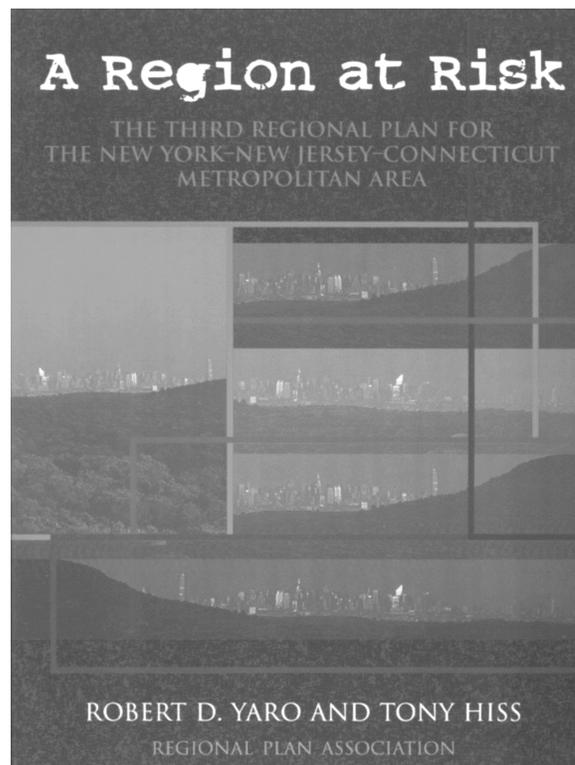


A Region at Risk

**A SUMMARY OF
THE THIRD REGIONAL PLAN FOR
THE NEW YORK-NEW JERSEY-CONNECTICUT
METROPOLITAN AREA**



REGIONAL PLAN ASSOCIATION

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Cover photo: New York City skyline from Ramapo Mountain State Forest, boundary of Bergen and Passaic counties in the New Jersey Highlands. Copyright © George M. Aronson. Cover by Octavo Design.

To order a copy of *A Region at Risk: the Third Regional Plan for the New York-New Jersey-Connecticut Metropolitan Area* by Robert D. Yaro and Tony Hiss, contact Island Press, 1718 Connecticut Avenue, NW, Suite 300, Washington, DC 20009-1148, phone 800-828-1302. fax 202-234-1328

For more information on Regional Plan Association, visit our web site at <http://www.rpa.org>.

Regional Plan Association-A Catalyst With a History of Results

Regional Plan Association is the nation's oldest regional planning organization, focusing on the New York-New Jersey-Connecticut Metropolitan Region. RPA recommends policy improvements and investments, fosters cooperation among government and private organizations, and involves the public in considering and shaping its own future. RPA's research includes land use planning, transportation, economic development, environment, governance, and social policy.

RPA's First Regional Plan, published in 1929, brought the region together to build a network of roads, railways, and parks that directly shaped two generations of growth. The Second Regional Plan, published in 1968, renewed the regional focus on landscape and transportation, leading to protection of nearly 1 million acres of open space. It advocated combining the New York City subways and several suburban railroads into the Metropolitan Transportation Authority and NJ TRANSIT, which led to a multi-billion dollar reinvestment program that served as a foundation for the region's surging growth in the 1980s.

Introduction

As a new millennium approaches, the Tri-State Metropolitan Region of New York, New Jersey, and Connecticut is a region at risk.

- Despite our strength in the global economy, we are facing years of slow growth and uncertainty following our worst recession in 50 years.
- Despite the billions of dollars spent every year by the public and private sectors on infrastructure, office space, and housing, the uncomfortable truth is that we have been living off the legacy of investments of previous generations.
- Despite a history of strength from diversity, a shadow of social division has fallen across the region.
- Despite strict laws and renewed public concern, we continue to pollute our air and water and checkerboard our rural areas with suburban sprawl.

The region faces a future in which it must compete in a global economy that offers new challenges and opportunities. The question posed is whether the

next 25 years will represent the final chapter in a story of prosperity and momentum that dates to the settlement of Manhattan in the 17th century. The warning is that modest growth in the next few years could mask the beginning of a long, slow, and potentially irreversible and tragic decline.

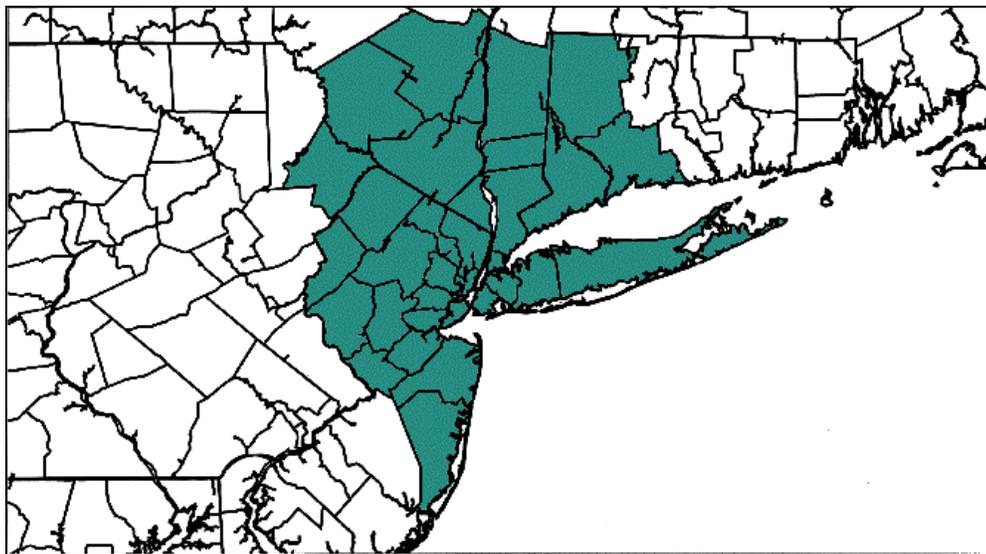
A regional perspective is the proper scale and context for analyzing and addressing these issues. Metropolitan regions are becoming the dominant economic, environmental and social components of the next century. During the 1980s, the metropolitan regions in the U.S. that grew most rapidly all had central cities that also grew rapidly. And in areas where suburban incomes declined, central cities also experienced decline. Nearly one-third of income earned in New York City ends up in the pockets of commuters, around \$44 billion annually. More than ever, the economies, societies, and environments of all the communities in the Tri-State Metropolitan Region are intertwined, transcending arbitrary political divisions. Our cities and suburbs share a common destiny.

