



**Testimony of Roland Lewis, President and CEO
On Modernizing New York's Waterfront Infrastructure**

**THE METROPOLITAN WATERFRONT ALLIANCE
Before the Committee on Waterfronts and the Taskforce on Infrastructure**

City Hall, Tuesday, June 2, 2009 at 11:00 AM

Good afternoon. My name is Roland Lewis and I am President of the Metropolitan Waterfront Alliance, a coalition of nearly 400 groups working to transform the New York Harbor and its waterways into a world class resource for work, recreation, transit and education. I'd like to thank the Committees and particularly Chairman Nelson, Chairman Garodnick and Chairwoman James for bringing us all here to discuss plans for providing necessary waterfront infrastructure to support New York City's vibrant and growing maritime business community.

Taken together, the City's waterfront and waterways are perhaps our finest natural resource and greatest economic asset. New York is a City surrounded by water—lined with nearly 600 miles of waterfront property. And like many global cities, the growth of New York City as a hub of commercial activity is directly tied to the water. The New York Harbor boasts a strategic location and deep navigable waterways well-suited for commercial and industrial operations.

For more than a century the Port facilities of New York and New Jersey have thrived both domestically and globally. In fact, the New York Harbor is the busiest port on the East Coast. Yet despite the continued demand for local, regional and international shipping, New York's waterfront has been a victim of a national and local focus on roads, highways, and land-based industry. Additionally, the advent of containerization in the 1950s transferred a portion of shipping operations from the City's piers to New Jersey, and the City was slow to seize the resulting

redevelopment opportunities as they arose. The shifting of the City's industrial base, and decades of disinvestment in our waterfront infrastructure led to woefully underutilized tracts of waterfront land.

Nevertheless, our existing waterfront infrastructure remains just as critical to the City's success, health and vibrancy as it did at New York's inception. There are 250,000 jobs related to shipping in the New York-New Jersey Metropolitan area. And while, the majority of the shipping jobs have moved to New Jersey, the support industries that make shipping possible, like boat repair tugs barges, etc., are based almost entirely in New York City. At a time where New York is experiencing one of the most significant and prolonged economic downturns in its history, the maritime industry has remained relatively unscathed. This fact underscores the importance of maritime businesses to New York City's economic base; these industrial firms help to insulate our local and regional economy from the cyclical nature of the markets.

We also must consider our waterfront infrastructure in relation to our City's population growth. We are a fast growing City—the findings presented through PlaNYC project one million more New Yorkers by 2030. A core belief of the Metropolitan Waterfront Alliance (MWA) is that we can simultaneously prepare for growth, relieve traffic congestion reduce air pollution, lower greenhouse gas emissions by unlocking the full potential of our waterways, and developing the waterfront in ecologically sound ways.

While train platforms in Penn Station and the subway tunnels along Manhattan's East Side are completely full at rush hour and most of our river crossings and highways are chronically congested, our waterways remain a largely untapped opportunity. And what is more, the waterfront is the most efficient means of transportation—a single barge can transport the cargo carried by 58 tractor-trailers. We must look to the New York Harbor as we strive to keep pace with the growing

demand for transportation to move people, goods, recyclables and waste material in a sustainable fashion.

Based on pointed policy recommendations from six task forces meeting over the course of 18 months, MWA developed a policy platform for the waterfront, the *Waterfront Action Agenda*. Released just six months ago, this roadmap provides measurable, and most important, achievable steps to plan for a thriving 21st Century waterfront for the region. The importance of our “blue highways” and the need for continued investment in our waterfront infrastructure and maritime support industries is woven prominently throughout this policy document.

As stressed in our *Waterfront Action Agenda*, the MWA believes that we can only create a world-class waterfront and harbor if we invest in infrastructure that will protect and grow maritime industry, provide for water-based transportation, and make basic waterfront infrastructure common place on our waterways. The MWA calls for a six-step approach for modernizing New York’s waterfront infrastructure. First, a coordinated investment strategy for waterfront infrastructure is sorely needed to support the maritime business community. Second, we must create an institutional framework conducive to coordination between government agencies, as a first measure toward creating a single waterfront lead agency. Third, we must aggressively promote underutilized waterfront assets. Fourth, we must streamline the regulatory process for waterfront permitting. Fifth, we must establish a land use framework that effectively strengthens the existing industrial and maritime uses throughout the City. And lastly, we recommend zoning text amendments to facilitate the basic flexible infrastructure needed to ensure public safety on the water.

