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NEW JERSEY CLEAN AIR COUNCIL

APRIL 2, 2003

TRENTON, NEW JERSEY

"MOVING TRANSPORTATION IN THE RIGHT DIRECTION"

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1 MR. BERKOWITZ: Good morning.

2 I would like to welcome everyone to this

3 public hearing on moving transportation in the

4 right direction, and I would ask that we all

5 stand and join in the pledge of allegiance.

6 (Pledge of allegiance.)

7 This is the public hearing conducted by

8 the New Jersey Clean Air Council which was

9 formulated as a result of a legislative mandate

10 which requires us to hold a public hearing once a

11 year concerning air quality in the State of New

12 Jersey and report our findings and make

13 recommendations and that's the process we are

14 involved in this morning.

15 I would like to take a minute and

16 introduce the members of the New Jersey Clean Air

17 Council.

18 (The members of the New Jersey Clean Air

19 Council were introduced.)

20 MR. BERKOWITZ: We of the a very aggressive

21 program today. We have a lot of information that

22 will be presented regarding moving transportation
23 through the State of New Jersey and minimizing
24 impact on air quality.

25 Having said that, we would like to

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1 introduce Bill O'Sullivan. Bill is our liaison to
2 the Department. We are trying to replace the
3 inimicable John Elston.

4 Chris Donnelly is another individual who
5 comes before us.

6 I will just say this: This Council
7 receives a lot of nurturing and a lot of attention
8 from the Department and I think that's why the
9 Council feels appreciated and feels we have a
10 vital function to play in the scheme of things
11 involving the DEP initiative regarding clean air.

12 First of all, we are losing one of our
13 valuable representatives. Angela, can you come up
14 please?

15 Angela Skowronek is our liaison who helps
16 us with the daily work and this is her last time
17 with us. On behalf of the Clean Air Council I wish
18 to express our sincere appreciation for your
19 commitment and dedication to this Council. You

20 have served as liaison to the Department with
21 competence, grace and diligence and we are
22 extremely thankful and wish you continued success.

23 MS. SKOWRONEK: I would like to say a few
24 words. I enjoyed my work with the Council. I think
25 you do wonderful work and I wish you the best in

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1 your endeavors in the future.

2 To make this hearing possible it took a
3 lot of people behind the scenes and we would like
4 to make sure that those people get credit as
5 well. I just want to say thank you to everyone.

6 MR. BERKOWITZ: John Elston is an
7 individual who most of you know. I had the
8 misfortune of being John's boss for a period of
9 three years of my life when I had to have a radar
10 screen to keep track of where he was across the
11 world.

12 John's commitment to this Council is
13 incredible and uncommon. John has served this
14 Council as the Department liaison for over
15 thirteen, fourteen years. So, John, I would like
16 to present this to you.

17 Presented to John C. Elston, in

18 appreciation of your extraordinary work in
19 promoting initiative to safeguard the quality of
20 air for the people of New Jersey and in
21 recognition of the energy, diligence and character
22 you consistently demonstrated throughout your
23 thirty-six year career in State government, the
24 Clean Air Council of the State of New Jersey
25 commends and congratulates you for your

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1 outstanding commitment to the citizens of New
2 Jersey and this country.

3 The Clean Air Council of the State of New
4 Jersey, April 2, 2003.

5 Do you want to say something.

6 MR. ELSTON: This Council knows how I feel
7 about them in the years I have been with them. I
8 just respect your knowledge. I see a few new faces
9 here. That's good as well because it brings in new
10 ideas to be added to the great ideas put before us
11 during the years.

12 I appreciate what you have done for me, I
13 appreciate what you have provided to me.

14 If I can, I might want to say that in the
15 world today of euphemisms and little one-liners

16 and everything else you hear about clean air in
17 various sound bites but I would like to give
18 perhaps the Clean Air Council one, and that's
19 " fresh air"; fresh because it provides fresh
20 thinking.

21 And we all are very dogmatic about the way
22 we do things by way of government but it provides
23 a fresh way of looking at things.

24 With fresh ideas maybe we can really have
25 fresh air. Some of our senior citizens like myself

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1 need it nowadays and we will be relying on you in
2 the future.

3 Thank you one and all and thank the
4 Department.

5 MR. BERKOWITZ: There is a lot of work that
6 goes into putting together this particular
7 hearing. I would like to thank the Hearing
8 Committee, Dr. Joe Satol (phonetic) who is not
9 here, John Maxwell enjoying the climes of Italy,
10 our Vice-Chair, Michael Egenton and Stephen
11 Papenberg, thank you very much.

12 I would like to recognize Assistant
13 Commissioner Sam Wolfe. I would say that Sam has

14 taken upon himself to elevate the importance of
15 the Clean Air Council just recently.

16 Sam I think has recognized the work that
17 Clean Air Council has done. Help has provided
18 input on this side of the table at various points.

19 Sam, as Assistant Commissioner we thank
20 you for your commitment to this Council, we very
21 much appreciate it.

22 I see the Commissioner is here. It is my
23 pleasure to introduce Commissioner Bradley
24 Campbell.

25 I have seen a lot of Commissioners in my

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1 time. I have to tell you that I haven't seen one
2 as energetic and capable as this Commissioner. He
3 attended the University of Chicago Law School,
4 doing his B.S., work at Amherst College.

5 He was with the United States Department
6 of Justice, Environmental Resources Division,
7 Associate Director of the White House Council on
8 Environmental Quality. He was Regional Director of
9 US EPA Region 3.

10 And now he is the Commissioner of the
11 Department of Environmental Protection of the

12 State of New Jersey.

13 Commissioner Campbell?

14 COMMISSIONER CAMPBELL: Thank you very much

15 for the opportunity to be here this morning. I

16 want to thank our newly reappointed Chairman,

17 Jorge Berkowitz, for his leadership of the

18 Council.

19 I want to talk this morning about a few

20 challenges we have in terms of protecting clean

21 air. First I would like to acknowledge and thank

22 the Council for their support as to the concerns

23 that New Jersey has raised in our challenge to the

24 proposed weakening of sections under the new

25 provisions of the Clean Air Act. Those are Federal

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Campbell

1 standards that reflect the framers' original

2 understanding-- the framers of the Clean Air Act,

3 not the Constitution-- that older dirtier coal

4 fired plants would essentially be grandfathered

5 into the provisions, they wouldn't have to install

6 new pollution controls at the time of enactment

7 but when they were upgraded, when they

8 substantially changed or modified operations, at

9 that point they would have to go through a new

10 source review and upgrade their facility.

11 Now a generation after that understanding

12 was established there is the proposal to weaken

13 those provisions for New Jersey which receives

14 nearly one-third of its dirty air from air

15 transported from Midwestern facilities. This is

16 an enormously important health issue and an

17 enormously important competitive issue to the

18 extent that our ability to meet clean air

19 challenges, to reach attainment of clean air

20 standards, requires a further ratcheting down of

21 emissions. The weakening of these standards, the

22 weakening of requirements to clean up dirty plants

23 up-wind essentially means that New Jersey

24 companies down-wind, New Jersey facilities

25 down-wind, have to bear the cost of controls that

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Campbell

1 should have been installed long ago and in a sense

2 the law breakers up-wind if the changes become

3 final will essentially be able to operate at the

4 expense of companies in New Jersey down-wind.

5 We appreciate the support of this Council.

6 We are hoping on Monday when we will be having a

7 hearing in Newark, we are hoping to have the

8 Council testify. This is New Jersey's effort to
9 have our voice heard in the regulatory process.
10 EPA had a series of hearings in five
11 cities across the country but, sadly, New Jersey,
12 despite the impact on New Jersey, was not chosen,
13 so we are hoping to have this hearing so that New
14 Jersey's views become part of the record, first,
15 and secondly, to really use it as an educational
16 opportunity so that the public can better
17 understand the impact both to public health and to
18 New Jersey's competitiveness if the proposal to
19 weaken the requirements of current law are
20 finalized.

21 I also want to thank and congratulate the
22 Council for focusing clearly on transportation as
23 it proceeds in its efforts.

24 If we look at transportation,
25 transportation is contributing to perhaps a third

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Campbell

1 of our clean air challenge in this State or our
2 dirty air that results in nearly every New
3 Jerseyan breathing dirty air for some part of the
4 year, a third is from the transportation sector.

5 I would ask the Council to really focus on

6 a couple of distinct issues.

7 First is the issue that dirty air from

8 transportation is quite directly linked to

9 pathogens.

10 The Governor's initiative on smart "

11 growth" is to try to change the pattern of sprawl

12 development of the State in which we lose fifty

13 acres a day to developments and nearly forty

14 percent of that is in the wrong places from a

15 planning perspective. It is integral to continue

16 the effort to reduce the emissions and dirty air

17 contribution of toxics that have been contributed

18 from the transport sector.

19 I think there are probably two very

20 concrete ways in which changes in patterns of

21 development in New Jersey will benefit clean air.

22 First by changing those patterns of development,

23 by having more efficient use of the land and by

24 increasing the extent of repopulating some of our

25 older suburban areas it will reduce the rate of

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Campbell

1 increase in terms of the startling increases we

2 have seen in per capita travel.

3 We know that people who live in village

4 type developments can walk to work and walk to
5 parks. In urban areas we know that those
6 populations generate vehicle miles of travel per
7 person, and the more we can reinforce our
8 regulatory system to reform those habits, to
9 reinforce the village type development I think the
10 better we will be suited in meeting our clean air
11 challenges.

12 There is a major challenge for the
13 Department in terms of really integrating
14 different parts of the Department and recognizing
15 that what happens in our land use, what standards
16 and approaches we take with respect to land use,
17 with respect to wastewater, that the things that
18 most affect patterns of development are very
19 inextricably linked to the challenges in a
20 regulatory sense in terms of clean air planning
21 challenges that John Elston faced throughout his
22 career here and the challenges that Chris Dolomy
23 (phonetic) now faces in his stead, and I think
24 that is an enormously important piece of it.

25 Second, and enormously important, is the

2 in fact we will be more focused on alleviating
3 congestion and streamlining congestion projects in
4 areas where those efforts are needed.

5 I think a concomitant of that is
6 encouragement for growth development around
7 existing mass transit infrastructure.

8 We have a wonderful light rail system
9 being built in South Jersey but there are a lot of
10 questions about whether there will be adequate
11 ridership. Those are the areas where we should be
12 encouraging new growth and development.

13 We have many developed areas where we
14 desperately need to improve the transportation
15 infrastructure to ease congestion and to expedite
16 those projects, and yet often those projects get
17 hung up in the regulatory maze.

18 There was a recently announced initiative
19 to free up 16 of North Bridge (phonetic) and other
20 transportation projects that have been fully
21 funded but where for one reason or another they
22 got stalled in the regulatory process not because
23 there was an environmental problem but because the
24 County Engineer didn't know which form to file and
25 didn't have the proper assistance.

Campbell

1 So we have to expedite that recognizing
2 that the emissions and particulates generated from
3 the congestion that weren't addressed in the
4 projects have a far greater impact than any of the
5 issues that might have been worked out in the
6 permanent process, so we have sort of taken that
7 recognition to a new level.

8 So that's one sort of rubric of issues I
9 would ask the Council to focus on.

10 The second is really the need to have and
11 to formulate an aggressive strategy for addressing
12 the particulates. We have tended over time to
13 focus a great deal on air quality on the so-called
14 four pollutants but I am fond of Bill O'Sullivan's
15 reference to the fifth pollutant which is fine
16 particulates and the tendency not to see the train
17 coming in terms of the need to address those.

18 Again, as we get to and the 2.5 micron
19 particulate standard come into effect we are going
20 to have some serious challenges. I think the
21 point now before we get to implementation of it is
22 to think through how we are going to meet those
23 challenges recognizing that in terms of air
24 quality and human health this is most challenging.

25 I think we need to look now in some sense

Campbell

1 at advance implementation of that standard so that
2 we can integrate new requirements in a way that it
3 will of the a sort of minimal economic impact and
4 we will be able to stage any changes we need over
5 time and particularly we will look at what we need
6 to do in terms of retrofits.

7 We are not going to retrofit everything in
8 the State but there are targeted areas where if we
9 are smart, if we look specifically at the types of
10 specific sectors we need to address I think we can
11 come up with a rational economically justifiable
12 implementation strategy that will address the
13 public health impact of fine particulates and also
14 do it in a way that minimizes the burden on our
15 businesses and especially minimizes the train
16 wreck that we will hit if we do nothing to
17 implement the 2.5 standard, do nothing to set a
18 guidepath for meeting the 2.5 standard until the
19 actual regulations kick in.

20 I think there is a real opportunity to
21 demonstrate once again New Jersey's leadership on
22 clean air issues by being pro-active and looking
23 rationally at what we need to do, looking across a
24 number of sectors, thinking through how we can be

25 environmentalists and how we put those

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Campbell

1 requirements in place.

2 Finally, I would ask you to consider and
3 think through how this ties in with more regional
4 approaches as to protecting from air pollution.

5 All of our utilities in the State and I
6 think most of the leading clean air thinking agree
7 that we need to look more at the regional
8 approach, particularly as the Federal government
9 largely abrogates its leadership in clean air
10 protection.

11 And we need to think through and the
12 Council needs to think through what that means,
13 what are the pitfalls and opportunities that we
14 should be looking for, what does it mean
15 specifically as to the transportation sector, what
16 are the opportunities for greater mechanisms as to
17 the regional approach so that New Jersey can move
18 forward in meeting these challenges not on its own
19 but in partnership, bipartisan partnership with
20 other states in the region.

21 I have already had initial discussions on
22 these issues with Commisioner Crotihoc (phonetic)

23 in New York who has provided wonderful leadership
24 on behalf of Governor Pataki and also with Mr.
25 McGinty in Pennsylvania where I think there is a

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Campbell

1 lot of enthusiasm that this is the right path. I
2 think the intellectual work in defining that path
3 and actually doing the concrete thinking about it,
4 what it involves, how to do it, still lies ahead.

5 And as to these as well as the other
6 issues I look forward to the leadership and
7 insight of the Council's assistance as we move
8 forward.

9 MR. BERKOWITZ: Thank you very much.

10 Any questions?

11 MR. LIBRIZZI: Obviously looking at the
12 regulatory system that would encourage these
13 approaches that you are considering, which I think
14 are very good, it will require some streamlining
15 process and it also requires inter-agency
16 cooperation.

17 Is there thinking in that context in
18 regard to establishing a sustainable relationship
19 between the agencies so that this thing becomes
20 business as usual?

21 COMMISSIONER CAMPBELL: Absolutely, and I
22 think one of the hallmarks of that approach has
23 been to work on an integrated basis, not merely
24 inter-agency basis, and to try to put in place
25 changes in the regulatory structure that

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Campbell

1 essentially codify the inter-agency nature of what
2 we are doing in developing a blueprint for
3 intelligent growth. For a landscaped regulatory
4 map for DEP we went directly to Transportation and
5 said, what do we need to do to have this addressed
6 adequately as to transportation needs?
7 Ultimately we want all that to be
8 incorporated into not just the State map but also
9 the Transportation Master Plan. Indeed each of
10 the agencies will be dealing, essentially working
11 from a common decision platform about what the
12 right areas are that need to be expedited and
13 where we expedite our requirements after that.
14 There are areas, for example, as to encouraging
15 growth that development is in the right places and
16 transportation access needs to be addressed as
17 well, so that they are expediting the process on
18 their side, too.

19 I think it is very encouraging in that
20 sense but it is also an institutional challenge
21 for the DEP in some cases to recognize that the
22 environmental policy isn't the only policy that
23 needs to be honored.
24 MR. BERKOWITZ: Any other questions from
25 the Council?

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Campbell

1 (No response.)
2 MR. BERKOWITZ: Commissioner, we thank you
3 very much. We know you and your capable staff will
4 represent New Jersey well in these efforts.
5 W. Dennis Keck, Department of
6 Transportation, Assistant Commissioner, Planning
7 and Development.
8 Mr. Keck received his degree from Newark
9 College of Engineering, B.S., in Civil
10 Engineering, and completed his Master's degree at
11 Brooklyn Polytech in 1977 with a Master's of
12 Science degree in Transportation Planning.
13 Mr. Keck has over thirty years of
14 experience with the New Jersey DOT and we thank
15 you for being here.
16 MR. KECK: It is good to be here. We have a

17 little power point presentation and we are trying
18 to overcome some technical difficulties.
19 I have copies of my presentation and I am
20 more than willing to move forward and make the
21 presentation without the power point.
22 These are some of the things I wanted to
23 talk about today, transportation and mobile
24 source trends. I wanted to talk about travel
25 demand and vehicle miles of travel. Commissioner

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Keck

1 Campbell talked about that a a little bit.
2 In particular I want to talk about
3 transportation, land use and air quality and how
4 they intermesh with one another, and I want to
5 talk about what the DOT is trying to do to address
6 those types of issues.
7 And clearly when we start to talk about
8 those things there is a tremendous linkage between
9 transportation and land use. It is an issue that
10 has been talked about ever since I have been in
11 government in transportation for over thirty
12 years, it was talked about thirty years ago and it
13 continues to be an issue of debate.
14 But if we just looked at trends in travel

15 and demographics over the last thirty years what
16 we would see is a good news-bad news type of trend
17 in terms of how the environment has been affected
18 by transportation.

19 If we look at population and if we look at
20 vehicle miles of travel we will see that over the
21 last thirty years the population in this State has
22 increased by thirty-three percent, we will see
23 that vehicle miles of travel has increased by
24 almost one hundred fifty percent over that time.

25 Registered vehicles, tremendous increase,

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Keck

1 seventy percent. Vehicle miles of travel, the
2 number of registered drivers has increased
3 dramatically, over seventy percent in the last
4 thirty years.

5 But on the other side of the equation, if
6 we look at just VOC what we see are decreases over
7 the last thirty years, almost fifty-nine percent
8 decrease in VOC and forty percent decrease in
9 things like PM CO.

10 So it is a good news-bad news and clearly
11 what is happening in these increases, despite the
12 increases in population, increases in employment,

13 tremendous increase in vehicle miles of travel, we
14 are still seeing reductions in terms of emissions
15 and that is because of fuel, that's because of
16 technology, quite frankly.

17 If we look at travel and economic growth
18 and population, again, if we were to look at the
19 slide chart, which maybe we will see, Americans
20 have been traveling more than ever between 1980
21 and 1996, the number of passenger miles increased
22 by 1.4 trillion, so people are traveling more than
23 ever.

24 About ninety-six percent of all passenger
25 miles takes place in personal vehicles so

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Keck

1 obviously there is a love affair with the
2 automobile in this country. Certainly New Jersey
3 is part of that love affair.

4 But despite the rapid growth, route miles
5 and highway funding basically remains fairly
6 constant.

7 What we have seen is in the last thirty
8 years or so vehicle miles of travel have more than
9 doubled, but route miles of the increased by maybe
10 by three percent. In essence our transportation

11 system is pretty much here. There aren't a lot of
12 brand new projects and new roadways anymore being
13 looked at, there are some, but that's a very small
14 component. Most of the system is there.

15 Yet we see continued growth in vehicle
16 miles of travel.

17 If we look at other trends, if we look at
18 just the people that are driving alone, we see
19 small increases.

20 If we look at car pools we are seeing a
21 twelve percent decrease. Recently just in the last
22 few years we have seen decreases.

23 If we look at public transportation there
24 has been a major increase in the use of public
25 transportation, going up by about twenty-nine

Keck

1 percent just between 1990 and 2000.

2 In the last ten years we have seen
3 dramatic increases. Bicycle usage is going up, we
4 have seen a hundred percent increase in bicycles
5 over the last ten years.

6 Walking has decreased. Part of that,
7 again, you get to the land use issues here, it is
8 working together with the private sector in terms

9 of how we develop and how we can make it easier to
10 walk between buildings so you don't have to get
11 back in your car and drive down the main highway
12 or drive down the road to get to a restaurant
13 which is right next door.

14 Those are some of the issues we need to
15 work on in the public sector and municipalities.

16 Clearly we have seen more people working
17 at home.

18 You see the growth of the vehicle miles of
19 travel, in terms of population it has been
20 relatively flat and in terms of funding it has
21 been relatively flat.

22 And you can see some recent New Jersey
23 trends in just the last ten years, again some of
24 the things I was talking about.

25 Next slide.

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Keck

1 The simplified message here: Vehicles are
2 getting cleaner because of technology-- we talked
3 about that-- but people are driving more and
4 driving longer distances and so VMT is an issue we
5 need to continue to address.

6 The DOT mission is about balance. The

7 Department of Transportation is concerned about
8 safety, infrastructure, environment and we are
9 concerned about mobility; and how do we balance
10 those factors?

11 Clearly in the State of New Jersey we have
12 an aging infrastructure, we are an old State, we
13 have tremendous congestion, we are a multi-modal
14 State. We are one of the few States in the nation,
15 if you look at the DOT's capital budget this year,
16 it is almost fifty-fifty in terms of investment in
17 public transportation versus investment in
18 highways and other modes like aviation and rail
19 freight.

20 So there is a real struggle in terms of
21 how do we deal with the fragile environment, how
22 do we deal with safety, how do we deal with the
23 aging infrastructure and how do we try to decrease
24 congestion?

25 We try to promote programs that provide

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Keck

1 choices and reduce vehicle miles of travel. I
2 will talk about Smart Growth, transportation and
3 land use connection, support transit and reduce
4 travel demand, support innovative programs, and

5 implementing programs.

6 We are doing a number of things in our
7 capital program right now to try and help support
8 the Governor's initiative on Smart Growth.

9 The Department of Transportation has been
10 and continues to be very active in the State
11 Planning Commission and a partner with the DEP in
12 terms of how we try to make this a reality.

13 Fix it first, limit highway capacity
14 increases, congestion relief, stop subsidizing
15 sprawl and rebuilding suburban corridors.

16 Smart Growth and transportation:
17 Concentrate growth and redevelopment areas
18 of our older urban and suburban places.

19 And protect open space, increase
20 transportation options and availability and reduce
21 automobile dependency.

22 We are trying to implement these policies
23 through a number of ways. The Governor recently
24 held for the first time, for the first time I
25 believe in my recollection that a Governor

Keck

1 actually held a transportation forum in New Jersey
2 in New Brunswick that he spoke about a number of

3 Smart Growth principles.

4 Fix it first: We want to try to direct our

5 resources more toward safety and system

6 preservation.

7 We are trying to reduce our backlog of

8 deficient bridges. In the State of New Jersey we

9 have over six thousand bridges but I will tell you

10 that it is a tremendous challenge. About

11 twenty-five hundred of those are on State highway

12 systems. The vast majority of the others are on

13 the County systems and Authority systems, but we

14 face tremendous burdens.

15 Some of this infrastructure is very old,

16 some of it is very, very difficult to address

17 because it is in urban areas where you have

18 tremendous challenges in terms of addressing the

19 environment, addressing people and addressing

20 mobility.

21 We have just ten bridges in our program

22 and the cost of repairing those bridges could

23 easily exceed two billion dollars. So it is a

24 tremendous challenge that we face, and yet some of

25 these are absolutely critical.

1 We have tremendously aging infrastructure
2 in our State and we face major challenges as to
3 how do we continue to preserve that
4 infrastructure.

5 We also have recently done an analysis of
6 our interstate highways. A lot of our interstate
7 highways were built back in the early
8 nineteen-sixties. Much of the pavement is
9 starting to wear out. Just repairing pavement,
10 forgetting about adding lanes, but just repairing
11 pavement on the ground today over the next ten
12 years could cost easily 1.9 billion dollars, just
13 to repair the pavement that is taking a beating
14 today. We are talking about preservation of what
15 we have.

16 Next slide, please.

17 One of the things we want to do is limit
18 new capacity. Quite frankly, we still have a maze
19 of projects that have been in our capital program
20 pipeline for years. They are trying to address
21 major congestion points in our State. We have
22 them, you can go to any one of the twenty-one
23 Counties and point them out. Any of us that
24 utilizes the public transportation system or
25 highway system knows we have major capacity

Keck

1 issues.

2 But what we have done in our capital
3 spending program, no more than four percent of our
4 total 2.5 billion dollar capital program will be
5 used on major new capacity projects. We have got
6 tremendous demand, we have tremendous needs. We
7 need to balance those needs in a way that makes
8 the most sense, so we are again looking to
9 withhold and to hold off on spending a lot of our
10 capital resources on major new capacity because we
11 have such pressing needs and we need to balance
12 those needs.

13 We want to stop subsidizing sprawl. We are
14 working again with the Office of Smart Growth and
15 the DEP on Smart Growth criteria and to redesign
16 and defer some of our local projects that have
17 sprung up, we are looking to partnerships with
18 municipalities on how we can work together with
19 the private sector so that projects don't result
20 in further suburban sprawl.

21 A good example, Hillsborough. There was a
22 long-standing project to bypass Hillsborough, a
23 project that has been in the capital pipeline for
24 the past twenty years. It was being designed with
25 four interchanges, one at each end and two in the

Keck

1 middle.

2 Those two interchanges in the middle quite
3 frankly were there because the local municipality
4 saw the opportunity to grow.

5 We said, Wait a minute, what is the real
6 purpose of this?

7 The purpose is to provide a bypass, the
8 purpose is not to create and induce further
9 growth, so those two interchanges of the been
10 changed.

11 That's just one example of a project that
12 is going to move forward but it is a project that
13 we have changed the design.

14 Next slide.

15 In terms of urban centers and suburban
16 corridors, we are going to redevelop some of our
17 urban centers and redesign/ rebuild some of our
18 suburban strip areas. Much of our highways, Route
19 46, Route 22, are tremendously congested today,
20 they have a lot of safety problems and it is
21 because of the strip commercial development along
22 them.

23 Our proposed five year program does

24 contain funding for some key projects in these
25 areas. But, again, when you are looking at how we

30

Keck

1 can work together with local municipalities in
2 terms of designing these things and how can we
3 again create accessibility, a lot of the safety
4 problems are created by numerous driveways and
5 numerous points of conflict, how can we better
6 design those so that we can still support the
7 economic growth that has already occurred but at
8 the same time trying to improve mobility and
9 safety?

10 We are going to try to support New Jersey
11 Transit. Our capital program, in looking at the
12 2.5 billion, it is only a fifty-fifty split with
13 New Jersey Transit. One of the things we are
14 encouraging is the concept of transit village,
15 that is working with municipalities and saying,
16 Hey, let's look at this asset that you have in
17 your town called a train station and, you know
18 what, this can really be a magnet for really
19 changing your land use and your zoning and looking
20 at not just making the train station a departure
21 point to someplace where you go to work from but

22 it can be a destination, a really tremendous asset
23 to your municipality if we work together on land
24 use planning.
25 So we have tried to work with some of our

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Keck

1 municipalities to really change that focus and
2 also increasing some of our local aid programs in
3 terms of providing more dollars to have more
4 municipalities to do the planning and to do some
5 of the changes and try to encourage growth around
6 rail stations.

7 Sounds simple, doesn't it? Sometimes you
8 can lead the horse to the trough but trying to get
9 him to drink is easier said than done.

10 But one thing we have done, we have
11 established last year about seven transit
12 villages, now we have established our eighth,
13 Metuchen, and our goal is to double that this
14 fiscal year.

15 We are working with municipalities to talk
16 about how we can do that, how we can encourage
17 compact mixed use development within walking
18 distance of some of these stations.

19 The other goal is we need to increase

20 parking, again, Park-and-Ride. What is more of an
21 incentive for the use of public transportation
22 than being able to get to the station and having a
23 place to park?
24 Again, easier said than done.
25 Engineering-wise Park-and-Ride is easy. I am an

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Keck

1 engineer; I can build it.
2 I will tell you they become tremendous
3 issues for municipalities who, again, don't
4 particularly like the impact caused by them. It
5 is amazing how many times simple straightforward
6 projects become caught up in, " Not in my back
7 yard. "
8 One of the commitments of DOT is to add
9 twenty thousand new parking spaces over the next
10 five years. We are up to that challenge working
11 with the Authority, working with Transit to try to
12 provide that. And what better way to do that than
13 having a better place to park so you can use the
14 train, so you can use the bus?
15 Some innovative programs that we are
16 also trying to work on are context sensitive
17 design: " Hey, it is not DOT's project, it is our

18 project. " It is about how you work together to
19 try and say, " What are we trying to address? "
20 One is the transportation context. Another
21 context is the environmental context, and another
22 one is what is the community trying to do, what is
23 the population, do you have a lot of senior
24 citizens, what are the demographics we are trying
25 to address?

33

Keck

1 We are trying to change how we address our
2 projects. We are doing a lot more for the bicycle
3 program.
4 The number of applications we get for
5 these types of programs far exceeds the dollars we
6 are providing. We need to look at how we can do
7 more of that. We need strengthened access permit
8 control. The DOT has been a leader in this, we are
9 one of the few states in the nation that has
10 adopted a code of access. It was legislation
11 passed in the late nineteen-eighties and
12 legislation passed in the early nineteen-nineties.
13 We want to go back and look at that access process
14 to see how can we make it more Smart Growth
15 friendly so we are now focusing on that process.

16 That will be a project in terms of how we
17 provide better access to the development that
18 occurs along our major highways.

19 Again, we are looking to try to reduce
20 travel, and while a lot of these strategies aren't
21 the magic answer, we need basically to look at all
22 of the strategies at our disposal to try to
23 resolve the problem.

24 Ride sharing, van pools, alternate work
25 schedules, telecommuting, we put forth eight

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Keck

1 different transportation management areas in our
2 State and we work with the private sector at the
3 County level to try to encourage each of these.

4 The Department spends almost five million
5 dollars a year supporting transportation
6 management associations with the goal of looking
7 at these types of initiatives.

8 Lastly, let my just close quickly, meeting
9 the challenge, how do we address air quality,
10 congestion, land use and sprawl? It requires
11 multi-faceted solutions.

12 It requires new partnerships; we couldn't
13 do it alone. Clearly we need to have partnerships

14 with municipalities and Counties with our

15 environmental partners.

16 Innovation: We need to look at all

17 different strategies our disposal.

18 Those are some of the things the

19 Department of Transportatiion is trying to do to

20 try to be supportive of some of the major

21 challenges. It isn't easy but we are trying to the

22 best of our ability to meet the challenges and to

23 play a key role in the State.

24 MR. MANGANELLI: Maybe you can help me sort

25 out a couple of things here.

35

Keck

1 You were mentioning in a number of your

2 suggestions a regional approach, yet you talked a

3 lot about what you need to do with municipalities.

4 As you well know there is a bill being

5 introduced doing away with Municipal government

6 versus County government, and I am trying to sort

7 this out, whether it would be doing away with

8 Municipal government and go on to a regional

9 approach?

10 A lot of the things you are talking about,

11 the public transportation, is really regional, yet

12 you are trying to design it so you have the local
13 people walking to that so that there is a train
14 station which will serve the whole region and then
15 we have the problem with parking.

16 I would like to hear from you which
17 direction are you going in, are you going in
18 regional, are you going in local; which is the
19 better way to do it?

