

# 2009 Professional Staff Congress/CUNY Questionnaire for NYC Candidates

Candidate for \_\_\_\_\_ Public Advocate  
Name: \_\_\_\_\_ Mark Green  
Campaign Address: \_\_\_\_\_ 215 Park Avenue South, Suite 1914, New York, NY 10003  
Telephone #s: \_\_\_\_\_ 646-405-5550  
Email Address: \_\_\_\_\_ [contact@markgreen.com](mailto:contact@markgreen.com)  
Political Party Affiliation: \_\_\_\_\_ Democrat  
Occupation: \_\_\_\_\_ Public Interest Lawyer; author/editor of 22 books  
\_\_\_\_\_ on public affairs; teacher at NYU (2002-2007).  
Current Employment / Employer: \_\_\_\_\_ President, Air America Radio;  
\_\_\_\_\_ President, The New Democracy Project.  
Are you an incumbent: Yes \_\_\_\_\_ No X Number of years in office 11  
Under the current term limits law, how many more additional terms, after this one, will  
you be able to serve? \_\_\_\_\_ Two more upon election  
Education:  
High School: \_\_\_\_\_ Great Neck South High School  
College: \_\_\_\_\_ Cornell University School of Arts and Sciences  
Graduate / Professional: \_\_\_\_\_ Harvard Law School

**1. I received support to pay for college from:  
(Please check all that apply)**

- Pell Grant
- NYS Tuition Assistance Program
- Scholarship
- Student Loans
- Family
- Self
- Other Source \_\_\_\_\_

**2. In my view, paying for public higher education (CUNY) should primarily be the  
responsibility of: (check only one)**

- Students
- Parents / Family
- Government
- Employers
- All of the above

(Please attach additional sheets as necessary to answer the following questions.)

- 3. Public funding to public higher education has fallen sharply over the last two decades. Since 1991, NY State funding per student for CUNY senior colleges fell 14% and, for CUNY community colleges, it fell by 25.6%.<sup>1</sup> Though NY City began to restore funding to CUNY community colleges five years ago, proposed budget cuts this year will eliminate this advance. What would you do to increase public investment in CUNY?**

New York State funding is essential for the SUNY and CUNY system, but has become somewhat unreliable with recent downward fluctuations in support. As a result, New York City has stepped into to fill the funding gap, like many other local governments. Unfortunately, New York City has had to have a larger public investment due to cuts that are much higher in our City than in other localities.

The Campaign for Fiscal Equity established a New York State Constitutional right to a sound basic education ultimately resulting in a requirement that the State must provide adequate funding our public schools through a fair funding formula model. I believe that CFE Fair Funding Formula has helped improve public education throughout the State by taking the politics out of the funding of education. We can depoliticize much of the budget process by adopting fair funding formulas for new areas such as higher education. I believe that a fair funding formula for higher education would provide increase public investment in CUNY.

- 4. More than 50% of CUNY students come from households with annual income below \$40,000, but students will pay 15% more on average next year to attend a CUNY senior college and 14% more to attend a community college if tuition hikes go through. Overall, student tuition makes up 40% of CUNY's total operating revenue and the CUNY Master Plan ("CUNY Compact") calls for regular, annual tuition hikes.**

**4a. Do you support or oppose the current tuition increases?**

I only support the current tuition increase with the caveat that the City and State would begin investigating alternative funding streams in order to preserve tuition at it current rates for a meaningful time period.

**4b. Do you support or oppose the CUNY Compact's call for annual tuition increases?**

While I support the CUNY Compact's long term planning and assessment of current and future costs through annual tuition increases, I believe that any long term planning should include a vision for creating and maintaining alternative funding streams along with funding benchmarks, which if reached would allow CUNY the option to forgo tuition increases.

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<sup>1</sup> Fiscal Policy Institute Report: "New York State's Underinvestment in Public Higher Education," January 15, 2009

**4c. What would you do to relieve the burden on students and families to pay for CUNY?**

We need to reexamine CUNY and SUNY funding and tuition to gain a new perspective. Tuition is set at a universal rate for in-state students and another for out-of-state students, irrespective of background or demographics. We should consider scaling tuition in order to encourage increased participation by key target demographics that are currently underrepresented and who would benefit most and strengthen our economy.

**4d. Some economists argue that earning a college degree enables a student to get a good-paying job upon graduation, and, therefore, government policy should be structured around an expectation of students to finance their education by taking out loans. Do you agree or disagree with a higher education financing policy that is structured around students taking out loans to finance tuition increases? Why or why not?**

Relying on loans for financing tuition increases relies on a false economic argument regarding increased pay for graduates, one that essentially forces these graduates into high income earning jobs rather than into careers better suited to their skill set and more necessary for our City's or Country's sustainability.

I am a prime example of the fact that a college degree enables a student to gain a good-paying job upon graduation. Graduating Harvard Law School, I pledged to be the lowest income earner in my graduating class, beginning my career as a public interest attorney working with Ralph Nader and ultimately running Public Citizen's Congress Watch.

While loans might be a necessary current solution, we must make sure that any such loans need not be repaid should a graduate enter certain careers in public service which should include education or government, among many others.

**5. CUNY enrollments are higher than at any other time in its history, but in 1975 (the last enrollment peak), CUNY had 11,500 full-time faculty and now it has 6,800. Similarly, there has been a decline in the number of professional and support staff. CUNY now has 9,000 adjunct faculty and 1,000 adjunct professional staff who are part-time and low-paid. The dramatic decline of the full-time workforce and reliance on an exploited and over-stretched part-time workforce compromises the quality of education and the University's ability to deliver educational services to students.**

**5a. What specific policies would you advocate to provide CUNY with the resources to hire more full-time faculty, counselors, professional and other staff?**

The Campaign for Fiscal Equity established a New York State Constitutional right to a sound basic education ultimately resulting in a requirement that the State must provide adequate funding our public schools through a fair funding formula model. I believe that CFE Fair Funding Formula has helped improve public education throughout the State by taking the politics out of the funding of education. We can depoliticize much of the budget process by adopting fair funding formulas for new areas such as higher education. I believe that a fair funding formula for higher education would provide resources for CUNY to hire more full-time faculty, counselors, professional and other staff.

**5b. What specific policies would you advocate to improve the wages and working conditions of part-time adjunct faculty and staff that currently provide half the instruction at CUNY?**

Wages and working conditions for part-time adjunct faculty and staff can be improved through instituting a fair funding formula and through improvements to the contract negotiation process.

**6. What are your views on New York City's current tax structure? If you are elected, what specific tax and revenue policies would you advocate?**

I am in favor of tax reform and believe that when we are asking city residents to give up so much, it is only fair to ask those who are doing well to give a little more. Next year the City is already facing a \$5 billion budget gap, and I can't imagine a way – once stimulus funds are gone -- to keep core services running without some tax increase on those earning over \$250,000 as part of a balanced plan.

**7. What fiscal policies would you advocate to help New York City maintain public services during the current recession?**

During a recession residents are more dependent on city services than usual. In my most recent policy paper that is enclosed, "*Our Next Economy: THE Creative City*," I outlined reforms and propose ways to improve several public services, to make them work better for city residents. We can build our next economy by investing in training and education, specifically by expanding programs offered through CUNY.

**8. In your view, where does CUNY stand, as a priority, in New York's economic development and economic recovery?**

Education and training are some of the best tools we have for economic recovery as I discuss in the enclosed, "*A Plan For A Greener City*" and "*Our Next Economy: THE Creative City*." In order for New York City to remain competitive in the global marketplace, we must maintain a versatile workforce that is skilled enough to adapt to an evolving economy. Due to our large population, New York City has an advantage in being able to reabsorb employees from failed businesses into new growing sectors. In order to do so we must properly invest in workforce training and development. In "*A Plan For A Greener City*," we proposed a greater investment in Green Job training, which can be accomplished by expanding CUNY's Green Energy Training and similar programs throughout the City.

