

Outcomes of Four State/Regional Rebooting New England Roundtables Convened February 27 to June 1, 2018

The Rebooting New England project aims to create a super-connected network of cities between New York City and Boston. It is a comprehensive economic development strategy, underpinned by a proposed investment in high-speed rail, high-performance rail, and enhanced regional commuter rail. It is intended to be a national model to overcome what the Lincoln Institute calls Spatial Inequality, the extreme differences in GDP, jobs, population growth and average incomes of a few hot cities relative to the mid-sized cities near them.

Under contract to the Lincoln Institute through the Capitol Region Council of Governments Foundation, Bob Yaro and Kip Bergstrom organized four roundtables with key business, civic and academic leaders in Connecticut (New Haven, February 27th), Western Massachusetts (Springfield, March 7th), Rhode Island (Providence, March 28th) and Eastern Massachusetts (June 1st).

The key objectives of the four roundtables were:

- To stimulate interest among key CT, RI and MA business, civic and academic leaders in a proposed investment in high-speed rail, high-performance rail and enhanced commuter rail that would super connect Boston, New York City and the mid-sized cities between them into one integrated market for ideas, labor and capital.
- To identify 12-15 of these leaders who would be willing to serve as board members of the New England Powerhouse Partnership, a new 501c3 to be formed over the next year to develop a rigorous business case for the project, to engineer more specific routing, and to craft an economic development strategy to leverage the transportation investment.
- To reveal and articulate key paths to success for the project.

Roundtable outcomes are described according to these three objectives:

Stimulating Interest of CT, MA and RI Business, Civic and Academic Leaders

Our theory of change is that leaders, even more than most people, are extremely solipsistic. They try on, learn about and adopt new ideas, not so much by reading and listening, as by talking. Get someone to talk about an idea and they are on their way to making themselves a champion. Get them to help plan a roundtable or to facilitate small group discussion and they start to think of themselves as a steward of the initiative. Get them to make a speech about the initiative in front of an audience of their peers, and they have become a champion.

Therefore, a key purpose of the roundtables was to create a platform where key leaders could talk themselves into being champions. In each of the four venues, the format of the roundtable was a 30-minute PowerPoint presentation of the Rebooting New England project, followed by a two-hour discussion among the

attendees. In the CT roundtable of 70 attendees, discussion was in groups of six with a report out, following short testimonials by five key leaders. In the Western MA and Eastern MA roundtables of about 20 attendees each, the discussion was with the group as a whole. In the very large RI convening of 500 attendees of the Grow Smart RI Summit, discussion was in two breakout workshops of about 30 attendees each, after Bob Yaro's presentation in plenary.

These various discussion opportunities served to self-create the core group of possible board members described in the next section. More broadly, the experience of attending and engaging in discussion at one of roundtables has motivated dozens more to serve on possible subcommittees of the board, once it is established, such as routing and phasing, finance, governance, economic strategy (including technology commercialization, workforce development and placemaking), and social media/marketing.

Perhaps most important, the discussion at the roundtables surfaced what we think are key paths to success, as described in the last section.

Identifying the Board of the New England Powerhouse Partnership

Throughout the planning of the roundtables, during the discussion at the roundtables themselves, and in follow-up meetings and conversations afterwards, a core group of business, civic and academic leaders has emerged who could help to organize and serve on the board of the New England Powerhouse Partnership, a new 501(c)3 that will drive the Rebooting New England initiative going forward.

