

*Draft Products from Day One Discussions ~ June 2, 2005*  
**Statements of Generally-Held Expectations<sup>1</sup>**

## DEMOGRAPHICS

1. A growing population will produce economic activity and transportation demand that will put substantial pressure on the transportation system in certain growth states and metropolitan areas, at ports of entry and along trade corridors. The desire for mobility will remain strong and fueled by expected income growth. **While the amount of further increases in *per-capita* personal travel may be debatable, the expectation of increased *aggregate* travel demand – nationally and across all regions experiencing population growth – is not.**
2. In rapidly-growing areas with development constraints (limits to developable land, water, etc.), **urban expansion will be accompanied by infill development, and will likely result in higher overall urban densities.**
3. The current **diversity of household forms, lifestyles and changing nature of work** will emphasize the need for a more flexible transportation system than that designed for traditional 8 to 5 work travel. The need for flexibility (travel choices that are ubiquitous and sensitive to an individual's or household's schedule requirements) will compound the challenges of designing a transportation system with effective non-auto travel options.
4. **Immigration is expected to remain substantial due to the aging of the population pyramid of resident Americans and the needs of the economy for younger workers, professionals and entrepreneurs.** Transportation patterns of immigrants quickly reach patterns similar to those of other residents with comparable incomes. However, certain metropolitan areas are expected to continue to experience high levels of immigration of low income workers. In these metropolitan areas, the travel needs of the new immigrants in their first few years of residency will continue to constitute a significant portion of overall demand for transit services.
5. **Decentralization of settlement patterns and jobs will continue to contribute to spatial mismatch and economic and other inequities in many urban areas.** Increasing polarization of the labor force composition (between skilled/educated on one hand and low-wage service workers on the other) will exacerbate the regional jobs -housing balance and jobs access transportation concerns for lower wage workers.
6. **An increasing proportion of the population will be old or very old and also active,** which will result in both more older drivers and a growing need for transportation system flexibility to meet the needs of the elderly who need to rely increasingly on alternative modes. This will also increase the need for attention to safety. The need to improve transportation options to better accommodate the needs of seniors will be greatest in automobile-dependent areas, and in communities that retain or attract large numbers of retirees.

---

<sup>1</sup> The relative importance of the various statements was discussed briefly on June 2 without explicit resolution. The following day, participants addressed this matter by self-directing discussions toward the issues seen by participants as having greatest importance to metropolitan planning. The companion to this product—planning findings and recommendations—reflects this implicit prioritization.

## ECONOMICS

1. **Use of pricing strategies will increase**, with acceptance varying with the type of strategy (congestion pricing vs. tolling, new vs. existing facilities). Pricing will help mitigate and manage, but not eliminate congestion. The degree of penetration of pricing for system management and the level of public support for the use of pricing for other social or environmental goals (such as transit support or freight movement priority) is uncertain. In some areas the transportation system will offer consumers the option of paying a premium for higher quality service, such as a choice between general and congestion-priced highway lanes. This will create a new travel and market phenomenon, providing a potential dichotomy between high service (at a price) and low quality (on general purpose lanes or facilities).
2. **There will be an increased role of the private sector in terms of delivery of transportation services and supply**, offering greater market responsiveness than possible through exclusive reliance on implementation by public institutions. The rate of addition of private sector services or of privatization of existing public services is uncertain.
3. **Continued growth in the consumer economy, globalization of the supply chain and a continued shift of manufacturing to lower-wage nations will impact freight transportation.** Growth in freight will continue, especially for international and high-speed delivery – all of which is sensitive to quality, reliability and predictability. Economics will drive the push for increased efficiencies in freight logistics across all modes. Truck traffic will increasingly compete with auto travel for scarce highway capacity, and rail and water-borne freight networks will become increasingly-attractive alternatives to truck movements.
4. **Emerging economies and new world powers will have an increasing influence on the US economic position**, will ensure international economic interdependence and will increase international competition for scarce resources such as petroleum.

## PUBLIC POLICY

1. **Treatment of global climate change issues may emerge as a significant factor** influencing transportation technologies, perhaps pricing, as well other aspects of the economy and society with their own impacts on travel.
2. **National transport policy influence at a scale equivalent to implementation of the Interstate system appears unlikely.** Key system design, management and funding decisions are likely to reside primarily in state, local and private entities, with significant variation across the nation.
3. **The real price of fuel, as well as the volatility of supply, is likely to increase.** However, similar expectations in the past have been proven wrong.
4. **Environmental concerns will continue with no diminished significance**, and the range of environmental considerations affecting transportation investment decisions may increase.

5. **Interest and action in strategies addressing objectives labeled “smart growth” or “sustainable development” will grow**, as much for as much for quality of life concerns as for a recognition of the interaction between land use policies and mobility decisions. The form and degree of influence of these policies will vary widely.
6. **There will be a diversity of both user-based and non-user-based funding strategies** for transportation facilities and services, with the specific strategies and mix varying by region/state. The magnitude of funding availability relative to “need” is uncertain.

