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SMART GROWTH FOR NEW YORK
1999 Edwin L. Crawford Memorial Lecture on Municipal Law

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Hon. William A. Johnson, Jr.
Mayor of the City of Rochester, New York

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Edwin L. Crawford

Edwin L. Crawford was an attorney, a public servant and an advocate for local government issues. A resident of Broome County, Ed served as town attorney for the Town of Vestal, and later as the Town's supervisor and Chairman of the Town Board for four years. During this time, he also served as a member and chairman of the Broome County Board of Supervisors and the Broome County Legislature. In 1969, he was elected Broome County Executive. From 1977 until his death, Ed served as Executive Director of the New York State Association of Counties. He volunteered his time for dozens of organizations, including service on the Board of Directors for the National Association of Counties.

About the Lecture Series

This Lecture Series was established in 1996 at Albany Law School to honor the memory of Ed Crawford. The program strives to educate and promote dialogue on important and timely issues affecting local governments.

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PATRICIA E. SALKIN, Esq.
Associate Dean & Director, Government Law Center of Albany Law School

INTRODUCTORY REMARKS

Welcome and thank you for joining us this afternoon.

The Edwin L. Crawford Memorial Lecture, named for the former New York State Association of Counties' Executive Director, was established for the purpose of educating New York's policy makers and decision makers about important issues currently facing government. Having had the good fortune to know and work with Ed, I can attest to his ardent love for and support of local government. He was in the business of educating legislators, lobbyists, business leaders and others officials about local governance and municipal issues, and did so with honor and distinction.

Dozens of friends and associates of Ed Crawford have made contributions toward the endowment goal of this important lecture. I would especially like to recognize Anne Reed for her support and encouragement.

This lecture series would not be possible without the support and cooperation of the New York State Association of Counties. Our thanks to Robert Gregory, Executive Director of NYSAC, for his assistance in making the program a reality.

Although Dean Sponsler is out of town today, he asked me to convey his warm welcome to all of you, and his sincere appreciation to Mayor Johnson for his willingness to make this special appearance.

As many of you know, the Government Law Center has spent a considerable amount of time on the subject of Smart Growth over the past few years. This is an issue that is near and dear to me personally, and the opportunity to have our speaker today address this issue within a New York context is particularly meaningful.

Just this morning, there was a press conference at the Capitol officially announcing the introduction of the Smart Growth Economic Competitiveness Act of 1999. Next week, there will be hearings on the proposed legislation introduced by Senator Rath and Assemblyman Hoyt. Also next week, The National Audubon Society, the Conference of Mayors, the New York Planning Federation, and the Government Law Center are sponsoring a statewide conference at the Empire State Plaza on Smart Growth. More than two dozen organizations have joined on as co-sponsors. In addition, statewide groups such as the Conference of Mayors and the New York State Home Builders Association have recently held forums on the topic. What makes the political landscape different now than before is that for the first time in New York, all the stakeholders are paying attention to the issue. I will leave it to today's featured speaker to make the case for Smart Growth in New York.

There are many people throughout the years who have been supportive of the GLC. One of our best and most active supporters is the Chairman of our advisory board, William

Redmond, who will introduce today's speaker.

WILLIAM E. REDMOND, ESQ.
Chairman, Government Law Center Advisory Board

WELCOMING REMARKS / SPEAKER INTRODUCTION

One of the few perks I ask for as Chairman of the Government Law Center's advisory board is the opportunity to participate in the Crawford Memorial Lecture on Municipal Law. I grew to know Ed Crawford as a friend as well as an outstanding municipal attorney and executive. Our paths crossed numerous times beginning in the late 50s when he was Vestal town attorney and continuing throughout his career.

This is the third lecture of this series. Our first lecturer was a state elected official and the second was a state appointed official. This year we are fortunate to have a municipal elected official.

His outstanding resume is summarized in the program announcement. Those of you familiar with the electoral process in our major upstate cities will understand, however, the significance of his beginning a second term as mayor of the City of Rochester in 1998, after running unopposed in both the primary and general elections. He has been instrumental in launching new programs and initiatives to position Rochester as a viable and vibrant renaissance city.

He is uniquely qualified to address us today on the topic of "Smart Growth in New York," a topic we will be hearing more about in the near future.

Please welcome our guest lecturer – The Honorable William A. Johnson, Mayor of the City of Rochester.

