

AFFORDABLE HOUSING: A HUMAN AND ECONOMIC CHALLENGE

Lack of affordable housing in the metropolitan region is a quality of life issue that affects every citizen, in some way, each and every day.

In 1987, RPA's public participation project, *Fairfield 2000*, stated in its final report some of the main obstacles to providing affordable housing. The report cited the high cost of land, time-consuming approval processes, out-dated or stringent regulations, zoning patterns that do not address the needs of the community, insufficient financial resources, neighborhood resistance and lack of coordinated planning and action by the municipalities of the region. In 2001, these obstacles still exist, and in most cases are more serious impediments than ever. These circumstances have been exacerbated as housing costs have climbed to new heights and the affordable housing stock has stagnated or suffered losses in many of our communities.

As the region's workforce moves ever further from employment centers in search of a decent dwelling that won't break the bank account, unsightly urban sprawl becomes the norm. This endless quest for affordable housing in turn, causes virtual dawn-to-dusk nightmarish traffic jams. All that pollution created while cars sit and fume in stop-and-start, bumper-to-bumper traffic, helps to place the region right at the top of the scale with one of the worst air quality ratings in the US. The high cost of housing and horrific commutes affect the economic stability of the region as companies encounter difficulty hiring and keeping workers. As the daily stress takes its toll, how do we even begin to calculate the cost to our health and well-being?

Wages for millions of Americans simply are not keeping pace with soaring housing costs. The National Low Income Housing Coalition's annual report on income and rental housing costs, *Out of Reach*, found that in 1999 there was no local jurisdiction anywhere in the United States where a full-time minimum-wage worker could afford the fair market rent for a one-bedroom unit in their community. And in nearly every county in the U.S. at least one out of three renters earning the median renter income for their area could not afford the Fair Market Rent (FMR) for that area. Is it any wonder that many in our workforce clog the highways enduring two, sometimes three-hour commutes? The Stamford Advocate reported on one woman, who wakes at 3 AM to beat the rush hour traffic, then sleeps in her car until the start of her workday. This is just one example of how families in this region are directly affected by the lack of affordable housing. Developers and municipal officials can recite case after case where families are negatively affected because they are not able to obtain a decent, safe and affordable home in proximity to their employment. This truly has an impact on the very fiber of our communities.

Clearly, the New York Metropolitan area has one of the widest discrepancies between income and housing costs. *Out of Reach* estimated that those living in the Nassau-Suffolk area of New York would need 413% of the Federal Minimum Wage (FMW) to afford a 2 bedroom apartment at the FMR; those in the Stamford-Norwalk, Connecticut area would also need 413%; Westchester County, New York 401%; Middlesex -Somerset-Hunterdon, New Jersey 359%; Danbury, Connecticut 338%; and Rockland County, New York 333%.

The report went on to estimate the hours per week needed to work at minimum wage to afford a two-bedroom apartment at the FMR to be 165 in the Nassau-Suffolk, New York area and the Stamford-Norwalk area of Connecticut; 160 for Westchester County, New York; 143 for Middlesex-Somerset-Hunterdon, New Jersey; 135 for Danbury, Connecticut; and 133 for Rockland County, NY.

The obstacles to the provision of affordable housing are significant. However, this region is fortunate in that it has an extensive array of sophisticated non-profit and for profit affordable housing developers, a committed financial community which is knowledgeable in the often complicated funding programs, and a sprinkling of enlightened public officials who are able to see the importance and interrelationship of affordable housing in the larger context of economic diversity, employment opportunities and environmental concerns. These constituencies are constantly seeking new ideas and approaches to overcome the obstacles inherent in the provision of affordable housing in this region.

The affordable housing dilemma runs the gamut from housing the homeless to providing acceptable housing to corporate executives. And while the solutions we seek today may apply to all income levels, this workshop will focus on providing such housing for lower middle-income families. We will explore methods for overcoming community resistance, providing incentives and modifying local ordinances in order to improve the Region's affordable housing stock.

COMMUNITY PLANNING AND REGIONAL CENTERS

Throughout the region, communities are taking a more active role in planning for the direction and extent of new development. Residents, community activists and business owners are taking the lead as they craft new plans to spur residential and commercial development. Several communities have created plans to help neighborhoods benefit from new projects and protect local residents from the negative impacts of unbridled growth and gentrification. These efforts are particularly critical in communities with new or proposed infrastructure or development projects, such as the Brooklyn Waterfront, East Harlem and the Newark Arts District.

The panel will discuss the important role that community based planning plays as the region continues to prosper and push the boundaries of the central business district. As the region's growth brings both new opportunities and challenges to these neighborhoods, how can community based planning help to integrate local needs with regional initiatives? How can communities pursue sustainable economic development without losing the cultural integrity of the neighborhood? What role can manufacturing play in the new growth economy, and how can community-planning efforts help to sustain the local job base?

