



Regional Plan Association



Fragile Success

TAKING STOCK OF THE NEW YORK METROPOLITAN REGION

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Introduction

Over the last generation, the New York metropolitan region has seen sweeping change, much of it for the better. In 1990, we were clearly a region at risk, with high crime rates, low job creation, crumbling infrastructure, disappearing farms and open space, and a population that wanted to leave for other parts of the country.

Much has changed. The region has caught up to the nation in private-sector job growth, and jobs are being created in increasingly diverse sectors; more people are optimistic about their future; and the tri-state area is recognized as one of the world's most economically vibrant regions.

Yet our success is fragile. The region has progressed as whole, but too many people haven't shared in this growth. Real incomes have actually declined over the last 25 years for the

majority of families. Many communities remain highly segregated by race and wealth, limiting opportunities for many.

In a striking reversal from 25 years ago, some of the fastest-growing problems are in our suburbs, not in New York City. And we are more vulnerable to disasters than ever before, as climate change ushers in stronger storms and higher sea levels. These risks are compounded by our reliance on fragile physical infrastructure systems.

Above all else, we see evidence that our governing institutions are failing to make the hard choices necessary to address our most difficult problems. These challenges threaten to squander our advantages and leave the region worse off a generation from now than it is today.



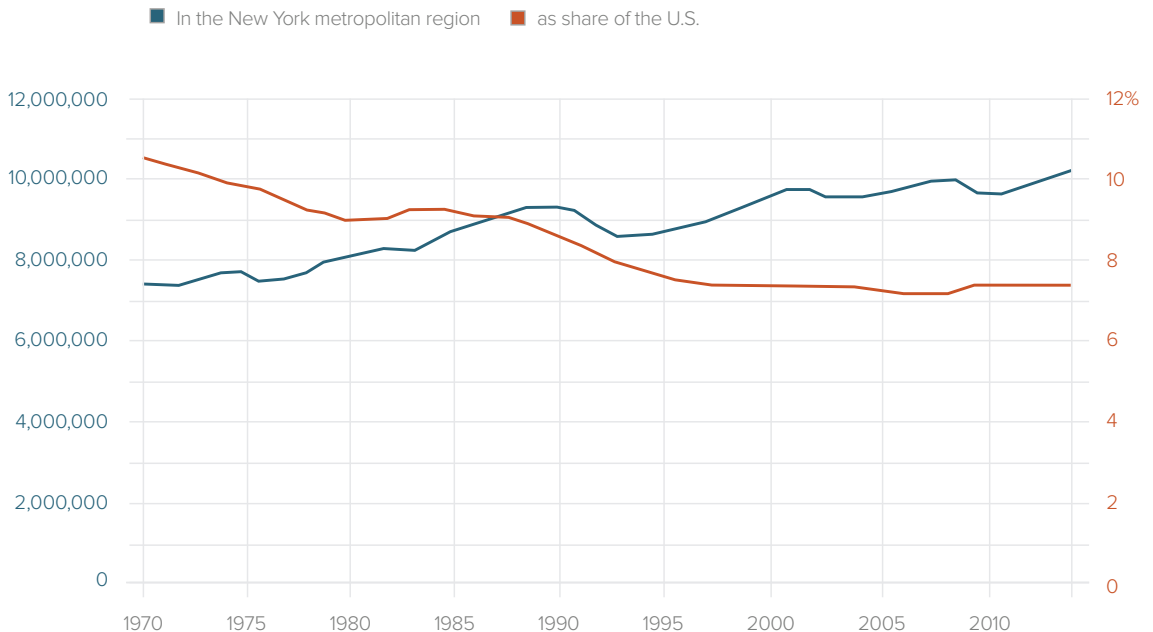
The tri-state region has made enormous strides.

After the deep recession of the late 1980s and early 1990s, the tri-state region has bounced back. People are choosing to live here and the economy is flourishing. New York City is now one of the safest big cities in the nation. Public health has improved, as has quality of life.

