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THE STATE UNIVERSITY OF NEW JERSEY RUTGERS

Bi-State Interdependence Symposium: The Economy and Transportation

May 6, 2003

Summary Proceedings

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Foreword

It was our pleasure to host the Bi-State Interdependence Symposium: The Economy and Transportation on May 6, 2003 at New York University. Speakers at the symposium presented facts and trends confirming the degree to which New York's and New Jersey's economies are intertwined. The speakers showed that with respect to job markets, incomes, housing, transportation, and finance, the States truly share a single economy that spills across boundaries. Both States, for example, depend on Wall Street for a sizable portion of government revenue, so the downturn in the stock market has contributed to huge budget deficits in both New York and New Jersey. The terrorist attacks on the World Trade Center, itself a bi-state creation, hurt both States – 30% of the victims were New Jersey residents. Positive synergies abound as well: in fact, the combined economy has tremendous strengths, including a huge job market that is uniquely attractive to two-income families. New Jersey's commercial building boom in the last decades of the 20th century provided space for businesses displaced by September 11.

The recent stresses on the economy and growth in the 1980s and 1990s have highlighted the States' interdependence and resulted in a new focus on expanding the region's overburdened transportation infrastructure. Where there is governmental structure to manage regional transportation projects, such as for ports and airports, projects are advancing. However, where there is political fragmentation, as with surface transportation, progress is more difficult. A new passenger rail tunnel under the Hudson, new connections to the airports, new subway lines, and a rail freight tunnel are among the major regional infrastructure projects on the drawing board. Taking a regional approach to these projects may be the key to success, both in terms of gaining political support, and, more importantly, in terms of building truly valuable projects.

Our hope is that this meeting serves as stimulus to repeated attention to regional interdependence and ultimately, to increased bi-state cooperation. With this in mind, we present the Summary Proceedings, prepared by Mark Seaman at the Rudin Center. We hope you find them intellectually stimulating, professionally useful, and enjoyable to read.

Elliot G. Sander
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Transportation Policy & Management

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Summary Proceedings

New York and New Jersey are divided by a river that has alternately seemed an unbridgeable gulf between independent countries and provided the setting for cooperation on major infrastructure projects. Through the Port Authority of New York and New Jersey, the States have built tunnels and bridges, taken over the Hudson and Manhattan tubes, and operated the region's airports. In part as a result of these investments, the States' economies have become tightly linked. Now in the early 21st century, several major regional transportation projects are on the drawing board, and cooperation will again be critical to their success. With this in mind, the NYU Wagner Rudin Center for Transportation Policy and Management and the Alan M. Voorhees Transportation Center at Rutgers Bloustein School convened "The Bi-State Interdependence Symposium: The Economy and Transportation" to explore the ties between the States and foster a regional discussion.

Katherine O'Regan, Associate Dean at NYU Wagner, and James Hughes, Dean at Rutgers Bloustein School, began the day with welcoming remarks to the 108 participants. These were followed by a panel moderated by Louis Gambaccini, Senior Fellow at the Voorhees Transportation Center, which focused on the region's economic interdependence and the region's strengths and weaknesses. Elliot (Lee) Sander, Director of the NYU Wagner Rudin Center, moderated a second panel on the challenges facing our regional transportation system, particularly in the freight arena. Martin Robins, Director of the Voorhees Transportation Policy Institute; Robert Yaro, President of the Regional Plan Association; and Patty Noonan, Vice President at the Partnership for New York City, gave closing remarks, suggesting an agenda for moving forward and providing a business perspective on transportation.

Regional Interdependence

The first panel included Rosemary Scanlon, Associate Professor of Economics at the Real Estate Institute of New York University; Dr. Hughes; and Mitchell Moss, the Henry Hart Rice Professor of Urban Policy and Planning at NYU Wagner. Ms. Scanlon gave an overview of New York City's economic situation; Dr. Hughes presented an analysis of the region's development dynamics; and Dr. Moss elaborated on the links between New York and New Jersey, and each State's strengths and weaknesses.

THE END OF SUBURBANIZATION

Demographic and economic trends in the New York-New Jersey region point to new, centralized patterns of growth. These shifts mark the end of a half-century of rampant suburbanization, including five decades of large-scale residential suburbanization, four decades of mall-building, and two decades of decentralized office-building. Growth is shifting back to the region's core, and the end of decentralized growth will demand stronger bi-state cooperation.