They are:

CT

Mike Critelli, former CEO, Pitney Bowes

Luke Bronin, Mayor, City of Hartford

Glen Thames, Executive Director, CTNext and President, Hartford City Council

Joanne Berger-Sweeney, President, Trinity College

Scott Jackson, Commissioner of CT DRS, former Commissioner of CT DOL, former Mayor of Hamden

Lyle Wray, Executive Director, CRCOG

Jim Loree, CEO, Stanley Black and Decker

David Griggs, President, MetroHartford Alliance

RI

Buff Chace, Cornish Associates

Ken Payne, URI, former Policy Director for RI Senate and for RI Senator Claiborne Pell

Anne Tate, RISD

MA

Rick Dimino, President, A Better City

Al Raine, AECON

Buzz Constable, A. W. Perry

Doug McGarrah, FoleyHoag

Tim Brennan, PVPC

John Mullins, Vice Chancellor for Research, UMass Amherst

Fred Salvucci, MIT

Other

Emil Frankel, former Deputy Secretary, USDOT and former Commissioner,

ConnDOT, Washington, DC

CT Governor Dan Malloy might consider serving Chair after he leaves office.

Senator Sheldon Whitehouse of RI and Senator Murphy of CT are emerging as potential legislative champions. Likewise Governor Raimondo of RI if she is re-elected.

We also would like to recruit executives from corporations with operations in multiple states, such as Fidelity (MA, RI, NY), CVS/Aetna (CT, RI) and Mass Mutual (MA, CT).

Key Paths to Success

Log Rolling

Over the last 60 years, Americans have trained themselves to think small. The last major national transportation infrastructure project was the Interstate Highway Act of 1956. In each of the four regions/states where roundtables were convened, the focus of thinking and action about transit is on relatively modest incremental improvements to regional commuter rail networks. In Connecticut, the focus is on State-of-Good-Repair improvements to the New Haven Line of MetroNorth. In Western Massachusetts it is about extending the New Haven/Hartford/Springfield Line and expanding service, as well as creating a new transit link to Boston through Worcester. In both Rhode Island and Eastern Massachusetts the focus is on raising the platforms and electrifying the existing commuter rail lines. But even these modest projects are probably beyond either the General Funds or debt capacity of the three state governments, and are unlikely by themselves to solve the problem of congestion that has gone from an irritant to a major obstacle to growth.

The key path to success for the Rebooting New England project is to subsume and enable these commuter rail enhancement projects, providing the funding that will get them built more quickly and as part of a truly transformative high-speed rail and high-performance rail network. Some of these projects must be included in the first phases of construction of the larger project to build and sustain the buy-in from the

four geographies that will be essential to securing the \$100 billion of federal investment in the total project.

Reshaping Attitudes About Federal Borrowing

Over the last several decades, Americans have conned themselves into thinking that it is impossible for the federal government to borrow money to finance critical national infrastructure, paying itself back through the new taxes generated by the economic development that the transportation investment makes possible. In fact, there is no other way to do it at the scale required to succeed. This issue came up at every roundtable, and there is likely to be continued skepticism about the feasibility of massive Federal borrowing as the discussion extends beyond the attendees at the roundtables. What changed the attendee's thinking was the precedent provided by the Conservative Party government in the United Kingdom, which is borrowing the pound sterling equivalent of \$100 billion to finance their HS1 and HS2 high-speed rail projects connecting the cities of the North to London and to each other. The British believe that there is actually no better time than the present to issue bonds to finance productive infrastructure, as their borrowing costs are at historic lows, as are ours. As part of the next phase of the project, we should bring some of the key UK players and their bankers to New England to share how and why they used debt to finance their projects.

Appendix: Roundtable Discussion Summaries

CT Rebooting New England Roundtable

Tuesday, February 27, 2018

Summary of Report Out by Small Tables

Lourdes Germán

- Importance of storytelling and civic engagement
- What would it cost not to do it?
- Engaging Millennials and immigrants
- Silicon Valley Leadership Group as an example
- Connectivity
- Finding common ground among CT, MA, NY
- Equity/gentrification
- Tell narrative of the positive
- Finance—have we thought through where the capital is going to come from? Is the UK the right model?

Armando Carbonell

- Political challenge—how do we summon the political will it will take to succeed, if 5 folks in Old Saybrook could derail the FRA proposal?
- Conflict between priority of inland vs coastal segments—do Hartford 1st?
- Connectivity is good, but do not have all the modes represented
- Technological change
- LI Sound loop—would Fairfield County be a loser?

