$TIMULATING GREEN

A Search for Dirt in New York’s Share of the Federal Stimulus
Turns Up Some Green

$14.3B

$3.7B

$7.8B

$6.2B

$945M

$93M

$23M

$18M

$370M

ENVIRONMENTAL ADVOCATES OF NEW YORK
YOUR GOVERNMENT WATCHDOG
Environmental Advocates of New York’s mission is to protect our air, land, water and wildlife and the health of all New Yorkers. Based in Albany, we monitor state government, evaluate proposed laws, and champion policies and practices that will ensure the responsible stewardship of our shared environment. We work to support and strengthen the efforts of New York’s environmental community and to make our state a national leader. A tax-exempt 501 (c) (3), Environmental Advocates is the New York affiliate of the National Wildlife Federation.

AUTHOR
Alison Jenkins, Fiscal Policy Program Director

EDITORS
David Gahl, Policy Director
Erica Ringewald, Communications Director

GRAPHIC DESIGN
Daniella Nordin, Communications Associate

ACKNOWLEDGMENTS
Environmental Advocates of New York would like to thank the Robert Sterling Clark Foundation and the Scherman Foundation for funding this report.

This report was printed on 100% post-consumer waste recycled paper with soy ink.

Copyright © January 2011
Environmental Advocates of New York, all rights reserved.
EXECUTIVE SUMMARY

New York State has been on the receiving end of approximately $33.5 billion thanks to the federal American Recovery and Reinvestment Act, better known as the “stimulus.” Approximately $5 billion in stimulus funds were directed to projects and programs with environmental benefits.

This is a significant investment. However, New York State has not always been a trustworthy steward when it comes to taxpayer dollars. In previous investigations, Environmental Advocates of New York has uncovered millions of dollars of spending or tax credits that work against New York’s green goals.

In order to learn how greenly stimulus dollars were spent in New York State, Environmental Advocates examined major areas of stimulus spending. And while much-maligned by pundits and politicians alike, and despite differences among agencies regarding the final dollar amounts, we discovered that stimulus dollars have been put to good use in New York—and are already helping to keep our water clean and safe, reduce our dependence on polluting fossil fuels, and provide public transportation options that will keep cars and trucks off the road.

Money Well Spent

Investments totaling up to nearly $500 million in clean drinking water and wastewater infrastructure have helped offset the billions of dollars needed to address New York State’s aging and deteriorating water infrastructure.

Almost $1.7 billion is being invested in energy efficiency and clean energy projects across the state, reducing dependence on polluting fossil fuels, saving New Yorkers money on energy costs, and reducing the pollution that will make our climate feel more like that of South Carolina in the not-too-distant future.

More than $2.5 billion is being invested in transportation projects from Buffalo to the Bronx and everywhere in between, not only rebuilding highways, but also reducing traffic congestion by improving public transportation and making much-needed investments in high speed rail projects that have the potential to change how New Yorkers travel across the state.

These investments are also creating jobs and economic opportunities for communities in need.

Stimulus investments have played a critical role in protecting our shared environment and moving New York to a cleaner energy future. But when these monies run out, the state will have to make some tough decisions about how to close upcoming budget gaps. As Stimulating Green documents, continuing to invest in projects such as high speed rail will connect cities and towns, improving access and spurring economic development. Energy efficiency spending will lower energy costs for municipalities, resulting in lower property taxes. And investing in drinking water and wastewater infrastructure will create jobs, improve water quality, and increase energy efficiency.

While some will continue to portray the stimulus as a boondoggle and waste of precious monies in trying economic times, our research documents that environmental investments are paying rich dividends and will help the state’s recovery while protecting our natural resources.
INTRODUCTION

In an effort to boost the nation’s sagging economy, Congress passed the $787 billion American Recovery and Reinvestment Act, more commonly known as the “stimulus,” on February 13, 2009. The stated purposes of the Act are to preserve and create jobs, assist those most affected by the recession, spur technological advances, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, and stabilize the budgets of state and local governments.