Linking these trends to the aging baby-boom generation, Dr. Hughes pointed out that in the first two decades after World War II, when the baby boomers were born, one million housing units were built in New Jersey – "one thousand per week for one thousand straight weeks." (A similar trend was seen in New York's northern suburbs and Long Island.) Most of the new stock was relatively small (900 square-foot) tract housing for young families. In the 1970s, baby boomers entered the housing market, demanding apartments, condominiums, and townhouses that redefined suburbia. And in the 1980s and 1990s, bigger became better, as maturing baby boomers built 5000-square-foot McMansions. Dr. Hughes predicted that baby boomers will continue to dominate and shape the housing market through 2020 and beyond, and their locational preferences will be less sprawl-intensive than in younger years.

When suburban populations reached critical mass (around 1960), the "malling" of the suburbs began. By the early 1990s, the "regional mall grid" was virtually built out, with 29 enclosed super-regional malls – more than 31 million square feet of space – in New Jersey alone; in the 31-county Tri-State region, there were 49 super-regional malls with more than 50 million square feet of space. In the 1990s, big-box stores and category killers supplanted malls as the focus of retail growth.

The suburbanization of office space began on a large scale only in the 1980s . Approximately 80% of all the rental office space ever built in the history of New Jersey went up in that decade, much of it in sprawling highway-oriented growth corridors. From virtually out of nowhere, the 11-county northern and central New Jersey office market emerged as the fifth-largest metropolitan office market in the country.

Using New Jersey as an example, Dr. Hughes showed how each wave of development in the postwar period depended on successive major additions of transportation infrastructure:

- In the 1940s and 1950s, growth in New Jersey was based on the prewar state highway infrastructure, one of the finest state highway systems in the country at that time.
- In the 1960s and 1970s, development was supported by the new capacity of the State's toll roads.
- In the 1980s and 1990s, the economy rested upon the mobility spawned by completion of the Interstate Highway System.

With the highway-building era apparently over, future suburban growth will likely be constrained. Areas served by public transit will become more desirable, resulting in a greater dependence on the region's central cities, particularly Manhattan.

The shifting dynamics of development have been paralleled by a new psychology of development, Dr. Hughes remarked. New land development must meet a host of criteria, including environmental and congestion concerns. These sentiments have persisted during the recession, and have not been submerged by a desperation to create jobs. This can be seen in voters' continued willingness to approve property tax increases dedicated to open-space preservation while rejecting all other tax increases; and in Governor McGreevey's embrace of Smart Growth principles.

DEMOGRAPHIC AND DEVELOPMENT TRENDS

The new central-city-focused patterns of development began to take hold in the last decade. Ms. Scanlon explained that in the 1980s, New York City's employment grew only one-third as fast as employment in the suburbs; but in the 1990s, job growth in the City matched suburban job growth. The number of New Jersey residents holding City jobs increased by almost 10% between 1990 and 2000. Population growth in New York City turned around in the 1980s, and in the 1990s, New York City's population jumped by 9.4%, surpassing eight million for the first time.

Anecdotal evidence confirms the reversal in growth patterns. Dr. Hughes explained that executives at Johnson & Johnson in downtown New Brunswick have traditionally lived in suburbia. Apparently, however, a number of executives have now chosen to live in Manhattan and commute to company headquarters via a 40-minute train ride from Penn Station. For these individuals, at least, city life has become more attractive than life in the suburbs.

At the same time, the price of city life has increased, as New York City has continued two decades of meager housing investment. As a result, Ms. Scanlon showed, residential real estate prices have steadily increased since the mid-1990s at a pace faster than national prices. On the other hand, housing development has exploded in New Jersey and has in fact been assisted by New York's restrictive environment, Dr. Moss noted.

In terms of office space, the region came out of the recession in the early 1990s with a big vacancy overhang in Manhattan. As a result, there was little new office construction in the City, while office space grew substantially in the suburbs. Many of the jobs created in the City in the early phase of the 1990s recovery were not office-based, but were in tourism and travel, Ms. Scanlon noted. But with the dearth of new construction and subsequent growth in office-based jobs, the vacancy rate fell to around 4% in Midtown by 2000, and to 5 to 6% in Lower Manhattan. Since September 11, vacancy rates have risen significantly.