A number of global trends have fueled this renaissance, from economic changes that favor places with large concentrations of highly educated workers to demographic changes that make walkable, transit-oriented communities more desirable. Intentional policy choices, some made decades ago, have allowed the region to capitalize on these trends and lead an international urban revival.

The region has gained 2.3 million residents and 1.5 million jobs in the last 20 years.

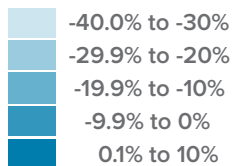
EMPLOYMENT



Source: Bureau of Labor Statistics

Crime has dropped dramatically in all parts of the region – especially in New York City and other urban areas.

**CHANGE IN CRIMINAL OFFENSES PER
100,000 RESIDENTS, 2000-2011**



Source: Uniform Crime Reporting 2000 & 2011; U.S. Census 2010; ACS 2011. Note: Includes Uniform Crime Reporting traditional seven Part I offenses, as reported by states



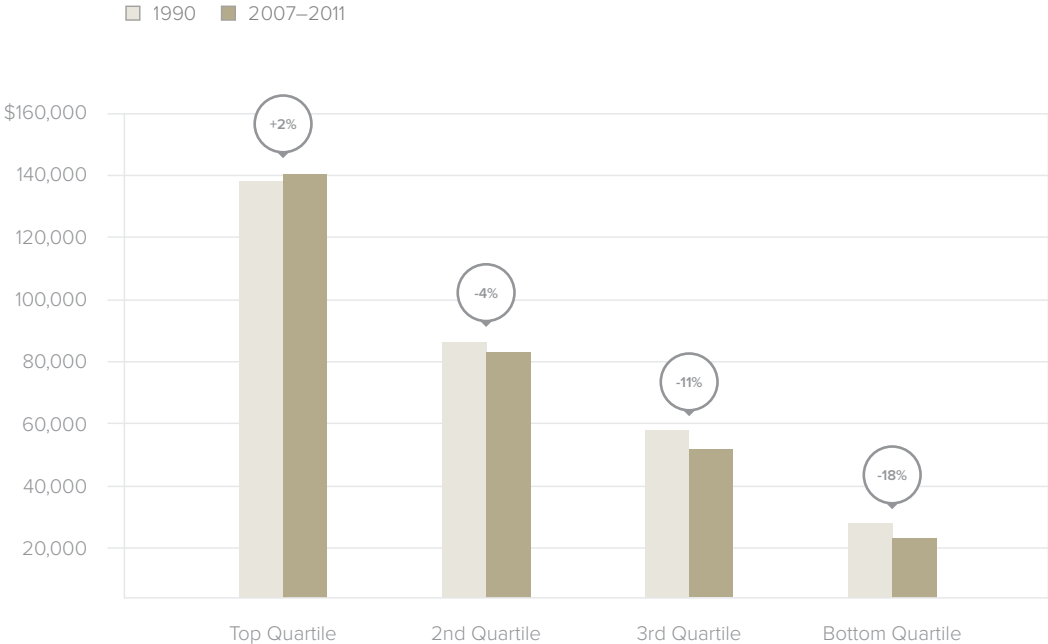
Opportunities are limited for too many people.

The region's economic growth of the last two decades hasn't been shared by many people. Median income, adjusted for inflation, for the bottom half of income earners has dropped 14% since 1990. Incomes have fallen nationwide, but the trend is more pronounced in the New York metropolitan region.

As a result, more people live in poverty today than a generation ago, and the middle class faces wage stagnation and a crisis of affordability. Segregation by race and class in our communities is limiting educational opportunities for too many young people.

Median incomes, adjusted for inflation, have dropped since 1990 for more than three-quarters of the region's households.