20 MR. KECK: I wish I had the answer but I
21 really don't.

22 I think clearly for a long time back in
23 the nineteen-eighties the Department of
24 Transportation proposed a piece of legislation
25 called the County Municipal Planning Partnership

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Keck

1 Act, and if we are talking about having
2 Municipalities work through their County
3 government to of the a more regional approach so
4 that you don't have one Municipality planning all
5 this development right at their neighbor's border
6 and the next Municipality fighting with their
7 neighbor, we don't want that, so the concept was a
8 regional approach.

9 And I think the regional approach is one

10 that works well.

11 Unfortunately our State is a home rule
12 State and the right to guard that home rule status
13 is one that all of the Municipalities have long
14 upheld as their right, so I don't have an easy
15 answer to your question.

16 I think your question is really a key
17 issue certainly that I don't know that any of us
18 in this room can individually solve but I think we
19 need to clearly look at how do we coordinate
20 planning to provide a regional type of plan that
21 supports all of the growth from the individual
22 components that make up that plan.

23 I think that's really one of the issues
24 that we still face in terms of State employees and
25 public servants trying to work together to see how

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Keck

1 we can make this work better.

2 I really don't of the the answer.

3 We do try to work with individual units
4 where we can on projects but we also try to really
5 look at the regional context to make sure that it
6 fits within some parameters of the regional
7 context:

8 MR. LIBRIZZI: How does State government
9 define " regional "; is it County, multi-Town?

10 MR. KECK: You know, it depends.

11 I mean you can define regions by-- there
12 are three major metropolitan planning
13 organizations in the State of New Jersey whose
14 goal is to do long-range transportation planning.

15 We have three metropolitan planning
16 organizations which are Federally supported and
17 mandated under Federal law covering the entire
18 State of New Jersey, which is unique.

19 We are the only State in the nation that
20 has three adjacent metropolitan planning
21 organizations that cover the entire State. In most
22 cases you don't have that.

23 Yet you have twenty-one Counties. Some of
24 those Counties are very progressive and have good
25 planning departments and really do I think good

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Keck

1 regional planning and work with their
2 Municipalities.

3 Others do not.

4 So it is a mixed bag, it really is a mixed
5 bag.

6 I think from a regional perspective that
7 is one way to go. There is a contention that
8 planning can't stop at County boundaries. It would
9 depend on the infrastructure that is already in
10 place. You are within zones.

11 MR. LIBRIZZI: I think the DOT is to be
12 congratulated for the efforts you told us about
13 but my question is this: Is technology available,
14 is there interaction between the DOT and DEP such
15 that your projects can be evaluated as to the
16 potential of improving air quality?

17 You mentioned Route 22 with all those
18 stores and a thousand and one driveways.

19 Is it possible for DEP to tell you that if
20 you were to succeed in reducing the driveways by
21 ninety percent or whatever it would be there would
22 air quality improvement and reducing by X parts
23 per million of CO or some measure of success that
24 would result by these local urban types of
25 improvements?

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Keck

1 Otherwise it may well be that you are
2 doing something good for the nerves of the drivers
3 on Route 22 but you are not doing anything for air

4 quality.

5 Is there an opportunity to evaluate the
6 success in the areas when you are talking about
7 these projects?

8 MR. KECK: Yes, and we do that on a
9 state-wide basis, we have a number of state-wide
10 models we have worked with DEP on for years, and
11 Bob Miller is here, he is one of our Bureau Chiefs
12 who assists in planning.

13 We work on state-wide models that try to
14 predict exactly what the impact is of traffic from
15 a certain type of improvement and how that affects
16 our air quality in terms of a state-wide
17 perspective.

18 But I will tell you that it is not
19 something that you can predict that accurately
20 because there are so many factors that enter into
21 it, but clearly we understand and know what
22 certain types of projects will provide benefits
23 for and certain types of projects that will not,
24 so we try to gear our strategies accordingly.

25 But when you get down to the micro-level

Keck

1 it is very difficult because there are so many

2 factors in terms of the Municipalities.

3 It is difficult to say this is good or
4 this is not good for air quality. It is easier I
5 would say to know in five years since you rebuilt
6 Route 22 what the improvement is and you say there
7 has been a change of X, Y, or Z, but we don't know
8 if it was because of that housing development
9 north of Route 22, so if you knew what is there
10 today would remain there you might be able to but
11 conditions are constantly changing.

12 I was recently at a public hearing down in
13 Wildwood and they asked, how come the Department
14 of Transportation never built the Route 65
15 Freeway?

16 You can argue from an air quality
17 standpoint if you built that freeway maybe you
18 would of the an air quality benefit, but you are
19 going through some of the most sensitive
20 environmental areas on the whole East Cost, and
21 you have to weigh all of the factors in terms of
22 benefits and in terms of environmental impact.

23 Clean air clearly is one, but you can't
24 forget about the others in terms of how we make
25 the decision, and that's why that project never

Keck

1 moved forward, because of that sensitivity that we
2 face.

3 MR. PAPENBERG: Being from South Brunswick
4 Township we actually straddle three Counties so
5 obviously we have a lot of challenges when it
6 comes to any type of planning.

7 One of my recommendations which I am sure
8 you are very familiar with and are interacting
9 with is the League of Municipalities. That is the
10 group that Municipalities turn to more often than
11 not on these issues, so I would encourage you to
12 continue working with the League both as to
13 Counties and as to Towns as to these challenges.

14 The other point I have is, one of my pet
15 peeves-- and I have discussed this with the
16 Council, it has come up time and time again-- is
17 in our our Municipality we have Route 522 which
18 actually bisects the Municipality east and west.

19 The way it was constructed it separates a
20 residential community from an area where there
21 were parks, and you had talked before about the
22 fact that families in order to of the access to
23 parks or recreation of the to take a car.

24 Is there something now that would require
25 when a highway is constructed that there has to be

Keck

1 incorporated some type of access to allow people
2 to cross the highway without being harmed, such as
3 a bridge or bypass?

4 MR. KECK: There are no rules or
5 regulations but the DOT looks at those factors
6 much more today than it ever did in the past.

7 The only context we used to look at was
8 the transportation mobility and capacity, and all
9 those other factors were just being brushed aside.

10 We don't do that today. There has to be a
11 balance here and the balance is about the
12 environmental context, community context and the
13 transportation context. All of those need to be
14 weighed, and we do that much more now.

15 MR. LIBRIZZI: If something like that
16 occurs and the community was very adamant about it
17 that could be a stopper?

18 MR. KECK: That could be a stopper. There
19 is nothing that stops projects faster than a
20 community saying, " We don't like the project. "

21 The fact is you have so many demands, so
22 much to do with so little dollars to meet the
23 demands, that there is nothing to stop something
24 faster than the community saying no.

25 Unless a project has tremendous need and

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Keck

1 extraordinary justification we are typically going
2 to say, " Okay, we are not going to move forward
3 on that project and we will go somewhere else. "

4 We have been extraordinarily responsive to
5 these types of issues and building crossings for
6 highways where people do have to drive to get
7 across the highway, we have cut down on that.

8 We don't of the the confrontational
9 battles we had years ago. Most difficulties of the
10 been worked out on a negotiated level, and as I
11 said, the quickest way to stop a project or a
12 large portion of it is to of the the Municipality
13 saying no.

14 I really believe that everything that I
15 have shown here is truly working and is becoming
16 very effective public policy. We are not perfect
17 but we are trying to change because the
18 realization is that unless we partner we are just
19 not going to be successful so we are really trying
20 to do more partnering with communities in order to
21 get things done.

22 MR. LIBRIZZI: At this point in time both

23 sides are blaming each other, the Municipalities
24 are the only ones who raise any money because we
25 have the local property taxes so they have the

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Keck

1 ability to impact the sociological fabric of the
2 State.

3 You mentioned the County several times and
4 you have some pretty innovative ideas but I don't
5 understand how this translates down to the County.

6 Can you in fact dictate through regulation
7 these concepts that are developed at the County?
8 They of the their Planning Board, they have a
9 Highway Department.

10 MR. KECK: There are certain things that we
11 through a regulatory process can dictate to the
12 County in terms of access on a State highway major
13 development which comes in and the access is on a
14 County road or on a Municipal street.

15 MR. LIBRIZZI: How does or does the State
16 government promote County or Municipal access
17 standards?

18 MR. KECK: One of the answers is we are
19 looking at access standards to see how we want to
20 try to change that in the future. Maybe you want

21 to apply some of those access standards to some of
22 the State roads as well. That's one avenue we are
23 going to investigate. A lot of the Counties have
24 been very progressive as well. They have a lot of
25 ideas and we have worked well with them, not all,

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Keck

1 but a lot of them of the, recognizing that this is
2 in the Municipalities and the Counties best
3 interest because they are facing infrastructure
4 and congestion and some of those dilemmas and they
5 know they need to try to help solve those problems
6 and we can only do that by working together.

7 MR. LIBRIZZI: The Commissioner mentioned
8 that the State government is looking at this map.
9 The question becomes in my mind, is the County
10 also looking at the map in the same context as the
11 State government.

12 MR. KECK: I am sure everybody is looking
13 at the map.

14 MR. LIBRIZZI: But maybe not in the same
15 way?

16 MR. KECK: The Counties have been for a long
17 time, it has come to the forefront now, but issues
18 with the State Planning Commission are something

19 that I think all the County and Municipal
20 governments have been concerned, about and the
21 dialogue continues, and I think that's healthy for
22 New Jersey.

23 MR. EGENTON: As Vice-Chairman of the Clean
24 Air Council I happen to be familiar with
25 environmental and transportation issues and there

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Keck

1 is a connection, and I want to thank you on behalf
2 of the Council for detailing it with your great
3 presentation here today and laying out the efforts
4 of your Division and we appreciate your efforts
5 and Commissioner Jack LaTier (phonetic).

6 We will present our findings in a formal
7 presentation in July and send it to the
8 Commissioner. There is a strong link between your
9 Department and the DEP and the efforts as to
10 congestion and Smart Growth and proper planning.

11 MR. BERKOWITZ: We thank you very much for
12 a very informative presentation. You can count on
13 hearing from us.

14 Don't be ashamed that you don't know the
15 answer to Dr. Manganelli's questions.

16 MR. KECK: He is asking the right

17 questions.

18 MR. BERKOWITZ: The next speaker is Joseph
19 Maraziti. Mr. Maraziti was the Chairman of the
20 State Planning Commission, and I will tell you
21 that if you take a look at the words that are used
22 commonly today, revitalization of urban areas,
23 refocusing our growth to prevent sprawl, these are
24 not new words, they appear in the enabling
25 legislation and we congratulate Mr. Maraziti for

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Maraziti

1 putting so many urban and suburban sprawl
2 questions in the public forum.

3 I think Mr. Maraziti has done a great
4 service in this State in providing the public
5 debate as to addressing these issues.

6 MR. MARAZITI: Thank you.

7 Good morning, members of the Commission
8 and members of the public. I appreciate the
9 opportunity of coming before you but I am humbled
10 before this group because I am going to talk about
11 a lot of things that you probably know a lot more
12 about than I do.

13 I thought I would start my presentation
14 and divide it into just sort of an overview

15 conversation about the issues as I see them,
16 having been on the State Planning Commission for a
17 number of years, and then talk a little more
18 focused about them, but the main thing I want to
19 do is take questions and engage in conversations.
20 The very first slide that will be up
21 there, I hope, is one that is designed to
22 demonstrate-- well, it will be the second one-- is
23 designed to demonstrate that everything is
24 changing; we are in a constantly changing
25 environment.

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Maraziti

1 We have an opportunity to help shape the
2 changes that are being made that we don't even
3 see. We don't see half of the changes that really
4 affect our lives as they are happening.
5 And one of the things I hope that happens
6 is that we get to that slide, but I appreciate
7 your help because I don't know how to do that.
8 That's not the slide, it is the next one.
9 I don't know if you can all read that. I
10 will read it because I like it every time I read
11 it.
12 This is from a New York Times book review

13 about a back. It points out that: "
14 Only fifty years ago"-- that's not very
15 long ago for somebody of my age--" the United
16 States was a very different place. The population
17 contained a small and declining number of
18 foreign-born, the result of strict immigration
19 quotas installed in the nineteen-twenties. Ellis
20 Island would close for good in 1955. Most blacks
21 still lived in the South, where where racial
22 segregation was the law. Blue-collar workers
23 outnumbered white-collar workers in this country.
24 The first Levittown had yet to be built. Few
25 couples got divorced. There were no supermarkets

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Maraziti

1 or shopping malls, almost no four-lane highways or
2 air conditioning, no television or ball-point
3 pens. More than half of the nation's farm
4 dwellings had no electricity. Tobacco companies
5 placed cigarette advertisements in medical
6 journals."
7 These are things that happened in our
8 lifetime without our really perceiving that they
9 are going on and this will continue as we are
10 standing here today; changes will be affecting in

11 Jersey.

12 I got interested in State planning because
13 I saw this as an opportunity for the citizens of
14 New Jersey to come together and decide what we
15 want the change to do for us, because it will come
16 one way or the other.

17 The next slide, please.

18 You know all these things: We are the
19 most densely populated State, growing at a rate of
20 forty-five thousand people annually. Thirty states
21 will experience more growth than New Jersey in
22 the next twenty years.

23 More residential building permits in Ocean
24 County in the last decade than any either County.

25 One half of New Jersey agricultural land

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Maraziti

1 lost since 1950.

2 We have the highest density of local
3 government in the United States.

4 The next slide.

5 This is an illustration of I think the
6 very powerful influences and changes we will be
7 experiencing in the next ten, twenty, thirty
8 years. This shows that as some people say New

9 Jersey will become the route of travel as the flow
10 of cargo from Southeast Asia comes through the
11 Suez Canal and arrives in the United States on the
12 East Coast where New Jersey is the gateway to the
13 continent on the east side of the country.

14 As you see as to the increase in the flow
15 of cargo, today eighty percent of that shipping
16 goes to Los Angeles, in 2020 it is predicted it
17 will be down to seventy-three percent. Then those
18 numbers shift even more dramatically.

19 What that means for new Jersey is that we
20 will have enormous influx of commerce arriving at
21 Port Newark, Port Elizabeth and when the harbors
22 are deepened ships like Maersk's which docked only
23 half loaded because of the depth problem I am told
24 that when there is no longer a problem a ship like
25 that of Maersk will offload cargo that will

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Maraziti

1 require a caravan of twenty-eight miles long of
2 tractor-trucks to move it out of the port.

3 That's an enormous impact on clean air,
4 highways and everything else.

5 And as I understand it that cargo will
6 arrive in an incompletely manufactured state,

7 there will still be some more processing that will
8 be required. It will have to go someplace for the
9 final, whatever is going to happen to it, and the
10 likelihood is that it will go to Pennsylvania,
11 which means our highways will be conduits to
12 Eastern Pennsylvania where the jobs will be.

13 Then when they are completely manufactured
14 they will come back to the market, primarily the
15 New York Metropolitan Region.

16 That's something I think we need to be
17 better prepared for than we are. We need to be
18 able to capture that process so we don't lose
19 jobs, we don't have traffic or congestion
20 problems.

21 All of us of the heard how we will of the
22 a million more people in the next twenty years but
23 more than one million more people than now are
24 expected to be living in this State in the next
25 twenty years.

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Maraziti

1 I think the most important statistic is
2 that the expectation of jobs will grow by some
3 eight hundred sixty thousand jobs. That means
4 unless things change eight hundred thousand more

5 cars on the roads in the morning and eight hundred
6 thousand more cars on the roads in the evening.

7 The next slide.

8 We have this in the State Plan. I have
9 copies of the State Plan in back on the table
10 there if anyone would like to have a copy of it.

11 These are the roads that show heaviest
12 congestion, severe congestion. I think things are
13 probably going to get worse. I don't think things
14 will get better in the short term, I think it will
15 get a lot worse before it gets better.

16 We are all talking about sprawl and I
17 thought it would be helpful to of the a
18 definition: A pattern of development characterized
19 by inefficient access between land uses or to
20 public facilities or services and a lack of
21 functional open space characterized by being
22 automobile dependent, single use, resource
23 consuming, discontinuous, there is no connection
24 with anything, and it is a low-density development
25 pattern.

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Maraziti

1 Next slide.

2 What I thought we would do is put up

3 something to show what we are talking about
4 graphically when we are talking about alternatives
5 to sprawl. These are graphics that come out of the
6 State Plan. You can get a sense from it of what
7 we are trying to show.

8 The first slide is showing existing
9 conditions of development looking through Central
10 New Jersey up to New York Harbor, you can see Long
11 Island and Connecticut on the other side, that's
12 what it looks like today.

13 The current trends if we keep doing what
14 we are doing, which we will probably do unless
15 something dramatic happens-- my message today is
16 be bold in all of your decision-making-- unless
17 something happens that is what we will have in
18 twenty years.

19 In twenty years, that's the condition on
20 the right side at the top, you can see spots of
21 green for preservation but basically it is paved
22 over.

23 Now, an alternative is this one down here
24 which is designed to show the same population, the
25 same number of uses but in a more concentrated

1 center base kind of design so there is more
2 compactness to it and the alternative to sprawl
3 that is laid out in the State Plan and the State
4 planning concept, the State Plan is not
5 anti-growth, the State Plan is designed to say
6 there is a different way to grow and it is a
7 different place perhaps in many cases so we can
8 maintain the future of this State that attracted
9 all of us to either come here or want to stay
10 here.

11 They are going to be obliterated unless we
12 do something quickly and dramatically.

13 The eight goals of the State Development
14 and Redevelopment Plan, I want to talk about the
15 first one-- I don't know what happened to the
16 numbers-- what should be number 1 is to revitalize
17 New Jersey's cities and towns.

18 And you will note it says cities and towns
19 because it recognizes that there are many
20 developed older communities in New Jersey that are
21 also suffering from the neglect and the
22 abandonment that essentially our largest cities
23 suffer.

24 So the goal of the Plan, the first stated
25 goal of the Plan, is to revitalize the State's

Maraziti

1 cities and towns. That's what we have mostly
2 turned our backs on and abandoned and we can't
3 afford to do that.

4 The second one is conserve the State's
5 natural resources and systems.

6 I thought I would put up here the policies
7 on air resources that obviously for this audience
8 are set up in the State Plan, and the first one is
9 state-wide coordination, and that is in developing
10 the State implementation plan to involve County
11 and regional governments.

12 And the other is to involve other States
13 and the Federal government into this broader issue
14 as well.

15 The next slide.

16 To continue, I want to talk about land use
17 patterns because this is part of our policy on air
18 resources, and that is, as you can see, to
19 establish and maintain growth management programs
20 at all levels of the government but promote center
21 based land use patterns that reduce automobile
22 dependency, shorten automobile trip lengths and
23 encourage use of alternative modes of
24 transportation.

25 That is really the centerpiece of what we

Maraziti

1 have to do in order to avoid the problems that I
2 told you about as well as to do it with clean air
3 and clean water, so it comes down to a common
4 solution to these problems, and that is the
5 interconnectedness between land use problems,
6 clean water and air resources is something we have
7 not paid enough attention to until Governor
8 McGreevey and Commissioner Campbell's putting them
9 in the forefront, and everybody is beginning to
10 talk about it and beginning to get it, and once
11 people get it I believe the right things will be
12 done about it.

13 The policies that we have in the State
14 Plan with respect to air resources, reduce vehicle
15 miles traveled and being conscious of global
16 warming and ozone depletion.

17 Now, everybody is talking about maps and
18 things so I couldn't conclude this presentation
19 without putting up the State Plan policy map. Of
20 course the color scheme is just the reverse of the
21 Big Map, the red areas on this map are ones that
22 would be largely green. I haven't seen yet an
23 overview or comparison of the Big Map and this one

24 but I understand they are largely the same.

25 You will see more colors on the Big Map,

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1 more nuances on it, areas of farmland as
2 distinguished from environmentally sensitive areas
3 which are laid out in the browner colors.

4 This map is a result of a consensus based
5 decision-making process that went through years
6 before it was accepted.

7 When this map was first done with the
8 development of the first plan in 1991 it pretty
9 much looked like this one.

10 When we went through the process of doing
11 the review of the plan in 2001, the years leading
12 up to that, the way that was done was upon request
13 from any interested area the Commission considered
14 adjustments to the map and we made any number of
15 adjustments to this map but we didn't make a zero
16 based planning map in 1991 and so there are, I
17 agree with Commisioner Campbell and those that say
18 that there are improvements that need to be made
19 to this version of the map because when the State
20 Planning Commission was working on this we didn't
21 have the the benefit of the data, the richer data

22 that is now available, fly-overs and landscape
23 projects that happened and have been developed
24 since this map was developed.

25 So I have urged that the Department send

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1 that information to the State Planning Commission
2 so the Commission can run that data through and
3 come up with one map.

4 I wanted to talk in terms of, when we talk
5 about the State Plan people think it is just a
6 land use document or environmental document, if
7 you like, but it is really a fiscal document. The
8 Legislature required that there be an independent
9 assessment of whether the State's adopting the
10 State Plan would be beneficial or detrimental, a
11 whole variety of fiscal points on the financial
12 side which under the State Plan if implemented
13 would save billions of dollars for the citizens of
14 New Jersey, reduce capital costs, a twenty-seven
15 thousand increase in work trip transit users,
16 fewer acres of land will be used and sewer pipes
17 and water pipes and so on.

18 Why hasn't the State planning been adopted
19 or implemented? Well, the first point I put up

20 there is it would require a change of long
21 ingrained behavior.
22 We are a civilization that results from
23 colonies with this genetic implant in our brains
24 that we must constantly clear the fields and keep
25 moving out, and we have done that quite well, not

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1 only in this State but the country, and we need to
2 take another look to understand what we are
3 leaving behind.
4 Also land use control is at the local
5 level, and that's the home rule issue, so it is
6 very difficult to get a consensus with five
7 hundred and sixty-six different Municipalities to
8 agree to move in a certain direction.
9 And of course we are seeing the ever
10 growing phenomenon of Municipalities now fighting
11 with each other, these border wars breaking out
12 from all over the place.
13 I come from Morris County. There are
14 several examples in our County of Municipalities
15 going to Court fighting developments of one or the
16 other. This is unseemly, this is just not the way
17 things should be done, but we have to recognize

18 that we have to deal with making regional
19 decisions at a regional level and that means some
20 change in what I believe is the laws that we have
21 at this point.

22 The next point is probably one of my
23 favorite topics, the real property tax system.

24 We have a tax system that is an incentive
25 for doing all of the things we are trying to talk

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1 ourselves out of doing because any public official
2 who understands how the economies of running a
3 Municipality works has to be looking for certain
4 types of retables and that makes for a ratable
5 chase for every ratable that everybody wants, and
6 I think that is a scandal because what we are
7 doing, we have a tax policy-- I don't blame the
8 Municipal officials, the Mayors-- but we have a
9 tax policy that is forcing us to turn our backs on
10 our own children.

11 This is a family unfriendly tax policy
12 that is driving us today; we don't want too many
13 kids around.

14 Now, if we carry that to the extreme-- and
15 we are on that course-- we don't want kids, we

16 want clean ratables, we want office buildings that
17 are generally located on the border of the
18 Municipality so the next town will get the
19 traffic. There are some variations on that but
20 the property tax system just drives the
21 decision-making in the wrong direction.

22 The last point is skepticism, that is a
23 big factor about the willingness to live in New
24 Jersey's Cities and towns.

25 We have created no choice for people in

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1 our State for housing and there is really only one
2 type of housing that we have invested our best
3 talent and our major amounts of funding in, and
4 that is the single family home in suburbia, so we
5 don't provide choices, and that's why many people
6 don't want to live in the Cities, because we
7 haven't made it attractive enough.

8 I ask the question: What is wrong with New
9 Jersey; why don't we have any world class cities?

10 We are a world class state. We have an
11 economy which has the highest incomes in the
12 country, we have an economy which if we were
13 separated as a country we would eclipse most of

14 the nations of the world, and yet we don't have a
15 city that people are clamoring to get into.
16 And that's being reversed all over the
17 State. In my law practice I am working with Cities
18 of New Jersey on redevelopment projects and
19 developers are coming and waking up to this, they
20 understand the opportunity. We have had impact
21 assessments done and we learned that there is an
22 you economic driver behind this, whether we have a
23 State policy behind it or not, that is, we are
24 seeing demographically our population is changing
25 their attitude of where they want to live. A fair

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1 number of baby-boomers or empty-nesters want to
2 live in a more walkable community where they don't
3 have to drive anywhere but walk and get a
4 newspaper and things of that sort.
5 Not everyone is anxious to do that but
6 more and more that is phenomenon.
7 The second one is young adults wanting to
8 lieve in a city, for example, Hoboken. This is a
9 trend, but we don't know: Will they stay there
10 when they have children?
11 And then the immigrant population coming

12 to New Jersey, coming from countries where people
13 live in Cities and they would rather live in
14 Cities, and they are coming to our Cities and our
15 Cities will be experiencing a revitalization and
16 rebuilding, and we have to help that and move it
17 along.

18 Governor McGreevey has moved the ball
19 forward. Governor Whitman, as you will remember,
20 in her second inaugural shocked everyone by making
21 this topic the topic of her second inaugural
22 address, a very important thing for her to do.

23 Governor McGreevey's contribution is
24 Executive Order number 4, gathering together
25 cabinet members to meet on a regular basis to deal

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1 with these issues. In his State of the State
2 Speech he talked about the Big Map which is the
3 focal point of this conference, and there it is as
4 of March 3. I think it has changed since then, and
5 as I said, the colors are somewhat reversed.

6 The next slide is the State Plan map which
7 shows the comparison.

8 And that is my presentation. I will
9 conclude by saying if you can sense from me a

10 sense of the urgency, I hope you do understand
11 that we have no time to lose. One professor at
12 Rutgers said we will be built out in thirty-five
13 to fifty years. I don't know if that's correct
14 but if it is off by ten or twenty years it is
15 still a frightening thought. That's why I say we
16 have to be bold in all of our decision-making.

17 MR. BERKOWITZ: I would like to begin the
18 questioning very briefly.

19 Some have alleged that the DEP has
20 overstepped its regulatory function in putting out
21 the Big Map and essentially becoming a land use
22 agency.

23 Where do you see the dynamic going between
24 the Department and its Big Map and the State
25 Development Commission and its map?

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1 MR. MARAZITI: First of all, I am a lawyer,
2 I don't know if I can answer the question of where
3 it is going but I will answer the question of
4 where I think it should go.

5 I think the Big Map is a very helpful tool
6 but I think the development of a single map to be
7 used by all State agencies and the private sector

8 and Counties and Municipalities ought to come
9 through a more open and collaborative process, and
10 that's what the statute requires be done in the
11 State Plan.

12 We had public hearings all over the State
13 with respect to that map. We went everywhere. In
14 addition to the public hearings, we had,
15 especially I, I insisted that our routine monthly
16 meetings not be held in Trenton but that we go to
17 different Counties all over the State.

18 We had a seventeen member Commission
19 irritated when they all of the time were getting
20 stuck in traffic going all across the State.

21 I think for a document like this to work
22 it is as important, it has to be a good document,
23 it has to be a good map, but it can be a great map
24 and still fail if there is not a sense of
25 consensus about it, if there is not a sense that,

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1 " I have had something to do with those
2 decisions," if there is not a sense that it comes
3 up from the people rather from the top down.

4 My plea is that the development of the map
5 proceed as I just mentioned at the beginning,

6 that the newer more updated information that DEP
7 has be delivered to the Commission and public
8 hearings be held and it go through that process so
9 that it can be integrated into everybody's
10 thinking, not just the thinking of one agency.

11 MR. LIBRIZZI: The Big Map and the
12 challenges that you suggest, it would seem to me
13 that we are talking about a time period that is
14 going to stretch out to solve these problem.

15 MR. MARAZITI: Yes.

16 MR. LIBRIZZI: What would you suggest in
17 terms of what we should be doing now as the major
18 paradigm shifts are being made, what should we be
19 doing now to fill that gap?

20 MR. MARAZITI: Everything we can. The
21 Governor has talked about the legislative package,
22 transport development rights is part of that, I
23 think that will work in limited situations, it is
24 not the solution.

25 If I had my wishes I would put property

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1 tax reform very near the top of that list. We have
2 to break the incentives that we have now that
3 cause us to go in the wrong direction and turn

4 that around to some more logical way to go about
5 raising money to pay for important government
6 services.

7 If I were to leave one thought in your
8 minds I would leave that one.

9 MR. LIBRIZZI: Do you think these regional
10 organizations can be instrumental in the early
11 stages?

12 MR. MARAZITI: Everything we deal with at
13 the State Planning Commission is based on the idea
14 of trying to get regional-- as I was talking about
15 before, Municipalities and land use control and
16 they do what you would expect them to do often
17 times, not every Municipality, but so many just
18 think about the perimeter of their borders, and
19 that used to make sense.

20 Home Rule today is different than what it
21 was fifty years ago. Fifty years ago Home Rule
22 made more sense to me then if you are talking
23 about a Municipality having this condition than it
24 does to me now because fifty years ago people
25 lived in one town, they slept there, for the most

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1 part people commuted to New York and Philadelphia,

2 and the kids went to school and the woman of the
3 house stayed home and did housework all day. It
4 made more sense to say, this is my home territory.

5 Now I ask you what is your home like
6 today? I consider my home territory to include a
7 number of different territories. I work and live
8 someplace, I shop in others and I feel that I have
9 as much a right to comment on what is happening in
10 the town where I work where I spend much of my
11 working day as I do in the town that I sleep in,
12 so we need to broaden the picture and the regional
13 approach I think is the answer.

14 MR. PAPENBERG: I am getting the message
15 that you are really emphasizing that the
16 fundamental problem here is the property tax
17 system that we have.

18 What would be your idea of an alternative
19 for funding government?

20 MR. MARAZITI: I was afraid somebody would
21 ask that question.

22 Well, everybody talks about the income tax
23 as an alternative. That is one. But I think a
24 state-wide real property tax system would also
25 change the dynamics in some way. That might be

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1 interesting to look at.

2 I understand the issue about the cost of
3 collection and distribution of the funds but it
4 costs a lot of money now with five hundred and
5 sixty-six Municipalities.

6 As somebody once said, if we were trying
7 to design a tax system that would do all of the
8 wrong things we have got it, we designed it.

9 We have to change it, modify it.

10 MR. BERKOWITZ: One last question in the
11 interest of moving along.

12 MR. EGENTON: Joe, just to add to your
13 thoughts on property tax, one of the incentives of
14 bringing the constituencies I represent back to
15 the Cities, I agree with you on it, is the
16 ratable chase. If you look at the number of
17 school districts you can get some ideas there but
18 I think the business community is trying to go
19 back to the Cities and there are some ideal Cities
20 that have made it work, Jersey City, Hoboken,
21 Trenton and Newark.

22 But it is not just the typical tax
23 incentives but there are also quality of life
24 issues.

25 If I move back to the City can my

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1 employees at lunchtime go out and grab a sandwich
2 and make it back safely to work?

