlier this year, our region was selected as one of 21 communities nationwide to receive an EPA Climate Showcase Communities grant. With this funding, the “Reading, Riding, Retrofit” program is improving energy efficiency in school buildings and identify alternative transportation choices, it will use “Green Teams” of students, teachers and parents to develop an educational program to promote sustainability as an ethic in our school children.

EPA’s support our region’s growing green economy and is an excellent example of how the Livable Communities Act can further enhance our efforts to undertake school-based sustainability projects, promote transportation choices and energy efficiency retrofits.

Fourth, Mr. Chairman, the Economic Development Administration’s (EDA) support of our locally developed and regionally focused economic development planning process has helped connect our area’s job creation strategies with fundamental principles for sustainable development.

In 2007, with funding from EDA, our region’s leadership developed a comprehensive economic development strategy. The strategy identified key challenges to our economy and set a course for our region’s future development. Key areas identified in the strategy include:

- Quality, affordable workforce housing
- Transportation and air quality
- Reuse and redevelopment
- Regional growth management planning
- Clean energy planning

- Entrepreneurship

In response to the Livable Communities Act, our region's leadership modified this guiding document to combine our six livability principles with our adopted economic development strategies. Our 19 local governments, led by the Land-of-Sky Regional Council and the City of Asheville, have joined forces with the region's chambers of commerce, private foundations and nonprofits to initiate the Western North Carolina Livable Communities Initiative.

Further, in Asheville our local governmental and regional leaders are currently in the process of meeting with representatives from HUD, DOT, EPA and five other Federal Government agencies to begin working together to implement the sustainable goals that have been embraced by our region. Funding provided by the Livable Communities Act is essential to helping our region and other smaller metropolitan and rural communities across America provide a bright future for our residents and visitors.

In closing, Mr. Chairman, I would offer that the principles of sustainability and livability can be defined in many ways. In Western North Carolina, we are the proud home of the Eastern Band of the Cherokee Indians. In their culture, the number seven is a sacred and honored number. The Cherokee Nation describes sustainability as planning and acting in a way to honor and respect the next seven generations. We believe that this legislation is critical in helping honor and respect future generations in Western North Carolina's rural communities.

Thank you for the opportunity to testify in support of this important legislation. I welcome any questions or comments.

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**PREPARED STATEMENT OF LYLE D. WRAY**

EXECUTIVE DIRECTOR, CAPITAL REGION COUNCIL OF GOVERNMENTS, HARTFORD,  
CONNECTICUT, ON BEHALF OF THE NATIONAL ASSOCIATION OF REGIONAL COUNCILS

JUNE 9, 2010

Good morning and thank you, Chairman Dodd, Ranking Member Shelby and distinguished Members of the Committee. I am honored to be before you to testify on the vital role the Livable Communities Act would have within communities and regions of all sizes and make ups nationwide, focusing on my region, the Greater Hartford, Connecticut, region as one local perspective boasting great opportunity for implementation of the Livable Communities Act.

My name is Lyle Wray and I serve as Executive Director of the Capitol Region Council of Governments (CRCOG) in Hartford, Connecticut, and also serve on the Executive Directors Council of the National Association of Regional Councils (NARC). Today, on behalf of NARC, I am here to demonstrate the need for and stress the importance of authorizing the Livable Communities Act to meet the growing demands of communities and regions nationwide.

The National Association of Regional Councils is a nonprofit trade organization that serves as the national voice for regionalism, advocating for multijurisdictional cooperation as the most effective way to address community planning and development opportunities and challenges. NARC is governed by local elected officials and represents member regional planning organizations composed of multiple local governments that work together to improve America's communities—large and small, urban and rural. Through advocacy and assistance, NARC's mission is to increase funding and authority for all regional councils (RCs) and metropolitan planning organizations (MPOs), regardless of their size or location, and to strengthen American regions and communities in transportation, economic and community development, homeland security, and the environment—integrating fundamental planning and implementation functions within these core areas.

Regional councils deliver an array of Federal, State, and local programs that provide planning support and technical assistance to local governments. The national network of regional councils includes organizations such as Metropolitan Planning Organizations (MPO), Councils of Government (COG), Rural Planning Organizations (RPO), Economic Development Districts (EDD) and Local Development Districts (LDD). Regional councils are either created by compact and/or enabling legislation or as voluntary consortia of local governments. Our mission is the delivery of services and programs for economic development, first responder and 911, health care, infrastructure development, aging services, air and water quality, land-use and long-range planning, economic and workforce development, data collection, transportation planning and the coordination of multiple plans into one coordinated, comprehensive plan at a regional level. As such, regional councils are responsible for much of the planning and programming of Federal, State, and local dollars.

NARC's members, CRCOG included, support Chairman Dodd's efforts to promote "livable communities" by creating and maintaining robust Federal investment in locally driven, regionally focused comprehensive regional plans and the implementation of those plans that patch together transportation, the environment, housing and economic development opportunities within and among rural and urban, large and small communities. In pursuing livability from the Federal perspective, NARC supports the Act's voluntary, competitive and incentive-based approach to promoting comprehensive regional planning and implementation that allows each region to meet broad, federally established goals by setting regionally driven objectives based on consensus and a shared regional vision. These objectives, initiated by local government and strong public involvement, would be able to address new and existing challenges, advance regional collaboration, and leverage a region's assets to compete in a new global economy. Tailored to a region's needs and composition, livability initiatives generally should seek to highlight a region's core strengths while coordinating land use, transportation, the environment, energy, economy/economic development, social welfare, housing, and public safety issues—in order to properly balance growth, improve the overall quality of life and maintain vibrant local and regional economies. The Act recognizes and supports this bottom up approach that informs a Federal process and links the cross-purposes of various Federal agencies and programs.

Regional planning organizations like CRCOG are today's "boots on the ground" planners and implementers of tomorrow's regional infrastructure, economies and opportunities. In order to continue our successful efforts, regional planning organizations need a robust Federal partner, decisive Federal leadership and increased flexibility, funding and resources within Federal programs like what is offered in the Livable Communities Act to help make long lasting community investments that promote holistic growth and an achievable, sustainable future.

Mister Chairman, the convergence of a softening economy, declining Federal and State funds, rising unemployment, forecasted population growth, increased environmental concerns and the clear need for substantial investments in the country's infrastructure, communities require a realignment through comprehensive regional planning activities that spur livable, sustainable and vibrant communities. The question is—how can Congress best direct funding to provide family-wage jobs, while stimulating innovation and entrepreneurship, and offering a wealth of cross-linked options within housing, transportation, environment and economic opportunity? One answer is through the authorization and funding of the Livable Communities Act. Let me offer some thoughts on the Act, and CRCOG region as a successful example comprehensive regional planning and implementation progress.

#### **Capitol Region Council of Governments**

My organization—the Capitol Region Council of Governments (CRCOG)—is one of Connecticut's 15 regional planning organizations. We are established under the authority of the Connecticut General Statutes to serve as voluntary associations of local governments and regional planning agencies for our areas of operation. The Capitol Region serves the City of Hartford and the 28-surrounding suburban and rural communities, with a population of nearly 750,000 people. CRCOG is also the MPO for transportation planning purposes under the authority of Federal transportation legislation. The scope of our regional planning activities and programs include the following areas: transportation (including transit, bicycle and pedestrian initiatives, and environmental justice), housing, land use, environmental protection, open space and farmland preservation, municipal services, and public safety and homeland security (including predisaster natural hazard mitigation planning).

A well-planned, coordinated and comprehensive regional plan supports a strategic vision for community and economic development and opportunities, and supports more efficient and effective distribution and use of public dollars. We are very excited about the Livable Communities Act, and its potential to forward integrated planning and investment decisions in support of sustainable community development. The benefits of such comprehensive and coordinated planning and investment are greater choice and convenience for our residents, and socially, economically and environmentally strong and vibrant communities.

In the metropolitan Hartford region, we believe that this program will be particularly useful in helping us move forward with planning for transit oriented development associated with two major transit projects worth about 1.5 billion dollars about to implemented here: the New Britain to Hartford Busway, and the New Haven to Springfield Commuter Rail. It will also be useful in forwarding planning and redevelopment within other transit corridors in the region, as well as selected sites that have good access to on-street bus service.

CRCOG and some of the communities along these transit corridors have already completed preliminary station area plans that focused on conceptual site design and assessing market opportunities in proposed station areas, and identifying possible strategies to encourage development. We have also worked with towns to develop and adopt transit oriented development principles that can be used to guide future planning and development. Through our U.S. Environmental Protection Agency (EPA) funded MetroHartford Brownfields Assessment Program, we have helped communities conduct environmental site assessments and remedial action plans for sites near proposed stations, which will be used to assist in municipal and/or private redevelopment efforts. We anticipate that Livable Communities Act planning and implementation funds can help us move these plans to reality by supporting the integration of planning and development within whole transit corridors, and the development of more detailed station area plans at specific sites.

The Livable Communities Act acknowledges that coordinated regional and municipal planning is necessary to create strong, sustainable communities. It is the regional, corridor-level planning and coordination that will help us to implement consistent, transit supportive development principles, and consider how the individual municipal activities will be related. It will also help guide public investment decisions. But we also need to incorporate the regional planning and principles into the municipal level site planning, zoning and subdivision codes that will control how land is developed, and how private infrastructure investments are made. Our ultimate goal is to develop regional plans and local zoning codes for mixed use development that will link jobs, affordable and market-rate housing, and pedestrian and bicycle systems within a half-mile radius of proposed stations along the new bus rapid transit and commuter rail systems—for the economic and social benefit of the region as a whole. CRCOG is also studying other transportation corridors within the region, and this program will provide an opportunity to apply model codes that better connect a variety of land uses and transportation in other areas where on-street bus service, housing and economic development opportunities are closely linked.

We are also very interested in integrating sustainable design and development practices into the development and redevelopment that will likely occur along the Hartford-New Britain Busway, the Springfield-New Haven Commuter and High-Speed Rail Line, and other areas of the region that are well-served by on-street bus service and water and sewer infrastructure.