RPA has produced a plan to reconnect the region to its basic foundations, the Three E's-economy, environment, and equity-which are the foundations of our quality of life. The fundamental goal of the plan is to rebuild the Three E's through investments and policies that integrate and build on our advantages, rather than focusing on just one of the E's to the detriment of the others. Currently, economic development is too often border warfare, as states within the region try to steal businesses from each other in a zero-sum game. Social issues are either ignored or placated by a vast welfare system that fails to bring people into the economic mainstream. And environmental efforts focus on short-term solutions that attack the symptoms rather than the causes of problems.

This summary outlines RPA's analysis and projections of the Three E's. It summarizes the recommendations of *A Region at Risk*, the Third Regional Plan, and groups them into five major campaigns that integrate the Three E's: creating a regional greensward, concentrating growth in centers, improving mobility, investing in a competitive workforce, and reforming governance. Each campaign combines the goals of economic, equity, and environmental improvements, leading the region to a more competitive, prosperous, fair, and sustainable future.

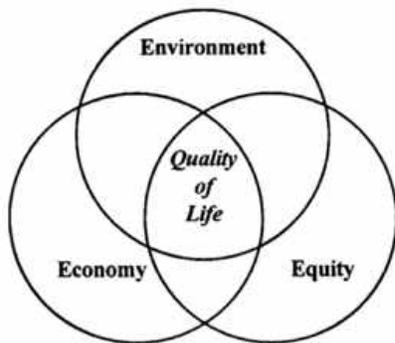
The Tri-State Metropolitan Region

RPA focuses its research and analysis on the 31 counties that compose and surround New York City and function as a single region. They encompass southwestern Connecticut, New York City's five boroughs, Long Island, the lower Hudson Valley, and northern New Jersey. It includes nearly 20 million people, a more than half-trillion dollar economy, and nearly 800 cities, towns, and villages spread across 13,000 square miles.



The *Three E's*: Where We Are, Where We Are Headed

The *Three E's* are the objectives of the plan, the components of RPA's goal of improving quality of life.



Economy

Between 1989 and 1992, this region fell into a steep and frightening recession that claimed 770,000 jobs-the largest job loss of any metropolitan area since World War II-eliminating virtually all our growth from the 1980s. Unlike previous recessions, however, all parts of the region suffered losses of similar magnitude. Immediate growth prospects for

many key industries remain weak or uncertain, and recovery has been much slower than in other parts of the nation.

This recession and slow recovery must be considered in the context of a wrenching global transformation. New technologies have radically changed how goods and services are produced, marketed, and distributed, and a fiercely competitive global economy can quickly turn the fortunes of a business or a community. Low-skilled workers are particularly vulnerable to this transformation, as automation, rising skill requirements, and corporate downsizing have depressed wages and job opportunities.

But this region has enormous advantages in the emerging global economy. It is the world's most active and innovative center of global capital management, with more than 10,000 international businesses. It is an unsurpassed producer of information, with leadership in broadcasting, book publishing, and magazines. This region is a premier designer of popular culture, through the arts, mass marketing, media, and an increasing multiculturalism that equips us to compete directly in dozens of languages and cultures. With over 150

colleges and universities, it is one of the world's largest centers for research and academia. Finally, this region is the meeting grounds for governments around the world, with the United Nations, its affiliates, and permanent missions drawing an unparalleled diversity of people, interests, ideas, and approaches.

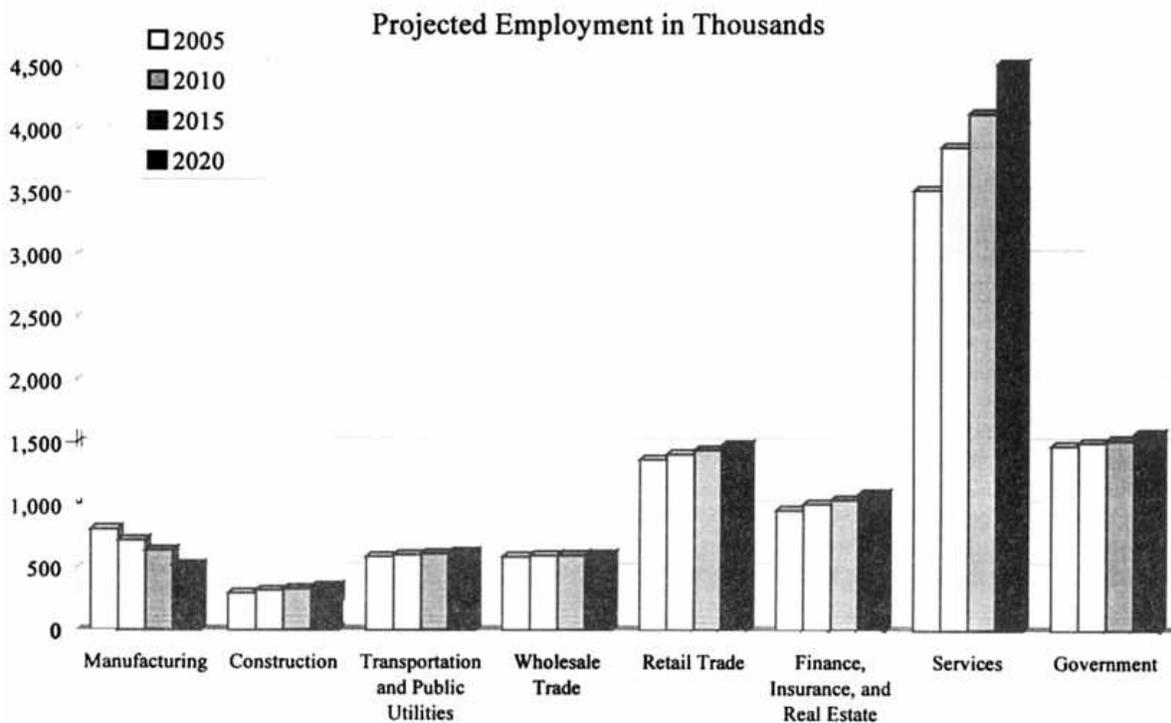
Over the next decade, the region is likely to experience sluggish growth as employment recovers to its pre-recession peak. Moderate growth fueled by new global markets and information technology will be countered by continued corporate down-sizing and global competition. These trends will likely result in continued employment losses in manufacturing and government, but modest increases in financial, business, and personal services.

