

Mobility Matters

New Year Brings Increase in Commute Benefit to \$100

► The new year brought additional opportunity for commuters to save money on alternative commuting. Beginning January 1, 2002, employers may now offer their employees up to \$100 per month in pre-tax commuting benefits, a boost from \$65 previously allowed under the federal tax code as a result of the Transportation Equity Act for the 21st Century.

Program participants may use the "Commuter Choice" tax benefit to commute to work by bus, train, ferry, vanpool, or subway. Under federal tax laws, the benefit is available three ways:

- 1 as a tax-free, employer-paid benefit of up to \$100 a month to the employee, where the employer receives a tax deduction for the expense and saves on payroll-related taxes;
- 2 as an employee-paid pre-tax benefit, where employers allow employees to set aside up to \$100 a month of pre-tax income, and;
- 3 as a "share the fare" shared cost arrangement where employers provide a portion of the fare as a tax-free benefit and allow the employee to set aside pre-tax income to pay for the remaining amount of the benefit (up to the specified limits).

Thousands of commuters in New York and Connecticut already enjoy this employer-sponsored benefit.

In August, Connecticut's DeduCT•A•Ride program (Connecticut's name for the Commuter Choice benefit) was recognized by the Association for Commuter Transportation with its 2001 Outstanding Service Award for Partnerships. DeduCT•A•Ride, administered by MetroPool on behalf of the Connecticut Department of Transportation, includes a partnership of more than a dozen business organizations statewide and the state's two other ridesharing organizations (The Rideshare Company and Rideworks) to educate employers about the benefit and provide complete implementation assistance.

Similar programs are underway in the Hudson Valley through the support of the New York State Department of Transportation, including Westchester County SMART Commute Group's "\$Commute-n-Save\$" program and a Rockland County SMART Commute Group partnership with MetroPool (see related article).

With funding from a grant of the Transportation Strategy Board, the State of Connecticut is developing a program to provide the pre-tax benefit to state employees.

For additional information on Commuter Choice tax-free commute benefits, call MetroPool at 1-800-FIND-RIDE or visit www.deductaride.com. ◀

www.metropool.com

Employers may now offer their employees up to \$100 per month in pre-tax commuting benefits.

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MetroPool provides free services with the support of the New York State and Connecticut Departments of Transportation.

Commuter assistance a key amenity for Landmark tenants

▶ Nestled among 275 acres of trees, The Landmark at Eastview is one of the largest science and technology-focused office campuses on the East Coast, with 750,000 square feet of leasable space. Owned by Eastview Holdings, LLC, and managed by LCOR, the research park – once known as the Butler Estate, and later the original Union Carbide office site – is located in the Saw Mill River Valley in central Westchester County.



The Landmark is home to 20 bio-tech, telecommunications, data processing, and other research and development companies and their 1,200 employees. And “home” is no exaggeration. The campus offers tenants a variety of amenities that make the development seem more like a small town than an office park: dining and recreation/sports facilities, dry cleaning, shoe repair, a barber, special events, a colorful newsletter, and more.

Another especially valuable amenity: transportation assistance. The Landmark operates a free shuttle connecting commuters with the Metro-North Railroad station in North White Plains in the morning and evening. While Landmark has plenty of on-site parking, many employees either don’t have cars or simply prefer not to drive. So transit is a popular commute option.

The Landmark’s Web site (www.lcorlandmark.com) includes links to Westchester County’s Bee-Line bus schedules and Metro-North Railroad information. Bee-Line Bus #27 provides week-day service between Landmark and White Plains.

In addition, Landmark works closely with MetroPool to offer tenants’ employees carpool/vanpool ride-matching services. “The Landmark has been very positive and active in encouraging their tenant employees to take public transportation, carpooling and vanpooling, as opposed to coming to work in single occupant vehicles,” said Butch Veronesi, MetroPool’s Regional Manager for Westchester and Putnam Counties.

Veronesi recently assisted Deborah Klein, LCOR’s Manager of Tenant Relations, Leasing & Marketing at Landmark, with a commuter survey. Over 10 percent of tenant companies’ employees responded, Veronesi noted, and over half of those who responded expressed interest in carpooling, vanpooling, public transportation and “\$Commute-n-Save\$” pre-tax benefits.