Two years later, the debate over the effects of the stimulus has been polarized by partisan rhetoric and political finger pointing. Some believe the stimulus was a colossal waste of taxpayer dollars. Others see the infusion of resources as a much-needed economic boost, without which the U.S. would have plunged into a second Great Depression.

Environmental Advocates of New York was most interested in what, if any, environmentally friendly resources might be buried in the mammoth spending bill, as well as how New York leaders would spend the flow of federal monies, as the state’s record as a steward of public funds is checkered.

For instance, more than 20 years ago, New York State officials dedicated approximately $175,000 to build a State Museum of Cheese in Rome, New York, prompting an outcry from thousands of New Yorkers. Despite the uproar, the state tried to spend money on a second museum in 2006. Surely within the stimulus’ more than 1,000 pages, projects and programs lurked that, if acted upon, would work against New York’s ongoing efforts to protect our air, land and water.

Environmental Advocates, in the reports Wa$ted Green and $aving Green, has uncovered within the state’s bloated budget millions of dollars worth of tax credits and spending at cross purposes to New York’s environmental goals.

So in preparation for the two-year anniversary of the federal stimulus, Environmental Advocates’ staff put on our green eyeshades, rolled up our sleeves, and sifted through the stimulus spending details. Tucked within New York’s share of $33.5 billion we expected to find waste, abuse and projects that resulted in environmental degradation.

In our view, the stimulus’ emphasis on supporting “shovel ready” projects raised considerable concern and a number of questions. Would new projects funded by stimulus bucks contribute to sprawling development? Was New York State heading into another Robert Moses-era public infrastructure spending spree regardless of environmental consequence?

Environmental Advocates set about answering these questions and we were pleasantly surprised by what we found. In reviewing monies spent on transportation initiatives, energy programs and environmental infrastructure, federal stimulus monies appear to be well spent.

This report reveals how New York spent certain federal stimulus monies on environmentally and economically beneficial projects. It also documents the ways the Empire State is investing in a more sustainable future.

 Stimulating Green begins with a brief discussion of monies allocated through the federal stimulus and New York’s share of these resources. The report then

<table>
<thead>
<tr>
<th>Table 1: Total New York State Appropriations for Stimulus Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Category</strong></td>
</tr>
<tr>
<td>Health &amp; Social Services</td>
</tr>
<tr>
<td>Labor</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>Transportation</td>
</tr>
<tr>
<td>Energy &amp; Environment</td>
</tr>
<tr>
<td>Housing</td>
</tr>
<tr>
<td>Public Protection</td>
</tr>
<tr>
<td>Food &amp; Nutrition Services</td>
</tr>
<tr>
<td>Commerce</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Office of the State Comptroller, Open Book New York
reviews funds spent on water, energy and transportation infrastructure. Each section highlights a few projects as examples and concludes with a brief discussion of the jobs created by these initiatives.

NEW YORK’S STIMULUS

The Office of the State Comptroller (OSC) reports that state appropriations for spending federal stimulus monies total $33.5 billion. Most of these funds—approximately $28 billion or 85 percent—went to health and social services, labor and education programs. Of the remaining $5 billion, Environmental Advocates of New York reviewed stimulus funds that were directed to projects and programs with environmental benefits.

According to New York’s third quarterly report on stimulus spending, as of September 30, 2010, the federal stimulus created a total of 53,800 jobs in

Chart 1: New York Stimulus Funds by Category, As Percent of Total Appropriations

Despite the resources available, infrastructure improvements are costly. Constructing wastewater treatment plants requires hundreds of millions of dollars. Even routine maintenance of existing systems is costly and as such can be a burden for cash-strapped local governments and contribute to higher property taxes. Furthermore, New York’s infrastructure is aging. A few water systems do not meet federal health standards. And the resulting leaks and crumbling infrastructure have led to inefficiencies and waste.

A study conducted by the Department of Environmental Conservation (DEC) in March 2008 estimated that New York’s water quality infrastructure needs total nearly $36.2 billion over the next 20 years. Additionally, New York needs $38.7 billion to address drinking water infrastructure needs for a grand total of $74.9 billion. Recognizing this growing need, the federal stimulus sent record amounts of support to New York State.

