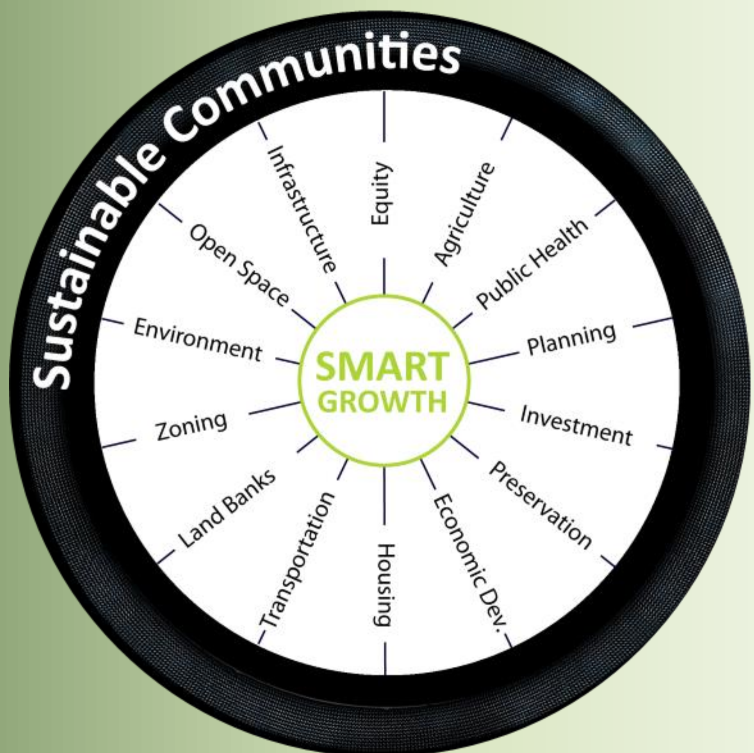
Empire State Future



2014 Policy Priorities

Promoting Sustainable and Equitable Communities & Economic Growth throughout New York State

Empire State Future

A Project of the Tides Center

The Empire State Future Coalition is dedicated to Smart Growth and sustainable development. It consists of 72 local, regional, state, and national organizations and companies who share that goal. Our combined mailing list reaches more than 500,000 New Yorkers from Montauk to Niagara Falls. Empire State Future and its Coalition support each other's common missions: together, we're building a strong collective effort to move Smart Growth to the next level in New York State.

Adirondack Council*
American Farmland Trust
American Institute of Architects – New York
American Institute of Architects – New York State
American Planning Association- NY Metro
America Planning Association – NY Upstate Chapter
Audubon – New York
Bike Walk Alliance of Westchester & Putnam
Binghamton Regional Sustainability Coalition
Building Performance Lab- CUNY
The Catskill Center
Center for Sustainable Rural Communities
Centerstate Corporation for Economic Opportunity*
Central New York Citizens in Action Inc.
Congress for New Urbanism New York
East Coast Greenway Alliance
Environmental Advocates of New York*
FXFowle Architects, PC
Greater Jamaica Development Corporation
Green Options Buffalo
Green Village Consulting – Rochester
Hunt Engineers, Architects and Land Surveyors, PC.
IBI Group
Jonathan Rose Companies
Landmark Society of Western New York
Land Trust Alliance- Northeast Program
Leyland Alliance
Local Initiative Support Corporation, Buffalo
Main Street First- Little Falls
Metropolitan Waterfront Alliance
Mid-Hudson Pattern for Progress
Natural Resources Defense Council
The Nature Conservancy – New York
NeighborWorks – Rochester
New York Bicycling Coalition
New York Civic
New York League of Conservation Voters*
New York League of Women Voters
New York Planning Federation
NYS Association of County Health Officials
New York State Urban Council
Northern Westchester Energy Action Consortium
Orange County Citizens' Foundation
Parks & Trails New York
Partners for a Livable Western New York*
Partnership for the Public Good-Buffalo
Preservation League of New York State
Project for Public Spaces
Reconnect Rochester
Regional Plan Association*
Renaissance Downtowns LLC.
Rensselaer Plateau Alliance
Rochester Regional Community Design Center
Scenic Hudson*
Sierra Club – Atlantic Chapter
Smart Growth America
Sustainable Hudson Valley
Sustainable Long Island
Sustainable Saratoga
Sustainable South Bronx
Sustainable Tompkins
Syracuse First
The Stakeholders, Inc.
Ticonderoga Revitalization Alliance
Tri-state Transportation Campaign
University Transportation Research Center
urban advisors ltd.
Urban Land Institute – New York District Council
Vision Long Island*
WE ACT for Environmental Justice
Wildlife Conservation Society
W X Y Architecture + Urban Design

(*****Denotes steering committee member)

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Report from the Executive Director

Empire State Future seeks greater and shared prosperity for all New Yorkers. We envision New York's communities -- their main streets, town centers and urban areas -- growing in a sustainable and equitable way and becoming all they can be for the people who live there.

To get there, we seek the restoration of economies of scale in hollowed out or sprawled places through regionally appropriate density. In New York City and its dense suburbs, we seek to ensure that growth does not endanger the quality-of-life, lead to displacement, or undermine the vitality of existing neighborhoods. In places where prosperity is threatened by demographic change – disproportionate aging and youth flight -- we seek changes in land use development and infrastructure policies to re-establish fiscal and social stability wherever necessary.

Executive Director Peter Fleischer

We believe that the challenges we face in terms of environmental protection, economic growth, energy use, and equitable societies can and must be addressed as one issue. In our resource constrained world that will likely be present for a generation to come, solutions to these challenges need to be efficient as well as effective. We must seek to solve all these problems with the same effort and vision.

