

New York

Smart Transportation:
Save Money and Grow the Economy



Keep New York Moving in the Right Direction

Save Money by Taking Care of What You Have

1. Maintain and repair existing, well-used roads and bridges.

Grow the Economy by Making Your Investments More Strategic

2. Increase public transportation funding to preserve jobs.
3. Spark innovation and cost-savings through programs that foster innovative transportation solutions.
4. Revise decision-making processes to improve transportation outcomes, add jobs, and grow New York's economy.





Smart Transportation:

Save Money and Grow the New York Economy

New York's state budget and economic challenges create the opportunity – indeed the imperative – to revisit existing transportation programs to confirm whether New York is getting the most from them.

The Cuomo administration has the opportunity to show the citizens of New York it is capable of responding to the fiscal and economic crisis by making better use of taxpayer dollars. Polling nationwide shows that only 10% of voters think the government spends money wisely while fully 86% think their state does only a fair or poor job.

Americans do think there is a better way. In a recent survey by Hart Research Associates, 68% of voters expressed the belief that “now is the time for the state to invest in transportation because if done right these investments will create new jobs and attract new businesses.” In New York voters are eagerly anticipating the implementation of the Cleaner, Greener NY Agenda with its fiscally responsible emphasis on sustainable community planning.

In support of your implementation efforts, we at Smart Growth America are providing the following approach to linking the Cleaner, Greener NY Agenda to New York's economic and transportation needs.

The Need:

New York's transportation system is at risk of becoming expensive, uncompetitive, and unsafe. Despite investing heavily in transportation, declining revenues and escalating debt service will reduce the state's ability to maintain its facilities in a state of good repair. Carrying on business as usual will result in a deteriorated road network, inadequate transit network, and a six- to ten-fold increase in repair costs from neglect and deferred maintenance.

The Smart Solution:

New York is at a crossroads. While there is still a sizable gap between revenue and the large wish list of projects, this gap can be closed if the state makes strategic decisions about how to get the highest return on its investment. By implementing New York's Smart Growth Public Infrastructure Policy Act, the state can make fiscally responsible transportation decisions, thereby saving money and creating jobs, but it can also help preserve the transportation system and create a more welcoming business climate on the mid- and long-term horizons.

1. Maintain and repair existing, well-used roads and bridges

Repair and maintenance of well-used roads is a good investment: it saves the state money, saves citizens money, is a superior job creator, and is very popular among voters.

According to the American Association of State Highway and Transportation Officials (AASHTO), a dollar spent to keep a road in good condition avoids \$6-14 later to rebuild the same road once it has deteriorated. In addition, poor roads add an average of \$335 to the annual cost of owning a car – in New York City, an additional \$638 – due to damaged tires and suspensions and reduced fuel efficiency.

By continuing to prioritize investment in repair and maintenance rather than expansion, New York discourages the low-density sprawl that caused inefficient land use patterns statewide. Past development patterns caused New York to spend ever-increasing amounts on infrastructure and service extensions, and such expansion is no longer necessary because the state’s population is holding steady. Additionally, avoiding road expansion benefits rural areas by protecting open spaces, working farms, and the state’s watersheds.

Prioritizing system preservation will save taxpayers hundreds of millions of dollars, while improving road and bridge conditions. The investment in maintaining infrastructure will also pay off in jobs. Numerous studies find that maintenance and repair creates even more jobs than building new roads.

To ensure the New York State Department of Transportation (NYSDOT) maintains its focus on repair and maintenance needs, implement a system of quarterly reports on specific performance measures, including road, bridge, and transit conditions. For an easy-to-read example of this style of report, see the Washington State Department of Transportation’s Gray Notebook online.

Repair Costs for Road and Bridge Network

NYSDOT major roads (lane miles) ¹	37,008
Lane miles in “poor” condition ²	5,793
“Structurally deficient” bridges ¹	1,959 (12%)
Annual <i>preventative maintenance</i> needs for road/bridge network ²	\$1.7 billion
Annual <i>major rehabilitation</i> needs for “poor” and “deficient” roads/bridges ²	\$255 million
Total annual road/bridge repair need²	\$2.0 billion
Past NYSDOT annual investment in repair (2004-2008) ^{1,3}	\$2.1 billion

¹ Source: 2008 FHWA Highway Statistics Report

² As calculated by Smart Growth America based on data available from FHWA. “Poor” and “deficient” road/bridge rehabilitation costs were annualized over 20 years.