3 There are some simple quality of life
4 issues we have heard time and time again from the
5 Governor and on down are important but I think
6 there are many levels that need to be addressed.
7 There are typical ways, here is a tax incentive,
8 come to Paterson and open up a shop, which is
9 great, but they are looking at some of the things
10 I just talked about.

11 MR. MARAZITI: I completely agree with
12 that. In my law practice our firm represents the
13 City of Perth Amboy where there are millions of
14 dollars of redevelopment in the works.

15 The Mayor understands this, and if you
16 were to go to Perth Amboy today as compared to ten
17 or eleven years ago, the sidewalk improvements are
18 fabulous, the lighting, the place is spotless. It
19 gives you a sense of being well kept and desired
20 and comforted.

21 And that's the kind of planning upon which
22 we have to build.

23 MR. BERKOWITZ: We are going to have to cut
24 it off. Thank you very much. We very much

25 appreciate your comments.

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1 (Short recess.)

2 MR. BERKOWITZ: Adam Zellner, Department of
3 Community Affairs, Office of Smart Growth,
4 Executive Director.

5 MR. ZELLNER:.. Good afternoon, almost
6 afternoon.

7 I have a copy of my testimony but rather
8 than go through the testimony, I just heard some
9 of the former speakers and Joe Maraziti, I thought
10 rather than go through some of the specific
11 details that are examples in there I would talk a
12 little about Smart Growth and then bring that back
13 around to how those principles that we are
14 supporting that the Governor has made a priority
15 in this administration would help lead to this.

16 I am the the Executive Director of the
17 Office of Smart Growth. I think most everyone
18 knows that Smart Growth has taken on a variety of
19 meanings in the last few months, my friends in the
20 Star-Ledger and other newspapers are doing an
21 excellent job of covering it.

22 I would like to read you an excerpt of a

23 definition and I would like you to keep in mind
24 this definition.
25 Smart Growth is the term used to describe

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1 well-planned, well-managed growth that adds new
2 homes and creates new jobs while preserving open
3 space farmland and environmental resources. Smart
4 Growth livable neighborhoods contain a variety of
5 housing types and costs supported by multi-modal
6 transportation. Smart Growth is an approach to
7 land use planning that targets the State's
8 resources and funding to enhance the quality of
9 life for residents of New Jersey.

10 That is the definition of the Smart
11 Growth.

12 Smart Growth can be seen all around us. I
13 think the common misconception is that it is just
14 about rebuilding Cities. It is evident in Cities,
15 you can see it in Elizabeth and Jersey City, but
16 also in the rebirth of some of our urban areas as
17 they help to redefine what they are and it can
18 also be seen all around smaller suburban towns
19 like Red Bank and Rahway.

20 Now, Red Bank is completing a major

21 redevelopment and in Rahway's case they are just
22 beginning redevelopment around their railroad
23 station, it is putting people out of their cars
24 and on to transit.
25 In rural towns like Chesterfield and

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Zellner

1 Hope-- some people believe that Smart Growth is
2 just about the Turnpike and Parkway corridor, it
3 is not, it is also about rural communities looking
4 to preserve their charm and quality of life.
5 That is the definition of Smart Growth and
6 that is a difficult task for New Jersey to
7 accomplish. How will we do it?
8 Governor McGreevey really laid out a very
9 comprehensive plan and aimed at getting those
10 Smart Growth principles implemented two ways: In
11 our internal world of State government which are
12 the departments of New Jersey, and our external
13 policies, Municipal governments and County
14 governments that actually control the land use in
15 our State under Home Rule.
16 So I think I will start out by describing
17 the internal and external arms, how they work
18 together, and I will bring that full circle to the

19 principles of why we are back here today and allow
20 the Panel to ask me some questions.
21 The internal arm is our government agency,
22 the Smart Growth Policy Council is the internal
23 arm and it is made up of the members of the
24 various departments throughout the State.
25 Their job is really to look at how we as a

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1 State are focusing our efforts in determining
2 where it is we are going to go to grow and
3 preserve. We spend quite a bit of money in New
4 Jersey every year on a variety of things,
5 infrastructure, roads, highways, utilities, water;
6 so how we as a State promote growth often dictates
7 what the private sector does.
8 Where the public sector is looking to
9 invest the private sector follows the public
10 sector in those older Cities and older suburbs.
11 So the internal arm really coordinates how
12 we spend money. It is about making sure that we
13 are all on the same page in terms of where we want
14 to promote growth, where we want to accommodate
15 growth and where it is we want to see
16 preservation, where our resources, water, farmland

17 resource are valued, and where we want to see the
18 State not investing its dollars to help subsidize
19 that very sprawl which is a diminishment of our
20 quality of life that we enjoy here in New Jersey.

21 In years past you would have the DOT
22 building a road to a place that the Department of
23 Commerce knew nothing about and you would have the
24 the DEP in the end saying, " You have wetlands
25 concerns there." Departments did not communicate

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Zellner

1 so we didn't often know what the right and left
2 hands were doing.

3 Under Governor McGreevey's internal arm of
4 Smart Growth that policy is changing and that's
5 the internal arm of what we do in Smart Growth.

6 The external arm is how we communicate
7 those policies, funding decisions I just described
8 to the external partners that control land use in
9 our State Municipalities and Counties that have a
10 relationship to Municipalities and land use.

11 Our job at the Office of Smart Growth is
12 to work with the Municipalities and Counties to
13 look at growth and transportation plans, to make
14 sure that our local governments are looking to

15 grow and preserve the infrastructure.

16 I will give you an example of why it is so
17 important to have this coordinated especially in
18 these difficult fiscal times.

19 I think all of us know the example of a
20 town that builds on an open field four hundred
21 houses on the edge of its border to the next town.
22 Now there are traffic concerns because the State
23 didn't know that local roads would have to be
24 developed and the State gets involved to come in
25 widening the roads, new infrastructure, et cetera.

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Zellner

1 So we have already built the houses and
2 now we need to take some frontage from peoples'
3 driveways to pave that road. The State is called
4 in and because of the development now Green Acres
5 is called and says, " We need open space," so now
6 the land is triple the price it was if we had
7 planned for that open space because there is this
8 development.

9 So the Municipality is developing it and
10 the State is catching up. Even when the State is
11 catching up the State is a partner. So what you
12 now have is a marriage of the internal arm that I

13 described and the external arm, our Office with
14 the County and Municipal partners that we work
15 with.

16 The idea is to support and promote the
17 Smart Growth principles that I will describe again
18 in a second but also to make sure that we are
19 working with them so we understand where they are
20 looking to grow and preserve so we get the
21 opportunity of mass transit, well designed
22 communities, compact, mixed use, green spaces, the
23 kind of things that make our communities both
24 livable and sustainable and also reduce the auto
25 dependency that helps destroy the air quality in

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Zellner

1 the State and our quality of life because our
2 infrastructure is always trying to catch up.

3 It is very hard to catch up when the roads
4 are built and the cars are on the road.

5 We are working very hard with the other
6 State agencies including DOT and DEP to make sure
7 that we are looking at their priorities and what I
8 will call their mapping system. The DEP has come
9 out with the Big Map and we are looking to make
10 sure that that map is coordinated with the State

11 Plan so that there is one depository for all this

12 information.

13 In addition the DOT has just announced a

14 ten year capital improvement plan. We are working

15 with them to make sure that that information will

16 show where it is we are going to be investing, so

17 at the end of the day we have a functional piece

18 where a developer, Municipality, private company

19 can come in and look at where localities are

20 looking for growth, the State Plan, where the

21 State regulatory laws will allow that growth, a

22 portion of the regulatory map where the State's

23 investments in infrastructure are, and finally

24 where agricultural land is not being preserved so

25 that you don't have that sometimes conflict

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Zellner

1 between development and preserved land.

2 So the idea is making it a financial tool,

3 a depository where people can actually receive a

4 predictable system of development in New Jersey;

5 that's what we are going to try to do here.

6 That brings me to the principles that we

7 are promoting through the office of Smart Growth

8 and they are specific as they relate to air

9 resource policies which I think will tie back to
10 some questions by the Panel. The state-wide
11 coordinated planning at all levels of the
12 government should be coordinated to ensure that
13 both land and capital facility development will
14 lead to attainment of National Air Quality
15 Standards to make sure we are promoting the type
16 of growth, compact, mixed use, green spaces,
17 walkable communities, mass transit accessible
18 communities.

19 Two, regional-interstate coordination:
20 Undertake cooperative regulatory, land use
21 development and transportation programs by the
22 State to meet the National Air Quality Standards
23 through research and cooperation with other states
24 in the region and with appropriate Federal and
25 interstate authorities.

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1 Our Office is already working with the
2 Governor of Pennsylvania in looking at Route 78
3 and Route 80. We recognize if you are only
4 looking at solving the problem by just looking
5 in New Jersey the traffic problem would still be
6 here and that we need to look at what our friends

7 in both Pennsylvania and New York and Connecticut

8 are doing.

9 Land use patterns: Maintain growth

10 management programs at all levels of government

11 that promote center based land use patterns.

12 We have seen a change in New Jersey in the

13 last twenty or twenty-five years, I won't go into

14 it, but it basically is where growth was occurring

15 and investments were taking place that has allowed

16 sprawl to creep out, people moving out of the

17 Cities and into the suburbs, and it promotes auto

18 dependency. As you go further and further out mass

19 transit doesn't exist. There is a catching up with

20 infrastructure all of the time, so really what you

21 have is auto dependency and it means widening of

22 roads one or more lanes, the roads have to be

23 widened all of the time.

24 Carbon monoxide hot spots and ozone:

25 Address transportation mobility choices, use of

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Zellner

1 clean alternative forms of energy and development

2 or redevelopment activities in areas where there

3 are carbon monoxide hot spots and ozone problems.

4 What we are seeing right now with the

5 Light-Rail is a rebirth of commuter transportation
6 in very exact areas. We are now seeing new
7 programs called the Transit Village Program, which
8 I am heard sure you have heard about, which
9 promotes living next to the train station, and we
10 are going to see additional programs that will
11 promote living and working, proximity of living to
12 where you work or you can get there easily,
13 employers who are located on mass transportation
14 hubs where employees are located as well on hubs.

15 Vehicle miles traveled reduction: Promote
16 trip reduction strategies and plan for better
17 local and regional land use patterns, looking at
18 how we develop so we can promote mass transit.

19 A ferry system coming on line is a
20 wonderful example of how redevelopment will look
21 from Keyport, Atlantic Highlands, Perth Amboy,
22 people going to New York can take the ferry.

23 These are the kinds of of things we look
24 at, how we are going to get the resources around
25 people that will promote Smart Growth.

Zellner

1 Air quality and biosphere: Promote
2 policies that reduce acid rain, global warming,

3 ozone deletion, sea level rise and other
4 pollutants transport mechanisms and toxic
5 emissions in general through the principles of
6 Smart Growth; again that mix use development that
7 looks to use our existing infrastructure.

8 And that in a long-winded speech is about
9 Smart Growth, an overall description of it.

10 MR. BERKOWITZ: Thank you very much.

11 MR. MANGANELLI. What estimate would you
12 make, thinking about open space in a sustainable
13 environment, of the number of people that New
14 Jersey could support? We have what, approximately
15 a thousand people per square mile, and we have got
16 eight thousand square miles approximately; what
17 would you say if you projected that out, because
18 you keep talking about growth, but there has to be
19 some place where we stop growing. The census has
20 projected the magic number of about a million
21 people over the next sixteen years, over the next
22 sixteen years that's what they estimate, and I
23 will tell you, those estimates vary.

24 MR. ZELLNER: We have looked at this and I
25 will tell you that just in the big eight Cities

1 what has happened over the last twenty years is we
2 have lost over three hundred eighty thousand
3 people who moved out of the Cities to other
4 places, and they moved out for a variety of
5 reasons, not everybody wants to live in the city,
6 but it is very difficult to give you a build-out
7 analysis because land use is locally controlled in
8 this State.

9 I can't tell you what every town is zoned
10 for that will tell you exactly how much space will
11 be absorbed. I can tell you about brownfield
12 redevelopment of industrial areas that certainly
13 are all over our State; the Turnpike Corridor,
14 Route 130, the Parkway. Gray fields are the
15 former industrial shopping centers, Bradley's and
16 K-Marts are in Chapter XI, abandoned all over.

17 We are looking at making growth
18 sustainable.

19 Part of what you had happen, in the City
20 of Englewood, the type the growth at that time
21 wasn't sustainable, they did not look at open
22 space, mixed use shopping.

23 If you had told me-- my grandmother in
24 Jersey City twenty-five years ago said that I
25 wasn't allowed to go to Bayonne, it was the one

Zellner

1 place she wouldn't go or let me go-- if you had
2 told me twenty-five years ago that a two block
3 private investment would have led to redevelopment
4 of that place and it would be regentrified by
5 fifteen thousand people living on the Transit line
6 I wouldn't have believed it, so the answer is we
7 have not looked at every town and how much growth
8 they could or could not absorb.

9 I can tell you that, yes, we can over the
10 next sixteen years absorb the people in a way that
11 still protects our open space and in fact it
12 encourages that redevelopment. I can tell you
13 right now in Rahway, there they opened their
14 Transit station up and they are waiting for
15 business to come in.

16 MR. MANGANELLI: A million people will be
17 coming in in the next sixteen years, that will
18 take us to nine million people, and then in
19 another sixteen years another million people. What
20 are we looking forward to?

21 The idea of doing what you are talking
22 about, the open space that you are talking about
23 saving, but is there just growth for forever?

24 MR. ZELLNER: I can't answer that, but
25 there is a big difference between a trend and a

Zellner

1 plan. If you do it by trend what you get is the
2 same type of development problems as we have now;
3 they will continue marching out 78, 80 287.

4 If you plan so that you are encouraging
5 redevelopment and actually trying to focus the
6 people where you want them then you do protect the
7 resources so that this State will look like the
8 State we want it to be. The policies of the State
9 promoted, actually created sprawl.

10 MR. MANGANELLI: Can we support twenty
11 million in people in New Jersey?

12 MR. ZELLNER: Probably not.

13 MR. MANGANELLI: I am trying to get a
14 number.

15 MR. ZELLNER: There is no magic number.

16 MR. MANGANELLI: What would you say, what
17 would you suggest?

18 MR. ZELLNER: I can't give you a number. I
19 can't talk for local towns, what they are looking
20 at.

21 MR. MANGANELLI: You are sitting up there
22 with an overview of the overall State, you must
23 have some idea.

24 MR. ZELLNER: Twenty years out, a million
25 persons; do I know beyond that twenty years? No.

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Zellner

1 MR. MANGANELLI: But you are not going to
2 stop there. Those people are going to multiply.

3 MR. ZELLNER: Our State is growing but the
4 majority of the population that is growing is the
5 immigration population.

6 And I can say this much: We are planning
7 right now for the million people that I know or at
8 least that are expected to come in so that sixteen
9 years from now the State has all of the qualities
10 that we moved here for in the first place and
11 still has something for our kids and grandkids to
12 have.

13 MR. MANGANELLI: You keep saying we have to
14 catch up when we have this uncontrolled growth
15 and I agree with you but I submit you are also
16 going to play catch-up when you start to implement
17 your plan in terms of refocusing growth to urban
18 areas without the infrastructure, be it roads,
19 storm sewers, outflows. The question really
20 becomes, if you take a look at that map, and that
21 map has a-- the Big Map, the map has a very strong

22 water resource bias, if you were to take and plot
23 air pollution problems perceived and real you
24 would have a mirror image of that map.
25 There are existing air pollution problems

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Zellner

1 which are primarily transportation related, but
2 isn't there going to be a time period when we are
3 again playing catch-up?
4 MR. ZELLNER: It will be a difficult road.
5 What has happened in the past, the reason we get
6 into this situation is because we have allowed the
7 investment to flow out and as you have allowed
8 that investment to flow out ever one of those new
9 projects gets right back on the repaving list done
10 for a new road, five years from now it is on that
11 list, so we are stretching our resources thin.
12 The idea of Governor McGreevey's
13 initiative is the refocusing of those current
14 dollars back into those areas to get done that
15 infrastructure and to move ahead of it.
16 The second thing is we have seen major
17 investments in transit, twenty-two transit
18 villages, and the ferry locations from the Port
19 Authority, so we are putting some infrastructure

20 investment in first. Infrastructure will go in
21 around the train station prior to it coming in and
22 it will continue to happen as you bring together
23 the plan of the DEP, you will get water and
24 capacity, and with the DOT you look at investment
25 priorities and with the Office of Smart Growth

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Zellner

1 ultimately it has to translate into local land use
2 law.
3 We put that together so we can focus on
4 where we do need to go. A good example is the new
5 Category 1. It will elevate the quality of life,
6 so you need to look at how C-1's designation
7 affects your ability to grow because you can't
8 grow unless you are doing something with the
9 wastewater and if the wastewater is going into the
10 C-1 waterway, you always had a town permit and it
11 goes for a year or two but growth happens and it
12 is not connected to anything that the State knew
13 about.
14 We have the developments that happened
15 that are going to cost the Turnpike one hundred
16 million dollars with congestion, pollution,
17 because the capital improvements in Municipalities

18 were never translated to the Turnpike. We have to
19 have the access by trucks to move in and out.

20 MR. LIBRIZZI: How would that particular
21 situation operate today?

22 MR. ZELLNER: If we had looked at the
23 growth maps and the zoning that the towns had had
24 and if those those plans would have been
25 translated to the Turnpike, the Turnpike could

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Zellner

1 have made the capital investment some years ago
2 rather than reacting now when the trucks and cars
3 are already there.

4 MR. LIBRIZZI: What is in place now to do
5 that in terms of clean air?

6 MR. ZELLNER: Internally and externally,
7 you finally now have the Department focused and
8 communicating with our office and we are
9 communicating with our external partners so that
10 literally you are seeing County by County plans
11 come in and we are coordinating those plans,
12 growth and preservation plans with the Policy
13 Council so the decisions they make are done in a
14 way that we know and we can say, By the way, we
15 know Cumberland is looking to do this and we may

16 want to look at redeveloping this or addressing

17 this.

18 MR. BERKOWITZ: This is an important

19 discussion, I don't want to preempt the discussion

20 process.

21 We have four questions, there may be a lot

22 more, but let's bring it down now.

23 MR. FEYL: You keep referring to local

24 zoning and not being aware of what local

25 Municipalities are doing.

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Zellner

1 How did you recognize those policy

2 decisions that do violence to the overall object?

3 The Lakawanna cut-off from Scranton to New

4 York will cut down vehicle miles ridden on Route

5 80 but it will also open up a whole corridor of

6 development opportunities. How do you prevent that

7 and reconcile that with Smart Growth in addition

8 to the fact that the engines driving that will be

9 diesel driven so we get to the clean air issue at

10 some place?

11 MR. ZELLNER: Let me start with, I can tell

12 you, number 1, the Governor has come out very

13 strongly in opposition. It is a Court mandated

14 decision in respect to towns if they have not
15 looked at their affordable housing obligation.
16 The Office of Smart Growth is working aggressively
17 to help towns that don't have the certification to
18 move forward. We are working very hard to show the
19 Municipalities that having an affordable housing
20 plan is not a bad thing. In fact it can be done in
21 such a way, it is in line with the community's
22 obligations and if you don't do it all these plans
23 go up in the air because you leave yourself
24 liable.
25 Lakawanna, the DOT is looking at a ten

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Zellner

1 year priority system and the DOT in conjunction
2 with Transit are looking at a variety of options
3 to help create ways of moving between areas,
4 especially where you have regions that are not
5 necessarily on the Turnpike corridor, but growth
6 regions outside of that area and how do you move
7 between them?
8 So they are doing some of that now.
9 I will tell you as to the priorities, the
10 the Lakawanna cutoff is going to be a big Federal
11 project, so I think from the DOT's perspective

12 they are looking at this issue right now both as
13 to train corridors and highway corridors, how we
14 get from one Smart Growth area to another.
15 Water supply, where is our affordable
16 water supply? I will say from a planning
17 perspective what we are looking to do and why we
18 are looking to incorporate that data into State
19 planning is to look at where we do have capacity,
20 where it is that the localities are calling for
21 growth and where there is a mismatch and where
22 there is, what kind of new technological
23 innovative system can we look to to deal with
24 that?
25 A second issue which I will raise but I

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Zellner

1 don't have an answer for, what do you do in the
2 rural areas? We have a lot of the rural areas
3 that are talking about transfer of the development
4 rights and how they could increase density of
5 certain areas. Part of that problem is how do you
6 do that if you don't have sewers, because septic
7 only allows for so much density, without extending
8 sewer lines which you don't want to do because
9 that will cause further development.

10 Part of what you do is look to coordinate
11 the resources that DEP is looking at, water, et
12 cetera, to make sure that local growth will work
13 with those resources. It never existed before.
14 Each person applied for a permit and waited for a
15 permit but you never knew how many permits were
16 out and the water supply company said, we have
17 capacity, so it is now being done for the first
18 time in a logical way, planning, looking at water
19 supply as its relates to growth projection,
20 working together to explain to our Municipal
21 partners, this is a growth area, this is the water
22 supply.
23 All this needs to come into a place where
24 you can communicate it to the folks doing land
25 use, the Mayors and Planning Boards. These are

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Zellner

1 decisions made at the local level, and maybe there
2 is a vacuum because you don't understand what the
3 State resources are or you have to call thirty
4 people or look at thirty documents to find out.
5 The idea of putting that all in one single entity,
6 my Office, which coordinates with the external
7 partners, has not existed before.

8 MR. PAPENBERG: It is like the line from a
9 famous movie, the gentleman said, what we have
10 here is a failure to communicate.

11 Having been in South Brunswick fifteen
12 years I recall for many years discussions with the
13 Turnpike authorities about-- clearly people asked
14 people at the Turnpike Authority are they aware of
15 what was going on in the area, that each
16 Municipality has to develop a Master Plan, and now
17 in the age of electronic technology it could not
18 be that difficult to collect those master plans to
19 get a picture of what is going on throughout the
20 State.

21 I would ask for your comment on the
22 previous speaker's discussion of the issue of the
23 chase of ratables and the property tax system that
24 we have and how you perceive that as being a
25 barrier and how that barrier can be addressed?

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Zellner

1 MR. ZELLNER: Yes, there were
2 communications back and forth. The problem is the
3 communications never led to any policy changes on
4 either end. So what you need is an entity that
5 will do that through a planning process. That's

6 what I meant, not that the governing body doesn't
7 communicate about the projects, the problem is by
8 the time the project gets into the ground it is a
9 whole different governing body.

10 Towns do update their Master Plans but
11 most residents are not aware of what that Master
12 Plan is. I don't fault anybody for not knowing,
13 but I am saying because of that it is very
14 haphazard planning in the sense that the Master
15 Plan is not updated to look at current
16 environmental issues, current planning, current
17 regulations, and the government switches, people
18 rotate, but how many of them really examine and
19 are aware of the changes?

20 The second issue, really Master Plans are
21 great but again most residents don't know about
22 it, and if you go down the road and this
23 development which has always on the books, there
24 is a lawsuit, and everybody knows what happens
25 from there.

Zellner

1 And finally on Master Plans, one of the
2 key elements is that Master Plans don't look
3 beyond their borders. They don't help to

4 coordinate regional plans in terms of these are

5 growth corridors.

6 Part of the reason that coordination has

7 not occurred is because towns have to get the

8 money in that they need to do whatever it is they

9 want to do.

10 Part of what the Governor has done is the

11 legislative package to help try to provide some of

12 that transfer and development rights so you can

13 use between the Municipalities growth zones and

14 open space zones but have a ratable sharing

15 system, regional planning, looking at impacts

16 off-site and on-site, so we can begin to start

17 this dialogue.

18 I know the next logical step but I can't

19 go to the Legislature and get it done, but we are

20 certainly expecting to weigh in on it, but what I

21 can do today is provide the tools that will help

22 make this work because we recognize there has to

23 be some way of sharing ratables, sharing impact

24 across borders.

25 MR. BLANDO: As to Smart Growth and planned

2 does industry figure into Smart Growth,
3 particularly manufacturers?

4 MR. ZELLNER: We have met with a number of
5 groups and they generally like the idea for three
6 reasons: One, predictability in all major
7 developments. If you create a system where you
8 put your resources together that looks at
9 environment, infrastructure and local growth into
10 one place you get a predictable growth.

11 The second element is industry is also
12 happy when plans for residential growth happen
13 where they want it to happen. Sometimes you run
14 into situations where industry runs up against a
15 neighborhood, which is from planning, there is an
16 entrance to the plant here and an entrance to the
17 neighborhood right here, and you run into that
18 conflict, so they are also happy to see towns look
19 in the mirror and plan in a rational way what is
20 being done.

21 The type of industries that we see in New
22 Jersey, the growing industries in our State,
23 whether it is retail or storage from the Port
24 business, big boxes, they are happy looking at the
25 Turnpike, Port Authority of New York and New

Zellner

1 Jersey, Port Authority of Pennsylvania and New
2 Jersey, to see what the Port Authority will do in
3 terms of the activity that will mean in terms of
4 big boxes and how in the State we can help them
5 plan for that redevelopment, you know, take the
6 the Turnpike, drive north, get to Exit 11.

7 They have the infrastructure, direct
8 access to the Port and direct access to 78 or 80
9 to go to Pennsylvania, so they are very interested
10 in the program.

11 MR. BLANDO: Does the Smart Growth plan
12 provide any incentive for that?

13 MR. ZELLNER: Part of that internal
14 coordination is the fact that we line the
15 incentives up because we are aware of what they
16 are doing and feeding it through and none of this
17 happens unless you have an investment to make.

18 MR. LIBRIZZI: We have spent almost the
19 whole morning talking about Smart Growth, talking
20 about State plans and about the Big Map and you
21 suggest, and I agree with you, that major
22 redevelopment of the brownfields are going to help
23 the urban areas.

24 MR. ZELLNER: And suburban.

25 MR. LIBRIZZI: Many of which are in

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1 Northern New Jersey and the Parkway and Turnpike
2 people are still commuting from south to north and
3 they will continue to do so.

4 From your perspective how will all this
5 planning that we have now provide some benefit to
6 reducing the amount of transportation we have got
7 from the south coming to the north?

8 MR. ZELLNER: In South Jersey we are
9 working with Burlington County, with the Cities of
10 Camden and Trenton, on the Route 130 corridor and
11 Light Rail, so we can look at what industry wants
12 to locate between Camden and Trenton so people can
13 actually commute to where they want to go.

14 From an industry perspective we are
15 talking to them about Route 130 and the East-West
16 Corridor so we are talking about connecting the
17 transit hub, 295 connects with Transit's hub and
18 you get people to the industries they work in so
19 you don't just haphazardly sprawl along 130.

20 That's how you do it. You have to put the dollars
21 and resources into the plan.

22 MR. LIBRIZZI: Implementation is the name
23 of the game?

24 MR. ZELLNER: Yes. That's with the Star

25 Ledger as the bully pulpit helping us to do that.

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1 MR. BERKOWITZ: Thank you, Mr. Zellner. We
2 kept you on the hot seat for fifty minutes. I
3 would like to invite you back to attend one of our
4 Council meetings in the near future. I think there
5 is a lot of room for discussion.

6 Michael Moltzen, EPA Region II, Mobile
7 Source Team Leader.

8 MR. MOLTZEN: I would like to take this
9 opportunity to talk about some of the programs
10 that EPA thinks can help address the larger
11 problem and I asked Angela to put me on just
12 before lunch to limit some of the questions.

13 MR. BERKOWITZ: It won't work.

14 MR. MOLTZEN: But I am thinking of some of
15 the programs that would help address the larger
16 problem and in terms of some of the innovative
17 programs that come to mind they all happen to be
18 voluntary programs.

19 Hopefully by the end of my presentation
20 you will see that they address the problem in a
21 meaningful way and I would hope you also would
22 take these ideas to your associates in the

23 private sector and that you yourselves will
24 consider some of the programs that are in there, a
25 brochure showing leadership initiatives.

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1 As I was mentioning, the EPA believes that
2 our innovative voluntary programs can be very
3 effective in terms of reducing air pollution of
4 motor vehicles. These programs seem to be very
5 cost effective. It is important to note that they
6 exist because of strong partnerships that are
7 built between the public and private sectors both
8 with small and large businesses, citizen groups,
9 industry, manufacturers, trade associations and
10 State and local government are all definitely
11 important groups in the process.

12 This slide illustrates that in 1996
13 highway vehicles contributed forty percent of New
14 Jersey's total volatile organic compound emissions
15 and forty-four percent of the total nitrogen oxide
16 emissions from all source categories.

17 Also the second bullet points out that VMT
18 per day in the State is estimated to increase by
19 almost sixteen million between 1996 to 2005.

20 The last bullet illustrates that a

21 Voorhees Transportation study recently estimated
22 that the vast majority of freight in and out of
23 the State is carried by trucks.

24 This is just a listing of a sample of some
25 of the successful programs that we are working on

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1 in the EPA: The voluntary diesel retrofit program
2 is a national program that seeks to encourage
3 private fleets to use retrofit equipment, it all
4 adds up to cleaner air.

5 And the public information and education
6 campaign that seeks to educate the public about
7 the links between traffic congestion and air
8 quality and simple things that can be done to help
9 alleviate the amount of the emissions from that
10 particular source.

11 We have provided a Web based tool which
12 informs prospective vehicle purchasers about the
13 most environmentally beneficial vehicles that they
14 can buy that fit the needs they are looking for.

15 The Web site gives the comparative
16 ratings.

17 The next program I want to focus on is the
18 commuter choice leadership initiative, which is a

19 program that addresses in a voluntary innovative
20 way the challenges in the State as to employees
21 going to and from work.
22 And a second program is the Smart Way
23 Transport program, which is very new. That aims to
24 reduce emissions of greenhouse gas and emissions
25 from the freight sector.

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1 The next program was created by DOT to
2 create a National Standard of Excellence for
3 commuter benefits for employers that have an
4 outstanding package of commuter benefits for
5 employees. Commuter Choice Leadership Initiative
6 is the name of this, it represents thirteen
7 hundred employers with six hundred thousand
8 employees.
9 The criteria for the Commuter Choice
10 Employer designation, the employer has to
11 designate point of contact and centralize
12 information, communicate commuter benefits to
13 employees and offer commuter benefits package
14 which includes guaranteed ride home, which is
15 important for people with a car pool, one of four
16 primary options, three or more supporting options,

17 meet performance benchmark and report success.

18 The primary commuting options, one of the

19 these four options are asked to be chosen if they

20 want to be part of this program, and it is the

21 primary benefits that employees will see the most

22 benefit of this kind of program are transit van

23 pool subsidy. At a minimum this program requires

24 that employers offer their employees a minimum of

25 thirty-two dollars per month for either the value

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1 of market space, parking cash-out, and that is the

2 primary option chosen on the average.

3 There are supporting commuting options

4 left to employers. This is a long list which is

5 only a portion of a longer list.