NEW YORK’S STIMULUS

The Office of the State Comptroller (OSC) reports that state appropriations for spending federal stimulus monies total $33.5 billion. Most of these funds—approximately $28 billion or 85 percent—went to health and social services, labor and education programs. Of the remaining $5 billion, Environmental Advocates of New York reviewed stimulus funds that were directed to projects and programs with environmental benefits.

According to New York’s third quarterly report on stimulus spending, as of September 30, 2010, the federal stimulus created a total of 53,800 jobs in

Chart 1: New York Stimulus Funds by Category, As Percent of Total Appropriations

Despite the resources available, infrastructure improvements are costly. Constructing wastewater treatment plants requires hundreds of millions of dollars. Even routine maintenance of existing systems is costly and as such can be a burden for cash-strapped local governments and contribute to higher property taxes. Furthermore, New York’s infrastructure is aging. A few water systems do not meet federal health standards. And the resulting leaks and crumbling infrastructure have led to inefficiencies and waste.

A study conducted by the Department of Environmental Conservation (DEC) in March 2008 estimated that New York’s water quality infrastructure needs total nearly $36.2 billion over the next 20 years. Additionally, New York needs $38.7 billion to address drinking water infrastructure needs for a grand total of $74.9 billion. Recognizing this growing need, the federal stimulus sent record amounts of support to New York State.
Sources of federal stimulus data such as the federal recovery website, the New York State recovery website, the New York State Division of the Budget, and the New York Office of the State Comptroller (OSC) website report differing total funding awards. While these websites provide an abundance of data, the award amounts do not always match, the information is not up-to-date, and some sites provide little detail about the projects paid for with stimulus dollars.

<table>
<thead>
<tr>
<th>Government Website</th>
<th>Total Award Funding Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the State Comptroller Open Book NY – Total State Appropriations for Stimulus Programs <a href="http://www.openbooknewyork.com/stimulus/index.htm">http://www.openbooknewyork.com/stimulus/index.htm</a></td>
<td>$33.5 billion</td>
</tr>
<tr>
<td>New York Recovery <a href="http://www.recovery.ny.gov/DirectAid/aidnewyork.htm">http://www.recovery.ny.gov/DirectAid/aidnewyork.htm</a></td>
<td>$33.7 billion</td>
</tr>
</tbody>
</table>

For example, the enormity of the federal recovery site makes it difficult to navigate and pinpoint data. Additionally, the OSC’s Open Book New York website provides data such as the total amount received by New York versus the amount approved and what has been spent, but does not include off-budget awards through authorities such as the New York State Energy Research and Development Authority.

The lack of data, competing data, an abundance of data sources, and the lack of detail in some cases makes tracking stimulus dollars difficult.

One exception is the Environmental Facilities Corporation. This public authority administers revolving loans for certain sewer and water treatment project programs and made tracking projects supported by federal stimulus funding simple through published fact sheets on each project.

**New York’s Share**

Stimulus money appropriated for environmental purposes amounts to $539 million, approximately two percent of all stimulus spending in New York. The state received $519 million, or 96 percent of environmental monies, through the State’s Clean and Drinking Water Revolving funds. The other $20 million was allocated to programs that address leaking underground petroleum storage tanks and initiatives to promote the use of clean diesel fuel, to name a few.

According to the OSC’s Open Book New York website, the DEC received $432 million for the Clean Water State Revolving Fund (CWSRF) and the Department of Health (DOH) received $86.8 million for the Drinking Water State Revolving Fund (DWSRF). The EFC administers these funds for the DEC and DOH and awarded loans and grants to 110 projects. The CWSRF financed 80 projects and the DWSRF financed 30 projects. As of December 2010, the CWSRF spent approximately $417 million and the DWSRF spent about $58 million. The stimulus guidelines required the EFC to spend 20 percent of each revolving loan program on the Green Project Reserve, which includes projects that address green infrastructure and energy efficiency. The DWSRF awarded the required 20 percent, and the CWSRF was awarded $157.7 million (almost 37 percent) to green projects. As part of the stimulus, the EFC also awarded projects in the Green Innovation Grant Program, spending $44.4 million on 49 projects (35 CWSRF and 14 DWSRF) that address energy...
efficiency, storm water abatement and water conservation. The projects were selected from 295 highly competitive applications requesting more than $460 million.8