Since its founding in 1978 by community and business leaders, Southwest Brooklyn Industrial Development Corporation (SWBIDC) has sought to encourage business investment and job creation in the depressed industrial corridor of Southwest Brooklyn and to serve as an advocate for the neighborhood. To accomplish this, SWBIDC strives to encourage entrepreneurship and business activity, prepare local residents for employment and advocate on important capital investment projects. SWBIDC plays a leading role in revitalizing the Sunset Park business community by offering programs and services that enhance the competitiveness of local firms and improve the quality of life for everyone. Since 1995, SWBIDC's activities with local businesses have leveraged over \$117 million in private investment and led to the creation of over 1,750 jobs in the Sunset Park, Red Hook and Gowanus communities. In addition to assisting the business community, SWBIDC also seeks to build partnership with community-based organizations such as UPROSE and Neighbors Helping Neighbors to ensure that the residents and business leaders in southwest Brooklyn are working together to bring about change that benefits everyone. Ms. Williams will address the importance of partnerships between business leaders, community advocates and residents.

Comprehensive cultural planning is a relatively new concept within the overall context of community planning. Many communities across the country have adopted such plans in recent years as a way of using the arts as a catalyst for cultural and economic growth. Sometimes the planning is regional and other times it may be more localized. In either instance cultural planning is a response to a community's cultural needs by providing a plan for adequate cultural funding, cultural facilities, arts education programs in local schools, housing for artists, opportunities to exploit the region's assets through cultural tourism and a plan to extend arts and culture into the neighborhoods. The City of Newark, New Jersey has embarked on the creation of a cultural plan to assure that the economic and cultural impact of the state's new center for the performing arts—the New Jersey Performing Arts Center, which extends to the entire city. Mr. Oglesby will address the impetus for the plan and the community collaborations necessary to assure its implementation.

The Manufacturing Land Use and Zoning Initiative is a project by the Municipal Art Society (MAS) in partnership with the Pratt Institute Center for Community and Environmental Development (PICCED) to identify issues and opportunities facing manufacturing districts and mixed-use communities in New York City. The goal of the project is to provide the civic community, general public and government officials with information, tools and recommendations for evaluating and guiding both short-term and

long-term land use policy. Working with diverse stakeholders, including community as well as business leaders, the Manufacturing Land Use and Zoning Initiative produced a report which examines existing conditions and provides recommendations on how and where to retain and revitalize the city's manufacturing base. The study finds that manufacturing is very much alive in New York City and that, in fact, it offers promising ground for job growth. The study concludes that, by retaining and supporting manufacturing, the City can help ensure that New York City's economic growth benefits individuals and low income communities who have been largely left behind in the City's recent economic boom. However, the future of the manufacturing sector in New York and in the region depends on maintaining community support for manufacturing and mixed use zoning.

In recent years, many communities near manufacturing areas have taken the initiative to develop their own community-based plans. Almost all of these community plans call for job development, as well as housing and open space. Although, most communities support manufacturing businesses as generators of jobs, manufacturing zones are increasingly perceived as linked to health and quality of life problems. As a result, while most of the community-based plans call for protecting manufacturing and creating mixed-use zones, they also, insist on limiting the concentration of noxious uses and requiring enhanced environmental performance. Eva Hanhardt will discuss how, with the support of community/manufacturing alliances, the recommendations of these community based plans and of the Manufacturing Land Use and Zoning Report can lead to the future health of both the economy and the environment.

DESIGNING HEALTHY COMMUNITIES

More than a century ago came the recognition that the design and management of cities had a direct relationship with the public health concerns of American city-dwellers. While diseases such as tuberculosis, polio and dysentery have all but been eradicated there is now an epidemic of chronic "lifestyle" diseases. Obesity, heart disease and respiratory illness are afflicting nearly half of our regional population. Public health professionals have concluded that the growing epidemics are a direct result of sedentary lifestyles. How can public health and planning professionals collaborate to promote healthier lifestyles? How can we design communities that promote more physical activity? Can we increase the number of daily pedestrian trips to school and work in new and existing communities? Can state and local highway and subdivision designs incorporate sidewalks, greenways and other features that will promote walking? RPA's Robert Yaro and Tom Schmid from the Centers of Disease Control will present a brief overview of the situation, followed by a moderator-led response panel.

Overall Questions To Consider:

- Land use/real estate is typically not a public health issue. What are the fundamental connections?
- What are the environments that promote public health?
- What are the environments that "decrease" individual activity levels?
- What is the basis for good state planning and new partnerships?
- What are the challenges?
- Should there be a regulatory response?
- Is there a demand for "healthy communities" from residents?
- What could be the potential response to this issue from our states and locales?
- How can this region be a Northeast leader for healthy communities?

BACKGROUND BRIEF – APRIL 13, 2001

Inactivity Contributes to a Nationwide Epidemic

Obesity is epidemic in the United States. More than 50% of U.S. adults are now overweight, based on a body mass index (BMI) ≥ 25 . Furthermore, 22% of the U.S. adult population is obese, based on a BMI ≥ 30 —equivalent to approximately 30 pounds overweight. Obesity is not simply a cosmetic disorder. Approximately 60% of overweight 5 to 10 year old children already have one associated biochemical or clinical cardiovascular risk factor like hyperlipidemia, or elevated blood pressure or insulin levels. Approximately 25% have two.

The risk factors observed in children will become chronic diseases in adults. Almost 80% of obese adults have diabetes, high blood cholesterol, high blood pressure, coronary artery disease, gall bladder disease or osteoarthritis, and almost 40% have two or more. Only smoking exceeds obesity in its contribution to total mortality rates in the United States. A recent estimate that suggested that the direct and indirect costs of obesity in the United States approximated 10% of the national health care budget underscores why we can no longer afford to ignore obesity as a major medical problem in the United States.