ECONOMIC INTERDEPENDENCE

Manhattan's economy, and Wall Street in particular, has a tremendous influence on the bi-state economy. Ms. Scanlon cited several indicators:

- Wages earned in Manhattan have an enormous effect on the region's economy, as private wages in Manhattan exceed those of the other 16 counties in the region *combined*.
- A relatively small share of City jobs is filled by commuters from the suburbs – only 23%, with 11% from New Jersey. However, suburban commuters hold a much larger share (32%) of City jobs in the high-paying for Finance, Insurance, and Real Estate (FIRE) sector, and half of those commuters come from New Jersey.
- The downturn on Wall Street is a major cause of the budget crises in New York City and the tri-state region. Profits and bonuses, much of which went to commuters living in New Jersey, have crashed, as pretax profits fell from $21 billion in 2000 to an estimated $8.1 billion in 2002, the lowest level since 1994.

Dr. Hughes noted that even though New Jersey has lost only 33,000 jobs, versus 260,000 in the 1989-1992 recession, the State faces a severe budget crisis. Part of the explanation is that New York City has lost 226,000 jobs during the recession, and many of those were held by New Jersey residents.

One of the region's great competitive advantages is its huge job market, as Dr. Hughes and Dr. Moss explained. New York City, with 3.5 million payroll jobs, is the largest office market in the country; combined with north-central New Jersey's 3.0 million jobs, there is the possibility of access to 6.5 million jobs or more. For two-income "power couple" households, this job base – the largest in the country – provides a chance for both spouses to find appropriate employment. Thus, healthy job markets in both New York City and New Jersey contribute to regional strength. Dr. Moss pointed to other ways in which the States complement each other: New Jersey serves as something of a retail center for the region, as it has built more malls than New York; and New Jersey hosts sports facilities for several New York teams.

The bond between New York and New Jersey was quite clear in the immediate aftermath of September 11, as thirty percent of the victims of the attacks were from New Jersey. Dr. Moss noted that the World Trade Center was in many ways at the heart of this bond, as it was more accessible to New Jersey than any other office space in the City. In the scramble for office space that followed the attacks, a large number of firms relocated to New Jersey – particularly firms in the FIRE sector, which already employed far more workers in northern New Jersey than in New York City.

THE POLITICAL ENVIRONMENT

In the planning and political arenas, the region's institutions have not kept up with the realities of economic interdependence, Dr. Moss argued. The Port Authority, a once-powerful regional player with a large debt reserve that could be tapped to finance new infrastructure, has become relatively invisible. The Metropolitan Transportation Authority, another potentially strong player, has been weakened by scandal. The region's representation in Congress is fairly weak: all six of Connecticut's, New York's, and New Jersey's senators are in the minority (Democratic) party. Senator Clinton sits on the Environment and Public Works Committee, but is 75th in seniority, and the region has no representatives on the powerful Finance Committee.

WHAT CAN BE DONE

In closing the first panel, Mr. Gambaccini asked the panelists for their ideas on bi-state cooperation, given that the current political fragmentation does not serve the region's interests. They noted the importance of working together to build support for regionally-critical transportation projects.

Fostering bi-state cooperation will be an ongoing activity. Ms. Scanlon said we have begun raising consciousness about regional interdependence with this symposium. Panelists noted that we can apply pressure to our respective Governors to work together and to push for a reinvigorated Port Authority. They also agreed that the universities have a role in establishing the intellectual infrastructure for regional interdependence and can provide a forum to identify and debate regional transportation issues. Once the intellectual case is made, it must be repeated in numerous ways.

Regional Transportation

Members of the second panel included Richard Roberts, Chief Planner at New Jersey Transit; Tim Gilchrist, Director of Planning and Strategy at New York State Department of Transportation; Richard Larrabee, Director of Port Commerce at the Port Authority of New York and New Jersey; and William DeCota, Director of Aviation at the Port Authority of New York and New Jersey. The speakers discussed their agencies' respective infrastructure projects and the challenges posed by increasing passenger and freight volumes.

PASSENGER TRANSPORTATION

Mr. Roberts began the panel by posing the basic question underlying bi-state cooperation: why should the States help each other? The answer for New Jersey Transit (NJT), he said, is that the projects NJT is undertaking or proposing to undertake to improve access into New York also improve mobility within New Jersey. The Secaucus Transfer, for example, will shorten travel times into Manhattan, but also complete the integration of northern New Jersey's commuter rail systems. Access to the Region's Core (ARC), New Jersey Transit's proposed new tunnel under the Hudson and expansion of Penn Station, similarly promises major benefits for New Jersey as it strengthens the ties between the two States. Mr. Roberts pointed to the increase in reverse commuting, and the fact that the journey to work accounts for a decreasing share of all trips. Increasingly, New Jersey Transit is used not just for daily commutes into Manhattan, but also for intra-state travel.