THE HONORABLE WILLIAM A. JOHNSON JR.
Mayor of the City of Rochester

FEATURED SPEAKER

I am deeply honored to have the opportunity to address you this afternoon at a presentation given in the distinguished memory of Edwin Crawford. I got to know Ed through my service on various state committees, especially when I chaired the New York State Employment and Training Council. Ed was widely-respected and widely-appreciated for his dedication to strengthening local government. And, appropriately, that is why we are here today: To discuss how we can strengthen local government in New York State.

Our talk today is part of a broad and deep regional conversation going on in this country which, I think, would please, energize and engage Ed Crawford were he here today. There are a number of reasons why this conversation is occurring: the devolution of responsibility from the federal to the state to the local level – a growing awareness that metropolitan economies are the new engines of the global marketplace; increased evidence that urban, suburban, and rural areas are interdependent and their destinies are intertwined; and intense fiscal pressures on local governments.

The most important factor driving this national conversation is that we are experiencing explosive growth at the suburban fringe where farmland once reigned, matched by abandonment and decline elsewhere in our metropolitan areas. This phenomenon is referred to as sprawl. It puts a social, fiscal, and environmental stranglehold on our communities that threatens our quality of life and our economic competitiveness.

Mitigating sprawl has not been a public priority for most of the past 40 years. Today, however, the global economy is unleashing powerful pressures which are redefining what we mean by efficiency, competition, and quality of life – and these global pressures converge in the local communities in which we live. Preparing to compete in the 21st century is not about one city or one town or one county. It is about many communities working together as an efficient region.

Today, there is a global imperative to be regional. The way the world works is through efficient regional networks of local communities based around a hub city. The municipalities remain distinct, yet pull together as one to react effectively to global change.

Years ago, for example, Charlotte, North Carolina, assembled a task force that pooled community leaders from a 13-county area to better market the entire region. In South Carolina, regional councils of government are adopting regional infrastructure plans to avoid redundant public works. In Pittsburgh, a similar pulling-together has been a significant factor in revitalizing the regional economy. Regionalism has made Cleveland the nation's premier comeback city. In Lancaster County, Pennsylvania, a voluntary land use plan has preserved the region's cultural heritage and revitalized the tourism industry. All

over the country, communities are pulling together to form regional networks for their greater good and economic survival.

Regionalism is not an argument for bigger government. It is an argument for doing well collectively what our many little units of government cannot do well individually. The focus is on major policy issues that increasingly inhibit the region's progress such as uncoordinated, and often competing, economic development programs; fragmented land use planning; and, duplicative public works investments. Regionalism, in other words, focuses on being more competitive with other areas of the world. It is about communities pulling together, which means it is fundamentally about the ways our living spaces interact with one another.

Sprawl is the antithesis of global forces demanding increased competition, efficiency, and quality of life. Sprawl, and the factors which cause sprawl, are about dispersion and pulling apart, rather than pulling together to create the regional nucleus that is so critical to success in the global economy. What we desperately need in New York State are incentives to create Smart Regions to compete with the Torontos, Portlands, and Minneapolis of the world. Smart Growth can be a powerful tool to help us create Smart Regions.

Unfortunately, New York State has not fully shared in the national economic expansion of the 1990s.

If Upstate New York were a separate state, it would rank 50th in job growth over the past five years, according to the U.S. Bureau of Labor Statistics. In the past five years, upstate employment increased at an average annual rate of only seven-tenths of one percent, or one-fourth the average annual rate of 2.7% for the country as a whole. Compared with the 50 individual states, downstate New York ranked 46th in job growth over the past five years. Downstate's average job growth over the past five years was 1.3%, nearly double the upstate average, but still less than half the national average. Over the past five years, upstate lost nearly 80,000 residents. The region's negative population growth of -0.3% was worse than any of the 50 states. Downstate's population grew by 0.2% over the past five years. It would rank 41st in population growth, if it was a separate state. This data – and the scenario of massive disinvestment it portrays – has been reported in various ways by The New York Times, Albany Times Union, Rochester Democrat and Chronicle, Buffalo News, Standard & Poor's, Price Waterhouse, Regional Financial Associates, Cognetics, the U.S. Department of Commerce, and other local and national sources.

Clearly, New York State has moved in a different economic direction over the past five years. Taxes have been lowered, unfunded mandates have been reduced, and many state regulations have been streamlined. While acknowledging the importance of moving in a different economic direction, we must also recognize the need to move in a different spatial direction.