**9. Academic freedom is important because adherence to it allows colleges and universities to best serve the public interest. For this reason, the university must be a place where all ideas, even those that are unpopular, may be freely expressed and debated without interference from management, trustees or public officials. Yet, for short-term political advantage, politicians have undermined academic freedom by publicly attacking unpopular speech by faculty and calling for punitive action by college or university managements. Such public calls go beyond simple disagreement.**

**9a. Do you agree that it is necessary to uphold academic freedom at CUNY and other colleges and universities? Will you agree to avoid taking unfair political advantage of unpopular speech on campuses?**

I have always been a strong advocate for an individual's right to free speech. As Public Advocate, I led 38 elected officials in opposing Mayor Giuliani's decision to cut off funding for the Brooklyn Museum, due to his personal disapproval of a specific exhibit. The right to free speech is meaningless unless it applies to those who have unpopular opinions.

I also personally understand the importance of free speech, as editor-in-chief of the *Harvard Civil Right-Civil Liberties Law Reviews*, as a teacher at NYU and as President of *Air America*, one of the only places that liberals had to share their voice during the Bush administration.

**9b. Academic freedom also extends to pedagogical practices, academic standards and curriculum and program decisions. Who do you believe is best placed to make determinations about these matters: faculty, college administrators, community organizations, private businesses, or public officials?**

I believe that, whenever possible, it is the teachers themselves who should determine how their students are taught. Teachers know best about how to run their classroom and how to set their curriculum. School-wide standards and decisions should be made together by faculty and college administrators in consultation with external bodies, such as community groups, private sector businesses and public officials to learn what skills the students will need for the future. And of course, we cannot forget the students themselves, who should have some say in their own education.

**10. Do you believe that public employees should have the same right to strike as private employees? Please explain?**

Public employees often provide essential public services, the loss of which can be devastating, causing irreparable harm; consequently their right to strike is limited. However, many public employees are forced to work for months or years without a contract as a result. I am interested in resolving the underlying problem that leads to the necessity to strike and would be open to arguments to provide for binding arbitration and strengthening the judiciary's role in the process. As Public Advocate, I would also work to resolve contract impasses when necessary.

**11. In general, public employees have had more generous health and pension benefits than private employees. Some politicians have used this disparity to argue for a diminution of public employee benefits and blamed New York's fiscal problems on such benefits. Do you believe public employees' health and pension benefits should be maintained, reduced, or enhanced? Please be as specific as possible.**

Current benefits are the result of bargaining agreements over the years, and increased benefits have often been at the expense of increased pay that is sometimes nothing more than a cost of living increase. I support maintaining benefits to current employees because it would be unfair and fundamentally improper for the government to go back on its word after it negotiated for what amounts to deferred compensation. Any Tier V system for public employees must be on par or superior to the State's new Tier V system and must also come with guarantees on no layoffs and increased investment.

**12. Incumbents, please list your committee and subcommittee memberships and indicate if you are chair:**

N/A

**13. Please list the bills you have introduced or co-sponsored in support of CUNY and higher education, or other actions you have taken in this cause:**

Education has always been a priority for me. I have done many of investigations and reports to improve the education on everything from school buses to toxic schools to smaller class sizes. In particular, while Public Advocate I investigated CUNY costs and authored a report "Standing in the School House Door: The need to reduce costs and increase access to higher education in NYC."

**14. Please list other legislation that you have introduced or co-sponsored in the last two legislative sessions:**

N/A

**15. Please describe other actions you have taken in support of union-related initiatives:**

N/A

**Return completed questionnaire and brief personal biography to:**

**Professional Staff Congress / CUNY**  
**61 Broadway, Suite 1500**  
**New York, New York 10006**  
**(212) 354-1252**  
**Fax: (212) 302-7815**  
**Attention: Amanda Magalhaes**  
**[amagalhaes@pscmail.org](mailto:amagalhaes@pscmail.org)**

**We encourage you to send the questionnaire and attachments via email or by fax.**



## CHANGE FOR NEW YORK

# OUR NEXT ECONOMY: “THE CREATIVE CITY”

MARK GREEN

June 17, 2009

## INTRODUCTION

New York City is in the midst of an economic meltdown that is far worse than the 1990s recession and probably even worse than the declines of the mid-1970s. When the mortgage and credit crises hit in September of 2008, we suffered especially because of our over-reliance on the financial sector for jobs and revenue. Those who question whether we need a more diversified economy need look no farther than 480 miles west to Detroit to see the perils of a one-industry town.

Whether you're a breadwinner in Queens, young professional in Brooklyn, journalist in the Bronx, doorman in Manhattan or former financier on Wall Street, this deteriorating economy is threatening you, your family, your neighbors, your community and our City as a whole.

We know how we got into this mess...but how do we get out? Where will the next generation of jobs come from? How can we enhance real income to reduce poverty and enlarge the middle class?

The answers lay in our human capital. For New York is a “State of Minds.” There is no place on earth that better combines our innovative skills, educational institutions, media community, tech sector, niche manufacturing, and creative arts – not to mention our excellent financial and legal services.

As a City we need to make sure that we develop new ideas and new policies that capitalize on these natural advantages so we never again lose a new industry like biotechnology and once again become a magnet for new small innovative firms. In an increasingly global information economy, New York City is unusually well-positioned to lead again. We can become “THE Creative City,” if we craft smart policies that play to our strengths.



## PROBLEMS AND HISTORY

Because “a crisis is a terrible thing to waste,” according to economist Paul Romer, this meltdown presents an opportunity to free our City from an unhealthy dependence on big business and the financial, insurance and real estate (FIRE) sector in favor of investment in a balanced and diverse portfolio that also includes small businesses that span all sectors with emphasis on green manufacturing, biotechnology, as well as the intellectual, cultural, and education (ICE) sector. It is the creativity from the ICE sector and its small businesses that produce the innovation that has been our City’s best product and top export for generations, and it is what will make our City come back from this crisis stronger than ever.

I've worked on economic reform issues my entire public life. In the 1970s I co-wrote *The Closed Enterprise System* and *The Big Business Reader* on how to make our economic system more competitive and pro-consumer -- and was the head of Public Citizen's Congress Watch from 1977 to 1980, successfully pushing for changes in the federal antitrust laws. In 1986, I wrote *The Challenge of Hidden Profits* about the "corpocracy." From 1990-2001, as the New York City Consumer Affairs Commissioner and Public Advocate, I produced a series of reports "The Poor Pay More...for Less," helped change the way commercial carting is structured, reduced regulatory burdens by shrinking the number of lines of commerce requiring consumer licenses from 82 to 45, restricted tobacco ads to kids, issued a consumer's guide to hospitals, released annual "Ranking Banking" scorecards, and early on exposed how predatory lending and sub-prime loans threatened the equity of homeowners, especially in minority communities.

## CORE VALUES

In this series of papers on how to put the “new” back in New York, we will focus on two main areas – **workforce development** to build our pool of talented employees and **business development** to support and attract employers. Before this paper discusses either, there are six core values – beyond educating our next workforce, which is the topic of a future paper – integral to any rethinking of our local economy:

- Seeking Simplification
- Achieving Affordability
- Thinking Green
- Rethinking Transportation
- Providing Real-Time Information Online
- Utilizing Expert Retirees

**Seeking Simplification.** In 1940, McDonalds was founded and has grown to become one of the largest franchises in the world. Anyone who has had fast food can tell you that McDonalds’ success is not from having the best burgers, fries, or milkshakes. Rather, they invented the “Speedee Service System” in 1948, to provide customers with an accessible, consistent and reliable product in a timely manner.



Government must finally catch up with the McDonalds' model for success by creating a customer service-oriented government that provides its customers with an accessible, consistent and reliable product in a timely manner. While economic development services are funded on a federal, state and local level and administered by different agencies, the services must be delivered as a final consolidated product, because customers care about the end product. New Yorkers should be able to go up to a counter, order the services they want, and be asked about services they may need.

We have begun to implement some of these objectives through *New York City Business Express*, *New York City Business Solution Centers*, and *Workforce1*. These programs, in combination with 311, attempt to provide a single entry point for economic development. Unfortunately, once an applicant gets through the single point of entry, they are still presented with a dizzying array of separate agencies, programs and applications.