The Landmark is exploring possibilities to make train ridership more attractive to its tenants, including linkages to the Tarrytown train station. With NYSDOT and MetroPool, The Landmark is reviewing various options including vanpools, shuttles, bus service, etc.

Klein said a number of people already carpool to Landmark. She would also be happy to put a vanpool together if a group could be formed. “We have a number of people who want to get out of their cars,” said Klein. “It’s safer to not drive in the winter, anyway, especially if you live further north.”

Klein teamed up with MetroPool to hold several transportation fairs over the past year, and found employees responsive to receiving ridematching information. Klein is also working to set up presentations with employers to explain the “\$Commute-n-Save\$” pre-tax benefits program. “We’re trying to do this to help our tenants,” said Klein.

The LANDMARK at Eastview

Klein, who has been in her position at LCOR for one year but has worked in The Landmark for almost eight years, commutes from Stamford. In addition to providing transportation assistance as an amenity for tenants, she sees the economic development impact of commute choices. The Landmark is poised for growth, making transportation management all the more important.

For example, Landmark will soon be home to the new Madison Square Garden training facility for the New York Rangers, New York Knicks and New York Liberty teams, she explained. “This will be the first time the teams have ever had their own training facility.”

LCOR has also received permission to add 320,000 square feet of office/lab space. “We need great transportation that will attract tenants,” said Klein. And those tenants want to make sure they can get their employees to work.

For more information about The Landmark at Eastview, contact Deborah Klein at 914-345-5520 (dklein@lcorlandmark.com). For assistance with commute alternatives, call Butch Veronesi at 914-993-6474 (bveronesi@metropool.com). ◀

No spike in business relocations to Fairfield, Westchester counties since 9/11

Among the many questions that emerged in the aftermath of September 11 was: would many Manhattan-based companies relocate out of the city? And if they did, how would that affect Fairfield and Westchester counties?

► More than six months since the awful day, no mass exodus out of Manhattan has materialized. And most of the companies that moved did not travel far from the City.

“There was some activity right away, about 400,000 square feet worth,” said Stephen MacKenzie, Director, City of Stamford Office of Economic Development. “And that was to be expected. We expected midtown Manhattan and northern New Jersey to be inundated, and they were. We didn’t expect a huge spike in demand [here in Fairfield County].”

Sensitivity tempered the efforts of local economic development officials, MacKenzie noted. “We were not looking to benefit from

anyone’s misfortune,” he said. After the September 11 attacks, Stamford froze the promotional newsletter that had been previously scheduled for distribution, concluding that it would have been inappropriate at that time. “We did not actively recruit,” MacKenzie said, “but we responded to meet companies’ needs.

“MetroPool was great, too,” MacKenzie added. “They responded very well to the events of 9/11, formulating new programs designed to help temporarily displaced workers.”

September 11 did reverse a trend in office consolidation. The attacks drove some companies to reverse attempts at realizing economies of scale through consolidations, choosing instead to reduce their vulnerability by maintaining multiple sites.

“We are seeing companies still committed to New York City, but recognizing the new reality that they have some form of operation somewhere else as a backup,” said MacKenzie.

Westchester’s Economic Development Office coordinated its efforts through the Empire State Development Corporation. Officials were unavailable for comment.

Although at least one Connecticut newspaper asserted that transportation concerns kept some relocation-minded companies from choosing

Fairfield County, Stamford’s MacKenzie noted that the area possesses valuable mobility assets. “There is a major rail stop in Stamford,” he said, “and the new buildings we’re proposing are all near the multimodal transportation system. We have more fiber optic cable in the ground than any other city our size in the country, and we’re building more housing downtown than any other city our size. 5,000 residential units are planned, which we view as a transportation solution.”

As already reported in the *Hartford Courant*, Citibank and American Express inked new leases in downtown Stamford at the end of September. “Citibank is locating close to the train station,” noted Lisa Mercurio, Senior Executive and Manager of Business Recruitment, Business Council of Southwestern Connecticut. Mercurio said each company quietly took around 175,000 square feet of space, with Citibank locating across from UBS Warburg and American Express going into the International Paper building.

“In the next year or two, I think we will see a migration of small, privately owned financial boutiques that will be the best prospects for Connecticut and Westchester County,” said Mercurio. She said a lot of midtown companies’ employees probably live in Connecticut – and with rents in midtown likely to go up, “these companies will realize they can be out here.” ◀

“The idea ... to create a new governmental entity that would be very responsive to regional and local needs...”