Our living spaces are what link us together – our shared infrastructure, our shared

landscapes, and our shared history. Given our tremendous assets in New York State, there is huge potential to build unique, efficient, and globally-competitive networks of resources for those communities that work together within a common regional landscape. The ability to draw from within a regional footprint is very important. The coordinated resources of a multi-county region present a much better product portfolio to attract outside investment. We have, however, few incentives to do so.

The New York Conference of Mayors endorsed a Smart Growth resolution in 1998 and sent it to the Governor and Legislative leaders for urgent action. The NYCOM resolution requests a variety of regional land use and economic development initiatives and incentives – requests that, so far, have fallen on unhearing ears. And Smart Growth legislation has been introduced this session by Democratic Assemblyman Sam Hoyt and Republican Senator Mary Lou Rath. Their bipartisan Smart Growth Economic Competitiveness Act empowers a state-level commission to study growth-related issues, discuss them in public hearings throughout the state, and recommend to the Governor ways to encourage growth that are socially, fiscally, and environmentally sound. The Rath-Hoyt legislation is a good first step. Both the NYCOM resolution and the Rath-Hoyt bill deserve our support. Both call attention to the spatial implications of state policies. Both recognize that the process of economic disinvestment begins in our metropolitan areas, and has to do fundamentally with the inefficient and expensive way our communities grow. Implicit in the Rath-Hoyt and NYCOM proposals is the idea that we can build lower costs into the structure of the state's economy by using incentives to alter our development patterns.

Since 1960, for example, the population of the Rochester, Syracuse, Albany, and Buffalo areas grew a minuscule 4%. Meanwhile, their developed land areas grew by over 80%, according to Census data. Good farmland, of course, is prime land for development because it is level, well-drained, and generally clear of trees. Parcels which are more difficult, or more expensive, to develop are skipped over, and thus our homes, jobs, stores, and restaurants spread out in a discontinuous, or sprawling, manner.

Sprawl is inherently expensive. High costs are built into the very structure of sprawling development. It just makes sense that it is going to cost more when distances between homes, stores, and businesses increase. Police have to drive farther. So do school buses. There is more infrastructure to maintain without a sufficient population to benefit from economies of scale.

Monroe County, for example, has the same population as 30 years ago. Yet, we have built nearly 300 miles of new roads in just the last ten years to connect new developments in outer areas. Annual highway maintenance expenses for towns in the county increased 40% over the past ten years, or \$12 million. Special district taxes increased 50%, or \$20 million more per year. Annual school transportation expenses are up 100% to \$53 million with only an 8% increase in students. Over the past ten years, the total *annual* tax burden in Monroe County increased over \$500 million – or nearly 70% --

from about \$760 million to nearly \$1.3 billion. Not all of the tax increase is due to sprawl, of course, but much of it is. It just costs more, on a per-unit basis, to serve people who are more widely dispersed. Monroe County is by no means unique. The annual current operating expenditures of local governments in the state outside New York City increased nearly 80%, from about \$18.6 billion to about \$34.4 billion between 1987 and 1997, the most recent year for which we have data.

While Monroe County was building 300 miles of new roads over the past ten years despite flat population growth, Suffolk County was building over 400 miles of new roads to serve a population which increased by 30,000. And Erie County was building over 200 miles of new roads in spite of a population *decrease* of 25,000 people. Regardless of population growth, in order words, our metropolitan areas are spreading out, and overall public costs are going up.

Nor does sprawl increase our quality of life. Just as more development does not mean lower taxes because service costs soon outstrip revenues, so to, building new roads does not eliminate traffic congestion because we just drive more. Monroe County residents now drive over 2 million more miles per day than just ten years ago, or 3000 more miles per family per year. At fifty cents per mile, that is \$1500 per family per year. At 40 miles per hour, that's an extra week per family per year spent in the car. If a politician said, "I'm going to support a policy that cost you \$1500 a year and takes a week of your free time," he or she would never get re-elected. Yet that is exactly what we do when we encourage sprawl. Again, Monroe County is a representative example of what is going on around the state. Monroe County's 26% annual increase in daily-vehicle-miles-traveled over the past ten years is at the statewide average for metropolitan counties outside New York City.

If the pressure of modern American life often seems intense, it may be that the very physical shape of what we have built over the last 40 years is getting hard to bear. Our communities have lost their human character, to use the words of Philip Slater in his classic book *Pursuit of Loneliness*. Town planning board meetings have become forums for community grieving. They have a soap-opera-like quality about them as people lament the loss of character of their communities and the deterioration of the quality of their lives: Chain drug stores replace community gathering places. Office parks replace open space. Many suburban residents get upset because their town's roads are becoming raceways for commuters from newer suburbs farther out – the Rochester suburb of Victor even wants the state to remove tolls on a section of the Thruway in order to relieve traffic on its Main Street, as do several other suburbs around the state. And, of course, no community likes vacant buildings and cellular towers. We hear these stories on a daily basis. They are all related to the uncoordinated ways our communities grow and develop.

