

Transportation for All: Good for Families, Communities, and the Economy



This is one of a series of issue briefs dedicated to helping community leaders and policymakers bolster their campaigns and strategies with the economic case for equity. The issue briefs correspond with the 13 planks of the Marguerite Casey Foundation's [Equal Voice National Family Platform](#). Additional issue briefs can be found at www.policylink.org/focus-areas/equitable-economy.

PolicyLink is a national research and action institute advancing economic and social equity by **Lifting Up What Works**®.

Marguerite Casey Foundation exists to help low-income families strengthen their voice and mobilize their communities in order to achieve a more just and equitable society for all.

Overview

The face of America is changing: more than half of Americans under age five are of color, and by 2044 we will be a majority people-of-color nation. But while communities of color are driving growth and becoming a larger share of the population, inequality is on the rise and racial inequities remain wide and persistent. Dismantling racial barriers and ensuring that everyone can participate and reach their full potential are critical for the nation's prosperity. Equity—just and fair inclusion of all—is essential to growing a strong economy and building vibrant and resilient communities. This issue brief describes how building an equitable transportation system benefits families, communities, and the economy.

Why an Equitable Transportation System Matters

Transportation infrastructure—roads, buses, subways, bike lanes, sidewalks, and more—forms the backbone of healthy and economically thriving communities and is critical for national economic growth and prosperity.

Safe, reliable, and affordable public transportation helps families access jobs and educational opportunities located outside their neighborhoods. Transit, cycling, and pedestrian infrastructure provide critical last-mile connections for people without access to personal vehicles. This connectivity is also critical for employers who must depend on workers for the success of their businesses.

The construction, maintenance, and operations of transportation infrastructure also create many jobs and business opportunities that—with the right workforce, hiring,

and procurement policies—can create pathways to economic security and mobility for unemployed and underemployed workers. Too often, however, low-income communities of color face the worst deficiencies in transportation and other infrastructure developments. They may be excluded from new transportation investments, or worse, face displacement if such investments are made in their neighborhoods without specific attention to protecting existing businesses and residents.

An equitable transportation system is one that provides affordable transportation, creates quality jobs, promotes safe and inclusive communities, and focuses on results that benefit all. It also strengthens the economy by ensuring that all people—regardless of race, income, or ability—can connect to the education and work opportunities they need to participate in and contribute to society and the economy.

Transportation and Equitable Growth by the Numbers

Every \$1 billion invested in public transportation generates:

50,000 Jobs

67 percent of which are “green”

\$3.7 Billion

in total economic impact

\$2.8 Million

in wages

\$640 Million

in tax revenues

Source: [American Public Transportation](#)

The Economic Benefits of an Equitable Transportation System

Building a more equitable transportation system would have many positive impacts on the economy, including the following.

- **Job creation.** Many jobs in the transportation sector—including construction, maintenance, operations, and repair—are well-paying jobs. They also represent a significant sector of the economy: one out of every 10 civilian jobs is related to transportation. When directed to the right projects and inclusive of all workers, this sector can be a pathway for disadvantaged communities to share in our nation’s economic success. A recent analysis found that if 20 American metro areas shifted half of their highway funds toward transit projects, more than one million new jobs would be created over a five-year period.¹ In turn, more frequent and reliable coverage, lower fares, and expanded routes would increase demand for transit.²
- **Increased economic opportunity and stability.** Harvard University’s Inequality of Opportunity project recently concluded that living in an area with shorter average commute times strongly correlates with greater economic mobility for low-income children.³ In New York City, the average commute time for Black workers is over 30 percent higher than that of White workers.⁴ In Baltimore, a proposed 14-mile light-rail project called the Red Line was expected to give access to high-quality transit to over 80,000 residents—a 62 percent increase—and to generate an estimated 15,000 jobs, \$2.1 million in economic activity, and \$540 million in increased household earnings in the region.⁵ Unfortunately, the project was scrapped in 2015 by Maryland Governor Larry Hogan; in response, the NAACP has filed a civil rights complaint against the state.
- **Meeting the growing demand for skilled transportation workers.** Transportation workforce training needs are significant. For example, during the next 10 years, the transit industry will need to fill 4.6 million jobs—120 percent of the current workforce.⁶ An equitable transportation system can leverage transportation investments to create a diverse and career-ready pool of workers. In Philadelphia, the Transport Workers Union Local 234 partnered with the Southeast Pennsylvania Transportation Authority to create a career ladder program focused on recruiting younger workers of color into transit employment.⁷
- **Economic revitalization, with benefits for all.** Transportation investments are good for the economy. For example, every \$1 invested in public transportation yields \$4 in economic return.⁸ And when an equitable approach is taken, all can participate and prosper. In Seattle, Washington, equity advocates recognized that a planned light-rail investment represented an opportunity in the form of expanded transit options but also threatened the availability of affordable rents for residents and business owners. To prevent displacement and promote community stability, the Rainier Valley Community Development Fund provided resources for business retention along the light-rail corridor planned for Martin Luther King Jr Way. As a result, the corridor has seen an 85 percent business-retention rate, and the overall mix of businesses and racial mix of business owners have both remained stable.⁹

Key Challenges to an Equitable Transportation System

To build an equitable transportation system, several challenges must be overcome.