Susan Fraushauer

- How do you put yourself 100 years from now
- Biotech—connection to Boston and NYC is key to continued growth and attraction of talent and capital
- 100 years back there was rail all over the place
- Beyond Millennials and cities, what about rural areas?

Emil Frankel

- General recognition of need for vision and need for connectivity
- But concern for overcoming inaction
- Concern for length of time
- Delivering sooner, incrementally
- Using social media for outreach
- Accentuate the positive
- Make the right presentation to the right audience
- Focus on the 33-45 age group—they see the benefit and will be around to enjoy it

Patrick Pinnell

- YES! Unavoidably necessary
- Overcoming genetic Congregationalism, including self-damnation

- Idea of a very strong NH-Hartford axis for the first time
- Not two edges, but a center
- Corps that have multiple locations across the region are natural champions...e.g., Aetna and CVC

Laura Kriucshank

- How do you create a sense of urgency without a tragedy?
- How to engage at all different levels?
- Need diverse coalition of supporters, including private sector
- Need clear communication plan and messaging that's targeted to specific audiences
- Can't wait for the Feds to pay for it
- Concern for care of aging parents—having them on a rail line would make it easier
- Need good messaging about what we've already done—like FasTrak

Casey Pickett

- Details: issue of strategy/phasing/political coordination
- Dream big and get details right

Next Steps Discussion:

David Salinas

- Need a communications committee to communicate with the larger public beyond politicians
- David Salinas, Hilary Grant and Greg Stroud volunteered to serve on it

John Simone

- Cart before horse?
- Folks need to agree on what the problem is before they can agree to the solution
- People are looking for a vision and this is it
- Citizens of the state are looking for ideas
- Pittsfield has no vision; just wants to find another GE

David Duncan

- HSR could be a way to engage corporations, a way of having a positive conversation between government and business

Emil Frankel

- Need for short term incremental improvements to bring our system to a state of good repair.

**Rebooting New England
Western Massachusetts Roundtable**
Wednesday, March 7, 2018
Pioneer Valley Planning Commission

Summary of Discussion:

- This project could put Springfield and Western Massachusetts back in the center of the New England-New York economy. But the routing and phasing of the proposed rail network has to be designed with the special needs of our region in mind.
- How can we ensure that the proposed routing and phasing of the high-speed trunk line from Hartford east to Providence strengthens the connections between Springfield and the other Pioneer Valley cities with the rest of the New England economy?
- How do we align self-interest among the different communities that could benefit from the proposal so that the rail network that emerges from this effort adds value for all?
- A Chinese-owned rail car manufacturing plant is opening in Springfield. How do we leverage that?
- There are two levels of service in the proposal—the high-speed trunk line and several high performance lines, including a high performance line between Springfield and Worcester. We need to ensure that the project phasing plan builds the high performance lines at the same time as the high-speed trunk line.
- How did the UK manage to pull off the Combined Authorities? How could this process and outcome be replicated in Massachusetts and across New England? What kinds of incentives would be needed to gain voters' support for regionalization efforts here?
- What would be the governance structure for the two proposed regional entities: Transport for New England and the New England Powerhouse Partnership?
- We need to flesh out the case for how Western Mass would benefit from the proposal, including a better definition of what the "high performance network" would be.
- How can we overcome the skepticism among the general public about high-speed rail and its likelihood of success?
- Who should design the routing? How can we ensure that it is designed based on the best overall result, rather than narrow self-interest?
- For folks in the Pioneer Valley, there may be a psychological block against going south to Hartford in order to go east to Boston, even if it's faster. We'll need to demonstrate that short travel times and convenient transfers can overcome this block.
- Is there enough support for trains in the U.S.? It's growing in places like Colorado and California, but we need to re-create in New England a rail culture like the one emerging in these places and in the UK
- The UK's Northern Powerhouse is using a robust rail network to strengthen the economic links between the region's mid-sized cities. We need to make sure that the rail lines serving Springfield and the Valley are fully networked with the rest of New England to create a similar outcome here.

