

# Renewing America's Infrastructure for Future Generations

An Interview with Howard P. Milstein, Howard & Abby Milstein Foundation

**EDITORS' NOTE** *Howard Milstein leads the third generation of the Milstein family's business and philanthropic activities. An entrepreneurial builder of innovative, large-scale companies, Milstein's ability to marshal business, government, philanthropic, and family resources drives a breadth of initiatives. Milstein is Chairman and CEO of New York Private Bank & Trust, chairs and operates the Milstein family's real estate companies, and is also Chairman of SAM Golf, owner of such best in class golf brands as GOLF Magazine and GOLF.com, and the Nicklaus Companies (in partnership with Jack Nicklaus). Milstein was named the 2008 Entrepreneur of the Year by Cornell University. In civic and philanthropic arenas, Milstein is a Trustee at Cornell University, an Overseer of Weill Cornell Medical College, and serves on the Dean's Advisory Board of Harvard Law School. He is Chairman of the American Skin Association, the Howard and Georgeanna Jones Foundation for Reproductive Medicine, and the Milstein Medical Asian American Partnership Foundation. Milstein also serves on the boards of the National September 11th Memorial, National Committee for U.S. - China Relations, the Nicklaus Children's Healthcare Foundation and PGA REACH. He is also Chair of the Regional Plan Association's Committee on Critical Infrastructure, and from 2011-2014 served as Chairman of the New York State Thruway Authority, where he successfully led the design and procurement process for a new Tappan Zee Bridge—the largest infrastructure project in the nation.*



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underserved communities. Over the years, my family's work was critical to the revitalization and development of Lincoln Center, Times Square, Battery Park City, and Starrett City in Brooklyn, to name a few. Without critical infrastructure – roads and bridges, mass transit and essential utilities – these communities would not have been developed. New York City would not be what it is today without the investments in critical infrastructure that have been made over the past century. Yet we need only look at recent

news to see the various ways our infrastructure is crumbling – both in New York and across the nation. From roads and bridges to airports, and from our electrical grid to water and sewer systems, our infrastructure is in desperate need of renewal. Extreme weather has only added to this urgency. It is a matter of competitiveness in a global economy, but it is also a matter of basic fairness for Americans in all walks of life – and perhaps even a matter of survival, particularly for the most vulnerable in our society. America can do better, and it must do better, when it comes to revitalizing our nation's infrastructure.

**You have recently worked on infrastructure issues in conjunction with the Regional Plan Association (RPA). What were the lessons to come out of these experiences?**

I am honored to serve as Chair of the Regional Plan Association's Committee on Critical Infrastructure. I have worked with RPA for many years, including by sponsoring the John E. Zuccotti Lifetime Achievement Award, which was named for my good friend and colleague John Zuccotti who had an exemplary and distinguished career as a public official during some of New York City's most difficult times. We also worked with the RPA in recent years on a series of symposia entitled "The Milstein Forums on New York's Future," which brought together some of the most esteemed civic and business leaders in the New York City metropolitan area to discuss issues of critical infrastructure and the ways we might rescue and renew the region's roads, airports, mass transit systems and railways. The forums, which were co-chaired with former Pennsylvania Governor Ed Rendell and former Senator Joe Lieberman, highlighted the need for effective leadership and dialogue between the public and private sectors, and the importance of

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**You have a deep involvement in infrastructure issues, both in your current civic life and during your tenure as Chair of the New York State Thruway Authority. Will you describe why this is important to you?**

As a third-generation real estate developer, I have always understood and valued the role of infrastructure in economic renewal, and its importance to long-term community development which brings jobs and opportunity to



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finding new, market-based sources of funding that leverage federal infrastructure dollars – including through the implementation of public/private partnerships – to advance repairs and development. Our experts tackled issues such as: Institutions and Funding; Intercity Travel, from Airports to Rail; the Metropolitan Transportation Authority (MTA) and a capital funding crisis; and many others. We were tasked with developing practical recommendations to revitalize the regional economy through infrastructure developments that secure the primacy of the New York Metropolitan area as a global center for commerce. We drew on successful examples of infrastructure projects across the globe to lay out a blueprint for moving forward on these critical issues. The recommendations were incorporated into RPA’s 4th Regional Plan with the expectation that forum participants will mobilize their networks to support implementation. More recently, at Cornell University’s Institute of Politics and Global Affairs, we hosted a series of events, including a briefing in conjunction with RPA by Congressman Peter DeFazio, Chair of the House Transportation & Infrastructure Subcommittee, on the state of current infrastructure proposals on Capitol Hill.

**With big infrastructure plans emerging on the federal level, what lessons can be learned from your experiences?**

Irrespective of how much money is allocated for infrastructure improvement, it must be spent wisely and efficiently to have the sort of results we are looking for. Remember, for example, “The Big Dig?” The Central Artery/Tunnel Project (CA/T) in Boston began construction in 1991 and was supposed to take seven years and cost \$2.6 billion. Plagued by cost overruns, design flaws, delays, leaks and corruption, the project wasn’t completed until the end of 2007 and cost more than \$15 billion. When I became Chair of the New York State Thruway Authority and was tasked with the procurement process for the much-delayed replacement of the Tappan Zee Bridge, we were committed to ensuring we wouldn’t make the same mistakes. We used a design-build process, where a single bidder is responsible for both design and construction. The bidder must factor time, complexity, and the total cost of construction into the design process. As a private-sector builder, I knew we had to have a design-build process to avoid inflated contracts and cost overruns. We also created a collaborative

bidding process, drawing on the knowledge and expertise of private-sector experts – including the bidders themselves, who had deep experience in building bridges all over the world. The results of this innovative thinking? We were able to complete the procurement process for this massive project ahead of schedule, and approximately 40 percent – more than \$2 billion – under budget.

**A continuing issue, both at federal and state levels, is how to pay for infrastructure improvements. What are your thoughts on this?**

We should be looking for marketplace solutions that leverage Public Private Partnerships (PPPs) and other incentives. We also should look to ensure that those who make most use of our infrastructure pay their fair share. This doesn’t mean the average taxpayer – most infrastructure uses are industrial and commercial in nature. Take our roads and highway system, for example: approximately 80 percent of the wear and tear on our highways is caused by commercial traffic. It stands to reason, therefore, that commercial users should be paying more for the use of those highways. Efficiencies can be found as well. As just one example, I have funded research at Cornell University to use nanotechnology and other innovative techniques to strengthen roadway surfaces. The program has already developed a highly durable resurfacing material that resists buckling in both extreme heat and extreme cold.

**If anything is going to get done on infrastructure over the long-term, politics needs to be put aside. What do you think is the best way to do that?**

We need to move the conversation away from the politics of left versus right, or environmentalists versus business, and towards a realistic discussion about the importance of providing for the basic infrastructure needs that make our nation work. Much of this has to do with language. This is not about grand political ideas; it is about clean water to drink, and electricity to light and heat our homes, roads and bridges to bring food and clothing to our communities, and mass transit so people can get to work. Real leadership involves checking political and ideological baggage at the door and getting down to the hard work of ensuring our nation survives and prospers for generations to come. ●

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