Empire State Future's suggested approaches in terms of policies, project choices, and other actions are intended to address multiple problems such as transportation, housing and economic activity. To that end, we have called for a statewide infrastructure policy that gives priority to specific forms of infrastructure and clearly states which other forms will need to be reduced if new sources of revenue are not identified.

We have further called for linking infrastructure policy with economic development statewide. We note that state and local infrastructure spending in New York approximates $20 billion annually, while the much more focused and ballyhooed Regional Economic Development Councils have less than $1 billion to spend each year. To that point, we have publicly pondered the question "which is the tail, and which is the dog?" Or perhaps "which is the sizzle, and which is the steak?"

All of this is important because infrastructure spending is what will determine the vitality of our communities in the future. When this spending is appropriately matched to our changing demographics, we will create prosperity through wise and efficient investment. When it is not, we run the risk of frittering away the limited financial resources we do have.

ESF is focused on all forms of public infrastructure spending -- agriculture, water, sewer, road, bridge, transit, and energy use. We also consider the important private investment in housing and energy creation that can be synergistically interwoven into the public investments. It's clear that some forms of infrastructure spending produce more good jobs per dollar than other forms, and targeted infrastructure spending leads to higher economic multiples.

We also note that some forms of infrastructure spending can often result in a more widely shared prosperity. And some forms of investment lead to more fiscally and environmentally sustainable communities.

ESF believes that major expenditures should be paid for “as we go” to the maximum extent possible. We obviously don’t rule out debt, but the guiding principle should be that our generation of decision makers turns over the state’s infrastructure to the next generation in a well-maintained way without excessive debt. Unfortunately, that is not the path we’re on now.

Our prescriptions outlined in this report highlighting our 2014 Policy Priorities seek to use the time-honored tools of infrastructure development and land use decision making to the public good. They address New York’s needs in the areas of transportation, housing, jobs, and economic activity in a fiscally constrained way, and with an eye on the needs of future generations.

These goals include:

1. A comprehensive state infrastructure plan focused on rebuilding water and sewer, agricultural, transit-oriented, and quality-of-life infrastructure.

2. Regional Economic Development Council emphasis on projects that rebuild main streets, town centers, and urban areas.

3. A Location Efficiency metric that along with the work of the Cleaner Greener Communities plans guide the important REDC, NY Works, and other Economic Development and Infrastructure processes.

4. Substantial Return on public and private investment, which is wholly probable when linked to strong state incentives and technical support for Transit-Oriented Development that includes a meaningful quantity of fair and affordable housing.

5. A voting seat for transit dependent riders on the five largest public transit authority boards in the state.

6. Full implementation of the 2010 Smart Growth Public Infrastructure Policy Act.

7. A pilot program to convert struggling or defunct strip malls into sustainable lifestyle centers.

These series of policy steps can lead New York to a brighter future. Please join with us to support Smart Growth that brings needed jobs, stability, and prosperity to our great state. This growth can substantially improve our communities if it is in the right place, done the right way. Thank you.

Sincerely,
Peter B. Fleischer
Executive Director

Put New York to Work

Linking Infrastructure Spending To Economic Development

Recent efforts such as Governor Cuomo's NY Works initiative (which now coordinates $21 Billion in FY2013 state infrastructure spending by 46 agencies and authorities), The Regional Economic Development Councils (controlling about $784 million), and the Cleaner Greener Communities effort (some $30 million) have gained wide praise. A report on The New York Works Task Force in the fall of 2012 showed how the state can better coordinate capital and infrastructure investments. That work is projected to continue through several state fiscal years. Moving the state's infrastructure and economic development efforts toward sustainable and equitable community and economic development is what's needed now. Doing so will create more jobs and foster additional growth in New York.

Economic Infrastructure Priorities:

Water/Sewer Repair
Transit-Oriented Development
Agriculture
Quality-of-Life Projects
--
Non-Safety Bridge
New Roads
New Water/Sewer (Sprawl)

The REDCs are an innovative effort to include many viewpoints, operate with transparency and make decision-making both regionally appropriate and consensual. They have initiated a competitive process that encourages the sharing and replication of best economic development practices from across the state. The Combined Funding Application for capital funds, which incorporates the Smart Growth Impact Statement, is now in use.

Empire State Future has evaluated the Priority Projects proposed across the regions and seen a positive trend toward wise growth practices and away from ones that are less smart. Additionally, we are pleased to see a formal link between strategic plans and regional sustainability plans. To keep this momentum going, we propose incorporating the metrics and values of the sustainability plans into the actions of the REDCs so as to become a guiding aspect for approvals.

The NY Works effort, the REDC process, and Cleaner Greener program must be augmented. The Governor has made it clear that his mission is providing new jobs, a laudable goal with unemployment still high around 8 percent in the state, and further efforts are now necessary.

The state's water, sewer, road, bridge, transit, airport, and other public works projects keep New Yorkers moving and healthy while supporting economic opportunity. They are a major source of jobs, the current base of our prosperity and an essential springboard for future growth. But even at this considerable scale, the full need to maintain, replace or augment our public works falls well short of the funding.

It is well known that the Metropolitan Transportation Authority needs additional billions to complete its Long Island, Grand Central, and downtown mega-projects, maintain a state of good repair, and avoid service cuts. The Port Authority also needs billions. Our ports and airports need upgrading, the cables holding up the George Washington Bridge need replacing, and the PATH system requires repairs. Up river, the Tappan Zee Bridge is being replaced. Farther north still, Upstate's many structurally deficient bridges and highways need billions more. Our rural economies require investments in distribution and processing facilities. Even less well-funded and less often considered, but of significant importance to our health and quality of life, is the state of our waterworks and sewer systems. Many sewage treatment plants, built four or more decades ago with federal Clean Water Act funds, are near the end of their design life. They too require billions of dollars.