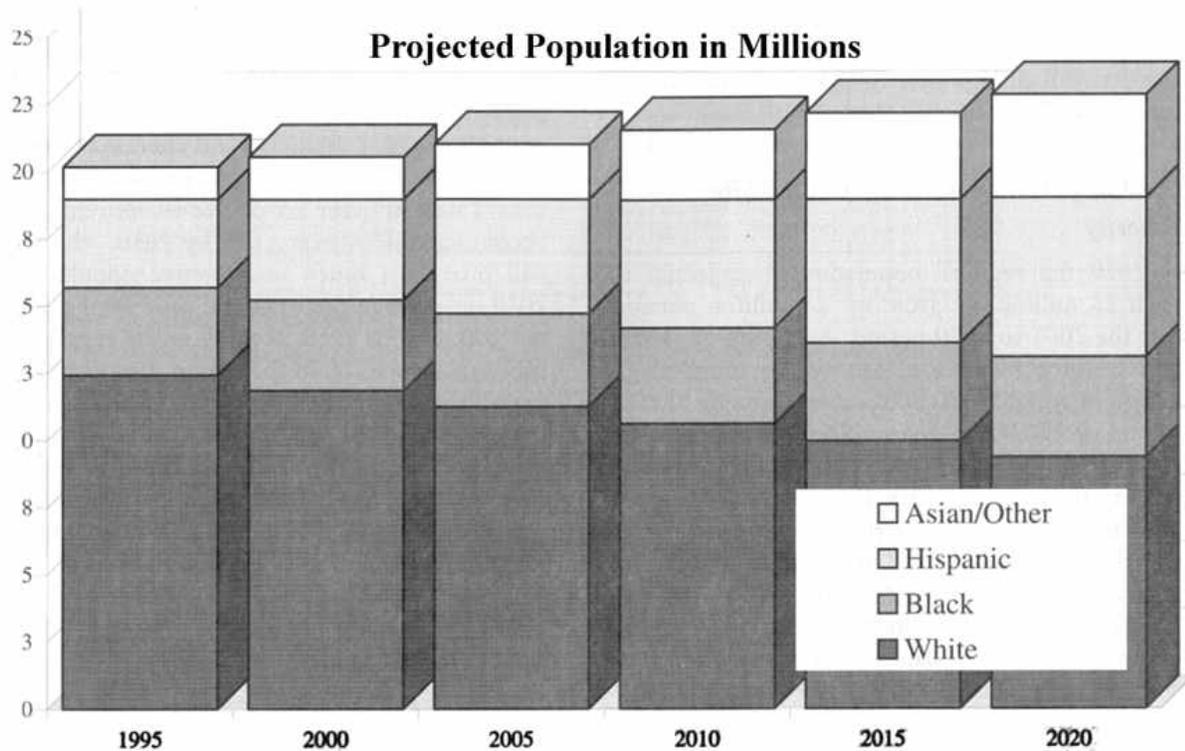
In the long-term, the region has the opportunity to enjoy sustainable economic growth driven by productivity gains and increased sales to expanding global markets. But that promise could fail without new investments in infrastructure, communities, environment and the workforce. Increasingly, quality of life is the benchmark against which the region is judged in competition with other regions in the nation and world.

Equity

This region is one of the most diverse in human history. Residents speak more languages, offer a wider array of skills, reside across more extreme densities, and live under the broadest range of incomes in the nation. Demographic projections show that it will be even more diverse in the future. By the year 2020 a majority of the region's residents will be of African, Asian, or Hispanic heritage, largely as a result of a constant flow of immigrants from around the globe. Since 1972 the region has drawn over 2.2 million legal immigrants, almost one-fifth of the nation's total legal entries. Throughout the '90s and beyond, immigrants and their children will account for virtually all of the region's expansion in working-age population. These new residents bring with them enormous talent and cultural diversity-New York City could never have come into being without them.

But even as we become a more diverse society, disturbing trends show us becoming a more isolated and fragmented society. Low-skilled workers face a future of declining incomes and sporadic employment, and over two million residents of the region already live in poverty. Nearly three million adults in the region are estimated to be functionally illiterate. Most new jobs will demand at least some





college or post-secondary education, yet a large share of urban students never finish high school. And poverty remains much more concentrated among non-white residents, even when differences in education and skills are accounted for, demonstrating that bias and segregation remain persistent problems.

Entire communities are being left out of the region's growing prosperity, as the concept of a permanent underclass seems to have become acceptable to some. Too many people now see our diversity not as the enormous advantage it provides in the world economy, but as a hindrance. We have no choice but to accommodate increasing numbers of foreign immigrants in our society, school systems, and workforce. The region needs to work harder to integrate these communities into its social fabric and economic mainstream. Isolated by physical barriers—such as a lack of housing or public transportation alternatives—that separate residences from new employment opportunities, inner-city communities have been cut off from the new employment centers in the region's suburbs.

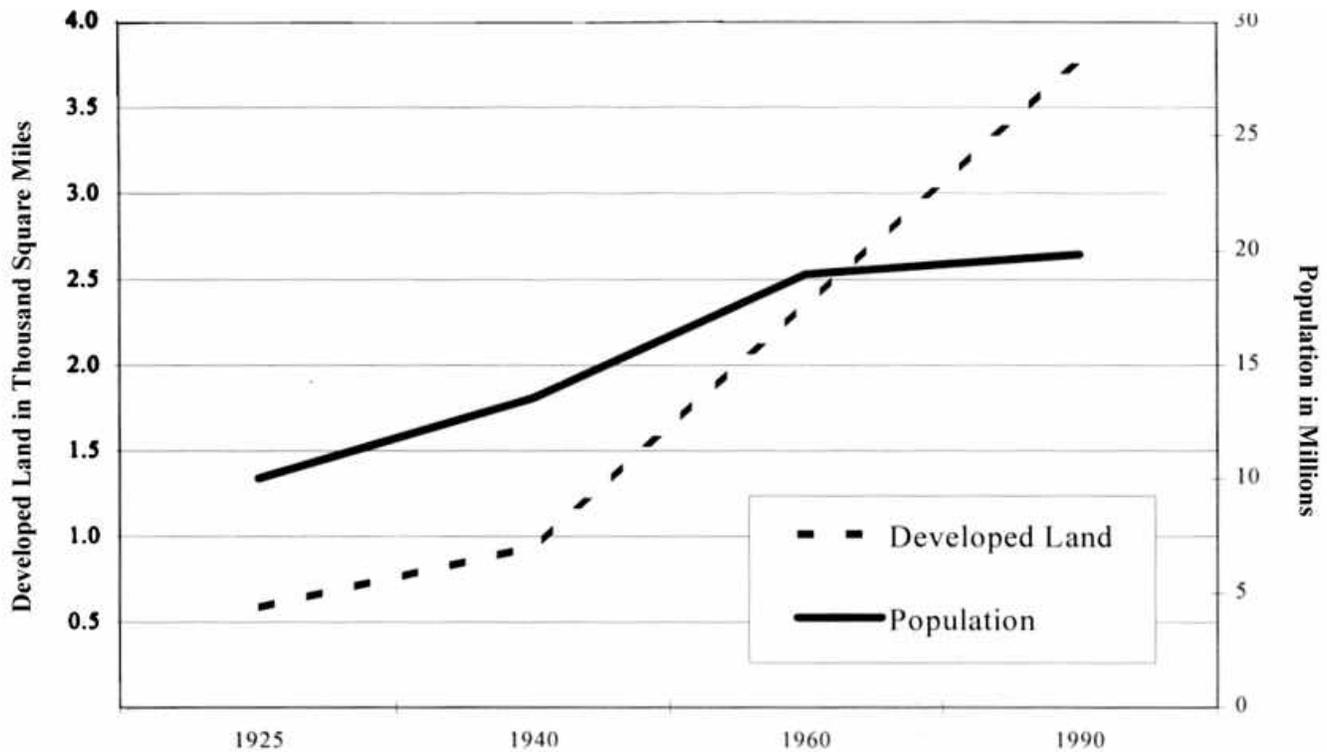
For a prosperous future, this region must do a better job of welcoming and assimilating its present immigrant population, as well as the 1.25 million new immigrants expected in the next 10 years. These people can be an enormous advantage, or a liability,

