

## Getting on the Right Side of History



ULI Annual Meeting, Miami, Florida Oct. 28, 2008  
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## Getting on the Right Side of History



ULI Annual Meeting, Miami, Florida Oct. 30, 2008  
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## The U.S. transportation system is the world's largest.

- 5.4 trillion passenger-miles per year
- 3.8 trillion ton-miles of freight per year
- Consumes more petroleum than any country in the world.
- Emits more CO<sub>2</sub> than any nation in the world except China.
- 72% from highway vehicles, over half from cars and light trucks

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## Transportation faces several serious Challenges

- Transport = 33% of US carbon emissions.
- Accounts for 65-70% of US oil consumption.
- Sprawl and congestion: transportation unconnected to land use
- 1985-2005 population grew 1% per year, Vehicle Miles Traveled grew 3% per year.
- The federal transportation trust fund went broke in September 2008.
- 20 transportation trust funds are almost broke

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By building more and more roads we have made it almost impossible to solve our transportation problems.

---Allen Biehler, Secretary, Pennsylvania DOT

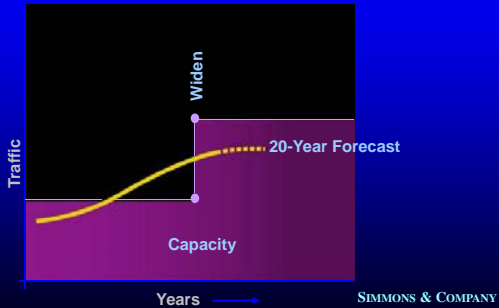


"There is hardly a city in the nation without a serious traffic problem of one sort or another, hardly a major highway without its bottlenecks. The tangle has proved costly to the country in time, money, and, most important, lives."

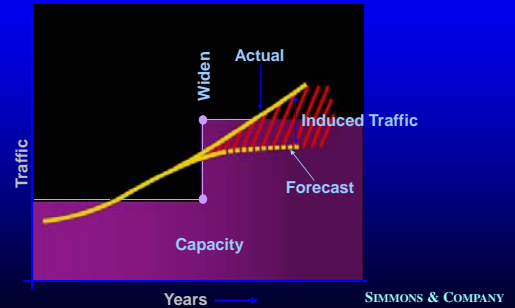
"Jam on the Highways:  
Is \$50 billion enough to Untangle Traffic?"  
Newsweek, May 14, 1956



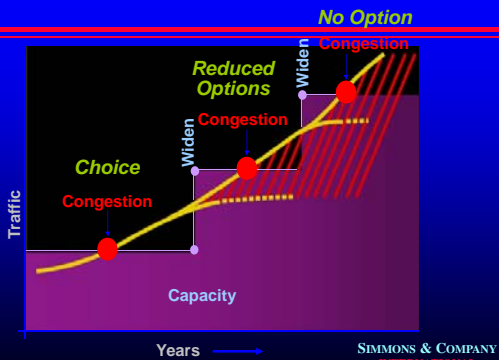
## What we thought would happen



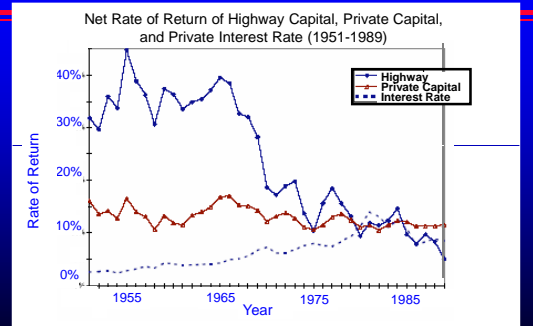
## Traffic planning: The reality



## What really Happened

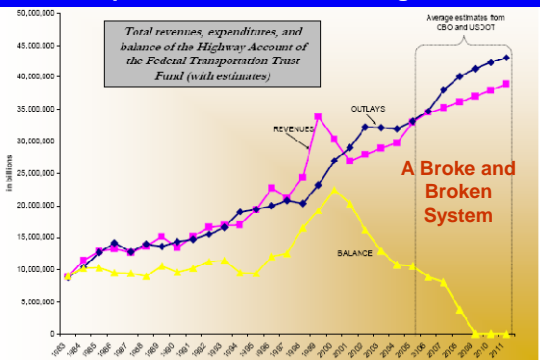


## Highway Economic Return



M. Ishaq Nadiri and Theofanis P. Mamuneas, *Contribution of Highway Capital to Industry and National Productivity Growth*, prepared for the Federal Highway Administration, September 1996

## US Transportation Trust Fund Going Bust

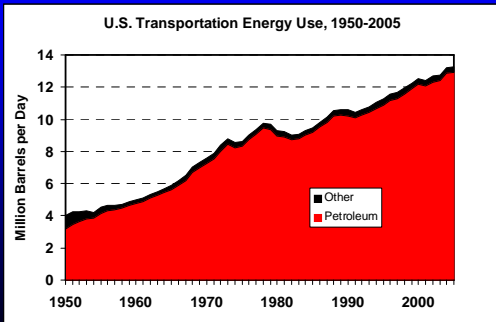


## Five Levels of Denial

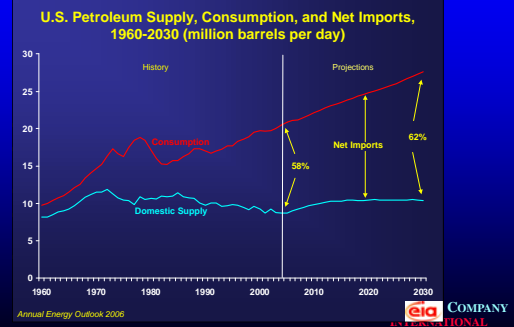
- Global warming doesn't exist
- If it does exist, It's not our problem
- If it is our problem, technology will solve the problem
- If technology can't solve the problem, politics are too difficult ("people love their cars.")
- If we could do something, the developers will screw it up ("it's a land use problem").