And now we are awakened to the devastating impact that climate change can have on our public works. Storms such as Irene, Lee, and Sandy compel us to make our existing systems more resilient, consider new forms of shoreline protection, and even localized strategic retreat.

Despite the intense focus on Regional Councils, their purview does not include the vast majority of the enormous economic development and job creation opportunities that stem from planned and needed spending on our state's infrastructure and post-Sandy response. The Councils initially had $1.5 billion dollars available including amounts taken from the capital programs of several state agencies. That sum is dwarfed by the annual spending on infrastructure by our numerous state agencies, authorities and corporations, and other billions associated with Hurricane Sandy.

Investments in Syracuse's Connective Corridor have increased the quality of life for residents and spurred new development.

We encourage the regional councils and the Cuomo Administration as a whole to focus on repair and strategic re-building of the state's infrastructure as a fundamental economic development strategy. Sewers, sewage treatment plants, transit facilities, the electric grid, bridges, water systems, agricultural economic development, and the Canal Corridor. It matters which of these public works we advance most strongly since there is not enough money to fix all of what's broken, much less build the infrastructure to allow for future economic engines and growth. Transportation and environmental bonds, or better yet a "green" bond that funds the most crucial sustainability infrastructure, need to be considered. Hard choices will need to be made, including limiting investment in non-safety bridge and roadwork in favor of investing more in the infrastructure priorities we have enumerated.

1. Empire State Future calls for a higher priority for the funding of sewer and water repair work statewide. These efforts are highly labor-intensive and they tend to involve local workers and materials. Moreover, these environmental facilities are extraordinarily costly to municipalities when they fail, and they are essential for the revitalization of main streets and downtowns during renovation work. New decentralized and green infrastructure technologies should be considered where they are environmentally and economically preferred.

2. We urge statewide priority funding of transit properties. Transit work generates many more jobs per dollar than does road or highway work. Access to transit for work and other activity is essential for the many New Yorkers who don't own a car, cannot drive, or choose not to do so. Inadequate transit effectively disenfranchises these many citizens from economic participation. Importantly, by not driving, these folks reduce congestion and improve air quality for all.

3. We appeal for a focused and expanded approach to Transit-Oriented Development, including Equitable TOD in cities, suburbs, and town centers. Development around transit is a proven way to increase regional employment, housing options, and real estate value while reducing energy use by using targeted public infrastructure work that induces location-efficient private investment. TOD is superb bang for our limited public buck. This investment includes water and sewer infrastructure, which is necessary to allow for greater density around existing stations, and in affordable housing that is tied to a mixed-income TOD project.

4. We propose a strategic approach to investment in agricultural infrastructure and added-value farm products. This will increase the viability of New York's small farms, create jobs upstate, and better link the potential of New York's farm and rural lands, urban nutritional and health needs, and innovative food-related businesses.

5. Lastly, we invite officials to continue to make the quality of life investments that have been proven to help attract new businesses and investments, such as the Walkway over the Hudson, the High Line, the Erie Canal Corridor, and Day Lighting the Saw Mill River. All of these public and public/private projects are verified job creators. And when the work is done they leave the communities better able to compete for future jobs and economic growth.

Regional Economic Development Councils

The goal should be growth in the right place, done the right way!

In 2011 Governor Andrew Cuomo rolled out the Regional Economic Development Councils. The launch of these councils was very positive as they are an innovative effort to include many viewpoints, operate with transparency, and make decision-making regionally appropriate and locally supported. The competitive process is improving the effectiveness of the various economic development concepts that have emerged across the state.

During the REDC's first two years Empire State Future has actively shared best practices while it helped to educate council members on sustainable and equitable economic growth opportunities. We have been pleased with the collaboration and the end results of the nascent process.

In 2011, the four regions designated as "Best Plan Awardees" (Long Island, Western New York, Central New York and the North Country) all incorporated regionally appropriate Smart Growth as top priorities. Central, Western and Long Island REDCs made downtown revitalization, connectivity and Smart Growth their main focus. They fared best. The North Country proposed in its largest project the reopening of a train line to move goods "smartly." Work Groups, such as Western New York's Smart Growth group, have brought together key partners from the public, private, and non-profit sector to identify specific opportunities.

In 2012 there was even more of what we call the "good" projects -- growth in the right places, done the right way. There were fewer "bad" projects – meaning poor use of the public's money. Repeat winning regions (Central New York and the North Country) continued to display best practices, while first-time "Best Plan" awardees (Southern Tier, Finger Lakes, and Mid-Hudson) all displayed a new commitment to regionally appropriate Smart Growth solutions. Projects of note include mixed-use transit-oriented development, renewable energy and agricultural infrastructure in rural regions, historic rehabilitation of notable downtown buildings, and exciting areas of waterfront development.

Empire State Future believes that the regional councils have received the message: those that prioritize the efficient use of public infrastructure money will be rewarded in the state-level competition. Our analysis of some 250 Priority Projects proposed by the ten Regional Councils in 2012 identifies an improvement in the percentage of projects supportive of the goals and principles of Smart Growth over the previous year (about 50 percent versus 40 percent in 2011).

Importantly, the number of "bad" projects -- ones that would accelerate sprawl, the inefficiently use public infrastructure dollars, or subsidize efforts that seem to lack a public purpose -- has decreased from roughly 20 percent of the total dollar-weighted submission to approximately 10 percent of the submissions, a notable progression.