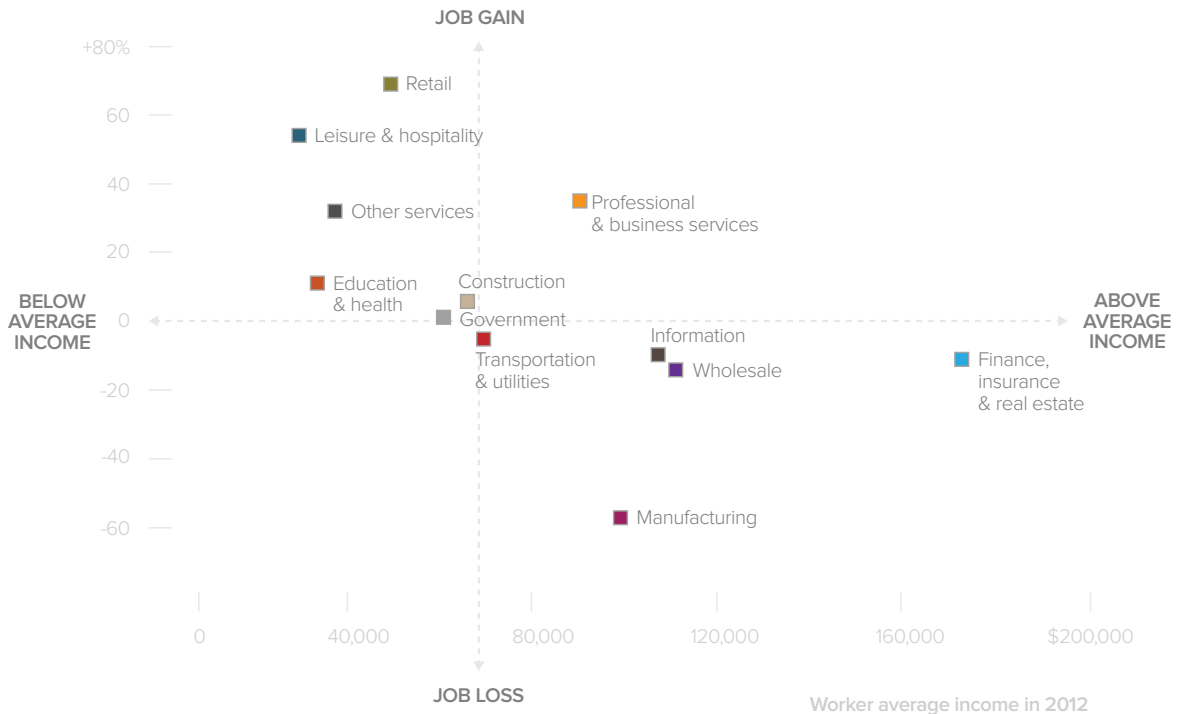
MEDIAN HOUSEHOLD INCOME, NEW YORK METROPOLITAN REGION



Note: U.S. census, 2007–2011 American Community Survey via Steven Ruggles, J. Trent Alexander, Katie Genarek, Ronald Goeken, Matthew B. Schroder, and Matthew Sobek. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota, 2010.

The changing economy is narrowing the path to higher-paying jobs.

CHANGE IN EMPLOYMENT BY SECTOR 1990–2013



Source: Bureau of Labor Statistics



Nancy Borowick

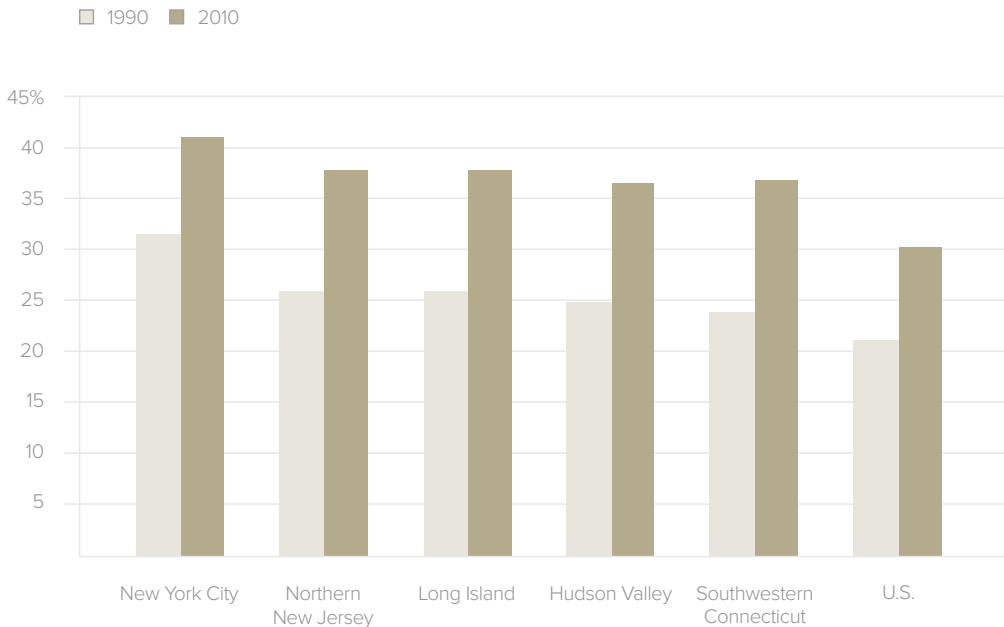
The rising cost of living threatens our prosperity and quality of life.