In 2008, we were fortunate to receive an award of Smart Growth Implementation Assistance from the U.S. EPA to explore how the principles of sustainable, mixed use development could be incorporated into the Incentive Housing Zones being developed in the region through the Home Connecticut Program, and other community planning efforts. The end product of our collaboration with EPA and four of our member communities was an interactive workshop and the development four separate reports that speak to how sustainable development guidelines can be applied to help towns and developers:

- Select prosperous smart growth locations for housing and economic development;
- Implement neighborhood design and placemaking that creates vibrant, walkable neighborhoods; and,
- Apply green infrastructure and energy efficient building techniques to new and rehabilitated development, in order to help reduce carbon emissions in the region.

Attachment A<sup>1</sup> is the introduction and overview of the November 2009 report, “Smart Growth Guidelines for Sustainable Design and Development”, presents guidelines for communities in Connecticut and around the country striving to get development and future growth that result in stronger neighborhoods, protected open space and watersheds, and healthier and more affordable homes. The executive summary for its companion report, Attachment B, “Together We Can Grow Better: Smart Growth for a Sustainable Connecticut Capitol Region” (December 2009), is a guide for small towns, urban centers and metropolitan regions looking for ways to grow and develop that respond to changing demographics, market forces and environmental challenges. Both reports can be fully accessed on CRCOG’s Web site.

During the same time period, we collaborated with the Regional Plan Association on another project that looked at what impact changing development patterns within transit corridors can have on reducing carbon emissions. The final report of that effort, “Growing Economy, Shrinking Emissions” (2009) (executive summary is At-

<sup>1</sup>Due to the size of Attachments A through F, they are being held in the Committee’s files. To reference them please contact the Committee office.

tachment C; full report available on CRCOG's Web site), reinforced the point that by developing in a more compact manner within transit corridors, we, as a region, can achieve real, positive impacts on reducing greenhouse gas emissions in the 5 percent to 20 percent reduction range.

We believe that the Livable Communities Act can help us develop models that will help towns apply the CRCOG/EPA sustainable development guidelines to projects throughout the region—so that we may begin to address our long-term climate change goals.

A fourth report (Attachment D), also available on CRCOG's Web site, "From Grey to Green: Sustainable Practices for Redeveloping a Vacant Shopping Center", provides smart growth and green infrastructure best practices for communities considering greyfield redevelopment using green practices for stormwater management.

#### **Sustainable Capitol Region**

CRCOG recently created a new Sustainable Capitol Region (Attachment E) initiative whose mission is to "develop and support integrated regional approaches to planning, projects and investments that will promote vibrant, healthy communities, protected natural resources and open spaces, equitable access to opportunities and an economically competitive Capitol Region to serve all our citizens today, and in the future." This initiative ties together the good work already being done by CRCOG and others in the areas of community development, transportation, economic development, environmental protection, public safety, homeland security, cooperative purchasing and municipal service sharing. Sustainable Capitol Region will provide the umbrella which CRCOG and a diverse range of community partners can work together to ensure that our collective planning for and investments in the greater Hartford area can be harnessed to create strong, sustainable and livable communities. The Livable Communities Act holds great promise for our region, through providing much-needed grants to help us better coordinate the planning currently underway, as well as funding to implement strategic projects that will ultimately build a more sustainable Capitol Region.

#### **Authorizing the Livable Communities Act (LCA)**

The authorization of the Livable Communities Act (LCA) is essential, particularly in these difficult economic times, for linking proven, cost-effective programs, and reinforcing the efficient investment of Federal resources through comprehensive regional planning and implementation initiatives. These efforts ensure appropriate community involvement to coordinate long term planning, and improve organizational effectiveness, stronger environmental management, reduced costs and time to complete regional projects, as well as a multitude of other benefits that can drive regional economic growth and opportunity.

Regions are incubators of economic development by drawing on the collective strength of cities, counties and towns across a geographic region. CRCOG and its fellow regional planning organizations are recognized as experienced partners, consensus builders, community leaders and program managers. We convene local and multijurisdictional government leaders with businesses to support rural, suburban and urban workforce development activities. We have a proven record of administering local, State, and Federal funds and programs that bolster economic vitality. Our organizations develop innovative approaches and replicable practices that support strategic investments for sustainability and growth agendas in the Nation's communities. The LCA would provide the groundwork and Federal commitment to further regional and local activities by placing national emphasis on the integration of strategic regional transportation, economic, environmental, land use and housing planning objectives, breaking down silos, and streamlining processes to encourage cross-cutting, regional efforts.

From our experience, we believe the local government supported network of regional councils like CRCOG, with our broad spectrum of issues and expertise in programming Federal, State, and local funds and services, are a natural vehicle through which the Federal Government can realize efficiencies in delivering Federal programs. We believe such economies of scale, market penetration and peer-to-peer learning that can be achieved on a regional level will strengthen communities and help galvanize sustainable community or livability initiatives throughout the country. NARC sees the LCA as helping to advance this, and providing a multitude of benefits for citizens, businesses, community stakeholders, local, and State governments, and the Federal Government. Most simply stated, the LCA:

- Reaffirms the Federal role in regionalism;
- Helps coordinate regional assistance programs;
- Provides for Federal interagency coordination and meetings;

- Assists in determining a Federal livability framework;
- Is inclusive of regions and local governments of all sizes and make ups;
- Is voluntary and provides incentives for locally determined sustainable growth strategies and activities;
- Establishes competitive comprehensive regional planning and implementation grants;
- Promotes regional and local cooperation and service sharing;
- Ensures land-use/zoning requirements do not impede upon local decision-making; and,
- Provides for transparency, accountability and replicability.

Under the LCA, a livable community is defined as one that provides safe and reliable transportation choices, and affordable, energy efficient housing; supports public health and economic development; and, preserves natural, agricultural, and environmental resources. This broad, malleable definition allows for the Act to fund goals, strategies and outcomes that are flexible and locally derived through community stakeholder and citizen input. The LCA recognizes that communities of all sizes, make ups and capabilities are an important part of the national landscape, economy and future. Opportunities offered in the LCA will provide regional planning organizations, local governments, businesses, community groups and citizens alike the resources and collective capabilities to exercise choice in the ways we nurture, enhance and protect our large metropolitan areas, as well as our rural and small communities to ensure the unique characteristics, histories, offerings, and needs and wants are preserved for generations to come.

The LCA could provide critical assistance to communities in areas such as:

- *Economic Development:* The LCA provides flexible grant opportunities to stimulate local economic growth. Communities are encouraged to seek out collaborative partnerships across regions, cities, and towns to engage regional economic development strategies that can help direct resources and funding more efficiently and effectively throughout a region. The LCA would also support regional economic development initiatives through workforce training and increasing the technology infrastructure of a region (*i.e.*, increased broadband access), as rural regions require increased access to jobs, education and training, as well as up-to-date technological resources for retaining a strong workforce.
- *Job Creation:* The LCA would provide new resources to communities to spur economic development, stimulate commercial and industrial growth, attract new businesses and jobs, and incentivize innovation. The Act would encourage local governments and regions to develop local business and innovation clusters that provide industry incentives for entrepreneurship, apprentice and job training programs, and job creation; revitalize downtown and historic neighborhoods that preserve a community's identity and historical character, while generating new jobs, supporting independent businesses, and creating new economic opportunity; increase access to cultural and entertainment attractions that foster community investment and expand tax and investment revenue; and, improve transportation options, access and choice that incentivize new business and residential development, and contribute to the overall economic growth of the region. Access to transportation options connects residents to jobs and investment to economic opportunity for regional and local businesses.
- *Transportation:* The Act would provide competitive granting opportunities that support sustainable transit-oriented investment. Transit options are important for regions of all sizes, providing residents transportation alternatives. By increasing sustainable multimodal transportation choices, communities can incentivize new business and residential development; provide residents greater access to jobs, education, and necessary resources; and, contribute to the overall economic growth of the region. The flexibility of the LCA allows regions to adapt to local transportation needs and plan around a variety of transportation options.
- *Environment/Agriculture:* The LCA would support projects that clean-up and redevelop brownfields, reinforce sustainable agricultural practices, preserve open space, rural areas and natural resources, and improve environmental quality and public health. The LCA would encourage local governments and regions to create regional food systems that offer new opportunities for commerce and growth for local and regional food producers, businesses and related industries, while supporting local jobs and food needs that connect urban, suburban and rural communities; improve environmental health and management by promoting sustainable practices that are guided by local government-approved, cit-

izen-influenced comprehensive regional planning and implementation; and preserve agricultural land, natural resources, and open space as vital parts of rural areas and small towns for economic growth industries such as farming and tourism.

The LCA is also important from Federal policy and programmatic perspectives in that it would:

- Not place mandates on local governments or regions, but would provide a competitive opportunity to engage in Federal funding for comprehensive regional planning and implementation;
- Not have stringent requirements on local governments and regions, but would be inclusive and flexible; not be antigrowth, but would support prosperous, healthy communities that utilize sustainable land-use strategies through comprehensive regional planning and implementation for future transportation, housing, environmental, and economic development that looks at communities in a holistic fashion. The LCA encourages programs that make use of existing infrastructure and resources, as well as plan for future regional growth, changing demographics and needs; and,
- Not make exclusions, but would promote comprehensive, inclusive planning that is adaptable to local community needs.

The flexible, inclusive nature of the LCA is key to defining and seeing progress due to the fact that local governments and regions around the country are at varying stages of creating livable communities. By respect differing capabilities, geographies, demographics and cultures, the LCA is structured to allow for visionary plans and projects that will address local needs and desires. The mutually agreed upon decisions of the local governments and community stakeholders developed through the regional planning process, and provide choice in achieving common goals, while encouraging and incentivizing local planning, procurement and projects consistent with approved comprehensive regional plans. NARC views the LCA as a first step in patching together multiple Federal, State, local and regional planning requirements and investment through incentives that promote holistic approaches to establishing livable communities (See, NARC Livability Framework, Attachment F). This includes the alignment of timetables, schedules, data and research, plan assumptions and forecasts, interagency consultation and outreach requirements, helping facilitate on-the-ground program linkages that exercise regional approaches to development.

