

**Commissioner Joan McDonald**  
**New York State Department of Transportation**  
**Planning in Uncertain Times**  
**NYMTC Annual Meeting**  
**March 10, 2011**

**Welcome**

- Thank you Joel. I appreciate the opportunity to be here today, and to be back in New York. I look forward to working with the other members of NYMTC in the months and years to come.
- I am honored to be leading the New York State Department of Transportation.
- As I look out over the audience, I see my transportation history paralleling with ISTEA – Gerry Bogacz, Scott Vanderhoef and Naomi Klein and I fondly remember the heated discussions in mid-Hudson South.

**Context for Challenges**

- The theme of this year’s annual meeting is “planning in economically challenging times.”
- There are many challenges facing government and the transportation industry.
- We are coming out of the most significant economic downturn in generations
- There are budget deficits at federal, state and local levels
- The federal Highway Trust Fund can not support the current rate of federal highway and transit spending, much less support growth to meet future needs.
- Since 2008, the fund has required \$34 billion in general fund transfers

- And the federal motor fuels tax, which supports the Fund, has not been increased since 1993...And I could talk for days about the disparities between the states!
- Reauthorization of federal transportation programs is long overdue, but there is no consensus on generating the necessary revenue to support increased investment for new bill.
- There was recently some good news in that the President's budget just released has a framework for reauthorization, which calls for \$556 billion in investment in highways, transit and rail, nearly a doubling of investment from current levels, beginning in 2012.
- We welcome these proposed investment levels, and the continued commitment to a strong federal role. But significantly, the Administration's proposal does not identify the resources to carry out this framework.
- And Congress has differing views. The House had indicated its strong belief that investments must match the resources available, and has not expressed an interest in raising taxes or user fees. Instead, the House is examining the role of the federal government in transportation investments and looking to financing mechanisms such as public private partnerships.
- Investment in our transportation infrastructure requires a continued, strong federal commitment to transportation. We need to address our aging infrastructure through "fix it first" strategies – investing in what we have as a priority, and we need long-term guaranteed funding.
- And while the Recovery act helped, it was a one time injection of much needed resources that allowed modest improvements to the transportation system and kept the construction industry working. But it is nearly complete and likely won't be repeated.
- At the state level, MTA and DOT have funding for only 2 years. NYSDOT is implementing our two-year capital plan, and MTA has full funding for only the first 2 years of their 5-year capital plan.
- Governor Cuomo has articulated the difficulties we face at the State level in the upcoming year. All areas will be challenged to help the Governor meet

the State's budget needs. Yet Governor Cuomo remains committed to our infrastructure.

- Despite the fiscal challenges, the Governor's Executive Budget maintains the current capital investment levels for the upcoming year, consistent with the two-year capital program, and appropriates more than \$4.2 billion in new State operating assistance and capital funding for public transportation systems statewide. And the Governor proposes to maintain the funding levels for local programs, such as CHIPS and Marchiselli.
- Although we all recognize the fiscal challenges faced by all levels of government, our transportation infrastructure is not cooperating.
- Our transportation system is old, heavily used and continues to age. We all are doing our best to preserve the highway and transit networks, but the age and magnitude of the needs are working against us.
- New York State ranks in the bottom 10 in the nation in bridge conditions. The average age of a bridge in New York State is now 46 years, when 50 years is considered the average life. Similarly, on the pavement side, New York ranks in the bottom ten in the nation in terms of pavement smoothness.
- Age is clearly a factor. While a large portion of the nation dates their system from the federal interstate era investments of 1956, much of New York's system was already in place by this time, and some of its system, as you well know here in the City, is centuries old.
  - The Long Island Rail Road has been in operation since 1836 and remains the nation's largest commuter railroad.
  - New York's subway system opened in 1904, and still remains an integral part of the City system - facing congestion and aging issues comparable to any portion of the highway system.
  - And while the nation celebrated the 50<sup>th</sup> anniversary of the interstate highway system in 2006, the Brooklyn Bridge celebrated its 125<sup>th</sup> anniversary in 2008. It was built in 1883, when there were only 38 states in the union! Indeed much of our highway system in New York, including the Thruway, pre-dates the interstate era.

- The extent of our system is also a factor. New York State’s system encompasses a vast multi-modal network of highways and bridges, public transportation operators - including the nation’s largest transit system - an extensive rail passenger and freight network, public and private aviation facilities and numerous ports.
- To maintain this vast system, we should be investing about twice as much as we do today to bring our system to a state-of-good repair and begin to make improvements for the future.
- Doubling our investments may seem a stretch in the current environment, but even to invest as we do today, we rely on the federal government as a strong partner. Although New York is a strong “self help” state, providing significant resources on our own, in New York, federal funds provide about half of the State’s capital funding for highways and bridges, and about one quarter of the State’s transit funding.