6 The program has a large amount of choices

7 and flexibility for employers to tailor a program

8 that works best for them; that's why there is a

9 large list of what options are available.

10 Benchmark reporting success, fourteen

11 percent non-SOV is minimum and the employer has

12 eighteen months to achieve that goal, and it has

13 been shown to be feasible by employers who are

14 part of the program.

15 These are some of the benefits that
16 employers are realizing from the program: Public
17 recognition, Federal seal of approval is an
18 advantage in terms of getting and retaining
19 employees if they can be offered an outstanding
20 package of benefits for commuters, which is looked
21 on favorably.

22 Recruitment advantage for employers, there
23 is a tool that we have available on our Web site
24 and there is also a hot line.

25 Value of implementing commuter choice

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1 leadership initiative: We believe that it
2 enhances existing transportation demand management
3 activities in an area, it is ready to go so it can
4 be implemented very quickly.

5 And it provides the potential for credible
6 emissions reductions.

7 This last slide has some contact
8 information as to my office and we can be
9 contacted for information about the program.

10 The Smart Way Transport Program, this
11 program was launched by Governor Whitman to reduce
12 fuel consumption and emissions affecting human

13 health.

14 We have calculated some of the benefits we
15 think are achievable by this program to establish
16 a partnership with ground freight shippers and
17 carriers. They include attempts to reduce up to
18 two hundred thousand tons of nitrogen oxide, up to
19 eighteen million metric tons of carbon equivalent
20 emissions annually or twenty percent of total
21 freight carbon.

22 The star is emphasizing the ability to
23 reduce oil imports by one hundred fifty million
24 barrels annually and this provides incentives to
25 jump-start market penetration of highly fuel

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1 efficient, clean advanced technologies and
2 operational practices used by the freight
3 companies.

4 I won't go through each one on the list
5 here. These are the technologies and practices
6 that we encourage:

7 One, idle reduction. This is very
8 effective technology in terms of truck stops. That
9 is to eliminate long idle times by the freight
10 sector.

11 We estimate that trucks on average burn
12 eighteen hundred gallons of fuel a year just in
13 idle. Totaling all this, that is approximately one
14 billion gallons of fuel used. That is very
15 important as an energy saving goal.

16 The Charter Partner Roster is a "Who's
17 Who" in the freight industry.

18 Smart Way Corporate benefits for that is
19 fuel savings, long term cost savings in terms of
20 reduced wear and tear on engines.

21 Green image that appeals to
22 environmentally conscious customers.

23 Reducing fuel consumption and improving
24 efficiency which reduces American dependency of
25 foreign oil.

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1 Some details of the costs and benefits.
2 Focusing on items such as technology, we estimate
3 that if it costs on average zero to \$7,5000, that
4 equipment can lead to ten to twenty-five thousand
5 dollars per truck savings.

6 Here is our permanent contact, Melanie
7 Zeman in my office is capable to answer questions
8 as to this.

9 These are programs that can be useful in
10 an affirmative way and a non-regulatory way.

11 MR. ZONIS: The question I have pertains to
12 fuel particulate retrofits and to what extent that
13 is available and also as to an earlier voluntary
14 retrofit program with respect to a particulate
15 reduction program and whether you have any
16 information on the extent to which that voluntary
17 retrofit program has been adopted in New Jersey or
18 any other part of the country?

19 MR. MOLTZEN: I know New Jersey is
20 currently working on some programs using money
21 that is available. It was the DOT that first had
22 the idea to retrofit State vehicles way before the
23 EPA considered it. I don't know if there are
24 currently any programs in New Jersey but there is
25 a potential in New Jersey to implement these more

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1 widely.

2 With respect to the first part of your
3 question about fuel particulate retrofits, that is
4 based on technology available as to new trucks and
5 buses, it is effective in reducing particulates
6 depending on the technology, and there are a lot

7 of air quality benefits to this program.

8 MR. LIBRIZZI: One of the things you
9 mentioned was idle reduction.

10 MR. MOLTZEN: Yes.

11 MR. LIBRIZZI: My brother-in-law was a
12 truck driver and as I recall he said when they
13 idle it is easier for them rather than shutting it
14 off and starting it up again. What are some of the
15 incentives or ways that can be changed?

16 MR. MOLTZEN: That's something that we are
17 finding more and more is a practice of the past
18 carried into the future, that notion that the
19 engine is going to be difficult to start up again.

20 Even technology that has been around for
21 ten years or a little bit longer is very durable
22 and very reliable in terms of being able to turn
23 it off and starting it back on again, so when you
24 look at it that way it is not the case anymore.

25 MR. LIBRIZZI: What would be some of the

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1 ways they would be looking at for them not to do
2 that?

3 MR. MOLTZEN: It would be obviously
4 influencing the behavior of drivers as to the

5 health of citizens and their own health regarding
6 idling diesel emissions.
7 Technology has been implemented in New
8 York City at three locations utilizing a system in
9 the summertime months where a trucker might be
10 idling his vehicle to run the air conditioning or
11 in the winter when it is cold to keep the cab
12 warm, there is air that is supplied through the
13 window of the cab that pumps in warm or cool air
14 and electrical outlet cables come in so guys can
15 watch TV or check E-mail to make it as easy as
16 possible.

17 MR. MANGANELLI: You mentioned about car
18 pooling and the previous speaker, I think, showed
19 a decrease in car pooling, in fact the EPA's car
20 pooling edict failed initially. I want you to
21 comment on that. Are you going to encourage this?

22 Number 2, a previous speaker talked about
23 increase in freight traffic from Southeast Asia
24 which means more trucks to deliver it.

25 And third does EPA have telecommunicating

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1 facilities?

2 MR. MOLTZEN: It is something we employ at

3 our regional office.

4 MR. MANGANELLI: Getting back to car
5 pooling, mandated car pooling was a monumental
6 failure. It was something that the public doesn't
7 want, the government telling them how they can
8 drive their cars and who they should drive with.

9 MR. MOLTZEN: But it could be more
10 acceptable if we used an incentive based voluntary
11 program like the one I described and that is
12 described in one of the brochures I handed out.
13 That is a primary way of encouraging car pooling.
14 It is simply one way to say to an employee, if you
15 drive to work every day and have the ability to
16 car pool your employer will give you an additional
17 thirty-two dollars a month if you don't use your
18 space; that's an incentive.

19 A government mandate saying starting next
20 month the two of you will car pool, that doesn't
21 work.

22 The second point that somebody mentioned
23 was that there was likely to be an increase in
24 freight--

25 MR. MANGANELLI: Coming in from Asia.

1 MR. MOLTZEN: That's a really good point.
2 Last week I read in the New York Times that the
3 Port of New York- New Jersey was experiencing an
4 increase in their business and the Port Authority
5 hopes the trend will continue because it will
6 bring more business into the area, and they were
7 saying trucks are sometimes standing in queues
8 waiting for five or six hours to pick up their
9 cargo.

10 That is a perfect example of where that
11 idle reduction strategy might be effective at the
12 Port, and if cargo arriving is increasing that
13 should be addressed.

14 MR. CURRIER: You have been speaking about
15 voluntary programs and green benefits. Don't you
16 think it would be much more successful if the
17 Federal government offered or volunteered some
18 green benefits of its own?

19 MR. MOLTZEN: Green benefits like what?

20 MR. CURRIER: Financial.

21 MR. MOLTZEN: That's a good point. These
22 programs that I focused on, the commuter choice
23 program is designed around helping employers
24 realize benefits. Employers can achieve tax
25 benefits and save money from paying Federal taxes.

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1 We have tools that can help an employer
2 figure out over the next year, " Even though I am
3 paying out moneys to my employees to subsidize
4 their traveling to work I am going to save X
5 number of dollars. "

6 With respect to the Smart Way program I
7 think it is too early to say whether or not it
8 would include financial incentives. If it is as
9 successful as we hope that might influence the
10 folks who put our budget down as to what we spend,
11 how much money we spend on what programs to say to
12 EPA spend the money on this program.

13 The example of that is the very successful
14 diesel retrofit program. One of the concepts that
15 has been successful about the program is that it
16 encourages cost sharing with the private sector.
17 We are getting ready to announce we have another
18 half a million dollars to spend in grants for
19 projects to purchase equipment to put on diesel
20 vehicles and the same things will probably garner
21 more attention and more favor in terms of
22 applications.

23 MR. LIBRIZZI: As to the voluntary program,
24 who is promoting it other than EPA, working with
25 the--

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1 MR. MOLTZEN: DOT.

2 MR. LIBRIZZI: What about the State level?

3 MR. MOLTZEN: Up to now the strategy has
4 involved reaching out to Municipalities and the
5 Cities and not so much on the State level. They
6 are hoping to bring about that change in this
7 area.

8 MR. LIBRIZZI: The reason why I asked you
9 that question is this whole hearing is on
10 transportation and planning and this afternoon we
11 are going to hear about other aspects of it, you
12 have a voluntarily program that apparently is
13 gaining some momentum and there appears to be some
14 advantage to it, and it would seem to me that more
15 promotion at the local or State level would
16 enhance the program, and if that is true at the
17 State level provision should be made for some
18 grant funds.

19 MR. BERKOWITZ: Excuse my obnoxious
20 statement, I am entitled to one, this sounds like
21 the mandatory program that didn't work and the
22 question is where is the applicability in New
23 Jersey given our cultural trends in car use, are

24 people going to buy into it in New Jersey?

25 MR. MOLTZEN: I think we are only just

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Moltzen

1 starting to look at the potentials of the program

2 in New Jersey.

3 I believe currently there are only four

4 companies in New Jersey in this program, which

5 represents approximately twenty-seven hundred

6 employees so it is not insignificant, but there is

7 a huge potential.

8 If you ask me why I think this might work

9 in the face of previous failures, I would answer

10 because of the inventive.

11 MR. BERKOWITZ: Thank you very much. We

12 appreciate your being here.

13 I would like to invite everyone to join us

14 for pizza on the seventh floor.

15 (Luncheon recess.)

16 (Afternoon session:)

17 MR. BERKOWITZ: I will reconvene the

18 hearing. Our next speaker is Michael Cerra from

19 the New Jersey State League of Municipalities.

20 MR. CERRA: Good afternoon. My name is Mike

21 Cerra. I am currently a Senior Legislative Analyst

22 for the New Jersey League of Municipalities.
23 The League is a voluntary, non-profit
24 association of local governments in New Jersey.
25 All of New Jersey's 566 municipalities are members

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Cerra

1 of the League, and this is very important to us
2 because they are not required to be. But they
3 choose to be members because the League serves as
4 the eyes and ears of local officials; mayors,
5 council and committee members, administrators,
6 managers, municipal clerks, attorneys, engineers,
7 code officials, planning board members, and
8 everyone else who participates in local
9 government.

10 The League's annual conference in Atlantic
11 City, the largest annual municipal conference in
12 the United States, filled with hundreds of
13 educational sessions and hundreds of exhibitors,
14 is an extremely important resource for local
15 officials who want to do their jobs well.

16 The League also does independent research
17 on issues of importance to local government, holds
18 hundreds of seminars throughout the year, lobbies
19 the State Legislature on issues ranging from land

20 use to tax reform, and generally strives to
21 protect home rule, to improve the efficiency and
22 effectiveness of local government and to look out
23 for the interests of all taxpayers.

24 The term " smart growth" has become part
25 of the everyday mantra here in Trenton. And one

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1 does not need to be a certified planner to know
2 that an essential element of smart growth is smart
3 transportation, which is better use of public
4 transportation and existing infrastructure.

5 In accepting the gracious invitation to
6 speak here today, I was presented with a long list
7 of questions that the Council was interested in
8 learning more about. I will not pretend to be
9 qualified to answer the majority of these
10 questions. So, I limit my comments, in general, to
11 the two that the League has the greatest interest.

12 One, "What strategies can be implemented
13 to address sustainable redevelopment through smart
14 growth to avoid sprawl, utilize existing
15 infrastructure, and apply compact mixed-use
16 concepts?"

17 And, two," What strategies can be

18 implemented to obtain full support for smart
19 growth initiatives, in light of potential
20 challenges at the local jurisdictional level?"

21 Regarding strategies that can be
22 implemented to encourage what is now termed "smart
23 growth" I would be remiss in not noting some
24 rather large obstacles in our path.

25 First, we have a large constituency that

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1 likes sprawl. They chose to live auto-dependent
2 lives in large-lot single family homes. They do
3 not want mixed use. Many are two-earner families
4 who have chosen to locate midway between the two
5 jobs. Many of them expect to change jobs
6 frequently, so a walk to work is not a big part of
7 their location decision.

8 People often choose to live near excellent
9 schools. And the development community and the
10 lending community see this and make their
11 investment decisions accordingly.

12 Second, we must either make use of the
13 existing road network to support the increased
14 density called for in the plan or build new roads.
15 However, given the existing development, building

16 new roads, or widening old ones, often means

17 destroying existing neighborhoods.

18 The State Plan gives little guidance on

19 retrofitting classic sprawl into mixed use when

20 the homes and businesses and developers are happy

21 with what is already there.

22 Third, we are of the opinion that the

23 objectives of the smart growth, in general, and

24 the State Plan, in particular, will not be met

25 until there is significant Mount Laurel reform.

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1 Right now, the State Plan seeks to guide

2 development and redevelopment into our cities, our

3 developed suburbs and areas more suited to public

4 transportation.

5 Meanwhile, the Mount Laurel doctrine,

6 which requires every municipality to provide its

7 fair share of housing to the low and moderate

8 income, effectively imposes additional housing on

9 less developed areas, regardless of whether the

10 municipality has the existing infrastructure to

11 accept such housing.

12 In general, for every affordable unit, the

13 Court imposed builders' remedy forces

14 municipalities to accept four more units. The
15 result is what we term the multiplier effect, the
16 additional units place additional burdens on
17 infrastructure, such as sewer, water and roads, as
18 well as an additional burden on schools. Taxes
19 rise. Municipalities look for ratables to offset
20 these costs. New roads, water systems and schools
21 are built. The circle begins anew and continues to
22 multiply.

23 Only now do most interested parties seem
24 to recognize what we have argued for years: The
25 goals of the smart growth are in direct

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1 contradiction with the actual results of the Mount
2 Laurel doctrine. You will not achieve smart growth
3 without addressing that issue.

4 That said, I do not want to paint doom and
5 gloom. We believe some very positive steps have
6 been undertaken recently, and we are optimistic
7 that shortly we will see some home-rule friendly
8 initiatives that municipalities will be able to
9 utilize to implement smart growth.

10 The League has been working the Department
11 of Environmental Protection on the development of

12 the "Blueprint for Intelligent Growth," better
13 known as the BIG map. That is not to say,
14 necessarily, that the League endorses the map.
15 That said, we do not necessarily reject the map.

16 But we see it as our responsibility to act
17 as the intermediary between DEP and our member
18 municipalities to assure that every municipality
19 in this State has input and say into the map.
20 Needless to say, New Jersey's Mayors, Governing
21 Body members and planning officials have not been
22 shy about letting the Administration know how the
23 map affects their communities. Numerous local
24 officials have raised home-rule concerns over the
25 map. Recognizing that, the League has been

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1 actively promoting an expedited process based on
2 the cross-acceptance, in which municipalities can
3 continue involvement in the BIG map.

4 Additionally, the Governor has outlined a
5 legislative package that will include, among other
6 things, legislation authorizing municipalities to
7 assess impact fees, timed-growth ordinances,
8 transfer of development rights and more regional
9 input in the development application process,

10 particularly in so-called "border conflicts"

11 between municipalities.

12 While I am in no position to commit League

13 support to legislation that has not been

14 introduced yet, I can say that we are encouraged

15 to see the Administration support these concepts,

16 many of which have long been League legislative

17 priorities. I am sure there will be portions of

18 the legislative package that the League will have

19 concerns over, and we will be part of that debate.

20 But, just having that substantive debate is a sign

21 of progress.

22 We are heartened by the tone of the smart

23 growth proposals. In the days and weeks leading up

24 to the Governor's State of the State, many

25 columnists and editorial board opined that home

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1 rule was to blame for the sprawl, that 556 plans

2 clashed and resulted in 566 different plans, that

3 home rule was a relic of a different time and

4 different place. Needless to say, we reject those

5 arguments.

6 The fundamental flaw in past public policy

7 related to the State Plan was not that it relied

8 on voluntary participation, in spirit with home
9 rule. The flaw is that past policy was not home
10 rule friendly. Municipalities cannot enact
11 timed-growth ordinances. Municipalities are
12 limited in amount of fees that can be assessed on
13 developers. Only those municipalities in the
14 Burlington County pilot have been able to enact
15 transfer of development rights, or TDR,
16 ordinances.

17 The Governor noted in the State of the
18 State, a local land use board cannot consider the
19 impact of additional traffic when it reviews new
20 development.

21 Municipalities have never had the
22 necessary tools to implement smart growth. The
23 truth is that home rule is not the problem, it is
24 the solution.

25 As far as the second question I address

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1 here today: "What strategies can be implemented to
2 obtain full support for smart growth initiatives,
3 in light of potential challenges at the local
4 jurisdictional level?"

5 First, in response to this question, I

6 would like to clarify a point. The League of
7 Municipalities has a reputation in some quarters
8 of being opposed to the State Plan. Municipalities
9 are seen in these quarters as obstructionists.
10 Frankly, the question and contention is grounded
11 in a misimpression.

12 The League is, in fact, a supporter of the
13 State Plan and the cross-acceptance process. We
14 have grown weary of the implementation of the plan
15 in recent years, particularly when different state
16 agencies send out mixed messages, and when state
17 government chooses not to side with New Jersey's
18 municipalities when they have attempted to curb
19 sprawl.

20 As noted before, this Administration has
21 signaled that this no longer may be the case. But,
22 to be fair, our actions and reactions regarding
23 the State Plan and smart growth principles are, no
24 doubt, influenced by the past.

25 In other words, the League supports the

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1 goals and objectives of the State Plan and smart
2 growth; they are laudable and worthwhile. The
3 League supports the inclusionary dialogue that is

4 the cross-acceptance process.

5 On the other hand, the League does not
6 support attempts to mandate the Plan, to erode
7 home rule and to take away self-determination from
8 those who live in our communities.

9 The best strategy to assure local
10 compliance with smart growth principles is to
11 throw out outdated, bureaucratic, top-heavy
12 mandates from Trenton. The solution is to empower
13 local officials. Every day in this State, our
14 mayors and other elected officials, our land use
15 boards members and other appointed officials are
16 the on-field referees between two stark, different
17 constituencies. On one side are developers. On the
18 other side are environmentalists. If you want
19 support for smart growth principles, empower local
20 officials with the tools to implement smart
21 growth. These tools will better assure a level
22 playing field.

23 Because New Jersey is as densely populated
24 as it is, efforts to reduce traffic congestion are
25 to be applauded. The recent light rail lines in

2 illustrations of the State Plan working well. They
3 have succeeded in getting at least some people to
4 switch transportation modes. While it may be too
5 soon to tell if they have succeeded in lowering
6 air pollution, the new interest in light rail is
7 an example of the State Plan at its most
8 effective. Cooperation among the State, local
9 governments and regional associations produced
10 projects that furthered the goals and objectives
11 of the plan.

12 Such projects are not a result of a
13 top-down mandate from the State Capitol, but,
14 instead, the product of the work and sweat of
15 public officials and private citizens across
16 multi-jurisdictions.

17 The State Plan and smart growth can help
18 guide development and redevelopment into centers,
19 to encourage commuters to rely more and more on
20 public transportation and promote environmental
21 protection policies that will lead to cleaner air.

22 But it will take more than sound planning to reach
23 the clean air goals for New Jersey articulated in
24 the State Plan. It will take money. It will take
25 funding of infrastructure improvements. It will

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1 take cooperation of private and public sectors,
2 and it will take an unprecedented level of
3 commitment at all levels of government, local,
4 State and Federal. And it will require the
5 involvement of public policy makers at all levels
6 of government.

7 Thank you.

8 MR. BERKOWITZ: Any questions of Mr. Cerra?

9 MR. PAPENBERG: Earlier today a couple of
10 times apparently some speakers believe that the
11 foundation of the problem in New Jersey is the
12 property tax.

13 How does the League view that concept as
14 that being the fundamental problem?

15 MR. CERRA: We agree, it definitely is a
16 fundamental problem.

17 I addressed that somewhat in my point
18 regarding Mt. Laurel. That's one slice of the
19 whole pie. That was a point that someone made
20 after the summit in October over in Ewing, someone
21 made a good point saying at no point today did
22 anyone talk about tax reform. That was something
23 that day that didn't occur to me either until
24 afterwards.

25 We support the Constitutional tax, the

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1 Constitutional Convention. We are open to any
2 strategy that that can reduce property taxes or
3 some or any strategies that minimize the ratables,
4 because often these towns are put into the
5 quandary of raise taxes or go for more ratables,
6 and politics being what it is, we know what the
7 choices are.

8 MR. LIBRIZZI: It has been mentioned a
9 couple of times about Smart Growth in principle, I
10 am still not sure what it means, but the question
11 I was going to ask is, from your viewpoint do you
12 think Smart Growth principles have been developed
13 from a potential standpoint so as to be acceptable
14 to all of the stakeholders involved in the overall
15 process?

16 MR. CERRA: I think most stakeholders will
17 say that they are. I am not familiar with whether
18 all are.

19 You mentioned what is Smart Growth.

20 I think--

21 MR. LIBRIZZI: I am talking about the
22 principles.

23 MR. CERRA: I think if you ask thirty
24 people what are the Smart Growth principles you

25 will get thirty different answers.

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1 MR. LIBRIZZI: I guess the answer to my
2 question is within the State of New Jersey there
3 has not been a consensus of defining what the
4 Smart Growth principles are?

5 MR. CERRA: Yes and. No in the sense that
6 Municipalities have an impression of with Smart
7 Growth principles are, and that's not the same
8 impression that the developmental community has.
9 There is overlap.

10 MR. ZONIS: You conclude by saying the
11 State Plan and Smart Growth can help guide
12 development and redevelopment into centers, to
13 encourage commuters to rely more and more on
14 public transportation and promote environmental
15 protection policies that will lead to cleaner air
16 but it will take more than sound planning to reach
17 the clean air goals for New Jersey articulated in
18 the State Plan, it will take money, it will take
19 funding of infrastructure improvements, it will
20 take cooperation of private and public sectors and
21 that it will take an unprecedented level of
22 commitment at all levels of government, local,

23 State and Federal, and it will require the
24 involvement of public policy makers at all levels
25 of government.

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1 My thought is that this money that I think
2 we all agree is required is going to come from the
3 State. Is the State going to give up its outdated
4 bureaucratic top-heavy mandates when it is paying
5 out money to these empowered local officials, or
6 is it not the case that the local officials are
7 going to have to continue to work under the State
8 Plan, which is probably a misnomer, but in
9 accordance with the State Plan and live with all
10 of those bureaucratic top-heavy mandates from
11 Trenton to make this work?

12 MR. CERRA: I think it is to work with the
13 State, it should be a cooperative relationship.

14 There has been a tension as long as I have
15 been involved with the issue, always a tension
16 between whether you make the State Plan mandatory,
17 the local master plan consistent with the State
18 Plan, and you know where we stand on but it is a
19 policy issue that is open for debate. We are
20 saying that the relationship should continue to be

21 a cooperative one, instead of the State trying to
22 manage every parcel of land in the State of New
23 Jersey to trust the people who live in those
24 communities to do the right thing.

25 Control of the moneys, we want that, we

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1 don't want to see a blank check but we want a
2 cooperative relationship. We don't oppose the
3 State's input but it has to be on an equal
4 footing, otherwise local officials won't buy into
5 it.

6 MR. ZONIS: It seems to me that cooperation
7 has a limit if the State says we have "X" million
8 dollars to invest in some infrastructure if you go
9 along with the State Plan and the local officials
10 say, " We ain't going to do it," and the State
11 says, " You don't get those funds or dollars"; how
12 does that get resolved?

13 MR. CERRA: We have always taken the carrot
14 rather than the stick approach, so if accepting
15 moneys, funds, requires you to do X,Y,Z, if the
16 local leaders accept that, that's fine, and even
17 if they don't it is fine as long as it is their
18 decision.

19 One point I have to comment on is as to
20 Commisioner Campbell and the DEP in particular
21 because they have made a concerted effort to reach
22 out to us and I am sure to other stakeholders,
23 really there has been an unprecedented level of
24 interaction and at least we are talking.
25 MR. SCHEGEL: Home Rule has been emphasized

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1 here today. Where do you see regional planning
2 like in towns where I am from? It looks like there
3 is a need for regional issues to be discussed and
4 planned but how does Home Rule fit in with some
5 type of regional planning?
6 MR. CERRA: Border war. My understanding is
7 that there is legislation forthcoming that
8 addresses that to some extent. Again, I can't
9 comment but there is legislation that has already
10 been introduced that we support and we have
11 supported it. I don't think it is going to go
12 anywhere but it deals with that issue.
13 I can't recall the exact figures and it
14 might have been two thousand feet as opposed to
15 five hundred feet, I believe it is Peter Inverso's
16 bill, I know I testified several months ago and

17 it didn't get out of Committee.

18 MR. SCHEGEL: Did that have any kind of
19 regional plan or regional oversight?

20 MR. CERRA: Anything done on a regional
21 basis would be opted into, it would be a
22 cooperative relationship.

23 MR. BERKOWITZ: Just a comment on that. It
24 is rare that you do see it work when you do have
25 an overlay of regional interests in terms of

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1 planning, in having the Municipalities buy into
2 it, but Somerset County for whatever reason makes
3 it work pretty well.

4 MR. LIBRIZZI: It seems to me that when we
5 start talking about regional planning we are
6 talking about regional decision-making but there
7 is a limitation of resources.

8 Over a time period one Municipality will
9 get it today, another one will get it tomorrow but
10 the whole region benefits anyway in the long term
11 and the process has to be such that you get the
12 Municipalities working together with the regional
13 organization, the infrastructure has to be able to
14 make that happen.

15 Do you think that is in place now, or what

16 needs to needs to be done to get that into place?

17 MR. CERRA: I am not sure what the question

18 is.

19 MR. LIBRIZZI: The question is when we

20 start talking about regional decisions that have

21 to be made, is there an infrastructure in place on

22 a regional basis to allow those decisions to be

23 made in the context of Home Rule?

24 MR. CERRA: The only planning board on a

25 regional basis is the County Planning Board, there

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Cerra

1 is the exception of the Meadowlands, that's the

2 only thing in existence right now is the County

3 Planning Board.

4 MR. BERKOWITZ: Any other questions?

5 Obviously you are familiar with what is

6 going on in Somerset?

7 MR. CERRA: Yes.

8 MR. BERKOWITZ: It seems to be a very

9 efficient and effective regional planning effort

10 and I think that the incentive is the County being

11 able to give money to the Municipalities and it

12 seems to be working in Somerset County.

13 I will turn it over to Michael Egenton to

14 chair at this point:

15 MR. EGENTON: Greg Dana, Alliance of

16 Automobile Manufacturers, Vice-President,

17 Environmental Affairs.

18 MR. DANA: Thank you for letting me talk to

19 you here today. I don't know if this is the Big

20 Map; I don't think it is.

21 Next slide.

22 This is who we are, in case you don't

23 know. The Alliance is a fairly new organization;

24 these are our members. Some of the companies here

25 have been subsumed in some of the other companies.

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Dana

1 Next slide.

2 You will see this gentleman leaning over

3 looking at the tailpipe, which makes the point

4 that cars are clean today.

5 While I know that Michael made the point

6 that in 1996 forty percent of the pollutants were

7 coming from motor vehicles I am here to tell you

8 we have solved that problem and we are part of the

9 solution of the problem. That's, again, due to

10 advancing technology.

11 What I want to do is try and make the
12 point, I don't know how many of you are familiar
13 with how we test cars on emission cycles, but
14 basically once a catalyst system is in a car there
15 is something coming out it is so small you can't
16 measure them, with today's technology.

17 The vast majority of emissions from cars
18 today are emitted during the first fifteen to
19 sixty seconds of warm-up of the car. Every test
20 that you hear about is to find out how to reduce
21 that time down even more because that reduces
22 emissions more and more.

23 If you start a car in the morning, this is
24 in laboratory conditions, if you start your car up
25 in the morning and drive fifty miles, once it

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Dana

1 warms up you are not going to emit anything; and
2 that's a pretty amazing thing.

3 How have we done that? Again, technology.
4 With the development of the catalyst we can now
5 move the catalyst very close to the energy with
6 improved thermal stability that enables
7 close-coupled catalysts.

8 This is just a picture of what we are

9 doing, what we did with catalysts. We have a much
10 denser cell. That's another change due to
11 technology.

12 The last thing I should mention in terms
13 of technology, we have also managed to monitor
14 fuel delivery of the engine, we time it in
15 microseconds to measure the filtering in the fuel.
16 We can monitor the fuel so closely that you only
17 use the exact amount of fuel that is needed.

18 Next slide.

19 EPA Tier 2 rulemaking: The first and most
20 important thing is it requires all light trucks
21 to meet the same emisison standard as passenger
22 cars. For many years EPA had a different standard
23 for light trucks because they were controlled by
24 the same level of technology as a truck, they
25 usually sit higher and have a bigger engine.

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Dana

1 It cuts NOx emisisions level from 0.2 gpm
2 of NLEV standard to .05 gpm.

3 It also reduces the evaporative
4 hydrocarbons of the car emissions. That's
5 important because hydrocarbons are precursors or
6 surrogates for toxic emissions.

7 I want to point out to you what the effect
8 of this will be on VOC, on the motor vehicle
9 fleet. By 2020 the entire fleet will be turned
10 over though VOC.

11 When I said in the beginning that we are
12 part of the solution and not part of the problem,
13 cars are getting much more cleaner. We are now a
14 much more minor source of pollution than before.
15 This again is another representation of what
16 happens with emission standards in cars today.
17 Look at the last line on the right side. That's
18 the Tier 2 level that we have to meet for
19 hydrocarbons, fifty thousand miles, compared to
20 uncontrolled levels on the left. We have come a
21 long way.

22 Next slide.

23 We are meeting a standard which is very
24 close to zero on NOx. So the good thing is cleaner
25 vehicles are coming into New Jersey this fuel and

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Dana

1 I think in the next few years this will have a
2 huge impact on monitored emissions.

3 Emission on emissions.

4 This is a representation using EPA's

5 mobile model. What it shows you here is that the
6 California standard and the Federal standard are
7 virtually identical. The point we are trying to
8 make here is that the Federal government stepped
9 up to the plate, in fact we asked them to do this,
10 we said make the Federal standard, make it as good
11 as California, and that's what EPA did in 1999.

12 The other important aspect is reductions
13 due to sulfur control.

14 Understand that it takes about fifteen
15 years for the motor vehicles to turn over for
16 those standards to become long term in the
17 industry.

