

**Statement of  
Los Angeles Mayor Eric Garcetti  
Before the  
Senate Environmental and Public Works  
Subcommittee on Transportation and Infrastructure  
Hearing on “Leveraging Federal Funds: Innovations Solutions for Infrastructure”  
May 16, 2017**

Chairman Inhofe, Ranking Member Cardin and Members of the Subcommittee — my name is Eric Garcetti, and I serve as Mayor of Los Angeles.

I am honored to appear before you and this Subcommittee on behalf my City, and as Chair of the United States Conference of Mayors Infrastructure Task Force.

As you know, the U.S. Conference of Mayors is a national bi-partisan organization representing the chief executives of close to 1,400 American cities with populations of 30,000 or more.

Los Angeles is the infrastructure capital of America: we are home to the nation’s busiest origin and destination airport. We have the nation’s leading port complex. And since November, following county-wide and bi-partisan approval by the voters, we are home to a \$120 billion infrastructure program, the largest in our nation’s history — times two.

The new economy is advancing faster than ever before, and it is leaving too many Americans behind. For our nation to succeed, we must strengthen our middle class through job creation. We must win against global competition by moving goods faster and better. We must improve the everyday quality of life for the American people — cleaner air to breathe, reliable water from the tap, less time in traffic, less money spent on wasted fuel and lost productivity.

The creation of a bi-partisan National Infrastructure Program would help us achieve all of this and much, much more. It would help usher in a new era of prosperity, innovation, and economic health for our nation. And it would position the United States of America to continue its economic leadership of the world for in the 21st Century.

This is why America’s cities are already taking action.

Los Angeles is investing \$2.6 billion to upgrade our port’s infrastructure to accommodate the new and larger classes of container ships and increasing cargo volumes. We are investing \$14 billion at our airport to upgrade 1960s-era terminals, and to welcome 21st century aircraft like the A380. Just last week, I was hundreds of miles from Los Angeles, being briefed on upgrades to the dams and aqueducts that supply much of our city’s drinking water. And we are already at work executing that \$120 billion infrastructure plan I mentioned — to create a truly comprehensive rail network, ease congestion on our freeways, and fix our local roads.

And this kind of nation-leading investment isn't just happening in L.A.

The voters in Austin, Texas passed "Proposition 1" to upgrade their transportation system. Charleston County in South Carolina gave their "transportation initiative" a green light, and voters in the great Northwest approved the "Sound Transit 3" ballot measure in Seattle, Washington.

But cities across America are still reliant on decades-old infrastructure that was wholly funded by the federal government through initiatives like the Works Progress Administration and the Interstate Highway System. We know this infrastructure, which fueled decades of growth, is today crumbling and requires drastic improvement.

As we seek to upgrade this infrastructure, I believe we should also seek to move past this 100 percent federal model when it comes to infrastructure investment. Instead, I hope to partner with you by leveraging and combining local, state and federal dollars.

This is one viable path to achieving a truly robust national infrastructure program — for example, one that is \$1 trillion in size. This is something that every American can rally around, and will benefit from — which includes urban, suburban, and rural areas.

America's cities, look forward to partnering with this committee to develop a robust and bi-partisan National Infrastructure Program.

While developing such a program will certainly be complex, I am confident that the following four components are absolutely necessary for success:

First, we must — quote — "do no harm."

Existing federal programs such as New Starts and Tiger are already combining with local funding streams to build, accelerate and expand projects. These programs prove that the local-federal partnership model can be successful, and must be maintained. They are the foundation upon which a national infrastructure policy must be built.

Second, we must, of course, expand direct federal infrastructure funding.

Local entities cannot do this critical work of expanding access to mass transit, and upgrading our nation's roads, freeways and bridges alone. At the same time, neither can the federal budget. Which leads me to the third component:

A national infrastructure package must include legislation that incentivizes local entities to generate their own revenue — and not just for the sake of spending the way that we've funded infrastructure for the last 50 years. We need to leverage new project delivery innovations, and make sure that our project reviews are as efficient as possible, and delivering real value.

Finally, we need to build our projects so they perform in the long-term.

Too often we only care about ribbon-cuttings and groundbreakings. The federal government should reward states and cities for ensuring their assets perform to the level that the public expects — focusing on longer-term life-cycle needs, and using innovation and new technology to deliver results whenever possible. Public-private partnerships, in many cases, are a particularly good way to deliver ongoing performance, and they also allow the public sector to leverage private funding to help deliver projects sooner, more efficiently with performance guarantees.

Altogether, this is how we can indeed get to \$1 trillion. And this is how we can lay a new path forward — one that creates hundreds of thousands of jobs for our economy, builds connections between our communities, and improves the quality of life of all Americans.

I look forward to working with this committee to help deliver that future for the American people, and cities across this country.

### **Measure M – An Unprecedented Transportation Infrastructure Program**

Measure M is the largest transportation initiative in the history of the United States — times two. Measure M is expected to generate an \$860 million a year in 2017 dollars. This measure will help expand our rail and rapid bus transit system, accelerate rail construction and improve our system connectivity throughout the County of Los Angeles. It will stitch the rail network needed to connect every resident in Los Angeles County. A total of 15 rail and bus rapid transit projects will be built under Measure M. These projects include the acceleration and completion of our Purple Line subway extension, light rail connections in the San Fernando and San Gabriel Valleys, and the vital connection to LAX. The Purple Line extension would connect the two largest job centers in the State of California, downtown Los Angeles to the UCLA/Westwood area. And the project will be ready by 2024, the target year for our Olympic bid.