The first round of sprawl in the 60s and 70s was due to people moving out of our cities. The lifeblood has been substantially drained out of upstate's cities. But that is old news. Now sprawl is draining the lifeblood out of the central counties of our metropolitan areas – indeed, out of our metropolitan areas themselves. And without a sufficient density

of people and amenities, it is tough to attract investment or project a positive image to the outside world.

When it comes to attracting growth, our counties are like shark tanks. Our municipalities behave like sharks. When a developer comes to town, it is like throwing a piece of meat into the tank. It's everyone for himself. Our municipalities end up cannibalizing each other's businesses, and the whole metro area suffers as a result. Over the past five years in Monroe County, for example, we built over 2 million square feet of new retail space in the outer suburbs. Meanwhile, we vacated over 2 million square feet of retail space in the inner suburbs. In other words, Monroe County experienced no net growth. We just rearranged the deck chairs in a manner which puts pressure on municipal budgets and encourages municipalities to compete for businesses by offering subsidies which further stress the tax base.

Every major commercial street in Monroe County, from the city core outwards, is littered with the abandoned carcasses of big-box stores, and also with the shells of the shops these stores put out of business before they, in turn, were forced to close by other superstores. Nobody considers reusing the vacant spaces – there are no incentives to do so. The Town of Henrietta is a good case study, as those who get off the Thruway at Exit 46 can see. Henrietta is experiencing explosive growth of Targets and Lowes and Home Depots. But it also has over 500,000 square feet of recently abandoned big-box retail stores like Caldors, Hechingers, and Builders Square. Incoming retailers refuse to reoccupy abandoned sites.

Consequently, the glut of properties on the market contributes to an overall decline in property values. The full assessed value of properties in Monroe County declined \$300 million in 1998; yet as I mentioned, the total tax burden increased. Between 1993 and 1998, in fact, taxpayers in Monroe County paid over \$2 *billion* more in local taxes than in the five-year period of 1983-1988. This tax increase occurred during a period of low inflation, falling welfare costs, stable wages, reduced state and federal mandates, reduced regulations, and a booming national economy. Most revealing, we were taxed an additional \$2 billion with no increase in population or level of public services to account for it. And this downward spiral of spreading out and abandoning our previous investments in infrastructure is characteristic of all upstate urban counties, as are the resultant tax increases and property value decreases. Throughout upstate and downstate, irrespective of whether the population is growing or declining, communities are under intense pressure to find new sources of revenue to meet increasing operating and maintenance expenses. High costs are unavoidable. They are built into the economic development system.

Rural counties are also under stress. They, too, feel the pressure to grow their tax base. And so, when we drive through communities like Hornell, Waterloo, or Batavia, we notice the same pattern of strip malls on the edge and decline in the center that we usually associate with bigger cities like Rochester, Buffalo, or Syracuse. In short – wherever we live – we encourage growth because we desperately need the benefits of growth, but then

we suffer debilitating post-growth disinvestment.

The causes of sprawl are many and contradictory. For businesses, they can be summed up as lower start-up costs, greater accessibility, and more functional space. For people: newer housing, larger lots and a perceived higher quality of life. Historically, each municipality has planned on its own, taking population growth for a sign of prestige and identity, and the attraction of businesses as a top priority. In fact, the attraction of residential and commercial development is considered the defining trait of good municipal policy.

But growth, like everything else in life, has a good side and a bad side. We have reached the point in New York State where the phenomenon of sprawl can no longer be interpreted merely as decentralization, or a natural redistribution of businesses and residences. It has been driven beyond all reasonable expectations and now entails ever higher costs for the organization and maintenance of public services, and in negative impacts on the environment. Moreover, these public costs are rapidly becoming individual costs as well.