depending on the policies put in place now, from affordable housing to education to economic development.

Environment

This region is a national leader in environmental protection, having enacted comprehensive and far-reaching environmental standards and having spent the money and political capital needed to make the laws work. As a result, the region has added 350,000 acres of public parkland since the 1960s, while air and water quality has improved significantly. Yet, these achievements can obscure the serious nature of problems that still confront us. Most of the region does not meet federal air quality standards. More and more drinking water must now be filtered. Many urban neighborhoods lack for park acreage and suburban development continues to sprawl across mountains and farmland.

In the past 30 years a new pattern of land use has swept the region, involving the construction of massive campus-style commercial and industrial facilities in sprawling residential suburbs. From 1970 to 1995, core urban counties lost more than 300,000 jobs while the outer suburban ring gained 2 million. Eighty percent of the 1.7 million housing units built since 1970 were constructed in the region's outer ring, as residents sought affordable



housing, lower taxes, and escape from the problems of cities and inner suburbs. But these rings of deconcentrated suburbs consume vast areas of open land and shatter traditional patterns of community.

The spread-out pattern of homes and jobs has led people to drive more than ever. The number of vehicle miles traveled in the region grew by 60% from 1970 to 1990, creating congestion on highways and roads. Growing use of automobiles, trucks, and buses is also the key reason why the region is second only to Los Angeles in number of days that air quality fails to meet federal standards. But current toll policies are absolutely backward, rejecting the fundamental market principle of charging more for a scarce resource. Instead, tolls are discounted for commuters who use the roads during the most crowded times. Furthermore, parking is often provided for free and gasoline is now cheaper in constant dollars than it has ever been, costing less than bottled water.

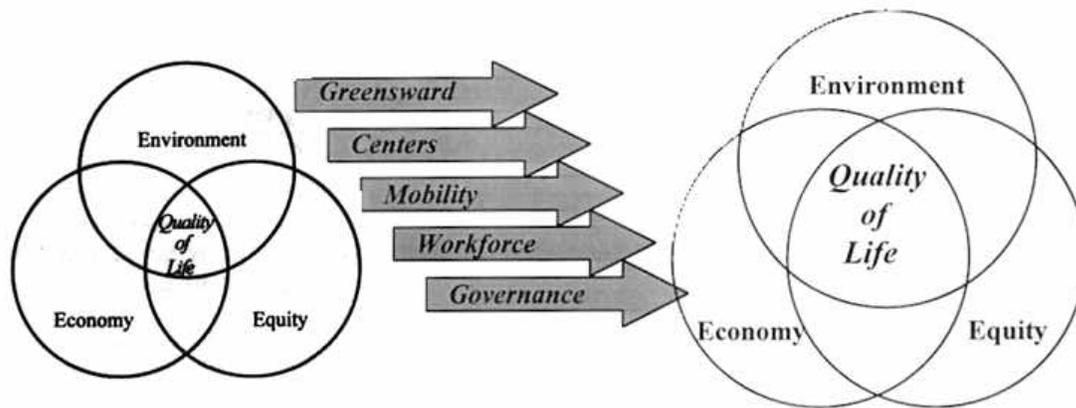
At the same time, the region has abandoned urban areas, hollowing out cities that historically have been the locus for jobs and residences. By 1980 the majority of the region's residents did not live in a city. The most visible impact of this has been the conversion of forests, farms, and wetlands to urban uses and the paving of wildlife habitat and natural

resources. The region lost 40% of its farmland between 1964 and 1987, and development outside urban areas continues at around 30,000 acres a year.

This challenge comes at a time of widespread dissatisfaction with environmental management by business and the public sectors. Government policies that call for polluted sites to be cleaned by their owners before reuse often impede site restoration. In 1994, more than \$4.6 billion state, federal, and local funds were allocated for water pollution control in coastal waters and \$2.8 billion was spent disposing of garbage. But all of the region's landfills will reach capacity around 2000, and we will be spending more on pollution control and disposal in the future.

Efforts to protect the environment from further degradation will have to begin looking at the causes of problems-land use, transportation, and public policies-to find innovative and comprehensive solutions. We can do a better job of protecting the environment and living within our means by learning to produce less waste, recycle, and rely on biological systems for natural resource management and pollution control.

The Five Campaigns



The central concept of the Three E's is that they define the goals of the plan. Strategies for improving the region's quality of life must reinforce all three distinct areas and demonstrate how our economy, equity, and environment are vitally linked to each other, or those strategies may be counter-productive.

Five initiatives anchor the plan—*Greensward*, *Centers*, *Mobility*, *Workforce*, and *Governance*. Each campaign addresses all three E's. Together, they have been designed to re-energize the region by re-greening, re-connecting, and re-centering it. The *Greensward* safeguards the region's green infrastructure of forests, watersheds, estuaries, and farms, and establishes green limits for future growth. *Centers* focuses the next generation of growth in the region's existing downtown

employment and residential areas. *Mobility* creates a new transportation network that knits together the re-strengthened centers. *Workforce* provides groups and individuals living in these centers with the skills and connections needed to bring them into the economic mainstream. Achieving these ends will require new ways of organizing and energizing our political and civic institutions, as outlined in *Governance*. Collectively, all of these strategies underpin the region's quality of life and can guide us to sustainable growth as we enter the 21st century.

The goal of the campaigns in the Third Regional Plan is to integrate and improve the region's economy, environment, and equity, thereby improving our quality of life.



Greensward

Two generations of decentralized growth have drastically increased the region's urban land-by 60% in 30 years despite only a 13% increase in population. Continuing exurban development at a rate of more than 30,000 acres a year threatens large areas of open land and environmental resources at the region's outer edge, more than 50 miles from Manhattan.