#### **Conclusion**

More than ever, regional planning organizations—urban and rural alike—are the conduit by which local governments can save money and time, while achieving concrete and visionary results through the pooling resources and development of integrated solutions to some of our biggest challenges. Now is the time for the Federal Government bolster its commitment and assistance to regional efforts by encouraging multijurisdictional work through incentives, flexibility, streamlining and direct funding to our local governments and their regional planning organizations. The Livable Communities Act is vitally needed in communities and regions nationwide to help restore economic prosperity and foster partnerships and innovative practices that make all of our counties, cities, towns, townships, villages and boroughs great places to live, play, work, and invest.

Thank you for allowing me to testify on behalf of NARC and giving me the opportunity to highlight some of the accomplishments and exemplary work of my region. NARC offers its support and assistance to ensure the Livable Communities Act is firmly incorporated into future Congressional work. We look forward to working with Chairman Dodd and the Members of this Committee to progress Federal enactment of policies, programs and funding that assist communities and regions in achieving their unique visions of livable communities through the cross-pollination of planning, program areas and services, linking community needs to smart, sustainable growth.

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#### **PREPARED STATEMENT OF JULIA W. GOUGE**

PRESIDENT, BOARD OF COUNTY COMMISSIONERS, CARROLL COUNTY, MARYLAND, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES

JUNE 9, 2010

Chairman Dodd, Ranking Member Shelby, and Members of the Banking, Housing, and Urban Affairs Committee. My name is Julia Gouge, and I am President of the

Carroll County Board of Commissioners, Member of the National Association of Counties' (NACo) Board of Directors; Environment, Energy and Land Use Steering Committee; and Rural Action Caucus. I thank you for the opportunity to testify at this important hearing on the Livable Communities Act, S. 1619. It is my privilege to represent NACo and our President, Sonoma County, CA, Supervisor Valerie Brown here today. We appreciate Chairman Dodd's commitment to ensuring rural, midsize and urban communities can benefit from The Livable Communities Act.

NACo, the only national organization representing America's 3,068 counties, supports the Livable Communities Act, which provides incentive grants to local areas for regional planning around housing, transportation, environmental, energy, land use and health initiatives. NACo has long advocated for flexibility, regionalism, and direct funding to local governments and regions as proven methods for enhancing communities. NACo believes that sustainability initiatives are most effective when they are multijurisdictional and involve multidimensional collaborations across communities of all sizes. Last year, NACo passed a resolution supporting Senator Dodd's legislation and we appreciate his and the Committee's leadership on sustainable issues.

Rural, suburban and urban counties have been pursuing local strategies to create livable communities and implement sustainable development for decades. NACo has worked to support our members in achieving sustainable development for more than 15 years through assistance on issues including smart growth and planning; sustainable economic development and business retention; improving citizen health through obesity prevention initiatives and promoting active living; as well as increasing efficiency and transparency in development; and in housing and home-ownership opportunities. NACo's initial efforts in the mid 1990s focused on city—county collaborations and priorities now include clean energy development and disaster resiliency.

In July 2010, at NACo's Annual Conference, the first draft of a member survey on County Sustainability Efforts will be released and the final publication will be unveiled in the Fall of 2010. Considering the diverse set of sustainability strategies now available to America's counties, NACo is undertaking this effort to better define, prioritize, and more fully assess the landscape of county sustainability strategies.

More specifically, the survey will capture counties' differing levels of sustainability knowledge, interest, commitment, and barriers to the development of specific sustainability goals—including energy efficiency, renewable energy generation, water conservation, green job creation, and integrated waste management.

NACo also began the Green Government Initiative in 2007 to provide comprehensive resources for local governments on all things green. The NACo Green Government Initiative is a:

- hub for county leadership on all things green,
- public/private partnership to provide information, training and assistance to counties, and
- catalyst to facilitate county green policies, practices, and products that result in financial and environmental savings.

We have focused on a variety of topics including:

- Energy efficient buildings
- High mileage and alternatively fueled fleets
- Environmentally preferable purchasing
- Waste management and recycling
- Water quality and conservation
- Land use and conservation
- Climate protection and adaptation and
- Community sustainability

The priorities for 2010 are:

- Cost-Saving Strategies through “going green”
- Energy Efficiency and Clean Energy, especially implementation of the Energy Efficiency and Conservation Block Grant
- Green Jobs and the Local Economy and
- Local food supply and community gardening

In May 2010, NACo's Green Government Initiative completed a new guidebook on the role counties can play in growing their local green economies. “Growing a Green

Local Economy: County Strategies for Economic, Workforce and Environmental Innovation” serves as a resource for counties interested in assessing the unique attributes of their local green economy and tapping into its tremendous potential.

Planning for sustainable communities is by its nature a regional effort. Counties are unique in that they are at their core a regional form of government, especially in rural America. Whether acting individually, with neighboring jurisdictions, or through regional councils, counties have the primary role in land-use planning and economic development decisions that impact and determine the growth, development and livability of communities.

However, many counties, especially rural and midsize counties would like to begin sustainable planning and development but lack the resources to do so. Many other counties have developed strong sustainability plans, but need extra funding to implement. Chairman Dodd’s legislation will be effective because it meets communities where they are—at the planning or implementation stage. Also, the grants are available to meet the needs of counties of all sizes, including rural ones.

In my county of Carroll County, MD, population of 175,000 through regional planning and innovative partnerships we have created three LEED (Leadership in Energy and Environmental Design) Certified Green Buildings. These buildings are oriented for site optimum natural day lighting and solar control; solar heating for domestic water; occupancy sensors for lighting; extensive storm water management structures; geothermal mechanical systems; and the use of high-recycled content materials such as steel, carpet, acoustical ceiling panels, drywall and concrete. To help reduce our carbon footprint, we have also invested in the purchase of hybrid cars for our fleet, as well as hybrid vans for our local transportation system.

Carroll County is one of the 21 governmental entities participating in the “Energy Management Initiative,” provided through partnership with the Baltimore Metropolitan Council (BMC). In Fiscal Year 2009, Carroll County estimated an electricity savings from BGE of \$900,000. Carroll is an active participant on the regional Sustainability Council of the BMC, which promotes coordinated policies amongst the regional jurisdictions to: realize smarter, more efficient energy purchases and utilization; share best practices relating to sustainable growth and development; and, adopt model alternative energy and sustainability plans from successful examples gained from other metro areas. We are also actively participating in the regional “Vision 2060” effort which is a long-term visioning exercise being conducted by the BMC. The effort is designed to develop long term plans for transportation alternatives in the Baltimore metro area—fifty years in the future. The BMC member jurisdictions hope to create a plan that will place sustainability and livability at the top of the future priorities list (*i.e.*, expanded transit system, reduction of single occupant vehicles on crowded roadways, and reduction in vehicle miles travelled, by promoting efficient land use and development).

In an effort to preserve our rural history, Carroll County has implemented an Installment Purchase Agreement (IPA) for farm preservation. This program allows us to purchase development rights, by leveraging our money, so that we can buy more land at today’s prices. To date, we have placed over 60,000 acres into permanent agricultural preservation.

NACo continues to believe that sustainability should be voluntary and encouraged through a Federal grant program that rewards regions and communities that undertake sustainable programs, like what is proposed in the Livable Communities Act. We do not believe that sustainability should be a condition for receiving housing, transportation and other traditional sources of Federal funding.

We believe that all communities should be eligible for the program. Under the initial proposed legislation, some rural and remote communities would not have been eligible. We support a fix that would set aside funds for a subcategory of rural areas that are not part of an otherwise eligible micropolitan area.

These rural communities have undertaken sustainable development projects at a scale that is realistic based on resource and geography constraints. These communities represent the majority of the Nation’s land mass and should play a critical role in Federal efforts to encourage sustainable development. For example, only 122 counties have populations over 500,000. About 180 counties fall in the 200,000 to 500,000 population range and 2,835 counties (over 90 percent) have populations below 200,000.

NACo’s Rural Action Caucus (RAC) advocated for passage of the Livable Communities Act during their recent legislative fly-in on April 28, 2010. Also, Brookings County, SD, Commissioner Don Larson, Chair of the Agriculture and Rural Affairs Committee and member of RAC spoke at the Senate briefing on The Livable Communities Act Rural Benefits on April 30, 2010. RAC is the voice for America’s rural counties in Washington. It is a bipartisan coalition of rural elected officials, who strive to enhance the quality of life in rural counties through effective Federal legis-

lation. The caucus is not only the advocacy arm of the organization, but also serves as the conduit for technical and programmatic assistance through the NACo County Services Department.