According to data from the U.S. Census Bureau and State Comptroller's Office, if upstate were equal to the national average, state and local taxes would be \$406 less for every man, woman, and child. Downstate's taxes would be about \$2000 less per capita. Let us again look at Monroe County as a representative metropolitan county. The \$500 million annual increase in the local tax burden, which I mentioned, amounts to \$713 per year for each county resident. Increases in special district, school transportation, and town and village expenses account for about one-third of the total annual increase. Suburban school districts account for about 40% of the increase. Clearly, if we placed less emphasis on geographical boundaries and more emphasis on providing cost-effective services to citizens across those boundaries, our tax burden would decrease and our national competitiveness would increase. The environment suffers as well as our pocketbook. The built area around Rochester, Syracuse, and Buffalo is sprawling out to the extent that the American Farmland Trust recently flagged the Finger Lakes region as the 11th most threatened agricultural area in the country. Long Island is the nation's 18th most threatened agricultural region – which means high structural costs for years to come.

The assertion that something is wrong with our sprawl patterns of development carries with it the assumption that a different pattern of development is possible. Throughout the country, communities are examining their long-term interests and channeling growth in ways which preserve a high quality of life. It is called sustainable development, or Smart Growth.

Maryland's Smart Growth program, for example, denies state road and school subsidies for development encroaching on open countryside. Its interdependent components provide incentives to encourage growth in appropriate areas. Local communities, for example, certify *Priority Funding Areas* where growth is planned around existing infrastructure and public transit routes. The *Rural Legacy* component preserves

valuable forests, open space, wild life habitat, and agricultural lands before they are lost to development. A brownfield program brings jobs and a tax base to abandoned industrial areas. Smart Growth's *Live Near Your Work* component encourages homeownership near workplaces and thus discourages long commutes. Other components provide incentives for mass transit, imaginative architectural design, reuse of vacant buildings, and pedestrian-oriented neighborhoods. Maryland's Smart Growth program is estimated to save state taxpayers \$10 billion over 20 years. And Maryland is not alone. At least 30 states use some form of state or regional Smart Growth program to reinvent government and save tax dollars.

Smart Growth policies are not against growth. Nor do they wish to slow growth. Rather, growth is more thoughtful and more beneficial to more people. Growth is sustainable. It pays its own way.

Smart Growth strategies are regional strategies, and this explains why they are not better known in New York State. At the invitation of various citizens' groups, I have carried a slide show to suburban towns in Greater Rochester to illustrate the costs of sprawl. I have done this over 40 times in the past year. My presentation attracts large, enthusiastic audiences and positive press coverage. And also, unfortunately, hostility from many local politicians. Regionalism is still a dirty word in New York State politics – at both the local level and the state level. Some find it politically profitable to play off cities against counties, urban dwellers versus suburbanites, rich versus poor, white against people of color, jobs versus preservation. As a result, our communities work against each other aimlessly to satisfy political egos. Consequently, thoughtful initiatives like the 1996 Capital Region Plan get defeated. And so we continue to play the same game of land use charades at both the state and local levels.

The state Department of Agriculture, for example, spends millions of tax dollars in Monroe County to preserve farmland. Meanwhile, the Department of Transportation is spending other tax millions expanding highways in prime agricultural areas – highways that promote the development of farmland. The City of Rochester receives millions of dollars from the state environmental bond act to restore brownfields, while, at the same time, the Department of Environmental Conservation enforces rules that encourage the development of virgin land instead of older urban areas. Voters are enticed to build a new school in an outlying suburban Greenfield because “the state will pay 80% of the cost.” Meanwhile, an older school in a village center in the same school district will close. If we had legislation similar to Maryland's Smart Growth legislation, many of the paradoxes would be eliminated. Maryland Governor Glendenning, for example, ordered department heads to pore over the state's 1999 budget and cross out funding for each program that encouraged sprawl. Over \$200 million was saved in new highway construction projects alone.

Our municipalities react according to an understandable inclination to look out for themselves. But without coordinated planning, most towns seek revenue-producing development like Rite-Aids and Walmarts and shun anyone too poor to own a car. As a

result, the poor are trapped in cities away from jobs. The concentration of poverty breeds hatred, crime, and welfare dependency. Meanwhile, the countryside is steadily degraded by the haphazard construction of homes, office parks, and big-box stores. Farmland is paved over. Storm runoff increases and therefore, water pollution as well. Driving increases and along with it air pollution. Infrastructure is underutilized, and vacancies begin to pop up all over. And mass transit is neither efficient nor feasible. It is a crazy situation we have gotten ourselves into. It was not willful. It just sort of happened as political powers became entrenched, and as specific policy built upon specific policy over the years with no comprehensive vision. It is the ultimate example of the law of unintended consequences. Because now, as I indicated, it is wildly expensive for all of us – wherever we live. Smart Growth programs bring rationality to the development process. By making environmental policies an organic part of development policies, Smart Growth goes beyond the piecemeal, project-by-project approaches which effectively prevent the formation of globally-competitive regional networks.