Transportation Strategy Board shaping Connecticut's mobility future

▶ Changing to a new way of doing anything in life can be daunting. When the change involves transitioning to a fundamentally new approach to transportation planning for the entire state of Connecticut, the challenge takes on impressive proportions.

The embodiment of that change is Connecticut's new Transportation Strategy Board. A group of individuals representing a broad array of public and private stakeholders, the Board is charged with developing a statewide transportation strategy that focuses on economic development and quality-of-life issues.

The idea for the Board emerged from the Transportation Summit convened by the Governor and legislative leaders in September 2000. The Board's creation “was championed by business organizations and supported by larger employers in the state,” explained R. Nelson (Oz) Griebel, President/CEO of the MetroHartford Regional Economic Alliance, and chair of the Transportation Strategy Board.

First, an interim board was established to make short-term recommendations on transportation improvements to the General Assembly. MetroPool Board Member and SACIA President Chris Bruhl served on the interim board. One of the interim board's recommendations urged the development of a permanent board. A June 2001 special

legislative session passed Public Act No. 01-5, making the permanent Transportation Strategy Board a reality.

Structured for Broad Representation

The legislature structured the membership of the Board to represent the diversity of Connecticut's transportation stakeholders, including the business community and regional and local decision-makers. The Act spelled out the number of people to serve on the Board, the manner in which they would be appointed, and the length of each member's term.

Specifically, it stipulated that the Board would be comprised of five members from the private sector who have expertise in transportation, business, finance or law. The Governor appoints one member, who serves as chair. The president pro tempore of the Senate, speaker of the House of Representatives, minority leader of the Senate, and the minority leader of the House of Representatives also each appoint a private sector member.

In addition, the Board includes one member from each Transportation Investment Area (TIA). The chairpersons of the board of the local planning agencies in each TIA nominate three individuals who live in the TIA and who have “significant experience in and knowledge of local, regional and state govern-

mental processes, including at least one chief elected official in a town in such TIA.” The legislative leadership then makes the actual appointments. The chairpersons of the joint standing committee of the General Assembly “having cognizance of matters relating to transportation” appoint one member from the southeast corridor TIA; the president pro tempore of the Senate appoints one member from the I-91 corridor TIA; the speaker of the House of Representatives appoints one member from the coastal corridor TIA; the majority leader of the Senate appoints one member from the I-395 corridor TIA; and the majority leader of the House of Representatives appoints one member from the I-84 corridor TIA.

The Commissioners of Transportation, Environmental Protection, Economic and Community Development and Public Safety, and the Secretary of the Office of Policy and Management also serve as members.

Recent Milestones

2001 was an organizational year for the Board. Members had to determine how they would structure and proceed with the work required to ultimately produce the plan due on the Governor's desk in December 2002. They also had to review the initial list of transportation projects that had been proposed when the Board was created.

“There are a lot of challenges out there,” acknowledged Robert Hammersley, the Board’s acting manager. “We need to develop a strategy. The Board was asked to put everything on our list and examine it — whether popular, unpopular, or otherwise — to get educated, and to see what we think is needed to implement a transportation strategy that focuses on economic development and quality-of-life issues.”

Most recently, the Board was focused on writing a report that was submitted to the Governor and the General Assembly on January 15, 2002; this report included recommendations and input from the Transportation Investment Areas. Board members agreed during their December 4th meeting that five working committees would be formed to address key issues. Hammersley said the working committees, which began meeting in January, focus on the movement of people, the movement of goods, financial aspects, evaluation aspects, and land use/economic development issues.

The Board has a two-year operating budget of approximately \$2 million, some of which goes to pay its consultant, Parsons Transportation Group. Board members are unpaid.

Looking to the Future

Having firmed up its organizational structure in 2001, the Board’s most difficult task lies

ahead: developing the report of final recommendations for the Governor. That process presents the Board with a number of challenges.

“The biggest challenge will be one of financing,” said Melissa Leigh, Special Projects Manager, Southwestern Regional Planning Agency (SWRPA). “Even if the economy hadn’t taken a bit of a turn, it’s difficult to get support for big ticket expenditures. And a lot of the proposed projects will require big infusions of capital to get them started and some level of funding to keep them going.”