New Jersey Transit is focused on strengthening its transportation links to Midtown because the State's economy is strongly linked to Midtown, which it sees as the focus of future growth. Access to the Region's Core will help accommodate this growth and alleviate the strain on a bus and rail system that is operating at capacity.

SURFACE FREIGHT TRANSPORTATION

Moving from passengers to freight, Mr. Gilchrist outlined the trucking and rail freight picture in New York and reviewed some of the challenges facing the region.

From the perspective of a global shipper, he explained, the East Coast of the United States is a prime destination for goods from around the world. The Northeast, from Maryland into Canada (not including Ontario) is one of the richest regions in the world, with a gross regional product larger than that of every country besides the US itself and Japan.

Goods destined for the New York-New Jersey region from around the world typically arrive at marine ports in Halifax, Montreal, Norfolk, and New York-New Jersey. These goods then travel inland by surface transportation throughout the region, where – particularly east of the Hudson – several significant characteristics shape and constrain the freight transportation system:

- High land values in the center of the region limit the land available for transportation infrastructure, and push warehouses to the outskirts of the region;
- East of the Hudson, New York has a mature rail system devoted primarily to passenger use;
- Rail access into the City and Long Island from the west is hampered by the lack of a river crossing south of Selkirk. Low vertical clearances in the region further constrain rail freight. As a result, less than 1% of domestic freight moves by rail east of the Hudson;
- Limited manufacturing in the City and Long Island means that trucks that deliver goods into the region often leave empty, increasing the truckers' costs;
- Congestion on the river crossings further increases delivery costs, as trips are slow and unreliable; and
- Special truck rules in New York City, such as length and width limits, force shippers to transfer loads between trucks before entering the City.

These factors contribute to higher shipping costs in the region. Truckers charge a premium for deliveries in the City and Long Island to offset their higher costs, and the lack of modal competition from rail likely results in higher costs to shippers. The region's reliance on trucks also contributes to congestion and air-quality problems.

In the last decades, the relative importance of transportation in shipping goods has increased. With new technologies, such as just-in-time shipment and ordering over the Internet, "pull" methods of control that are highly dependent on information systems and transportation have begun to supplant the traditional "push" methods, in which inventory control is the dominant factor. This shift is putting additional stresses on the national freight transportation system.

Over the next two decades, freight volumes are expected to grow rapidly. On a national basis, goods movement is forecast to grow 2.4% per year over the next two decades, or 67% from 1998 to 2020. Traffic congestion in the region is forecast to increase dramatically over the next two decades and spread far beyond the core.

Regional rail freight development clearly faces a large number of technical hurdles. Mr. Gilchrist argued, however, that organizational structures in this country are not conducive to planning for goods movement by rail. While private corporations increasingly take a national and global view and have scaled back their involvement in local decision-making, very little public-sector transportation decision-making is made at the national level in the United States. In fact, the last federal transportation policy was issued in 1979. Most transportation planning in the US is carried out at the local level – the level of the Metropolitan Planning Organization. But rail is only profitable at distances above 500 miles, and thus needs a larger planning framework.

MARINE CARGO

Richard Larrabee presented the Port Authority's marine cargo operations and discussed its current projects. He began by presenting some basic statistics:

- Total cargo handled by the marine port in 2002: 3.7 million twenty-foot-equivalent-units (TEUs), up 13% from 2001.
- Motor vehicles handled in 2002: 600,000, up 8% from 2001, making it the largest vehicle handling port in the US.
- Petroleum products handled in 2002: 33 billion gallons, making it the largest consumer in the US.
- 15 all-water services bring cargo to the Port from Asia: 13 pass through the Panama Canal, and two through the Suez.

The Port Authority expects cargo traffic to grow at a rate of 3.8% annually to 2040. Actual growth over the last 11 years has been 6.5% per year. Asia, and China in particular, have been a major source of recent growth.

Besides dealing with growth, the Port Authority is facing a number of emerging trends:

- The economies of scale in shipping are driving a trend towards larger vessels with deeper drafts. While the average ship currently carries 3,500 TEUs, some carry as many as 8,000, and ships being planned will carry as many as 12,000.
- Carriers operate with very small profit margins, and the Port Authority expects to see consolidations and alliances of companies.
- All-water service from Asia is increasing.
- There are cost pressures on the entire logistics chain.
- Intermodal rail and barge connections are becoming increasingly important.
- Increased security requirements will affect the cost, reliability, and speed of operations.