Smart Growth policies highlight the extent to which virtually every major economic activity in this country has its roots in some form of public investment incentive. Agribusiness, for example, is supported by a wide range of government incentive programs for research, development and operations. Aerospace, electronics, and traditional heavy industry benefit substantially from military and space spending. And sprawl is facilitated by state and federal infrastructure grants and tax policies.

But now attitudes are changing. Aging baby boomers and up-and-coming Generation Xers want compact, highly-defined suburban town centers; green space near where they live; well-connected and usable systems of open space; downtown housing; and local governments which cooperate rather than compete. These trends conflict with traditional public subsidies for land use development. Rather than resist these trends, government would be wise to encourage them – which is exactly what Smart Growth policies do.

Smart Growth is not a silver bullet or a magic pill. It is an ongoing commitment, subject to revision. Ron Young of the Maryland Office of Planning has emphasized that, so far, Maryland has implemented only 30% of what they need to do. As with all cutting-edge technologies and policies, there are questions. When is it sprawl, and when is it economic development? What is the right mix of development for a given area? Can it really be a win-win situation for new residents, old residents, developers, environmentalists, and politicians?

The question of growth is large and complex. But as communities begin to realize the full cost of development, the other issues surrounding growth are sorting themselves out. Well-managed land use receives high-marks from citizens, wherever it is implemented.

I can never resist buying a book or magazine with a list of city rankings – best places to retire, best places to start a business, and that sort of thing. I am particularly interested

in places that are attracting what upstate New York is losing, such as young people and jobs. Over the past few years, a clear pattern is emerging in these rankings. Most of the highest-ranking places have a high level of regional land-use planning. Thus, in the new book titled *Thirty Great Cities To Start Out In: The Best Places To Live In Your 20s And 30s*, 22 out of the 30 metro areas have regional planning. As do five of the seven cities in Newsweek's recent cover story *The Hot New High Tech Cities*, and 15 of the 20 *Best Cities for Small Business* named by Entrepreneur magazine. These regions are familiar to us: Austin, Boise, Minneapolis, Nashville, Portland, Salt Lake City, Seattle. They are beating our brains out in the global economy. Northeastern cities are conspicuously absent from the lists except for the unique cities of Boston and New York.

Defining what is "best," of course, is very subjective. But these rankings get you thinking. And I really do think there is a stable, average American opinion about what is desirable in a place. There is no reason, then, why you can not measure quality of life once people tell you what they want. And more and more people want growth that is well-managed and pays its own way. That is why over 200 Smart Growth initiatives were on the ballot nationwide in the past election, and the vast majority passed.

More and more people recognize the connection between regional economic development, regional land use planning, efficient local government, local quality of life, and corporate competitiveness in the global economy. Smart Growth coalitions are building across the country among developers, environmentalists, corporate executives, religious leaders, and politicians – all of whom share a deep concern about the places in which they live. If Smart Growth can create more livable communities and efficient regional networks, we all will be winners.

As a mayor, I am getting frustrated watching communities in the South and West work together to get big projects and billions of dollars of outside public and private investment. Meanwhile, in New York State, we have to be satisfied with crumbs – and in many cases we come up empty-handed. I am pleased with the innovative economic-development and quality-of-life programs that we have implemented in Rochester during the past five years. We have created a mood among our citizenry that Rochester can be restored to its past glory – that it can become the best medium-size city in the country. My colleagues in Albany, Buffalo, Rome, Syracuse, and other cities have equally ambitious plans. Despite our ingenuity, passion, and vigor, we cannot achieve these plans without new state policies.

It is extremely important for the state to continue to deal with the economic aspects of our problems. It is also extremely important for the state to begin to deal with the spatial aspects. The dual costs of providing new infrastructure to communities that compete for and win new development, while maintaining the old infrastructure in communities that are left behind, causes taxes and development costs to rise throughout the state. As a result, wage and product costs rise statewide, and businesses, metropolitan areas, and the state as a whole become less competitive.

In closing, I would like to emphasize that this whole discussion today is about strengthening local governments and the state as a whole. New York is not Maryland or South Carolina or New Jersey. We have our own unique problems to resolve and our own unique landscapes to preserve. By the same token, we cannot ignore national and global pressures for smart, sustainable development and smart regions. We must develop our own set of incentives to ensure that regional growth in New York State is an asset, not a liability. And we must do it sooner, rather than later. The rest of the world will not wait for us to catch up.