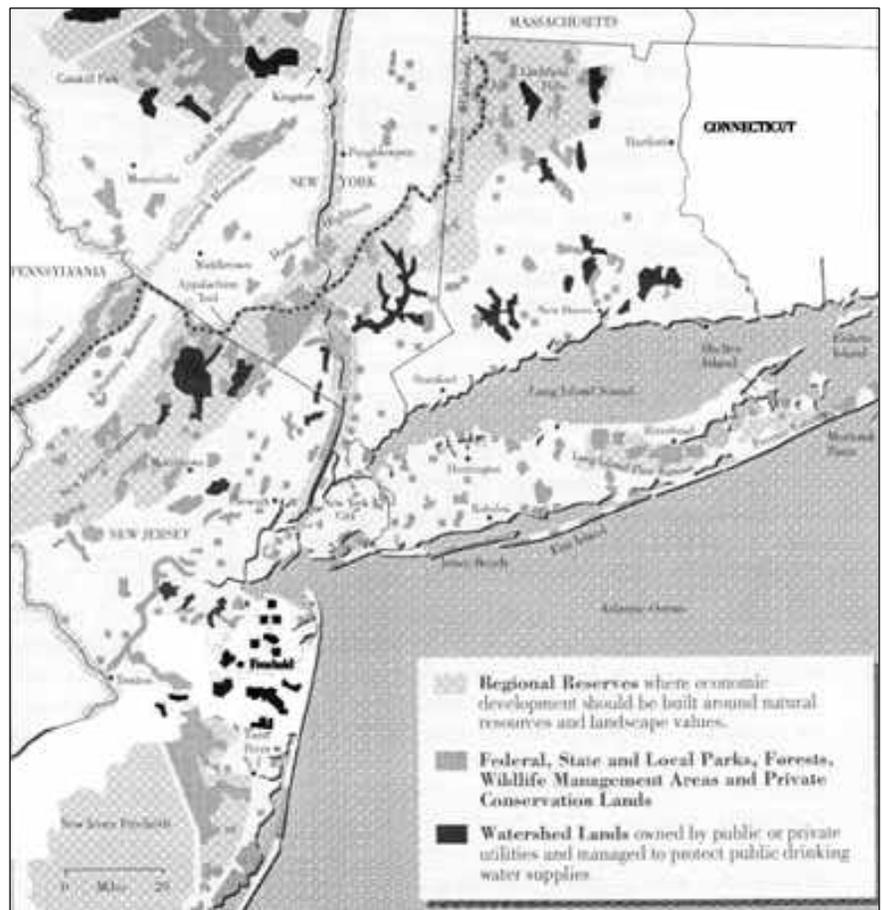
The region needs a regional greensward that safeguards water supplies and recreational opportunities and shapes future growth by integrating protected large-scale landscape resources, an established regional network of greenways, and revitalized urban parks and open spaces. The greensward makes economic sense, protecting the environmental infrastructure that would otherwise require costly clean up and pollution controls. It will provide important benefits to people, safeguarding access to recreation and natural landscapes. And it will be good for the environment, providing a long-term and comprehensive plan to reconcile local land use and development with broader regional objectives.

RPA is undertaking projects designed to protect key open space tracts, manage natural resources, provide land use planning assistance to local communities, and revitalize urban parks. Eleven landscapes and coastal estuaries are of particular concern: the Long Island Pine Barrens and Peconic Estuary; Catskill Mountains; Shawangunk and Kittatinny mountains; New York-New Jersey-Connecticut Appalachian Highlands; Hudson River; Delaware River; New Jersey Pinelands; Long Island Sound; New York/New Jersey Harbor; Atlantic seashore; and disappearing active farmland. These reserves comprise 2.5 million acres that are currently at risk of being consumed by suburban sprawl. A model for protection of these areas already exists in the New Jersey Pinelands and the Long Island Pine Barrens, where a new locally-

controlled commission is protecting 50,000 acres and supervising development on another 50,000 acres. The recent agreement between New York City and upstate communities to balance growth and protection of the watershed builds on this experience.

Major recommendations of the campaign include:

- Establish 11 regional reserves that protect public water supplies, estuaries, and farmlands and function as an urban growth boundary for the region.
- Reinvest in urban parks, public spaces, and natural resources, restoring and creating new spaces in urban neighborhoods and along waterfronts.
- Create a regional network of greenways that provide access to recreational areas.



Centers

Recent development patterns have shifted resources and investment away from the region's cities and inner-suburbs, so that virtually all our employment growth in the past 30 years has been located outside existing centers. Unless this trend is reversed, the region will face ever-worsening problems of limited access to employment opportunities, wide income disparities, social isolation, environmental degradation, and lack of affordable housing. Already, economic consequences of decayed cities, traffic congestion, and the region's deteriorating quality of life are apparent.

The region must work to improve quality of life and economic opportunities in centers, including not only the region's Central Business District but also downtowns throughout the region such as Newark, Poughkeepsie, and Bridgeport. Centers provide a more efficient use of resources and reduce costs for the entire regional economy. Centers also reduce land consumption and allow us to conserve a greater portion of our remaining open space. And because they are more accessible to less-advantaged communities, investing in and bringing new employment to centers brings new opportunities to the residents who need them most.

But these goals will only be realized through an aggressive campaign to improve downtowns, from reconfiguring transit connections, to rethinking urban design, to establishing new job opportunities. The Centers Campaign will direct as much job growth as possible to central business districts in the region's major downtowns and encourage residential growth in a constellation of centers. The goal is to maintain the approximately 50% share that centers currently have of the region's employment. To do this, the campaign will work for new public-private investments, creative planning, and zoning, and expansion of arts and cultural activities that foster the kind of desirable mixed-use communities that will attract jobs and residents to centers.

Major recommendations of the campaign include:

- Strengthen the region's Central Business District by building a Crosstown light-rail system and district, expanding transit access to Lower Manhattan and the Jersey City

waterfront, and revitalizing Downtown Brooklyn and Long Island City.

- Invest in 11 regional downtowns-New Haven, Bridgeport, Stamford, White Plains, Poughkeepsie, Hicksville, Mineola, Jamaica, Newark, New Brunswick, and Trenton-attracting new job growth and rebuilding communities rather than building on greenfield sites.
- Create incentives for new development and investment in transit- and pedestrian-friendly centers throughout the region, so they have the quality of life that makes living and working in centers worthwhile.
- Support new institutions and uses in centers, such as telematic at-home businesses, mixed use districts, and arts and cultural institutions.



The arts are a critical resource to the region's quality of life. The Centers Campaign seeks to promote arts and cultural institutions as catalysts for the revitalization of centers throughout the region.