There appear to be fewer attempts to grow suburban office and industrial parks at the expense of nearby cities, but there are some. There are a surprising number of projects calling for construction of new buildings in places that have high vacancy rates. There are also some projects that support local initiatives or companies that obviously have regional support but probably would not rise to the top if objective third-parties were involved. But the number of questionable projects has definitely fallen.

About 40 percent of the projects in both years fall into the category we call "good, or ok, but not Smart Growth." These projects fall largely into three categories: initiatives that retrain workers, support for existing manufacturing entities, and academic collaborations in support of research, technology and health services. Empire State Future clearly recognizes these as public or private initiatives that are worthy without being explicitly Smart Growth. It makes sense in these times of high unemployment, changes to our industrial mix, technological advancement, and new forms of domestic and foreign competition, that the REDC's seek to support such innovative or transformational efforts. Still, there is a major Smart Growth opportunity even within this large group of projects.

Top 10 Smart Growth REDC efforts of 2012

1. **Across regions, investments in processing, distribution and packaging of local agriculture**
2. **Mixed-use, transit-oriented developments in Long Island**
3. **Waterfront developments in New York City's outer boroughs**
4. **Mixed-use transit-oriented developments in the Hudson Valley**
5. **North Country alternative energy projects**
6. **Southern Tier downtown and waterfront revitalization**
7. **The Capital District's Rensselaer waterfront mixed-use TOD project, and Albany's Kiernan Plaza high-tech concept**
8. **Downtown street improvements in the Mohawk Valley**
9. **Finger Lakes' focus on the Eastman Business Park in Rochester, and**
10. **The several imaginative downtown renewal and reuse projects slated for Syracuse and Buffalo.**

Specifically, public investments in existing manufacturing entities and academic collaborations in support of research, technology, and health services could – and we would say should -- go through a "location efficiency" screen.

For example, in relation to other entities in its region, if a manufacturing entity deemed worthy of these economic subsidies is located in a Greenfield or in a place with no public transit, it should lose points relative to a similar firm located near public transit or in a Downtown. If all else is roughly equal, the public subsidies should go to those entities that offer the region and the state value in terms of support for transit, reduced vehicle miles traveled, lower GHG emissions, lessened effect on natural resources, and efficient use of existing infrastructure. That's Smart Growth!

Such a screen should be adopted by each of the ten REDC's in conjunction with the state's parallel Cleaner Greener efforts. This will make sure that all of our values are reflected in the projects chosen and that these projects, using rare and limited public infrastructure dollars, return the highest possible return on investment to the public.

Location Efficiency for Economic Development

Across New York new sustainable economic and community development trends have emerged. Manufacturing is moving back to the urban core in Central New York. Housing, offices and retail are being built around transit stops in Long Island and the Hudson Valley. New York's farmers and food producers have new opportunities for capital and distribution. In short, regions are realizing that smart growth solutions are inextricably intertwined with sustainable economic development, and that smart growth solutions are the first steps to addressing the fiscal and industrial, as well as socio-economic and demographic challenges.

Incorporating strong and smart metrics into New York's economic development and planning initiatives will insure the best use of our limited infrastructure dollars, protect our agricultural economies and open space and develop opportunities for low and middle income populations.

What is a "Location Efficient" Project?

1. **Has the greatest synergistic value in terms of effect on nearby home/industrial/retail or commercial values.**
2. **Utilizes existing water/sewer/sidewalk/ road infrastructure**
3. **Reuses vacant or abandoned buildings or land**
4. **Supportive of local retail**
5. **Located near areas of high unemployment**
6. **Reduces employee transportation cost and gasoline expenses**
7. **Public Health benefits of connectivity and walkability**
8. **Accessible by and supportive of public transit, walking or biking**

Governor Cuomo has provided some innovative vehicles to achieve the desired growth. He instigated the Regional Economic Development Councils to allocate roughly $760 million annually to regional priorities and "transformative projects." In their wake, the companion Cleaner Greener Communities effort, which engages leaders in the sustainability and economic development fields to create regional sustainability plans and performance metrics, are to guide roughly $30 million of annual funding available through the Regional Greenhouse Gas Initiative. Already, the REDC efforts have produced noticeable improvements in project selection, primarily using job creation economic development metrics. The nascent CGC sustainability plans that incorporate location efficiency metrics have the opportunity to offer an even clearer path to desired growth if applied thoroughly.

Location efficiency is about developing in ways that the cost to businesses, the individual, the public sector, and the environment are minimized and thought of holistically. For individuals, it is looking broadly at the costs of housing and transportation to create livable and affordable environments. Many individuals make these decisions every day, with some moving closer to a transit hub and paying a little more for housing to save much more on gasoline and automobile expenses.

Location efficiency is crucial where large sums of public money are in play. Accurately measuring the real cost of decisions requires building metrics as part of the competitive process, judging projects by comparing them to similar projects that are located in infrastructurally, environmentally, fiscally and demographically advantaged areas.

How would this work?

Imagine that a regional council prioritizes a subsidy for a project that will generate a given number of jobs, and that project will be miles from the center of the region in a Greenfield, suburban office park or industrial park. At the same time, there is an almost identical project or a project that focuses on strategic energy retrofits or another priority, with just a slightly less-deserving ratio of jobs/subsidy dollar, located within the region's center.

Under most, but not all, circumstances, this would mean that the further a given project is from a regional or transit center, the more points will be lost.

This scoring is not arbitrary imposed values. They are a reflection of state law as embodied in the NYS Public Infrastructure Policy Act -- a law that passed in 2010 overwhelmingly in both the State Senate and Assembly.