The tri-state region has become more attractive, but it has also become more expensive. While household incomes have stagnated, housing costs have risen sharply and property taxes are taking a larger share of household budgets. The discretionary income left over is often too small to cover critical expenses like health care, college, child care and food.

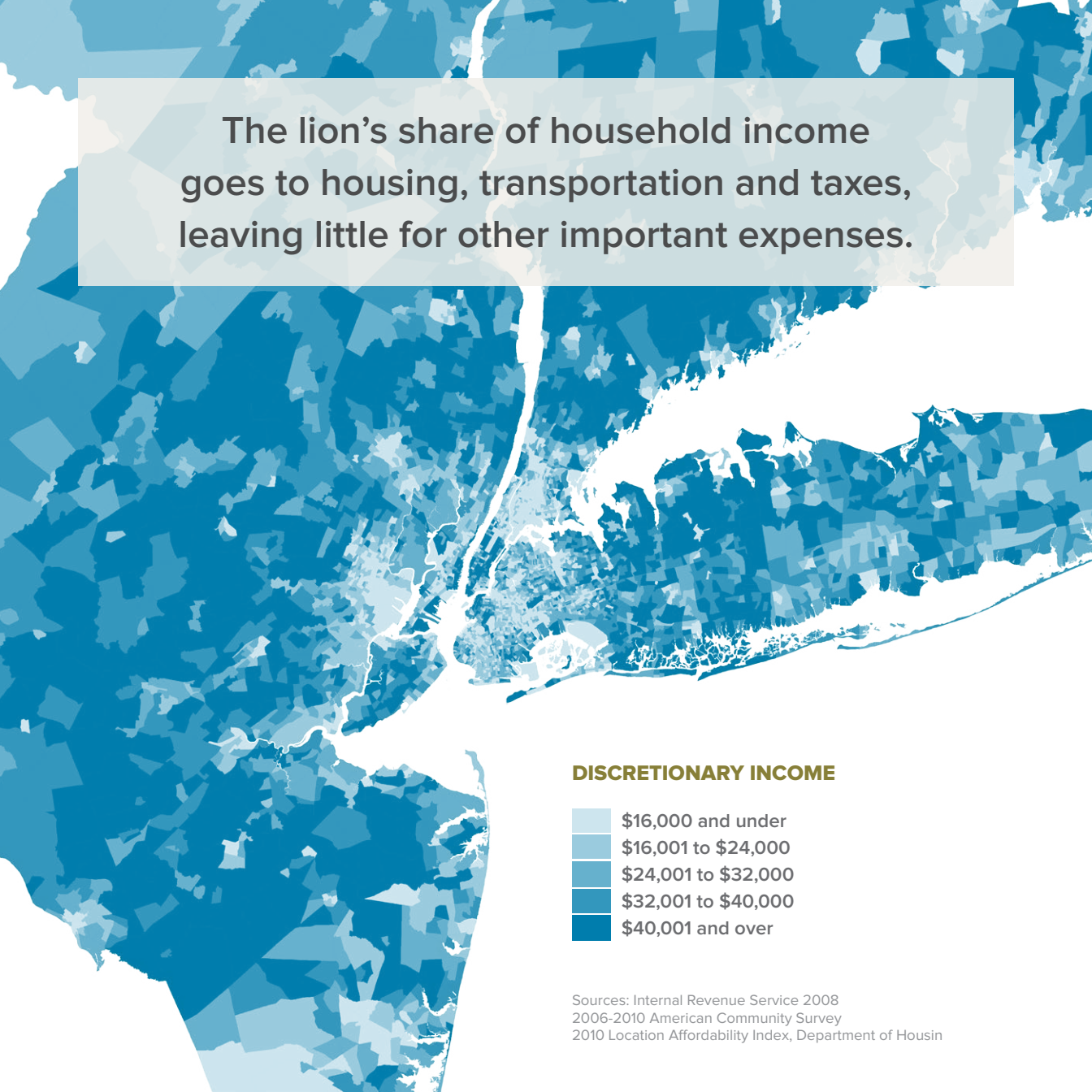
The region has always been expensive and crowded, and improvements in the economy and quality of life drive up prices and attract more residents and businesses. But when incomes don't keep pace with prices, or if the hassles of living here outweigh the advantages, it becomes harder to attract and retain talented workers. Indeed, the peak of the real estate market of the mid-2000s, when housing was most expensive, coincided with the peak of migration out of the region.

