Bay Area Economics

Thank you for soliciting comments on the Draft Scope. On behalf of Bay Area Economics, an urban economics and real estate advisory consultancy that is active in New York State and specializes in supporting public sector clients sustainably implement their development objectives, I would like to provide a few points of additional context.

An issue area that the Scope should more directly address is the relationship between energy consumption and land use. Two ways in which changing land use patterns have altered our energy consumption are briefly summarized below. Following these two linked observations in mind, I will advocate that the SEP and SEPB consider additional policy options that will reinforce and facilitate its energy planning efforts.

Transportation energy use. In New York State, transportation accounts for 29 percent of all energy consumption and 72 percent of petroleum consumption (source: NYSERDA Energy Fast Facts). As the rate of land consumption continues to outpace household growth, per person Vehicle Miles Traveled (VMT) per year have increased rapidly, eliminating the benefit of higher automobile fuel efficiency since the energy crisis of the 1970's and the resulting but now outdated CAFÉ standards. In New York State, VMT per driver increased nearly 50 percent between 1980 and 2005, and the percentage of the population that drives grew by over nine percent (Source: Smart Growth America).

Building energy use. Sprawl has brought about not only more disperse development, but also bigger homes that require more energy to heat and cool. The average home size in the United States has increased from 1,170 s.f. in 1955 to 2,350 in 1994 (Source: US Census and US Statistical Abstract). While energy efficiency improvements and greater reliance on renewable energy sources are undoubtedly important considerations, New York must also explore the ways in which economic and population growth can impose the least impact on the state's energy consumption, its air quality, and its contribution to global warming. Given that local governments hold land use decision-making power, promoting smarter land use policy, linked to more efficient use of energy, is a challenge that many states face. However, two potential ways that the SEPB can increase the state's role in energy-conscious land use policies include:

Integrating energy use into the SEQR process. California has been a leader in incorporating climate change into its state environmental review process, and can be considered a case study of how New York might document energy consumption into the assessment of development impacts. Linking state funding to municipal smart growth policies. SEPB should consider identifying sources of state funding to municipalities and how these funding sources might be used to encourage more energy-efficient land use planning and decision-making. These two areas of study and potential policy making fall well within the stated scope of the SEP, and should be addressed directly. Integrating such planning perspectives into the State's strategic thinking about energy will yield benefits far greater than processes that isolate land use from other aspects of energy planning.