## **Move to the Future**

- So the state and region certainly don’t lack for economic and fiscal challenges. But as all of us in this room know, and why planning agencies like NYMTC were created, we must continue to plan for the future even as we struggle to meet the issues of today.
- We must still maintain a balance of dealing with the present while looking towards the future.
- And we are at a critical moment in time for transportation. New York’s roads and bridges, mass transit systems, airports and ports are among the finest in the world.
- Never before has the relationship between transportation, the environment and economic development been so pronounced. The public policy decisions that are made and the manner in which we administer those policies will chart the course for New York’s competitiveness in the years to come.

- My vision for our system includes working together with all partners in government, and with the private sector toward a multimodal system that focuses on safety while improving the efficiency and effectiveness of our operations and positively impacting the economic revitalization of New York State.
- There will be much to balance as we move in this direction, and much that is now underway on which to build.
- Transportation is literally the lifeblood that gets people and goods where they want and need to be when they need to be there. Transportation is also key to how communities are structured, linking communities to each other and providing the framework around which communities are structured.
- As we plan for the future, our transportation investments must be done in a manner that is both environmentally sensitive and sustainable. Transportation, housing and the environment are all intertwined.
- The transportation system accounts for nearly 40 percent of the greenhouse gas emissions in New York State, meaning transportation strategies also will need to play a key role in addressing climate change.
- And the future is likely to require us to think critically about our investment choices. While our resources are constrained, the goals that transportation needs to address are, if anything, expanding.
- Climate change and energy efficiency brings more considerations to the table for making investment choices and how to develop solutions and projects.
- We will need to re-think our processes to plan, our designs to adapt and be more energy efficient, and our funding of solutions and projects to ensure their timely completion.
- The New York Metro area is part of a mega region which is interconnected by national mega-corridors – for commuters, intercity travelers, and freight.
- The NY Metro area competes in the global economy, and is a key entry point for people and goods coming into the US. As such, it is one of the

economic engines of the State and the Nation, a center for commerce and culture. It is the pivot point of freight movement to and from the Upstate New York and the Mid-West.

- This NY metro-region is comprised of a multi-state commuter shed reaching not only into New Jersey and Connecticut, but also upstate New York through the Hudson Valley, even into western Massachusetts<sup>1</sup> and Pike's County, Pennsylvania.

**In this challenging time, how do we do continue to plan for the future?**

- We will build on the past work that we in the New York metro region have already been doing, tying the region together and maintaining the economic vitality of the region and its connectivity.
- As the region grows, we also need passenger and freight system growth. We need to invest in high-speed rail and other strategic regional transportation investments that can strengthen NYS's competitive economic position and connect to the commuter sheds of NJ and CT.
- We need to plan for growth in this region and ensure that the critical connections to the rest of the nation are improved. This includes planning for strategic expansion of rail capacity in the Northeast Corridor,
- That's why the work of the congressionally created Northeast Corridor Advisory Commission, on which NYSDOT represents the state, working closely with MTA, is so important to our region.
- The Commission is charged with developing recommendations to Congress for improved and expanded intercity, commuter and freight services and operations in the Corridor.
- The Commission will study increased frequencies and enhanced intermodal connections designed to address airport and highway congestion

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<sup>1</sup>Reference to commuters from western Massachusetts taking MN Waisaic branch

- Other goals include reducing transportation energy consumption, improving air quality and increasing economic development of the Northeast Corridor region.
- As the hub of travel in the Corridor, with nearly two out of every three travelers, NYC stands to gain from ultimate improvements in the intercity, commuter and freight services in the Corridor that this group will develop in the coming months.
- In terms of rail investments, the President's 2012 budget proposal provided a strong framework for comprehensive transportation investment, including rail.
- The Administration's National High-Speed Rail Proposal is a critical part of this proposed vision for modernizing America's transportation network. As part of his comprehensive framework, the proposed budget provides \$8.0 billion for the first year of a six-year, \$53.0 billion high-speed rail investment plan.
- The President's proposal would invest in both network development and system preservation and renewal, striking a balance between the present and the future.
- Governor Cuomo strongly supports this vision. But we need to be ready to take advantage of any funding that may be provided.
- Part of New York's plans and strategies coming from our state rail plan include development of the Empire corridor. As a branch of the North East Corridor, it ties upstate with NYC and this is important for jobs
- Although the Empire Corridor has been designated as a High Speed Rail Corridor by the Federal Railroad Administration (FRA), New York State must complete necessary environmental work before we are eligible for federal funds dedicated to those corridors.
- And, we must do it in partnership with our partners, the Class I railroads.
- The State's Rail Plan cites the need to improve both the intercity passenger rail system and the rail freight system. NYSDOT is dedicated to expanding

its high speed intercity passenger rail service to better link its major upstate cities with the NYC Metro area, and connect to other states and Canada. This effort will enhance travel options, improve mobility and service reliability, and support economic growth by bringing businesses and travel options to major cities in the State.