City government should create a single unified application for jobseekers, as well as for businesses by sector. The application would meet regulatory requirements and qualify applicants for all available benefits. Service representatives would be cross-trained for particular sectors to serve the functions of numerous City agencies – so that a restaurateur would only need to file one form with one official who was responsible for all necessary paper work and inspections, instead of requiring inspections for occupancy from both the Fire Department and the Department of Buildings, as well as a whole host of other agencies. Through this proposed simplification, residents would win by focusing on their specific needs and the government saves on form processing, duplication and regulatory costs.

Such *Job and Business Centers* can be made more widely available to New Yorkers through a commitment to being multi-lingual, extending hours, providing child care, and using new technology. They should also help applicants gain access to other benefits like a free interview suit offered by a not-for-profit, or universal pre-kindergarten through the City, to alleviate socioeconomic pressures that might otherwise hinder the jobseeker's or business's success.

Better utilizing the Internet can also make our centers and the courses they offer more accessible. The program that we envision would follow the "TED.com: Ideas Worth Spreading" model (the YouTube just for great ideas) by working with our City's educational institutions to bring innovative and compelling experts to lecture. Speakers would be digitized and accessible with multilingual captions or dubbing for jobseekers and entrepreneurs all over our City to watch from the comfort of their own home.

Simplified workforce and business development will allow us to escape "economic development by lottery" where new programs are designed to benefit only a small handful of firms or individuals. While these lottery programs might make a great press release or talking point for an elected official, we should focus instead on programs that are broadly accessible to a larger population of New Yorkers. Government must become proactive in offering services, rather than reactive and no longer force applicants to jump through hoops just to apply. We must



re-orient government so that it treats residents like consumers who are always presumed to be right.

**Thinking Green.** As we discussed in “[A Plan For A Greener City](#),” *thinking green* must be an integral value in our new economy from saving energy in our homes to energy audits of large commercial buildings to stricter appliance standards to investing in *Green Jobs* and *Green Business*.

**Achieving Affordability.** One of the best things we can do for economic development is to make this City affordable so that more people and businesses can choose to live and stay here. A Center for Urban Future study recently announced that New York City was the most expensive place to live in the country, with higher costs for rent, insurance, transportation and even groceries, so that salaries of \$60,000 or \$123,322 equal the standard of living for someone making \$26,092 in Atlanta or \$50,000 in Houston, respectively.

Affordable spaces are essential to economic diversity and can be created and preserved by integrating affordable housing, office space and manufacturing space into city planning. The City can fill funding gaps in stalled construction projects provided that developers agree to include more affordable components that reflect local area needs. Affordability and preservation of affordable spaces are essential for a sustainable City and must be integral in our City’s future development plans.

**Rethinking Transportation.** The life blood of the local economy is the transportation system that moves human and capital assets around on a non-stop basis. The more efficient our transportation system, the more capacity we can support, the faster people and assets can get around, and the larger our “opportunity circle,” or the length of time individuals are willing to travel to engage in business. Unfortunately, our City has failed to use tax revenues from our recent growth to improve our transportation system infrastructure to meet new demand, and New York City’s opportunity circle continues to shrink.

Phasing in Congestion Pricing would vastly improve transportation in New York City while we wait for infrastructure improvements to catch up with growth. The Partnership for New York City estimates that eliminating excess traffic congestion would add as much as \$4 billion and 52,000 jobs to the regional economy, along with reducing losses of \$2 billion in revenue and 8,674 jobs in the manufacturing sector, on an annual basis.

*Transportation 2.0* would use technology to provide commuters and businesses with live information regarding traffic delays and service changes. Bringing technology to our transit stations would provide the added benefit of increasing safety by providing cell service in subways; so in the absence of working pay phones on most platforms, if someone sees something, they can say something. And we may not be able to get the trains to always run on time, but imagine if a train sent you a text message or a visual on-platform message that it was running 15 minutes late – or not at all due to flooding or an accident – you could stay at work generating more revenue for your family, business and the economy.



***Providing Real-Time Information Online.*** Last month, President Obama launched DATA.GOV in order to provide the public with increased access to information collected by the Executive Branch of the Federal Government. Immediately after, the Sunlight Foundation launched “Apps for America: The DATA.GOV Challenge” to encourage the development of hundreds if not thousands of applications for people to use in understanding government information. Following their lead, our City should similarly make information immediately available to the public through a commitment to *Open Data*.

*Open 311* is one example that would take the next logical step with 311, by making information collected on the system available over the Internet in real time. This would allow the vast network of Internet users to develop their own applications with such important information. An application using *Open 311* to share the top request for the day would reduce the burden on call centers with questions about, say, that “Maple Syrup” smell that turned out to be coming from New Jersey. By providing *Open Data*, we can allow our Internet community to turn boring data into information that is potentially useful to everyone.

*Universal Internet* is vital for making information accessible for local residents and became a reality last month with a \$500 million high-speed wireless network for all 300+ square miles of New York City. While this network is currently reserved for first responders, we must expand universal Internet, whether through universal broadband or wireless to the general public so that everyone in the city has some form of access. New York City as a whole has some of the slowest Internet connections at a higher cost than most other cities in the country, which means jobs lost to more connected cities.

We must work with our phone and cable companies (that exist as limited monopolies which have access to much of our City’s infrastructure at little to no cost) to provide a better Internet at a lower cost. Another benefit to *Universal Internet* would be added public safety from the ability to display emergency messages to every web browser in the City in the event of another major emergency. Improvements to current commercial Internet connections coupled with cost reductions and the availability of *Universal Internet* will be one of the major catalysts New York City needs to leap into the twenty-first century as “THE Creative City.”

***Utilizing Expert Retirees.*** The City of New York recently launched the *New York City Civic Corps* to help build sustainable-impact volunteer programs. We must also call upon our City’s vast networks of retired professionals to help rebuild the local economy. These “Professional Service Corps” (“PSC”) would expand on the National Executive Service Corps model that currently only serves non-profits to tap into our large pool of retired professionals to work with centralized city programs to assist with workforce and business development. Economic development programs like incubators would benefit from the life-long experience of senior business people who volunteered as chief financial officer, accountant, attorney, or other technical advisor, working with the a start-up firm once every week or two. Companies would gain valuable technical services and PSCs would develop a ground floor relationship with what might be the next Google or Amazon. Active PSCs who have become knowledgeable on City,



State and Federal programs could be called upon to serve as economic ambassadors to attract or keep talent or companies in the New York City marketplace.

### **WORK FORCE DEVELOPMENT: *Our Next Workforce***

New York City has seen its Federal allocation under the Workforce Investment Act (WIA) fall by more than half between 2001 and 2008, spending \$925 million in 2008 in City, State and Federal funds for workforce development. Spread out across more than 33 different programs, not including CUNY, New York City workforce development programs are fractured vertically and horizontally, with no integrated economic framework and little to no coordination between agencies. Further, many of our workforce development programs have emphasized short-term job placement rather than career development. As a result, we've placed numerous jobseekers in \$7-per-hour retail positions rather than helping them earn, say, an industry-recognized computer repair certificate, which would help them earn more than twice as much with the opportunity for benefits and advancement. Workforce development programs also focus on "work-ready" jobseekers, often leaving those who need more help and training to change careers on their own.

Our workforce programs have failed to consistently work with employers or target a diverse array of sectors for development. In 2005, Mayor Bloomberg's Commission on Construction Opportunity convened stakeholders representing employers, educational institutions, and workers, initially bridging the gap on job training and placement. The Commission, however, fell apart in 2007 when conflicts arose over prevailing wages and the Mayor walked away from the table. Workforce1 has recently opened up a transportation sector-oriented development center and plans to open two more for healthcare and hospitality, though the program admits that they are unsure whether these sectors will have demand for employees.