Declining incomes have been compounded by skyrocketing housing costs.

HOUSEHOLDS SPENDING MORE THAN 35% OF INCOME ON HOUSING

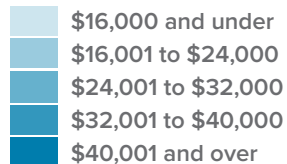


Source: 1990 U.S. census; 2010 American Community Survey



The lion's share of household income goes to housing, transportation and taxes, leaving little for other important expenses.

DISCRETIONARY INCOME



Sources: Internal Revenue Service 2008
2006-2010 American Community Survey
2010 Location Affordability Index, Department of Housing and Urban Development



Paul Sableman

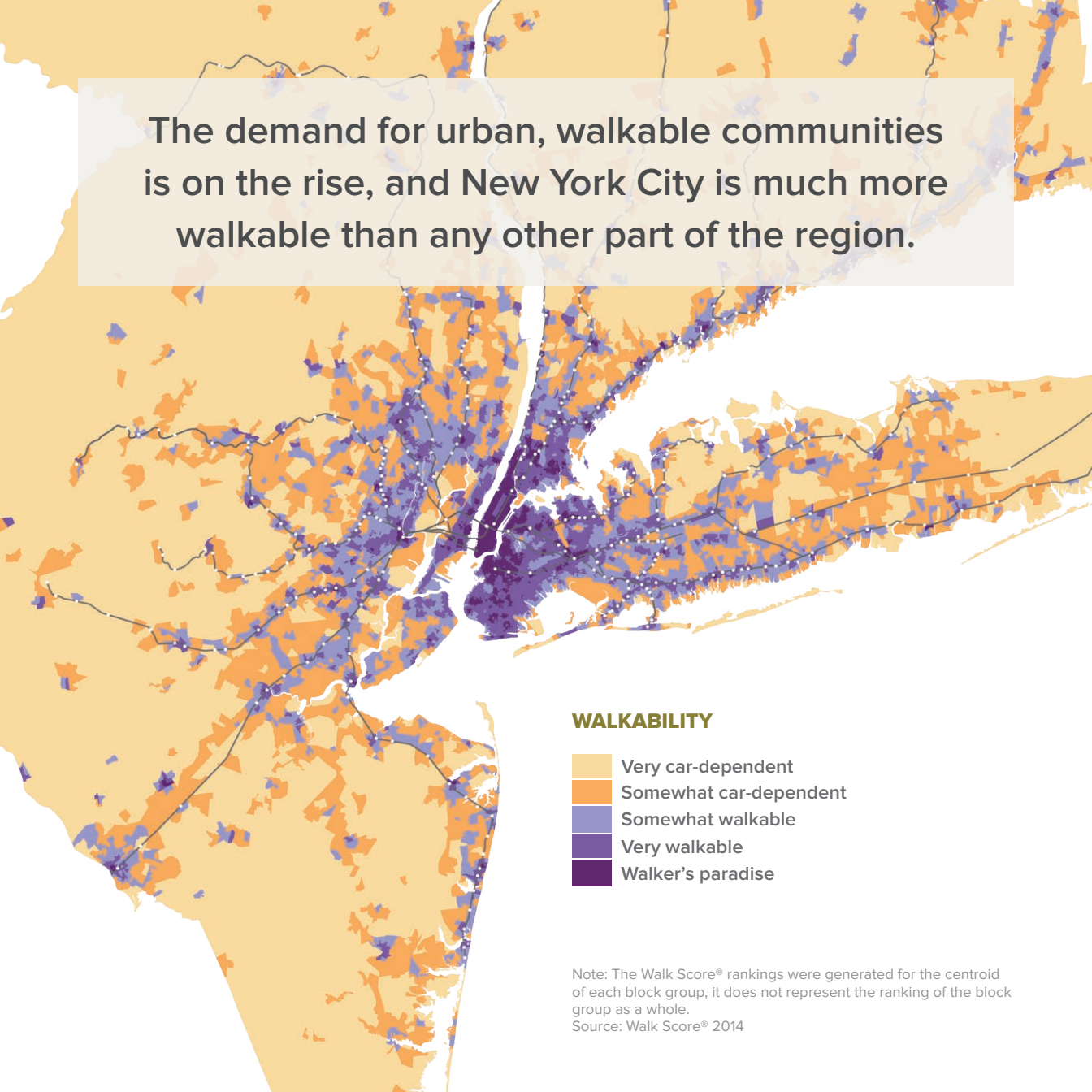
CC / Desaturated from original

The suburbs are falling behind.

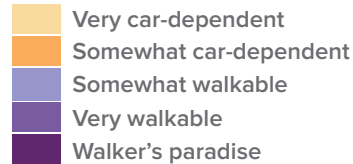
In the second half of the 20th century, our suburbs grew quickly as residents abandoned cities. In the last 20 years, that pattern has been upended. People and jobs are moving into New York, Jersey City, White Plains, Stamford and other urban communities. Construction in these cities has surged, driven both by demand and by municipal policies. And while poverty rates are still far higher in the cities, they are growing much faster in the suburbs.

The suburban slide threatens the region's prosperity as a whole. New York and the region's other cities depend on the suburbs for a large share of their workforce, and the metropolitan area's appeal depends in part on having a diverse mix of urban and suburban communities. Without more suburban housing priced for different income levels, cities will bear a heavy burden of meeting the region's affordable-housing needs.

The demand for urban, walkable communities is on the rise, and New York City is much more walkable than any other part of the region.