18 Taking sulfur out of gasoline, if you did
19 that every car on the road gets clean. Sulfur is
20 nothing more than poison to a catalyst on a car.
21 Every car-- and we have had catalysts on the cars
22 since 1975-- out there that has a catalyst will be
23 somewhat cleaner if you take the sulfur out. In
24 the State of New Jersey there are large numbers of
25 reductions and you are going to see next year an

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Dana

1 immediate effect.

2 California cars: Right now the way the

3 Federal and California standards are set, some of
4 these are identical, the Federal and California,
5 so that the manufacturers will be essentially
6 making the same car for California and the Federal
7 car.

8 There is a difference between the emission
9 standards of California and the Federal but they
10 are very minor differences, they make us comply
11 with both, but the fundamental effect is they
12 don't have a roll-back on the quality so we are
13 coming to the point now where there is no point to
14 consider having California cars in every State.

15 The only real difference in the California
16 program is the ZEV mandate, looking at California
17 they have a zero emission mandate and it is a rule
18 that California set in 1990 to require the auto
19 industry to make zero emission vehicles.
20 California has consistently backed away from that
21 when they realized they really aren't feasible in
22 the marketplace.

23 If you look at their most recent data it
24 doesn't make much difference because we have
25 gasoline quality so close to zero now.

1 Let me talk about, I want to enlighten you
2 about this, electric vehicles.

3 In nineteen hundred gasoline cars were
4 noisy, smelly, you had to hand crank them to get
5 them started, compared to electric cars, very
6 clean, easy to drive.

7 Again, in nineteen hundred there were very
8 few paved roads so the short range for batteries
9 didn't matter because one didn't drive very far
10 back then.

11 I want to show you some pictures of
12 vehicles under the ZEV Mandate, GM, Ford and
13 Toyota electric vehicles running on battery power.

14 These two vehicles, city electric
15 vehicles, on the left is a Nissan and the one on
16 the right is a Ford. These are much smaller
17 vehicles. They have limitations on their speed
18 and their range.

19 And the third category, neighborhood
20 electric vehicles, which can have a variety of
21 configurations, but these are very, very small,
22 these are designed more for uses in neighborhoods,
23 driving around in neighborhoods.

24 While full function battery vehicles don't
25 make much sense because of their cost, these

Dana

1 vehicles might make some sense. They still use
2 lead acid batteries.

3 If you look at the ZEV Mandate and
4 Electric Vehicles From the January 2001 Staff
5 Report, the point is that electric vehicles cost
6 more than twenty thousand dollars over
7 conventional vehicles.

8 The range is seventy-five - one hundred
9 miles, less in cold weather.

10 And it takes four to six hours to recharge
11 them. We don't know how to market such a car
12 because today's gasoline models get three hundred
13 miles on a tank of gas and don't cost twenty
14 thousand dollars extra, so it is an extremely
15 expensive requirement as well.

16 Because the gasoline cars we are making
17 today are so close to zero emissions you get that
18 benefit.

19 I was out in California last week. They
20 are still beating the ZEV Mandate in California.
21 It was at an interesting meeting but what
22 California has done at this point is they
23 basically said, we are giving up on the
24 requirement for battery electric vehicles. What
25 they want to keep are the 250 fuel cell vehicles

Dana

1 in the time frame between 2005 and 2009 for the
2 whole industry. That's a significant requirement
3 in spite of the small number because those cars
4 cost a million dollars each right now and they
5 want to have an independent panel to review and
6 report back to CARB for later years.

7 They had a long debate and couldn't reach
8 a decision last week and put it off until later
9 this month.

10 The neighborhood vehicles and the city
11 vehicles may have some niche applications; they
12 can be used as an alternative transportation for
13 trips around the neighborhood or to the corner
14 store.

15 Again, just making the point I made
16 earlier, air quality benefits of full function
17 BEVs are small, costs are very high, battery packs
18 are made of high cost chemicals.

19 The cost-benefit ratio is extraordinarily
20 high compared to other programs and the range is
21 low, the weight is high and in the State of New
22 Jersey you have a colder climate than California.

23 Here are some fuel cell vehicles. We think

24 these are the potential for the future of the auto
25 industry.

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Dana

1 They are still pretty expensive but we see
2 the light at the end of the tunnel to get the cost
3 down to where it might be feasible. It will take
4 time.

5 A pretty significant problem is one of the
6 output of the fuel cell, water. We don't want to
7 have water sitting in the fuel cells in the
8 winter. One of the things we have to learn how to
9 do is get that water out of there before it
10 freezes up.

11 There are a lot of projections about fuel
12 cells will be on the market by post 2010. It will
13 be very tough. They offer the promise of zero
14 emissions. Fuel cells need hydrogen, and the
15 problem is to get the hydrogen on the marketplace
16 at a reasonable price. The costs are very high
17 and there is a need for infrastructure to
18 distribute fuel.

19 Hybrid electric vehicles. Those vehicles
20 today are gas and electric combinations. There has
21 been some work on diesel electric but meeting Tier

22 2 emission standards may be a challenge.

23 Again, hybrids are a more expensive

24 proposition, you are putting two power trains in

25 the vehicle so it can be a little more expensive

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1 than a traditional car and that's why we have been

2 very supportive of getting some of the Federal

3 taxes to help.

4 We are putting very clean gasoline in cars

5 today and we think that battery electric vehicles

6 may have a niche in the market.

7 Hybrid cars are being sold, more are being

8 planned, more companies are jumping on the

9 bandwagon, most of the major companies have made

10 announcements, and again, the fuel cell is the

11 long term strategy which will probably be

12 post-2010.

13 Again the big problem with fuel cell

14 vehicles is how to get the hydrogen out of there

15 and producing hydrogen is very expensive.

16 Again, to make the vehicles possible we

17 would like to see some Federal taxes to spur the

18 market, to get the market moving on fuel cells and

19 hydrogen.

20 Like I said, we are trying to be part of
21 the solution and not part of the problem. We are
22 building cars very typical of what you are driving
23 today. One of the things that Honda was saying at
24 the hearing in California last week was that they
25 see the day when we get catalysts working at one

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1 hundred percent efficiency, and that's a really
2 amazing position, it may be that we will be
3 building cars with virtually zero emissions just
4 running on gasoline.

5 Researchers are working very hard on fuel
6 cells and other advances in technology where we
7 can get a cleaner future and we can put out cars
8 with a zero emission.

9 I guess I am done.

10 MR. LIBRIZZI: What does the matrix looks
11 like as far as start-up emissions and restart
12 emissions; for example, are we getting better
13 quality air if we idle for fifteen minutes, or
14 shut it down for a half hour and then restart it?

15 MR. DANA: Those numbers I gave you are
16 based upon our testing temperatures from 65 to 86
17 degree days. I don't know what the number of 30

18 degree days is in Trenton but once that catalyst
19 warms up it is not going to cool off for quite a
20 period of time.

21 If you are stopping on your way to work to
22 get a cup of coffee you are not going to want to
23 leave your engine running because the catalyst
24 will not cool off for a period of time.

25 MR. LIBRIZZI: What about for diesels?

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1 MR. DANA: Diesels, I didn't talk much
2 about diesels, but fortunately a diesel in this
3 country like the urban buses that used to give out
4 smoke, that's not the case anymore.

5 Europe is selling very clean diesels which
6 have no smoke, no smell. Seventy percent of the
7 luxury cars in Europe are being sold with diesel
8 engines, they are quiet and they have high
9 performance, and we hope to bring those
10 technologies here.

11 MR. ZONIS: I want to make sure I have the
12 timing correctly. You referred several times to
13 producing a motor vehicle with no emissions. Is
14 that when Tier 2 applies to both cars and light
15 duty trucks?

16 MR. DANA: All those will be fully phased
17 in by about 2009, the heaviest of the light trucks
18 phase in in 2008, 2009.

19 All of the cars and light trucks phase in
20 from 2004 to 2007. We figured you can't do it all
21 at once.

22 MR. ZONIS: As you are well aware there has
23 been impetus in the DEP and the Legislature to
24 consider New Jersey for the California car and my
25 understanding is that a State which elects to do

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1 that kind of thing would allow two years for the
2 industry to apply that requirement to that State,
3 so that if New Jersey were to adopt the California
4 program that would mean that by 2006 there would
5 be a requirement for the cars sold in New Jersey
6 to meet the California standards, whatever they
7 might be at that given time?

8 MR. DANA: The two years is a requirement
9 of the Clean Air Act.

10 MR. ZONIS: We understand some of the
11 problems which this Council has discussed and in
12 our last hearing report we recommended against
13 California but it would be sometime between 2005

14 and 2006?

15 A Yes, assuming that this State would adopt
16 the California standards-- I take that back, no,
17 because you would have by 2004 the Federal
18 standard so the only thing you get by adopting the
19 California standard is more money spent to adopt
20 the program but there is no difference.

21 The average car, .05 NOx, and the
22 hydrocarbon level is about .06, those are the type
23 of levels of the cars certified under Tier 2 on
24 average. Remember, that's a certification level
25 and that any engineer who has to build a vehicle

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1 has to build below that level.

2 MR. MANGANELLI: It does produce carbon
3 monoxide, if you are increasing the efficiency of
4 combustion you have an increased amount of carbon
5 monoxide, right?

6 MR. DANA: No, there is no direct
7 relationship to the efficiency design of the
8 engine.

9 When EPA measures it they measure it
10 coming out of the tailpipe.

11 MR. MANGANELLI: If we are going to have

12 thirty-four billion vehicle miles of travel, so
13 many more cars are going to be registered even
14 with this theoretically low emission, it increase
15 to thirty-four billion more vehicle miles,
16 wouldn't that cause an increase in the emissions?

17 You are bringing it down and even if it
18 stays at that low level of emissions just by the
19 sheer increase of the number of the vehicle miles
20 won't it tend to go up?

21 MR. DANA: We are producing cleaner and
22 cleaner cars.

23 MR. MANGANELLI: Yes, but I am thinking if
24 this has reached its peak of efficiency but it is
25 never zero wouldn't that be increased by the sheer

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1 number of cars, and we are going to have another
2 million people in sixteen years?

3 MR. DANA: In sixteen years there will be
4 zero emissions.

5 MR. MANGANELLI: What about the
6 concentration of carbon monoxide that will come
7 out? I am still concerned about greenhouse gas.

8 MR. DANA: Carbon monoxide is directly
9 related to the waste inside of the engine.

10 MR. MANGANELLI: The Clean Air Act requires
11 control of pollutants.

12 MR. DANA: I know that, but we will still
13 have so many carbon molecules and so therefore you
14 could calculate theoretically how much is going to
15 come out. I just wonder if that's something else
16 we have to worry about.

17 MR. DANA: There is a government program,
18 the CAFE program, and there is an Act, The Engine
19 Policy and Conservation Act, and there are
20 requirements we have to meet under that.

21 MR. EGENTON: A quick question from the
22 Vice-Chair. The Senate Environmental Committee
23 held a hearing two weeks ago and the DEP came out
24 with some data. I was wondering if the Alliance
25 has had access to that data and I am interested in

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1 hearing your interpretation of that.

2 MR. DANA: I haven't looked at it carefully
3 but I believe there is a critically important
4 difference as to the output. The modeling I showed
5 you was based on our modeling data. I believe
6 they made an error in assuming the value for
7 evaporated emissions. California has tighter

8 evaporative requirements than the Federal
9 government does. We basically told the EPA that we
10 are going to build the same evaporator filter
11 nation-wide and the modeling we have done shows
12 that to be effective. California has better
13 control for hydrocarbon emissions than the Federal
14 program and that's an error in their model in our
15 opinion.

16 MR. BERKOWITZ: Any other questions?

17 MR. ZONIS: Has the Alliance spent any time
18 calculating what the emissions would be from
19 hypothetical sources of hydrogen versus a future
20 fuel cell vehicle? I think you pointed out
21 correctly there is no infrastructure for hydrogen
22 distribution today. Assuming that did exist,
23 hydrogen has to come from somewhere, if it comes
24 from petroleum fuel there will be all of the
25 emissions associated with handling and processing

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1 petroleum fuel which may mean that it is easier to
2 control in a refinery than a tailpipe, but CO₂
3 would come out there. Has the Alliance looked at
4 that?

5 MR. DANA: I know that BMW is working on

6 hydrogen for internal combustion engines in
7 Germany which has a filling system that creates
8 the hydrogen by panels on the roof of the
9 station. You can make hydrogen lots of ways.
10 That's all in the hands of the energy companies
11 and they will play a big role, they will be big
12 players in this one way or the other.

13 MR. EGENTON: Mr. Berkowitz is back to
14 resume the Chairmanship.

15 MR. BERKOWITZ: Our next speaker is John
16 Ciaffrone, TransOptions, President.

17 MR. CIAFFRONE: I am the President of
18 TransOptions representing all TMAs in New Jersey.

19 I won't dwell on some of the stuff we
20 heard already.

21 But I think it is important to note there
22 are seven hundred ninety vehicles per square mile
23 in New Jersey. We now have 6.4 million registered
24 drivers. Eighty-seven percent of our single
25 occupancy vehicles people use to drive to work. By

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1 the year 2025 by virtue of the extra million
2 people we will have increased the annual cost of
3 traffic congestion which is now 7.3 billion

4 dollars in lost time, operating costs and wasted
5 fuel. That's an average of twelve hundred
6 fifty-five dollars per licensed driver, an
7 increase of three hundred seventy-five dollars per
8 driver between 1998 and 2001, and New Jersey
9 continues in that vein.

10 We know that traffic congestion has been a
11 component of our air quality problems in this
12 State for a long time and that the inefficiency of
13 the internal combustion engines put hazardous
14 gases and particulates into the air each year,
15 creating pollution in the air.

16 As the previous speaker mentioned, the
17 amount of emissions has declined tremendously
18 because of the advanced technology and we
19 encourage the industry to keep going in that
20 direction.

21 Let's talk about and address the problem
22 of mobility in New Jersey. There is not one
23 single answer but a lot of different answers. I
24 would like to focus on what we are doing in our
25 organization.

2 demand is much greater than it was six years ago.
3 Six years ago there were six new starts, requests
4 for transportation systems starting from ground
5 zero like the Hudson-Bergen Light Rail, now there
6 are two hundred twenty-five requests.

7 It is critical if New Jersey is to fight
8 for more money for mass transit because mass
9 transit means cleaner air then we need to expand
10 the commuter benefits program. Right now the
11 Qualified Transportation Fringe Benefit provides
12 one hundred dollars per month in tax free benefits
13 to employees using public transportation and van
14 pools.

15 We are calling for an expansion of these
16 fringe benefits for car poolers, bicyclers, ride-a
17 shuttle people and walkers and people who use
18 other modes. As for the argument that we cannot
19 track car pools like we can other means of
20 transportation, there are states that have
21 mandatory programs now and they have found ways to
22 monitor it so that can be done.

23 This can be funded at no cost by capping
24 the maximum parking fringe benefit. That's the
25 only fringe benefit that ties into an annual

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1 increase. It is now one hundred ninety dollars a
2 month and it doesn't make sense if we are
3 encouraging people to drive and giving them a
4 fringe benefit for using their car. It also
5 doesn't encourage people in areas which have
6 campus development of business centers where
7 parking is free all of the time. We want to see
8 that frozen instead of going up over the next ten
9 years.

10 The way fringe benefits work, it is the
11 same way as medical benefits, you pay for it with
12 pre-tax dollars. It is an incentive, not a
13 mandate.

14 Now to be politically incorrect, raise the
15 gas tax in New Jersey. We are among the lowest in
16 the country. We lost an opportunity years ago when
17 gas was ninety-nine cents a gallon. A ten cent
18 increase per gallon would have generatated
19 approximately five hundred million dollars a
20 year.

21 In addition there are many resources that
22 should be Constitutionally designated for
23 transportation infrastructure and not used for any
24 other parts of government.

25 A significant amount of the gas tax is

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1 paid by people who drive through the State and
2 they are not residents and we have a lot of
3 transient people who come to our State to buy gas
4 because it is so cheap. Even with a ten cent
5 increase it will still be lower than most of our
6 neighbors.

7 We need to have an increase in support for
8 ride-sharing by State policy-makers. This goes
9 back to the question raised earlier by the
10 gentleman from the EPA about who is promoting the
11 CCLI program. We are funded by CMAQ funding.

12 Getting employees from mass transit for
13 the final leg to their place of employment we have
14 two employers in my area representing over four
15 thousand employees, they are trying to attain a
16 fourteen percent level for eighteen months. One of
17 our companies with thirty-five hundred employees
18 attained that level in six months. One of the key
19 ways they did that was put a shuttle in between
20 the local train station and place of employment.
21 The biggest problem in Morris and Somerset County
22 is there is no connection, there is nothing for
23 the final five miles. You can take the train from
24 home, you get off the train, you can't go

25 anywhere.

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1 These are companies who have people who
2 can take the train and they are located five or
3 six miles away from the station who would have
4 driven otherwise and who are now taking the train.

5 Ridesharing reduces traffic congestion,
6 reduces gas usage and our dependency on foreign
7 oil and has environmental benefits.

8 It has been proven it is much safer to
9 ride in a bus or train than in a car.

10 More must be done, more education and more
11 incentive must be provided.

12 A previous speaker talked about the
13 increased cost of alternative fuel vehicles. There
14 has been a Federal incentive program for people
15 who were buying them. It was to be phased out by
16 2004, it was extended until 2006. It can be and
17 should be maintained.

18 New Jersey also should provide the same
19 corresponding tax benefits as the Federal
20 Government. We are one of the few States where our
21 benefits are not pegged to the Federal
22 government's benefits on a lot of levels. 401,

23 403, they are not deductible from State taxes.
24 You go up and down the Federal level, New York,
25 New Jersey, Pennsylvania, theirs go up and down.

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1 We don't match any one of them. We need to have
2 corresponding tax incentives on the State level as
3 well as the Federal level.

4 We have to support the Congestion
5 Mitigation Air Quality Program. There is a danger
6 that this will be cut or eliminated.

7 The important thing is per capita funding.
8 The major danger that may happen with this is the
9 changing of the formula. If the formula is
10 changed we lose, if the formula is based on square
11 miles or the size of the State or number of
12 highway miles we lose.

13 If it stays at per capita funding we will
14 be okay.

15 In New Jersey we don't have a lot of land
16 left to asphalt. Texas, Arizona and New Mexico
17 have.

18 We need to do things differently.

19 The Transportation Management Association
20 in the State is divided into geographic areas. We

21 are a small non-profit organization. Some of us
22 are County affiliated, some of us are totally
23 independent. We are on the front line working with
24 employers. We are going out and spreading the
25 word, going to the companies, assisting them to

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1 implement the programs, explaining to them why
2 they should be doing these programs.
3 We need more support to do this or the
4 reality is that we will disappear.
5 New Jersey doesn't want a mandatory ECR
6 program. We tried that before. ECR, the only
7 letters that are more dirty language in New Jersey
8 than that is HOV.
9 We continue to work to implement CCLI. We
10 look for more programs and more ideas and more
11 support from Counties and the Municipalities to
12 make these programs work.
13 We must get more people off the road.
14 One of the things I would like to comment
15 on is the State Plan or the Big Map. I come from
16 Sussex County, and they talk about no more
17 infrastructure, no growth; what about the people
18 who are sitting on the roads everyday? We have

19 interacting issues that must be addressed.

20 From Northern New Jersey and I am sure
21 down in this area as well you have the affordable
22 housing issue.

23 People working in Morris County are moving
24 to Pennsylvania more and more because the average
25 home costs three, four hundred thousand, you can't

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1 afford to buy your first house in those areas.
2 That's why there are now seven or eight thousand
3 cars per day crossing the Delaware Water Gap
4 Bridge coming into Morris County.

5 The things we are seeing, the Star-Ledger
6 did a wonderful chaos analysis, what they did is
7 they looked and found that for every two people
8 leaving their County of residence to go to work
9 they were going in opposite directions. Out of the
10 twenty most chaotic Counties of the Country six
11 are in New Jersey. Those six do not have any
12 Cities in them, they are rural suburban Counties.
13 We must start addressing the issue of getting
14 people not only to New York and Philadelphia but
15 to their suburban work sites.

16 Thank you.

17 MR. ZONIS: What does TEA stand for?
18 MR. CIAFFRONE: Transportation Equity Act.
19 TEA-3 means it is the third year. Congressman Roe
20 was instrumental in putting that into effect and
21 helping New Jersey.
22 The Transportation Equity Act was for a
23 five or six year period. New Jersey had a very
24 strong delegation in Washington at that time with
25 Bob Franks, Senator Lautenberg. Now we are going

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1 to see-- the competition is incredible for the
2 available pie. In fact there are rumors that it is
3 going to be on a one year temporary renewal basis
4 because there is concern that there is not enough
5 money to do it for six years.
6 What we have to do is we have to increase
7 the pie, and if you look at the percentage of
8 money even in the incredible authorization that is
9 spent on transit, the numbers are something like
10 fifty-eight billion on transit and four hundred
11 four billion on highways, that doesn't help New
12 Jersey or the Northeast. My opinion is that the
13 Northeast has to show a unified need as does New
14 Jersey.

15 An earlier speaker from the Smart Growth
16 Office mentioned all of the areas along the ports,
17 all these places for all the trucks to pick up all
18 of the cargo because of access to Route 80.
19 But if they all get onto Route 80 they
20 won't go anywhere. That's not a great idea, just
21 because you have access.
22 Rail freight might be a better idea.
23 With the dredging of the harbor going
24 ahead unabated right now with approximately three
25 billion cargo containers a year, by the end of the

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1 decade it will be ten billion. Going to New
2 England the only rail crossing is Albany. They
3 will all have to go on trucks just storing them
4 five miles from the port and the trucks will not
5 ease the congestion.
6 MR. LIBRIZZI: Outreach education obviously
7 makes a lot of sense. Give us some perception of
8 how that works.
9 MR. CIAFFRONE: There are a lot of things
10 done by our neighbors that aren't done by us. You
11 will hear on the radio traffic news, you will hear
12 commercials about about ride-sharing in New York.

13 I don't hear that in New Jersey. I just don't
14 think we do enough marketing to our own people
15 about what is available, and a lot of that has to
16 be through employers because commuters have a
17 major problem.

18 But we are also seeing the most recent
19 study that came out from the American Public
20 Transportation Association which says that five
21 hundred thousand people in our major Cities are
22 experiencing several hours a day of congestion. It
23 is not always commuter driven. Everybody who
24 drives on Route 80 on a Friday night has to deal
25 with people going to the Poconos. I don't have to

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1 tell you about the Jersey Shore traffic. There has
2 to be something else.

3 Even in areas where the trains go,
4 Hackettstown, two trains in the morning and two at
5 night. Most of us do not have a workday that fits
6 that type of schedule. We need to do something to
7 increase mobility for people already living in
8 these areas who are traveling to work.

9 MR. BERKOWITZ: Thank you very much. I
10 would like to prevail upon you sometime in the

11 future to come to one of our meetings and perhaps

12 discuss some of these issues further.

13 MR. CIAFFRONE: I would be pleased to.

14 David Piech, International Truck & Engine,

15 Senior Counsel.

16 MR. PIECH: I want to thank this Council

17 for affording me with the opportunity to speak

18 today.

19 One of the points I want you to go away

20 with today is that diesel is and will be the

21 environmental solution to today's and tomorrow's

22 problems.

23 International is the leading manufacturer

24 of heavy-duty trucks, medium sized trucks and

25 school buses and dump trucks, that type of thing.

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Piech

1 We are the largest world-wide manufacturer of the

2 diesel engine. We are based in Chicago and have

3 plants around the United States. We are the

4 largest outside supply of the Ford Motor Company.

5 I want to talk about what is driving

6 technology. We are talking about the new

7 regulations. Starting at the end of this year for

8 2004 we will have a reduction of almost fifty

9 percent in NOx. Beginning in 2007 NOx is going
10 down ninety-five percent from today's levels and
11 particulates are coming down ninety percent from
12 today's levels.

13 Let's talk about how we are going to get
14 there with today's new technology engines. Diesel
15 engines were first introduced in the late eighteen
16 hundreds. But really in the last five years we
17 have seen that technology as to diesel engines has
18 improved significantly.

19 I think you are seeing the revolution
20 across the Ocean in Europe where predominantly all
21 of the expensive Mercedes, BMWs, those types of
22 cars, VW cars, are predominantly diesel now
23 because of the performance both as to speed and
24 and fuel.

25 In 2004 we will have advanced electronic

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1 controls on our engines.

2 In 2007, NOx adsorbers will come into
3 play, particulate traps. Also we will introduce
4 some newer valve drain technology.

5 In 2010 we will make some additional
6 improvements on advanced NOx adsorber technology.

7 What are the implications of the diesel
8 technology roadmap?. Technology can be applied to
9 all diesel engines, heavy-duty trucks and buses,
10 but we are also focused on the light-duty market.
11 We think the diesel engine in the light-duty
12 market will have a place in the future.

13 We are building on the technology as we go
14 forward. Some of the technology is available
15 today. One of the things I want to emphasize is
16 that the use of 2007 technology requires ultra low
17 sulfur fuel required by the USEPA rules.

18 In 2004 sulfur in gasoline goes down to 30
19 PPM. We are currently at 500 PPM. We have to deal
20 with it. If we get the low sulfur fuel we can make
21 advances today.

22 What is green diesel technology? It is an
23 International 530 cubic inch, 275 horsepower
24 diesel engine. It is lower NOx, twenty-five
25 percent reduction in NOx and ninety percent plus

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1 reduction in PM using ultra low diesel fuel.

2 We can demonstrate that alternative type
3 emissions levels can be achieved by advanced
4 diesel technology. We can demonstrate that the

5 emissions reductions can be achieved with ultra
6 low sulfur fuel and provide an answer to public
7 health concerns associated with particulates.

8 The green diesel school bus versus the
9 leading natural gas school bus, we are at a lower
10 PM level, actually the number we certify is .005
11 NOx, we have 3 grams versus 2.2 for CNG, and NMH
12 1.1 versus .4. Our technology is said to get a
13 better bang for the buck when reducing emissions.
14 We did at with thirty million dollars replacing
15 very old engines that are at five, six, seven,
16 eight grams on the road. If you take this at about
17 I would say one hundred ten thousand dollars per
18 school bus versus this at about one hundred fifty
19 thousand dollars per school bus, you can perform
20 the math and you can see you get a lot better
21 results going with green diesel technology.

22 The thing mentioned with hydrogen is you
23 need a fueling infrastructure which can range up
24 from half a million to over two and-a-half million
25 dollars per facility to do that.

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1 What is our track record so far? We have
2 been qualified in California because of our lower

3 emissions for the school bus program so we are
4 getting funding in California, the Districts in
5 California, to buy these.

6 One hundred thirty buses delivered by
7 October 1, 2002. We are involved with the school
8 districts in California to their complete
9 satisfaction. No decrease in energy, customers are
10 getting what they expect, no increase in fuel
11 consumption so we are not lowering our miles per
12 gallon on fuel consumption.

13 Besides brand new school buses we have an
14 emissions technology program in which we retrofit.
15 We can get over eighty percent reduction in
16 particulates and hydrocarbon, it depends on the
17 age and condition of the older school buses or
18 older trucks. It achieves a virtually smokeless,
19 odorless diesel vehicle for vehicles already in
20 service.

21 When you go home today if you have driven
22 in a car take your finger, stick it up the
23 tailpipe, bring it out and look at it. Your hand
24 will be very dirty, black, so wash your hand.

25 Your hand when you put your finger in a

1 school bus tailpipe, I have done it myself, it
2 hasn't been cleaned for fifty thousand miles, it
3 comes out brown, no black.

4 Why is it brown? There is rust. Other than
5 that there is nothing else coming out because of
6 new technology diesel engines.

7 How do we do that? Low sulfur fuel
8 catalysts.

9 We operate through International Truck
10 dealers and we are technology partners.

11 The particulate filter, diesel fuel comes
12 in here and goes through the filter which filters
13 the particulates and the clean diesel goes out and
14 depending on the driving cycles you have basically
15 virtually clean diesel coming out all of the time.

16 This unit here basically replaces the
17 muffler on the vehicle so there are no major
18 changes on that.

19 The program we have right now, we are
20 focusing primarily on International trucks and
21 school buses. Non-International trucks can be
22 qualified to participate in this. We are primarily
23 focusing on electronic post 1993 engines where
24 ultra low sulfur fuel is available.

25 There is a lot of discussion about the

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1 cost of ultra low sulfur diesel fuel. BP, Chevron
2 Phillips are stepping up to the plate, and there
3 is one interesting thing as you go through this
4 especially for non-International school buses and
5 engines we have to look at what the vehicles are
6 and what when talk about a data log to insure
7 proper filter regeneration. The diesel engine is
8 cooler than the gasoline engine. We need to make
9 sure when we put the filters on the vehicles they
10 will be working.

11 Green diesel school buses are available.
12 We are also looking at advancing that with our 456
13 engine that would be the more conventional type of
14 engine and then with our retrofit program looking
15 at heavy-duty diesel vehicles especially for DOT
16 vehicles that are running around and dump trucks,
17 those are generally available and this is operated
18 through International's dealers.

19 That's it.

20 MR. MANGANELLI: I would like to hear about
21 the bio-diesel use of fuel rather than the diesel
22 fuel you are using now and the catalyzed
23 particulate filter.

24 MR. PIECH: The problem with bio-diesel
25 is it is an organic material, it degrades all of

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1 the time. You get some bugs in there, they like to
2 eat it. There are some issues also regarding the
3 quality of the bio-diesel fuel, making sure that
4 the bio-diesel fuel that you get from here is the
5 same as the bio-diesel fuel that you get from some
6 other supplier.

7 Diesel fuel is generally diesel fuel and
8 it has specific standards. The question is how
9 can we make sure that the bio-diesel has the same
10 consistency of product?

11 One of the ways as we look at it right now
12 is we recommend no more than twenty percent diesel
13 blend.

14 MR. MANGANELLI: Does that add sulfur?

15 MR. PIECH: Depending where it comes from
16 but generally it does not add sulfur to the diesel
17 blend.

18 By taking the sulfur out you can do some
19 more things, you can make the catalyst more
20 aggressive, make the catalyst more durable and
21 perhaps last longer.

22 MR. MANGANELLI: What happens to the
23 particulate when it hits the catalyst.

24 MR. PIECH: It hits the catalyst and over

25 time because of the heat of the catalyst it

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1 basically burns off the carbon. Imagine throwing

2 a piece of the carbone against the wall and over

3 time that carbone will burn to CO₂.

4 MR. MANGANELLI: What size are the

5 particulates that do come out?

6 MR. PIECH: We are talking about

7 particulates below 2.5, some are even below .1.

8 MR. MANGANELLI: But aren't those a greater

9 hazard to the human organism?

10 MR. PIECH: I don't want to get into the

11 issue of particulate size, particulates come out

12 of gasoline cars.

13 MR. MANGANELLI: I am just talking about

14 diesel.

15 MR. PIECH: I would suggest that they

16 aren't. We have had studies as far as the effect

17 of particulates coming out from a natural gas

18 vehicle which are actually higher than a

19 comparable diesel vehicle.