Points should be deducted from projects that:

1. **Engender additive vehicle-miles-traveled**
2. **Generate additional greenhouse gases**
3. **Add to employee transportation costs and gasoline expenses.**
4. **Necessitates new water, sewer, or road infrastructure**
5. **Is destructive of wild habitats or farmland**
6. **Lessen regional water quality**
7. **Do not support walking and biking**

And these points, for or against, represent very real costs to the public, to state agencies and to municipalities. Such costs or benefits ought be quantified, made public, and applied to the Regional Economic Development Councils' project selection processes and project scoring. If this or a similar approach is applied to the 20 percent of the project scoring that is done at the regional level, then by law and by common sense, it ought to be done by the Governor's staff and agencies at the state level in regard to the 80 percent they assign.

Cleaner Greener Communities has the opportunity to be more than a stand-alone effort. Location efficiency models developed through CGC, that compare projects in the right places to those that are not, would be an enhanced metric for the Regional Economic Development Councils. Such a tool would put New York State and all of our respective regions on the path to greater, greener, and lasting economic success.

In Genesee County, an Agricultural Business Park may be an appropriate investment in an agricultural community, while other public investments in infrastructure and economic development are more efficient if they are closer to an urban population centers.
Photo credit: Genesee County Economic Development Center

Transit-Oriented Development: Vital to an Interconnected System

If you have ever experienced back pain you often acutely focus on a problem that may exist with your spine. Only later you find out it may not be your back. Instead it could be your hips, muscles and joints which are all interconnected and are needed to support a healthy spine and quality of life. By building that support system you may even eliminate the back pain that once plagued you.

In the New York Metropolitan area, transit is the backbone. Transit-oriented development in the urban areas and the railroad suburbs surrounding each station is the core muscle which keeps 13 million New Yorkers (and 6 million in Northern New Jersey and Connecticut) moving in a productive fashion. It's vital to the economy and quality of life downstate.

Benefits of Transit-Oriented Development:

1. **Revitalizes main streets, urban cores**
2. **Aligns with demand for rentals and condos**
3. **Supports existing transit service and makes possible transit enhancements**
4. **Environmental benefits from fewer vehicle-miles-traveled**
5. **Provides alternatives to single-family home for elderly, Gen-Y, low-income**
6. **Tool to improve fair and affirmative housing options**

In the five boroughs, 6,300 subway cars and 5,600 buses, provide 7.7 million rides a day. Metro-North serves 121 different stations in seven New York State counties and two in Connecticut. On Long Island, 735 daily trains provide transportation for 265,000 each weekday. Including regional bus systems and rail connections in neighboring states, the region is the quintessential hub-and-spoke system that makes Manhattan a global center for business and the region livable for all commuters, riders and drivers. The transit system is most efficient in the places that have developed densely, with the stations located in the walkable core. Pre-1950's development, the traditional downtown, was very similar to what we consider modern day TOD; walkable environments with the mixing of uses, retail on the ground floor, with diverse housing options and offices above.

Then came the car craze. Robert Moses's highways and bridges facilitated suburban sprawl. Neighborhoods were built lacking interconnected streets and paths for walking, forcing everyone to drive everywhere to do just about anything. Creating more car lanes often led to paralyzing, congestion.

Focusing on TOD can solve many of the issues caused by inefficient land use in the past. A combination of personal lifestyle choice and real savings (the American Public Transit Association found that New York City families can save $14,340 annually by utilizing transit) continues to move a record number of people of all ages, socioeconomic and racial backgrounds out of the car and into the bus or train.

The development community in the New York metro region has noticed the shift in housing demand. The effort by the Long Island Regional Economic Development Council to provide financial support for water and sewer infrastructure in places like Ronkonkoma allows for the creation of a dense town center around the LIRR station; an example of when building new infrastructure is warranted.

Efforts by the MTA Metro-North to stimulate TOD in places such as Beacon and Harrison, as well as the work by the New York and Connecticut Sustainable Communities Consortium in places such as New Rochelle, is evidence that New York is finally starting to rebuild the TOD our transit system needs.

But we aren't there yet, with more challenges to be addressed. Local policies like parking regulations, outdated zoning policies, lack of sewer infrastructure, and overly burdensome development approval processes, still push developers toward the path of least resistance: to states with comprehensive TOD strategies, or into sprawl development. Even though TOD can improve the financial situation for transit operators, the state does not have a coordinated strategy to assist with TOD planning or to defray the costs as compared to suburban development.

Hudson Park in Yonkers has brought new residents to local shops and increased usage of the historic train station.

In part because of the higher cost of TOD in New York, many units that have been developed are luxury or higher end. This results in fewer affordable and mixed-income options. It does not adequately address the issues of displacement and gentrification. This is an unacceptable side effect as projections indicate that low-income riders are most likely to be a transit systems greatest user (by 2030 more than half of the potential demand for housing near transit will come from households below area median income). The best examples of public support for TOD have come from local governments and states that develop holistic approaches to realizing its economic benefits while advancing social goals.

As highlighted in the 2011 report by RPA, Getting it Done, which offers strategies for Long Island to improve their TOD landscape, the City of Fairfax, VA was identified as a place that has been able to streamline the planning process for new development, creating one point of contact for all information and forms.

Two programs out west showcase the benefits of cooperation between government, non-profit and the private sector in funding TOD. The San Francisco Bay Area Transit-Oriented Affordable Housing (TOAH) Fund is a $50m public, private and non-profit collaboration for the development of affordable housing, retail space and other critical services. Eighty-five percent of the fund capital is dedicated to the creation of affordable units. The fund, which closed in 2011, included support for pre-development and acquisition among other activities that traditional financiers have shied away from.

A similar approach in Denver, the Mile High Transit Oriented Development Fund, is a $15m fund that is expected to create or preserve 1,000 affordable units. Strategic land acquisitions promise future sustainable and equitable growth.