Although behaviors related to food intake that contribute to the epidemic remain unclear, data from children have demonstrated an apparently causal relationship between sedentary behavior and the onset and persistence of obesity. Furthermore, although physical activity may not substantially improve rates of weight loss among the obese, activity appears to improve many of the diseases associated with obesity, such as diabetes, hypertension, and cardiovascular disease. *These observations suggest that the*

most effective approach to begin to control the obesity epidemic and its adverse effects is to promote physical activity.

Do We Want to Become More Physically Active?

“Two studies published recently in the Journal of the American Medical Association concluded that you can improve your health as effectively through small lifestyle changes and moderate physical activity as you can by following a vigorous exercise program. Such moderate activity can be as simple as walking around the block, working in the garden or taking the stairs instead of an elevator,” from the Surgeon General to the People of Philadelphia. January 2000.

“Philadelphia’s Mayor and Health Czar have teamed with the Philadelphia 76ers to create the latest opportunity for a citywide health revolution. Together, they challenge Philadelphia to lose 76 TONS in the year 2001!” from Mayor John Street’s Fitness Program 2001.

Given the increased national concern over urban sprawl, opportunities abound to design and refine communities to promote physical activity. This approach would enhance the health of communities and also make them more livable and transit-friendly. National surveys support broad public support for additional investment in recreational and pedestrian amenities.

- 54% support use of federal funds for more bike paths.
- 62% support the use of state or local funds for more sidewalks.
- 74% felt that sidewalks should be mandatory in new communities.
- 40% would not vote for a politician who wanted to use tax funds for walking or bicycling.
- 60% would support a policy requiring sidewalks and paths between stores and shopping areas.

Our Regional Growth

The Census Bureau forecasts that the nation’s population will grow by 60 million by 2020—which would be the equivalent of adding two states with the population and service demand of California. This growth will require the construction of approximately one million new housing units per year for the next two decades.

While the New York metropolitan region is expected to grow at a slower rate it will add two million new residents by 2020, a 10% increase over current levels. During this same period, the region’s economy could grow by as much as a third, creating greater buying power and a higher standard of living. However, growing highway congestion in New York and other metropolitan regions could severely constrain forecasted growth. For this reason, RPA’s Third Regional Plan concluded that the region’s capacity for growth and its quality of life will depend on the extent to which it can focus development in New York City and other transit- and pedestrian-oriented centers. This growth will require that the region’s transit system, already the nation’s largest—be modernized and expanded.

The extent of growth to be accommodated both in the Nation and in the New York region, combined with the strong groundswell of interest in smarter patterns of development would create a unique opportunity to plan, build and rebuild communities that are conducive to healthier, more active lifestyles. In short, *smart growth is healthier growth*. RPA has calculated that failure to promote these new patterns of growth and mobility could constrict expansion of the New York region’s economy by hundreds of billions of dollars annually by 2020. It can be expected that similar outcomes would be experienced in other regions across the country.

Can Planners & Developers Help Fill a Prescription for Public Health?

Then...

The disciplines of urban planning and public health have common origins. More than a century ago came the recognition that the design and management of cities had a direct relationship with the public health concerns of American city-dwellers. At that time, widespread epidemics of dysentery were caused by sewage contamination of the water supply. In addition, poverty and close living quarters fostered tuberculosis. Coal smoke and particulates blocked the sunlight necessary for the synthesis of Vitamin-D in skin. As a result, over 20% of urban children had rickets.

As early as 1870, in his essay Public Parks and the Enlargement of Towns, pioneer urban and park planner Frederick Law Olmsted identified the strong link between good public health and community design, opportunities for exercise and access to fresh air and sunlight. Olmsted built these attributes into his plans for New York's Central Park, Atlanta's Piedmont Park and dozens of other urban park systems across the country. Later, the urban planning and public health professions developed around efforts to reduce the incidence of these diseases through the principles of improved planning, design and management of America's urban communities:

& Now

There is now little disagreement that fat-rich diets and the lack of physical activity are leading causes of obesity, related cardiovascular disease and other serious chronic health conditions in the United States. However, until now there has been little serious attention paid to the relationship between public health and the societal shift to suburban low density, automobile-oriented settlement patterns over the past fifty years.

Today, most people live in low-density environments and are largely reliant on automobiles for their mobility.

- The use of the automobile requires little physical activity and burns few calories.
- Transit, on the other hand, requires walking at both ends of a trip, and it often requires stair-climbing and additional walking to access goods and services.

Many suburban centers are reaching the carrying capacity limits of their highway systems, because they lack the concentration and mix of activities to support any mode of transportation other than single-occupant vehicles. At the same time, most suburban centers contain extensive but isolated abandoned, undeveloped or underutilized parcels of land.

- Promoting reuse of these areas with infill development is the key to achieving more compact pedestrian- and transit-oriented development patterns.

Only 30% of children who live within a mile of school walk to school. Although 25% of all trips are less than one mile, 75% of these trips are by car. To have a significant impact on public health, the goal must be to increase personal activity rates on a daily basis.

- Travel to school and work is a regular, daily activity.
- Travel to shopping and recreational features is a regular, weekly activity.

Many communities in our region do not have enough open space opportunities per capita. At the same time, heavily trafficked roadways and neighborhood land use patterns render some spaces underutilized.

- Parks, gardens and neighborhood greenways are an important part of connecting isolated communities and encouraging physical activity levels to rise.

