



June 4, 2010

Joseph C. Szabo
Administrator
Federal Railroad Administration
U.S. Department of Transportation
1200 New Jersey Ave SE
Washington, DC 20590

RE: Docket Number FRA-2010-0020, National Rail Plan

Dear Administrator Szabo,

Thank you for the opportunity to provide feedback on the Federal Railroad Administration's (FRA) National Rail Plan. The comments below are submitted by the National Housing Conference (NHC) and the Metropolitan Planning Council (MPC). Since 1931, NHC has been dedicated to ensuring safe, decent and affordable housing for all Americans. NHC has earned its strong reputation as the *United Voice for Housing* by actively engaging and convening its membership in nonpartisan advocacy for effective housing policy solutions at the local, state and national levels. The Metropolitan Planning Council is a nonprofit, nonpartisan, policy advocacy, and technical assistance organization working to promote sustainable communities and a competitive Chicago region.

NHC and MPC support the FRA's work in developing a long-range National Rail Plan that improves passenger and freight systems and meets the strategic goals of the nation, including improving safety, fostering livable communities, increasing national economic competitiveness, and creating jobs. We particularly support FRA's goal of using the National Rail Plan to support more livable, sustainable communities. We believe this plan should specifically strive to advance the six Livability Principles agreed upon by the Interagency Partnership for Sustainable Communities formed between the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Transportation (DOT), and the U.S. Environmental Protection Agency (EPA).

In response to FRA's specific policy question – *What are the land use issues that must be considered in making transportation infrastructure investments? How can rail promote livable communities?* – we urge you to consider the impact that new rail investments – particularly investments in high-speed rail – will have on local and regional housing conditions.

We offer the following reasons and recommendations:

- One of the six Livability Principles of the Interagency Partnership is **promoting equitable, affordable housing**. Providing housing that is affordable to low- and moderate-income families within close proximity to jobs, transit and other key services is critical to improving their quality of life (by shortening their commutes, reducing their combined expenditures for transportation and housing and enabling them to better afford other necessities) as well as that of the surrounding community (by reducing traffic congestion and strengthening the ridership for public transit). Providing affordable housing near amenity-rich locations also reduces carbon emissions and energy costs (by shortening or eliminating car-based commutes).

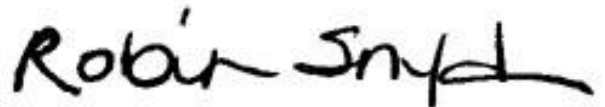
- In 2006, NHC's research affiliate, the Center for Housing Policy, released a report in entitled *A Heavy Load*. The report reveals that the average working household in 28 metropolitan areas spends about 57 percent of their income on the combined costs of housing and transportation. For many families, the residual income after paying for these combined costs is insufficient to afford nutritious food, education, health care and other necessary expenses.
- We believe that in many regions, the construction of high-speed rail will make it easier for individuals to commute to major job centers from cities with high-speed rail stations, leading to an increase in housing demand within those cities, which in many cases will increase density as well as housing prices. While increased density is generally a positive outcome that will help advance national environmental objectives by reducing vehicle-miles traveled, increased housing prices would undermine the national goal – and the goal of the interagency partnership – of improving affordability. Housing prices are likely to increase due to the inability of many markets to respond to increased demand with an increased supply of housing.
- To minimize the loss of affordability that will likely accompany high-speed rail in these situations, we strongly recommend that the competition for high-speed rail include incentives for investments in affordable housing in cities that are awarded high-speed rail stations.
 - Specifically, points should be awarded to communities that pledge to adopt stronger policies and invest more local funds in housing affordable to both low- and moderate-income households in the cities with high-speed rail stations.
 - Some of the key policies for preserving affordability in the face of rising home prices include: (a) tax increment financing districts with a mandatory set-aside of at least 20 percent of the funds for permanently affordable housing and (b) inclusionary zoning that requires or incents the inclusion of a minimum share of housing units affordable to moderate-income families within new developments. Some communities have also floated bonds to fund affordable housing or used general city funds.

Thank you very much for consideration of our comments. We would be pleased to discuss these ideas with you at your convenience.

Sincerely,



Maureen Friar
President & CEO
National Housing Conference



Robin Snyderman
Vice President of Community Development
Metropolitan Planning Council