Mobility

Mobility throughout the region is hampered by limited and fragmented transit service, a freight rail system that terminates at the west side of the Hudson River, and congested and bottlenecked roads. There is little capacity for growth on the current highway system, unless new development takes place even further from the center of the region. At the same time, the public transportation system requires new commitment and investment simply to maintain it in a state of good repair.

The region should invest in a Regional Express Rail (Rx) network to bring mobility throughout the region to world-class standards, which can be

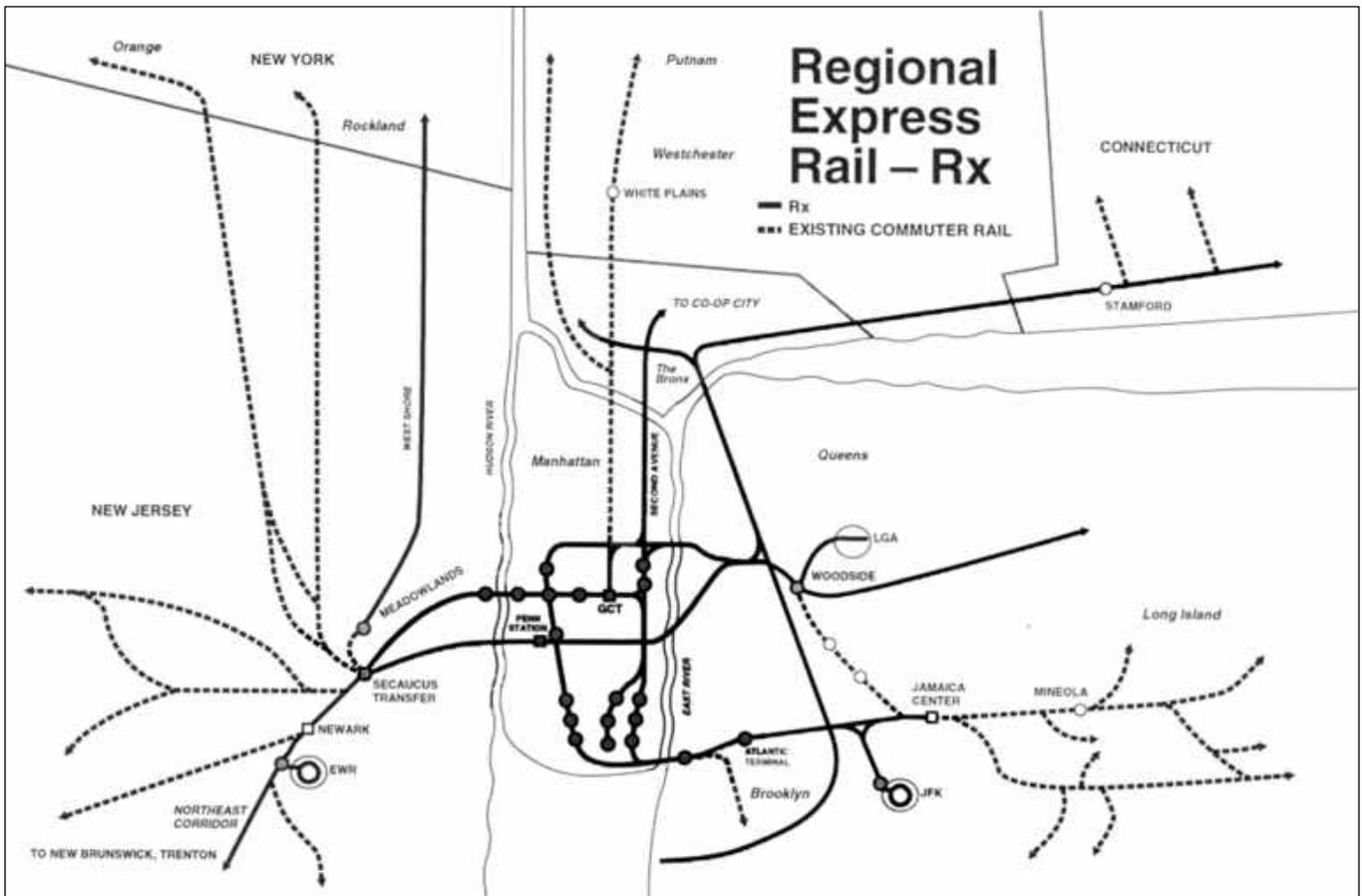
accomplished with only 25 miles of new rail track—a 2% expansion of the existing system—and by re-using abandoned or under-utilized infrastructure. Improved mobility would strengthen the region’s economy by reducing travel times and transfers to employment centers and airports, improving freight connections, and using the road system more efficiently with less congestion. It would improve our society, as less-advantaged communities become better connected to employment opportunities. And regional mobility would improve our environment, allowing people and goods to travel more quickly with less pollution.

The Mobility Campaign has three principal components: improved transit service, a transformed freight system, and a highway network with reduced congestion. The campaign will promote a Regional Express Rail network that supports the centers of commerce and provides

fuller access to major employment sites. RPA will advance strategies that promote a more efficient system of freight movement in the region. And the campaign will work to institute market-based transportation pricing measures that recognize the full public and private costs of transportation and add efficiency through market incentives.

Major recommendations of the campaign include:

- Build a Regional Express Rail (Rx) system that provides: airport access by connecting the Long Island Railroad to Grand Central Terminal, Lower Manhattan, Kennedy Airport, and LaGuardia Airport; direct access from New Jersey and Long Island to the East Side and Lower Manhattan; direct service from the Hudson Valley and Connecticut to the West Side and Lower Manhattan; through service from New Jersey to Connecticut and Long Island; and service between the boroughs in a new circumferential subway line.



The Rx System in the Region.

The existing commuter rail network is shaded, while new Rx connections are depicted in black. Where there is an overlap, as on the Northeast Corridor in New Jersey and on MetroNorth’s New Haven line, the Rx shading is used.

- Promote congestion-busting through road-pricing and market approaches, such as tolls and employer incentives. Also finish missing links in the highway network that support existing centers or remedy notorious bottlenecks.
- Improve commercial transportation by building a freight rail trans-Hudson crossing and cutting congestion on the highway system.

Workforce

The emerging economy in today's global market will require a competitive, educated workforce to perform increasingly complex jobs. High-paying jobs in growing international service industries will be particularly demanding of new skills. But entire communities are being left behind by these trends, failed by the institutions and regulations that should allow them to become participants in a growing mainstream economy.