To deal with the first of the challenges, the Port Authority is in the midst of a major channel-deepening project. The natural depth of the Port is 19 feet, but the new large ships will draw 48 to 50 feet. To accommodate these ships, the Port will dredge down to 40-45 feet in Newark Bay, to 41 feet in the channels leading to Howland Hook, and to 41 feet in the Port Jersey Channel into Bayonne. The Port Authority has further authorized dredging to 50 feet and will begin this work next year. The $2 billion project, the most difficult project of its type in the world, has an aggressive time schedule: the Port Authority expects to deliver portions of the project by 2009, with completion slated for 2014.

Dealing with the byproducts of the dredging is a major issue for the Port Authority. Eight years ago, the material dredged in such an operation would have been dumped in the ocean at a cost of four dollars per cubic yard. Now, however, the 60 million cubic yards that will be dredged will be disposed of in a more environmentally sensitive fashion. Most will be used beneficially to build underwater structures such as reefs. Eight million cubic yards of contaminated material will be treated and used to cover brown fields.

At the moment, the Port Authority is also in the midst of a billion-dollar reconstruction of the shipping terminals. This investment will increase the Port's productivity per acre from 1,500 containers per year to 3,800-4,000 containers per year. In the short term, however, the reconstruction has meant that at any given time over the last year, one-third of the Port Newark-Port Elizabeth complex has been off-line. Capacity was further strained when the West Coast ports closed in December and January. Traffic jumped 25% in that time, and some of that increase has stayed with the Port.

The success of the Port's maritime activities depends as much on land-side infrastructure as it does on channel-deepening and terminal redevelopment, Mr. Larrabee said. The vast majority (84%) of containers leaves the Port by truck, and moving cargo to rail could improve productivity by 15 to 20%. Rail transportation also uses land more efficiently than trucking, and it helps alleviate regional congestion and pollution. The Port Authority's goal is to reduce trucking's share to 57%, increase rail's share to roughly 25%, and use barges or coastal feeder vessels to handle the rest. To this end, the Port Authority will invest $350-$400 million over the next five years in improved rail infrastructure within the Port, expanding intermodal capacity from the current 260,000 containers per year to 1.5 million containers per year.

Part of this effort involves bringing direct rail service to Howland Hook Marine Terminal on Staten Island. The Port Authority is developing a new on-dock rail facility to serve the terminal, with a rail link to the Chemical Coast Line in New Jersey. To achieve this, the Port Authority has coordinated with a wide range of players, including New York City, the City of Elizabeth, the Borough of Richmond (Staten Island), Union County, Norfolk Southern, CSX, and state agencies. The $170 million project, expected to open next year, will provide rail transport for municipal solid waste as well as cargo.

THE REGION'S AIRPORTS

Mr. DeCota focused on the Port Authority's airports: how they fit together, and the challenges they face.

The Port Authority began operating the region's airports in 1947. Its system now includes John F. Kennedy International, Newark Liberty International, La Guardia, and Teterboro Airports, and the Downtown Manhattan Heliport. The airports employ 66,000 workers and generate $58 billion in economic activity every year. The system handles 1.4 million movements every year, meaning that a craft takes off or lands every 40 seconds.

Each airport in the region plays a unique role, and as Dr. Moss noted earlier, their geographic dispersion provides redundancy and resilience. Kennedy is the region's premier gateway to the world for cargo and passengers. Half of its passengers are international, and it provides 35,000 seats across the Atlantic every day; but it is also strong regionally, as Jet Blue is its third-largest carrier. Newark is seen as the region's all-purpose airport, and Continental accounts for 60% of its traffic; La Guardia is the premier business airport, with 25% of its passengers traveling on shuttles to Boston or Washington. Teterboro is the premier general aviation airport; and the Downtown Manhattan Heliport serves high-end corporate executives and high-value cargo.

The larger airports also move cargo, which brings its own demands. Kennedy Airport moves 1.7 million tons of cargo, of which three-fourths moves down the congested Van Wyck Expressway. The Port Authority would like to see some restrictions lifted on commercial use of the Belt Parkway to accommodate some of the cargo traffic. 53-foot trucks are currently banned on the Parkway, but 1,300 make the trip every day regardless (and are mostly ignored). As with marine cargo, landside infrastructure is an important constraint on air freight movements.

This airport system supports an unparalleled range of aircraft flying to more destinations than any other system. Aircraft supported range from Sikorsky helicopters to Boeing 747s; with the longest runway in the country, Kennedy even has the potential to handle the space shuttle. The airports provide direct service to more destinations than any other system in the world, on more airlines. One quarter of international passengers enter the United States through the Port Authority's airports, and 80% of the passengers served by the system begin or end their journey in this region.