20 MR. LIBRIZZI: Where have you been doing

21 the retrofitting?

22 MR. PIECH: Primarily we have had some
23 retrofit programs done in Houston. We also had and
24 are participating in the Boston retrofit program.

25 MR. LIBRIZZI: Where are they getting the

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1 ultra low sulfur fuel from?

2 MR. PIECH: Local suppliers. There is an
3 Arco refinery down in Houston, I am not sure if
4 that one is providing it, but with the marriages
5 of some of the fuel companies, BP-Amoco-Arco is
6 all one company right now. I know are getting it
7 from the BP-Amoco.

8 MR. LIBRIZZI: Is that manufactured
9 specifically for this?

10 MR. PIECH: I think BP-Amoco has said that
11 within the next year all of their suppliers in
12 California will be supplied with this diesel fuel.

13 MR. LIBRIZZI: Are you doing some of this
14 internationally?

15 MR. PIECH: Primarily in the United States.

16 MR. LIBRIZZI: Are the new technology
17 engines available for immediate distribution?

18 MR. PIECH: The engine we are looking at,
19 DT-530, they actually bought in Houston vehicles

20 certified to the four gram standard, they were
21 anticipating that they were going to get ultra low
22 sulfur fuel.

23 MR. LIBRIZZI: What is the availability of
24 getting the retrofit in the market?

25 MR. PIECH: If you have ultra low sulfur

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1 fuel we can put on the retrofit.

2 AN UNIDENTIFIED GENTLEMAN: Is low sulfur
3 fuel available in the State of New Jersey?

4 MR. PIECH: I am not that familiar with the
5 State of New Jersey but I do know New Jersey
6 Transit was looking into it.

7 MR. BERKOWITZ: Any other questions?

8 Thank you very much. We will give the
9 remaining individuals time cues.

10 MR. BERKOWITZ: Gary Johnson.

11 MR. JOHNSON: All of the problems that we
12 have been talking about today from sprawl to air
13 pollution are all negatively impacted by the high
14 amount of driving that we do.

15 When the number of automobiles on the road
16 decreases then the traffic flows better, which is
17 good news for motorists.

18 When the number of mass transit riders
19 increases to where more frequent service is needed
20 that is good news for the transit riders.

21 Getting some people to switch from the
22 single occupant vehicle to mass transit is a
23 win-win situation for both motorists and transit
24 riders.

25 The question is how do we go about

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1 achieving it? The best solution is to introduce a
2 traffic relief tax starting at twenty-five cents a
3 gallon and then every two or three years increase
4 it an additional twenty-five cents a gallon to
5 bring the cost of gasoline here in the US to the
6 levels found in Europe, but to do it gradually
7 over a twenty-five to thirty year period with
8 every penny generated by the traffic relief tax to
9 go to mass transit to more areas of the State by
10 introducing passenger rail service to today's
11 freight-only lines, starting new light rail or
12 ferry service, purchasing additional trains and
13 low emission buses, upgrading train stations,
14 installing bus shelters, expanding shuttle bus
15 service to and from train stations, and installing

16 sidewalks and bike paths to make local

17 non-automotive travel a safe and practical

18 alternative.

19 The idea is to provide the alternate means

20 of transportation so we reduce the number of

21 vehicles on the road.

22 In most European countries it costs over

23 four dollars a gallon of gasoline but it is over

24 five dollars a gallon with today's higher cost of

25 crude oil because of the war. To go straight to

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1 four dollars or five dollars per gallon would be

2 too drastic a change.

3 Introducing a traffic relief tax in

4 twenty-five cent increments would cause people to

5 purchase more fuel efficient vehicles in the

6 future which burn less gasoline; therefore, they

7 take less of a toll on our air quality.

8 It would cause people to live closer to

9 where they work, it would give people an incentive

10 to walk locally and to cut down on their gasoline

11 usage and more people would car-pool.

12 As for our health-- and this wasn't

13 touched upon at all today-- the typical American

14 employee sits in the car and drives to work, sits
15 at a desk in the office, drives home at the end of
16 a long stressful day, eats dinner and then they
17 are too tired to exercise so they sit down on the
18 couch and watch TV. Does this sound familiar? If
19 you don't get any exercise during your working
20 hours then it becomes critically important to get
21 exercise before and after work.

22 Walking or riding a bike to work is good
23 time management because you are getting to work
24 and getting your exercise at the same time.

25 We have an obesity epidemic that has to be

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1 addressed. Nationwide half of all automobile trips
2 are three miles or less. That's sad.

3 About one in four Americans cannot drive
4 due to either age, health or economic status and
5 that number continues to grow as the population
6 grows older.

7 As for me personally, I had a seizure in
8 June 1998 while driving home one night. I blacked
9 out immediately and had an accident.

10 A few days later I got a letter from the
11 DMV telling me that my license was being suspended

12 and that I would have to mail my license to the
13 DMV in Trenton by the date specified. Then I would
14 have to remain seizure free for at least one year
15 in order to apply for reinstatement.

16 That letter is the last page on the
17 twenty-five copies of the hand-out I submitted.

18 I had the seizure on a day that I forget
19 to take my medication. If I forget to take my
20 medication tomorrow I could possibly have another
21 seizure and lose my license again.

22 Now, if you were to lose your driver's
23 license for either medical reasons or drunk
24 driving or a seizure would you be able to get to
25 work?

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1 If anybody doesn't feel that we need more
2 mass transit I offer you a challenge: Give your
3 driver's license to your spouse or somebody you
4 trust, tell that person to keep your license for
5 two weeks, and try living your life as best you
6 can without imposing on other people to drive you
7 around everywhere.

8 Are there sidewalks throughout your town?
9 Do they get shovelled after a snowfall? Would you

10 be able to safely ride a bicycle?

11 What about shopping or weekend leisure

12 trips? After you had the two week trial period

13 have the person return your license and then

14 answer the question: Do we need more mass

15 transit?

16 To get into Penn Station New York we

17 currently have only two tracks under the Hudson

18 River. During weekday morning and afternoon rush

19 hour New Jersey Transit is already running the

20 maximum number of trains that the system can

21 handle with only the current two tracks.

22 There is virtually universal agreement

23 among planners and government officials about the

24 need for at least two more tracks under the Hudson

25 River. The only question is how are we going to

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Piech

1 pay for it?

2 This is five to ten billion dollar

3 project. If we started with a traffic relief tax

4 of twenty-five cents and increased it an

5 additional twenty-five cents every two or three

6 years then we would finally see some light at the

7 end of the rail tunnel.

8 You heard about electric vehicles today.

9 In my opinion electric vehicles are not the
10 solution. The reason why I say that is because
11 electric power consumption is at its highest on
12 hot summer days when people turn on their air
13 conditioning and summer is also the time of the
14 year when people do the most driving, and
15 obviously this is a bad combination.

16 So instead of having the pollution come
17 from your car's tailpipe it will now come from the
18 smokestack at the power plant. This will change
19 the source of the pollution but will not reduce
20 the amount of pollution.

21 Transportation in New Jersey is definitely
22 at a crossroads. We now know that we cannot simply
23 build our way out of congestion. The only way to
24 reduce traffic congestion is to reduce the number
25 of vehicles on our roads.

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1 We already have an excellent road system.
2 We need a quality rail network serving most of our
3 cities and densely populated suburbs to direct
4 future population growth in established centers
5 and prevent further sprawl.

6 If these measures were taken in the
7 aftermath of the nineteen-seventies gas crisis
8 then US gas prices would already be on a par with
9 Europe and we would have very little dependence,
10 if any, on foreign oil. Our vehicles would be
11 much more fuel-efficient. We would have more open
12 space, more housing and businesses would be
13 concentrated in downtown areas which would end our
14 overreliance on the automobile. Our air quality
15 would be better and traffic delays would be
16 better.

17 We have to tax a gallon of gasoline like
18 we tax a pack of cigarettes to give people an
19 incentive not to drive.

20 In order to change things for the better
21 we must overcome our fear of change. We must shift
22 away from the automobiles to achieve a more
23 sustainable lifestyle. Let's make the changes
24 today and reap the benefits.

25 MR. BERKOWITZ: Do you represent any

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1 members of any organizations?

2 MR. JOHNSON: No.

3 MR. MANGANELLI: It is interesting about

4 the traffic relief tax. Gasoline has gone up from
5 approximately a dollar to one dollar sixty cents.
6 Do you have any specifics as to how much less
7 driving has been done?

8 MR. JOHNSON: I don't have any. I was
9 looking for some of those statistics on the
10 internet, I didn't come up with any statistics,
11 but I have seen newspaper articles where people
12 have been quoted as saying, " I am doing a lot
13 less driving aside from to and from work," and I
14 read an article in the paper saying that somebody
15 sold a car with low mileage, low efficiency gas
16 mileage, for a more fuel efficient vehicle, so I
17 know that if we were to do these changes and
18 increase the cost of gasoline that people would
19 make changes, but I haven't seen any official
20 statistics.

21 MR. LIBRIZZI: Do you think if you provide
22 mass transportation people will use the mass
23 transportation? I am thinking about those who
24 live in South Jersey who commute on the Garden
25 State Parkway.

2 it necessary for some intervention vis-a-vis
3 education or some other thing? Because I would
4 sense that a lot of our commuters that travel up
5 the Parkway are doing it for convenience and if
6 they had mass transit they still might not use
7 it.

8 MR. JOHNSON: Personally I live half a mile
9 off of Exit 131 of the Parkway so I am very
10 familiar with the Parkway situation.

11 If the price of gasoline were to go up
12 significantly over the next few years more and
13 more people who have jobs in North Jersey and
14 Northern Ocean County which has gotten a lot of
15 new people over the last ten years that work in
16 New York City or North Jersey and go back and
17 forth, the people who move into those areas in the
18 future would be more likely to move near train
19 stations.

20 Now, for example, that could be served by
21 a new line if it was built, but where do you get
22 the money to pay for it?

23 Freehold has done an excellent job in
24 their downtown and they have attracted more
25 people.

Piech

1 If more mass transit was available then
2 people would be less likely to move where transit
3 does not exist and they would be more likely to
4 move to areas where mass transit does exist.

5 Of course, there will always be some
6 people who no matter what will drive but I think
7 it is the law of supply and demand, if something
8 goes up in price fewer people are going to be
9 willing to pay the price and so the demand will go
10 down.

11 We have to change our current situation.
12 Gasoline costs four or five dollars in Europe and
13 they do a lot less driving.

14 MR. LIBRIZZI: They have less distances to
15 travel, England, France, those people commute I
16 think on a smaller circle.

17 MR. JOHNSON: Because of more transit
18 oriented development, which is one of the goals we
19 are trying to achieve, they have been doing it a
20 long time and as a result their population is more
21 concentrated.

22 We have to take steps in that direction
23 today so that a generation from now we are not
24 where we are today or even worse if sprawl
25 continues to spread further out.

Piech

1 MR. LIBRIZZI: One of the major aspects of
2 the State Plan, and it may be a Smart Growth
3 principle, might be transportation as a driving
4 force as well as other factors?

5 MR. JOHNSON: Sure.

6 MR. BERKOWITZ: Any other questions?

7 Thank you very much.

8 Martin Robins, Voorhees Transportation
9 Policy Institute, Rutgers, The State University of
10 New Jersey, Director.

11 MR. ROBINS: Thank you very much for
12 inviting me to speak at your annual public
13 hearing. By your kind invitation, you have
14 provided me with a rare opportunity to share my
15 observations about how our public transit system,
16 including PATH and PATCO, can serve as a framework
17 for New Jersey's unique Smart Growth policies and
18 how that can lead to reduce reliance on the
19 automobile. This discussion comes at a propitious
20 time, because the administration of Governor James
21 McGreevey has thoroughly embraced Smart Growth
22 principles. Now we need to think through carefully
23 how our existing transportation assets and future
24 investments can best be used to foster Smart

25 Growth goals, such as urban revitalization and

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1 reduced rates of land consumption and increased
2 transit ridership.

3 New Jersey has the potential to shape a
4 unique Smart Growth strategy that could bend the
5 trend on vehicle use and vehicle miles traveled.
6 This would give our citizens choices in how they
7 make many of their trips and improve our air
8 quality. At the core of that strategy is an
9 appreciation of the potential value of the already
10 extensive rail and bus system in northern and
11 central New Jersey and, to some extent, in
12 southern New Jersey as well. With the opening of
13 the Secaucus Transfer at year's end, we will be
14 substantially expanding the utility of our rail
15 system, improving rail access to Midtown Manhattan
16 from Bergen and Passaic Counties, offering rail
17 access to the Meadowlands for the first time, and,
18 in the long run, most significantly, giving our
19 citizens new opportunities for intra-state rail
20 travel.

21 In the popular mind people often say our
22 mass transit policy is failing us, because it

23 doesn't directly affect the lives of many of us. I
24 would argue that we are just beginning to
25 understand how to shape that system, and the

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1 environments surrounding it, so that it can become
2 relevant to the lives of more of our citizens. On
3 its own terms, the system has been thriving over
4 the past 20 or so years, since the inception of NJ
5 TRANSIT. For example, on the Northeast Rail
6 Corridor, New Jersey's rail Main Street ridership
7 has grown 127 percent over the past 20 years. In
8 an example of prudent investment that made transit
9 more useful to people's lives, almost 3,000 trips
10 a day are now reaching or departing Newark Liberty
11 International Airport through the successful new
12 rail station connecting to the airport monorail.
13 In addition, the Hudson-Bergen Light Rail Line is
14 attracting noteworthy economic development to its
15 station areas.

16 The principal reason why our transit
17 doesn't affect the lives of many of our citizens
18 is that our sprawling patterns of land investment
19 and use pull origins and destinations away from
20 the transit system and funnel travel onto our

21 congested state highways and local roads. Were
22 more of our activities spatially organized around
23 transit, we would realize a greater societal
24 benefit from the public expenditures in the system
25 than we now do.

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Robins

1 The transportation component of Smart
2 Growth is not yet fully developed in New Jersey,
3 but this is our opportunity to make it far more
4 robust. We need to recognize that land use
5 decisions and investments are central to travel
6 behavior. Certain facts should convince us that
7 investment around transit and in compact walkable
8 settlements works in reducing auto reliance. Here
9 are a few of these facts:

10 More than 60 percent of the New Jersey
11 resident workers near Jersey City's transit hub on
12 the Waterfront reach work by transit, walking or
13 bicycle, and most of them like working there and
14 also are satisfied with their trip to work.

15 Meanwhile, an infinitesimal number of
16 workers at most suburban office parks travel to
17 work by anything other than auto, and 3/4 of
18 travel, one-way, between 10 and 40 miles to work.

19 This data is drawn from a survey from a
20 to-be-published study conducted by the Vorhees
21 Transportation Policy Institute.
22 Census data shows conclusively that people
23 who live proximate to train stations use transit
24 or walk for their work trip at a considerably
25 higher rate than people living further away.

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1 Some 38 percent of the residents of
2 Princeton Borough, a compact, traditional small
3 town where residents and jobs are nearby to
4 another, walk or bike to work.
5 Transit-oriented housing along the Hudson
6 River Waterfront continues to expand to a dazzling
7 rate.
8 When NJ TRANSIT initiated Midtown Direct
9 services on the Morris & Essex Line in 1996,
10 providing one-seat service to a desirable
11 destination, Penn Station New York, ridership
12 quickly grew to 11,000 daily.
13 The cornerstones of New Jersey's Smart
14 Growth transportation policy should be robust
15 state commitments to:
16 Concentration of appropriate investment at

17 infill sites near our train and bus stations, and.

18 To sound transit investment that makes the
19 system ever more useful to our citizens.

20 Such policies would result in increasingly
21 changing the way New Jerseyans travel to work,
22 recreation, services, shopping, universities and
23 other destinations. In other words, we will
24 continue to discover that New Jeersyans want
25 mobility options and that their romanticized love

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Robins

1 affair with the auto is somewhat exaggerated.

2 I believe our greatest single leverage
3 point is the location of new office investment.
4 Decisions to locate jobs are more flexible and
5 should be less personal than household decisions
6 about where to live. As our data shows, workers
7 generally enjoy working in urban settings
8 accessible by transit from many corridors with
9 plenty of restaurants and other services readily
10 available. The Jersey City Waterfront experience
11 tells us that locating jobs near transit hubs,
12 giving most employees a choice of travel mode,
13 will lead to high percentages of these New Jersey
14 workers using public transit. As a bonus, if

15 appropriate housing is nearby, some of those
16 workers will locate there and will walk and bike
17 to work. This concept should be central to New
18 Jersey's Smart Growth transportation policy.
19 Instead of just talking about these
20 directions, or just taking half-way measures, now
21 is the time to act decisively. The political
22 commitment to Smart Growth provides momentum for
23 us to leverage the public interest in Smart
24 Growth. We must begin the debate about aggressive
25 steps to engage local government and private

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Robins

1 developers to encourage and make investment in the
2 right places, near transit facilities and in a
3 form that encourages non-motorized travel.
4 We have several challenges to overcome
5 before we can cross the threshold into a less
6 auto-reliant New Jersey. First, we must assure the
7 continued vitality of our public transit system,
8 that has been so improved over the past 25 years
9 since the establishment of NJ TRANSIT. It should
10 be kept affordable and be given sufficient funds
11 to be maintained and prudently expanded so it can
12 serve more of our citizens' travel needs.

13 Unfortunately, this is easier to say than do,
14 because various financial practices with states'
15 transportation budgets have jeopardized our
16 ability to keep the public transit system on an
17 even keel.

18 I urge all Clean Air advocates to monitor
19 the upcoming work of the Governor's Blue Ribbon
20 Transportation Commission. That commission of
21 distinguished leaders will be wrestling with this
22 weighty question. Important choices will be placed
23 before the Commission about how to provide
24 adequate funding for our public transit operations
25 and maintenance. Choices will also have to be made

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Robins

1 about where any new capital dollars should be
2 invested and what kind of promising transit
3 expansion projects should be put into or kept in
4 the pipeline. In that vein, we should be thinking
5 about expanding the capacity of our rail Main
6 Street, the Northeast Corridor, and redirecting
7 our planning dollars for intra-New Jersey projects
8 that connect urban neighborhoods to significant
9 destinations and revive investor interest in those
10 neighborhoods. To facilitate this kind of urban

11 sub-regional transit, the state should expect to
12 enter into planning partnerships with local
13 governments.

14 The second challenge is to develop a
15 bolder and workable approach to encouraging office
16 and mixed use development at transit hubs,
17 particularly in Jersey City, Newark, Hoboken,
18 Secaucus and Camden, and residential and retail
19 development, or transit villages, at outlying
20 suburban stations. This policy is benefited by the
21 fact that train stations appear to be locations
22 where the public is most amenable to higher
23 densities.

24 We need several ingredients to make this
25 work. One is a recognition by the development

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1 community and corporations that investment and
2 location near transit stations is in their
3 interest and in that of New Jersey.

4 Second, we need financial incentives, such
5 as a Transit Development Action Grant program,
6 to encourage appropriate transit-oriented
7 developments. Safeguards must be included to
8 assure that care is taken in evaluating the

9 location and the type of development. We don't
10 want to promote this idea and end up with
11 transit-adjacent development, as Metro Park, where
12 the land surrounding an important station is
13 devoted mainly to offices and hotels and few of
14 the workers or patrons use transit as their way of
15 reaching these facilities.

16 Third, beyond making the financing more
17 attractive, we must deal with developers'
18 trepidations that they will be wasting precious
19 financial and human capital in difficult,
20 drawn-out dealings with municipal governments whose
21 personnel may only dimly understand Smart Growth
22 concepts. We need to create governmental capacity
23 and know-how above the municipal level to educate
24 local officials and assist them to shepherd good
25 Smart Growth proposals for investment near transit

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1 stations.
2 Fourth, we must develop tools for blunting
3 the adverse effect of the property tax system,
4 because ratable hunger impels local officials to
5 put offices near suburban stations, as in Metro
6 Park, and scares them away from placing relatively

7 dense housing where it belongs, on top of seas of
8 parking at outlying stations.

9 And fifth, we may also need to increase NJ
10 TRANSIT's development powers. They are very
11 limited today. That agency has the strongest
12 institutional stake in seeing these policies work.

13 One other note. We need an honest, open
14 debate between environmentalists and transit
15 advocates about park-ride policy. For a transit
16 system to work, we need to get people to stations.
17 In our surburbanized landscape the park-ride has
18 been the obvious solution. Environmentalists,
19 concerned about cold starts, bridle at the notion
20 and have promoted station shuttle systems. We need
21 to establish a policy, after open discussion, that
22 balances these concerns and assures the broadest
23 access to the system we can afford.

24 In summary, then:

25 If we placed more of our offices at

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1 transit hubs.

2 If we built more of our residences close
3 to train stations or ferries with high quality
4 services.

5 If we laid out more of our settlements, so
6 that people had the travel option to walk or bike.

7 If we ultimately connected the transit
8 system to more destinations of interest to our
9 citizens, and if we made access to the system
10 feasible, we would have a robust Smart Growth
11 transportation policy that would have the promise
12 to reduce our future reliance on the automobile
13 and, thereby, clean our air.

14 Thank you for your time.

15 MR. BERKOWITZ: Thank you, Mr. Robins.

16 We have testimony before this Council that
17 Smart Growth may be interpreted as leaving the
18 people who are in the rural hinterlands pretty
19 much out of the equation in terms of transporting
20 themselves to their jobs.

21 It could be argued that in fact if you did
22 take care of these people by offering them mass
23 transit you would be exacerbating the condition by
24 inducing growth in these areas that you might
25 otherwise want to devote to open space.

Robins

1 My question to you is, do you share that
2 perception, and secondly, do you think that we can

3 do both with the appropriate safeguards?

4 MR. ROBINS: It is a complicated question in
5 that first of all only a small percentage of
6 people who live in rural areas today work in
7 places that are really accessible by public
8 transportation, so they are the least likely to be
9 part of the public transportation market.

10 There are ways of dealing with that, such
11 as highways and Park-Rides if in fact people are
12 within reach of public transit.

13 I don't think it is really necessary that
14 if we had to choose, for instance, whether we
15 should build a light rail line in urban Essex
16 County, put money in and build up neighborhoods,
17 or whether we want to extend a railroad line three
18 miles out into Sussex or Warren County or
19 Hunterdon County, I would clearly vote in favor of
20 the former rather than the latter.

21 If you look at the rail map that was
22 issued in a prior administration in the
23 nineteen-nineties, the map is just dotted with all
24 of these extensions out in the hinterlands. I
25 think that those are very low priority projects

1 compared to providing prospectively-- we can't
2 undo what we have done but I think that it is high
3 time we recognized the interrelationship of all
4 these kinds of issues and we begin to plan on
5 multiple levels of government in an intelligent
6 way and get the most for our investment.

7 MR. BLANDO: Just curious. Using mass
8 transit, let's say New Jersey Transit, Manhattan
9 to Trenton, how does the cost of mass transit line
10 up with the cost of commuting by car? Some people
11 may say, " I own my car outright and it is a lot
12 cheaper for me just to drive to work rather than
13 buy a train ticket everyday."

14 MR. ROBINS: There are round-trip tickets
15 and there are monthly tickets, there is a very,
16 very large difference, but I think what it really
17 gets down to in the end is that New Jersey
18 Transit's operating costs have got to be carefully
19 watched.

20 Ironically New Jersey Transit has
21 continued its fares at the direction of the
22 governmental leadership for an eleven year period,
23 and I think that a lot of people appreciate the
24 fact that there was only approximately a ten
25 percent increase in the last year, but I think

Robins

1 that the question of affordability which is
2 important for public transportation to be
3 effective and for us to be able to induce people
4 in certain types of trips away from their
5 automobiles, public transportation has to be
6 affordable, so you have to pay a lot of attention
7 to the funding of transportation operations, which
8 is a very troubled area.

9 MR. ZONIS: I think you made a very helpful
10 suggestion that I want to underline because you
11 have drawn very specific difference in your
12 presentation between what you call the transit
13 hub, Jersey City, Newark, Secaucus, and I am in my
14 mind relating that to the new station in Montclair
15 which by virtue of that fact has apparently
16 attracted a number of suburban commuters traveling
17 to Manhattan.

18 What you are seeing in Montclair is that
19 it has residential and retail development around
20 it. I am not sure that Montclair in that
21 particular area has office areas but perhaps
22 doesn't need it.

23 In Secaucus we do see commercial
24 development and the somewhat inland mobile
25 stations do not provide for that, emphasizing the

Robins

1 need to eliminate the Metro Park syndrome.

2 MR. ROBINS: I think Metro Park is one of
3 the saddest developments in the history of New
4 Jersey. It was developed at a time when they did
5 not appreciate these issues, we did not appreciate
6 what Metro Park would become, and the land that is
7 around Metro Park adds to the confusion and lack
8 of that appreciation.

9 I have been in and out of New Jersey State
10 government for nearly thirty years now, and at the
11 time that Metro Park was developed these kind of
12 things were not appreciated, the New Jersey public
13 transit system was in such dire straits with a
14 bankrupt railroad, we were worried about keeping
15 the system running week after week, and the kind
16 of things we are talking about today were nowhere
17 on the horizon.

18 But I think your point about Montclair is
19 excellent. I would say Montclair has developed in
20 the area around the train station but the only
21 problem is that there isn't much vacant land in
22 Montclair, it is a very built-out community, but
23 to the extent land is available and there would be

24 parking I would say that the primary usefulness
25 for that land should be in the area of housing.

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1 Montclair is a very attractive community.
2 Going to the Metro Park syndrome, being it
3 was successful it was drawing more people and they
4 have put in so much more parking space around it,
5 but one of the things we haven't talked about here
6 today are the kind of factors that encourage
7 people to go on those trains, not to fear for
8 their lives and to be comfortable and if more cars
9 are needed that they could put more cars on very
10 easily.
11 I think that if you look at the record of
12 New Jersey Transit-- and I was involved in the
13 creation of it-- that New Jersey Transit has
14 dramatically turned around the quality of their
15 service. It is rare that you will see situations
16 where there are unsafe conditions or poor
17 equipment or terrible on-time performance, things
18 that did mark their operation in the past. We
19 have come a long way and we should take advantage
20 of that.
21 Parking is one area that really causes a

22 great deal of stress, Metro Park being an example
23 of that where the land surrounding the station is
24 devoted mainly to offices and hotels and few of
25 the workers or patrons use transit as their way of

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Robins

1 reaching these facilities.

2 We have a great deal to be proud of but we
3 have a great deal of more work ahead of us, and
4 that's the thing to pay attention to.

5 It is not that we have to tear our hair
6 out and say we will never get this right. We have
7 it right to an extent but there is much, much more
8 that can be done to make it really right. There
9 are forces in our society since World War II that
10 are pulling in opposite directions as to land use
11 investment, residential and retail locations, that
12 has just completely left the mass transit system
13 behind, and that activity really kind of corrodes
14 both the potential usage of the system and even
15 the public's appreciation of the system.

16 MR. EGENTON: We had some comments today
17 about the freight system and increased capacity in
18 years to come as to products coming in from the
19 Far East to our ports.

20 What are your thoughts, we are hearing
21 about the increased truck traffic, can our rail
22 system have any bearing on that to help alleviate
23 some of the problem with increased goods and
24 services that we see coming through the ports in
25 the future?

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Robins

1 MR. ROBINS: We have been doing a study on
2 that in which we are examining the performance of
3 CSX, and I think that right now we are still in an
4 early stage but I think in some respects the rail
5 traffic has done well in this area. The Port
6 Authority of New York and New Jersey has been very
7 diligent about improving accessibility of railroad
8 operations on the docks, you have a vast increase
9 in the number of containers that are now either
10 brought in or taken off of ships directly from and
11 to railroads which didn't exist ten years ago, a
12 whole new market.

13 I think what will be seen if we are going
14 to develop a north-south route is that it would
15 affect New Jersey, particularly the New Jersey
16 Turnpike, and the problem is more complex than
17 waving your arm and saying there are bad people

18 out there. The railroads misestimated how
19 difficult it would be to use the rail facilities
20 in Virginia, Maryland, Pennsylvania to approach
21 the New Jersey market, it was too slow, they are
22 competing with commuter rail service in those
23 states and they haven't been able to put together
24 a series of packages, but there is a lot going on,
25 hopefully.

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Robins

1 MR. EGENTON: We would be interested in
2 you coming back in the future and sharing your
3 thoughts with us.

4 MR. ROBINS: I will be very happy to.

5 MR. LIBRIZZI: You commented that the
6 development community needs to recognize that
7 investment and location near transit stations is
8 in their interest. Can you tell us tell us a
9 little more about that?

10 MR. ROBINS: I hope to find someone in the
11 development community who sees things the way I
12 see it and says we need to change our ways. In
13 Chicago there are corporate leaders who are
14 responsible for locating office jobs, where the
15 jobs are actually going to be, and a very

16 enlightened person of the corporate leaders was
17 talking about the separation of where workers live
18 and where jobs are and mass transit, and he said,
19 You know what the problem is? We are the problem,
20 we are making decisions that are based on maybe
21 petty reasons, maybe they seem like good reasons,
22 but when you bring all of the internal and
23 external parts together about how corporations
24 would make the best societal judgments, they have
25 not been placing those offices in locations that

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Robins

1 are reasonably proximate to where their workers
2 are and also where mass transit, real mass transit
3 is available, and they started to talk and debate
4 among themselves what they might be able to do
5 about that.
6 My dream is that there will be people in
7 New Jersey who are involved in corporations,
8 corporate leadership that could see the same
9 issues and take a leadership role and speak out
10 working with the State government in creating a
11 new paradigm for people making decisions so that
12 they are going to think about where their work
13 force really should come from, how they might be

14 able to begin to locate in places in New Jersey

15 that are readily accessible to mass transit.

16 Thank you very up.

17 MR. BERKOWITZ: We would like to invite you

18 back to one of our Council meetings on a future

19 day.

20 Jim Sinclair, Congestion Busters.

21 MR. SINCLAIR: I am a Professional Engineer

22 in the State of New Jersey and I am employed by

23 the New Jersey Business and Industry Association

24 as First Vice-President but I am here today to

25 speak as the Chairman of the Congestion Busters

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Sinclair

1 Task Force, which is a strange name but which has

2 goals set out by legislation to come up with

3 recommendations to deal with congestion.

4 The New Jersey Task Force is a fairly

5 broad task force representing citizen groups,

6 representatives from the business community,

7 government officials, local transportation agency

8 people and really smart people like Marty.

9 And I got to be Chair of this because I

10 knew the least about transportation policy of

11 anybody in the room and so I as the naivest person

12 asked questions about policies that we have.

13 And I discovered that transportation
14 policy is really complex and that transportation
15 is in fact a system and it is a system that works
16 with fixed assets but it has a lot of individual
17 players.

18 Everybody out there that is going
19 somewhere is a participant in the program, and we
20 don't tell them where to go, they figure out
21 themselves how to work the system.