1. Coordinated Waterfront Infrastructure Investment Strategy

To provide some context on the pressing need for capital investment in our waterfront and waterways, I will refer to the Maritime Support Service Location Study, released by the Economic Development Corporation and the Brooklyn Navy Yard Development Corporation in 2007. The

study, carried out by SUNY Maritime College, examines the secondary support services that are foundational to the success of water transportation in the region—these include the tug and barge industry, ship repair and government services related to transit, safety and waste management. The study provides the most comprehensive overview to date of the growth patterns of maritime support services and offers recommendations on how the City can address the vital infrastructure needs of this business cluster through 2016.

The 2007 study found that the maritime support industry contributes greatly to New York City's economy. The industry represents roughly \$2.5 billion in economic activity, over \$1 billion in wages, and over 7,000 waterborne positions for New Yorkers. Yet, job retention and future economic growth hinges on the upgrade and maintenance of specialized infrastructure for our waterfront. Without modern waterfront facilities, the New York Harbor will be unable to remain at the heart of our region's supply chain.

The firms surveyed in the 2007 study identified the future availability of shipyards as a general concern. Specific needs include an increase in the number of berths, graving docks, floating cranes, and the list continues. There is clear quantitative support to substantiate these growing infrastructure needs. Fueled by global trade, both ports of call and vessel carrying capacity have been steadily increasing since the mid-nineties.

A look at the dry dock facilities in the New York Harbor portrays the unmistakable pressure on the City's waterfront infrastructure. The current demand for dry docks is almost double what the current capacity can accommodate. To ameliorate this backlog from the growing maritime business community, the City needs eight more ship repair facilities. Presently, there are too few small-sized dry docks, leading to an inefficient use of waterfront facilities as vessel-owners seek service in larger facilities. The situation is particularly troubling to MWA given the loss of the Todd Shipyard to an Ikea Parking lot just prior to the release of EDC's Maritime Location Study. MWA recommends

that the government agencies work in tandem with private industry to rehabilitate and bolster our existing waterfront infrastructure, especially in areas like Red Hook, the South Bronx, Newtown Creek, the Brooklyn Navy Yard, and Sunset Park, which feature deep waters and existing concentrations of maritime businesses.

2. Inter-agency Coordination on Waterfront Issues

Thankfully, there has been a marked shift toward public investment in waterfront infrastructure. New development spearheaded by agencies like the City's Economic Development Corporation and the Port Authority of New York and New Jersey are reminiscent of the days where a coordinated investment strategy was led by a single lead agency—the Department of Ports and Terminals. A generation ago, the Department of Ports and Terminals was equipped with the funding and staff to execute the remediation of docks and bulkheads over much of our shoreline. As no such lead agency exists today, and nearly a dozen agencies have some purview over waterfront development, inter-agency coordination must be a critical component of any investment strategy for the waterfront.

As a next phase to this recommendation, MWA proposes a single government agency at the local level to assist private industry with navigating the public approvals process, elevate the focus on water-dependent uses on our shoreline, and undertake a coordinated investment strategy. A lead waterfront agency would provide a one-stop-shop for all policies related to water-dependent uses and provide staff to the City's Waterfront Management Advisory Board, an administrative body recently reinstated by the City Council.

3. Promotion of Underutilized Waterfront Assets by Public Agencies

The MWA is pleased to see that the Port Authority of New York and New Jersey has allocated \$1.7 billion to a myriad of investment projects to improve our port, from projects to deepen

channels and berths, to reconfiguration of existing terminals to relieve port congestion, to environmentally sensitive cranes that quickly and efficiently move containers.

At the same time, the Economic Development Corporation has numerous active projects targeted at the busiest sites along the waterfront of the port. Take for instance, at the 88-acre South Brooklyn Marine Terminal in Sunset Park. EDC has invested approximately \$20 million to stabilize three of the bulkheads and remove deteriorated piers at the site. The capital improvements will help to advance future private investment on the site, including a new recycling facility to be developed by Sims Hugo Neu Company, and an automobile import terminal to be operated by Axis Group, Inc.