In recent years, the Port Authority has spent $15 billion upgrading its airports. Newark's $4 billion program is nearly complete, while Kennedy's $10 billion redevelopment is in progress. La Guardia's $1 billion upgrade was completed five years ago and will soon be complemented by a new modernization program. These projects will modernize the airports' aging infrastructure (Teterboro opened in 1917, and Newark in 1929) and help overcome capacity constraints. At Newark, recent investments include a new control tower, a new roadway, and new parking at Newark. Its new AirTrain has linked 2 million users to Amtrak and New Jersey Transit, while Kennedy's AirTrain, now in testing, is forecast to open by the end of the year. The Port Authority is also exploring the possibility of a PATH expansion from Lower Manhattan to Newark Airport.

September 11 hit the airports hard. La Guardia, in particular, experienced a big drop in flights under 250 miles. These have been replaced to some extent by small regional jets – not a good development for such a small airport that needs to make the most efficient use of its limited airfield facilities, Mr. DeCota noted. Overall demand at the airports reached a peak of 93 million passengers per year before the terrorist attacks, and is now at 82 million. The airlines' current financial problems – the industry lost $9.5 billion last year and is projected to lose another $7.8 billion this year – make them difficult partners for the Port Authority. But "traffic always recovers," predicted Mr. DeCota.

Conclusions

Martin Robins, Robert Yaro, and Patty Noonan took a look at the broader picture, emphasizing points on leadership and regional cooperation.

Since September 11, Ms. Noonan said, the business community has focused on transportation as a critical regional issue. There is a new recognition of Manhattan's vulnerability as an island, and the importance of redundancy. With New York's knowledge economy, people are its strength, she added. If 80% of air passengers start or complete their trips in the region, as Mr. DeCota stated, people are doing business here. The fact that people are the region's strength means that transporting them is critical.

Yet there is a vacuum of leadership on transportation issues, according to Mr. Yaro. Echoing Mr. Gambaccini, Mr. Yaro that the traditional sources of leadership on infrastructure issues – corporate executives – are stepping back, since they have a more global focus, and possibly a shorter-term focus than in the past. The vacuum is being filled by leaders from the growing service industries, small businesses, and universities, and by philanthropists who struck it rich in the 1990s. The Regional Plan Association itself has received significant support from these sources and is now in better financial shape than in a generation.

Mr. Yaro brought up the issue of financing, stating that Washington, D.C. is not likely to fund the region's infrastructure needs. With the Empire State Transportation Alliance (ESTA), RPA has been developing an alternative local-financing strategy. The strategy will probably be based on a combination of East River bridge tolls, a regional payroll tax dedicated to specific transportation projects, and an increased gas tax in New Jersey. (Ms. Noonan registered opposition to the payroll tax, arguing that it would penalize activities that one would normally want to encourage, such as job formation.)

Returning to the theme of bi-state cooperation, Mr. Yaro contrasted the region's difficulties with the experience of the European Union. Half a century ago, those countries were killing each other; now they get together on infrastructure strategy. To achieve better cooperation in the New York-New Jersey region, he proposed the following agenda:

1. Agree on a set of regional priorities. (ESTA is currently at work on this project.)
2. Develop a self-financing strategy, as mentioned above.
3. Depoliticize the relevant government agencies and encourage professionalism.
4. Bring the transportation message to the masses.

Responding to the day's discussion, Mr. Robins noted both positive and negative developments. He was reassured that the Port Authority is working quietly but effectively on the region's marine and airport infrastructure. However, much needs to be done to advance the ideas that have surfaced for improved public transit – both intercity and trans-Hudson – and surface transportation of freight. He particularly noted fragmentation across state lines on issues of freight movement.

Given the interdependence of the two States' economies and the demographic trends pointing to a re-energizing of the region's core, it is clear that New York and New Jersey need to work in tandem as they develop new transportation infrastructure. The discussions at this symposium may serve as a first step toward a wider understanding of the economic linkages and serve as impetus for closer cooperation on shared problems.

Speaker and Moderator Biographies

William DeCota was appointed Director of Aviation in December 1999 for The Port Authority of New York and New Jersey. He leads a career staff of nearly 1,000 employees for the management of Kennedy International, Newark International and LaGuardia Airports, which together comprise the world's largest aviation system, as well as Teterboro Airport and the Downtown Manhattan Heliport. Previously, he served as Deputy Director of Aviation, Assistant Director for Business and Properties, as well as Manager of Business and Financial Services for the Aviation Department.