In Our Region: New Jersey Takes the First Step

In order to effectively impact public policy, we need to research and document replicable experience that can inform the efforts of planners, developers, bankers and public health professionals in the redevelopment process.

The New Jersey State Development and Redevelopment Plan was adopted in March 2001 through a unique participatory process. The plan includes a strong vision for healthy communities that draws the connection between land use planning and increasing local activity levels in urban centers, regions, towns, villages and hamlets. This includes creating integrated commuter and light rail systems, designing communities to support pedestrian and bicyclists via a network of parks & greenways, and can be the pattern that links homes, schools and shopping—even job sites. New Jersey's commitment to mixed land use principles that retain the state's economic *and* public health makes this plan a leader in the nation.

- What did New Jersey learn from looking at this connection between land use and public health? What are the plans for implementation? How and why should other states adapt the New Jersey approach to planning & public health?

LONG ISLAND CITY: THE REGION'S NEXT MAJOR CENTER?

Long Island City, located on the western edge of Queens directly across the East River from Midtown Manhattan, is one of the region's most important assets. It is also the type of place that poses a quandary for how to maximize its economic potential. With 370 manufacturing and distribution firms that employ approximately 17,000 workers, the district is currently one of the region's leading centers of industrial jobs and activities. It is also a place that has the potential to become a regional commercial center on par with places like Jersey City and Stamford, and can attract thousands of new office job opportunities to the region's core. There are also tantalizing possibilities for Long Island City to develop as a mixed-use district that combines technology-intensive commercial uses, high performance production activity, and residential development that maximizes opportunities to live and work in a compact, walkable neighborhood.

Planners and developers have long touted the potential for Long Island City to become a major commercial center. The assets that create this potential are clear. Long Island City is a 10 minute subway ride from Midtown Manhattan and Grand Central Terminal, and it is the nexus for more subway lines than anyplace other than Downtown Manhattan and Downtown Brooklyn. It has good access to the region's highway network and the Queens airports, and it has the potential to become a major intermodal rail hub with service from Long Island Railroad, New Jersey Transit and Amtrak. There are several large spaces for development, great views of Manhattan, a dense fiber optic network for telecommunications and a local workforce with educational resources such as LaGuardia Community College.

With the economic expansion of the late 1990s triggering a scarcity of commercial space in Manhattan, it appeared that Long Island City's time for commercial development had finally arrived. Technology companies were eyeing the low rents and large floor plates of existing industrial buildings, new towers were rising at Queens West to go with the Citicorp building that has dominated Long Island City's skyline since the late 1980s, and New York City's Department of City Planning certified a rezoning proposal that would create a 37 block mixed-use district in the district's core that would permit high-density residential and commercial development.

In the last year however, the rapid cooling of Manhattan's real estate market has greatly lowered the immediate expectations for commercial development and has again raised questions about when—if ever—the region will see Manhattan's Central Business District expand eastward into Queens. This pause in the economy however, provides an opportunity to clarify the vision and lay the foundations for the next expansion. Implementation of the City Planning rezoning initiative would establish a framework for the development of a new central business district in Long Island City's core, and recent state and city financial incentives will reduce the effective rents of new commercial tenants. However, several other issues will need to be addressed to determine what type of business district this will become, and what impact its development will have on the rest of Long Island City and the larger metropolitan region. Leading the list of issues are the following:

- *Transportation Investments:* Even with Long Island City's current transit connections, the proposed central business district cannot support more than a few million square feet of commercial development without transportation improvements that would reduce traffic congestion and provide greater transit access from suburban areas. The action with the greatest impact would be the development of an Intermodal Station that would have service from both Long Island Railroad and New Jersey Transit, and potentially from Amtrak. The Metropolitan Transportation Authority is currently planning the construction of a Long Island Railroad station at Long Island City's

Sunnyside Yards as part of its East Side Access project. New Jersey Transit currently uses the Sunnyside Yards for trains that terminate at Penn Station, and could institute passenger service from Penn Station to Long Island City.

- *Image and Amenities:* Perhaps the greatest impediment to commercial development is a lack of restaurants, retail, open space and street life to attract tenants and support a 24/7 community. This has been the essential Catch 22 for expanding commercial activity. Without a critical mass of business, it is impossible to sustain a diverse set of services and amenities. Without these amenities, it is impossible to attract a critical mass of business. Investments in parks, streetscapes and other public spaces are essential to developing a sense of place and an appealing image. However, the answer may also lie in the organic development of a mixed-use district with an initial phase that emphasizes residential development and smaller scale entrepreneurs that will create the demand for additional amenities. This type of transformation has taken place in a number of urban districts during the 1990s, in part as an outgrowth of the preferences of “new economy” workers.
- *Industrial Retention:* Unquestionably, commercial development will result in some loss of manufacturing and distribution activity. However, there is the possibility of creating a dense, thriving mixed-use district in the core area while maintaining the industrial character in most of Long Island City. Part of the appeal of a Long Island City central business district is the potential to develop a compact center around transit hubs with all major commercial buildings within walking distance of each other. Some production activities, such as high-end printing or technology products, may thrive in and around this district. Other industrial activities can be strengthened in other parts of Long Island City with adequate zoning protection and enforcement, relocation assistance and financial incentives to expand and upgrade industrial space. These incentives could be funded through different mechanisms that capture a portion of the additional property value created through commercial development.
- *Community development:* Residents of Long Island City and adjacent areas could benefit from new development to the extent that they take advantage of either rising property values or new job opportunities. However, since most residents are renters, and since many may not have the skills or connections to take advantage of employment in new office industries, development strategies also need to consider actions that would allow these residents to benefit from an increase in commercial and residential activity. Programs to increase home ownership are one potential tool. Also, developing partnerships between new businesses and local institutions—such as LaGuardia Community College—is another avenue for expanding access to new job opportunities.