Table 2: Stimulus Committed in 2009 for New York Water Infrastructure Revolving Funds

<table>
<thead>
<tr>
<th>Total Clean &amp; Drinking Water Grants &amp; Loans</th>
<th>$499,140,259</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Clean Water Grants &amp; Loans</td>
<td>$417,537,918</td>
</tr>
<tr>
<td>Clean Water State Revolving Fund</td>
<td>$379,326,703</td>
</tr>
<tr>
<td>Clean Water Green Innovation Grant Program</td>
<td>$38,211,215</td>
</tr>
<tr>
<td>Total Drinking Water Grants &amp; Loans</td>
<td>$81,602,341</td>
</tr>
<tr>
<td>Drinking Water State Revolving Fund</td>
<td>$75,455,850</td>
</tr>
<tr>
<td>Drinking Water Green Innovation Grant Program</td>
<td>$6,146,491</td>
</tr>
</tbody>
</table>

Source: New York State EFC
*Funds committed in 2009 only, not including 2010 spending

Clean Water Projects

The EFC and DEC administer the CWSRF, and since 1990 the program has provided more than $10.9 billion in low-cost financing and $1.4 billion in subsidies for water quality improvement projects across New York State.9

The CWSRF provides low-interest rate financing to municipalities to construct water quality protection projects such as sewers and wastewater treatment facilities. Eligible projects also include landfill closures, storm water management projects, and certain habitat restoration and protection projects in national estuary program areas.10

The CWSRF provided loans with short-term interest-free financing and principal forgiveness and issued public authority bonds. A project in the City of Plattsburgh, in Clinton County, will use these resources to properly close a landfill in order to mitigate groundwater and surface water pollution, protecting public health and the environment. The project requires almost $4.7 million in financing, half with long-term financing and half with principal forgiveness. The project will include installing a liner and a trench to reduce decomposing trash material filtering into groundwater and surface water.11

A project in the Allegany County Town of Cuba will construct a wastewater collection system to eliminate residential septic discharges currently impacting the water quality of Cuba Lake. The Cuba Lake District Commission conducted a survey to determine if surrounding septic systems had pollution impacts on the lake. The survey identified 69 suspected pollution sources; laboratory testing confirmed 30 sources with fecal coliform and fecal streptococcus bacteria, both indicators of failing septic systems. The project is being financed with $5.1 million, with $3.4 million in principal forgiveness and $1.7 million in long-term financing, as well as a Rural Development Grant for $400,000.12

The Green Innovation Grant Program funded clean water projects across the state. Projects received loans and grants for energy efficiency, water conservation, the use of renewable energy, and upgrading operating performances. These projects will promote green practices and result in cost savings for communities.13

For example, a project at the Lindenhurst Memorial Library in Suffolk County received a $198,000 grant through the program to install a green parking lot. The local share of the project is $22,000. Green wet weather infrastructure at the library will prevent 157,000 gallons of storm water run off per year from

Reducing Storm Water Impacts

Where: Lindenhurst, Suffolk County
What: Installation of a new green parking lot utilizing permeable pavers and bioswales (drainage and filtration through native plantings and soil usage) to reduce storm water impacts from the Lindenhurst Memorial Library.
Cost: $198,000
Environmental Problem: Storm water runoff causes pollution and is the primary water quality concern in the South Shore Estuary Reserve.
Environmental Benefit: This project will filter 157,000 gallons of water through green practices to reduce water run off and pollution per year.
reaching the Long Island coastal waterways, which accommodate habitat for fish, shellfish, recreation for residents, and attract many tourists. Green wet weather infrastructure includes permeable pavers and bioswales to manage storm water run off by using native plantings and natural landscape features. Regular pavement does not filter storm water and allows surges of polluted storm water to enter surface water, affecting its quality. Permeable pavers allow more water to pass through, and are used with plants and soil to absorb more rain water.\textsuperscript{14}