22 Either they take public transportation if
23 it is the most attractive alternative to get them
24 to where they are going, they use personal
25 transportation, or they wind up hitching rides

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1 with other people in car pools and other
2 arrangements. Sometimes they are even lucky
3 enough to walk or ride their bikes to work.

4 So we looked at this process and it was a
5 very open process, perhaps the most open process
6 of any in government. We put all of our
7 information on the Web site at the Department of
8 Transportation who did excellent staff work for
9 us.

10 And I want to touch on a couple of these
11 recommendations, but first I would like to offer a
12 personal view on congestion.

13 There have been a number of reports, I
14 refer them to you, Alliance for Action did two
15 reports about it and put a price tag of something
16 like six billion dollars a year on it. It is a
17 very good report about what the impact on the
18 economy of congestion is.

19 There was also a report to the Legislature
20 done by the Department of Transportation on March
21 31, 2001 which recommended incentives to encourage
22 reduction in single occupancy vehicle miles.

23 They looked all around the country and
24 selected good ideas for incentives for people to
25 get people out of their single occupancy vehicles.

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1 We had some experience in the State with
2 the ill-fated employer trip reduction program that
3 taught us a lot about the ability of government to
4 mandate solutions on individuals, it was a
5 learning process, and I think that that result
6 tempered the recommendations that the Task Force
7 came up with.

8 The Task Force tried to come up with
9 doable, meaning politically doable, short-term
10 suggestions, and it is the longer-term suggestions
11 that I want to talk about that we looked at and
12 the report did not adopt, and I am not necessarily
13 being an advocate for them but I am saying there
14 are solutions out there.

15 One of those solutions had to do with
16 pricing, pricing congestion. We fooled around with
17 this a little bit, the bridges going into New York
18 on certain peak hours and raising or lowering the
19 price of the roadway.

20 I think other places do it with rationing
21 lanes, HOVs, if you have multiple occupancy you can
22 use the lane and you get faster travel.

23 All of these things have somewhat mixed
24 results but since the report came out in the City
25 of London, England, they have initiated fairly

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Sinclair

1 stiff pricing policy for vehicles downtown.

2 We on the Congestion Busting Task Force
3 see that out in the future; if congestion gets so
4 bad then pricing strategies will start to kick in.

5 Rationing strategies will maybe kick in,

6 restrictions on the number of vehicles that you
7 might have registered or when you can operate your
8 vehicle. For instance, you might get a permit
9 that says when you get your plate for your car you
10 can never drive that car on Tuesdays or Wednesdays
11 or something like that.

12 Those are the kinds of restrictions as to
13 increased congestion, and we all know the numbers,
14 there is going to be more congestion because we
15 are going to have more people and whether we put
16 those people in Pennsylvania and have them
17 commuting here or whether they live in Western New
18 Jersey or whether they live in Union County, there
19 are going to be more cars traveling around with
20 more people going to more jobs hopefully that we
21 will create for these people.

22 And that brings up other restrictions that
23 were brought up almost at the end of the process,
24 such as that we would stop letting kids drive to
25 high schools, but that didn't go through.

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1 My perspective is that congestion is a
2 personal choice matter.

3 And when we talked to people about

4 congested hot spots and what it means to them,
5 there is a recent article here in New Jersey about
6 the state of congestion and the Department of
7 Transportation hot spots that they identified as
8 bottlenecks around the State, and so we asked the
9 citizens of New Jersey where do they think the hot
10 spots are and they told us and we learned from
11 that that congestion is a spatial and temporal
12 issue for individuals, how does it affect them
13 personally:

14 Is this a traffic light that I have to
15 wait at so long getting onto Route 1? Is it
16 driving down Route 1?

17 It is all personal. And the answer-- and I
18 facetiously say this-- that I have come up with is
19 that people want to resolve congestion by getting
20 some other people off the road so that I can go
21 faster and get to wherever I am going, if we can
22 come up with a strategy that gets those other
23 people into some other vehicle, I don't care if
24 they car pool or take mass transit or all live
25 downtown, but just get them off the road so I can

2 That's really the view I have taken away
3 from this. I believe it is true and I believe this
4 is really a politically sensitive subject when it
5 comes to the kinds of restrictions that people
6 will accept.

7 So it is more the big picture kind of
8 thing that Marty is talking about in our
9 recommendations which fit into the Governor's
10 Smart Growth policy, what do you do with the
11 future, where do you build things that people are
12 going to live in?

13 With Smart Growth you are not just dealing
14 with the congestion you have now, you are dealing
15 with that increment of a million additional people
16 coming in here and how do we make it easier in the
17 future.

18 That was really a long run-up, and you
19 have this before you and it is going to be in the
20 record but I wanted to highlight some of the
21 things that I think are important and maybe other
22 than what it says here to tell you sort of rumors
23 behind the news and what I think they mean.

24 The first item is that the business
25 community has to work and show support for the

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1 local transportation management agencies. Local
2 transportation management agencies are designed on
3 a regional basis to help solve this problem. The
4 business community has not been I think really
5 good players in this process; they need to be more
6 involved.

7 Marty said he is looking for visionaries
8 to come in and design things. I think visionaries
9 have stepped up just as the Governor or the
10 Commissioner have stepped up with the Big Map and
11 has invited the business community to be involved,
12 the business community needs to be involved always
13 in transportation decisions, employers need to be
14 involved.

15 E-Z Pass, we scored E-Z, that was a no
16 brainer, and we saw advantages of expanding the
17 Park-and-Ride program. That's a real low cost
18 win-win: If you build a Park and Ride facility
19 you are building a car pooling system that you
20 don't have to do very much about, you are getting
21 people on a bus or allowing people to car pool out
22 of an area.

23 We talked about freight. That was an eye-
24 opener for me, that we are going to have four
25 times the volume of freight means four times the

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1 volume of trucks moving around the State. How do
2 we get them to where they are going to and what do
3 we do with those goods? It is an entirely
4 different problem that we need to put into our
5 calculation.

6 We need to think, as the business
7 community and as trucking institutions we need to
8 think about when freight is delivered to
9 commercial facilities, we need to perhaps get
10 trucks out of the morning rush hour in our urban
11 areas and have the deliveries at sometime that is
12 off-peak.

13 And I understand and the Committee clearly
14 understands that people live around commercial
15 facilities and that may not be a solution that is
16 locally acceptable if we are going to have
17 unloading of trucks and run trucks in the evenings
18 and nights.

19 Bus rapid transit: Marty will argue with
20 me on this, but fixed rail systems of all sorts
21 are very expensive. We need to find vehicles that
22 can move people around, are flexible and cheaper.

23 And the thing I learned in this process, I
24 learned that you can't tell somebody to take a

25 bus, leave your car, take a train, leave your car,

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1 that there is just no space for it--

2 MR. BERKOWITZ: Jim, I will have to ask you
3 to move along.

4 MR. SINCLAIR: I think I have discussed
5 just about all that I wanted to discuss.

6 MR. BERKOWITZ: I doubt that.

7 MR. SINCLAIR: We have given this a lot of
8 thought and I really did have the opportunity to
9 work with really good people.

10 The congestion issue is not just something
11 that winds up in a little report like this. I mean
12 I went away on vacation and I am really surprised
13 that the Governor said that it was the most or one
14 of the most important issues in the State, so
15 that's good because we are all talking about it
16 and perhaps we will come up with some good
17 solutions.

18 And the last thing on this, it is not in
19 the report, the thing that I learned is that we do
20 have to figure out how to put a greater amount of
21 investment into public transportation, we ought to
22 have a program that continues to ratchet up those

23 dollars that go into public transportation so it
24 becomes an attractive alternative for people to
25 get from here to there.

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1 I would be glad to answer any questions
2 you might have.
3 MR. BERKOWITZ: Thank you.
4 Any questions?
5 (No response.)
6 Robert Campbell.
7 MR. CAMPBELL: The New Jersey Department of
8 Environmental Protection, Bureau of Air
9 Monitoring, in its 1997, 1998, 1999 and 2000 Air
10 Quality Reports, states, " Ozone and particulates
11 are New Jersey's two most pervasive air quality
12 problems and more measures need to be taken to
13 ensure that those health standards are attained in
14 future years."
15 The report for 2001 has not yet been
16 issued by NJDEP, but I anticipate it will repeat
17 the same warning and recommendation. Motor
18 vehicles emit nearly half of all the toxic
19 chemicals that cause ground-level ozone. They also
20 emit tiny particulates that can lodge in the

21 lungs. These particulates cause numerous health
22 ailments and tens of thousands of premature deaths
23 each year.

24 Aside from the gasoline-electric motor
25 hybrid engine vehicles now available from Honda

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1 and Toyota, the current fleet of gasoline and
2 diesel engines being sold in New Jersey are
3 inherently dirty and inefficient. Tailpipe
4 controls and improved fuel quality only marginally
5 slow the growth in the pollution from cars. The
6 net effect of these reductions in mobile emissions
7 has, however, been greatly diminished by the
8 increased popularity of light trucks, a
9 classification, or loophole as many of us refer to
10 it, which still exists in the Corporate Average
11 Fuel Economy, CAFE, Program established by
12 Congress in 1975. Light trucks include all SUV's,
13 minivans, and pick-up trucks with a Gross Vehicle
14 Weight less than 8,500 pounds. The standard for
15 light trucks is only 20.7 miles per gallon whereas
16 the standard for passenger cars is 27.5 mpg. This
17 permits light trucks to emit far greater amounts
18 of pollution than passenger cars, and more than

19 50% of all vehicles sold in the U.S. In 2001 and
20 2002 were light trucks, SUV's, vans and pick-ups.
21 Three other states in the Northeast,
22 Massachusetts, New York and Vermont have already
23 adopted the California low-emission vehicle phase
24 II standards for tailpipe emissions. Among those
25 states, the standards will apply the same emission

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1 requirements of passenger vehicles to SUV's and
2 all light trucks beginning in either year 2003 or
3 2004. Since the U.S. Senate failed last year to
4 approve an increase in the CAFE standards and thus
5 to reduce our nation's dependence on foreign oil
6 and reduce the massive volumes of Nitrogen Oxides,
7 Volatile Organic Compounds, and small particulates
8 emitted by the cars and light trucks sold in the
9 U.S. Between now and 2015, New Jersey needs to act
10 now to reduce the mobile emissions of vehicles
11 registered in the State and to protect the health
12 of its 8.5 million residents. If nothing else
13 changes, everyone in New Jersey, and especially
14 those living or working in urban areas and near
15 major highways and roads, will be forced to
16 continue to breathe air containing high levels of

17 toxic chemicals such as Benzene, 1, 3-Butadiene,
18 Formaldehyde, the ground level ozone resulting
19 from VOC's and small particulates produced by
20 mobile sources.

21 I ask all members of the Council to refer
22 to the NJDEP website "Air Toxics of Special
23 Concern" after today's hearing. I a section
24 entitled "The 25 Air Toxics of Greatest Concern in
25 NJ" it says, " Our preliminary analysis of the

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1 county average hazardous air pollutant
2 concentrations generated by the U.S.EPA's
3 Cumulative Exposure Project indicates there were
4 24 carcinogenic chemicals predicted by EPA to
5 exceed health benchmarks in one or more counties
6 in 1990."

7 The first table that follows lists 10
8 pollutants of concern and indicates they exist
9 statewide. Benzene, 1,3 Butadiene and Formaldehyde
10 are included in this group and the source of these
11 emissions is listed as either mobile or mobile and
12 area.

13 In fact 7 of the 10 chemicals listed in
14 this statewide group are produced by mobile

15 sources. Page 2 of this same website provides
16 information on the sources and concentrations of 7
17 air toxics which exist globally. As regards
18 Benzene and Formaldehyde it states," They are
19 emitted in such large quantities around the world,
20 expecially in cities, that they travel on the wind
21 and are still found in significant quantities in
22 remote and rural areas."

23 There are several facts worthy of further
24 comment concerning the three chemicals noted
25 above.

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1 Benzene.
2 Generally Benzene makes up 3 to 5% of exhaust
3 hydrocarbons from gasoline fueled vehicles. In New
4 Jersey 63% of Benzene emissions come from mobile
5 sources and 29% result from transport over
6 distances greater than 50 km, including interstate
7 transport.

8 As regards health effects, the U.S.EPA
9 consideres Benzene a known human carcinogen, based
10 on sufficient epidemiological evidence. Increased
11 incidence of leukemia occurs in people exposed to
12 Benzene in the workplace. Recently toxicologists

13 and epidemiologists have been finding evidence
14 that proximity to heavily traveled roadways
15 predisposes children to contracting leukemia.
16 Animals exposed to Benzene in experiments have
17 contracted cancers of the bone marrow, lymphoid
18 system, skin, ovary, oral cavity, lung, mammary
19 gland, and other glands.

20 1.3 Butadiene.

21 This is a gaseous hydrocarbon. It occurs as an
22 incomplete product of combustion of organic
23 materials, including motor fuels and fires. In New
24 Jersey the main source of this chemical is
25 incomplete combustion of gasoline and diesel

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1 fuels. Mobile sources produce 99% of it, and the
2 remainder comes from area sources.

3 Limited epidemiological evidence of
4 workers exposed to 1,3 Butadiene reveals increased
5 risk of leukemia and other lymphomas. It is one of
6 only two chemicals known to cause cancer in the
7 heart of lab animals. Due to current evidence, EPA
8 considers 1,3 Butadiene to be a probable human
9 carcinogen.

10 Formaldehyde.

11 This is a colorless gas at room temperature that
12 is sold commercially and used as a bactericide and
13 fungicide. It is emitted both directly into the
14 air and formed as a result of chemical
15 decomposition of other organic compounds. In New
16 Jersey 82% of Formaldehyde emissions come from
17 motor vehicles and off-road vehicles and
18 equipment.

19 Limited human studies demonstrate a link
20 between Formaldehyde exposure and nasopharyngeal
21 cancer. It produces squamous cell cancer in the
22 nasal passages of rodents. Because extensive human
23 information is not available, the US EPA
24 classifies Formaldehyde as a probable human
25 carcinogen.

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1 Additional information on these hazardous
2 chemicals is also available in the Hazardous
3 Substance Fact Sheets website of the New Jersey
4 Department of Health and Senior Services.

5 In conclusion, the adverse impact on the
6 health of New Jersey residents, caused by the
7 continuing high levels of air pollution resulting
8 from mobile emissions can no longer be tolerated.

9 The people of New Jersey should not be expected to
10 wait any longer for Federal legislation to require
11 a significant increase in the CAFE standards. New
12 Jersey has an obligation to do what it can to
13 protect the health of its population.

14 There were 6.4 million vehicles registered
15 in New Jersey in 1999 and their number has likely
16 increased since then. It is essential that the
17 State Senate and Assembly, the New Jersey Clean
18 Air Council and the NJDEP work together to approve
19 the bills introduced two years ago in both houses
20 of the legislature(now S2351 or S121 and A3393)
21 calling for New Jersey to adopt the more stringent
22 California Low Emission Vehicle, LEV Phase II
23 regulations for vehicles sold in New Jersey
24 beginning in the year 2006.

25 MR. PAPENBERG: Earlier today we had some

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1 testimony from some people representing the
2 Automobile Alliance talking about the fact that
3 the vehicles that are being manufactured now are
4 virtually or will be virtually emission free and
5 therefore the feeling that I got was that
6 hopefully that this was practically no longer a

7 problem in New Jersey.

8 Would you comment on that? I gather from

9 your testimony you don't see eye to eye with the

10 testimony we heard earlier.

11 MR. CAMPBELL: I wasn't here for the

12 earlier testimony, but what vehicles are they

13 referring to to be emission free?

14 MR. PAPENBERG: The new vehicles,

15 automobiles and light trucks.

16 MR. CAMPBELL: That's not clear to me, if

17 we are talking about gasoline engines.

18 If you are talking about what was proposed

19 by President Bush as to the hydrogen powered

20 vehicles, but I am not clear on what type of

21 vehicles you are referring to.

22 My statement stands. I think it is correct

23 that other than the hybrid engines that have been

24 produced and made available in this country by

25 Honda and Toyota all of the other vehicles that

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1 are being produced with gasoline engines or diesel

2 engines are inherently dirty and inefficient.

3 MR. PAPENBERG: I think specifically what

4 was referred to was that the person providing the

5 testimony emphasized the improvements specifically
6 made in the catalyst converters that allowed for
7 the elimination of most of the air contaminants.

8 MR. CAMPBELL: Are you saying something to
9 the effect that we only need to put these special
10 catalyst converters on the current automobiles and
11 they will make it go away?

12 MR. PAPENBERG: As I understood the
13 testimony, that's what was being said, unless I
14 misunderstood, that the new automobiles coming out
15 as early as 2004 were no longer going to be a
16 problem.

17 MR. CAMPBELL: It is news to me. I cannot
18 respond to that question.

19 MR. LIBRIZZI: We spent a lot of time thus
20 far talking about reducing the amount of cars on
21 the roads through planning as well as car pooling
22 and programs dealing with that and we just heard
23 the Congestion Buster Task Force Chairman mention
24 personal choice.

25 That all translates into the role that the

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1 public plays in this whole process.

2 From your perspective can you give us an

3 idea as to what you think would need to be done as
4 far as outreach to the public, educating the
5 public or providing incentive to the public to get
6 them to be more and more engaged in reducing their
7 miles traveled?

8 MR. CAMPBELL: Well, the previous speakers
9 this afternoon have talked about a combination of
10 developing the physical requirements for using
11 mass transit and pricing it in a way to appeal to
12 more people to get them out of their cars and into
13 public transportation.

14 Someone mentioned earlier about a proposed
15 increased tax on motor fuels, there is a book that
16 I recommend to you, " The Extra Mile," I forget
17 the author's name, but it is available in the
18 libraries and I do recommend it if you want to
19 talk about tax incentives to help people leave
20 their cars at home and use public transportation.

21 We have been actually proposing it for
22 sometime, a far greater focus of improving public
23 transportation in this State and to increase the
24 tax on the motor fuels by ten cents a gallon to
25 provide for the funds that are needed for public

1 transportation.

2 Thank you.

3 MR. BERKOWITZ: Any other questions?

4 (No response.)

5 Thank you very much for your comments.

6 Diane Brake of the Regional Planning

7 Partnership.

8 MS. BRAKE: I haven't heard all of your

9 testimony but I realize you have had a long day of

10 people talking to you. Perhaps I am also going to

11 go over some of the points which you have already

12 heard but I hope that what I will bring forth is a

13 way of connecting all of those themes together and

14 perhaps offer a few tools that we have been

15 thinking about that help to keep your brain from

16 exploding when you are being asked to consider

17 environmental concerns, economic concerns and

18 transportation concerns.

19 My organization is a non-profit

20 organization formed in 1968, as it says here,

21 protecting the quality of community life through

22 sound land use planning and regional cooperation.

23 We are a small organization of planners.

24 We have a large Board that represents a number of

25 interests, and I want you to know what broad

Brake

1 interests we have. Our Board is made up of people
2 who represent corporations, the development
3 community, the environmental community and the
4 public sector and people who are interested in how
5 land use can be used relating to clean air.

6 What I want to go over with you is this
7 sense of community. We are regional planners and
8 we like to think of ourselves as a bridge between
9 State government, State planning, local planning
10 and local land use.

11 Regional thinking: When nine/eleven
12 happened I think you began to see exactly how big
13 the region is and how connected we are to it.
14 There are many emotional ways we are connected to
15 it but I am going to go over the infrastructure
16 and other ways we are connected to it.

17 Those are the roads, rails, bridges and
18 tunnels, and we are connected with sewer lines,
19 septic areas.

20 This is where the population density is.
21 You can see how scattered New Jerseyans are.

22 We also are talking about the air quality
23 management areas and we recognize that a lot of
24 the bad things coming into New Jersey are coming
25 from outside of the State.

Brake

1 We are also concerned with the watersheds,
2 wetlands and surface water, we are concerned about
3 acid rain and how that affects water and air
4 pollution, affects forestation.

5 All of these things begin to be connected
6 in a big regional system.

7 We would like to point out that the local
8 government, these are outside of the control of
9 their land use decisions, and yet what they do at
10 the local level affects all these large systems.

11 Just to give you a sense of the density in
12 the region that we studied for the last
13 thirty-five years, you can see that, if you can
14 relocate yourself to 1976, if you were flying over
15 this region you would see very distinguished
16 communities, you could tell where Princeton is in
17 the middle of it.

18 I think the next slide is in 1996. You
19 begin to see how that is spreading out. That's the
20 sprawl you have heard about. That's what we are
21 trying to control. That is what is so difficult,
22 to shift transportation modes from single drivers
23 to more public services.

24 We took that twenty year trend and
25 projected it into the future just to see what in

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1 twenty years in Central New Jersey the landscape
2 would look like.

3 That is full build-out. The white areas
4 left are protected wetlands or protected open
5 space and farmland. There is no further
6 development except for redevelopment but already
7 we have destroyed a lot of the landscape we would
8 like to protect, and who knows what the gridlock
9 will do to the air quality at that point in time?

10 Nobody wants that but the question is how
11 can we move on to some other future starting where
12 we are?

13 You have certainly heard that one of the
14 problems we have to deal with is attitude and how
15 much public choice are we talking about?

16 And it is always important to remember
17 that Americans really hate sprawl and they also
18 really hate density, which is what we are asking
19 them to accept when we are talking about public
20 transit.

21 So we have to find ways in which they can

22 share anonymity laden density so that they will
23 consider it an enhancement to their lives rather
24 than asking them to eat spinach.

25 The real question is where are we going to

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1 grow? We are not asking anybody to move out of
2 their current house. We are asking people to think
3 about as people move in how do we want this to
4 affect our communities, are we going to have
5 people build in areas where there is also
6 infrastructure where we need to fuel the
7 revitalization efforts, but we also have to do
8 that in a way to clean up those areas. That's the
9 challenge.

10 DEP, the Big Map, because the green areas
11 are often the most polluted areas are we going to
12 continue to use up our landscape and end up with
13 that bleak landscape, or if we don't want that
14 what do we want?

15 The next slide shows that we can come up
16 with a different solution looking at the landscape
17 and looking at transportation and where we want to
18 protect the environment, so then we selected those
19 growth centers and then connected them with

20 transportation. That's the technique we are asking
21 to be applied regionally. You can't ask any one
22 community to pick that center unless they see how
23 they fit into the overall picture. Some will say
24 we can't accept the density that you want around
25 the train station; my argument would be if they

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1 could see how they fit into a regional system and
2 that they could be an example that many others
3 would follow that so they are not out there alone
4 that might be helpful.

5 I am going to run through a few slides
6 about Smart Growth. This is not just about
7 location but it is also about what you do when
8 building in that location to improve the quality
9 of the environment.

10 This is about reducing auto dependency.
11 Contrary to some of the things you heard earlier I
12 would recommend that you not focus on congestion.
13 Congestion is not a solvable problem and it is
14 contraindicated if you are actually promoting
15 density. Density and congestion have to be
16 redefined if you are going to be providing the
17 amenities of public transportation, commerce,

18 interaction, a walkable community life, you have
19 to consider density and congestion in a new way.

20 Reducing auto dependency and shifting
21 transportation to other options is what we are
22 trying to do.

23 We also have to understand when we are
24 choosing the locations for transportation what are
25 the constraints of the economy.

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1 The movement of goods through New Jersey,
2 we are a gateway state, that is head and shoulders
3 even above pharmaceuticals in terms of importance
4 to New Jersey's economy. There are locational
5 decisions that have to enter into that.

6 We also have to talk about balancing jobs
7 and housing. The economy is not just about jobs,
8 it is about the people that fill those jobs. In
9 particular affordable housing which we have been
10 remiss about is on this administration's agenda.
11 It is all about how people travel to those jobs
12 and where they live in connection with those jobs.
13 You cannot solve the transportation problem
14 without solving the housing problem.

15 We expect growth to be efficient.

16 It is also about equity and I think it is
17 very important that when we think about
18 transportation that we think about the equities
19 that we would be encouraging as we provide
20 transportation.

21 Another thing I think we have to think
22 about that isn't reflected in the slides is the
23 long-term picture. I have seen a number of think
24 tanks criticizing Smart Growth for providing
25 transportation options because if you measure it

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1 at the end of twenty years you haven't seen the
2 needle move very move. That shouldn't be a
3 deterrent. We should think in the long term.
4 The interstate road system was invented, I
5 believe it was in the nineteen-twenties when it
6 was proposed, but it was at least fifty years
7 later before it really was beginning to affect our
8 life-style, so we have to think in much longer
9 terms.

10 Expanded housing options.

11 And I would also ask you to think about
12 the numbers that we are talking about. As you
13 reduce-- you have to do this when you think about

14 clean air technically, if you are reducing
15 emissions from the tailpipe and expanding the size
16 of the engine your numbers begin to move from one
17 problem to another problem. It is very important
18 to get a handle on what those numbers are.

19 I would also say that the methodology we
20 are promoting is target based. To set ambitious
21 targets is very important in order to generate new
22 solutions.

23 I would like to use as an example of
24 public policy recycling, that because of a Court
25 decision they were really compelled to come up

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1 with an ambitious target of recycling of sixty
2 percent of the waste. They recognized the
3 practices or the strategies they had in place to
4 promote recycling would never meet that target so
5 they had to invent new solutions. They invented
6 free curbside collections because the target was
7 so ambitious.

8 I was reading your last report where you
9 felt it was too complicated to address the low
10 emission vehicles at the time, I don't know all of
11 the details of that argument, but I would caution

12 you not to be too cautious, that sometimes
13 ambitious targets lead to much more effective
14 solutions.

15 Again, what you have to do and what
16 certainly planning has to do is to optimize the
17 range of the goals rather than maximize them and
18 you have to keep a number of things in mind in
19 order to accomplish that such as quality of life.

20 And I think that Smart Growth has become a
21 little unbalanced, we have invented a way to think
22 about it in a simple way.

23 But we have to think about it first as to
24 the economy, the second is transportation and the
25 third is the environment. We have taken it a step

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1 further to say in the economy there is a land use
2 task to be done and that task is to set jobs and
3 housing targets by location, exactly where are we
4 going to put the growth?

5 We just finished a project in Trenton
6 where we were looking at the capacity of Trenton
7 to support Smart Growth. It wasn't until you
8 started to talk twenty, thirty thousand, it is not
9 until you start talking numbers and locations that

10 you begin to get specific about what the plans

11 are.

12 In transportation the job is to choose the

13 transit targets. Marty Robins said that the

14 nineteen-nineties map that Transit put out had too

15 many transit corridors. That may be true for how

16 much New Jersey Transit can afford in any kind of

17 foreseeable future but in terms of land use which

18 is decided incrementally over a number of years it

19 is important to begin to think about where those

20 transit corridors are going to be and to begin to

21 focus on it.

22 The third system is the environment that

23 brings in a number of issues about increasing and

24 improving habitats by redevelopment or re-use and

25 water supplies and wastewater.

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1 One of the other things I wanted to say is

2 that as to the three systems planning has to be

3 done at the State, County and local level. The

4 important thing is that planning, regulating and

5 taxing and spending all fit together, so now we

6 have this system of planning but you have to

7 apply it.

8 What we have come up with demonstrates
9 that what you have to do is a combination of
10 factual analysis and a political process to help
11 set targets and set strategies.

12 We are proposing legislation to help
13 promote this regional planning process and when
14 you see how it fits into your particular goals I
15 think it would be helpful to support it.

16 There are a number of substantial reasons
17 brought up as to why there are obstacles to Smart
18 Growth. Lack of data, tools and resources,
19 fragmentation of decision-making, we are
20 overwhelmed with numbers in our lives and that we
21 have very little information on which to make good
22 decisions.

23 The property tax issue has been raised
24 today. Since a lot of the transportation
25 initiatives are about where the houses are in

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1 relation to the jobs communities will not take on
2 more housing in those transit corridors unless
3 they have the support to pay for the school
4 children. It comes up in my work all of the time.

5 Limited control in the short term, again,

6 think long term.

7 As to opposition to change, there is that

8 little cartoon we have.

9 And one last thing, lack of political

10 will. I have often thought about taking that off

11 now because this administration has put a number

12 of things on the table to be changed and it looks

13 like maybe they have that political will.

14 Very clearly in the process that we have

15 set up the political choices must be constrained

16 by standards that we want the government agencies

17 to set such as clean air standards that could be

18 met through land use which would be a very useful

19 contribution in getting Smart Growth to achieve

20 clean air .

21 I know that the State DEP does not

22 control land use but we need to get over that

23 hurdle so that land use becomes a part of the mix

24 for providing air quality standards for mobile

25 sources. The problem is big, and land use is a

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1 significant portion of it. We have to find a way

2 to get land use into the mix and set some

3 standards so that we begin to work towards those

4 standards.

5 MR. BERKOWITZ: Can you give us example in
6 which regional planning is working and why it is
7 working?

8 MS. BRAKE: That's a good one. The
9 Meadowlands and the Pinelands, those were set up
10 as special legislation and they had very
11 compelling environmental reasons to make it work
12 but there was a transfer of development credits.

13 In the Pinelands every town gets to do
14 their own planning, it has to be certified, and
15 there are plenty of options for Home Rule and that
16 is a problem for sure but people recognize,
17 citizens recognize and more and more local
18 governments are recognizing that the problems are
19 not within the control of their communities.

20 Some Municipalities emphasize they would
21 like to control their neighbor's Home Rule.

22 MR. ZONIS: Give me some help. I don't
23 understand your point about having land use as
24 part of the mix in providing air quality standards
25 for mobile sources.

Brake

1 MS. BRAKE: You have heard testimony that

2 mobile sources contribute a significant portion to
3 the air quality in New Jersey, so how do we get
4 transportation to change, to reduce that portion?

5 In order to get transportation to change,
6 the most significant way to get transportation
7 choices changed is through land use, if you could
8 have land use to be less auto dependent.

9 MR. ZONIS: How could land use control the
10 vehicle miles traveled?

11 MS. BRAKE: Density, the mix and design of
12 the land use affects it. Think of it like land
13 use as a capacity in the system.

14 MR. MANGANELLI: Lack of data or
15 information to make a decision; can you help us
16 here, what data do we need to make the decisions
17 with regard to Smart Growth?

18 MS. BRAKE: Two areas. One is build-out of
19 the Master Plan because zoning is now controlled
20 land use and most Municipalities do not know the
21 long-term implications of their zoning ordinances
22 so in order to jump-start that you would need to
23 show the results of the build-out of their zoning
24 to get them to think about changing it.

25 The second thing is about the capacity of

Brake

1 the system. It is very important to know if you
2 are going to encourage growth in a certain area
3 that there is a capacity of the system to support
4 it. There is very little information about the
5 capacity of the system in any particular location.

6 MR. EGENTON: Diane, I asked Joe Maraziti
7 this question this morning: You have targeted
8 where you want to put Smart Growth, and I
9 mentioned to Joe about safety concerns in certain
10 areas that are among the things which people are
11 looking to question regarding quality of life
12 issues that can't be ignored and that need to be
13 addressed.

