



**Testimony of**

**The Honorable Steven M. Fulop  
Mayor of Jersey City, NJ**

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**Before the  
Subcommittee on Housing,  
Transportation and Community Development  
Committee on Banking, Housing, and Urban Affairs.**

**U.S. Senate**

**July 22, 2014**

Chairman Menendez, Ranking Member Moran, and members of the Committee,  
My name is Steve Fulop, and I'm the Mayor of Jersey City, New Jersey.

First, I want to thank the committee for your support of smart urban development policy, and especially for your help, through the FTA, with the Hudson Bergen Light Rail. It has been transformational for our region.

I appreciate the opportunity to testify before you today, because the issues on which this subcommittee focuses are becoming increasingly important to every community in America, and especially to Jersey City and New Jersey. As the largest city in the most densely populated county in the most densely populated state in the nation, we are seeing a shift in the way people live, work, travel and interact with their communities.

While much of the nation doesn't look like Jersey City, it is in many ways a picture of what's to come. America becomes denser and more populous every year, so I think the Jersey City experience has national relevance.

In general terms, I want to speak today about, transit oriented development livable communities, and investment in transportation infrastructure.

## **Growing importance of inter-accessibility between communities**

We as policymakers need to recognize the symbiotic relationship between dense urban centers and more open residential communities. This relationship will be of increased importance in the years to come, because the balance of the United States' population is shifting toward urban areas. The nation's urban population increased by 12.1 percent from 2000 to 2010, exceeding the overall growth rate of 9.7 percent for the same period.

But this doesn't mean we should focus our efforts on cities exclusively, because cities, suburbs and rural communities all support one another. Suburban and rural communities need the economic dynamism of cities, and cities need the workforce of suburbs and residential communities.

As the trend of urbanization continues, our economic prosperity will come to depend even more heavily on our ability to move large numbers of people in and out of urban centers quickly. This means direct federal investment in transportation infrastructure, and empowering the local communities to make those investments. Investment, however, is only half the equation; policymakers on federal state and local need to reimagine the way we plan our cities and how we catalyze their growth, both in terms of population and economic activity.

I'm here to suggest something really very simple: by connecting people to opportunities, we unlock powerful cultural and economic synergies.

I know infrastructure investment is a tall order both financially and politically – capital projects in an era of growing government debt is never easy – but if it's paired with smart urban planning and development policy, it also holds tremendous opportunities and more than pays for itself.

### **Jersey City: A Case Study**

I'm here today to offer you Jersey City, my home town, as proof of that.

Two decades ago, Jersey City's Hudson Riverfront was the picture of urban decay. It was a largely abandoned, ex-industrial wasteland. Defunct railroad yards and dilapidated warehouses dominated the streetscape. That area, now often referred to as the Golden Coast, has completely transformed. The decay has been replaced with glass and steel skyscrapers, shops, restaurants, and small businesses.

Thousands of residential units and millions of square feet of retail and industrial space are under construction right now.

The new prosperity of Jersey City's waterfront was built on the foundation of a pre-existing public transit, the PATH, a trans-Hudson metro. Thanks to Chairman

Menendez, and the rest of the subcommittee, Jersey City's recovery accelerated with the opening of the Hudson Bergen Light Rail system in 2000. Developers and public officials quickly recognized the opportunity. And the results were immediate and dramatic.

The Essex Street line on the light rail has catalyzed the building of 3,000 residential units in five years. Liberty Harbor north, a transit-oriented development which will consist of 6,000 residential units and millions of square feet of residential space, is also clearly a result of the light rail. Wherever there is a light rail or PATH station, we see recovery, growth, and ultimately prosperity.

We need to press this advantage. Along with the Mayor of Englewood Frank Huttel, I'm co chairing a commission of Hudson and Bergen Mayors to make the northern branch extension, which would bring stimulate the local economies to five more cities and give at least 130,000 people access to new opportunities. I urge the subcommittee to support this project –one look at the effects of the current light rail proves the value of this investment.

Rail transportation and transit-oriented development drive economic development as well. Because of the light rail, the PATH, and the implementation of housing policies which maximize their benefits, Jersey City has become a regional employment center. Every day, 100,000 people come to Jersey City from New Jersey and New York to work, shop and dine. Put simply, Jersey City is flourishing because it is interconnected with surrounding communities.

This phenomenon isn't unique to Jersey City – The Center for Housing Policy recently completed a review of studies on housing prices and proximity to rail, and their findings make a powerful argument for transportation infrastructure: According to dozens of studies from across the country over decades, a nearby rail stop can add 6 to 50 percent to home values. When people are linked to opportunities, cities prosper.