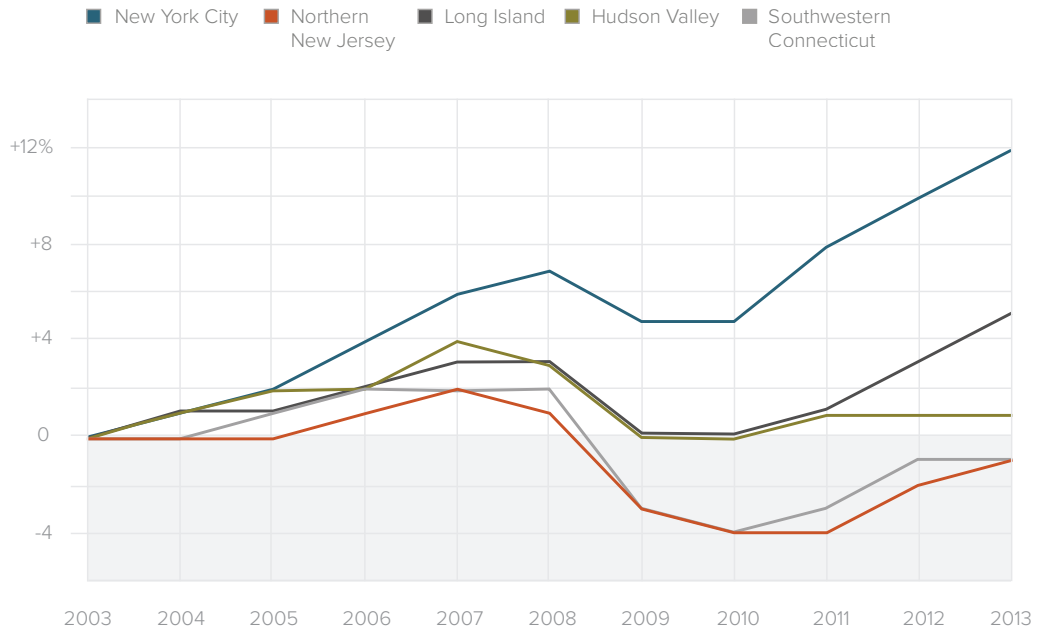
WALKABILITY



Note: The Walk Score® rankings were generated for the centroid of each block group, it does not represent the ranking of the block group as a whole.
Source: Walk Score® 2014

Job growth has been much weaker in the suburbs than in New York City.

JOB GROWTH



Source: Bureau of Labor Statistics



Nancy Borowick

The region is increasingly vulnerable to disasters.

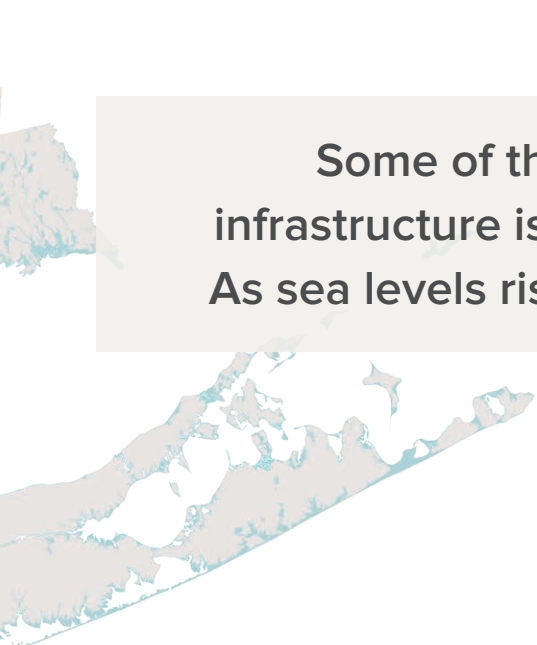
From the Sept. 11 terrorist attacks to the devastation of Hurricanes Sandy and Irene, catastrophic events have exposed the tri-state region's vulnerability to disasters of all kinds. Lives are senselessly lost. Daily life is disrupted. And the economic toll registers in the billions of dollars. Less devastating events, including severe storms and heat waves, the 2003 blackout in the Northeast and more commonplace interruptions to our transportation, electric and communications networks also take a toll.



2050 FLOODPLAIN

 Floodplain

Sources: NJ + NY State (excluding NYC): 2050 Sea Level Rise Planning Tool 2050, NOAA
NYC: 2050 Sea Level Rise Planning Tool, NOAA
CT: 2050 Sea Level Rise & Category 3 Storm Scenario, The Nature Conservancy
100-year ABFE floodplain, FEMA



Some of the region's most critical infrastructure is located in areas that flood. As sea levels rise, so does our vulnerability.

	In region	In current flood plain		In 2050 flood plain	
2010 population	22,578,092	1,667,797	7%	2,346,562	10%
Public housing units	228,317	19,868	9%	47,382	21%
Hospital beds	80,426	5,112	7%	9,214	12%
Nursing home beds	140,862	6,750	5%	11,145	8%
Electric generation capacity (MWh)	32,636	9,127	28%	19,181	59%
Train stations	905	62	7%	115	13%
Train tunnels	12	12	100%	12	100%
Subway yards	21	4	4%	7	33%
Major airports	6	4	67%	4	67%
Shipping ports	6	6	100%	6	100%



Nancy Borowick

Our government institutions are failing to make the hard decisions our region needs.