In order for New York City to remain competitive in the global marketplace, we must maintain a versatile workforce that is skilled enough to take on the demands of an evolving economy. Due to our large population, New York City has an advantage in being able to reabsorb employees from failed businesses into new growing sectors. In order to do so we must properly invest in workforce training and development with a commitment to the following values:

- Training
- Measuring
- Creativity

***Training.*** In our earlier policy paper "A Plan For A Greener City," we proposed a greater investment in Green Job training, which can be accomplished by expanding CUNY's Green Energy Training and similar programs throughout the City. Our next Workforce1 Center should also focus on Green Jobs, both because its good for our environment and also because we know that our City, State and Federal governments have made billion dollar investments into the sector and we can expect rapid growth in the coming years.



The technology support field is a prime example of problems with the state of training. A “work-ready” candidate can often be placed in a call center at minimum wage to read troubleshooting scripts to customers over the phone. But some who are placed in these call centers return to workforce centers as their jobs get outsourced shortly after they are hired, and those lucky enough to see their job stay local, get stuck because they need more training to qualify for a living wage job, but can’t afford it, and no longer qualify for any assistance. The few jobseekers that win the training voucher lottery are often steered towards non-standard or low value technical certificates because they are easier to pass, leaving the job seeker with a spent voucher, an inability to qualify for a new one, and no better off than they were before.

Our workforce development strategy must expand to encompass those who might not be “work-ready” and to help them make a transition away from hourly jobs to high quality jobs that offer a career path, benefits, and a living wage. Training vouchers must be expanded to allow for residents to receive multiple grants over time. Our next workforce training program should focus on working with educational institutions, employers, jobseekers and workers to provide industry recognized training or certificates for the unemployed and underemployed that are currently valued and actively sought by employers.

**Measuring.** The New York City Workforce Investment Board along with 33 other programs currently invest in workforce development based on scant and scattered sources of information from Federal and State agencies without much original research or investigation into the City’s economy. In order to invest our near billion dollars more wisely, we must improve our Labor Market Information System (LMIS), which studies and publishes labor market information. Some improvements include, (a) expanding the breadth of the sectors and the depth of its research, (b) learning information from primary sources such as jobseekers and local businesses, (c) providing new data to the public in accordance with open data standards, and (d) integrating information feeds from other City and State agencies, so that workforce development benefits from up to the minute understanding of our economy.

Many New Yorkers check the morning paper to see how their investments are doing. We must do the same as a City and audit our workforce development programs on a regular basis for training, placements and retention. Are jobs seekers in fact gaining industry standard certification through training and placed along with a high percentage of classmates in long term jobs with companies? As long as we are checking in we should also gather information regarding current and projected hiring needs so that we can integrate employers’ real needs into the LMIS. By checking on our investment, we can make sure that our dollars go to good training programs associated with growing job sectors.

**Creativity.** In the past year the number of jobs in finance, insurance and real estate (FIRE) sector significantly decreased while jobs in the information, culture and education (ICE) sector have demonstrated ongoing and continued growth. The ICE sector workers are also referred to as members of the “Creative Class” which economist Richard Florida defines as a “fast-growing, highly educated, and well paid segment of the workforce on whose efforts



corporate profits and economic growth increasingly depend, in sectors from technology to entertainment ... high-end manufacturing to the arts. They do not consider themselves a class and share a common ethos that values creativity, individuality, difference, and merit.”

The Creative Class has grown from 10 percent of the national workforce at the turn of the 20<sup>th</sup> Century, to 20 percent in 1980, to 30 percent as we entered the 21<sup>st</sup> Century – and surely far higher in New York City. The cultural sector is also on the up swing, with people looking for things to do instead of things to buy during difficult economic times, and volunteering is booming as a large part of this trend. Attendance and spending at movie theatres and cultural institutions is on the upswing with 10 percent to 25 percent increases over last year at the Brooklyn Academy of Music, and notable increases for “pay-as-you-will” times at local cultural institutions. In addition to boasting current growth and high quality jobs, the Creative Class is highly entrepreneurial with no or low barriers to entry for information and cultural sub-sectors, making them essential for fueling start-ups and small business.

This creative community can be attracted and retained through training, community building, and tax incentives. Our City will be providing more than 2,400 Individual Training Account (“ITA”) vouchers over the next two years, which should be targeted for green, biotechnology and information jobs. We must build creative communities by hosting or funding events for jobseekers, educators, businesses and investors in the sector. “NY Tech Meetup” gathers almost one thousand creative class members into a room on a monthly basis to meet, greet, and share the next big ideas with other entrepreneurs, businesses, investors, and service professionals. Each one of these presenters could be the next YouTube, Facebook, or Twitter, and will generate revenues for whatever location happens to be their host. In building these communities, we can emphasize New York City’s best asset – location, location, location – and remind the creative class through events like these that this City has the resources and talent pool they need to prosper.

Tax incentives like a two year exemption from unincorporated business tax will provide a less costly environment for Creative Class entrepreneurs to join our City as freelancers while encouraging them to start-up a small business in their own right – or join one. Other related high profile tax incentives like Assemblyman Jonathan Bing and State Senator Daniel Squadron’s Open Source Tax Credit, should be implemented on a City level.

### **BUSINESS DEVELOPMENT: *Tomorrow’s Businesses***

The time has come for New York City and America to place the same emphasis on small business as was done during the Clinton era. In so doing, we must avoid the old model of pouring resources into recruiting or retaining large businesses or extravagant stadium complexes. For example, the City of Buffalo has invested in malls, stadiums and national franchise sports teams, only to discover that these investments could not attract or retain the creative talent or smaller businesses their city was desperately seeking.



Our concept of corporate retention must be rethought in order to avoid continuing a system that is broadly criticized as “corporate welfare.” Bear Stearns received more than \$100 million in tax incentives over the past two decades in exchange for a promise to maintain 5,700 jobs in New York City for 50 years and create 13,300 new jobs; now, Bear Stearns is gone along with 9,284 jobs and the promise of 13,300 new jobs for which we already paid. In 2004, New York City Economic Development Corporation gave \$10 million in tax breaks to Pfizer in return for the promise to increase employment at its Brooklyn Plant; some three years later and after Pfizer had collected the \$10 million, they announced that they were closing the plant. While it might seem safer to invest in corporate titans like Bear Stearns which we might believe are “too big to fail,” history has shown us that such investments have had poor returns, often costing taxpayers millions.

**Small Business.** We have seen private sector jobs flow from New York City over the past thirty years into the 12 surrounding sub-metropolitan counties in New Jersey, Long Island, Westchester and north. In 1975, New York City accounted for 53.1 percent of all private sector jobs in the metropolitan region, as compared with 47.2 percent in 2005. Most small businesses leave to escape several common challenges including a lack of affordable spaces, high health care costs, regulatory burdens and access to funding.

New York City health insurance continues to increase at a staggering 13 percent, with average monthly family health insurance premiums rising from \$3,866 last April to \$4,354 this April. For perspective, monthly premiums now exceed the cost of renting a three-bedroom apartment in a luxury doorman building on Manhattan’s Upper East Side. As a result, healthier and younger New Yorkers drop coverage and leave insurers with an even sicker and costlier client pool. Should an uninsured person get injured and be unable to pay their medical bill, taxpayers are left holding the bag.

Regulatory challenges facing small businesses are numerous, confusing, and duplicative. A small business such as a restaurant and bar might need to contact or file paperwork with a dozen City agencies, a half dozen State agencies and a hand-full of Federal agencies, each of which would require its own duplicative paperwork and inspections. While the City’s *Business Solution Centers* might offer some guidance in getting a small business started, even the newly launched *NYC Business Express* portal fails to touch on all the requirements or offer adequate guidance about which government loans and tax incentives for which a business might qualify.

Small business access to government funding and assistance is essential given all of the money our Federal, State and City governments are investing into these programs. When it comes to federal support for small business, much of it comes from the Small Business Administration’s primary lending program – 7(a) loans – that dropped 40 percent in 2008 as compared to 30 percent nationwide; and SBA microloans plunged 35 percent in the New York region while the nation saw a nine percent increase. *Crain’s New York Business* noted that many small business owners searched the stimulus for a boost only to get the message that “AIG is too big to fail, but small businesses are too small to care about.”