**Drinking Water Projects**

The EFC and DOH administer the DWSRF. Since 1997, the program has provided more than $3 billion in low-cost financing, including over $274 million in grants for drinking water improvement projects across the state.\textsuperscript{15}

The DWSRF provides a significant financial incentive for public and private water systems to finance needed drinking water infrastructure improvements (e.g. treatment plants, distribution mains, storage facilities, etc.) Similar to the CWSRF, the DWSRF provides subsidized low-interest rate financing and limited grants for construction of eligible water system projects.\textsuperscript{16}

A DWSRF Green Innovation Grant Program project in Rensselaer County for an existing system in the City of Troy will install 2,000 acoustical vibration logging leak detection units along 155 miles of distribution mains.\textsuperscript{17} Troy residents and businesses currently use about 14.5 million gallons of water per day, with 32.9 percent, or 4.7 million gallons per day, unaccounted for. Over a year, this waste equals about 1.7 billion gallons, about the water necessary to fill 85,000 average-sized swimming pools. The leak detection equipment will allow Troy to find and repair leaks resulting in savings of both water and energy from reduced pumping. The city will receive a grant of $450,000 and provide a matching share of $51,970.\textsuperscript{18}

In Franklin County, the Village of Saranac Lake will use a $1 million grant from the Green Innovation Grant Program, and a local match of $113,000 to install 1,900 new water meters. Currently the village uses a dual billing system of metering and a flat rate, leaving village officials unable to account for 43 percent of water usage. By installing new meters to replace old meters and metering the entire village, the community will achieve a 20 percent reduction in water use, saving 70 million gallons of water.\textsuperscript{19}

**Environmental Problem:** Currently the village uses a dual billing system of metering and a flat rate, leaving village officials unable to account for 43 percent of water usage. **Environmental Benefit:** By installing new meters to replace old meters and metering the entire village, the community will achieve a 20 percent reduction in water use, saving 70 million gallons of water.

**New Water Meters**

**Where:** Village of Saranac Lake, Franklin County

**What:** 1,900 new water meters

**Cost:** $1.0 million

**Environmental Problem:** Currently the village uses a dual billing system of metering and a flat rate, leaving village officials unable to account for 43 percent of water usage.

**Environmental Benefit:** By installing new meters to replace old meters and metering the entire village, the community will achieve a 20 percent reduction in water use, saving 70 million gallons of water.

**Job Creation & Fiscal Implications**

According to the federal recovery website, environmental stimulus funding created more than 425 jobs as of September 30, 2010. The grants for clean and drinking water projects created 325 jobs, including heavy equipment operators, geologists, hydrologists, laborers and technicians. Other
environmentally related jobs include invasive species eradication, cleaning up leaking underground oil tanks, and water quality management. The recipient of the stimulus grant calculates these numbers based on hours and weeks worked, not specific jobs created. Many of the jobs created by the water projects will be construction jobs, excavation, electrical, and HVAC, but may not account for related job growth or job maintenance, including pipe manufacturers, increased truck deliveries, or paving material producers. Jobs created and documented may not account for potential economic recovery in related fields. There are other impacts as well, grants and low- or no-interest loans for infrastructure projects improve quality of life for citizens and prevent property taxes from increasing.

CREATING THE CLEAN ENERGY FUTURE

From spewing the pollution that causes climate change, to causing health problems including respiratory and cardiac illnesses, to increasing our reliance on imported energy—specifically the combustion of fossil fuels—how we generate power poses huge challenges for New York’s environment and public health.

The Northeast Climate Impacts Assessment, a collaboration of the Union of Concerned Scientists and independent climate experts, predicts that without significant emissions reductions, average annual temperatures will increase from six to 14 degrees Fahrenheit by mid century. To name a few of the negative effects, a warmer climate means increased heavy rainfall events and flooding, threats to coastal infrastructure, and deteriorating air quality throughout New York State.

