

RPA REGIONAL ASSEMBLY
Chairman Scott Rechler
Afternoon Remarks
April 27, 2018

- Thank you, Tom, for the introduction. And I hope you've all had a stimulating morning. From everything I've seen and heard, the panels have been informative and even exciting.

- As many of you know, I've called New York home my entire life.

- In my 25 years in the public and private sectors, I've worked all over our tri-state region.

- New York, New Jersey, and Connecticut...each has its own priorities, its own stakeholders, and its own distinct personalities...but they also all share a number of needs and imperatives.

- These days, there is, and for more than a century, there has been only one organization that thinks about the entire region holistically. That organization, of course, is the RPA.

- And what makes the RPA so valuable is that, unlike many governmental agencies, RPA is able to think over the long-term, unconstrained by two- and four-year election cycles.
- It is hard to overstate how critical RPA's work is – especially in the current environment.
- Too many levels of government – including, most especially, our federal government -- are gridlocked.
- We have a political process that is increasingly driven not by facts, but by ideology. Political tribalism, not pragmatism, is taking priority over sound, reasoned decision-making.
- Yet, our global, technology-driven economy isn't slowing down. In fact, it is accelerating and, with it, so is our need to adapt.
- Just look at how changes in technology are disrupting what were once considered stable industries with sustainable models.
- For example, take yellow cabs. Five years ago, if you wanted to buy a medallion in New York City, it would have set you back over \$1 million. Today, you can buy one for less than \$250,000.

- Or look at the hotel industry. AirBnB, barely a decade old, now offers more rooms than the world's largest hotel chains without having hammered a single nail or laid a single brick.
- And then there are the changes that are likely to come in short order to the agents of change themselves. Uber and Lyft have exploded over the past 10 years, creating thousands of new jobs for drivers in the process.
- In the coming years, though, many of these jobs will most likely disappear, along with the jobs of hundreds of thousands of others across the country, thanks to advances in automated vehicles, artificial intelligence, and robotics.
- In fact, some studies now project that, by 2030, a third of America's jobs could be fully automated, including 1 in 10 jobs in New York City.
- Just to be clear, there is much good that comes with the innovation driving this displacement. However, the displacement is real and cannot be ignored.
- So, while we all may pay rapt attention to the latest tweets emanating from 1600 Pennsylvania Avenue, the problems that we face aren't as short-lived as this morning's news, much less simply diagnosed and addressed in 140 characters.

- This is why the RPA, with its sophisticated analysis and its ability to generate comprehensive solutions, is so essential.
- And that's why, this year, just as we do year after year, we intend to take on some of the most complicated, difficult to solve challenges that our region faces.
- Not surprisingly, these will include challenges relating to our transportation network...challenges that not only threaten the viability of our economy, but impact the quality of life of every person in the region...determining whether a father can pick a daughter up from daycare on-time...whether a business person can squeeze three rather than four meetings into a busy day...and whether an elderly person can make their way to a critical doctor appointment.
- Because I spoke at some length about these challenges this morning, I wanted to take a few minutes this afternoon to speak about another challenge.
- Specifically, I wanted to discuss the challenge posed by the increasing unaffordability of living in our region – especially in New York City.

- Consider just one compelling statistic: Today, over 1 million New York City households pay more than 30 percent of their income for housing – the level of burden above which housing costs are generally considered “unaffordable”.
- This is clearly not sustainable.
- For this reason, we at the RPA have supported elected officials throughout the region who have launched efforts to retain and build more affordable housing, including Mayor DeBlasio, who recently increased the goal of his landmark housing program to some 300,000 affordable units retained or created.
- However, as ambitious as such initiatives are, it’s important for us to acknowledge that they will never be sufficient.
- After all, they are neither intended to, nor do they actually, solve the root cause of our affordability crisis. This is because, fundamentally, our problem is not that we don’t have enough *rent-regulated* units, it’s that we don’t have enough units, *period*.

- In other words, our problem is, at its core, that our housing supply has failed and continues to fail to keep pace with our ever-expanding population.
- Thus, the only way for us really to solve this problem is through more appropriately-situated development. This means accepting more density, particularly in areas that are well-served by public transportation, both in New York City and, just as importantly, in the suburbs.
- As uncomfortable as this truth may be to many of our elected officials and the public at-large, the bottom line is that one cannot be both pro-affordability and anti-development. The two positions simply cannot be reconciled.
- For this reason, we at RPA this year will continue to advocate, not just for more and better designed affordable housing programs across the region, but for policies that encourage smart, transit-oriented development in as many communities as possible.
- This brings me to a second reason that our many affordable housing programs across the region are insufficient. Namely, they do not address the needs of a segment of our population that too many of us have ignored for far too long. I speak, of course, of the

residents of the New York City Housing Authority or NYCHA – some 400,000 of our fellow New Yorkers...including some of the most vulnerable.