The region must help provide young people and adults, particularly from low-income communities, with the skills and access needed to participate in information and technology-based industries. Workforce development will ensure



A workforce with diverse skills and cultures is central to the region's strength in the global economy.

economic growth by supplying the workforce necessary for new technology-based activities and increasing productivity. It addresses social equity by closing the skill gap that creates larger disparities in income. And it improves our environment by focusing growth into urban centers, rather than encouraging more businesses to move out to the suburbs.

RPA calls upon the region's business, education, labor, and civic institutions to develop a system of life-long learning that meets the requirements of a competitive, knowledge-based economy and to reform institutions and regulations to allow low-income communities to participate in the mainstream economy. The campaign will identify existing strengths and weaknesses in our current systems and propose benchmarks for regional institutions. The campaign will support increased private sector participation in workforce development initiatives and will advocate policies to increase school financing in poorer communities, encourage greater participation by immigrant populations in the mainstream economy, loosen restrictions on informal economic activities, and improve access to information, telecommunications, and transportation services for poorer communities.

Major recommendations of the campaign include:

- Reconnect work and education with a system of life-long learning that increases investments in human capital and coordinates different phases of learning, from early childhood development to adult learning and re-training.
- Connect the new workforce to the mainstream labor market through immigration reform, revised affirmative action programs, and recognition of informal economic activities.
- Connect communities to jobs through physical and social infrastructure, expanding community-based organizations, transportation options, and job information networks.

Governance

The region is composed of 20 million people living in 13,000 square miles governed by over 2,000 units of government, including counties, cities, towns, service districts, and authorities. Each of these political entities is funded almost



In Jamaica Bay, a smart infrastructure approach is achieving water quality improvements by protecting and restoring natural systems and habitat. The smart infrastructure plan, which replaced a proposed treatment plant, has improved wildlife and fishery habitats and provided new recreational opportunities with an estimated 50% reduction in the cleanup budget.

exclusively through property tax, and the majority of them control their own budgets independently. The result is fiscal imbalance and inefficiencies, in the form of duplication of efforts, depletion and degradation of natural resources, self-serving and short-sighted decisions, cumbersome land use regulatory processes, and inadequate delivery of public services.

The Governance Campaign will re-focus state government and regional authorities, enabling us to build and manage world-class infrastructure and reduce regulatory burdens and tax inefficiencies. Reforming governance is necessary for the region's economy, as it is clear that we cannot support current deficient systems, with delays and expensive regulations. Governance is critical to providing greater equity for the region's society, in public education, land use, and service delivery. And governance is crucial to protecting our environment, as we reform land use regulations

that currently encourage sprawl rather than redevelopment.

Through reform of taxation and land use regulations, RPA will promote faster and better delivery of public services with less duplication, fewer layers of bureaucracy, and a reduction in conflicting mandates. The Governance Campaign will propose more efficient public capital infrastructure investments, identified in the plan, and effective state development plans and growth boundaries.

Major recommendations of the campaign include:

- Coordinate governance in the region through state growth management plans, education finance reform, service sharing, and new regional coalitions:
- An annual "G-3" governors' conference to coordinate policies and investments to promote regional competitiveness and a regional compact between the three governors to reduce border warfare economic development policies.

- A Tri-State Congressional Coalition to fight for essential federal tax and regulatory reforms and infrastructure funds.
- A Tri-State Business Council composed of the major regional chambers of commerce and partnerships to coordinate regional promotion and advocacy and develop a regional business plan.
- Create new public institutions to finance and provide regional services, such as a Tri-State

Regional Transportation Authority, a restructured Port Authority, and a Tri-State Infrastructure Bank.

- Improve public and private decision-making processes, incorporating sustainable economics in accounting and tax and regulatory systems and utilizing smart infrastructure approaches to capital investments.

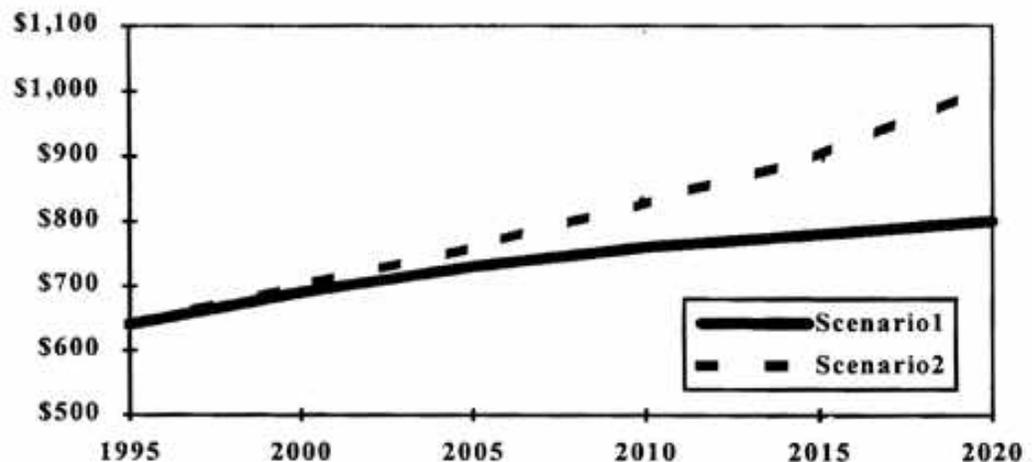
Paying for the Plan

If fully implemented, the plan's five campaigns will yield a range of benefits that include stronger and more sustainable economic growth, a more cohesive society with a more equitable distribution of prosperity, cleaner air and water, less congestion, more attractive communities, and a rich legacy for future generations. Many of these benefits cannot be quantified, because we lack the tools to measure them effectively. However, a plausible scenario can be constructed to demonstrate the difference between current trends and the result of a pro-active strategy to reinvest in the region's human, physical, and natural resources.

For the past several decades the region's share of the national economy has declined. If this trend continues, the region will decline from around 9% of the national Gross Domes-

tic Product today to near 7% by 2020. The chart below demonstrates RPA's projections for our Gross Regional Product-continuing its declining share of the nation's GDP (scenario 1) or maintaining its current share and growing at the same rate as the country (scenario 2). The chart shows that holding our share of the nation's growth could translate into an additional \$200 billion annually in the region's economy by 2020.

Projected Gross Regional Product, 1995 to 2020
(in billions of 1994 dollars)



The investments, policies, and governance reforms recommended in the plan do not guarantee that the region will achieve this goal. In fact, in the short run it is likely that the region will continue to see some decline in its share of national GDP. But long-term paybacks from the investments proposed in the plan could make it possible for the region to stabilize its share within the next decade. The sooner we begin investing in these resources, the sooner we will gain the benefits of them.