The Energy Information Administration’s Annual Energy Outlook 2011 suggests that despite policies and goals to use energy more efficiently, energy consumption will continue to rise during the next two decades. In response, the federal stimulus provided funds for a suite of programs that address a variety of energy issues.

New York’s Share

The U.S. Department of Energy (DOE) reported that as of June 1, 2010, New York received almost $1.7 billion in stimulus funds for energy projects. From projects that include direct grants to solar and wind developers, to projects that support energy conservation by weatherizing buildings, or initiatives that give consumers more control over energy use, the activities funded by the stimulus are wide ranging and itemized in Table 3.

Table 3: Stimulus Act Support for New York Energy Projects

<table>
<thead>
<tr>
<th>Project Area</th>
<th>Number of Projects</th>
<th>Millions of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Efficiency</td>
<td>141</td>
<td>$768.7</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>41</td>
<td>$131.2</td>
</tr>
<tr>
<td>Modernizing the Electric Grid</td>
<td>13</td>
<td>$276.0</td>
</tr>
<tr>
<td>Transportation</td>
<td>7</td>
<td>$64.7</td>
</tr>
<tr>
<td>Carbon Capture &amp; Storage Research</td>
<td>5</td>
<td>$6.9</td>
</tr>
<tr>
<td>Environmental Cleanup</td>
<td>4</td>
<td>$176.5</td>
</tr>
<tr>
<td>Science &amp; Innovation</td>
<td>26</td>
<td>$254.8</td>
</tr>
<tr>
<td><strong>Total Energy</strong></td>
<td><strong>237</strong></td>
<td><strong>$1,678.8</strong></td>
</tr>
</tbody>
</table>

Source: U.S. Department of Energy

Energy Efficiency & Research

The New York State Energy Research and Development Authority (NYSERDA) has awarded $357.4 million in grants for various energy efficiency initiatives and projects to encourage the use of renewable energy by municipalities, public schools, hospitals and nonprofit organizations.

The Authority’s website lists grants awarded to projects and used criteria to score projects through internal and external experts in the field. NYSERDA also used population and unemployment rates to allocate the grants equally in different regions. In the
end, these grants were oversubscribed and grant requests exceeded available funds by nearly five times. While NYSERDA lists grantees on its website, details about each project are not included. In the future, as projects move forward, more detailed project fact sheets would help the public recognize how stimulus dollars are impacting their communities and the state.

Energy efficiency crossed many different program areas. The Town of Russell, located in St. Lawrence County, received four grants for a total of $26,000, and will install heating controls, block unnecessary windows, insulate exposed heating pipes, and increase attic insulation at the town’s library and museum, resulting in $12,422 in savings per year. The Town of Danby in Tompkins County received a $264,000 grant to convert the Highway Department’s office heating system to renewable biomass using a multi-fuel gasification boiler, cutting the use of fossil fuels, and creating an annual savings of $21,952. Rather than using gas or oil, the boiler will use biomass such as wood chips, reducing climate-altering carbon dioxide emissions and saving the town money on energy costs.

The Village of Montebello has only 4,000 residents and covers less than five square miles. It’s also the first Rockland County municipality to install solar panels on a government building and the first to take the state’s Climate Smart Communities Pledge. A stimulus grant for $57,000 to install a 9.635 kW solar electric system at the village’s community center will add to its existing system.

Montebello has invested in solar energy projects for years under a plan to make the village more environmentally friendly. So far, these projects have produced more than 17,000 kW hours since November 2007, resulting in a net savings of about $3,000 in “returned” electricity. Installing solar panels not only cuts down on usage and money spent on electricity, but also produces excess power to sell back to the grid.

Additionally, many municipalities are hiring consultants and energy coordinators to develop plans for reducing local government energy use and costs for taxpayers. Without stimulus dollars, these municipalities would not have the funds to take on these projects.

**Job Creation & Fiscal Implications**

The creation of jobs related to stimulus investments in energy have lagged behind those created by environmental programs or transportation initiatives. Because while NYSERDA has allocated the grants, projects are not underway. According to the federal recovery website, energy grants have created about 75 positions related to petroleum reduction strategies, regulation of utilities, the Energy Star program, and energy efficiency grants. In coming months, energy programs are likely to spur more job growth when municipalities hire contractors to complete projects.