The whole concept of even having a Transportation Strategy Board represents a change that could take awhile for some to accept, suggested Leigh. “You need time for the idea to catch on when you’re trying to get people to use new ways of reviewing and approving transportation projects.

“Also, people have had very high expectations of what the Board will accomplish,” said Leigh. “The idea was sold as a way to create a new governmental entity that would be very responsive to regional and local needs, and would provide a more flexible, more customer-friendly way of doing business.”

Chairman Oz Griebel acknowledged that the Board is in the process of proving itself. “People

are taking a ‘wait and see’ attitude on what we deliver and what the state does,” he said. “The Board only makes a difference if there’s quality coming out, and we have to have a good educational program to support our recommendations.”

Hammersley indicated that getting public comment is a priority for the Board. “The Board is always looking for input from as many different kinds of parties as possible,” said Hammersley. “At the end of each meeting we have time devoted to receiving public comments. We’re looking for input from outside the Board’s membership, as well as from representatives of the TIAs — any interested party. We very much appreciate that input.”

The Board maintains a Web site — www.tsb.state.ct.us — to help keep the public informed. The site also includes the reports of each Transportation Investment Area. “We try to get things on there as quickly as possible,” said Hammersley. “If anyone has questions or comments, we welcome them. We keep an updated list on the site of future meetings. We recognize that business leaders are busy so we encourage them to share their comments and suggestions by contacting me or the Board members directly.” ◀

Rockland County partnering with MetroPool on Commuter Choice

▶ “Working together with MetroPool, the Rockland Business Association and the Rockland Economic Development Corporation, Rockland’s SMART Commute Group offers a variety of commute program options to employers here in the County,” said Rockland County Executive C. Scott Vanderhoef. “Commuter Choice is a low-cost way for employers to help their employees to defray their commuting costs. Since the program usually pays for itself through payroll tax savings, it benefits both employers and employees. And of course, Rockland participants in the program can feel proud of the role they are playing in reducing the number of vehicles on our roads.”

Under the Commuter Choice benefit, commuters may set aside up to \$100 per month of pre-tax income to pay for bus, ferry, train, or vanpool fares.

“We saw this as an expansion of our opportunity to work with MetroPool,” explained Dr. James J. Yarmus, P.E., Commissioner, Rockland County Planning Department. “This Commuter Choice partnership grew out of MetroPool’s success with the program in Connecticut,” Yarmus said, where it is known as DeduCT•A•Ride. “The program offered us a chance to leverage our resources, making good use both of MetroPool’s experience and our New York State Department of Transportation funding.”

Carol Ryan, MetroPool Regional Manager, explained that an informative Commuter Choice brochure is available for employers. “We’ll also be conducting free employer workshops throughout 2002,” Ryan said.

“Many employers don’t realize that there is a hidden benefit for them in Commuter Choice,” said George Persico, TDM Marketing Specialist with Rockland County’s SMART Commute Group. Commuter Choice allows employers to provide employees with a valuable benefit, while also saving money themselves on payroll-related taxes. Employers can utilize a third-party provider to manage the whole program, including the IRS-required record keeping, Persico added.

Persico stressed how easy Commuter Choice is for employers. “With MetroPool, we’ll come out and explain the program to you,” he said. “We’ll show you some examples of how other companies have set it up. We’ll even provide sample forms to facilitate employee participation.” All services are provided free with the support of the New York State Department of Transportation.

The benefits of collaboration between MetroPool and Rockland

Rockland County employers will soon be hearing more about the tax-saving, traffic-shaving Commuter Choice program, thanks to a new partnership between Rockland County and MetroPool.

County extend beyond the Commuter Choice program, County officials noted.

“Rockland County provides office space so a MetroPool representative can work closely with the County’s transportation specialists,” Persico explained. “You get ‘cross pollination’ of ideas by having people right on site.” He said MetroPool and the County work together on many programs to help people commute without a car, including carpool ridematching, vanpool formation, and transit promotion.

“Having a MetroPool representative close by allows us at a moment’s notice to visit an employer or an employee group and show them what we have available,” observed Persico. “We found it especially helpful when we’re trying to appeal to groups of employers, such as in a business park, to make them aware that these services can extend across company boundaries. We have been able to show people that, through a third-party organization like MetroPool, they can expand their available choices.”