- Today, the capital and maintenance backlog in NYCHA's developments is almost incomprehensibly more than \$20 billion.
- Infestation, mold, lack of heating in winter...even lead paint...all of these are all-too-common for residents of these development.
- It is no exaggeration to say that the crisis facing NYCHA today is no less serious than that facing our subways. Yet, while the pleas of the riding public for action are amplified by the media and at last are being heeded by elected officials, the pleas of the residents of NYCHA's development have been brushed aside or even ignored – and, just to be clear, this has been going on for many years, over the terms of many administrations in City Hall, Albany and Washington.
- This is unacceptable. This is a breach of trust. This is, in short, a colossal moral failure by all of us.
- Of course, it should go without saying that, when I use the phrase “all of us”, I include myself and the RPA. In our

nearly 400-page Fourth Regional Plan – a document containing over 60 recommendations about the most pressing problems facing our region – we devoted only two paragraphs...just two paragraphs...to NYCHA.

- That is clearly a miss on our part. So, on behalf of the RPA, I apologize for this.
- Ultimately, though, recognizing short-comings should not be about assigning blame...it should be viewed as an opportunity to do better going forward.
- Today, therefore, gives us the chance to seize that opportunity.
- And, when it comes to seizing the opportunity to do more for NYCHA and its residents, though our federal government has been and likely will remain MIA on this issue, the issue *is* garnering increasing attention and new resources at both the City and State levels, which is a big positive.
- Going forward, it is incumbent on all of our leaders at all levels of government to maintain this attention and to work together towards a better tomorrow for NYCHA without letting politics or other obstacles get in the way.

- As for us at RPA, we also plan to seize this opportunity.
- In our case, we plan to use the coming year to do what we do best. Specifically, Tom Wright and I are prepared to ask the RPA Board to approve RPA's taking on an ambitious analysis of the problems plaguing NYCHA, which will include an actionable blueprint for addressing these problems in a real and meaningful way. Our goal is to issue our findings within the next six months.
- Our proposal is to pull together a team from RPA to be overseen by Board Member, Seth Pinsky, who oversaw the creation of Mayor Bloomberg's \$20 billion resiliency and recovery plan for New York City after Hurricane Sandy. Our goal is to bring to our efforts a similar level of rigor and a similar sense of urgency as that which characterized the City's post-Sandy report.
- As our team advances its effort, it will undertake significant outreach, calling upon the knowledge, insights and experiences of experts in the field, civic organizations, government officials and, most importantly, the residents of NYCHA themselves.
- Our expectation is that, when completed, the plan will not only be about getting more money into the NYCHA system – which clearly is needed. It will also be about reforming the way that the bureaucracy functions. This will free the many dedicated men and women who work for NYCHA

from the red tape and rules that inhibit their success and ensure that the public resources with which they are entrusted are spent efficiently and effectively. That is, we will likely take a similar approach to the ailments bedeviling NYCHA that we have also taken to other public agencies, including the MTA.

- Our plan is to establish a one million dollar budget to make sure we can be appropriately thoughtful and complete in our work. We look forward to reporting back to all of you on our results later this year.

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- Clearly, we have a lot of work ahead of us. But, I am an optimist by nature.
- So, while I clearly recognize that dysfunction and gridlock are the norm in our nation's capital, I also see that, here in the region, we still have many officials at the State and municipal level who are figuring out how to get things done on behalf of their constituents.
- But, as optimistic as I am, I also am clear-eyed. And, being clear-eyed, it is impossible not to acknowledge that, in many ways, the institutions on which we have traditionally relied to help us navigate times of great upheaval -- from NYCHA, to the MTA, to the Port Authority and too many

others – are ill-prepared for the sets of challenges that we now face

- Given this, now more than ever, we need leadership from each and every one of us. After all, as the late Justice Brandeis once said, "The most important political office is that of the private citizen."
- But this is only half the solution. We also need those institutions that have not succumbed to dysfunction to take the bull by the horn and to rise to the occasion.
- I am pleased to say that this is exactly what the RPA intends to do in the coming year...working in partnership with other civic organizations, leaders in government, the private sector and every one of you sitting in this room today.
- I truly believe that, as daunting as our challenges are, none is so large as to be without solution if the best minds devote time and energy to understanding and addressing them.
- It's important to remember that our efforts are in fact producing results. Just yesterday, Governor Cuomo announced his support for having New York State join New Jersey and Connecticut in banning housing discrimination

based on source of income, one of RPA's recommendations from the Fourth Plan.

- In America today, big ideas may seem like a thing of the past. But that's not how the RPA views things.
- We are an institution that has never been afraid to dream at scale. This remains true today and will remain true in the years to come.
- For this reason, I am confident that our region will not only continue to dream big dreams, but will also, as the 21st Century unfolds, provide an example to the rest of the nation of how those big dreams can become a better reality for all of us in the days and years ahead.

- It is now my pleasure to bring to the stage, Howard Milstein, who will present this year's recipient of the John Zuccotti Award for Leadership.