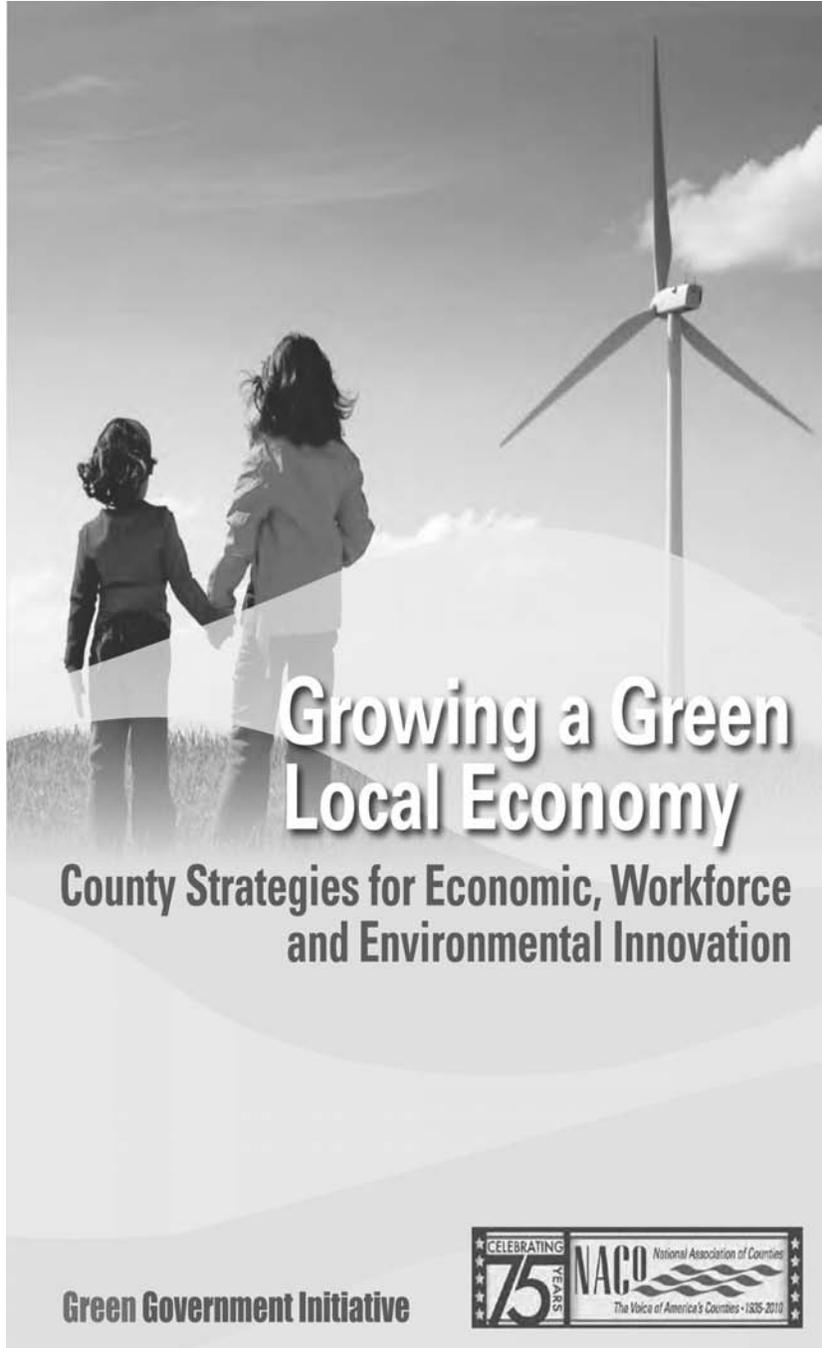
The legislation also creates the Office of Sustainable Housing and Communities to coordinate Federal policies and initiatives on livable communities which will provide information on best practices and technical assistance. The U.S. Department of Urban Development has already started such an office and has grant money available for Fiscal Year 2010 on sustainable planning. The bill would also formally establish the Interagency Council on Sustainable Communities, a partnership between U.S. Environmental Protection Agency, Department of Transportation and Department of Housing and Urban Development (HUD). NACo supports HUD taking the lead on breaking down silos within the Federal Government and Senator Dodd's legislation supporting these efforts.

NACo believes it is the right time for passage of the Livable Communities Act because of the difficult economic and fiscal environment in our counties, and the pressure of new social, economic and environmental imperatives. The goal of sustainability compels all levels of government to regroup, and to demand innovative multi-jurisdictional, multidimensional and fiscally sound approaches that will lead to better transportation choices, equitable and affordable housing, social equity and enhanced opportunities for our communities.

When Federal funding is involved, efforts at integrated local and regional planning are often hindered by the States when funds are not granted directly to local governments. Therefore, NACo appreciates that the bill allows local entities to receive funding directly.

Thank you for the opportunity to testify. We look forward to working with Chairman Dodd and other Members as this legislation moves forward to ensure that small metro and rural communities are active participants along with urban ones. I would be happy to answer any questions you may have.

**Attachment**



# Growing a Green Local Economy

**County Strategies for Economic, Workforce and Environmental Innovation**

**Green Government Initiative**



National Association of Counties



# Growing a Green Local Economy

## County Strategies for Economic, Workforce and Environmental Innovation

### Green Government Initiative



#### About NACO – The Voice of America's Counties

The National Association of Counties (NACO) is the only national organization that represents county governments in the United States. Founded in 1935, NACO provides essential services to the nation's 3,068 counties. NACO advances issues with a unified voice before the federal government, improves the public's understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACO, visit [www.naco.org](http://www.naco.org).

To request copies of this publication or other related materials about NACo's Green Government Initiative, please contact:

Jared Lang  
Program Manager, Green Government Initiative  
National Association of Counties  
Phone: (202)942-4224  
E-mail: [jjlang@naco.org](mailto:jjlang@naco.org)

This issue brief was published in May 2010 and made possible by the generous support of NACo's Green Government Initiative Partners and the U.S. EPA's ENERGY STAR Program. It was written by Jared Lang, NACo Green Government Initiative Program Manager, with contributions from several NACo staff, including Stephanie Osborn, Anita Cardwell, Cindy Wasser, Carrie Clingan, and Erik Johnston, and several NACo member counties. Jack Hernandez performed the graphic design and layout. Several photos used in the publication are courtesy of Green Jobs Now.

The report assembles a wide breath of research and analysis from across the non-profit, academic, and business communities. To follow up on the concepts and strategies highlighted in this document, please refer to the list of sources cited in the back of this publication.



### Growing a Green Local Economy: County Strategies for Economic, Workforce and Environmental Innovation

With new policy attention and investment flowing into “green” economic activity, opportunities are arising for counties to position their communities to take part in the green economy. Pursuing green economic growth is paying off for local governments around the country. Between 1998 and 2007, “green” jobs grew at a faster rate than overall jobs. All sectors of our economy have been hit by the recession, but investments in green technology have fared far better than conventional investments. Looking forward, the green economy presents significant growth opportunities for America’s counties.<sup>1</sup> This guidebook serves as a resource for counties interested in understanding their role in the green economy and tapping into its tremendous potential.

#### What is the Green Economy?

The concept of a “Green Economy” is quite new. As such, community and industry leaders have not settled on one clear definition of the green economy. On one end of the spectrum, definitions limit the green economy to simply the clean energy industry. While on the other end of the spectrum, definitions include the greening of every single economic input.

Despite the disparity in definitions, leaders working on green economic issues agree that it represents the confluence of economic development, workforce development, and environmental stewardship. Green economic practices are unique in that they encourage county economic development and workforce departments to account for the environmental impacts of their decision-making, while environmental departments are encouraged to account for the ways their policies effect economic growth and job creation. The concept is predicated on the idea that economic prosperity and environmentalism should be mutually beneficial.

*Defining the Green Economy: A Primer on Green Economic Development*, an analysis of 25 separate studies on the green economy, offers perhaps the clearest definition of the green economy. At its core, the green economy is the clean energy economy, consisting primarily of four sectors: renewable energy (e.g. solar, wind, geothermal); green building and energy efficiency technology; energy-efficient infrastructure and transportation; and recycling and waste-to-energy.<sup>2</sup> Although these are the growth sectors leaders primarily focus on, the green economy is not just about the ability to produce clean energy.

“To remain competitive in the global economy, we need to discard notions of a dichotomy between economic growth and environmentalism and position our local economies at the forefront of innovation, competitiveness, and wise environmental stewardship.”<sup>3</sup>

– Valerie Brown  
NACo President, Supervisor, Sonoma County, CA

The green economy also includes retrofitting existing products and process improvements that result in efficiency and positive environmental impacts.

#### What are the Sectors of the Green Economy?

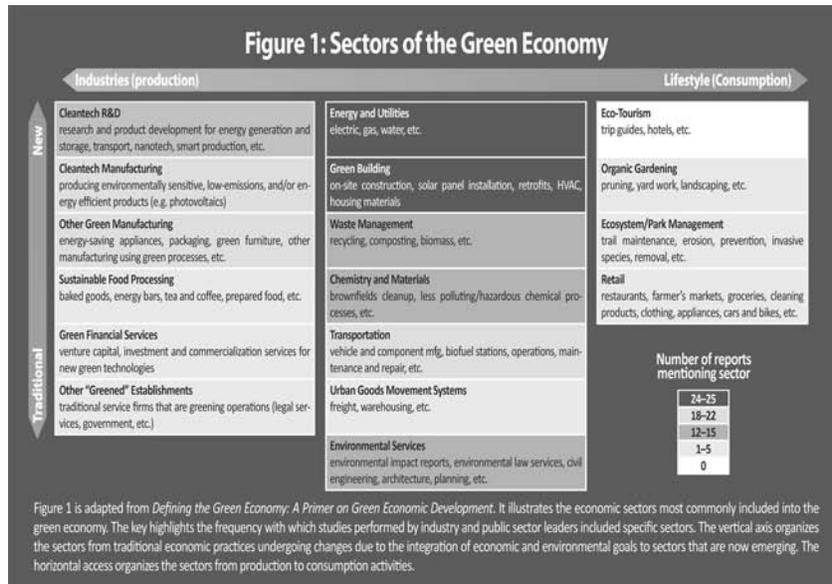
The integration of economics and environmentalism creates several new industry sectors and requires the re-evaluation of many existing production consumption processes. The sectors impacted by green economic development vary depending on how stakeholders define the green economy. Figure 1 illustrates a green economic sector analysis adapted from *Defining the Green Economy: A Primer on Green Economic Development*.

#### County Strategies for Greening Local Economies

Each county has unique challenges that require different approaches to greening their local economy. In order to best meet the needs of NACo members, strategies for impacting the green economy can be broken down into five broad categories:

- Green Economic Development
- Resource Efficiency and Green Purchasing
- Local Production
- Waste Management
- Green Infrastructure

The strategies and implementation tools are described in further detail in the following sections. But before delving into the 5 strategies, it should be noted that three overarching themes run across them all.



### Retrofit

The least costly and most efficient way to go "green" is to retrofit existing systems and processes to utilize existing resources more efficiently.

### Grow "Green"

Growth provides a crucial opportunity to incorporate green from the ground up. All production systems can be examined and altered to green standards.

### Consume "Green"

The consuming of products, services, and food has numerous economic and environmental impacts. When purchasing everything, consumers can make efforts to ensure products are produced efficiently and with the least impact to the environment.

By its nature, green economic development results in many social and environmental benefits. For the sake of clarity and brevity, this report focuses almost exclusively on the strategies and economic benefits accruing from the integration of local economic and environmental activities.