The teamwork between the County and MetroPool – particularly their mutual efforts to inform employers about the Commuter Choice program – could hardly come at a more opportune time.

“We have had massive interest in the transit system,” said Dr. Yarmus, “with growth around 18 percent per year over the last several years. So these employee benefit issues are significant. We’re trying to help Rockland County employees and commuters. Every level of improvement that takes people out of their cars is exciting.” ◀

MetroPool to develop commute alternatives program for People's Bank

▶ The largest state-chartered bank in Connecticut takes a deeply personal view on the well-being of its employees, so much so that the company has set as its mission becoming Connecticut's workplace of choice. People's Bank, headquartered in Bridgeport, offers a long menu of benefits that attest to its commitment to its employees, from flexible work schedules and telecommuting to goal-oriented incentive programs that reward workers for hard work and good ideas.

Recognizing that improving an employee's commuting experience is part of an overall corporate strategy for productivity, People's recently teamed with MetroPool to improve the commute for employees and to expand the company's transportation-oriented benefit offerings.

Many People's Bank employees already belong to the company's Commuter Club. Club members receive \$1 per day when two employees commute together and \$1.50 per day when three or more employees ride together.

"Not only do Commuter Club members earn money by traveling to and from work together, they also save money in reduced gasoline purchases and lower maintenance expenses on their vehicles," explained Kenneth Innocenzi, Manager, Transaction Processing Services for People's. "Perhaps the greatest benefit, though, is not in the financial gains, but in the companionship people discover when they commute together."

The impact of reducing the number of employees who commute in single-occupant vehicles can be significant, particularly to a company such as People's, whose Bridgeport headquarters offices alone are staffed by approximately 1900 people. Commuter Club membership

currently numbers 354 — and that's just for carpooling. People's also subsidizes those who opt to commute via train or bus, adding 459 more employees to the ranks of those opting for an alternative commute.

According to Mr. Innocenzi, these statistics are just a beginning. People's is working with MetroPool to develop an employee commute program that will ultimately include a marketing effort to promote ridesharing, vanpooling and transit services to its employees.

"MetroPool is helping us plan a more comprehensive commuter mobility program by providing access to the full range of subsidized opportunities that are available to corporate employers in the region," said Mr. Innocenzi. "What is remarkable is that MetroPool's services are free to employers." While People's seeks ways to improve its employees' travel experience to and from work, the company also views the commuter mobility program as part of its contribution as a Connecticut corporate citizen.

"People's primary market is Fairfield County, where more than half of the households have a relationship with the bank. Statewide, People's has a relationship with one out of five households," said Hank Mandel, Executive Vice President, Organization Effectiveness. "We are an integral part of the Connecticut community, in serving individuals and in having a significant impact on the communities we serve as a leader in community lending projects and as a major employer. Reducing ride-alone commuting is a good idea for People's, for its employees and for its communities."

"Improving mobility and reducing single-occupant vehicles are among the most significant ways corporate

people's bank

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citizens can impact the quality of life in this region," said John Lyons, MetroPool President. "MetroPool works with companies to create packages that help employers attract and retain employees, improve productivity and boost their bottom line."

Rosanne Sumers, recently appointed Regional Manager for MetroPool's Greater Bridgeport region, is heading the team that is working with People's and other eastern Fairfield County employers to improve the commuting employee's experience.

People's is looking to MetroPool to coordinate a package that will include on-site promotional events, commuter incentives, ridesharing coordination and information materials to encourage participation by even more than the current 813 People's employees who currently travel to work by carpool, train or bus.

"Mobility matters to the economic vitality of the region," added John Lyons. "In partnership with companies such as People's and their employees, MetroPool generates mobility solutions that improve the quality of life in Fairfield County and the Hudson Valley region of New York." ◀

People's (www.peoples.com) is a diversified financial services company providing consumer and commercial banking, residential lending, insurance sales, supermarket banking and investment services and is the nation's 15th largest issuer of MasterCard and Visa credit cards. Founded in 1842, it is the largest state-chartered bank in Connecticut with managed assets of \$14 billion, 150 branches and 220 ATMs. People's subsidiaries, including People's Securities, Inc., People's Capital and Leasing Corp. and Olson Mobeck & Associates, Inc. offer discount brokerage services, asset management, equipment financing and leasing and insurance services.

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