To implement the recommendations in three campaigns—*Greensward*, *Centers*, and *Mobility*—RPA estimates that the region will need to spend \$75 billion above current spending levels in capital

<i>Proposal</i>	<i>Estimated Cost (in Billions)</i>
The Greensward Campaign	
Regional Reserves	6
Greenways	1
Urban Parks, Natural Resources and Waterfront Redevelopment	4
Total Greensward	11
The Centers Campaign	
Housing	10
Downtown Revitalization	4
Arts and Historic Preservation	2
Brownfields	1
Total Centers	17
The Mobility Campaign	
Regional Express Rail-Rx	21
Transit Upgrade	15
Highways	4
Freight and Airports	7
Total Mobility	47
Total Capital Costs	75

RPA proposes that these investments be funded through a combination of strategies that increase government efficiency or charge users for services, rather than increasing general taxes. Even with recent downsizing in state and local government,

expenditures over the next 25 years. Specifically, the plan estimates that establishing 11 regional reserves, instituting greenways and cleaning up urban parks and waterfronts will cost \$11 billion; that \$17 billion will be necessary to attract new jobs and development to the region's downtowns and make significant progress in affordable housing needs; and that building a world-class express rail system while improving highway and freight movement will cost \$47 billion. The recommendations of the workforce campaign carry additional costs, from returning public schools to a state of good repair to addressing adult literacy, that are more difficult to estimate.

innovative approaches to right-size government and the reduced costs of providing services to compact centers can achieve additional savings of several billion dollars. Phasing out costly border warfare economic development strategies would also provide significant revenue for investment—as much as \$500 million annually if tax incentives to businesses were reduced by half. Major new revenue sources include incentive-based tolls on highways and bridges, a 1-cent charge per vehicle mile traveled (VMT), and a 10-cent per gallon tax on gasoline. These fees could yield a total of \$40 billion over the next 25 years. To pay for watershed protection and open space preservation, new development fees, a property tax surcharge in the regional reserves, and a .001-cent charge per gallon of water could generate over \$300 million a year. Finally, the plan's investments would yield additional revenue from stronger economic growth. An increase in gross regional product of \$200 billion by 2020 could produce an additional \$20 billion annually in state and municipal tax collection, even with a decrease in tax rates.

Combined, these revenue sources would provide financing for the \$75 billion in infrastructure investments and much of the workforce investments proposed in the plan.

Call to Action

Regional Plan Association has prepared an ambitious plan that targets new investments necessary for sustained growth and continued prosperity in an uncertain future. The plan calls for radical changes in the status quo and bold initiative on the part of citizens. Some of the recommendations carry significant price tags, but the Tri-State Metropolitan Region cannot afford *not* to make these investments. Projections and analysis demonstrate that we are reaching the end of credible short-term solutions and must begin to look at the fundamental causes of our mounting problems. At their root, these issues are all regional and will require comprehensive approaches for meaningful improvements.

The five campaigns outlined in this document are presented in greater detail in *A Region at Risk*, the Third Regional Plan. To succeed, each campaign will need the active support and cooperation of government, business, and civic

leadership. To the degree that our elected officials do not provide the necessary leadership, we must form new civic coalitions demanding change. These new third sector coalitions will build on one of the region's untapped strengths—its thousands of community, business, environmental, and other groups. New coalitions are already being formed that bring together competing interests and forge new ways to address old problems, coalitions between environmentalists and developers, between government and business, between local interests and regional imperatives. By looking at the long-term and considering the interlocking goals of economy, equity and environment, we can build on our strengths and enter the next millennium strategically placed for another century of growth and prosperity. But we must act now. The region's competitiveness and sustainability in a changing world hangs in the balance.

Summary of Recommendations

Greensward

- Establish 11 regional reserves that protect public water supplies, estuaries, and farmlands and function as an urban growth boundary for the region.
- Reinvest in urban parks, public spaces, and natural resources, restoring and creating new spaces in urban neighborhoods and along waterfronts.
- Create a regional network of greenways that provide access to recreational areas.

Centers

- Strengthen the region's Central Business District by building a Crosstown light-rail system and district, expanding transit access to Lower Manhattan and the Jersey City waterfront, and revitalizing Downtown Brooklyn and Long Island City.
- Invest in 11 regional downtowns-New Haven, Bridgeport, Stamford, White Plains, Poughkeepsie, Hicksville, Mineola, Jamaica, Newark, New Brunswick, and Trenton-attracting new job growth and rebuilding communities rather than building on greenfield sites.
- Create incentives for new development and investment in transit- and pedestrian-friendly centers throughout the region, so they provide the quality of life that makes living and working in centers worthwhile.
- Support new institutions and uses in centers, such as '*telematic*' at-home businesses, mixed use districts, and arts and cultural institutions.

Mobility

- Build a Regional Express Rail (*Rx*) system that provides: airport access by connecting the Long Island Railroad to Grand Central Terminal, Lower Manhattan, Kennedy Airport, and LaGuardia Airport; direct access from New Jersey and Long Island to the East Side and Lower Manhattan; direct service from the Hudson Valley and Connecticut to the West Side and Lower Manhattan; through service from New Jersey to Connecticut and Long Island; and service between the boroughs in a new circumferential subway line.
- Promote congestion-busting through road-pricing and market approaches, such as tolls and employer incentives. Also finish missing links in the highway network that support existing centers or remedy notorious bottlenecks.
- Improve commercial transportation by building a freight rail trans-Hudson crossing and cutting congestion on the highway system.

Workforce

- Improve education in low-income communities by combining state financing of public education with local management reforms and teaching innovations.
- Reconnect education and the workplace with local school-to-work alliances linking schools to employers, state tax incentives to encourage continuous education for adult workers, and a tri-state council of business, labor, education, and civic leaders to coordinate workforce development initiatives.

- Bring immigrants and minorities into the mainstream economy by expanding English literacy programs, legitimizing informal economic activities, and seeking moderate reform of federal immigration statutes.
- Connect low-income communities by expanding support for community-based organizations, improving transportation links to job centers, and using new information technologies to expand job information networks.

Governance

- Coordinate governance in the region through state growth management plans, education finance reform, service sharing, and new regional coalitions:
- An annual 'G-3' governors' conference to coordinate policies and investments to promote regional competitiveness and a regional compact between the three governors to reduce border warfare economic development policies.
- A Tri-State Congressional Coalition to fight for essential federal tax and regulatory reforms and infrastructure funds.
- A Tri-State Business Council composed of all the major regional chambers of commerce and partnerships to coordinate regional promotion and advocacy and develop a regional business plan.
- Create new public institutions to finance and provide regional services, such as a Tri-State Regional Transportation Authority, a restructured Port Authority, and a Tri-State Infrastructure Bank.

Improve public and private decision-making processes, incorporating sustainable economics in accounting and tax and regulatory systems and utilizing smart infrastructure approaches to capital investments.

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