**Installation of Solar Electric System**

**Where:** Village of Montebello, Rockland County  
**What:** Installation 9.635 kW solar electric system on community center  
**Cost:** $57,000  
**Environmental Problem:** Fossil fuel emissions threaten communities with poor air quality and contribute to climate change.  
**Environmental Benefit:** The village has produced more than 17,000 kW hours since November 2007, resulting in a net savings of about $3,000 in “returned” electricity.

**REINVENTING TRANSPORTATION**

Curbing transportation emissions may be the toughest part of meeting the state’s goal to reduce greenhouse gas production by 80 percent by the year 2050. Transportation accounts for approximately one-third of greenhouse gas emissions in New York. Every year, New Yorkers drive more miles in their vehicles. Sprawling development pushes the population away from urban centers and compounds environmental problems.
In Environmental Advocates’ review of transportation projects, we originally thought that the projects had the greatest potential to result in negative environmental effects such as increasing urban sprawl. However, to a large extent we found that these projects focused on maintaining existing roadways and infrastructure. Instead of building bridges to nowhere and super highways, New York communities aimed transportation funds at fixing existing roadways.

New York’s Share

The OSC’s Open Book New York website shows that the transportation category includes almost $3.7 billion in federal stimulus funds, with only $1.1 billion available for state spending. The website only shows programs, projects and contracts for the $1.1 billion, and does not show where the rest of the funds will go. While it is unclear how the remainder of funds will be spent, a review of the federal recovery website reveals an additional $1.4 billion in Metropolitan Transportation Authority (MTA) projects not shown on the OSC site. The majority of available spending includes $954 million for highway planning and construction; the rest consists of $151 million for high speed rail and $23 million for grants to non-urban areas for public transportation.33

Arguably one of the most significant aspects of New York’s share of stimulus dollars for transportation is support for high speed rail. New York is home to seven high speed rail projects, and while construction has not yet begun, the state has initiated one Environmental Impact Statement (EIS) and will commence others once the first is completed. The funds will construct developments such as small portions of double tracks that will increase train speed, thereby reducing travel times and providing more reliable Amtrak service.34 In addition to the stimulus funds, the state recently received a high speed rail grant of $28.5 million for congestion relief, track signals and a bridge study for the Empire Line. The new grant is from the Federal Railroad Administration and is part of the High-Speed Intercity Rail Program.35

Furthermore, in November 2010, then Governor-elect Cuomo secured $7.3 million more for high speed rail in New York State. The money was redirected from other states, and at the time Cuomo stated that “high speed rail could be the 21st Century Erie Canal for New York State and help rebuild Upstate New York’s economy. Now is the moment to build.”36

High Speed Rail

Across the United States, passenger and freight rail consume less energy and emit fewer climate-altering greenhouse gases than cars and trucks. If freight transporters shift 10 percent of shipments to rail instead of trucking, the cumulative reduction in climate pollution would be 210 million tons by 2020. Furthermore, freight rail volume rose by 64 percent from 1990 to 2005, but greenhouse gas

| Table 4: Stimulus Act Support for New York Transportation Projects |
|---------------------------------|------------------|
| Total Transportation            | $2,550,550,573   |
| New York State Department of Transportation | $1,127,721,240  |
| Non-Urban Area Grants           | $23,215,240      |
| Highway Construction            | $953,506,000     |
| Metropolitan Transportation Authority | $1,422,829,333  |
| Mixed Mode Transit Systems      | $8,802,764       |
| Fulton Street Transit Center    | $423,325,165     |
| Long Island and Metro-North Rail Roads | $847,562,049  |
| Transportation Investment in Greenhouse Gas and Energy Reduction (TIGGER) | $2,000,000 |
| Compressed Natural Gas Buses Long Island | $14,551,669 |
| Transit Security Grant Program-Law Enforcement | $35,904,000 |
| Transit Security Grant Program-Capital Projects | $11,813,686 |
| Second Avenue Subway            | $78,870,000      |