## Green Economic Development

Traditional economic development focuses on increasing production of goods and services. Production and exportation are vital for generating local income. Consequently, building export bases dominates much of traditional economic development strategies. In a green economy, traditional economic development strategies are adapted to build business that improves environmental outcomes.

### Green Business Attraction and Retention

Key targets for green economic development commonly include businesses that manufacture components for clean energy generation, perform clean energy and technology research and develop-

ment, and produce new environmentally-friendly versions of traditional products.

Attracting new green business is believed to be most substantial strategy for developing green local economies. Yet, high initial costs for site relocation, research, development, and marketing of green products and services often prevents the private sector from expanding.<sup>3</sup> With that in mind, county government can develop a green economic development strategy that targets incentives to green businesses and reduces barriers of entry into their communities.

## Model Program

### Ohio Green Enterprise Zone Clinton County/City of Wilmington, OH

On July 16th, 2009 the City Council of Wilmington, Ohio unanimously voted to establish the Wilmington Green Enterprise Zone (GEZ)—the first of its kind in the country. Funded as a line item of the City of Wilmington budget, GEZ is an innovative policy tool that seeks to spur green business and job creation in Clinton County by bringing about a convergence of two key areas of economic development: local capacity building and targeted financial incentives. In addition, Clinton County will:

- Serve as a consultant to parties seeking resources at the local, state, and federal levels.
- Provide an annual report on regarding the activity and agreements within the GEZ and advise the Mayor of Wilmington and Wilmington City Council on green development issues.
- Provide Green Enterprise Grants (GEG) for qualifying projects that improve material and energy efficiency or deploy advanced energy technologies for new or existing businesses.<sup>4</sup>

Counties commonly take advantage of several strategies to attract green businesses:

- Expedited review processes
- Technical support (e.g. with finding real estate, financing, land development review processes, etc.)
- Assistance with outside grants, loans, and support
- In-kind contributions (e.g., of land or infrastructure or staff support)
- Paying relocation expenses

In addition, several strategies are designed to both attract and retain green businesses.

- Grants for targeted green ventures
- Tax credits and refunds for targeted green businesses
- Fee exemptions for local government processes (e.g. land development review, building renovation, etc.)
- Subsidized loans

### Green Economic Gardening

Economic gardening is an economic development model that embraces the fundamental idea that entrepreneurs drive economies. The model seeks to create jobs by supporting existing companies in a community and helps community members develop new businesses. The concept connects entrepreneurs to resources, encouraging the development of essential infrastructure and providing them with needed information. Economic gardening initiatives provide local entrepreneurs with access to competitive intelligence on markets, customers, and competitors comparable to the resources customarily only available to large firms. This type of development increases local capital and provides income to residents who are likely to stay in the community for the long term. Traditional economic gardening can be adapted to target green business sectors. Services can include:

- County-supported business counselors
- Customized business research
- Market trends
- Industry information
- Customer analysis and identification
- Demographics and psychographics
- Marketing resources/lists
- Industry trends/forecasts, business financial info
- GIS – tools that provide customer locations and trends, drive-time analysis, plot competitor locations

### Green Jobs and Workforce Training

Before making location decisions, green businesses examine local demographics to determine whether communities offer the best employee-bases to support their staffing needs. In order to attract and retain green businesses, counties need well-trained workforces. Counties leading the way in green economic development have harmonized workforce training and economic development programs to accelerate green economic outcomes. By analyzing the employment needs of existing green businesses and new businesses counties want to attract, they can develop workforce training programs to train workers for available jobs.

Green jobs may be new, but most are achievable by transforming existing roles and retraining workers. The newly created White House Task Force on Middle Class Working Families defines green jobs as jobs that 1) involve tasks associated with improving the environment; 2) provide sustainable family wages, health and retirement benefits, and decent working conditions; and 3) are available to di-

## Model Programs

### Pueblo County Economic Gardening Program

#### Pueblo County, CO

The Pueblo County, Colo., Geographic Information Systems (GIS) Department offers consulting services for local businesses to help them find optimal locations and grow in the community. The GIS department uses software from Redlands, Calif.-based ESRI that supports a variety of analysis and mapping needs, and provides demographic, business and shopping center data as well as the ability to incorporate in-house data.

Christopher Markuson, GIS manager for Pueblo County, and his team help business owners analyze and map demographic data and find valuable sources of information to improve their business models. They recently helped a local Web-based business that wanted to improve market penetration nationwide and Pueblo Community Health with a fundraising campaign. When last studied in September 2009, Markuson said, "We've tracked 58 new jobs emerging from the businesses we've helped grow, bringing in over \$2.8 million of new revenue into the county." Markuson also noted that most of the new jobs paid livable wages (\$45,000 each on average), offered benefits, and had little potential to move out of the community. For more information on the program, please visit [www.pueblobusiness.org](http://www.pueblobusiness.org).

### Boulder County Green Jobs Pipeline

#### Boulder County, CO

The Green Jobs Pipeline Partnership is a collaborative effort of Boulder County Housing and Human Services, Boulder County Housing Authority, Boulder County Community Services and Workforce Boulder County. The county piloted renewable energy and energy efficient projects for the Boulder County Housing Authority—providing paid internships and on-the-job training for low-income workers. The process links workforce demand with training for people in specific sectors—creating a pipeline from unemployment to work.

The program has weatherized 500 homes throughout Boulder, Broomfield, Larimer & Gilpin Counties—upgraded with cutting edge life/safety and energy efficiency enhancements. The training includes include soft skills, pre-apprenticeship training, and wraparound services that are needed to serve ex-offender, youth and other hard to serve populations. The goal is to build sustainable public-private partnerships that ensure Boulder County residents can find pathways out of poverty.<sup>6</sup>

verse workers from across the spectrum of race, gender, and ethnicity. In forming these jobs and sectors, county green workforce training strategies and programs should incorporate both the demand for trained employees and existing supply already available within communities.<sup>5</sup>

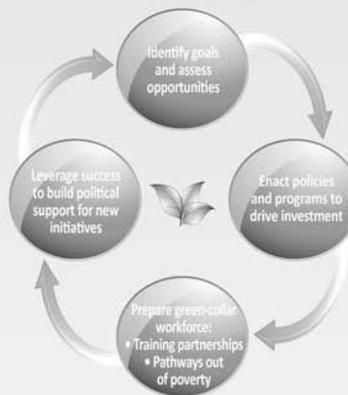
The National Association of Counties has performed extensive work on green jobs issues. For more information, please refer to NACO's Issue Brief County Economic Development and Green Jobs: The Role of County Officials.

### Workforce Training Partnerships

Because the connections between local demographics, existing skills, workforce training, and employment are so complex, effective workforce training requires partnership across communities. For decades local workforce boards have been utilized to foster community partnership. When building partnerships and initiating efforts to train workforces for green employment, this is a great place to start. These are the common participants in green job training:

- County and city government leaders
- State government leaders
- Non-profit job training organizations
- Unions
- Local Businesses
- Community Colleges
- Universities

### Stimulating Green-Collar Jobs and Opportunity in the New Energy Economy



The diagram depicts the process by which counties can develop their local green workforces. The cyclical representation illustrates the iterative nature of green workforce development strategies.<sup>7</sup>

### Resource Efficiency and Green Purchasing

In addition to green economic development strategies that increase production and supply, there are additional, often more effective, methods for building green local economies. Resource Efficiency and Green Purchasing are two broad strategies for addressing the consumption-side of the green economy—harnessing community buying power and demand for energy, water, and green products. Simply by more efficiently utilizing resources, counties can:

- Reduce the cost of running local government
- Reduce the cost of doing business for existing green businesses
- Lower barriers of entry for new green businesses
- Reduce utility costs for homeowners, improving community quality of life and attracting a stronger workforce.
- Reduce the negative impacts on the environment caused by resource use

### Buildings

The built environment is a vital component of all economies. The way homes, businesses, civic institutions, and infrastructure are built, designed, and maintained has broad implications for resource consumption. As a result, pursuing resource efficiency in local building stocks can create new jobs and increase counties' attractiveness. Building energy efficiency measures include:

- Upgrading mechanical and electrical systems
- Replacing lighting and lighting controls
- Adding energy management and information systems
- Upgrading heating, ventilation and cooling air conditioning (HVAC) systems
- Incorporating low-flow water fixtures
- Developing renewable energy capacity
- Distributed generation
- Combined heat and power (CHP)
- Covering roofs with reflective materials
- Replacing windows
- Adding insulation

Counties can lead by example by performing energy efficiency upgrades in their own facilities. At the same time, counties can also leverage their resources by pursuing community-wide energy efficiency strategies that influence local businesses and residences. For more information see NACo's *Internal County Energy Management Strategies Factsheet*.

### Green Building Tools and Standards

A 2008 CoStar Group, Inc. study found that green buildings standards in the U.S. were "adding value" to buildings, as exhibited in higher occupancy levels, rents and sales prices as compared to traditional commercial properties.<sup>8</sup> Several commonly used tools to green buildings include:

- The U.S. Green Building Council's *LEED Rating System* is an internationally recognized green building certification system, providing third-party verification that buildings and communities are designed and built using sustainable strategies.<sup>9</sup>
- *National Green Building Standard* defines green building for single and multifamily homes, residential remodeling projects and site development projects, while still allowing for the flexibility required for regionally-appropriate best green practices.<sup>10</sup>
- *ENERGY STAR* offers several tools for managing energy use in buildings. Portfolio Manager is an interactive energy management tool that allows users to track and assess energy and water consumption across their entire portfolio of buildings in a secure online environment. Whether you own, manage, or hold properties for investment, Portfolio Manager can help you set investment priorities, identify under-performing buildings, verify efficiency improvements, and receive EPA recognition for superior energy performance.<sup>11</sup>
- The *ENERGY STAR Building Manual* is a strategic guide to help plan and implement profitable energy saving building upgrades. Users can maximize energy savings by sequentially following the five building upgrade stages.