## URBAN GROWTH

1. **Market forces will continue to drive urban form more than public policy**, due to lack of consensus, less public trust in government, and fewer available dollars for public investments. “Smart growth” and “sustainable development” initiatives will have significant impact when and where they reflect consumer market preferences. The combination of local state and national transportation policy will remain the norm.
2. **As metropolitan areas grow, the core/CBD of the central city will continue to be an important location of economic activity, but most metropolitan regions will become increasingly polycentric in form.** The outlying nodes of the polycentric metro area will range from modest multi-activity clusters at access points (transit stations, highway interchanges) to those that are city-sized. Low growth areas will have a different (closer to zero-sum) dynamic. In these areas, population and economic growth in suburban areas largely represents relocation from and the decline of older, inner suburbs and central cities.
3. **Advances in information technology will influence the nature of travel** (time of day, frequency, purpose), providing countervailing influences on urban form (both facilitating dispersal of activity and encouraging concentration of like industries.)
4. **The continued shift in the US economic base away from manufacturing to service/consumption/information** is significant and leads to agglomeration and dispersal; dispersion could be polycentric/nodal or non-central sprawl. The interaction of urban form and transportation will vary with geographic scale.

## TECHNOLOGY

1. **Energy supply and climate change issues will stimulate the development of propulsion systems, vehicle design and fuel types** therefore mitigating the impacts on mobility to a greater or lesser degree. Depending upon fuel and vehicle cost, equity issues may emerge.
2. **There will be an increased management emphasis, improving the efficiency of the use of total system capacity over a 24 hour period with the aid of information communications technology (ICT).** ICT and vehicle technology will affect the effective supply and demand for transportation by assisting with pricing and other management mechanisms, by facilitating more effective vehicle-vehicle interactions, and by allowing more informed user travel decisions. Technology will permit additional management and enforcement efforts, if supported by the public; these range from insurance billing to speed limit and red light

running enforcement. More effective capture of externalities and more effective internalization of transportation costs are possible, but implementation is dependent upon public support.

3. **Vehicle based driver support systems will result in fewer crashes for everyone** and extend the mobility of older drivers; the degree of crash reduction from technology is uncertain.

## **Circumstances and Events That would Undermine the Assumptions In the Generally-Held Expectations**

### *Climate change*

Substantial public and political sentiment could produce a commitment by the nation, or a collection of serious commitments by states and localities to the issue of global climate change. Serious public policy directed at reducing CO<sub>2</sub> emissions would be likely to involve a change to current incentives and disincentives for certain fuel and propulsion types, increase the public commitment to alternative modes, and accelerate the movement in areas such as growth management, development practices and other activities. These actions may be at a scale beyond those assumed in the generally-held expectations. In an opposite direction, it is not out of the question that public acceptance of CO<sub>2</sub>'s significant contribution to global climate change could be tempered by natural events or scientific discoveries that appear to indicate a weaker relationship between human activity and climate change.

Global climate change itself could introduce significant impacts on the US economy and transportation system, ranging from increased infrastructure damage from exaggerated weather events to altered agricultural production and introduce serious challenges permanent to coastal infrastructure.

### *Fuel supply and costs*

An interruption to or permanent reduction in the fuel supply is not implausible. An initial supply shock would lead to a range of short term responses. If supply or cost is permanently altered from the modest expectations stated earlier, substantial shift in public policy and market responses could lead to a change in vehicle fleet mix, altered development patterns, and could challenge the strength of the US economy for at least a transition period, if not longer.

### *Economic decline*

The interdependence of the world's economies has led to an unprecedented vulnerability of economic health to political conflicts, terrorist acts and unanticipated serious interruptions to worldwide economic activities. While the generally-held expectations point to a continued growth of the US economy in the context of worldwide economic growth, it is not implausible for the US' economic position relative to other world powers to diminish, leading to considerably higher unemployment and social polarization than reflected in generally-held expectations and alter the nation's attitude to a range of issues, including immigration.

### *New technologies*

Technology is known for providing unanticipated surprises, windfalls, and unintended negative consequences. It is reasonable to anticipate a new communication or transportation technology to emerge in the next 30 years that will significantly change the dynamics stated in the statements of generally-held expectations. Transportation specifically experienced a number of radical technological changes in the 19<sup>th</sup> and 20<sup>th</sup> centuries; it is not unreasonable to suggest that another such change will occur over the next quarter-century to half-century.

### *Public policy*

Major public initiatives have preceded nearly all of the significant transportation system developments in the United States. It is reasonable to anticipate that a public initiative – beyond those currently listed in the generally-held expectations – may emerge at the federal or state level to achieve a significant change in the form and extent of transportation facilities or services.