But more could be done to attract private investment to waterfront development sites and develop new barge routes across the New York Harbor. As an example, an opportunity exists for new waterfront infrastructure at the Hunts Point Distribution Center for the New Fulton Fish Market. Investment in a modern landing at the fish market would allow wholesale distributors to receive their deliveries by boat as opposed to by truck. And at the Harlem River Rail Yard, there is a chance to redevelop the rails, and establish the site as a transportation center for the industrial facilities. These are just two of the many opportunities that exist along our waterfront to support water-dependent industries. We must continuously promote any and all opportunities to develop new modern piers, upgrade bulkhead and better connect rail to our shorelines; these are the types of projects that help us to realize our waterfront's true potential.

4. Addressing Inefficiencies Associated with Waterfront Permitting

Another way that public agencies can help to promote the revitalization of waterfront sites is through streamlining and simplifying the waterfront permitting process. The Metropolitan Waterfront Alliance has created a comprehensive Users Guide that explains the permits and processes for a waterfront development project. The guide is the first of its kind for New York City

and State, as it provides permit applicants with an overall view of the permitting process at the Municipal, State and Federal level. However, as adjustments to the regulatory landscape are made over time to streamline the permitting process, there must be a commitment among the many agencies that have jurisdiction over permitting to updating this guide. The MWA will be releasing a white paper in conjunction with the Users Guide with specific recommendations to improve the transparency, efficiency and effectiveness of waterfront permitting, including steps that the City Council can take to advance the goals.

5. Establishment of a Land Use Framework to Support Maritime Businesses

In addition to tangible investments in our waterfront infrastructure, we recommend that the City establish stronger maritime zoning districts to reinforce Manufacturing-zoned land in strategic waterfront locations. The maritime support services industry cannot operate in isolation; support services must be strategically located at existing waterfront transportation hubs. For this reason, underutilized waterfront properties along the North Shore of Staten Island—the busiest site along the waterfront of the Port—must be reserved for maritime support services. The same is true of other Significant Maritime Industrial Areas including the South Bronx, Newtown Creek, Brooklyn Navy Yard, Red Hook, and Sunset Park. The City proceed cautiously in areas like the Gowanus Canal, an industrial stronghold, where the Department of City Planning is contemplating the rezoning of portions of the Canal away from manufacturing use.

MWA also recommends that the City establish specific maritime industry safe havens developed through an analysis of how upland uses interact with our industrial waterfront. Specifically it is important to establish buffer zones for those areas in close proximity to residential areas in order to limit conflicting land uses, and provide safe havens for the maritime industry.

6. Encouraging Flexible Infrastructure for Public Safety Concerns

But we must remember that modernizing New York's waterfront infrastructure holds the key to more than just economic development concerns. With the increasing utilization of our waterfront and waterways for recreations, and the recognition that our waterways are crucial to addressing emergencies facing our City, it is essential that we require flexible infrastructure at landings, like bollards, cleats and get-downs to improve overall public safety. Last April, an amendment to New York City's Zoning Text was approved, which created a set of flexible design requirements to encourage well-designed publicly accessible spaces on waterfront properties. However, the new public access requirements failed to require flexible infrastructure at new waterfront development sites. The City needs to be more proactive in encouraging these simple infrastructure investments. We witnessed how pivotal our waterways were to disaster response on three separate occasions: September 11th, the 2003 Blackout, and the US Airways crash just five months ago. The MWA recommends a zoning text amendment that would allow for more landings at waterfront development sites, with get-downs and bollards and cleats needed to secure boats and barges.

When recession hit in the 1970s, we chose to walk away from the redevelopment of our waterfront. The net result was that maintenance of waterfront infrastructure slipped and critical parts of our shoreline infrastructure – especially piers and bulkheads – ended up in a state of disrepair. We must not let the weakened economic backdrop hinder imperative waterfront development opportunities. Rather, we must capitalize on the fact that our port facilities are growing faster than any other in the nation. And we must encourage maritime businesses, which are responsible for eliminating more than 3.1 million trucks from NYC's roads.

Unlike any other transportation-based capital project, the most fundamental piece of infrastructure for waterborne transport—the harbor itself—already exists and sits ready to be utilized. The waterways that define the New York - New Jersey metro area are largely untapped transportation resources, and the time is now to build on our existing waterfront infrastructure. Whether it is investment in new or existing dry docks or including bollards and cleats at new development sites, MWA is a strong advocate for a coordinated investment strategy and the necessary land use protections to ensure the long term competitiveness of the maritime industry and associated support services.

Thank you for the opportunity to testify today and I'd be happy to answer any questions you might have.