- **Inadequate access and high transportation burdens.** More than 7.5 million U.S. households—disproportionately households of color—do not own a car, and nearly 700,000 of them also lack access to transit.¹⁰ In the last several years, most of the nation’s transit systems (more than 80 percent) have eliminated or proposed to eliminate transit routes, cut service hours, and/or increased fares.¹¹ In addition, transportation is the second largest household expense for most families; lower-income households spend about 42 percent of their household budgets on it.¹²
- **Unequal economic benefits from public investments in transportation.** Advocates have warned that transit investments may contribute to the displacement of low-income residents from transit-rich urban communities to transit-poor neighborhoods outside the urban core.¹³ Women, communities of color, and low-income people are less likely to access transportation-related jobs and contracting opportunities, and there are persistent gender and racial wage gaps among transportation workers. The federal Department of Transportation’s long-standing policy prohibiting states and regions from using local/targeted hiring practices on federally funded projects, which contributed to the exclusion of disadvantaged populations from transportation jobs, has been lifted on a trial basis.¹⁴ It is now up to local leaders to implement transportation plans and employment practices that promote equity for people of color and low-income people, maximize opportunities for underserved communities, strengthen regional economies, and prevent displacement.
- **Disproportionate safety risks for low-income communities and communities of color.** In many neighborhoods, disconnected roadway networks, poorly designed and deteriorated streets, inadequate lighting, limited sidewalks, and minimal traffic enforcement place residents at higher risk of injury. These risks are particularly acute for communities of color: Latinos suffer a pedestrian death rate that is 43 percent higher than that of Whites, and African Americans suffer a pedestrian death rate that is almost 60 percent higher than that of Whites.¹⁵ Pedestrian fatality rates in high-poverty communities are double those in low-poverty communities.¹⁶

Strategies to Create an Equitable Transportation System

Many communities and organizations are advancing the following strategies to address these challenges and infuse equity throughout the transportation system.

- **Fund transportation projects in underserved communities.** Targeted, well-planned transportation investments can increase mobility and economic opportunity in the communities most in need. Strategic investments in sidewalks and bicycle facilities, particularly in low-income communities and communities of color, can provide needed travel options and “last-mile” connections to local or regional buses and trains that travel to employment centers.¹⁷ California’s Active Transportation Program, for example, requires that at least 25 percent of state funding for sidewalks and bicycling paths goes to low-income communities.¹⁸ Given the link between transportation investments and increasing housing costs and displacement risks, communities must establish strong affordable housing policies before planning for new light rail, subways, or bus rapid transit systems. Denver, Colorado, established a fund to create and preserve 1,000 units of affordable housing near new light-rail stations, and Dallas, Texas, requires that 20 percent of tax-increment funds in transit districts go toward affordable housing.¹⁹
- **Ensure transportation plans advance equity outcomes.** Federal transportation law provides a framework for states and regions to establish performance measures that align transportation funding to specific outcomes. Ensuring these measures are equity-focused and developed through a meaningful community engagement process can steer transportation investments toward greater economic inclusion for low-income people, communities of color, and people with disabilities. In the Seattle area, King County Metro Transit’s strategic plan sets forth 46 indicators that prioritize social equity, including wheel-chair accessible bus stops and low-income populations and communities of color within a quarter-mile walk of a transit stop or a two-mile drive to a park-and-ride.²⁰

- **Expand access to transportation jobs and contracting opportunities for low-income people, women, people with disabilities, and communities of color.** The federal Department of Transportation’s new rules on local hiring are an important and productive change. Utilizing community benefits agreements to embed workforce inclusion goals into transportation projects would help disadvantaged workers access employment in the transportation sector, and increase the workforce available to efficiently complete transportation projects. Missouri’s workforce-development program for the \$524 million Interstate 64 highway project, completed in 2009, exceeded its hiring goals for people of color, aiming to hire 14.7 percent people of color and actually hiring 19.8 percent people of color.²¹ With every \$1 billion spent on transportation development estimated to create 50,000 jobs, local hiring practices can equitably connect residents to the employment created by transportation investments in their communities.²²

Equitable Growth in Action

Leverage Transit Contracting to Help Minority Entrepreneurs Grow their Businesses and Create Jobs

The City of New Orleans has taken significant steps to leverage its transportation investments for equitable economic growth. In 2011, the New Orleans Regional Transit Authority set a goal of spending 30 percent of its annual contracting dollars with vendors and suppliers who have historically faced barriers to contracting opportunities, also known as disadvantaged business enterprises (DBEs). The agency also put in place procedures to assess and publicly report its progress toward this goal on a monthly basis and closed loopholes that previously allowed contractors to avoid the requirements to partner with DBEs. These efforts led to an incredible turnaround. From 2001 to 2009, only 11 percent of contracting dollars were awarded to DBEs. Because of the reforms instituted by the agency in 2011, the DBE utilization rate rose to 37 percent by 2014.

Source: [America's Tomorrow Newsletter \(June 6, 2013\), The Times Picayune](#)

Learn More

- [Transportation Equity Caucus](#) A coalition of organizations working to advance economic and social equity in transportation systems and policy.
- [National Equity Atlas](#) Comprehensive online data resource including data on commute time and car access by race/ethnicity for the largest 150 metros, all 50 states, and the United States. (PolicyLink and the USC Program for Environmental and Regional Equity)
- [Missed Opportunity: Transit and Jobs in Metropolitan America](#) Analysis of transit data from the 100 largest metropolitan areas in the United States, concluding that access to jobs should be the main priority of transportation planners. (The Brookings Institution)
- [Where the Jobs Are: Employer Access to Labor by Transit](#) Research on the relationship between jobs and transit systems. (The Brookings Institution)
- [Equity Data Helped NYC Advocates Expand Transit Access Through Bus Rapid Transit](#) Case study of the Pratt Institute's analysis of transportation-related data and policy in New York. (PolicyLink)

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Notes

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