Louis J. Gambaccini serves as the distinguished transportation fellow of the Alan M. Voorhees Transportation Center. He is a renowned transportation professional who, in his 45 years of public service, served as Commissioner of the NJ Department of Transportation (in this capacity he was the founding chair of NJ TRANSIT), general manager of the Southeastern Pennsylvania Transportation Authority (SEPTA) and the Port Authority Trans-Hudson System (PATH). He held leadership positions for more than 30 years at the Port Authority of New York and New Jersey, and served as chair of the American Public Transit Association and as chair of the executive committee of the Transportation Research Board.

Tim Gilchrist is Director of Planning and Strategy for the New York State Department of Transportation. In this capacity he is responsible for the development of strategic transportation plans and policies for the Department including asset management. Mr. Gilchrist is also the Department’s lead executive on the Department’s activities in the rebuilding of lower Manhattan. Mr. Gilchrist is a career transportation professional with the State Department of Transportation, serving since 1980. He received a Master’ Degree in Public Administration from the John F. Kennedy School of Government at Harvard in 1992, and a B.A. in economics and geography from the State University of New York at Oswego in 1979.

Dr. James W. Hughes is Dean of the Edward J. Bloustein School of Planning and Public Policy at Rutgers University, and was appointed to that position in 1995. He has been a member of the faculty since 1971. Since 1988, Dr. Hughes has been the Director of the Rutgers Regional Report which, during his 14-year tenure, has produced 23 major economic/demographic/ housing studies on New Jersey and the New York region. Dr. Hughes also edits the *SITAR-Rutgers Regional Report*, a quarterly report, on the economy and office market in New Jersey. He is a nationally-recognized academic expert on demographics, housing and regional economics.

Richard M. Larrabee is Director of the Port Commerce Department of The Port Authority of New York and New Jersey. He oversees the management and operation of the major marine terminal facilities within the Port of New York and New Jersey, the largest port on the East Coast of North America, which handled 65 million tons of cargo in 2000, including more than 3 million container units. Mr. Larrabee manages a multi-billion dollar port redevelopment program that includes reinvestment in marine terminal facilities, deepening harbor channels and berths, improving intermodal connections and protecting sensitive marine environments.

Dr. Mitchell L. Moss is the Henry Hart Rice Professor of Urban Policy and Planning and Director of the Taub Urban Research Center at New York University. He is the author of more than 75 scholarly articles and several studies on the role of telecommunications and urban development. Professor Moss has been a member of the faculty at New York University since 1973. Professor Moss directs a National Science Foundation project on information technology and the quality of urban environments and is also conducting a study on the future of New York City for the Andrew W. Mellon Foundation, the AT&T Foundation, and the Charles Revson Foundation.

Patty Noonan is Vice President of Research & Policy, at the Partnership for New York City. Her program areas include Energy, Brownfields, Transportation, Land Use and Economic Development. Previously, she served as Director of Sustainable Development Initiatives at the New York City Housing Partnership, where she directed the High Performance "Green" Building program and provided environmental review and oversight for the Partnership's New Homes Program, which develops over 1,000 units of housing per year for first-time homeowners in low-income communities across the five boroughs. Patty holds an MPA in public policy analysis from New York University's Robert F. Wagner Graduate School of Public Service and an undergraduate degree in theatre from San Francisco State University.

Dr. Katherine M. O'Regan is Associate Professor of Public Policy and Associate Dean of Faculty and Academics at NYU's Robert F. Wagner Graduate School. Professor O'Regan teaches courses in microeconomics and program evaluation. She researches issues and programs affecting the urban poor and minorities, including transportation, employment, isolation problems, segregation and performance in the New York City public schools. Currently, she is examining a collection of board governance issues among nonprofits in New York City. Among her board activities, she is on the Research Advisory Council for the National Center for Nonprofit Enterprise.

Richard T. Roberts is Chief Planner at NJ Transit, responsible for all planning supporting NJT's Capital Program. He has almost 30 years of professional experience in traffic engineering and transportation planning working on projects involving all modes of transportation, passenger and freight. He has been Director of Transportation Planning for the Hackensack Meadowlands Development Commission; Chief of Transportation Policy and Planning at the Port Authority of New York and New Jersey; Vice President, Managing Director of Strategic Planning at Edwards & Kelcey, Inc.; and Assistant Vice President, High-Speed Rail Corridor Planning, at Amtrak. Mr. Roberts holds a Bachelor of Science in Industrial Engineering and a Master of Science in Civil Engineering from Newark College of Engineering, part of the New Jersey Institute of Technology.