Measure M also funds projects to build and fix 14 major highway projects. It aims to tackle some of the most congested corridors and roadway bottlenecks in the nation. For example, the measure will help modernize Interstate 710 Long Beach Freeway, a vital transportation artery that links the Ports of San Pedro Bay to major distribution centers. Thousands of trucks use this corridor every single day. The construction of this project will improve air quality, enhance traffic safety and assist to accommodate future economic growth to address our nation's freight movement needs.

Another important feature of the Measure M program is the so-called local return program. Local return pays back all the 88 cities in the County so streets can be repaved, potholed are repaired and traffic signals are modernized through synchronization. When designing the program, it was important to us that neighborhood streets and intersections would also benefit.

But Measure M is not just about infrastructure transportation improvements. Measure M will add 466,000 new jobs across the entire Los Angeles County region. These are high-

level and well-paying construction and technical jobs. I want to point out that these are career jobs, jobs that can support a family.

But a local ballot measures cannot do it alone. A national infrastructure plan only works when the Federal government is at the table.

### **Keeping Existing Federal Programs and Maximizing Direct Federal Funding**

Both the FAST ACT and MAP-21 have been incredible resources for both highway and transit projects for many cities and jurisdictions around the country. And we should keep all the current funding programs in place.

The Los Angeles County Transportation Authority, also known as Metro, has benefited from the Federal Transit Administration's Capital Investment Grant Program, also known as New Starts. Over the last five years we have matched over \$3 billion in federal New Starts grants with an equal amount of local Los Angeles County taxpayer dollars to build effective and efficient rail projects. The Federal government should continue to support and fully fund the New Starts program — which has proven to be an outstanding steward of the American tax dollars. In my considered opinion, any effort to block future New Starts grants would be misguided and compromise a program that has proven its effectiveness over the last decade.

Los Angeles Metro has used nearly \$2 billion in TIFIA loans to leverage Los Angeles County taxpayer dollars to finance four major transit projects over the past five years. The TIFIA program — which costs the federal government very little to maintain — has been essential in helping Metro and other transportation agencies across the nation to take highway and transit projects from the drawing board to their construction phases.

Metro has been a national leader in matching TIGER grant funds with local dollars in order to maximize the impact of these valuable federal funds. Whether it was Metro's Rosa Parks Blue Line Transit Station — which secured a \$10.2 million TIGER grant or the \$15 million TIGER grant Metro recently secured to fix one of the most dangerous grade crossing projects in California (Rosecrans/Marquardt Grade Separation Project) — the TIGER grant program is a great example of how federal funds can be used to leverage local and state dollars. Congress would be wise to continue funding the TIGER grant program — which has benefitted both rural and urban cities across the nation since it was first authorized in 2009.

These programs have worked well in Los Angeles and many cities across the U.S. Do no harm is what I call it, meaning, it is essential that existing sources and uses of funds are not changed or eliminated. This means, building on what we have, and using the tools we have available.

### **Next Steps to Craft a Bi-partisan National Infrastructure Program**

Since last November, I listened carefully to the infrastructure proposals from Administration officials and Congressional leadership. Undoubtedly, both sides of the aisle share the same objectives, it is to rebuild America's infrastructure. We agree

cutting red tape and streamlining projects is a good to bring projects benefits to the public sooner. But for the U.S. to have a robust infrastructure we all envision, at to be competitiveness at the global stage, a significant amount of new federal funding is necessary. This is a must. And then enacting legislation that would reward cities and rural areas for generating their own revenue. That is why I believe both the Administration and Congress should identify and new Federal funds while using these revenues to yield greater returns and outcomes.

So Los Angeles, for example, is not just coming with an empty hat, Los Angeles is coming in with money in hand, approximately \$120 billion, and an offer for a Federal partnership with the other hand is what we are looking for. A program that incentivizes localities across the Country to pass their own bonds and/or funding efforts in the way Los Angeles has recently done, will create an incredible catalyst for a major infrastructure program. This means creating significant leverage by incentivizing infrastructure owners to secure and commit to their own revenue measures, bond programs and other sources of revenues will go well beyond traditional federal-state funding splits.

As mentioned before, we do have tools for financing to stretch every federal programs such as Build America bonds and TIFIA, as well as a National Infrastructure Bank, are all very good complimentary frameworks. However, cities and states should also think about innovative public-private partnerships and opportunities for us to partner with the Federal government to leverage what localities are doing.

So as Congress gets closer to finalizing our funding strategy, we look forward to working with you to forge a new Federal-local partnership that will create jobs, improve commute times, and build livable communities. As chair the U.S. Conference of Mayors Infrastructure Task Force, we will be exploring further on incentivizing specific long term programmatic outcomes to better stretch every single federal dollar. This includes leveraging new local revenue sources, as I mentioned before, addressing project life-cycle costs, using public-private partnerships, and exploring innovation and technology.

## **Conclusion**

I want to thank you once again, Chairman Inhofe and Ranking Member Cardin for allowing me to be here today. I really enjoyed participating in today's hearing and look forward to working with you, at a bipartisan level, to identify innovative ways to address our nation's infrastructure needs. Please do not hesitate to contact me directly or my Transportation Director Borja Leon at (213) 473-9771 or [borja.leon@lacity.org](mailto:borja.leon@lacity.org) before or after the hearing if you have any questions.

Thank you very much.