Creating environments with access to transit for those who rely on it is important. While certainly there exist additional challenges in an intensely developed region like New York, derivatives of these programs could create an easier path forward for the type of TOD desired and needed. It's vital to further support our transit capability, the people who rely on it, and the countless new riders across the state who are demanding it.

Equitable Transit-Oriented Development Opportunities in NY

It has been said that New York City is the world's best example of transit-oriented development. As now built, New York City's five boroughs have an amazing density and propinquity of employment and population centers as well as cultural, recreational, medical and educational assets connected by subway and bus systems.

Metropolitan area suburbs are integrated into this web with suburban bus and train lines running south, southwest, west, northwest, north, northeast, and east. All points of the compass feed in to and connect to the center, including New Jersey Transit, PATH, the Port Authority's bus system, MTA West-of-Hudson, MetroNorth's Hudson, Harlem and New Haven lines, the LIRR and LI Bus. In the New York City metro area suburbs alone, there are over 244 train stations and many hundreds of bus stops used by hundreds of thousands of New Yorkers (the vast bulk of these stations/stops are in Long Island and Westchester Counties though there are some train stations and bus stops in Orange, Rockland, Putnam and Dutchess Counties) each day. This additional connectivity creates North America's largest and most successful metropolitan area.

The following state goals have been identified:

1. **Local Planning Regulatory Changes:**
   - **Zoning for Equitable Housing and TOD**
   - **Local Complete Streets Policies**
   - **Parking Strategies**
2. **New York State Agency TOD Support:**
   - **New York State DOT TOD Endorsement**
   - **TOD Sample Zoning Codes**
3. **A new state-supported E-TOD effort via the Regional Economic Development Councils or through a New York Statewide E-TOD Program.**
   - **Infrastructure Needs**
   - **Subsidies for Equitable Units**

At each one of these stations or stops, there is a future Equitable (Fair and Affordable) Transit-Oriented Development opportunity.

Empire State Future, and the Tri-State Transportation Campaign are working in partnership to develop a state strategy to expand and accelerate development in the vicinity of transit with a meaningful component of fair and affordable housing.

ETOD is about Community Building. ETOD addresses issues of: transit-access, transit-finance, walking, biking, parking, housing, equity, owner/rental, multi-family, retail, permanent jobs, construction jobs, zoning , market demand, demographics (brain drain, youth flight, downsizers), preference for smaller homes, desire to be near denser more lively places and importantly, the very real risk of displacement and gentrification. Adding appropriate and equitable density to this large intricate concatenation will increase prosperity with the most efficient combination of investment and infrastructure spending.

ETOD may prove to have adequate metrics to justify economic development funds through the current New York State Regional Economic Development Council (REDC) processes. It is estimated that over a decade, an annual state investment of $100 million in an ETOD Program would generate at least 10,000 affordable and equitable units.

The total ETOD Project, including both market and fair/ affordable units, would be an estimated 40,000 units, adding roughly 100,000 new residents. It is reasonable to assume that a considerable amount of private investment will be induced by such a state program. In fact, if $300,000 is assumed to be the average development cost per unit and if 40,000 units are created, the total private investment would be $12 billion, via a $1 billion, 10-year ETOD Program. The affordable units alone would create 8,000 new construction jobs. A total of 40,000 affordable and market-rate units would create 32,000 construction jobs[1].

Equity Benefits:

There are considerable benefits to all residents and to the community stemming from mixed-income, racially diverse developments that achieve the proper balance of market and non-market households and have been marketed affirmatively and fairly. Among the benefits to the residents of “affordable” units would be access to average and above-average school systems and the long-term opportunities this is known to provide. Affordable ETOD units will be as walkable to transit and as attractive as most, if not all, of the non-affordable units.

Equitable TOD meets pending housing demand for livable and walkable units while providing a tremendous return on public investment for local municipalities, transit agencies, and families alike.

Transit Revenue:

Development in the vicinity of transit that incorporates equitable units will result in additional transit ridership. If .8 people in each of the future units uses MetroNorth or LIRR and the average monthly commute cost is $200, then there could be an annual new revenue source to the commuter railroads of $19.2 million (8,000 people x 12 months x $200). There would be some additional variable costs to the Railroads associated with these new revenues.

Household Savings:

The average American household has more than one car. The Institute of Transportation Engineer recommends 1.2 parking spaces per unit for new suburban TOD households. That would mean for 10,000 households, there would be 12,000 cars instead of 18,000. Assume the average second car costs a family $7,000 a year (financing, maintaining, operating, garaging). It should be noted that AAA uses an $8,900 figure for the average of all cars. Then there would be an annual $7,000 x 6,000 cars savings to the residents of $42,000,000, much of which would likely then be spent locally and regionally.

Developer Savings:

Parking garages can be one of the hardest challenges in the development of TOD. It often involves the loss of valuable space close to transit stations, which drivers do not like, but that space is more valuable for housing or retail. Parking garages are expensive with development costs ranging from $10,000 to $20,000 per space.[2] And no matter how trussed up, garages are often ugly and hard to blend in with the surrounding environment. Smaller structures are often more conducive to main street and downtown environments. Coordinating parking strategies would allow for fewer spaces that can still accommodate the communities needs -- the spots that TOD households don’t need can be utilized by commuters or for the highest and best use.

[1] According to the National Association of Home Builders, for every 100-unit multifamily property of affordable or market rate apartments, 80 construction jobs are created when building new (NAHB, 2010). http://www.nahb.org/fileUpload_details.aspx?contentTypeID=3&contentID=35601&subContentID=265044

[2] Douglas Shoemaker with Center for Transit Oriented Development 08/26/06

Transportation Equity: Rider Representation on Transit Authority Boards

Empire State Future is a founding member of the New York State Transportation Equity Alliance, a coalition of more than 80 groups across the state working to reform Federal and state transportation policy to ensure that equity concerns are addressed fundamentally.