Connecting all of these issues is the understanding that Long Island City’s potential to become the region’s next major commercial center is dependent on the full range of issues that define it as a destination, and on implementing an integrated set of strategies to achieve a shared vision.

MIDTOWN WEST: MANHATTAN'S LAST GREAT DEVELOPMENT OPPORTUNITY

The Far West Side of Midtown Manhattan, a roughly 50 block neighborhood dominated by warehouses, the Lincoln Tunnel, Long Island Rail Road yards and the Jacob Javits Center, is the last great development opportunity on the Island. As the rest of Manhattan is built out in commercial or residential development, it has become the focus of a number of proposals for new commercial and sports-related projects, as well as an expansion of the Javits Convention Center. Unfortunately, these proposals have been made largely in a vacuum, without benefit of a master plan that considers transportation, utilities and other infrastructure needs, and without the proper balance of commercial, residential and open space. This panel will discuss these issues and the prospects for a process that will lead to a plan with broad-based stakeholder support.

THE PROPOSALS

A Stadium for the Olympics or the Jets and an Expanded Convention Center

The Long Island Rail Road Yards have been suggested as a potential site for a new retractable roof sports stadium that could potentially host the Olympics and the Jets National Football League franchise. The Olympics proposal would also include an adjacent indoor arena to replace Madison Square Garden. A few years ago, the Yards were also suggested as a potential site for a new Yankee Stadium. Proponents for the stadium tout its potential to be a catalyst for commercial development on the Far West Side and its potential to support an expanded Javits Convention Center. In fact, both the Olympics and the Jets' proposals incorporate a doubling of the exhibition space at the Javits Center. The proposal submitted by the New York 2012 Olympics proposal committee also claims that a tax increment financing district can generate the funds needed to support construction of the stadium and the accompanying transportation improvements.

Opponents have argued that the project, which would require constructing a platform over the Long Island Rail Road yards, would be prohibitively expensive (over \$1 billion), and would not yield the economic benefits its proponents claim. They point out that publicly supported stadiums rarely provide decent returns on the public funds invested and that the City has other projects like school construction or the Second Avenue subway, which are higher priorities. They have also expressed concern about the potential traffic impacts of the various development proposals.

An Expanded CBD

The Group of 35, an ad hoc committee of civic, business, and governmental leaders convened by Senator Charles Schumer, has been investigating opportunities to address the shortage of commercial space and a variety of infrastructure concerns that have limited the expansion of new media and information technology companies in New York City. The Group has investigated opportunities in all five boroughs, and is expected to propose major expansions of the CBD on the far West Side and in Long Island City. Scenarios for a build out of 50 to 100 million square feet of new commercial development are being considered, which would probably translate to between 150 and 300 thousand new jobs. This kind of development would require extensive infrastructure improvements, including new transit, power, telecommunications, gas and water & sewer capacity.

New Residential Development

Another alternative development approach would create an expanded residential neighborhood, with up to 50,000 new housing units. This would address an undeniable need in a city that has a housing shortage that is probably as high as 500,000 units. This scenario would also require extensive infrastructure improvements, though the transportation, power and telecommunications requirements would probably be lower than the needs for a commercial development. A mixed-use development scenario might bring a combination of housing and commercial development.

CROSS-CUTTING ISSUES

Each of these development scenarios would need to address a variety of infrastructure, open space and other amenities. The most obvious is the need to extend the transit network to this neighborhood. The closest subway line currently runs under Eighth Avenue. There is a general consensus that any development scenario, whether it includes office buildings, housing, a new stadium or a combination of the three, will require some form of new transit. The most prominent proposal is for an extension of the #7 subway from Times Square to the proposed stadium site. The MTA is currently beginning an environmental impact study of this proposal, which is likely to cost between \$1-2 billion. If successful, that would take care of access problems from the east, but provide only marginal improvements from the north, south or west.

The Olympic Stadium proposal provides for extensions of the Long Island Rail Road and Metro North to the West Side, but there are concerns about potential conflicts with operations at Penn Station. There have also been proposals to incorporate improved transit service to the West Side with a new commuter rail or rapid transit line across the Hudson River.

There have been several proposals for a new light rail or trolley line running across 42nd Street from the UN to the Javits Center. RPA has proposed a similar light rail line that would run across 42nd Street, down to the Javits Center, then east to Penn Station and Herald Square before heading north along Broadway to Lincoln Center. A trolley line would run on the surface and would be a potential attraction for visitors, but it would provide less than half the capacity of an extended subway line.

It is also clear that quality parkland must be a part of any proposal for commercial or residential development. Even with the Hudson River Park that is currently under construction, Manhattan's West Side will continue to suffer from a severe shortage of open space. Most prospective developers recognize that some portion of the neighborhood will need to be set aside for parkland, if only to make the remaining parcels more attractive. That parkland would ideally relate to the new facilities being constructed on the piers of the Hudson River Park.

