



## *Transportation and Poverty Alleviation*

*The transportation system should be socially equitable and strengthen civil rights; enabling all people to gain access to good jobs, education and training, and needed services. Where possible, personal transportation expenses should be minimized in ways that support wealth creation. Integrated with land use planning, transportation should also enhance the quality, livability and character of communities and support revitalization without displacement. The transportation system should allow every American to participate fully in society whether or not they own a car and regardless of age, ability, ethnicity, or income.*

### ***-The New Transportation Charter***

The transportation system should alleviate poverty and support wealth creation. Poor people and low income communities should have reliable and affordable access to good jobs, education and job training, affordable housing, childcare and other services and opportunities throughout metropolitan areas. Unlike past transportation decisions that have left whole segments of our population behind, modern transportation investments must pull together the communities and opportunities within a region rather than driving them further apart.

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### ***Concentrated Poverty Results from Highway-Induced Sprawl***

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Sprawl has contributed to the concentration of poverty. According to the Federal Transit Administration, two-thirds of all new jobs are in the suburbs while three-quarters of welfare recipients live in central cities or rural areas.

Case studies in Cleveland and Atlanta found that welfare households were clustered in central city or inner suburban neighborhoods; a significant number of job opportunities were in outer suburbs far away from recipients' central city homes; and finally, many of these suburban jobs were inaccessible by any mode of transportation other than a car.

While only 29 percent of the total U.S. population lives in central cities, 44 percent of the nation's welfare recipients reside in these areas. In a 1998 study, the U.S. Department of Housing and Urban Development estimated that the national suburban population is growing twice as fast as that of the cities and that unemployment remains higher in most central cities than in suburbs.

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### ***Making Car Ownership a Necessity is a Poverty Trap***

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The poorest fifth of Americans spend 42% of their annual household budget on the purchase, operation, and maintenance of automobiles, more than twice as much as the national average.

From 1959-1999, households went into car debt 7.4 times faster than the increase in total spending, while the savings rate dropped from 7.5 percent to zero.

Low income people typically have older cars and unexpected repair costs. Because of credit problems, they are often subjected to sub-prime loans with higher interest rates. These

predatory lending schemes could result in car repossession, worsening credit, and a lack of transportation to work.

Over 90% of former welfare recipients do not have access to a car.

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### ***Unreliable, Fragmented Transit Systems Contribute to Poverty***

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A coalition of businesses called the Welfare to Work Partnership found that the most significant barrier to employment for their employees was transportation.

A national study by Boston-based Volpe Institute revealed that three in every five jobs suitable for welfare-to-work participants are not accessible by public transportation.

While cities like New York and Washington, DC have extensive rail and bus systems that provide late night and weekend service, most metropolitan areas typically do not offer adequate services during second and third shift hours.

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### ***Better Implementation of Low-Cost Transportation Solutions Are Needed to Alleviate Poverty***

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In New Jersey, welfare administrators found that 94% of all welfare recipients in the state lived within a ½ mile of an existing public bus line. As such, WTW plans focused on coordinating existing services and targeting job placement to transit-accessible corridors instead of expanding new lines.

Columbus, Ohio's Linden Center, which includes childcare, job training, and health care facilities at the city's first transit center, is considered a national model for integrating transportation, access to jobs, and affordable housing in a region. Driving the development of these and other improvements is a faith based group that is demanding better coordination between the city, transit agency, metropolitan planning organization, and employers.

The Children's Defense Fund recently reported that although transportation is a key component in current welfare law, welfare workers in Mississippi did not advise their clients that transportation help was available 52% of the time. Those who were lucky enough to receive transportation work supports got an average of \$28.59 per week; the median receipt was \$10.00, but \$9.00 per week occurred most frequently.

A provision in the federal transportation law, TEA-21, allows employers to helping workers save on transportation by offering up to \$100 in free or subsidized transit passes, carpool and vanpool programs, or even cash incentives for those who bicycle or walk.

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### ***Poor Road Maintenance Leads to Community Disinvestment***

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A US Conference of Mayors survey on city infrastructure needs found that Mayors identified highway and street maintenance and rehabilitation as their top city surface transportation priority.

From 1970 to 1990, the Chicago region's outer counties gained one million people, while 90 older municipalities, mostly in Cook County, lost 770,000 residents. Like other older communities, Chicago's inner ring suburbs are experiencing a shrinking tax base, declining home values, and growing poverty as former residents move away in search of better schools and safer neighborhoods on the other side of new beltways.