Counties can offer incentives such as density bonuses or expedited review processes (Arlington County, VA), or enact regulations that require buildings to meet green building standards (Los Angeles County, CA). For sample incentives and regulations to encourage the use of these tools, please see the database available at [www.greencounties.org](http://www.greencounties.org).

#### Energy Efficiency Financing Mechanisms

With the challenges local governments are facing, the National Association of Counties understands that it is difficult to find funding for green building initiatives. As a result, the Green Government Initiative is dedicating much of its resources to helping counties find new financing methods. Included are several traditional and new models for financing energy efficiency.

- Counties can apply for grant funding from federal, state and non-profit sources to fund energy efficiency improvements.
- **Performance Contracting** is a model used by counties to pay for energy efficiency upgrades with the savings they create. Loans are taken out up-front and paid off over time with the savings they create.
- **Property Assessed Clean Energy (PACE)** programs enable counties to loan funds to residents and businesses for energy efficiency retrofits. Proceeds are repaid 20 years via an annual assessment on their property tax bill.
- **Revolving Loan Funds** enable counties to create a pool from their existing resources to loan over and over again for energy efficiency retrofits. Loan interest and fees replenish the fund and cover maintenance.
- **Loan Loss Reserves** can be set up to back-up traditional loans made by private lenders—in turn reducing loan interest rates, which makes loans much more affordable and increases the benefits of making energy efficiency investments.

For more information on green building in counties, please see *Counties & Commercial Green Buildings Factsheet*<sup>12</sup> and *Counties & Residential Green Building Standards*.<sup>13</sup> There are also several factsheets available on the models include here at [www.greencounties.org](http://www.greencounties.org).

#### Operations

The daily operations of both public and private facilities offer an inordinate number of opportunities to increase efficiency. These strategies are just as valuable for creating new jobs and revenue for local communities as business attraction and workforce development. Often, these strategies take less capital, expertise, and time to implement. Hence, they the most popular and most often pursued strategies.

#### Green Procurement

Green procurement is the selection of products and services that minimize environmental impacts. Strategies include:

- Office Supply Purchasing Policies
- Green Cleaning Policies
- Green Building Operations Policies

For sample resolutions and purchasing policies, please visit NACo's Green Government Database.<sup>14</sup>



#### Fleet Management

Fleet (vehicle) management can include a range of functions, such as vehicle financing, vehicle maintenance, vehicle telematics (tracking and diagnostics), driver management, fuel management and health & safety management. Fleet Management provides opportunities to remove or minimize the risks associated with vehicle investment, improving efficiency, productivity and reducing overall transportation costs. For more information on fleet management strategies, please see NACo's Transportation and Alternate Fuels Resources at [www.greencounties.org](http://www.greencounties.org).<sup>15</sup>

#### Local Business Community Efficiency

By influencing local businesses to reduce energy and water consumption, counties can increase their attractiveness to companies that create green jobs and skilled workers. The National Association of Counties Green Government Initiative has produced several publications on methods for undertaking community-wide energy efficiency—including policies and action plans.

#### Residential Efficiency

By influencing the reduction of energy and water consumption in homes, counties can increase resident quality of life and make their communities more attractive to the employees that green businesses desire. The National Association of Counties has identified several strategies to reduce residential energy and water consumption.

#### Operations Tools and Standards

Green standards provide defined guidelines for local businesses. Some common standards and regulations include:

- **Green Plus** is a program that educates and certifies small and medium sized businesses in triple bottom line sustainability. The organization offers benchmarking tools and strategies for green business operation and procurement.<sup>16</sup>
- **Green Seal** offers certification for local businesses looking to green their products and services.<sup>17</sup>
- **LEED for Existing Buildings Rating System** helps building owners and operators measure operations improvements and

## Model Programs

### Green Business Partnership

#### Sarasota County, FL

The Green Business Partnership is a collaborative effort of businesses, business organizations and county government. It was initiated through an innovative grant awarded by the Florida Department of Environmental Protection to Sarasota County. An on-site certification assessment to verify the performance of applicant businesses to the Green Business Partnership standards. Certification is valid for three years, after which a recertification process is required. Local businesses are seeing noticeable results due to their participation in the program. For example:

- Carlson Studio Architecture is saving more than \$1,600/year by conserving energy and water
- Children's World Uniform Supply reduced its paper consumption 50 percent
- Mirasol FAFCO Solar reduced its garbage costs 50 percent
- The John and Mable Ringling Museum of Art reduced energy consumption and saved \$100,000/year<sup>18</sup>

maintenance on a consistent scale, with the goal of maximizing operational efficiency while minimizing environmental impacts.<sup>18</sup>

- The US Environmental Protection Agency's **ENERGY STAR** Program provides many platforms that can be used to leverage county resources to promote energy efficiency throughout the community.
  - » The "Change the World, Start with ENERGY STAR" campaign is designed to encourage local residents to pledge with millions of others to take small, individual steps to conserve energy. Energy Star offers a process for how to set up a competition.<sup>19</sup>
  - » *Energy Star's Guidelines for Energy Management* offers a proven strategy for superior energy management and financial performance with tools and resources to help each step of the way.<sup>20</sup>
  - » *Energy STAR's Residential Program* offers tools and resources for how local residents can improve energy efficiency in their homes.
- The US Environmental Protection Agency's **WaterSense** Program helps consumers identify water-efficient products and programs that meet **WaterSense** water efficiency and performance criteria. **WaterSense** offers products, programs, and practices to help save water and money and encourage innovation in manufacturing.
- **Residential Energy Services Network (RESNET)** Certified Auditors provide **Home Energy Rating (HERS)** and offer strategies for meeting Energy Star Performance Standards.

## Local Production and Utilization

Producing and consuming locally builds community wealth, increases regional self-reliance and economic security, and eliminates the environmental impacts associated with transporting goods over long distances. Due to the multiplier effect, the positive impacts of local expenditures ripple throughout entire local economies. The local economic chain works something like this:

1. manufacturers create jobs by producing goods in a community
2. on-site jobs and income are created by distributing and installing the goods
3. and additional jobs and economic activity are created by supplying goods and services to people in the primary green activity.

More specifically, local manufacturing can produce high quality jobs and export products. Locally-sourced food can provide better quality food at a lower cost to communities. Locally-sourced renewable energy can reduce the cost of living for local residents, the cost of doing business for businesses, and create security in the energy supply.

### Local Food Systems

The way we produce, process, and consume food has major implications for green economic growth and environmental quality. The term "foodshed" is used to examine local food systems in a holistic manner and create more sustainable methods for producing and consuming food. Foodsheds include everything from where food is produced to where it is consumed—including the land it grows on, the routes it travels, the markets it goes through, the way it's eaten, and its disposal. Many "eat local" campaigns utilize a simple 100-mile radius, but local foodsheds are unique to different communities. Each community can perform an analysis to determine the unique scale and make-up of their local foodshed.

#### Food Policy Councils

A food council is a group of stakeholders that provides support to governments and citizens in developing policies and programs related to the local food economy. County governments can support



Strategies to improve the food system should include interventions at each stage of the system.

food councils by sponsoring their creation and providing technical support, in-kind contributions (e.g. office space, funding, staff assistance, etc.), and political legitimization from elected officials.

#### Farm to School

Farm to school programs take advantage of the buying power of school districts to support local farms—both providing food at discounted rates to school districts and fueling local economic activity. School districts purchase produce and local agricultural products farms to serve as part of school meals. Counties that directly control school districts can develop local food purchasing policies. Otherwise, counties can indirectly support farm-to-school programs by providing the capacity to apply for grants, leadership to create partnerships, and help farms to build capacity to provide food in the form that schools can immediately use.

#### Food Infrastructure Development

Food supply infrastructure includes growers, suppliers from which to purchase seeds, tools and machinery facilities in which to store goods, processing and packing facilities to transform raw products into marketable ones, and shipping and distribution methods to deliver products to buyers. To help develop food system infrastructure, counties can streamline permit processes and offer financial aid for food producers, targeted tax rebates, political support and favorable zoning regulations.

#### Agriculture Conservation Easements

Agricultural conservation easements are deed restrictions landowners voluntarily place on their property to keep land available for agriculture and ensure it does not get developed. County governments can support agricultural conservation easement programs first and foremost by passing legislation that allows for their establishment. In addition, counties can provide capacity and technical assistance to help set them up.

#### Community Gardens and Urban Farms

Community gardens are spaces in urban and suburban communities where residents can grow food and plants. They are public spaces

that are managed and maintained with the active participation of community residents. By enabling citizens to grow their own food, community gardens reduce family food budgets, create food security, and offer income producing opportunities. In addition, community gardens offer opportunities for restoring vacant lots, which in turn raises local property values and improves community health.

For more information on how counties can influence food systems, please see refer to *Counties and Local Food Systems*.<sup>25</sup>

### Renewable Energy Generation

Renewable energy technologies offer economic advantages for two main reasons: (1) they are labor intensive, so they generally create more jobs per dollar invested than conventional electricity generation technologies, and (2) they use primarily indigenous resources, so most of the economic ripple effect is realized within the local community. In fact, The Wisconsin Energy Bureau estimates that renewable energy generation creates three times as many jobs as the same level of spending on fossil fuels.<sup>26</sup>

Across the country, counties are pursuing wind energy generation, solar, geothermal, biomass, and smart grid technologies. The following strategies can be pursued to increase renewable energy generation in counties:

- Pursue renewable energy generation in conjunction with energy efficiency retrofits of county buildings.
- Offer tax and financial incentives, such as Property Assessed Clean Energy (PACE).
- Offer county residents and businesses with assistance utilizing state and federal tax rebates and benefits for renewable energy.
- Assisting large energy developers with siting and permitting.
- Offer positive messages.
- Communication during the development and operation of any energy project of scale is critical. Counties can effectively communicate the impacts of project with the community at all stages of development and operation.