The Problem

Transit riders often encounter a persistent disconnection from the decision-making bodies of their systems and the needs of the riding public. As riders pay more at the farebox for lesser service, transit systems are failing to meet the needs of those who depend on a reliable and affordable bus or train for their livelihoods. When riders try to influence how the systems run through limited public comment periods, many feel like their grievances fall on deaf ears.

A rider's perspective can be a valuable addition to New York State's transit authority boards.

Nowhere was this conflict more evident than in Western New York, where in late 2011 the Niagara Frontier Transportation Authority proposed a 22 percent reduction in service miles, a move that would severely disenfranchise many of the estimated 30 percent of the City of Buffalo's population that do not own a car or do not drive. With many of the region's economic opportunities already spread out in an inefficient manner, those who rely on transit needed to have their voices amplified.

Many of our transit authority boards do not include board members who rely on daily public transit. Political leaders have chosen to appoint board members usually for their business and management acumen rather than their experience as users of public transportation. The people who decide the future of transit systems therefore typically do not have a direct stake in that system's service. This is a systemic problem that can erode public support for an important asset.

While the expertise board members bring to the table is valuable, the composition is inherently unbalanced without the representation of the users of the systems. Upstate transit authorities have no seat for transit riders on their boards, and labor only recently garnered a non-voting seat. While the MTA does have a seat for a regular mass transit user, that seat has no voting power, thereby arguably representing riders in name only.

The Solution

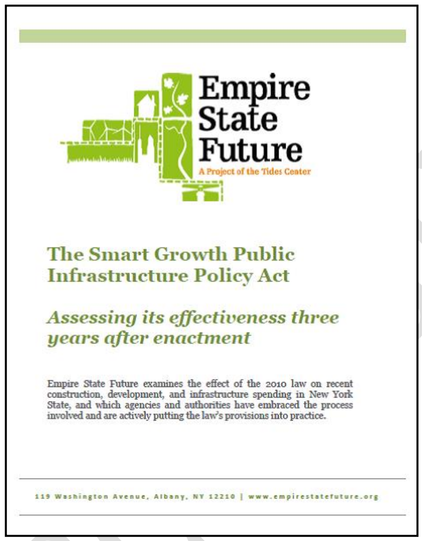
To enact change, a rider's perspective with voting power, grounded in the daily use and dependence on the reliable functioning of public transit, must be included in the decision-making body of the systems. Designated voting seats will give the riding public an identifiable ally on the board.

Transit systems are particularly crucial for low income and minority communities -- as access to jobs in persistently troubling economic times. Social and economic justice requires a functioning transit system for those who do not have access to other means of transportation. Riders need reliable, affordable transit systems that are sensitive to their needs. Disenfranchisement undermines regional economic prosperity for all.

Full Implementation of the 2010 Smart Growth Law

New York State will be changed considerably for the better if the Smart Growth Public Infrastructure Policy Act is fully implemented in a reasonable time. The potential effects are far-reaching in construction, housing, and overall economic development.

The law is designed to shape an enormous amount of capital spending, whether by the state or through its approvals of private sector projects. Spending billions of dollars the right way will lead to a more economically and environmentally sustainable and equitable New York. In 2010 Empire State Future joined others who pushed strongly for passage of the bill, and we've been monitoring government's fulfillment of this important act.



There is certainly a learning curve associated with implementing many new laws, and better focus on the Smart Growth Law will prove most beneficial as the law's requirements become more familiar to state agencies and authorities and municipalities.

The more the Smart Growth Law is used by agencies and authorities, the word that it's here to stay will get out to the involved constituencies who will then understand that the goal is construction and development proposals must reflect Smart Growth standards at their inception.

What Empire State Future has been able to determine with its analysis, published in reports issued in 2012 and 2014, is that the law is a helpful tool, albeit sometimes an unfamiliar one. For those agencies that have been employing it, a layer of transparency for infrastructure funding emerges that helps protect from costly or wasteful spending. The law's requirement for Smart Growth Impact Statements can also be viewed as a template of sorts, allowing an agency, authority, or municipality to exclude spending on noncompliant projects -- and also allowing decision makers and stakeholders to have a method to determine what noncompliant means.

We applaud the progress evident since our initial report in 2012, and hope that the areas of noncompliance receive the proper focus and intervention required. We urge continued progress through increased outreach education and awareness at all levels of government.

With its 2014 report, Empire State Future has sought to reinforce a number of important points regarding the implementation of the Smart Growth Law and how it must be enforced fully and equally.

We continue to emphasize the proposition that the Smart Growth Law is critical to the effective allocation of infrastructure spending, and to providing the essential transparency of public expenditures in the challenging economic climate of today. Only by using the Law as a benchmark for smart spending will its original goals and intent be realized.

The need for law was recognized by both Republicans and Democrats in the Legislature who understood that only smart and optimized expenditures of the state's limited infrastructure resources would allow New York and its localities to prosper. Meeting the challenges of keeping our water, sewer, bridge, road, transit, and other critical systems in a state of good repair while providing funding for needed new engines of growth is a major challenge that the law is intended to address. It law was passed overwhelmingly, with all but five of New York's 210 legislators voting in favor, with supporters thereby including the state's most conservative and rural members of the Senate and Assembly.