- For centuries Western Mass and its economy and transportation system have been aligned north-south rather than east-west.
- Springfield's economy is doing better than 10 years ago but due to an outmigration of young people we have a severe labor shortage.
- One roundtable participant suggested that there is a one-hour limit to the time folks are willing to travel in their daily commute. If this is correct, with this proposed rail network, what cities would be within one-hour of Springfield? Would a 70-minute trip time to Boston or New York via Hartford be acceptable for Western Mass commuters? How about the growing number of people who commute once or twice a week to Boston or NY City?
- There may be lessons for us in the Netherlands and Switzerland, which both have high performance rail networks among their cities (as well as high speed international links). Could a "pulse" rail network of slower high-performance trains like Switzerland's work for New England?
- There are actually many successful precedents for six-state New England-wide collaborative efforts, such as in energy. MA usually pays $\frac{1}{2}$ the bill for these initiatives. Would that be true in this case? Would MA get $\frac{1}{2}$ the benefit? And how can we ensure that Massachusetts cities, like Springfield and Worcester, gain their fair share of the

Rebooting New England Eastern Massachusetts Roundtable

2:00 to 5:00 pm, Friday, June 1, 2018

At the offices of A Better City

33 Broad Street, Suite 300, Boston, MA

Summary of Discussion

General Comments

- There are two key concepts that should drive the Rebooting New England project: financing it with debt; and basing the case for it on mitigating congestion.
- The general public gets it that the capacity of the Interstates is not expandable.
- As a result of the project, the rail system in MA would become more Worcester-centric than Boston-centric.

Sketch Map

- The style of the sketch map of the proposed high-speed and high-performance routes is appropriate. Similar to the sketch map that triggered the development of the Appalachian Trail...a concept, rather than a specific route.
- Might want to use a different color than red for the high-speed rail route as red has negative connotations to some people (e.g., red lining).

Barriers to Success

- The federal government is a mess.
- CT and RI are in flux politically.
- There are issues of who controls ROW.
- There is need for electrification of much of the tracks.
- If the national transportation strategy is still billions for highways and millions for transit, this won't work.
- CSX is incredibly backward thinking, which is problematic because they control the track west of Worcester. Fortunately, MBTA controls the rail infrastructure east of Worcester.

Geographic Scope/Governance

- Business leaders already operate in an economic geography that spans not only the NYC-Boston corridor, but also the entire Boston-Washington corridor.
- CT U.S. Senator Chris Murphy suggests that we need a TVA-like organization for the Northeast Corridor.
- The idea would be to pull the Northeast Corridor out of Amtrak.
- If you created a coalition of senators for all of the states in the Boston-Washington corridor, it would be 1/3 of the Senate.

- Post 2018 midterms, there may be an opportunity for a federal infrastructure program as early as 2019.
- Several years ago, Emil Frankel said that it would be easier to create the European Union than to create a coalition to manage Northeast Corridor transportation infrastructure. He was right.
- Skeptical about any new government structure.
- Need to engage business leaders (they understand debt), especially business leaders located between Framingham and Springfield.

Connection to Metro Commuter Rail

- Need to “deconstruct” the larger project to the state level, articulating the alignment between proposed incremental improvement to regional commuter rail and the bigger project.
- Need to think smaller as well as bigger.
- Need to make the hierarchical connections among high-speed rail, high-performance rail, regional commuter rail, and last mile transit/para-transit.
- In last three months, there have been three MA studies on the transformational potential of improvements to Boston Metro transit/transit-oriented development.
- In a similar vein, Chris Murphy is a champion of a transportation and economic development study of the Waterbury Branch Line in CT.
- Need to harness and empower the burst of energy that is taking place in commuter rail in all three states.
- Unless we play at the TVA scale, all small projects are going to compete with each other in a zero-sum game.
- Instead we need to do some logrolling, where everyone gets a piece of a larger pie.
- What is the role of autonomous vehicles in the proposed transportation network?