Perhaps the most difficult programming element will be ensuring an attractive mix of consumer retail, food and beverage, and cultural establishments. These elements, which must strike a careful balance in a residential area, are essential for developing the kind of vibrant 24-hour communities that most new commercial tenants will demand.

DEVELOPING A COMPREHENSIVE PLAN THAT ADDRESSES ALL OF THESE CONCERNS

The most challenging aspect of these proposed developments is the need to develop consensus among the various stakeholders: existing residents and businesses, housing advocates, commercial developers, football players and Olympic athletes and elected officials on a comprehensive plan that respects the needs of as many interests as possible. Such a consensus can only be achieved if each group feels they have a stake in the plan. Manhattan Borough President C. Virginia Fields has jump started this process with her comprehensive planning study, which has engaged neighborhood, civic, development and housing communities. Some of the questions that will be addressed by the panel are:

- What is the process for developing a master plan that addresses the concerns of all stakeholders?
- How do we balance regional and local concerns?
- To what extent should any development approach be self-financing?
- What is the right mix of commercial, residential and open space development?
- How does the Javits Center and the proposed new stadium fit into this mix?
- What are the infrastructure requirements for these development scenarios?

NEW INSTITUTIONS AND FINANCING FOR THE NEW YORK/NEW JERSEY HARBOR WATERFRONT

Since the mid-1980s, when the epic civic struggle over Westway ended, the redevelopment of the New York waterfront has been a central concern of the New York civic community. There is a standard problem statement that, in simplified terms goes as follows. The waterfront was once a center of industrial and port activity, but that era is over and the Region must redevelop its waterfronts, now the site of decaying and under-utilized docks and industrial buildings. This represents an enormous opportunity for New York, particularly given that the country is now in love with water access and that the United States is increasingly a country whose population is concentrated along its coastlines. And with harbor water quality at its highest level in over a century (thanks to thirty years of multi-billion dollar spending on sewage treatment upgrades), New York has an emerging asset that should be a centerpiece of its efforts to enhance urban vitality and quality of life.

This problem statement has generally been accompanied by encomiums (with their unspoken message of "emulate this!") for what are seen as successful models of waterfront redevelopment, such as the Boston and Baltimore Harbor revivals, the opening up of the Embarcadero in San Francisco and Toronto's forthcoming \$12 billion dollar downtown waterfront revival to name a few.

A critical component of the success of waterfront redevelopment elsewhere has been getting three things right: the right mix of public and private financing, the right division of labor and responsibility between public and private participants and the right combination of planning and flexibility in program design and implementation. For example, the Toronto Waterfront Redevelopment plan envisions an ultimate public investment of \$5 billion to leverage \$7 billion in private sector investment. A special waterfront commission combining public and private sector interests will administer this program. This Commission will sponsor a set of segment by segment redevelopment plans which will combine publicly planned facilities with private sector driven development. Toronto has set a goal of completing the main elements of a revived 30-mile waterfront in the next fifteen years.

Without a doubt, it has been the need to mobilize adequate funding that has driven other cities to tackle these problems, and the success in organizing and providing that funding has been the pivot around which waterfront revival elsewhere has turned. The ability of other urban areas to find adequate funding for waterfront development has long generated envy among those committed to waterfront revival in New York, as well as an ongoing buzz of criticism of New York's waterfront institutions and policies. The history of nearly two decades of attempts to turn Manhattan's Lower West Side Hudson River waterfront into a major civic space illustrates why critics are right to complain.

Over the years, the capital cost estimates for creating a Hudson River Esplanade Park on the Lower West Side have come in at around \$300 million. Operating cost estimates have varied, but \$25 million annually is a workable midpoint. Compared to New York City's resources these are almost miniscule sums. Yet for more than 15 years, New York City and New York State, both individually and collectively have been unable to come up with such relatively small amounts of money, even when it would potentially give the City one of the world's greatest stretches of urban waterfront. This failure—which is finally being overcome by an almost heroic civic effort—is a damning indictment of the opportunity sense of City and state government. It is also a grim warning that a major change in civic investment priorities, institutions and attitudes will be necessary if the promise of waterfront revival is to be realized. As soon as momentum builds behind any waterfront initiative, it hits the "where will we get the money" speed bump.

Fortunately, not all waterfront initiatives have been paralyzed by a lack of funding. Entrepreneurial public and private leadership has produced a number of successes such as Brooklyn Bridge Park and the

Buffer the Bay program. But the New York experience is that the successful efforts are the result of individual and community-based leadership efforts that, through creative improvisation and entrepreneurial leadership, overcome the lack of immediately available, simple to use public funding administered by institutions committed to being supportive of waterfront renewal.

For this reason, there is general agreement that the most important obstacle to turning the vision of redeveloping and providing public access to New York's magnificent waterfront is the problem of financing. Implicit in that conclusion is a need for new institutional arrangements that will be a credible organizer and administrator of waterfront investment.