Small business can be grown and preserved in New York City by providing affordable spaces, inexpensive health insurance, and a less costly regulatory burden. City officials should support State Senator Jose Serrano and Assembly Member Micah Kellner’s legislation to provide tax incentives for property owners who lower rents for small businesses along the construction path of the Second Avenue Subway. New York City should use this legislation as a model with a local version for the entire City, so that property owners can get real property tax relief and small businesses can have an affordable space to grow. While the Federal government works its way towards universal healthcare, the City government should also investigate opening its health insurance plans to small businesses, so that the businesses can benefit from increased bargaining power and so that City benefits from lower rates coming from a larger and healthier risk pool. Simplified business development proposed earlier would help to reduce regulator burdens businesses face. And in order to help see these and other changes through, small businesses must also gain a seat at the table in the Partnership for New York City that merged with the centuries old New York Chamber of Commerce and Industry where small business once had a special voice.

***Creative Agglomeration.*** Information has become the gold of the new economy, emerging as the new essential product driving American economic growth. While we lose our dominance in the financial markets, New York City remains at the enviable intersection of the information economy as a major hub for the information, culture and education (“ICE”) sector. This creates what Richard Florida has called a “huge network and agglomeration effect,” an advantage that comes from having “a large critical mass of ... professionals, covering many different specialties, along with lawyers, accountants, and others to support them, all in close physical proximity.” These creative class professionals learn from and support one another, growing on their own momentum. This City is a magnet to the brightest and most creative for all three areas in the ICE sector with information publishers from Time Warner to Condé Nast and McGraw Hill, cultural institutions from the MET to the MOMA, and educational institutions from Columbia and NYU to the world class Fashion Institute of Technology. The resulting talent pool allows for cross pollination across the ICE sectors and situates New York City as the perfect place to become “THE Creative City.”

Information technology is a different type of small business. Consider its unusual resilience. While periods of economic distress are usually associated with caution and reduced risk taking, technology entrepreneurs think recessions are a good time to start businesses. Some notable technology companies starting during economic downturns include Microsoft, Apple, Dell, Compaq, Intel, and AOL. Reduced space and labor costs deepen talent pools of jobseekers who are willing to gamble on starting or joining new ventures. Simply stated, New York City’s location at the epicenter of the economic crisis ironically stimulates information technology and can spur the next generation of Web 3.0 start-ups.

We can build a “THE Creative City” with a strong creative core through a mix of targeted tax incentives, program campaigns, and education. We must continue tax incentives like the New York City Film Tax credit, expanding it to other creative industries such as the technology sector and then keeping it current with competing incentives from other cities.



City programs that facilitate seed and start-up investment, technology transfer, or institutional investment are just as essential to starting creative businesses as tax incentives. We must continue to hold more events to get investors, universities, employers and talent into the same room, like NYU Polytechnic Institute's "Build the Broadband Economy" held earlier this year. In order to compete with the West Coast's Stanford University, which has spun out the likes of Google and YouTube, professors in our City must be able to pick up the phone and get to investors who can turn projects incubated at local universities into multi-million dollar – or billion dollar – international phenomena.

Seed money to build a start-up business usually involves an investment of a quarter million dollars or more. But *NYC Seed* was recently appropriated only \$2 million, which led it to announce that their smallest investment would be \$200,000 or more, meaning that only 10 companies or fewer would benefit. In this economic crisis, we should offer micro-seeds of \$50,000 or less to as many creative entrepreneurs as possible, so that \$2 million would seed 40 companies or more. While \$50,000 may not be much for most small businesses, it is just enough for an ICE sector where someone already has a career but might need additional capital to turn their art or website into a full time job and the next big thing. Additionally, micro-seeds would gain access to shared conference rooms and presentation spaces along with technical services for business plans, formation and first round investors. By lowering our initial investment, increasing their number and providing support, New York City is likely to generate many more jobs.

Mayor Bloomberg's new incubator program that encourages Wall Street refugees to begin start-ups is a good idea that must be developed and expanded. New incubator space will accommodate start-ups with up to ten employees, for a total 100 people, at a cost of \$200 (half the market rate) per person, per month, for six months with an option to renew. In order to provide more affordable spaces, the City should allow other offices interested in providing space under similar terms the opportunity to join the City as an incubator space and receive a tax incentive. Although *The Wall Street Journal* notes that the City is "already teeming with cash-strapped start-ups" and that the current plan is little more than affordable office space, our proposed Professional Service Corps could fill this gap by helping start-ups with the valuable technical services they need to accelerate into mature businesses.

***Manufacturing.*** The average manufacturing job in New York City pays over \$12,000 more per year than retail or restaurant jobs and often provides union benefits. Manufacturing jobs also provide employment to a more diverse workforce that consists of 78 percent people of color, 64 percent immigrants, and 82 percent living outside of Manhattan, according to the 2004 American Community Survey and the 2000 Census. These jobs offer gateway employment for non-English speaking immigrants and New Yorkers with little education and minimal job skills – and these workers feed into and bolster the City's dwindling middle class.

When Mayor Bloomberg took office in 2002, a City boasting one million manufacturing jobs in 1950 was only a distant memory. In 2000 manufacturing jobs were down to just over



175,000, and our City had roughly 12, 500 acres of land zoned for manufacturing. Less than a decade later, New York City lost 75,000 more jobs in manufacturing and now has 10,746 acres of land zoned for manufacturing, with another 1,800 on the chopping block, accounting for a loss of 20 percent of our manufacturing space.

According to the Deputy Mayor for Economic Development, the “Bloomberg administration recognized a basic fact of the modern economy, the transition from large significantly industrial economy to a postindustrial economy.” Manufacturing was forced out when large chunks of industrial space was converted to residential or commercial uses, both illegally and through rezoning. These changes simply priced many manufacturers out of existence with the average rent doubling to \$12-\$18 a square foot. Community groups cautioned that new zoning proposals did not balance the need for affordable housing and affordable manufacturing space in a way that kept the middle class in New York City. They argued that any zoning changes that allowed residential and commercial development to move in replacing manufacturing spaces should have been coupled with (a) requirements to build affordable housing components within the new construction, and (b) preserving sufficient manufacturing space so as not to cost our City jobs. Other critics suggested that the zoning changes appeared to be responding to immediate pressure from developers, rather than planning for a 2030 economy.

A clear casualty of our City’s choice to move away from manufacturing zones has been the distinct lack of biotechnology lab space that otherwise might have been developed there. The New York City Economic Development Corporation has noted that although local academic medical centers have been a great source of spin-off companies, none of the twelve that came out Columbia alone last year were able to remain because they couldn’t find affordable lab space. While New York City is building 1.5 million square feet of biotechnology lab space at East River Science Park and Brooklyn Army Terminal, it won’t begin leasing until 2010, while Boston and Cambridge are building 10 million square feet, with 1.6 million square feet already available.

In the wake of heavy casualties to manufacturing and our middle class, Mayor Bloomberg launched the *Industrial Business Zone (IBZ)* program in 2006, to protect and rebuild what remained of the City’s manufacturing core in key locations. The IBZs provided a tax credit of \$1,000 per relocated employee not to exceed \$100,000 or actual costs, as well as free technical services for regulatory compliance and accessing financial and business assistance. Unfortunately, IBZs only promised not to rezone manufacturing and still permitted hotels, big-box retail, or large office buildings to build as of right, which still put manufacturers at risk of being forced out through high rents. Furthermore, the *New York Daily News* reported that only \$26 million of the \$522 million in allocated business tax incentives have gone to industrial firms, while \$274 million have gone to big commercial projects. The East Williamsburg Valley Industrial Development Corporation notes that the few remaining manufacturers owe their existence to the economic downturn’s temporary alleviation of pressure from landlords seeking residential or commercial conversions that caused many to come back to the table to renegotiate leases.