- We also need to improve critical regional corridors and interconnections of the I-95 corridor with the commuter shed with New York, New Jersey and Connecticut. This sounds like shades of the original ISTEPA. There are several corridors where capacity improvements are needed including:
  - The Staten Island Expressway corridor
  - Gowanus/Brooklyn Queens Expressway; and
  - I-287 Corridor /Tappan Zee Bridge.
- Partnerships are important in the face of economic uncertainty. Together we can face how to close funding gaps, together we can face down increasing threats of potential disinvestment; together we can make a case why strategic transportation investments are important.
  - NYMTC's MOUs with other MPOs in Connecticut, New Jersey, and the Mid-Hudson Valley formalize partnerships of what we have already been doing.
  - Integrating the system, using contextual design, including pedestrian and bicycle needs. Improving bus, bicycle, car, pedestrian and circulator connectivity at intermodal centers.

**In times of crisis, there is opportunity.**

- We need to work through our local goals together as NYMTC - to further develop our strategies and programs to meet increasing needs under these times of duress. In other words, we in the State and local governments need to be leaders.
- We need to do some things differently as we plan in these fiscally challenging times, including considering smart growth, sustainability, energy, climate change, livability, and complete streets concepts.

- Last year, New York State passed smart growth legislation and NYSDOT has responsibilities to ensure that its provisions are implemented. The law includes not only State agencies, but also public authorities and local government.
- We are learning how to better integrate transportation planning with local land use planning. We have been working with local governments to study the impacts of proposed development, to develop better tools to plan and to manage growth. And we will continue to engage communities in long-range planning and integrate land use planning into our transportation projects.
- But it did not take legislation for the Department to think about how to incorporate livable and sustainable practices into our projects and programs.
- The Department developed its now nationally recognized GreenLITES program to distinguish transportation projects based on the extent to which they incorporate sustainable choices. Based on the LEED certification program for buildings, this program began as a self-certification program for our design projects.
- But NYSDOT soon recognized that it needed to move beyond design. The program has now been expanded to our operations program, and the tools are being extended and integrated in our own planning programs, to ensure that we consciously consider sustainability in our projects and operations.
- We know that we need to go even further, to ensure that we are not just developing projects right, but that we are developing the right projects. The program will continue to evolve as we look to ensure that our transportation system supports sustainability.
- As other examples, we are expanding transit oriented development considerations and tools for communities, supporting sustainable communities. For example, to complement the Tappan Zee Bridge, NYSDOT, the Department, has funded Transit Oriented Development training program to prepare communities.
- NYMTC's HUD grant will help to do this – to identify and implement strategies for building sustainable communities.

- Let me talk more about this grant and the new partnerships that are being created. The consortium for the New York - Connecticut Sustainable Communities Housing and Urban Development (HUD) grant is a first, in that it includes several MPOs, a not-for-profit regional council and several local regional planning organizations, individual counties and cities as a consortium – forming to organize and execute a Sustainable Communities Planning Program that respects the mega-region nature of the commutershed for the New York metro area.
- We also must pursue opportunities to streamline the project delivery process to be more efficient, saving time and cost of implementing transportation investments.
- We are creating safer transportation choices for our school children and senior citizens through such programs as Safe Routes to School and Safe Seniors. And we are expanding opportunities to carpool, rideshare and have access to up-to-minute transit information. We are looking to maximize the efficiency of our system by providing options and managing transportation demand.
- Providing access to these choices and traveler information in 511NY. We are also using technology to develop a new way to efficiently update the multimodal information in this system, upgrade its tools and keep it accurate.
- Learning how to adapt to climate change. Now is the time to develop strategies and solutions that may take twenty years to implement in the face of these long- term trends.
- We are committed to aligning and integrating planning, engineering, operations and MPO efforts in support of a sustainable society.
- **We have all the pieces...**
- NYMTC's shared goals provide the framework for its members and its partners to develop further strategies to:
  - Enhance the regional environment
  - Improve the regional economy
  - Improve the regional quality of life

- Provide convenient, flexible transportation access within the region
  - Build the case for obtaining resources to implement regional investments.<sup>2</sup>
- The role of local government is critical. The role of the State is important, too. Together we must lead when there is a lack of consensus on a national direction.
  - NYMTC's efforts on its shared vision identified growth areas for us to focus our efforts. Also in this shared vision, strategic investments have been identified to help the region meet the current demands and the future challenges of growth; these are described in NYMTC's Regional Transportation Plan.
  - This long-term vision needs to be a living document, one that we will continue to refine and improve as we learn new information and continue to plan.

### **In closing –**

- It's more than just rhetoric to say that the transportation is more than concrete, asphalt and steel. We are, in fact, a vital connection to and part of the path toward economic recovery laid out by Governor Cuomo.
- Together, we can build on our successes of the past, and build a new bridge to the future of our great State by pursuing what Governor Cuomo has made clear - and I strongly agree - are the inextricable links between transportation and economic vitality.
- There are clearly challenges, and to solve these challenges, we need to cooperate and work together even more than in the past. And **Planning will be more important than ever to be sure we are making the right decisions in the light of economic uncertainty.**
- It will be challenging to meet the maintenance needs of today along with the strategic planning for capacity investments needed for tomorrow. But this region has been up to it for centuries and I look forward to working with all of you to continue that leadership.

*Thank you.*