³ NYSDOT’s road/bridge repair spending increased in 2009 and 2010 due to the American Recovery and Reinvestment Act (ARRA).

A dollar spent on fixing existing highways creates **16% more person-years** of construction jobs than a dollar spent on new road construction.

51% of voters believe fixing roads and bridges should be **the** top priority for the state (33% chose expanding transit and other choices, 16% chose expanding roads).

Most voters – **59%** – believe that the government has a duty to make sure that roads and bridges are safe and reliable.

2. Increase public transportation funding to preserve jobs

Investments in public transportation create almost twice the jobs of building highways, help people get to work, and attract private sector investment and employment. From 2004 to 2008, the state of New York contributed only 20% of annual transit budget needs statewide, leaving the responsibility largely to local and federal governments. Despite this history of inadequate transit support, the state has recently been diverting even more money away from transit, causing fare increases and the elimination of bus routes and subway lines.

Every \$1 billion of ARRA dollars invested in new public transportation projects produced **16,419 job-months**, compared to 8,781 job-months produced by highway infrastructure projects.

New York must **stop diverting resources away from transit service.** The state economy depends on having a reliable transit system. Transit supports both rural communities and key economic centers, where commuters, senior citizens, and those with limited transportation options rely on transit.

Thankfully, Governor Cuomo's 2011-12 Executive Budget contains a slight increase for the Metropolitan Transportation Authority (MTA) and other transit agencies, but all revenue sources must be engaged to maintain safe and reliable service. Federal Surface Transportation Program (STP) funds may also be used for transit. Additionally, a congestion-pricing program in NYC would provide a new revenue source while also supporting the state's goal of reducing greenhouse gas emissions.

County bus systems in particular are struggling. New York can create cost savings for these systems and protect their riders by creating new funding arrangements between the counties and the MTA and providing more state support to the county systems. Additionally, New York should focus on getting the most utility out of its expenditures, including focusing on bus rapid transit for the Tappan Zee Bridge replacement rather than

incorporating a commuter rail connection from Rockland to NYC.

To address the difficulties caused by Governor Christie's cancellation of the ARC tunnel project, New York could redirect Port Authority ARC funds to projects that improve bus service between New Jersey and NYC for the 192,000 bus riders crossing the Hudson daily. Options include adding an eastbound lane for morning rush hour, a westbound lane for the evening, additional buses, a bus garage on Manhattan's West Side; and reconstructing the Lincoln Tunnel helix.

Public transportation is popular with voters

November 2010 National Poll by Hart Research Associates:

61% regardless of their party affiliation (and 57% of Independents) said they would feel more positively about a governor who favors a plan that "provides more choices such as buses, carpools, light rail, van service, and commuter rail."

64% said "buses, carpools, light rail, van service, and commuter rail were a good or very good value for the cost."

March 2010 National Poll by Public Opinion Strategies and Fairbank, Maslin, Maullin, Metz & Associates:

66% of respondents agreed they would like more transportation options available to them.

69% agreed their community would benefit from an expanded and improved public transportation system.

3. Spark innovation and cost-savings through programs that foster innovative transportation solutions

From the funding New York has available for new capacity, **the state could set aside a portion for the pursuit of innovative least-cost solutions to transportation problems.** The widest range of projects should be eligible, and they should be judged against criteria such as job creation, private sector investment, overall return on investment, and the state's smart growth criteria. New York's Smart Growth Public Infrastructure Policy Act requires policy makers to incorporate smart growth criteria into their transportation decision-making processes, as further described in the box on this page.

The state should also implement the grant program proposed in the Governor's Cleaner, Greener NY agenda, which awards funding to local communities with innovative transportation solutions, to complement the similarly-purposed federal TIGER (Transportation Investment Generating Economic Recovery) grant program. NYC DOT recently received a TIGER grant to study the potential for transforming the incomplete and underused portion of the Sheridan Expressway in the South Bronx into parks and housing; but the city, and other innovators statewide, will also need state assistance.

Additional strategies to utilize:

- **Pricing**—corridor pricing, parking cash-out, pay-as-you-drive insurance, and parking pricing
- **Demand management**—telecommuting, alternate work schedule, employee commute programs, and car- and bike-sharing
- **Coordinated land use investment**—grocery stores in underserved areas, transit-oriented development, and Complete Streets
- **Biking and walking networks**—Local Safe Streets and Traffic Calming Grants, SafeSeniors programs, Safe Routes to Transit programs
- **System management**—speed cameras, cashless high-speed tolling, ramp metering, improved stoplight timing, and better incident management

Transportation professionals widely agree that these techniques are quite often cheaper and more effective than either a road or a transit solution. New York can maximize return on its transportation investments by implementing more of these strategies.