Metropolitan regions around the world are demonstrating that is possible to broaden prosperity by investing in new business centers and communities; build modern infrastructure that expands capacity, improves resilience and boosts economic competitiveness; and adopt innovative solutions to protect coastal areas.

But for a variety of reasons, we fail to address our most persistent problems of affordability, opportunity and resilience. We haven't been able to amend land-use and building regulations to facilitate the construction of more housing and encourage the development of communities that accommodate a range of families, especially in the suburbs. We haven't streamlined procurement practices enough to reduce costs. We haven't found a way to share public services among districts to increase efficiencies without reducing local control. We haven't modified tax structures to promote a more productive and diversified economy. We haven't built new public transportation to help people get to more jobs and schools in less time. And we haven't invested in the technological and physical infrastructure systems that would help make our society and economy more resilient when disaster strikes.

It takes too long and costs too much to build new infrastructure.

Most of the large infrastructure projects that the region has taken on in recent years are failing to be delivered on time and on budget. The reasons vary – from corruption, mismanagement, lack of political will, unclear funding structures, to underestimated costs – but the result is the same: Every project that goes over budget or is extended in time erodes the public’s confidence in the government’s ability to deliver similar public works in the future.

In 2010, New Jersey Gov. Chris Christie cancelled the most significant rail project under

construction in the region, new rail tunnels under the Hudson River. He was able to credibly claim that the project’s budget was growing out of control, without suffering significant political repercussions because mega-projects like it so often exceed initial budgets by large margins.

With many large construction projects taking more than 10 years, it is hard to build support for investments that many current workers and residents – to say nothing of politicians – may never benefit from.

	Construction cost estimates			Completion date estimates		
	early	current	difference	early	current	difference
East Side Access LIRR to Grand Central	\$6.3 billion (as of 2006)	\$10.7 billion	+ 70%	2013	2022	+ 9 years
Second Avenue Subway From 63rd St to 96th St	\$4.3 billion (as of 2007)	\$5.7 billion	+ 33%	2016	2016	+ 2 years
Access to the Region’s Core New train tunnel across the Hudson River	\$7.3 billion (as of 2007)	\$11.1 billion (as of 2010)	+ 52%	2017	unclear	unclear
Fulton Center Improved subway transfers	\$750 million (as of 2004)	\$1.4 billion	+ 87%	2007	2014	+ 7 years
Croton Water Filtration Plant Upgrades to water system	\$992 million (as of 2003)	\$3.2 billion	+ 223%	2001	2016	+ 5 years

Other world cities are embracing innovation.



In 2000, London established a new government authority to do long-term strategic planning and transportation investments. This metropolitan government model has given them the structure and authority to develop a concerted approach to transportation, adopt congestion pricing, and build three important rail projects (Overground and Crossrail 1 & 2).

Singapore's real-time variable pricing of its streets has reduced congestion, increased driving speeds and improved quality of life. A traffic estimation and prediction tool uses historic traffic data and real-time feeds to predict levels of congestion and set the appropriate price of driving in the core of the city.

Copenhagen is striking to become the first carbon-neutral capital in the world. Wind energy already produces 22% of Denmark's total electrical consumption. To cut auto use, Copenhagen is building 26 cycle superhighways. The city recently launched the first of seven cooling plants that uses seawater to create air conditioning. Its Climate Action Plan also includes investments totaling more than \$20 billion for green infrastructure, building upgrades and improved waster, sewer and water infrastructure.

Photo: The Rebuilt London Underground Kings Cross Station
© Transport for London



Regional Plan Association

Regional Plan Association is America's oldest and most distinguished independent urban research and advocacy group. RPA works to improve the economic competitiveness, infrastructure, sustainability and quality of life of the New York-New Jersey-Connecticut metropolitan region. A cornerstone of our work is the development of long-range plans and policies to guide the growth of the region. Through our America 2050 program, RPA also provides leadership in the Northeast and across the U.S. on a broad range of transportation and economic-development issues.

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**For more information about
the region's fragile success,
including interactive maps,
visit www.rpa.org/fourth-plan**