For more information on wind energy development, please see the *Wind Energy Guide for County Commissioners*.<sup>27</sup> And despite its name, the U.S. Department of Energy's *Solar Cities Program* also offers great tools and funding opportunities for counties.<sup>28</sup>

### Waste Stream Management

By reducing the costs and negative externalities associated with waste disposal, counties are creating jobs and reducing the costs of doing business. Counties with competitive business environments understand full-well the value of sustainable waste management. Many local governments have adopted aggressive solid waste management programs. The County of Hawai'i, for example, has declared its intention to develop a zero waste future. Achieving this goal will require innovative technologies to reduce the waste stream, increase recycling rates, and transform waste to energy without relying on incineration.

Private waste companies can provide the expertise to bring about new ways of managing solid waste, while creating jobs and reducing environmental impacts in the process. For instance, Waste Management International has announced plans to fundamentally transform its operating model from that of a "waste" company to a "materials" company. Because of the significant role counties play in waste management, the green transformation of the waste industry creates tremendous opportunities for counties.<sup>29</sup>

### Commingled versus Single Stream Recycling

Commingled recycling requires residents to separate all paper in one bin and all containers (plastic, glass, etc.) in another. Single Stream recycling enables all recycles to be placed in one bin—making it easier to recycle but increasing contamination. Both strategies have unique benefits and drawbacks, but, no question, single stream recycling is increasing in popularity.<sup>30</sup> Considering the goal of recycling programs is to earn the highest possible diversion rates, counties should examine the characteristics of their communities and determine which strategy is best.

### Landfill Gas to Energy Recovery Systems

Landfill gas is produced when microorganisms break down organic material in landfills, and is comprised of approximately 50-60 percent methane and 40-50 percent carbon dioxide. At most landfills in the United States, these greenhouse gases are simply burned off, or "flared." According to EPA data, there are currently 425 landfills with LFGTE projects in the U.S. that power more than 1 million homes. They estimate that there are about 570 landfills that have the potential to develop LFGTE projects in the future. National Association of Counties staff can connect counties to organizations that can help them assess whether the landfills in their communities are viable candidates for LFGTE projects.

#### Landfill-Gas-to-Energy Recovery Systems

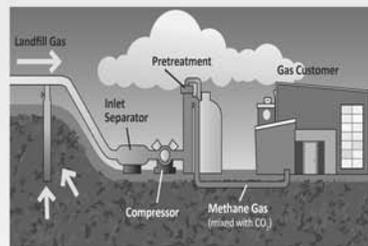


Figure adapted from NST/Engineers, Inc.

### Construction Recycling

The construction waste stream is one of the largest components of the overall waste stream. Hence, many counties focus efforts specifically on construction recycling. They provide the tools and assistance needed to help contractors obtain the highest diversion rates on construction, demolition and deconstruction projects. Tools available include sample jobsite waste guidelines, waste management plan templates, sample recycling specifications, directories of local recyclers. Technical assistance can include presentations to jobsite workers on building material reuse, salvage, and recycling, and site visits to assess diversion options. In addition, counties can require that all building permits have plans that comply with county reuse and recycling targets.

### Composting

Composting offers an effective method for diverting waste from landfills, while at the same time providing viable mulch for local agriculture. Counties can facilitate composting by residents and local businesses with demonstrations at county facilities. Strategies include:

- Developing education, training and initiatives to promote composting on farms, homes, and businesses
- Modify county code to include reasonable composting rules for the commercial and industrial sector

### Landfill Redesign

New waste stream management methods require landfills to re-tool. Strategies include:

- Accept and sort commingled recyclables
- Recover and sell reusables
- Establish organic material and rock grinding services
- Install full signage and demonstrations in county facilities

### Waste Management Training and Social Marketing

- Train the trainers, technicians, regulators, residents, businesses
- Facilitate research required to support sound resource management, including facilitation of public, private, and academic partnerships

## Sustainable Design and Planning

Land use decisions significantly impact resource use, environmental quality, and economic activity. As a result, planning and zoning authority provides counties with powerful tools for influencing the green economy. By encouraging smart, coherent land use decisions, counties can increase the quality of life of local residents and improve the local business environment.

### Commercial Corridor Revitalization

Strong business corridors build strong neighborhoods and create community wealth—increasing property values, attracting businesses, and increasing economic stability. Counties can build the capacity of communities, merchant groups, and community-based organizations to strengthen the physical, social, and economic character of their neighborhoods—with a keen eye on attracting green businesses. County corridor revitalization programs can include community planning, hands-on implementation assistance, grant funding, analysis of market data, trainings and peer networks, and green business attraction.

### Open Space Conservation

In its most basic form, open space is land that has not been developed for intensive human use; it has no (or very few) buildings, roads, or other structures. Open space conservation has intrinsic value to the environment, but it can also be viewed as a green economic development strategy.<sup>31</sup> Homes and businesses located in communities with strategic open space conservation programs experience higher property values. Open space is a financially valuable community amenity.

### Green Infrastructure Development

Green Infrastructure is a network of waterways, wetlands, woodlands, wildlife habitats and other natural areas of countywide significance that supports native species, maintains natural ecological processes, sustains air and water resources, and contributes to health and quality of life. As an interconnected system, green infrastructure provides greater environmental viability, value, and function than the sum of the individual resources. Green Infrastructure can include simple low impact development techniques such as small patches of grass and trees as well as large-scale managed use of wetlands as water treatment components. Effective management of green infrastructure also creates jobs and fosters economic growth. Some strategies for building county green infrastructure include:<sup>32</sup>

- Create a plan for green infrastructure management and development—including identifying existing assets and gaps.
- Build a countywide map of existing and desired green

## Model Programs

### EcoComplex Catawba County, NC

The EcoComplex evolved out of a need to meet legislation enacted by North Carolina in 1989 mandating that all landfills reduce solid waste by 40% by 2001. Catawba County faced a greater challenge than most of its peers due to the fact that its waste stream was approximately 78% industrial, which is most difficult to reduce. The EcoComplex was developed to recover all useable products and by-products from a group of private and public partners, and use the waste products as either sources of energy or as raw materials in the production of products (pallets, lumber, compost, brick shapes/art). The EcoComplex currently creates enough renewable energy to power approximately 1,200 average sized homes, and an expansion of production to 2,400 homes will be completed in the near future. To date, benefits include:

- Generating \$20 million for Catawba County's tax base
- Increasing the life of current landfill by 35 years
- Enabling Catawba County to consistently hold the position as the #2 recycler in North Carolina

### Community-wide Green Infrastructure Plan

#### Alachua County, FL

Alachua County, Florida is a county of 252,388 people in North-Central Florida—including urban, suburban, and rural growth patterns. The County's Green Infrastructure Investment Strategy entails protecting green infrastructure through land acquisition, land use authority, development regulations, and community outreach.

The County has addressed green infrastructure through its Comprehensive Plan and land development code, promotes Low Impact Development (LID), maintains urban boundaries, and enforces non-point source clean water mandates for impaired local water bodies. Some resource protection standards include requiring large natural buffers along all water features, requiring open space and connectivity between developments, requiring minimum percentages of preserved tree canopy coverage, and offering a transfer of development rights (TDR) program. The county estimates that their preservation efforts have resulted in \$150 million benefit to local property owners and \$3.5 million per year in tax revenue for the county.<sup>34</sup>

infrastructure that can be readily updated.

- Streamline the preparation of environmental information and recommendations for area master plans.
- Facilitate a more environmentally effective review and mitigation process for all development projects.

For more information on county green infrastructure strategies, please see NACO's Green Infrastructure Program.<sup>33</sup>

## Green Policy and Planning

Counties excel as thought leaders, organizers, and conveners. At the same time, all the strategies illustrated in this document will

## Model Programs

### Zero Waste Plan for the County of Hawai'i

#### Hawai'i County, HI

In December 2007, the County Council adopted a resolution to "embrace and adopt the principles of zero waste as a long-term goal for Hawai'i County." The zero waste philosophy promotes the efficient use of materials to eliminate waste and pollution by emphasizing a closed-loop system of production and consumption, and moving in logical increments toward the goal of zero waste.

Concurrent with the adoption of the resolution, the County formed the Solid Waste Advisory Committee (SWAC) and contracted with a consultant to develop the Zero Waste Plan for the County of Hawai'i (February 2009). The recommendations in the Plan are projected to increase the County's current recycling rate of 29 percent to a rate of 44 percent by the end of the planning period of 2015. The plan is designed to recover almost \$11,000,000 from the waste stream and maintain 684 new jobs at the same time.<sup>35</sup>

## Economic Benefits of Green Infrastructure

### Economic growth and investment

Businesses attract and retain more motivated staff in environments with green amenities

### Land and property values

Views of natural landscapes can add up to 18% to property values

### Labor productivity

Green spaces near workplaces reduce sickness absence, increasing productivity

### Tourism

Eco-tourism supports jobs

### Products from the land

Agriculture serves as an employment base

### Recreation and leisure

Footpaths, cycle paths and bridleways enable healthy, low-cost recreation

### Health and well being quality of place

Residents receive health benefits from natural environments

### Land and biodiversity

Green infrastructure provides vital habitats and jobs managing the land

### Flood alleviation and management

Urban green spaces reduce pressure on drainage and flood defenses

### Climate change adaptation and mitigation

Green infrastructure can counter soaring summer temperatures in cities

The above figure is adapted from a diagram developed in 2008 by the consulting firm Ecotech in the *Economic Value of Green Infrastructure*.

require the establishment of effective policies and planning to be implemented. Well-developed plans offer counties the opportunity to capture as many positives of the green economy as possible, while leaving behind the negative externalities of resource use and economic development.

### Comprehensive Planning

Incorporating integrated land use and transportation that reduce resource use and, in turn, improve the environment for green business development.

### Air Quality Planning

Air quality is the broadest indicator of environmental quality. Effective air quality planning will be required to best meet new EPA air quality standards and ensure local communities can control costs associated with running government and businesses.

### Integrated Energy Management Planning

Communities are beginning to view energy as a top priority to ensure their economic competitiveness. Hence, they develop community energy use plans that coincide with their comprehensive plans.

### County Building Codes

County building codes can be amended to support resources efficient design and planning.

### Integrated Waste Management Plans

Plans includes important solid waste goals to help achieve environmental sustainability—including efficient waste disposal and waste diversion strategies, such as recycling and composting.