Manufacturing remains integral to a sustainable and economically diversified City, even one that is post-industrial. While we may not build cars here, we have become a City of intelligent niche manufacturers, who make everything from gloves for Michael Jackson to parts for the Hubble space telescope and military equipment that keeps our soldiers safe abroad, as described in a recent *New York Daily News* article. Experts warn that instead of simply changing targets from supporting FIRE to ICE, we must continue to diversify including reinvesting in the manufacturing sector that is likely to grow the green, technology, creative and other niche sectors.

The manufacturing sector can be saved through some simple and straightforward changes that include amending the zoning code, launching local campaigns and partnerships, as well as improving tax incentives. IBZs can provide a framework for keeping manufacturing space affordable and increasing investment, but will need tougher restrictions to keep higher-rent big-box retail outlets, entertainment, bars and clubs out of designated areas. A codification of the Mayor's promise not to rezone IBZs to mixed use or residential areas will increase confidence that any future changes would be subject to larger review as well as the political process.

The City should also launch a "Made in NYC" campaign to get the marketplace to support local manufacturing. Along the same lines, we should work with Chambers of Commerce in each borough as well as the Partnership for New York City to build industry-centered events connecting manufacturers with current and potential clients. IBZ tax credits should be expanded from a relocation benefit which will help subsidize conversion of existing manufacturing space into affordable biotechnology or green manufacturing spaces, to help keep those growing sectors in our City.

## CONCLUSION

Our City faces an economic crisis because of our over-reliance on the finance, insurance and real estate, (FIRE) sector. With the room created by this burst bubble, New York City has the new opportunity to invest in its workforce and businesses, with a focus on biotechnology, green jobs and information jobs, culture and education (ICE). Even as the financial sector is globalized, through smart investments in these sectors, a commitment to simplified regulatory procedure and more real-time online information, New York City can maintain its prominence as an economic power and transform itself into the "THE Creative City."



CHANGE FOR NEW YORK

## A PLAN FOR A **GREENER CITY**

MARK GREEN

May 11, 2009

### INTRODUCTION: PUTTING THE “NEW” BACK IN NEW YORK

Campaigns are usually about politics -- about money, polls, endorsements, attacks. Sounds obvious, right?

But ideally -- and certainly during a crisis -- they should be even more about *policies* and *ideas*. As figures from Keynes to Galbraith to Gingrich have noted, "ideas matter" -- indeed over the course of history, little else does.

My public life has been about advocating good ideas and then trying to put them into practice. In my work as a public interest lawyer, public official, and author, I successfully initiated 311, stopped tobacco promotions to kids, organized “Kick Butts Day” and “Tuesday Night Out,” prohibited companies from firing domestic violence victims, fought for importing RU-486 into America, punished abusive cops, enacted multiple public grants matching small donations -- and proposed scores of other ideas advancing national progressive reforms in *Change for America: A Progressive Blueprint for the 44<sup>th</sup> President*.

In my campaign to again become the Public Advocate, I want to focus more on ideas than politics by showing how to put the new back in New York -- how to advocate for fresh ideas that can be implemented in office. And since I just did this for the Obama Administration in my January book, *Change for America*, I intend to produce in effect a *Change for New York*.

So over the course of the next four months, I'll be proposing ideas for the next Mayor, City Council & State Legislature in several policy papers that explain a problem and propose ideas for fixing it. And then I'll in effect put them out for comment on my website so constituents can provide feedback on what works and what doesn't. So policies will be drafted, not just by *me* but by *us*.

Having learned more from the 40<sup>th</sup> Earth Day last month, I'll look today at environmental and energy issues affecting NYC. Just as Obama is bringing progressive change to Washington, this paper offers several proposals for a "Greener City" in the spirit of O Henry who observed that New York "would be a wonderful place if they ever finished it." Perfect. For continuous self-examination and self-improvement are the hallmarks of both a dynamic democracy and a creative city.

## **PROBLEMS & HISTORY**

Over the decades -- through Kyoto, culminating with Al Gore's *Inconvenient Truth* -- we have learned that we are soiling our nest, our City, our planet, with devastating effects on our health and economy. The world will be coming together this August in Geneva for the World Climate Conference-3 to discuss global, national and local solutions to preserving our environment. Nationally, President Obama will be pressing Congress on a new national power grid, stricter appliance standards, more renewable energy and cap-and-trade system. But until the world and Washington can take action, New York City must.

Our City currently confronts a crisis that simultaneously involves multiple parts -- the economy, energy, environment, and sustainability.

On the economic front, our City has lost nearly 200,000 jobs since last year, and now has an unemployment rate of 8.1% and climbing, including a staggering 10.5% in the Bronx. These job losses come half from Wall Street and business services and the rest coming heavily from the blue collar jobs that were once New York City's backbone. On the energy front, the cost of electricity in New York City is higher than anywhere else in our nation, save Hawaii. While higher costs might ordinarily be coupled with a more reliable energy infrastructure, New Yorkers have been faced with multiple blackouts in the past decade.

Environmentally, New York City faces the same global warming crisis as any other, with the unique reality that as a coastal city we are particularly vulnerable to rising sea levels and intensifying storms that could submerge large parts of the five boroughs underwater. And on the sustainability front, we continue to build a city with insufficient infrastructure to support the additional energy, waste, transportation, and other resources needed to support more than 9 million residents by 2030.

Coupled with a global economic crisis, these challenges project a more expensive, less productive and less healthy city – unless we develop and enact “A Plan for a Greener City.” Even beyond the coincidence of my last name, I have a long history on “green” issues, especially over the 11 years I was the Commission of Consumer Affairs and the Public Advocate. We:

- launched the effort to end the “mob tax” corruption in commercial waste removal;
- brought pioneering cases against businesses (like Proctor & Gamble) committing “green collar fraud” by falsely claiming products were biodegradable;
- successfully led the opposition to the proposed Brooklyn Navy Yard incinerator;
- was one of the first to expose health risks at the Fresh Kills landfill;
- against Mayor Giuliani’s strong opposition, advocated for recycling by demonstrating jobs creation, cost savings, and reduced burden on land fills;
- proposed financing and rebates for installation of energy efficient appliances in rent regulated, NYCHA and other City-owned buildings;
- advocated for alternative energy and energy conservation to lower fuel costs following the first Gulf War;
- forced dry cleaners to stop using dangerous chemicals;
- led the effort to reduce lead paint poisoning of children; and
- proposed the use of natural gas buses in order to reduce high asthma rates in low-income communities that result from the diesel fuel used by our fleet of vehicles.

Over time, New York City has become one of the most environmentally efficient cities in America. But, like the Yankees, our City has never been satisfied with being the best in our league. Facing these new crises, we have an opportunity to once again lead our nation as we invest in green innovation and development.

My bedrock premise going forward was best express by Van Jones in *Change for America* before he was selected by President Obama as the Special Advisor for Green Jobs, Enterprise and Innovation at the White House Council on Environmental Quality.

The best way to address our climate and energy crisis is to build a more prosperous green economy—strong enough to lift millions of Americans out of poverty and into a stronger middle class. We cannot ‘drill and burn’ our way out of our energy, economic and environmental problems, but we can ‘invest and invent’ our way out ...the majority of ‘green-collar jobs’ in energy efficiency and renewable energy are also living-wage, ‘middle-skill’ jobs. Despite misconceptions, the green economy will not be built by a small handful of scientists and engineers alone. It will be built by electricians, sheet metal workers, machinists, lab technicians, and other workers in familiar professions. These jobs are well within reach for low-income people, including those with barriers to employment, such as low educational attainment or past criminal convictions.

## **GREEN JOBS**

“Green Jobs” typically describes employment that originates in the environmental sector; for example, a mining job providing metals for SUVs would be regarded as a blue-collar job, while those same metals used to build windmills would be a green-collar job. Our plan for a “Greener City” will create a new generation of “Green Jobs” locally which run the spectrum across more than twenty-two sectors and can last for generations to come. These jobs have low barriers to entry, are in growing sectors, and cannot be outsourced. The combination of these factors should provide low-income families with access to good jobs that provide living wages, benefits, and advancement opportunity.