Both state and local government in New York has been aware of the surge in waterfront interest, and has tried to provide some funding to support it. However, these programs have had two flaws, the first pernicious, the second fatal. First, much of the funding has been nothing more ad hoc funding arrangements for a single program—a testimony to the advocacy and political entrepreneurship of particular project advocates—but a difficult thing to base a major redevelopment on. The extent government has gone beyond such arrangements has been to create a few categorical grant initiatives, supplemented by an occasional use of industrial development bond (IDA) type funding. The overall funding level of all is generally very inadequate and, as administered, they tend to offer a little money to a lot of programs are useful in supporting startup organizing and planning tasks, but not a substitute for long term investment resources. And the fund-obtaining processes are time and labor intensive, requiring a mastery of the arcana of grant making and a tolerance for the time cycles of funding processes that adds another stress to the project development process.

But the really fatal flaw in the City's waterfront strategy lies elsewhere. Beguiled by the success of other cities, New York, with both its public and private stakeholders, have largely embraced a model of public-private partnership, whose essential corollary is private sector development funding much of the public cost of waterfront development. In other cities, a meaningful investment of public dollars (such as Toronto's \$7 billion) has worked. But in New York, where the policy could really be characterized as waterfront development on the cheap, it has not.

Many blame this on the ongoing controversy over the role of private sector funding in waterfront development. Waterfront uses that maximize developer revenue tend to exclude all but waterfront property owners from use and enjoyment of the waterfront. This has produced not only bitter site by site controversy over private development in particular projects (i.e. the use of Pier 40 on the Hudson), but a broader and unresolved public controversy over general policy. One set of advocates, (citing the example of many other cities, argues strongly that private sector participation is essential to creating financially viable waterfront projects. The other side sees this as a sacrifice of a public resource to the selfish profit-making interests should be avoided by either adding public resources or scaling back the project.

But inherent in this argument is that waterfront development is attractive enough to the private sector to justify the City placing virtually the entire cost burden of waterfront redevelopment on the private sector. What this means is that when the private sector does bite, private sector interests have had to try to maximize development instead of finding that balance more generous potential revenue streams have allowed elsewhere, thereby kicking off community opposition. But the real problem is that given the market and sites, the attempts to fund waterfront revival on the back of the private sector is doomed to failure. With an apartment building here, concessions there, there will be site specific instances where private investment can carry a major portion of the load. But on many of these sites, the public sector has necessarily allowed private developers to delay creation of esplanade and/or other public amenities until the point where occupancy and cash flow make it affordable to build and maintain these features. Not infrequently, however, these deals lead to situations where the amenity is never realized or renegotiated. Moreover, as the New York City EDC and others have found out, there is a limited market for the kinds of waterfront sites EDC has available on the terms it is offering, in which

the private sector must largely front both the development and infrastructure costs, including that of public access. Thus, it is not surprising that the public has found itself proposing low-density shopping malls for a number of sites—a use for which there is some private developer interest—at least where the City bears the cost of providing the land, but which strategically boil down to subsidizing one section of the private retail sector to compete against others.

So what should be the strategic direction of waterfront revival in New York. To do so, let us return to the matrix of tasks waterfront revival has pursued elsewhere and see if a new set of needs and opportunities specific to New York City can be identified

The first element was public access. Studying the map of the waterfront's geography, with its isolated small patches of land between the numerous roads that follow the waterfront and the waterfront itself, suggests that in many cases all that is possible in those areas is to try to provide public access. Elsewhere, a decade of creative planning has made it clear that almost none of the institutional activities listed above are incompatible with public access and that public access to their waterfront can be created cheaply and effectively, as part of site management. Finally, as both the Region's experience and the experience of other cities has shown, even for larger scale mixed use development, the foundation of its success is always public waterfront access.

The Waterfront Parks Coalition, through a civic process that involved dozens of public agencies and private organizations and which has been assisted by RPA, has identified over 50 waterfront public access projects all along the New York City waterfront. These projects have been traditionally characterized as open space. The estimated cost of these initiatives is at least \$1 – 2 billion.

In addition, there is another critical component of open space that provides more passive public access: the preservation of natural habitat. Traditionally, habitat and open space have been seen as separate values. But in fact, they are the foundation base on which any other waterfront revival rests, for it is only through the public use and attractiveness that they create that enables more expansive waterfront revival to succeed. The Habitat Committee of the Harbor Estuary Program has identified several dozen sites for acquisition and restoration initiatives in New York City, most importantly on Staten Island and Jamaica Bay. The estimated cost of these is another \$500 million

Finally, current zoning provisions require private waterfront development to provide for public access of a thirty foot strip along the waterfront. These provisions are generally considered not to have worked out well. It is the general consensus that, however well intentioned, they run against too many contrary incentives that developers have: the desire to minimize overhead cost, the wish to be free of the property and not to be burdened or have the tenants burdened with maintenance, and the resistance of homeowners to allowing such public access. In general, it is the recommendation of this paper that the provision of this access be returned to the public sector.

How then should this be funded? Discussions of funding public access generally start by proposing environmental bond acts, dedicated funds, and so forth. However, let us assume that the public access budget for the waterfront over the next ten years is \$2 billion, consisting of \$1 billion in open space access, \$500 million in habitat access and \$500 million in public access over private landholdings. Divided over ten years these total \$200 million a year, for what would be an enormous increase in the City's quality of life. RPA's preferred recommendation is therefore that the City and State each commit to provide \$100 million a year in capital budget funds to maximize public access over the next ten years along New York's 578 mile waterfront.

How to finance this obligation will be the focus of the presentations and panel discussion at the Regional Assembly.