Sources: Open Book New York, Federal Recovery website

*Total transportation dollars in this table do not add up to total dollars cited on OSC’s Open Book New York. It is unclear where the rest of the money will be spent.
emissions from that sector rose only 29 percent. Chart 2 shows 2006 percentages of greenhouse gas emissions for transportation sectors. Freight and passenger rail made up only 2.9 percent, while cars, light duty trucks and freight trucking made up almost 85 percent of all transportation greenhouse gas emissions in 2006.37

Reliable high speed rail could cut down on both auto and airplane trips in New York State. Not only could high speed rail encourage more public transportation riders between Albany and New York City, and Albany and Buffalo, it would also create jobs through railroad track construction; cutting down on travel time may also encourage more trips across the state by residents and tourists, bringing people and dollars into communities across New York.

In total, automobiles such as cars, personal trucks and motorcycles used 10 times more energy than airplane travel, and 1,000 times more than Amtrak passenger rail. Total number of passengers plays a part in the much larger energy use, however, and when broken down by passenger miles, automobiles used 47 percent more British Thermal Units of energy per passenger mile than rail travel.38 This lifestyle choice leads not only to more energy use, but specifically more petroleum use. Additionally, automobiles add to congestion issues in urban areas, and increased use of public transportation would decrease time spent idling in traffic.

The 2009 New York State Rail Plan shows a need to invest more than $10.7 billion over the next 20 years, including a high speed rail system on a third track, with $4.8 billion necessary in the next five years.39 With $3.7 billion allocated for transportation projects, and only $151 million for high speed rail, New York needs to continue to find funding sources, federal or other, to increase spending on public transportation. The MTA will receive $1.41 billion in capital infrastructure when all the stimulus money has been spent, but needs a more comprehensive financing mechanism for operating costs. Fare increases and service cuts will only discourage use of public transportation options, and disproportionately affect low-income families. New York needs to invest less in transportation options that create the most pollution, and invest more in cleaner, greener options such as high speed rail and public transportation. For further reading, the 2009 New York State Rail Plan provides more background information and beneficial impacts of intercity rail in the Empire State (https://www.nysdot.gov/divisions/policy-and-strategy/planning-bureau/state-rail-plan).

Job Creation & Fiscal Implications

Stimulus Act spending on highway construction and bridge painting created more than 1,300 jobs and MTA projects created about 1,300 more. So far, high speed rail has yet to report job production. Since high speed rail projects have spent so little cash so far, new jobs for infrastructure projects when the money starts moving could be coming.40
CONCLUSION

Although some critics will continue to portray the stimulus as a boondoggle and waste of valuable resources in trying economic times, our research has documented that the resulting investments will help the state’s recovery while protecting our natural resources.

Projects that improve infrastructure for public water systems, promote efficient energy use, and reinvent transportation to include better public options will provide necessary quality of life improvements, keep property taxes low, and create jobs through construction, manufacturing and innovative technology expansion.

While the potential for environmentally harmful and wasteful spending was great, Environmental Advocates of New York has uncovered no evidence of waste or programs working at cross purposes to the state's environmental goals.

When the federal stimulus money runs out, the state will have to make some decisions about how to close upcoming budget gaps. Cutting programs and services will save the state money in the short term, but could also derail job-creating projects in the long term. Continuing to invest in projects such as high speed rail could connect cities and towns all over the state, improving access and economic development. More spending on energy efficiency will lower energy costs for municipalities, resulting in lower property taxes. Targeting clean and drinking water infrastructure projects in low-income and highly populated communities will create jobs, improve water quality, have positive impacts on public health, and increase energy efficiency.

While the Stimulus Act at first seemed to offer the perfect chance to squander taxpayer dollars and end up being labeled as a boondoggle for the ages, it resulted in new jobs and much needed infrastructure improvements. While the environment received less than 15 percent of total stimulus spending, environmental and energy efficiency projects have helped New York recover from the recession, and these investments will continue to help the state for years to come.