***Green Job Training.*** We must retrain our workforce for the next generation of green jobs that will be created by the Federal stimulus as well as State and City initiatives, such as environmental engineers; weatherization and insulation professionals; alternative energy development, manufacturing, installation and maintenance; green roof design, landscaping, and maintenance; and environmental clean up. Then, businesses will have access to a highly trained workforce ready for green industry and our City will gain tax revenues from new businesses that are attracted to our highly trained job force.

New York City’s many workforce programs must be consolidated and refocused on long-term career development and job training (which will be discussed in greater length in our Economic Development Policy Paper). We should expand our current investment to retrain our middle class to give them all the same tools to succeed in our new green economy, which includes advocating for allocating a portion of New York City’s \$70 million from the Stimulus bill to “Green Job Training.”

***Green Job Incubators.*** Our City is the professional and creative talent capital of the world, hosting a unique mix of art, fashion, finance, law, technology, and other technical expertise that any new business needs to thrive. Unfortunately, there are often high barriers to entry due to steep formation requirements, layers of regressive taxes, and high costs for space and health. New York City must become a Mecca for green start-ups through a commitment to “Green Job Incubators” which would provide a unique mix of tax incentives, business support services, and office space to help grow “Green Jobs” right here in our City.

For examples, New York City can begin to encourage the formation of new green businesses through a tax incentive program for the first few years that they are operating. Firms currently choosing where to start are often deterred from setting up shop in New York City because of our corporate taxes on net income in addition to other applicable City, State and Federal taxes. Providing a partial exemption or quarterly deduction from our City’s corporate taxes for qualified new green businesses will allow our City to provide a nurturing environment for such firms to grow into strong sources of tax revenue and new green jobs.

Entrepreneurs with great ideas for a green future often find it difficult to start a small business without the right support services. These vital support services include business plan development, accounting, marketing, financial planning, workshops, seminars, training, legal,

advice on doing business with the government and, most importantly, funding opportunities such as loans and grants. Many of these entrepreneurs must meet specific qualifications in order to gain access to small business services such as these which are offered by Federal, State, City and non-profit organizations. New York City must provide centralize these resources under one office so that more green businesses can flourish into a central part of our City's emerging green economy.

A hurdle for growing start-ups into established businesses is securing financial investors. Mayor Bloomberg's new "NYC Angel Fund" and "VC Connect" programs will offer start-ups an opportunity to recruit investors for funding. The City should also provide these start-ups with preferences in our City's bid process. Giving our green start-ups a preference in securing City contracts will help us to grow more local jobs, make sure our valuable budget dollars get spent locally further stimulating our economy and set us on the road to making New York City *THE* green city.

## **GREEN ENERGY**

New Yorkers are using technology developed more than 100 years ago to power their homes and businesses. It is no wonder that the City suffers from blackouts, brownouts and the highest electric prices in the nation. New York's grid also prevents cheaper and cleaner green electricity from being available to our residents. Our City will need an additional 500 megawatts of electricity by 2012, but with only one new power plant scheduled to go online in New York State by then, providing less than one-eighth of the power we need, prices may skyrocket. We can overcome these challenges by improving our energy infrastructure through a "Smart Grid" and encouraging "Alternative Energy."

*Smart Grid and Smart Meters.* The "Greener City" plan would require Consolidated Edison, Inc. ("ConEd") to modernize our power grid to include smart meters and to be *smart grid ready*. Both ConEd and early adopters would realize long term savings through the increased availability of alternative energy and the ability to scale back use during peak hours, which would result in a lower burdens on ConEd's energy plants.

With most power meters, the electric company comes to read the meter once a month, and then bills the consumer for that usage. A smart meter changes all that by allowing consumers themselves to monitor electricity usage and prices in real time, and adjust their usage accordingly. Smart meters will save New Yorkers money -- repaying the cost of installation after only a few years, strengthening our grid's reliability by preventing blackouts, and saving the City money by lowering power usage during peak hours, thereby pushing back the need to build new power plants.

New York City residents will be among the ultimate beneficiaries of a proposed national smart grid, which promises to make electricity widely available and less expensive. A smart grid provides for a more efficient, cost-saving method of moving electricity along major long-distances to the disparate end-users, using computers and sensors to better manage the flow of electricity. While New Yorkers may currently use energy generated on Long Island, a smart grid

would allow our energy to come from much farther away, mitigating price hikes. A valuable side effect, especially for New York City, would be that instead of relying on customers to report power outages, outages would be discovered automatically by a smart grid.

Our City's outdated power grid causes local power outages, thwarts our ability to receive alternative energy from Upstate New York, and will keep us from joining the proposed national power grid. The Queens 2006 blackout was related to failed equipment that had been in service for an average of 16 years, with one cable in service for 59 years. Since 2006, New York City has continued to experience intermittent power outages in various neighborhoods.

To reduce power outages and lower the cost of energy in the long run, our City must invest in a smart grid with smart meters in every home. These smart initiatives could be implemented at low cost by requiring that new construction and renovation replace old equipment with smart equipment. Funding could also come from the Federal stimulus which has dedicated billions to creating our nationwide smart grid. Millions in cost saving would also be generated from not having to pay damages to consumers who lose power.

**Alternative Energy.** New York State currently gets the bulk of its electricity from natural gas, coal, oil, and nuclear, with only 18% coming from hydroelectric and 2% from renewable sources. With our City's coming need for an additional 500 megawatts of electricity by 2012, and plans to provide only one-eighth of this new power, we must expand "Alternative Energy" production throughout New York City to avoid this shortfall.

Our City's rules make it difficult to install clean energy, such as windmills and solar panels. Home and business owners wishing to save on energy costs have to jump through hoops to get this done – four separate application processes, three separate inspections and the drawings of a licensed architect. Even the installation of unobtrusive small-scale windmills on rooftops requires the same application process as installing a new roof. Our City needs a streamlined application process for clean energy projects.

New York State's tax incentives for installing solar and wind power lag behind other states and municipalities. One obstacle to the development of this industry is the high upfront costs. While solar and wind energy pays the owner back with energy savings after only a few years, they can cost upwards of \$15,000 to install. In some California municipalities, local government pays the upfront costs of the installation of solar panels, and taxes the owner's use for 20 years. This desirable program lets home and business owners to see lower energy bills right away, and local government to recoup their investment.

**Green Fleet.** In 1999 as Public Advocate, I proposed the use of natural gas buses in order to reduce high asthma rates in low-income neighborhoods that result from the diesel fuel that is still used for our fleet of vehicles. While the New York City Transit has implemented this proposal with 400 of its buses, New York City must expand this initial proposal to include the purchase of hybrid, electric, flexible fuel, natural gas, and ultra-low sulfur diesel (ULSD) vehicles as we naturally replace our aging fleet. Not only would we see a reduction in asthma rates, but also the added costs from purchasing new alternative fuel vehicles and advanced

vehicles would quickly become a cost savings with reduced fuel consumption on the heavy duty cycle that our City's fleet faces.

## **GREEN BUILDINGS**

Mayor Bloomberg and City Council Speaker Quinn's green buildings plan represents an important step by requiring certain buildings with 50,000 square feet or more to upgrade lighting, have an annual benchmark analysis of energy consumption, and to have energy audits every ten years with implementation of cost saving improvements within five years.

Buildings account for 71% of the nation's electricity use and 38% of its greenhouse emissions. In New York, the numbers are even higher, with buildings accounting for 79% of greenhouse gas emissions. If we are serious about curbing our impact on the climate, we must start with converting our "sky scrappers" into "sky scrubbers" and building new green buildings.

**Green Roofs.** A green roof is partially or completely covered with vegetation and soil planted over waterproofing that forces rain water past the vegetation's roots to minimize the amount of storm water runoff. One-third of New York's landmass is covered by roofs. Logically, this is an area of opportunity to clean our environment. Green roofs hold rainwater which would help prevent subway delays associated with flooding and help stem the 27 billion gallons of untreated wastewater that overflows into nearby waters when our sewer system becomes overburdened. Green roofs also cool the air, as water in the plants evaporate when sunlight hits, rather than creating an urban heat island effect from higher temperatures in urban areas. If one half of New York City's flat roofs were green, City temperatures would fall by 1.4 degrees Fahrenheit in the summer, saving \$70 million in energy costs and strengthening our energy infrastructure. Green roofs also create open spaces where people can congregate and grow food, cuts down on CO<sub>2</sub>, and generally last about twice as long as normal roofs.