TRAVELS THROUGH A TRANSIT FRIENDLY REGION PART I: A RIDE IN THE COUNTRY

Transit-friendly design has become a well accepted and well-worn mantra, the first principle of which is that new development should be within a ¼mile walk of a transit stop. The problem is that over the past thirty years, population has grown in the tri-state region by 13%, but land consumption only by 60%. The reality is that the vast majority of the region is settled in patterns, and at densities that do not support transit of any kind. Much of the rest of the region can support alternative modes including buses, commuter shuttles to employment centers, or strategic connections to ferries and other modes. Given this there are a number of considerations for transit in low-density environments.

Suburban design does matter

Suburban development is characterized by a host of typologies that are normally associated with sprawl. This includes stand-alone office buildings or groups of office buildings, strip commercial centers and gated residential communities. Even if these same settlement types, driven by the marketplace, continue to be the norm, details of their site planning can make a difference for transit effectiveness—whatever the mode. For example, office buildings and shopping centers can be laid out in such a way that there is a safe and reasonably short pedestrian way between the entrances of buildings and a transit stop along the fronting arterial. This may mean reconfiguring parking lots and trying to control the amount of parking in the front of the building. The transit stop itself must provide many of the same kinds of amenities associated with transit in centers—a well-identified, clean, safe and sheltered environment.

Inter-modal connections are essential

Although extremely high densities are required to support heavy and light rail, there are often unexploited or unexplored opportunities to connect to other modes. Some of these are being rediscovered, including new ferry service connections to the Hudson line such as that from Haverstraw. In other circumstances, the services exist but are not coordinated among the different providers. There are situations, for example where local bus service does not meet arriving and departing trains in a consistent matter, often just missing connections. Better on-going coordination among providers is essential to take advantage of the transit infrastructure that already exists in the outer suburbs.

Even in lower density environment transit and new development are linked

As MetroNorth's recent experience in Wassaic, NY, illustrates, transit service can have an impact on land values even in rural environments. In that case, the Harlem Line was extended to a new park-and-ride facility on the outskirts of the hamlet, to serve a growing commuter population but also weekenders who found that this part of the Harlem Valley was their gateway to the Berkshires. Economic models showed that property values would increase and in fact there has been new development both in the Wassaic area and in the two communities to the south. RPA's own studies of the existing zoning and master plan documents showed that there was the potential for new sprawl development to take place as a result, including new strip highway development along nearby Route 22 and new gated residential communities. However, the study also showed that with the right land use controls, the station area could be an asset by stimulating new development that could complement the existing Hamlet and make new connections between the park and ride, the hamlet and a planned conference center nearby.

PART II: A RIDE TO THE CENTER

The proposition that new development should be in existing centers, where infrastructure and access to transit already exist, is fundamental. And yet, resistance to increased density and obstacles to small-scale in-fill development thwarts this strategy in most of the region. Recent experiences with “transit-friendly design” in the New York region raises a number of issues for consideration.

There is reflex of resistance to increased residential development in existing centers

The impacts of new housing on existing communities are poorly understood. The working assumption is that new housing will bring with it more children, requiring school expansion and increased taxes. In fact, this is not necessarily the case. Revenues depend on the ownership model (is it rental, coop or fee simple). The number of school-age children generated depends on a number of factors of which unit size is only one (for example, is it a kid-friendly environment with parks nearby?) In fact, new residential development near train stations tends to be in attached configurations—everything from apartments to townhouses—a market that attracts not families with children, but more often singles or couples without children who are looking for a easy commute to work. (Avalon Bay’s recent experience indicates that the market is also for “empty nesters” from the same community.) More significantly, even if the new units can accommodate children, the net impact can still be positive. This was found to be the case in the preliminary analysis of the Hastings-on-Hudson waterfront plan where 250 new units would add sixty children to the school district, but where the net tax revenues exceeded new school-related cost by a factor of almost three.

Land-use goals and transit ridership may conflict

Unfortunately, the land-use goals of the community and the land-use goals of the transit providers often work at cross-purposes. The community will want to chase “ratables”—to promote commercial development to increase their tax base, avoid impacts on the schools from new children and hoping that the new induced traffic will be offset by transit service. The transit provider will want to promote housing, because this will generate the greatest number of new commuter trips to the Central Business District. This was found to be the case in one community where RPA studied the redevelopment of underutilized properties near a suburban train station. RPA found that one million square feet of new commercial development would generate 1,400 new automobile trips because it was unlikely that more than 7% of the workers would arrive by train. On the other hand, the same amount of new residential development would generate only one quarter as many new car trips in the peak our. These kinds of land-use decisions are being played-out across the region although communities often do not understand the real impacts of either residential or commercial development.

Development practices do not favor small-scale in-fill development

There are a number of reasons for this that touch on everything from development practices to the American psyche. The new larger-scale development models, a result of the ascendancy of real estate investment trusts (REIT’s), are not calibrated to the more complex and fine grained scale of infill development. Small and medium scale speculative development in town centers has lost out to the investment manager’s requirement for a firm commitment from a single large tenant. This is why, for example, in Stamford, Connecticut, two or three prime office sites within ¼miles of a regional transportation hub remain vacant. Also, the lenders for development projects, who are no longer local stakeholders, refuse to experiment with the complex mixed-use projects that require exceptions to conservative “rules of thumb” about things like parking requirements and flexible use ordinances. The success of transit development in centers will depend on addressing larger institutional issues.