14 MS. BRAKE: I don't have it up there
15 because I am assuming if we did all of the Smart
16 Growth things I am recommending that quality of
17 life improves.

18 If you are thinking about some of the
19 Cities the way they are now and how undesirable
20 they may be you should remember that when the
21 economy is good there are people who want to live
22 there.

23 Demographics that have just come out as to
24 baby-boomers' most productive years in terms of a
25 family, we are moving away from a single household

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1 with that kind of land use patterns with schools
2 and yards, we are moving away from that. That is
3 again part of long-term thinking.

4 You have to think about adding amenities as
5 Smart Growth does. It isn't just about relocating
6 growth, shoehorning it back into some new pattern.
7 It is about how you make that shoehorn to feel
8 better, to work better, to function better, to
9 provide amenities, to think about park access,
10 recreation and open space, to think about all
11 those things.

12 It is very important to recognize that the
13 design of a community that works for good transit
14 also works for good safety, and yet we still say
15 that it is safer in a shopping mall than it is
16 downtown, and that is absolutely false. There are
17 more muggings, more auto thefts, more dangers in
18 Quaker Bridge Mall than there are in Trenton. Look
19 at the statistics.

20 MR. PAPENBERG: Previous speakers have
21 talked about something that you put up as one of
22 the key barriers for Smart Growth, that is the
23 ratable chase and property tax issue which has
24 come up five or six times. Do you have any

25 concept as to how that might be achieved.

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Brake

1 MS. BRAKE: Funny you should ask. April 11
2 Princeton University is putting a symposium on.
3 They have come up with consensus points where they
4 do look for a Constitutional Convention and look
5 for regional tax sharing focusing on tax reform
6 and lowering people's burdens. We are putting on
7 the program Friday morning. It is geared toward
8 legislation. I think it will be interesting. Our
9 group has been involved with moving that agenda
10 and reminding people when they do have that
11 Constitutional Convention the outcomes they should
12 focus on besides lowering people's taxes.

13 MR. LIBRIZZI: You had a slide which had
14 Smart Growth's aims. Would you characterize them
15 as principles of Smart Growth?

16 MS. BRAKE: Yes.

17 MR. LIBRIZZI: Is that yours, is it a
18 consensus, is it sort of a new concept?

19 MS. BRAKE: I have been there for eighteen
20 years. This is not a new concept for us.

21 MR. LIBRIZZI: Do you envision from your
22 perspective that these principles are going to

23 drive politics?

24 MS. BRAKE: Yes, I do.

25 Thank you.

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Brake

1 MR. BERKOWITZ: Thank you.

2 Robert Babik, General Motors.

3 MR. BABIK: Robert Babik, I work with

4 General Motors. I am Director of Vehicle Emission

5 Issues.

6 It is great to be back. Since Greg Dana

7 covered the issue of California versus Tier 2 I

8 would like to take a different direction. Greg

9 mentioned tailpipe emissions from the

10 nineteen-sixties are down toward zero. The most

11 important thing if you are going to make an impact

12 is to turn over and get rid of all of the old

13 things and start getting down to these newer and

14 cleaner vehicles.

15 What I want to talk about is the road to

16 the future. There has been discussion today about

17 the EPA and California programs being equivalent

18 in emission reductions.

19 I want to talk about the last mile to get

20 down to what I call the long-term goal.

21 What that is going to cause is it is going
22 to have to force us to reinvent the automobile
23 using safe, environmentally friendly sound
24 technologies that protect and improve people's
25 lives, but as we move forward I will address those

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Babik

1 issues.

2 GM has taken an approach, it is kind of
3 displacement on demand, it is going to take
4 ambitious targets which we in GM think we have.

5 I will show you that our view of how to
6 move advanced technology forward is a little bit
7 different than our competitors but it is just as
8 compelling.

9 Here is where we are at today. We need to
10 go through an evolutionary period to hybrid
11 electric vehicles.

12 Evolutionary technologies planned or in
13 use on GM products include these type of
14 technologies. These are coupled with an internal
15 combustion engine already extremely clean and we
16 are trying to get the last bit out of it, we are
17 trying to get continuous improvement and as every
18 year goes by we your eking out a little bit more

19 water out of the stone.

20 We are going to be seeing vehicles in the

21 near future, displacement on demand, where maybe

22 you have an eight cylinder vehicle, you need a lot

23 of fuel, but we don't need all that energy so it

24 shuts down on the cylinders so it is only running

25 on four.

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Babik

1 We tried this once before and it didn't

2 work so well. The reason it didn't work so well is

3 we didn't have the computer power to make it

4 happen smoothly, but we have it now and we are

5 implementing it and when you see this technology,

6 we are going to make continuously variable

7 transmissions, it is an efficiency technology.

8 We have made so much improvement from an

9 emissions standpoint. Right now we are looking at,

10 as you can see, we are looking at, we are focusing

11 on efficiency and with all of the security issues

12 going on now efficiency has gotten to be on top of

13 the list.

14 GM's approach: We are coming out with a

15 new hybrid package. We started out with the hybrid

16 transit bus. We thought we would put hybrid

17 technology to work where it would make the most
18 impact first on a large vehicle, stop and go
19 traffic in urban settings, and then move that
20 technology down into the smaller vehicles.

21 We always questioned some of our
22 competitors, that they started out with the
23 smaller vehicles that were already getting thirty,
24 forty miles per gallon.

25 With our hybrid transit bus we have a

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Babik

1 hybrid bus that has all of the same components
2 future fuel cell vehicles will need.

3 The second point about the diesel hybrid
4 is that diesel heavy duty vehicles don't have
5 after-treatment at the current time. This is an
6 application where hybrid technology helps reduce
7 emissions, and you can see that on the left-hand
8 side. The hybrid bus is better in every
9 category. On the right-hand side where the bar is
10 higher we did better on fuel economy.

11 So the hybrid bus does great on emissions
12 and fuel economy, we want to make sure people
13 understand it is now an equal type technology when
14 you are looking at transit issues.

15 Next slide.

16 Again we targeted the higher fuel
17 consumption vehicles first and we are currently
18 demonstrating those vehicles today. We have them
19 in locations throughout the United States. In
20 Utah, we just delivered some there, in California
21 and Texas, and we are going to go into production
22 late this year and early next year.

23 We also demonstrated them in recent auto
24 shows. We are moving this hybrid technology down
25 to other vehicles and what we are doing in GM is

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Babik

1 trying to focus on not just providing one vehicle
2 or one model for consumers, we are putting it in
3 our highly successful pickup truck, the Saturn VUE
4 and Chevrolet Equinox, Malibu Sedan, and other
5 vehicles will come out over 2005, 2006 and 2007 in
6 a sequential manner.

7 This allows people the choice that if
8 someone needs a pickup truck that they can get a
9 hybrid pickup truck.

10 One of the things we are trying to make
11 sure that we focus on is the customer. Most
12 importantly, it is not what you make but what you

13 sell that counts if you are going to get it into
14 the marketplace with a high volume impact.
15 We are focusing on implementing the
16 technology so there is no trade-off as to vehicle
17 performance and contain other attributes which
18 create additional consumer demand. We are trying
19 to balance it so that people can embrace these
20 technologies and in one of our pickup trucks we
21 even have a 110 volt outlet for construction
22 workers so they can plug in tools and use them. We
23 are trying to give the technology other attributes
24 because you need to sell it. You have to sell
25 these people on the technology and we are trying

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Babik

1 to give them things that not only our consumers
2 demand but which also reduces fuel consumption.
3 Affordability: We are making a really big
4 effort to get consumer based tax credits in the
5 near term.
6 A sustainable business plan cannot rely on
7 incentives over the long term. The product must be
8 viable and embraced by the marketplace to have an
9 impact. We are trying to make is so that it is
10 across our portfolio and that we have more than

11 one offering and people have the choice on which
12 one to choose.

13 GM is making a big bet on fuel cells with
14 ambitious targets.

15 We now have emisisions down and marching
16 toward zero but we are saying the only way we are
17 going to make the next leap forward is to step out
18 of the box with fuel cells and the only feasible
19 way to get there and have zero emissions is with
20 hydrogen.

21 We have a long history of people saying
22 the California Mandate forced you to act, to do
23 all this technology, but we are not doing any of
24 this because of the California Mandate, we are
25 doing it for business reasons that make sense, we

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Babik

1 developed a fuel cell vehicle back in 1968 and we
2 went through a bunch of different progressions.

3 We were willing to step a little out of
4 the box, we said if our engineers were going to
5 design a vehicle today and not rely on an internal
6 combustion engine what would it look like?

7 And our engineers, I was surprised at the
8 result, stepped out of the box and said we would

9 make it like a laptop computer, have all of the
10 computer components in the bottom and do it all
11 drive by wire so that the only connection is a
12 computer port and everything is driven by wire.
13 At last year's auto show, 2002, we said we
14 would have a working model in nine months. Our
15 critics said, You are just trying to get people to
16 look and you are buying time.
17 We faked everybody out. We built the first
18 drivable fuel cell by wire technology vehicle in
19 nine months. It is a very expensive vehicle, and I
20 had a chance the drive it and it is extremely cool.
21 You have no dashboard. In most of the
22 accidents injuries happen to the drivers when they
23 hit the steering pole. But in this vehicle the
24 pole collapses to the right or left, there is
25 nothing behind it. Everything is on the floor of

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Babik

1 the vehicle. You can make the seat spin around if
2 one of your passengers wants to sit and talk to
3 the people behind them.
4 This stretched our imagination as to what
5 hydrogen fuel cells.
6 Why are we here today? I want to

7 highlight that one of the things we are doing on
8 the Federal level is going after Federal advanced
9 technology credits under the Energy bill.

10 What I can see from the State standpoint,
11 everyone is under a crunch, but if it is possible,
12 consumer incentives should include State tax
13 credits to consumers, and exemption from State
14 sales tax for the first three years for advanced
15 technology vehicles is something that would help
16 stimulate consumers to buy these vehicles.

17 Hydrogen fuel infrastructure development.
18 The biggest challenge to hydrogen fuel cells is
19 going to be infrastructure and there will be codes
20 and standards. How do we switch from treating
21 gasoline as a fuel to treating hydrogen as a fuel
22 and dealing with all of the local codes and
23 standards that go along with that, which is very
24 complex and one of the major hurdles also because
25 everywhere you go people have different standards.

Babik

1 Advanced fuel/vehicle market development:
2 Support State and local agencies to consider
3 advanced technology vehicles for fleet purchases
4 while maintaining the flexibility to balance their

5 fleets to address their individual needs, thus
6 highlighting preferred vehicles rather than
7 mandating them allows local agencies flexibility.

8 Finally, promote policies that change
9 consumer behavior: I just threw a couple down here
10 and hopefully by the end of the comment period I
11 will give you a detailed page, but preferred
12 parking is a great one. If I bought a hybrid
13 vehicle for the first four years I owned it I get
14 a parking place up close.

15 Or if you have HOV lanes in your State,
16 even if I am a single occupant as long as I am
17 driving an advanced technology vehicle I get to
18 use the HOV lanes, for mitigation and traffic flow
19 enhancements.

20 MR. MANGANELLI: Did I understand you
21 correctly as to one slide you had up that
22 environmental benefits may not be the thing that
23 is going to sell but rather whether you can make
24 an attractive vehicle and to sort of drag along
25 with it the environmental benefits?

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Babik

1 MR. BABIK: The concept as to that is we
2 were looking at the fuel cell vehicles and I was

3 talking about what other attributes can you put
4 into it for folks. You have this chassis with the
5 hydrogen fuel cells, at night at your home you can
6 use it to power your house so that you take that
7 house off the grid because the fuel cells that are
8 in the car can actually power a house with
9 sixty-five to seventy-five kilowatts, so we are
10 trying think think of how to give people the
11 understanding that this is a good attribute.

12 It is a stretch but we are trying to move
13 the ball ahead of the internal combustion engine.
14 We continue to improve it and we are now splitting
15 hairs on emissions and efficiency.

16 MR. PAPENBERG: Just to reconfirm,
17 according to your testimony there is no difference
18 between the EPA vehicle emission program and
19 California standard; is that correct?

20 MR. BABIK: Correct.

21 MR. PAPENBERG: And the reason for that is
22 because of the enhanced performance of the
23 catalytic converter design and other types of
24 improvements that have been made?

25 MR. BABIK: As Greg mentioned there was a

1 time in the early 1990's where there was a big
2 difference between California's standards and the
3 Federal standards; there were cars made for
4 California and cars made for the rest of the
5 country. Those standards are now very equivalent.
6 We will be fifty state certifying our vehicles. We
7 can sell them in California or New Jersey; they
8 are the same cars, not different cars.

9 We are trying to move beyond that and into
10 other technologies. When you have a mandate the
11 only only thing I will highlight for you is it
12 takes the focus off the ball because our engineers
13 focus on trying to comply with a mandate that
14 maybe isn't viable from a commercial standpoint
15 when we can be spending that time and resources on
16 other technologies within our budgets.

17 A lot of people say, " Those nasty auto
18 companies, they are just trying to make money. "
19 Keep in mind it is when we are making money that
20 we become very innovative and put money into
21 research and development programs, not when times
22 are lean. Right now we are going through a rough
23 time.

24 MR. BLANDO: You mentioned about the fuel
25 cells and the home. But what emissions, how does

Babik

1 it wash out in the end?

2 MR. BABIK: It is a new way of looking at
3 things because you are taking a step back and
4 looking at the entire process. Wells to wheels,
5 trying to look at it from a cradle to the grave
6 standpoint and seeing what is the true impact from
7 start to finish of these different fuels and
8 different technologies such as hybrids, diesel,
9 gasoline, fuel cells and there is a study that
10 covers all these and does a matrix.

11 MR. BLANDO: Fuel cells in terms of
12 hydrogen, are there any safety issues involved?

13 MR. BABIK: It is interesting because
14 people point that out a lot but we didn't do this
15 until we thought it was safe.

16 Just as with gasoline safety issues we
17 think with hydrogen the safety issues can be
18 addressed in the same way. People are sensitive
19 to this and we need to prove it like with any
20 car's integrity and safety issues, and as we are
21 proceeding we are addressing those issues. It can
22 be handled in a safe manner. I don't think GM or
23 any other companies would pursue this otherwise.

24 MR. BERKOWITZ: Thank you. It was very
25 interesting.

Babik

1 Jeff Tittle, Director, New Jersey Sierra
2 Club.

3 MR. TITTLE: There have been a lot of
4 different issues brought up that I want to touch
5 on quickly because time is running late.

6 There is a very complex issue dealing with
7 both transportation and air quality and that can
8 be done in the time afforded me.

9 I also wanted to touch base a little bit
10 about New Jersey which as you know is number 1 in
11 this nation in VMT. If you think about it, we
12 have more vehicles in the State of New Jersey than
13 we have registered drivers.

14 If you look at the overall land mass of
15 the State of New Jersey we have one automobile for
16 every acre and a quarter in New Jersey. The reason
17 we are not perpetually stuck in traffic at the
18 same time is that not everybody is on the road at
19 the same time, but some mornings it seems that
20 way.

21 One of the problems we have seen happening
22 in the State over the years is bad land use
23 planning where not only do we continue to sprawl

24 out, my great grandmother and grandfather lived on
25 a farm in Newark in 1905 by South Orange Avenue,

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Tittle

1 so we have come a long way in less than a
2 century. She wanted him to sell the farm because
3 she didn't like to live in the country.

4 I have think say that a lot of what
5 happened in this State is that transportation
6 planning in New Jersey for the most part has been
7 rewarding bad planning. That is, you overbuild
8 along little country lanes which are then widened.

9 You keep overbuilding, putting in new
10 shopping centers and overwidening the roads and
11 then malls are built with bypass roads.

12 We have seen that happen over and over
13 again in New Jersey and that's one of the things
14 we hope will change with the Governor's initiative
15 as to changes in how the Department Transportation
16 is planning and that we should be investing in
17 where growth should be occurring, where
18 infrastructure is, where we can do the most good
19 versus continuing rewarding bad planning.

20 Somebody mentioned different models.

21 Oregon I think has one of the better land use

22 models in the country. One of the things they did
23 when they saw a need for growth management where
24 they needed to have growth for the next ten or
25 twenty years, they ran a light rail line to

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Tittle

1 Hillsborough and in the process increased the
2 density in Hillsborough which was a small
3 community to twenty-five thousand but they brought
4 light rail out to do it, and I think that's how we
5 have to look at New Jersey, take the State Plan
6 and stratgically put in those investments. That's
7 where we want to see that growth occurs so we
8 aren't stuck in traffic.

9 Everybody complains about people coming
10 from the rural areas, but some of the worst
11 traffic nightmares are just going a few miles in
12 Hudson County which can take you forty-five
13 minutes to go three miles to work by car.

14 I grew up in Hillside and twenty-five
15 years ago I was on the Union County Transportation
16 Advisory Committee and we were talking about
17 running light rail from Elizabeth to Plainfield.

18 Now we are talking about it again, and I
19 that's the kind of investment we need to be

20 looking.

21 Also PATH trains to Newark airport giving
22 the airport access by train service, which has
23 finally happened, so it is funny how what is old
24 is new again.

25 New Jersey in the twenties and thirties

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Tittle

1 had a wonderful light rail network called trolleys
2 municipally as well as every major boulevard in
3 Northern and Southern New Jersey had that light
4 rail system. We are reinventing in the wheel, like
5 those wonderful railroad suburbs created before
6 the turn of the last century, the eighteen
7 eighties and nineties, are now the models for
8 Smart Growth.

9 Communities, whether Westfield or Cranford
10 or South Orange, they were developing mixed
11 transit centers and mixed use around them. Park
12 and Ride should be something that will encourage
13 Smart Growth, not encourage sprawls.

14 In developing a transit system where we
15 want to see the density increased we have to have
16 the sewer and water capacity to allow that
17 increase.

18 One example, the Trenton- Camden light
19 rail should connect with SEPTA and then get New
20 Jersey Transit to bring down the line from
21 Somerville to West Trenton and we have now
22 integrated the package to put it together.
23 There is a lot we can do and we need to do
24 because we do have a tremendous amount of problems
25 in New Jersey. In the average year twenty thousand

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Tittle

1 people in New Jersey are taken to emergency rooms
2 because of inhaled illness related to inhaling. I
3 have a very close friend of mine who came from a
4 terrible background, worked himself up, worked at
5 night in Shop-Rite, went to college, and he had an
6 asthma attack, lungs collapsed and he died, and
7 probably that is happening because we don't have
8 clean air in New Jersey.

9 The next issue is the California cars.
10 When I looked at the nice fancy charts that were
11 put up, almost every major reduction you saw
12 happening in air quality as far as emissions is
13 because of the new government regulations, new
14 government laws or the threat by government,
15 whether it is the Clean Air Act, whether it is as

16 to the catalytic converter or taking lead out of

17 gasoline.

18 That's why we strongly believe that the

19 California car is that type of a driver that we

20 need here in New Jersey. That's why in New York

21 and other states the government pushed safety

22 belts, the government needs to be active.

23 One of the reasons that the electric car

24 battery didn't do so well was that there was no

25 real push to push batteries so the incentives

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Title

1 weren't there for the industry to really look at

2 how to develop electric car batteries.

3 What I see with the California car are

4 other benefits as well as emission reductions. I

5 disagree with the charts that there is no

6 difference. DEP did a study showing major

7 reductions in air toxins, up to twenty-three

8 percent reduction for air toxins.

9 But there is another point about not only

10 cleaner air but if we push for zero emission

11 vehicles we will see a major reduction in fuel

12 consumption. If we go to the emission mandate

13 part of the proposal in the first year it kicks in

14 it will save New Jersey drivers about six million
15 gallons of gasoline.

16 And right now we are getting imported oil,
17 so the more we can help wean ourselves from
18 overseas oil the better off we are as far as the
19 safety of our country.

20 One of the biggest failures in the last
21 administration was the trip reduction program. It
22 was voluntary and haphazard and it didn't work.

23 Other states been able to work on trip
24 reduction programs.

25 I have a good friend of mine who lives in

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Tittle

1 Pasadena, California, and he drives everyday to
2 Orange County to work, and his company bought him
3 a natural gas van. He takes other workers to
4 work, they have pool cars at the office in case
5 you have to work later or for a family emergency,
6 but he picks them up, he has the van to use, he
7 and his wife have an extra car, it helps clear the
8 air in California and helps save money, and we
9 need to look at those types of ways.

10 The last census report that came out show
11 that in most of the major towns in New Jersey half

12 the people still work within the Counties in which
13 they live, whether you are looking at Hudson or
14 Union or even Somerset County, so you realize that
15 you can do more to bring people to the workplace.

16 Bergen County did a study about five years
17 ago which showed that almost half the residents in
18 Bergen County still lived within five miles of
19 their workplace but yet most of those places
20 aren't accessible by mass transit. It isn't just
21 about light rail; we need to look at other options
22 we have.

23 New Jersey Transit for years has been one
24 of the biggest obstacles for mass transit in New
25 Jersey. There hasn't been one project that in

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Tittle

1 their preliminary reports, light rail or even bus
2 service, that they didn't say it wasn't
3 economically feasible, and many times they turned
4 out to be wrong more times than they were right.

5 So there are ways of getting around. We
6 don't need to have the big buses, the big trains,
7 we can look at some of the smaller more viable
8 ways of commuting. They will help alleviate some
9 of the traffic and air problems.

10 We can at the natural gas electric hybrid

11 at some point as that technology becomes

12 available.

13 One of the things that came up with the

14 person from General Motors, I wish we had some of

15 those hybrid buses in New Jersey but unfortunately

16 New Jersey Transit is locked into a long-term

17 contract to buy seven thousand diesel buses, the

18 largest diesel bus contract purchase in the

19 history of the United States, and unfortunately

20 now that was done and we won't be able to break it

21 but that was one thing I wanted to bring it up to

22 you, why those diesel buses were contracted for

23 when they have other technologies.

24 I want to cut this off quickly. We need to

25 find alternative renewable energy for New Jersey,

253

Tittle

1 things like photovoltaics and hydrogen filling

2 stations, and to try to integrate our transit

3 needs and transit system with alternative and

4 renewable energy which will also go a long way

5 towards helping clean our air.

6 Finally, I was here last year, I will be

7 here again, and hopefully we all are, when we will

8 adopt some of these proposals. We really need to
9 work hard to come up with cleaner air because it
10 really is a matter of life and breath and it is
11 also a matter of our economy and our saving energy
12 and some of the other things.

13 Quality of life is critical not only for
14 our health but we really need to have for good
15 quality of life clean air in order to really
16 compete in the marketplace.

17 There is something we need to do with
18 Title 5 as to emissions and we really need to go
19 after mobile sources.

20 We have a lot to be done and we need to
21 work hard. We have a good opportunity, we have a
22 Governor who is committed to Smart Growth and the
23 clean-up of the environment. I hope the Clean Air
24 Council comes forward with strong recommendations
25 because that is part of your role and I think that

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Tittle

1 these things need implementation.

2 MR. ALI: What are the steps we need to
3 take to improve the air quality in New Jersey?

4 MR. TITTLE: On the transportation side we
5 need more light rail systems, the California car

6 standards will help a lot, and then to push for

7 alternative and renewable energy.

8 MR. BERKOWITZ: Let me just ask one thing.

9 Where regulatory agencies have often failed is by

10 going into the realm of individual decision-making

11 and individual preference because of political

12 issues as well as other issues.

13 We have taken it upon ourselves as the

14 Council to try to educate people. Whether it is

15 SUVs or people choosing to live in that one

16 and-a-half acre lot up in Warren County with a

17 nice little picket fence upon it, regulating

18 individual's decisions is very difficult. How do

19 you address at least educating the people as to

20 what their role is in the realm of making this a

21 better environment?

22 MR. TITTLE: I happen to be a believer that

23 a lot of the things that you mentioned are also

24 driven by the image that we sell to people. When I

25 look at the one and-a-half acre lot with a nice

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Tittle

1 big house and a back lawn--

2 MR. BERKOWITZ: That is part of the

3 culture; you can't ignore it.

4 MR. TITTLE: We need to start looking at
5 ways to change it. One of the things, when I was
6 growing up I lived in Hillside and now I live in
7 Lambertville, I like the fact that I can go to a
8 restaurant or take a jog on the canal path. We
9 need to show people alternatives, that there are
10 good communities that we can live in. Part of it
11 is through education showing there are
12 alternatives.

13 One cute little story I have is about when
14 I was first involved in Ringwood there was a
15 wonderful kid in junior high who was upset about
16 McDonald's using styrafoam packaging and she went
17 out on her own and organized a bunch of 4th
18 graders into an environment club to picket the
19 local McDonald's and she sent letters out to other
20 kids in other surrounding schools, and after about
21 four or five years McDonald's did that, and now
22 she is a school teacher in the same school she
23 started the environment club.

24 I think the kids are our future, they will
25 share this planet for the next few generations,

Tittle

1 when we are gone they are going to make those

2 decisions, and by education and pushing some of
3 the technology we have we can reach some of the
4 people, but I also think the government has to
5 lead by example and they have to lead by
6 legislating and coming up with mandates just like
7 with seat-belts.

8 I also think when it comes to the issue of
9 sprawl, if we stop subsidizing sprawl that will go
10 a long way toward getting our older communities
11 to sustain themselves and revitalize themselves.

12 The government's major function over the
13 past years has been to subsidize the pollution of
14 our air and water, running new highways out in the
15 middle of corn fields and running sewer lines next
16 to reservoirs.

17 Right now there are bad air projects that
18 I can think of on Route 92 in the middle of
19 Middlesex County, on Route 59 down in the
20 Pinelands. The more we build more highways the
21 more we will have more traffic and more pollution.
22 These are are the kinds of things government can
23 do by leading rather than following along.

24 Government needs to take the leadership
25 and say, No, we can't do that. If the government

Tittle

1 didn't say no at certain times the Passaic River
2 would still be running the way it did back in the
3 sixties when barges were attached to the bottom,
4 we wouldn't have catalytic converters, so I think
5 government has to lead and that will help educate
6 the public.

7 It is not just a matter of saying, " We
8 are going to mandate this without an explanation
9 of what is behind it." I think most people given a
10 rational basis for a decision will support it. I
11 think that's one of the things that government can
12 do.

13 It is not only educating people to support
14 it but saying right now New Jersey has six
15 thousand kids going to the ER because of asthma
16 attacks in the summertime when the major cause is
17 mobile sources and the only way we can deal with
18 that is by cleaner cars, California cars, things
19 like that. I think people will understand it.

20 When I was up in Ringwood, Ringwood is one
21 of those towns with no ratable chase, lots of
22 trees, very high property tax, but people in our
23 town were willing to raise our taxes higher even
24 though two-thirds of the town was open space,
25 raise it to a higher tax to protect the reservoir

Tittle

1 down the road.

2 MR. PAPENBERG: One of the barriers
3 identified by various speakers in dealing with
4 the State Plan and implementing it is the whole
5 concept of changing the tax ratables and the whole
6 property tax issue. The people at the Sierra Club,
7 do they feel that this a barrier that needs to be
8 addressed?

9 MR. TITTLE: Yes, we do. The Sierra Club
10 supports the Constitutional Convention. I think
11 in the State of New Jersey we must look at ways of
12 funding education differently.

13 And as we see office parks marching
14 further west we see the population marching
15 further west with them.

16 You can live in Hunterdon County or live
17 further out in Warren County in Northern Morris or
18 Passaic, Mt.Olive, so you can live in Sussex
19 County or Pennsylvania, as far as driving, you
20 know, you get traffic, and you have the Mt. Laurel
21 obligation and sprawl development, a very
22 complicated system. The State may grant
23 Municipalities powers and many times the State
24 takes it back, for example, by wetlands law, in

25 areas where it is important for the State to

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1 protect the interests of everyone, so the State
2 needs to play a bigger role in dealing with land
3 use especially when it comes to infrastructure.

4 MR. BERKOWITZ: Thank you very much.

5 Drew Hudson, N.J. PIRG.

6 MR. HUDSON: Thank you.

7 Today we have heard a lot and I am going
8 to speak primarily about the California car
9 emissions program which is the biggest thing New
10 Jersey can do right now.

11 We were here last year and a number of
12 people talked about the California car as well. I
13 think if there is one thing we have learned in the
14 last year it is we can run and point our fingers
15 at Pennsylvania, Ohio, we can curse the Federal
16 government but in the end the pollution is still
17 here, still coming from our cars, and we are still
18 not doing everything we can in New Jersey to
19 reduce the pollution from our cars.

20 The California car is the biggest thing we
21 can do to reduce emissions from cars and trucks.
22 What we see time and time again is the demand for

23 cleaner cars. When the first model of the hybrid
24 cars came out those cars had lists for months
25 where people would put down a down-payment and

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Hudson

1 wait six months to buy a car they never had a
2 chance to test drive before.
3 You heard the man from GM talk about
4 hybrid automobiles and all they are doing to
5 develop them but it was just a few years ago that
6 General Motors said the company would never be
7 able to build hybrid cars without substantial
8 government subsidizes, they were just not cost
9 effective.
10 Today General Motors has done a huge
11 about-face. Hybrid cars look the same and drive
12 the same but you can get five hundred miles on a
13 tank of gas and it produces ninety percent less
14 emissions, so it performs like a V-6 and all
15 around it performs as a better car.
16 Automobile producers aren't dumb. They
17 redesigned their program because of a lawsuit.
18 There were hours of testimony over two days and
19 eighty percent of the people testifying begged
20 them to design and produce electric vehicles. The

21 question in New Jersey is whether we will have
22 access to these vehicles.
23 The auto industry talks about where they
24 are coming from and where they are going. But what
25 progress have they made since 1950? Yes, there

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1 have been improvements, cars have gotten cleaner
2 in the last six years. The problem is people are
3 driving more and further and they are burning more
4 gas today on average than they did in the
5 nineteen-seventies.

6 If we are serious about reducing emissions
7 we have to push the automobile industry to do more
8 than they are doing and the only way we can do
9 that is with the California emissions program. It
10 is an either/or choice between the Federal program
11 or the California program in New Jersey and all
12 the analyses show that the California car is
13 better the better choice.

14 In the end we need the California
15 emissions program over the Federal program. The
16 benefits are substantial as confirmed by the
17 regulatory agencies all over the country.

18 The last thing is in looking at the big

19 picture we are cognizant that the problem is more
20 than just cars if we want to solve all of the
21 problem, and there are good policies out there
22 including developing and producing energy from
23 renewable sources. We can be more efficient by
24 lowering our total use of energy and increasing
25 use of energy coming from renewal sources.

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Hudson

1 Thank you.
2 MR. BERKOWITZ: Any questions?
3 (No response.)
4 MR. BERKOWITZ: I guess you are benefitting
5 from the lateness of the hour.
6 Thank you very much.
7 I think we are at the end. I want to thank
8 everyone for hanging in there on the Council and I
9 want to thank the stenographer.
10 (Time noted 5:35 P.M.)
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