A New York City Green Roof Tax Credit now provides a one-year property tax credit of up to \$100,000. The credit is equal to about \$4.50 per square-foot of roof area that is planted with vegetation, or approximately 25 percent of the typical costs associated with the materials, labor, installation, and design of the green roof.

The next Public Advocate should work with community groups, developers and green roof businesses to maximize new green roof development. Funding for a City supplement could come from the \$250 million dollars currently needed to upgrade our wastewater system, which some experts believe over time might no longer be needed with sufficient "Green Roofs" used to treat rainwater.

**Green Government.** Our municipal government -- the City's largest employer at over 300,000 workers -- must become the leader in implementing green strategies to cut costs and develop a model for our private sector.

The adoption of "Green Lighting" and a "Green Energy Saving Campaign" can help reduce our City government's annual \$800 million energy bill, which accounts for 6.5 percent of



City's energy use. "Green Lighting" means gradually replacing lighting with low-energy and long-life fluorescent, compact fluorescent lamps (CFL), and light emitting diodes (LED). "Green Lighting" uses a fraction of the energy and offers 8 to 50 times the lifespan of old lighting, with LED's lasting over 50,000 hours.

The easiest place to cut energy use is to avoid using energy where it is not needed. As Public Advocate I proposed installing motion sensor light switches in common public areas to ensure that when our employees go out, so do our lights. Similarly, our City should follow the Federal Energy Management Program's recommendation to implement set-back timers in our City's heating and cooling systems so that our offices are only heated and cooled during business hours.

Going "paperless" by making more materials publicly available over the Internet and upon request will cut paper, printing and ink costs for the City. Eliminating our practice of printing large quantities of City publications will reduce waste stemming from disposal of outdated materials. In line with our commitment to going "paperless," the City should enact Introduction Number 702 of 2008 (Lappin) to create electronic pay stubs for City employees, reducing our City's paper and ink use and saving \$2 million each year. A paperless campaign, however, can't stop at pay stubs, and we must work to expand it to all areas where we find our City government wasting paper.

Lastly, the roofs of all City buildings should have solar panels or a green roof. Solar panels would be best suited for City offices, while placement of green roofs on public school buildings would be a great educational opportunity to help inspire tomorrow's green culture. Each public housing complex would be offered a choice regarding how to use their roof top space.

**Green Homes.** Federal Stimulus dollars are currently available to provide many incentives for "Green Homes," such as weatherization, insulation, windows, home heating, ventilation, and air-conditioning (HVAC). We must also expand and reinvest in the New York State Green Building Tax Credit which will expire in 2009. This program provides tax credits to new and rehabilitated buildings where all tenant or non-dwelling spaces are green, with additional credits for use of alternative fuel, solar cells, and green environmental systems for those green spaces.

We also need a program to educate New Yorkers about available tax incentives, especially green initiatives set to expire soon. It is worth noting that many of these incentives are aimed at owners of property. The next Public Advocate would also work with property owners, tenants, City and State to develop legislation that protected tenants from rent increases relating to green improvements for which owners are receiving tax benefits.

## **GREEN CITY PLANNING**

**Congestion Pricing.** Last year Mayor Bloomberg undertook the ambitious and necessary goal of implementing congestion pricing within a year of its proposal. Although his plan was

ultimately rejected by the New York State Assembly, we cannot abandon efforts to reduce car use and improve public transportation. Our transportation system is the circulatory system of our City's economy, and future steep service cuts and rate hikes will have devastating consequences. We must take Mayor Bloomberg's proposal for congestion pricing and use it as a starting ground for further public discussion and action. First steps include full public auditing to restore confidence in the MTA and legislative protection for the MTA's funding stream so that it flows into a lockbox, safe from reallocation to unrelated government expenses. Then we can phase in additional items to generate revenue, reduce car use, and improve public transportation.

***Green Neighborhoods.*** There are thousands of brownfields throughout New York City, the development of which would spur economic development, clean the environment and improve community morale. The Brownfield Cleanup Program passed in 2003 was supposed to combat inner-city blight by subsidizing the redevelopment of abandoned factories, gas stations, dry cleaners, and other polluted sites. The program ended up being abused by developers to build luxury condos and office space in Manhattan while the Erbogaph building in Harlem that was slated to provide senior housing will continue to remain vacant after more than half a century. The next Public Advocate will work with City, State and community stakeholders to develop better targeted incentives and streamline the process to make sure we turn brownfields into greenfields in struggling neighborhoods all across our City.

***Green Spaces.*** Mayor Bloomberg deserves praise for his effort and vision behind PlaNYC, announced on Earth Day in 2007. That initiative has so far included 174,189 trees planted through MillionTreesNYC, 91 schoolyards opened as playgrounds, 141 miles of bike lanes with 2,011 new bike racks and reduced emissions from various fleets of vehicles.

New York City trees clean our air, removing over 2,000 tons of air pollution and 1.3 million tons of carbon annually. A single tree holds 1,432 gallons of storm water each year, strengthening our wastewater system, helping to stop flooding and raw sewage from being dumped into nearby waters. City trees provide shade, reduce wind speeds and cool the air, generating almost \$30 million annually in energy savings.

Our City needs more trees, but not at the sake of cutting others down. A large, fully grown tree removes almost 70 times more air pollution than a newly planted tree. PlaNYC's goal of a million trees in New York must account for trees that are cut down. Tree protection should be part of the approval process for any construction project. We should make it easier for individuals and community groups to plant new trees by streamlining the permit process and providing assistance when needed. We must also seek to lower pollution and corresponding asthma rates in low-income areas by planting trees and building parks there to green our urban environment.

***Clean Water.*** New York City boasts having the cleanest water in the world. However, our State is currently considering drilling for natural gas near the Catskill/Delaware watershed that supplies New York with up to 90% of its drinking water. Hydraulic fracking will use large volumes chemically laced water to extract natural gas from marcellus shale rock formations in the immediate area. This process may leak into soil and contaminate New York City area's



clean water supply. which could force the City to spend billions of dollars in construction of filtration plants. The next Public Advocate must join City Councilmember James Gennaro in calling for a ban on drilling in the watershed area to protect our environment and the source of the world's cleanest drinking water.

**Recycling.** Our current residential recycling goal is 25 percent, although we have only reached 16.5% as of 2007. In order to reach or exceed our current goal, we must expand the materials that we recycle, expand availability of recycling receptacles, expand deposits on bottles, establish electronic waste and plastic bag recycling programs, investigate clean waste-to-energy projects and further explore sustainable waste export and transportation.

Our next Public Advocate should also advocate for the wide spread proliferation of recycling throughout our City. That should include support for Introductions 673 (Lappin) and 752 (de Blasio) of 2008, which would have placed recycling bins in City schools and parks. Recycling must be a part of our children's youth so that they grow up recycling out of habit. While these Introductions in the City Council represent a good first step, recycling should be wide spread with recycling receptacles also available in subways and train stations, and eventually any place our City maintains a trash receptacle. Through recycling our City can reduce waste, save money, and create jobs.

## CONCLUSION

History is a series of seismic events and innovations, such as 9/11, the invention of electricity, refrigeration, containerization, and parallel data processing.

America and our City are on the cusp of the next great cultural and economic shift to a greener economy, producing more jobs and a healthier environment. Every so often a City brings together a cluster of talent at the right time to become a national leader, like technology in Silicon Valley, steel in Pittsburg, or cars in Detroit. New York City has tried to cultivate similar clusters in the recent past with biotechnology and "Silicon Alley," but fell short. "A Plan for a Greener City" will help guide New York City towards an economy flourishing from green jobs, energy provided from renewable sources, and a more sustainable City. When we look back in ten years and think of "Green Jobs," the world should think New York City.