Transit is only one way to bring people and opportunities together; another way to connect people with cultural, social, educational, or economic opportunities is to create those opportunities where they live. This approach, livable community development, means developing housing and transportation choices near jobs, shopping, schools and parks. The resulting neighborhoods are healthy, and

environmentally friendly with vibrant local economies and a strong sense of place and community.

### **Lessons learned from Jersey City: importance of long term cross jurisdictional planning**

Both transit oriented development and livable communities cannot happen without proactive planning on the local and regional level. This is where local policymakers need support from the federal government. I'm here to urge you to incentivize planning and lend financial support for these kinds of projects.

Unfortunately, many local governments operate reactively, putting out fires, and thinking months instead of years ahead.

When plans are made, implementation funding must be cobbled together haphazardly and projects lose momentum. As a result, communities develop without a strategic vision guiding them, and tremendous opportunities are missed.

On the other hand, if local leaders are equipped with the tools and resources to truly plan, to coordinate their approach to future growth across jurisdictions and over longer periods, then livable communities and transit oriented development are within reach.

## **Specific Recommendations**

- **Expand the Hudson Bergen Light rail along the Northern Corridor**

**Branch** – Hudson and Bergen counties are two of the most densely populated in the state, and both have diverse, mature economies. However, New Jersey is still struggling to completely rebound from the recession and trails behind New York and Pennsylvania in job recovery. To catch up, we need to expand our transportation infrastructure to create jobs in New Jersey and improve the quality of life for residents. Light rail will do just that. We have seen the success the Light Rail has had in stimulating residential and commercial development in Jersey City and Hudson County, and so we can be certain that a full expansion will transform economies around the new stations as well as benefit the cities which already have light rail service.

- **Increase trans-Hudson capacity** – The most important thing we can do for the entire northeast region is provide greater access to New York City, a major regional economic driver. Currently, all trans-Hudson thoroughfares are operating at or near capacity. A commuter rail project to increase rail



capacity under the Hudson was a great idea when it was proposed in the form of ARC in 1995. Now it is more than a great idea, it is critical to the long term competitiveness of the region; our lack of sufficient rail capacity under the Hudson holds our regional economy back.

Whether it's ARC, the Gateway Project, an extension of the 7-train, trans-Hudson capacity is about much more than New York and New Jersey, the mile and a half under the Hudson river is the single most significant bottleneck in the entire Eastern Corridor. It's an expensive and difficult proposition, but the increases in home values near transit will easily offset costs: According to a study by the Regional Planning Association, ARC could increase home values within two miles of train stations by a cumulative \$18 billion.

- **Extend PATH system to Newark Airport**

The PATH system is crucial to the region's economic health. Extending the network as well as expanding capacity is a worthwhile investment. More specifically, the planned PATH expansion to Newark airport will help downtown Manhattan as well as Jersey City, Harrison and Newark. It puts our region in a unique class with a single seat ride to an airport. Even more

significantly, the switchyard at Newark airport will allow trains to run more frequently, reducing head times at peak hours from four and a half minutes to two minutes.

- **Renew commuter tax credit program** – Hundreds of thousands of New Jerseyans rely on this tax break to help them afford the ever rising cost of commuting. Our region's economy as a whole depends on transit and we must make sure it's not only reliable, but affordable. This benefit incentivizes public transit, which reduces congestion and carbon emissions, as well as supports the economy. I urge you to make it permanent.
- **Continue to advocate for New Starts** –As the primary source of federal funding for major transit capital investments, including rapid rail, light rail, bus rapid transit, commuter rail, and ferries, our nation's ability to meet demand for transit rises or falls with New Starts. One of the most pressing challenges of the next half century will be to reduce our nation's dependence on fossil fuels for transportation, and public transit is one of the few fully realized, cost-competitive alternatives.

- **Revisit the Livable Communities act** --The Livable Communities Act, proposed by Senator Menendez in 2011, has the potential to improve all communities by supporting their efforts to proactively plan for the future and chart a course for getting there, rather than allowing it to play out haphazardly, and reacting.

The legislation would actually save taxpayer dollars because investments in facilities, infrastructure and services would be coordinated and proactive.

As a local leader, I know that top-down mandates often fail to address the challenges unique to each community. This bill recognizes that local leaders need support from the federal government, not orders. It promoted strategic thinking by incentivizing cross jurisdictional partnerships to develop solutions that are mindful of local assets, and needs.

## **Conclusion**

In conclusion, let me reiterate my appreciation for the subcommittees' continued support for smart, sustainable urban planning and development policy. As you consider how to keep our communities competitive and healthy, I urge you to empower local governments rather than restrict them, and give them tools rather

than mandates. Thank you for the opportunity to testify here today and I look forward to participating in the discussion around these issues in the future.