Martin E. Robins has a distinguished 25-year career in the field of transportation policy and planning. He presently serves as Director of the Transportation Policy Institute, a unit of the Alan M. Voorhees Transportation Center within the Edward J. Bloustein School of Planning and Public Policy at Rutgers University. Mr. Robins is responsible for implementing a program of policy research and public forums on transportation-related issues in the New Jersey – New York Metropolitan Region. He recently helped organize a regional forum on variable pricing with the Regional Plan Association.

Elliot G. Sander is Director of the Rudin Center for Transportation Policy & Management at NYU Wagner, as well as Senior Vice President at DMJM + HARRIS. He is also a Commissioner on the New York City Taxi and Limousine Commission and Co-Chairman of the Empire State Transportation Alliance (ESTA), a coalition of leading business, labor, and civic organizations that he helped found. In February 2002, Mr. Sander was appointed by Governor George Pataki to the Lower Manhattan Development Corporation's citizen advisory board. He is a former Commissioner of the New York City Department of Transportation (1994-1996).

Rosemary Scanlon is Associate Professor of Economics at the Real Estate Institute of New York University SCPS, and a Consultant in Urban and Regional Economics. Most recently she authored the study, *Building for Growth: A Development Strategy for New York City's Long-Term Prosperity*; co-chaired the Economic Development Working Group Report for the Civic Alliance to Rebuild Downtown New York; and coordinated and edited the study, *New York City's Electricity Needs*. Previously Professor Scanlon was Project Director and Editor of the London-New York Economic Study.

Robert D. Yaro is President of the Regional Plan Association (RPA). Before assuming this role, Mr. Yaro served as RPA's Executive Director (1990 to 2001). Headquartered in Manhattan and founded in 1922, RPA is America's oldest and most respected independent metropolitan research and advocacy group. Mr. Yaro is also Practice Professor in City and Regional Planning at the University of Pennsylvania. He has served on the faculties of Harvard University and the University of Massachusetts at Amherst. Mr. Yaro chairs The Civic Alliance to Rebuild Downtown New York, and is an honorary member of the Royal Town Planning Institute in London.

Event Day Program Schedule[*]

8:00 – 8:30am REGISTRATION AND CONTINENTAL BREAKFAST

8:30 – 8:45am WELCOMING REMARKS

Katherine M. O'Regan*, Associate Dean, NYU Wagner*

James W. Hughes*, Dean, Rutgers Bloustein School*

8:45 – 10:15am PANEL I: REGIONAL INTERDEPENDENCE

Moderator: ***Louis J. Gambaccini****, Senior Fellow, Voorhees Transportation Policy Institute*

Speakers: ***Rosemary Scanlon****, Associate Professor, NYU Real Estate Institute*

James W. Hughes*, Dean, Rutgers Bloustein School*

Mitchell L. Moss, *Henry Hart Rice Professor of Urban Policy and Planning, NYU Wagner School*

10:15 – 10:30am BREAK

10:30am – noon PANEL II: REGIONAL TRANSPORTATION

Moderator: ***Elliot G. Sander****, Director, NYU Wagner Rudin Center for Transportation Policy and Management*

Speakers: ***Richard Roberts****, Chief Planner, NJ Transit*

Tim Gilchrist*, Director of Planning & Strategy, NY State Department of Transportation*

Richard M. Larrabee*, Director of Port Commerce, The Port Authority of NY & NJ*

William DeCota*, Director of Aviation, The Port Authority of NY & NJ*

12:00 – 12:30pm CONCLUDING REMARKS

Speakers: ***Martin E. Robins****, Director, Voorhees Transportation Policy Institute*

Robert D. Yaro*, President, Regional Plan Association*

Patty Noonan*, Vice President, Partnership for New York City*

[*] Reflects changes made during the event day.

List of Participants

Richard T. Anderson
New York Building Congress

Nigel Astell
Booz Allen Hamilton

Andrew Bata
MTA New York City Transit

Joseph Berechman
University Transportation Research Center

Darren Bloch
Con Edison

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Brody Inc.

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NJ Economic Development Authority

Bill Gallagher
East of Hudson Rail Freight Operations Task Force

Andrew Galloway
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Joan McDonald

Robert McKeon
US Department of Transportation

James Melius
NY State Laborers' Employers' Cooperation and Education Trust Fund

Brian Middleton
Booz Allen Hamilton

Kimberly M. Miller, AICP
The Municipal Art Society

Ali Mohseni
NYMTC

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