Under Governor Patterson who signed it and Governor Cuomo who has continued its execution, the law has migrated into the actions and decisions of hundreds of state agencies, public authorities and corporations, and municipalities. The law's intent has concurrently made substantial inroads into the thinking and planning of the numerous consultants, planners, developers and engineers who conceive of and help to direct capital projects across New York. We have found that with a few exceptions, this implementation is moving forward generally well.

Empire State Future's reports showed that many state agencies had begun to take the required steps, including forming stakeholder committees, conducting Smart Growth reviews, and issuing Smart Growth impact statements. We reported on the impact of the law at the project level including some easy successes, many hard choices, and some ongoing flaws.

One clear omission that has been identified in the law is the lack of inclusion of the tax-credit based activities of state and local economic development agencies, which should be integrated into the program. Some economic development activities in New York are ineffective, non-transparent, not aligned or coordinated with overall infrastructure spending, and subject to inappropriate giveaways and subsidies. While the Regional Economic Development Council process has address much of this problem, amending the law would make it easier for the Empire State Development Corporation and the Industrial Development Agency's to make investments more in line with Smart Growth principles.

As we move into the third year meeting the requirements of the Law, Empire State Future recommends continuation of the progress made to date and steps that will improve on the Law's effectiveness by:

- Including coverage of all public agencies and authorities in the requirements of the Smart Growth Infrastructure Policy Act

- Specifically, the SUNY Construction Fund and other similar agencies, as well as the Regional Economic Development Councils, should be subject to the Smart Growth Law

- Similarly, the actions of tax credit-granting organizations such as local Economic Development Authorities should be brought under the requirements of the Law

- Incorporate the financing activities of "pass through agencies" such as the New York State Dormitory Authority and similar organizations that provide funding for state supported construction (these organizations are critical to actually building hundreds of millions in construction annually in New York, but they currently escape notice because of their position that they do not decide the fate of projects, and only supply financing).

Recycling Suburban Strips towards Mixed-use Housing

The Opportunity

Today, a half century, plus or minus, since Levittown and the beginnings of the Interstate system, there is an opportunity for an ingathering of the detritus of the sprawl system made possible in part by the proliferation of strategically located vacant commercial and retail properties.

Background

Like a wind-driven storm surge rolling over and changing the landscape, the demographic pulse of the post-World War II baby boom flowed across the land – touching just about everywhere and rearranging society and its institutions. The population bulge, and most particularly, the younger boomers, people born 1954-1964, arrived in such large numbers relative to anything that had ever happened before or for decades, in a much larger America, since.

Empty or underused commercial space along transit corridors, like the bus-rapid transit line between Albany and Schenectady, could be redeveloped for a more sustainable future. Photo credit: blog.timesunion.com

Grade Schools and University were built to teach them. Homes were built, developments sprouted, towns grew and our American places sprawled. Farmland, forests wetlands and habitat disappeared.

Interstates proliferated and provided access. Home prices rose. Malls emerged. Retail prospered. Office space expanded. The stock markets surged.
Suburbia extended in leaps and bounds. The rich got richer. Exurbia appended. Meanwhile…

Our cities declined, were hollowed out, grew unsafe. Transit systems suffered. Air, water and food became threatened.

Government, ever trying to make all happy, grew big and weak trying to shore up and support the once dense while hopelessly chasing after the expanding, inefficient needs of the spread. Then, the bubbles burst -- oil shocks, debt, high tech, real estate, debt, banking, and the auto industry. Did I mention debt? The poor got poorer.

Then suburbia went bad -- abandoned strip malls, failed shopping centers, empty car lots, seas of unwanted, aging, runoff-inducing asphalt everywhere. Inequities exploded.

Empire State Future will seek to advance pilot projects in New York State. We will work to see an assemblage of a property inventory: the number of vacant or derelict suburban strips, empty shopping centers, closed auto dealerships, etc. We will call for the priority in data gathering for properties that could be transit-oriented reuse opportunities. Sites that are along bus routes that have the potential to increase service (Bus Rapid Transit) or lead to important job centers are strongly preferred. The likelihood of redevelopment of these transit accessible sites could be enhanced through public investments in water, sewer, Complete Streets infrastructure and transit enhancements.

We will continue to make the case that gentrification and displacement may occur in urban areas that do not adequately provide affordable housing opportunities near urban amenities (close by jobs, transit, smaller rentals).

Redeveloping former strip malls, car lots, and vacant shopping centers, if done right, can accommodate:

- **The soon to be displaced working class populations of our fast-gentrifying cities and main streets**
- **The young in search of denser, livelier and affordable options**
- **The ex-exurbanite or suburbanite fleeing high energy and home maintenance costs in a world of declining home values**
- **The swollen ranks of the disabled engorged by the epidemics of obesity and diabetes, and**
- **The multi-lingual pulse of new immigrants' still coming, needing housing, willing to work and yearning to breathe free.**

Providing equitable and affirmatively marketed opportunities, that maximize opportunities for minority and low-income communities, should be a stated goal in any redevelopment. Universally accessible designs that are tailored to our elderly and disabled will be encouraged as well as features that improve our environment and are designed with respect to Climate Change realities and the needs of those displaced.

Lastly, we will research and identify best practices in mixed-use conversions (percentage of retail, commercial, residential - owner occupied, rental, affordable, cost, time frame, etc.), and assist in identifying pending markets. We will share research with New York State developers interested in a New York State pilot project.

Summary

Our goal in issuing this listing of Empire State Future's Policy Priorities is to inform our supporters and the public, and to bring forth reactions and advice from readers of the document. Please don't hesitate to offer your comments and views as part of the educative process. Thank you.

Empire State Future
A Project of the Tides Center

Empire State Future
119 Washington Avenue, 3rd Floor
Albany, New York 12210
(518) 427-5954
info@empirestatefuture.org
www.empirestatefuture.org