

CAMPAIGN FOR NEW YORK'S FUTURE

Economic Opportunity

“...this is a bold and visionary plan that will benefit New York’s working families for generations.”

Ed Ott, Executive Director, New York City Central Labor Council

Mayor Bloomberg’s PlaNYC initiative has 127 recommendations to address three long-term challenges—a growing population, an aging infrastructure, and an increasingly precarious environment. If implemented, these actions would shape the economy of the entire New York region for decades to come. This fact sheet has been prepared by the Campaign for New York’s Future—a coalition of civic, business, environmental, labor, community and public health organizations—to answer some common questions about how the plan would affect jobs and economic opportunity.

How would the Mayor’s plan support growth in jobs and economic activity?

There are three fundamental ways that PlaNYC would enable the economy to expand:

Quality of Life: By reducing congestion, improving air and water quality, greening the city and improving public spaces, the plan would improve New York’s attractiveness as a place to live and do business. This would make it easier to retain and attract the talented workforce that is New York’s critical advantage in the global economy.

Capacity for Growth: By expanding mass transit capacity, the supply of developable land and the capacity of our energy system, the plan would remove a number of bottlenecks that are already starting to impede growth. There is no room for any more commuters on many subway and rail lines, and there are a dwindling number of places for new development. Without action, these impediments will only grow worse in the years ahead and limit the number of new jobs that the city and region can create.

Green Industries: Many of the recommendations would create incentives for new types of business. From solar and wind power to new technologies for green buildings and energy efficiency, the plan could open whole new industries with the potential to create jobs in research, manufacturing, sales and service. For example, the City is examining the potential for organic waste recovery at the Food Distribution Center in Hunts Point in the Bronx, and the feasibility of generating more energy from landfill gas at Fresh Kills in Staten Island. Both would create jobs as well as a renewable energy source.

What type of economic growth does PlaNYC anticipate?

New York City’s Economic Development Corporation is projecting 750,000 new jobs by 2030. Employment will increase in a wide range of industries, with the largest gains in health care and education. New office jobs are expected to create the need for 60 million square feet of new commercial space. A nearly 50 percent increase in the number of visitors will generate growth in the hotel, restaurant, culture and entertainment industries. The long-term decline in industrial jobs—including transportation, freight handling and repair services as well as manufac-

turing—is expected to moderate, with nearly 500,000 workers employed in these industries in 2030. Growth from residents, jobs and tourists is expected to add \$13 billion in annual revenue that could help fund the actions recommended in the plan.

Who will benefit from the new jobs and economic activity?

An initiative as far-reaching and comprehensive as PlaNYC will have economic impacts in all parts of the region and in all sectors of the economy. Business districts in all five boroughs would benefit from mass transit improvements, brownfield redevelopment and lower energy costs. Suburban areas would benefit from improvements in transit, air quality and energy as well as the expanded job and business opportunities created by a more competitive regional economy. While it is difficult to say which types of workers would benefit most, it is fair to say that the initiative is likely to create jobs at all skill and income levels. For example, a recent report by the Partnership for New York City estimated that the revenue and job losses resulting from traffic congestion—a major target of PlaNYC's congestion pricing and transit proposals—are concentrated in manufacturing and constructions, including nearly 9,000 fewer jobs in manufacturing and 5,000 fewer jobs in construction.

Will the plan attract high-income jobs and residents at the expense of the poor and middle-class?

If the plan succeeds, it will add jobs and make the city more desirable for people at all income levels. In fact, many of the improvements, such as increased bus and subway service and new public parks, would particularly benefit low and moderate income residents. This increased demand will, however, put additional pressure on housing costs, industrial land and many small businesses. The plan attempts to address this by increasing the supply of housing to keep costs down, supplementing the existing New Housing Market Place initiative which will continue to preserve or build 165,000 units of housing over the next decade. Other actions, including expanding workforce training, new zoning to protect manufacturing, using the City's vast capital program to stimulate new local green businesses, and increasing funding for affordable housing, have also been proposed by labor, community, housing and academic planning organizations to help reduce the city's economic disparities.

How can we take advantage of the economic opportunities created by the plan?

By creating the conditions that would support sustained economic growth, PlaNYC provides a framework for expanding economic opportunity to a larger share of the city's population. To take full advantage of this opportunity, complementary strategies to develop new businesses, train workers for higher-paying careers, retain industrial jobs and fully develop neighborhood-based economies will be needed. In particular, the potential to develop local businesses that could supply the products and services needed by a greener economy, from alternative energy to reforestation and wetlands preservation, represents a unique opportunity.

What will happen to the economy if we don't take these actions?

Without the actions outlined in PlaNYC, the city and region would almost certainly experience slower growth in jobs, wages and business income as congestion, higher land prices and diminished quality of life make New York less competitive with regions around the world. Market forces would still be likely to widen the existing divide between "haves" and "have nots." There would also be less revenue, both public and private, to address the sources and effects of poverty and economic dislocation.

For more information, visit www.CampaignForNewYork.org.