## Action Steps

Each county has unique challenges that require different approaches to greening their local economy. As a result, this section does not pretend to provide a one-size-fits-all approach, but offers some strategies to work from.

### Green Economy Task Force

A Green Economy Task Force can be established to advise the county commissioners on scoping the size of the local green economy, developing goals, and pursuing projects. The task force can also be a hub for partnerships between county departments, schools, local economic development corporations, residents, and businesses.

### Assessment

Once the county establishes a group to drive the work around greening the local economy, the next step is to analyze the existing landscape. Here are some potential steps for doing so:

1. Identify model jurisdictions that have successfully developed green economic development initiatives
2. Create an inventory of the county's green industrial sectors
  - Identify the short-term and the long-term green economy sectors where the county has a competitive advantage and should focus on in terms of cluster development.
  - Identify the criteria that companies in these selected sectors most often use to select locations for their firms.
3. Establish a baseline of the county green economy Sample Inventory:<sup>37</sup>

## Model Programs

### Green Economy Task Force and Economic Development Strategy Montgomery County, MD

County Executive Isiah Leggett appointed the Green Economy Task Force, a group of leaders drawn from a variety of business, financial, academic and professional organizations, to undertake one of the most thorough planning exercises completed to date on the county role in the greening the local economy. The Task Force coordinated its work with the county's Sustainability Working Group, a separate group tasked with identifying actions to meet greenhouse gas reduction goals. The Green Economy Task Force began with an effort to assess their local green economy and, in April 2010, released an action plan detailing strategies for attracting green businesses and growing green jobs. The action plan is unique to the County, but the process offers some valuable lessons for America's counties. Implementation recommendations include seven county policy advances, three strategies for financing green economic development, two strategies for workforce training, four strategies for building public support, and three strategies for measuring growth.<sup>36</sup>

- Green Technology Companies
- Green Manufacturing
- Corporations Going Green
- Green Service and Product Providers
- Green Venture Funding
- Green Technology R&D
- Green Technology Education and Workforce Training
- Green Demonstrations
- Green Incubators

#### 4. Develop future goals

- The detail of the analysis really depends on resources. Some counties access the economy to the best of their knowledge with internal staff and community leaders. Some counties hire consultants.

#### Developing a Plan

Once counties understand the current state of their green economies, they can create plans for reaching where they would like to be. The plans can be comprised of these sections: Action Steps, Projects, Funding, Policy, Partnership, Regulations, and other recommendations and opportunities that will foster green workforce development and business attraction. Include projections for the county green economy as a result of implementing the plan.

#### Plan Development Tips:

- A very collaborative process is the key to success
- Draw on work done nationally, i.e. Climate Prosperity Project, Apollo Project, Maryland Clean Energy Center, Clean Energy States Alliance, Green For All, etc.
- Customize strategy to your county
- Leverage federal and state funding
- Position your county as a leader in the state and nation
- Prioritize projects
- Perform projects in phases

## End Notes

1. The Clean Energy Economy: Repowering Jobs, Businesses and Investments Across America: [www.pewcenteronthestates.org/uploaded-Files/Clean\\_Economy\\_Report\\_Web.pdf](http://www.pewcenteronthestates.org/uploaded-Files/Clean_Economy_Report_Web.pdf)
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### About the NACo Green Government Initiative

The NACo Green Government Initiative serves as a catalyst between local governments and the private sector to facilitate green government practices, products and policies that result in financial and environmental savings. Launched in 2007, the Initiative provides comprehensive resources for local governments on all things green, including energy, green building, air quality, transportation, water quality, land use, purchasing and recycling. For more information contact Jared Lang, NACo Program Manager, Green Government Initiative at 202.942.4224 or [jjlang@naco.org](mailto:jjlang@naco.org).

NACo wishes to thank its Green Government Initiative Partners for their support in this effort. NACo's Green Government Initiative Partners are all working hard to develop the solutions counties need to build their local green economies. Without their support, this work would not be possible.



**RESPONSES TO WRITTEN QUESTIONS OF SENATOR VITTER  
FROM JULIA W. GOUGE**

**Q.1.** Within HUD, there already exists the Office of Community Planning and Development, the Office of Fair Housing and Equal Opportunity, as well as the Office of Housing. Also, there are several other governmental programs such as Community Development Block Grant Programs, Rural Housing and Economic Development Programs, and Brownfields Economic Development Initiative. How do you feel the Livable Communities Act differs from the goals of these programs that already exist?

**A.1.** Goals of the Livable Communities Act differ from goals of the above agencies, in that the Livable Communities Act is not limited to population or income levels. The Livable Communities Act would address potential environmental contamination, and would improve fair housing opportunities.

I have asked our grants office to create a chart showing the comparison between the Livable Communities Act and programs that our county is currently using. I would be happy to share that information, if you so wish.

**Q.2.** This legislation will cost the taxpayer \$4 billion over the next 3 years in grant allocations alone, let alone the cost it takes to establish two new bureaucracies within the Department of Housing and Urban Development. How would you suggest the Congress, as good stewards of taxpayer money, plan on funding the new Government programs formed by this legislation?

Will two new bureaucracies mean that those agencies would coordinate all other agencies listed above, so that people would only have two agencies to converse with or not?

**A.2.** Counties with populations under 50,000 are hindered due to the amount of staff time and development cost required to research, conduct studies and perform engineering and design required to develop grant applications. Smaller counties would have a better opportunity to apply for competitive grants, with a simplified grant application to one agency, rather than four to six different agencies. A direct reporting system from county level to Federal level and back again, would simplify things and cut out the middle man.

If the Federal Government would like to see sustainable communities thriving with innovative energy projects, and livable communities that will help the environment, and the people living within them, it will need to step in and make it happen. The bottom line is, local governments do not have the finances or staff time required to apply for grants. If the process is complicated, if it deals with a number of agencies, and if duplicate reporting systems are required, those counties do not have the time to make it happen.

Small counties need to stay focused on the immediate needs of their community. The Federal Government can help communities make real improvements to quality of life if they offer funding and technical assistance during the application and implementation phase of the process.

Thank you for your time and consideration. I thank you once again for allowing us to testify on the Livable Communities Act. We look forward to working with you in the future.

## ADDITIONAL MATERIAL SUPPLIED FOR THE RECORD

**THE LIVABLE COMMUNITIES ACT (S. 1619)*****Creating Better And More Affordable Places To Live, Work And Raise Families***

*Senator Dodd's Livable Communities Act will help local communities plan for and create better and more affordable places to live, work, and raise families. With sustainable development, our communities will cut traffic congestion; reduce greenhouse gas emissions and gasoline consumption; protect rural areas and green spaces; revitalize existing Main Streets and urban centers; and create more affordable housing.*

**FUNDS REGIONAL PLANNING TO MAKE OUR COMMUNITIES MORE LIVABLE**

**Incentives To Plan For Livable Communities.** The Comprehensive Planning Grant Program will help communities develop comprehensive regional plans that incorporate transportation, housing, community and economic development, and environmental needs. Grantees must demonstrate a commitment to integrated planning and sustainable development. The Act authorizes \$400 million in competitive grant money over four years.

**Funding to Implement Sustainable Development Projects.** The Challenge Grant Program will enable communities to implement cross-cutting projects according to their comprehensive regional plans. With \$3.75 billion authorized for competitive grants over three years, these projects will help communities create and preserve affordable housing; support transit-oriented development; improve public transportation; create pedestrian and bicycle thoroughfares; redevelop brownfields; and foster economic development.

**Partnering with Local Communities.** The legislation ensures that the federal government is a supportive partner for communities' planning and sustainable development efforts, allowing regions that apply for Livable Communities grants to receive technical assistance and giving special assistance to smaller communities that may need additional help to get started. As a resource for sustainability best practices and technical assistance, the Office of Sustainable Housing and Communities will ensure that communities learn from each other's successes.

**ELIMINATES BARRIERS TO FEDERAL AGENCIES WORKING TOGETHER TO BETTER FACILITATE SUSTAINABLE DEVELOPMENT**

**Interagency Council on Sustainable Communities.** By bringing together the Department of Housing and Urban Development, the Department of Transportation, the Environmental Protection Agency, and other federal agencies, the Interagency Council on Sustainable Communities will coordinate federal sustainable development policies; coordinate federal sustainability research; coordinate with HUD to implement Livable Communities grants; identify barriers to sustainable development; and promote coordination of transportation, housing, community development, energy, and environmental policies.

**Office of Sustainable Housing And Communities.** The Department of Housing and Urban Development will establish the Office of Sustainable Housing and Communities to coordinate federal policies that foster sustainable development and administer HUD's sustainability initiatives; recommend and conduct research on sustainability; implement and oversee Livable Communities grant programs in coordination with the Interagency Council; and provide guidance, best practices and technical assistance to communities seeking to plan for a more sustainable future.

**Support for the Livable Communities Act**

Over 200 local and national organizations have endorsed the Livable Communities Act, including:

AARP  
America 2050  
American Association of Homes and Services for the Aging  
American City Planning Directors' Council  
American Institute of Architects  
American Planning Association  
American Public Transportation Association  
American Public Works Association  
Association of Metropolitan Planning Organizations  
Children's Defense Fund  
Community Transportation Association of America  
Enterprise Community Partners  
Habitat for Humanity International  
Housing Assistance Council  
International City/County Management Association  
Local Initiatives Support Corporation  
LOCUS: Responsible Real Estate Developers and Investors  
National Affordable Housing Trust  
National Association for County Community and Economic Development  
National Association of Area Agencies on Aging  
National Association of Counties  
National Association of Development Organizations  
National Association of Housing and Redevelopment Officials  
National Association of Realtors  
National Association of Regional Councils  
National Community Development Association  
National Complete Streets Coalition  
National Housing Conference  
National Housing Trust  
National League of Cities  
National Trust for Historic Preservation  
National Vacant Properties Campaign  
Natural Resources Defense Council  
Northeast-Midwest Institute  
Partnership for the Public's Health  
PolicyLink  
Reconnecting America  
Sierra Club  
Smart Growth America  
Transportation for America  
Trust for America's Health  
U.S. Conference of Mayors