Debt Financing

- In Cross Rail, the London business community threw themselves a forward pass...borrowing to finance rail investment paid for by “value capture” via incremental taxes from development induced by the rail investment.
- Bring to Boston some of the British bankers who were part of Cross Rail to tell their story here.
- In the book *Sapiens*, there was an analysis of the relative success of Spanish royals, who relied on taxes to finance their colonial expansion, versus the Dutch, who used debt. Debt won out.
- Can’t do debt financing at the state or local level.
- MA does not have the debt capacity to pay for all of the transportation projects it needs to do.
- Have to do it at a national level, where there is a federal entity that can issue T-Bills that are paid back through the tax system if the proceeds are invested in productive capacity.

Addressing Spatial Inequality

- Lincoln Institute's goal is to reduce inequality of income and opportunity, what they call "spatial inequality" ...the difference in growth rates, GDP and average income of Boston and NYC vs. the mid-sized cities between them.
- There is a housing affordability crisis.
- If we improve transit, will we increase housing prices in places where housing is currently relatively affordable, thereby displacing people and increasing inequality?
- Rebooting New England is not just a transportation project; it is an economic development strategy, including housing and urban development, workforce development and technology commercialization.
- Lincoln is working in the UK along similar lines via the UK 2070 Commission.
- Lincoln is very interested in fostering the application of the UK's Combined Authorities in the US.
-

Phasing

- Need to think carefully about inclusivity of the various parts of the NYC-Boston corridor in the phasing of the project.
- For example, if the first phase of the project is the triangle from NYC, out Long Island, under the Sound to New Haven, and back along the coast to NYC, then the rest of the region north of New Haven is unlikely to support the project.
- Also, will Long Island look at this as something that just passes through them, or as something that benefits them?

Role of Academic Institutions

- The big urban universities should be interested.
- High-speed rail will help them solve their vexing issue of finding employment for the "trailing spouse" of their faculty recruits.

Engaging the Development Community

- Need to engage the real estate community: we are the corporate people who are focused on place.
- ULI can help raise visibility of the project within the development community. ULI national conference is in Boston in October.
- Boston/US developers compete globally for capital.
- A region that is hyper-connected via high-speed and high-performance rail is more competitive for capital investment.
- Our competitive regions have more advanced rail infrastructure than we do.

Transit-Oriented Development

- The Harbor Tunnel is a good case example of the development impact of transportation infrastructure, as it exploded office space in the Seaport from 2.5 million SF to 26 million SF.

- Make the case based on the increase in value in the Gateway Cities.
- Use housing tax incentives for TOD.
- Value to the city is not the same as value to the developer.
- Need to adjust parking requirements to reflect reduced need for parking in TOD. This will take a significant cost out of development.
- Not all TOD projects are the same; not all have to be mixed-use.
- Need a more comprehensive, strategic, regional approach that can relate many housing/labor sheds.

Mitigating Airport Congestion

- Need to connect project to the lack of capacity at the Boston, NYC and New England regional airports.
- Shifting existing corridor air traffic to rail creates additional capacity for long haul flights.
- Actually getting to the airport on the ground is the most congested part of airport congestion.

Talent/Labor Markets

- Business leaders are likely to see the primary benefit of high speed/high performance rail as helping them to source talent.
- In thinking about labor markets, what is a reasonable commute in terms of time?

Rail Equipment

- What we call rail equipment is ridiculous.
- It's too heavy, based on freight rail, which is about moving rocks around.
- Also based on a strategy of surviving accidents rather than avoiding them.
- Need to change to lighter vehicles.
- Assemble rail cars in Springfield to broaden political base for Boston Metro infrastructure.
- If you are going to challenge Amtrak, might as well also challenge their vehicles.
- Tilt equipment could help with the problem of curvy tracks.

Climate Change

- There is a climate change benefit of Rebooting New England's proposed inland routing for high-speed rail, as it will be less vulnerable to sea level rise.