New York Smart Growth Public Infrastructure Policy Act

This law declares “a fiscally prudent state policy of maximizing the social, economic and environmental benefits from public infrastructure development through minimizing unnecessary costs of sprawl development including environmental degradation, disinvestment in urban and suburban communities and loss of open space induced by sprawl facilitated by the funding or development of new or expanded transportation...infrastructure inconsistent with smart growth public infrastructure criteria.”

The smart growth infrastructure criteria include:

- Using, maintaining, or improving existing infrastructure
- Advancing projects in municipal centers and developed areas
- Protecting the state's resources, including agricultural land, forests, watersheds, air quality, and open space
- Fostering mixed land uses and compact development
- Enhancing mobility through transportation choices including improved public transportation and reduced automobile dependency
- Coordinating between state and local governments and regional planning
- Promoting sustainability by strengthening existing communities that reduce greenhouse gas emissions and do not compromise the needs of future generations

4. Revise decision-making processes to improve transportation outcomes, add jobs, and grow New York's economy

New York's economy and transportation revenue situation demands that investment decisions made prior to the recession get revisited. The NYSDOT 2007-2011 Statewide Transportation Improvement Program is based on revenue forecasts of approximately \$7.2 billion annually. The state of the economy and the uncertainty regarding federal transportation funding suggest that this level of funding might not occur. Many projects in existing plans have spent years in the development "pipeline," and, if they no longer meet New York's needs or its smart growth criteria, they should not be funded.

Operationally, this means NYSDOT should update its Long Range Transportation Plan and its five-year capital improvement program. NYSDOT should reevaluate near-term decisions to move those of highest value to the front. The project selection process should incorporate smart growth principles and focus on programs that connect land use and transportation, like NYSDOT's GreenLITES and Pennsylvania Department of Transportation's Smart Transportation programs.

We commend the continuation of the Executive Order on Smart Growth and the associated Governor's Smart Growth Cabinet, which furthers two invaluable goals: (1) ensuring state agencies conform to smart growth principles; and (2) developing state policy initiatives to assist local communities in achieving smart growth.

Unfortunately, NYSDOT's eleven regional offices function virtually independently of each other. The Smart Growth Public Infrastructure Act's requires that each covered agency appoint a Smart Growth Advisory Committee to advise on how to incorporate the Act's smart growth criteria. Strong leadership by the NYSDOT Commissioner to implement the Act will ensure a more unified policy focus and streamline decision-making.

New York might also want to consider coordinating NYSDOT efforts with the sometimes-overlapping mandates of the Department of Environmental Conservation and the Department of Housing and Community Renewal. A lack of coordination between these agencies can result in inefficient and wasteful decision-making. Massachusetts' Commonwealth Capital program broke down similar departmental silos by creating one overarching agency to manage the overlapping demands of economic and community development, transportation, energy, equity, and environmental goals. Alternatively, a group of commissioners with smart growth credentials could coordinate those agencies' efforts.

In 2008, McKinsey and Company evaluated potential transportation investments in Metro Atlanta, finding:

\$220 million invested in demand management would create \$40 billion in incremental benefits.

Better coordination with development (deemed to be virtually cost-free) would create \$39 billion in incremental benefits.

\$26 billion in road investments would create \$40 billion in incremental benefits.

"It is of particular importance in these times of severe fiscal constraint that we invest scarce public resources more wisely and efficiently, in order to maximize the reach and impact of what we spend... Otherwise we will continue to get the same results: deteriorating infrastructure marked by unacceptable compromises to safety as well as worsening performance, especially growing congestion."

— Bipartisan Policy Center's National Transportation Policy Project and the National Surface Transportation Infrastructure Financing Commission



Smart Growth America advocates for people who want to live and work in great neighborhoods. We believe smart growth solutions support thriving businesses and jobs, provide more options for how people get around and make it more affordable to live near work and the grocery store. Our coalition works with communities to fight sprawl and save money. We are making America's neighborhoods great together.

Smart Growth America is the only national organization dedicated to researching, advocating for, and leading coalitions to bring smart growth practices to more communities nationwide. Visit us online at www.smartgrowthamerica.org.

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