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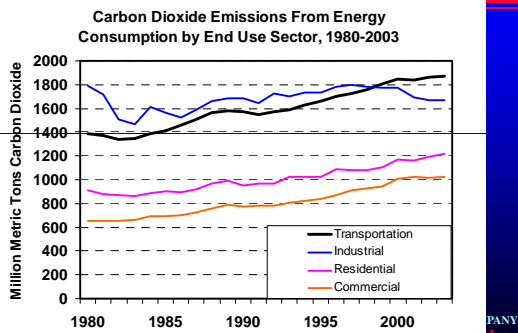
## Our transportation system runs on petroleum (>6,300 gals/sec).



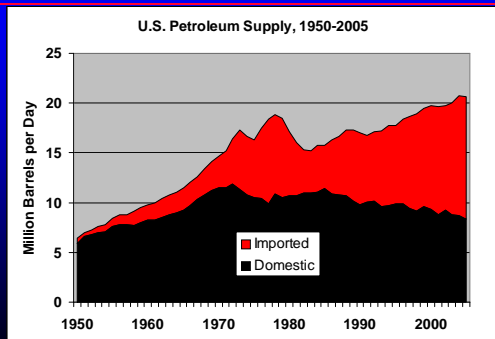
## Oil use and imports are expected to grow despite increased domestic production.



## Among the energy end use sectors, transportation is the largest emitter of CO<sub>2</sub>

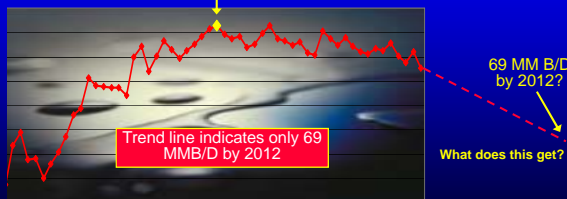


## AND the peaking of U.S. petroleum supply in 1972.



## “Is The Trend Your Friend?” (Or Deadly Foe?)

World Crude Production  
Peak: 74.3 MMB/D (May 2005)?

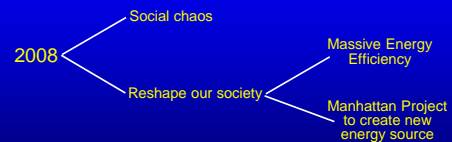


Source: EIA Monthly Energy Report

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## The World In Post Peak Oil Era

- Post Peak Oil is either a blessing or curse:



- Energy Data Reform would end Peak Oil Debate.

“We” have ability to choose which path to take.

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## The Solution: Transportation, Climate and Energy Independence "Trifecta"

- Enact a transportation bill with \$30 billion above present gas tax revenues of about \$37 billion Annually for smart growth infrastructure transit, TOD, workforce housing bike/ped. etc.
- Enact a climate bill that allocates \$30 billion in auction allowances to climate-friendly transportation
- Enact a National Infrastructure Investment Bank bill that bonds against future climate auction allowances to capitalize a \$100+ billion transit investment program

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## The Transport Finance Model is Shifting

"..continued (financial) pressure could result in the federal government providing a larger increase in funding for transit....we could also see a shift in population trends with growth accelerating in the urban core and slowing in suburban areas, where driving and congestion is a part of life. The combination of policy and demographic shifts could have a significant impact on toll road credits..."

---Fitch Ratings report, August 20, 2008

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If you build cities around cars and traffic, you get cars and traffic



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If you build cities around people and places, you get people and places

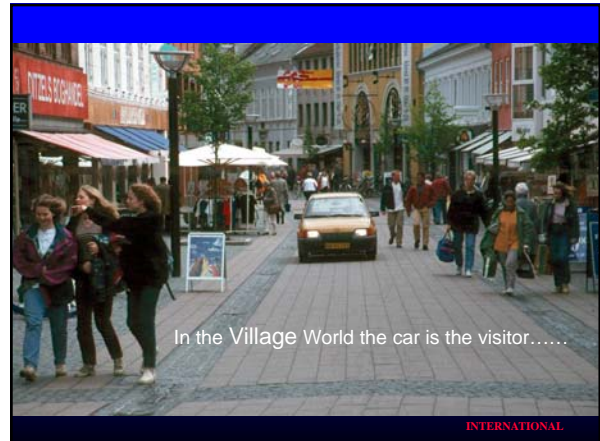


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"We used to be in the facility development business; now we are in the community development business."

Jack Lettierre  
-Commissioner, NJDOT



In the Village World the car is the visitor.....

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“You can always count on the  
Americans to do the right thing.....”

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“  
.....after they have exhausted all  
alternatives.”

-Winston Churchill

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