



### **Regional Plan Association Statement on Partnership Transportation Study**

The Partnership study provides an important service by showing that all seven of the major public projects it examines would make vital contributions to the economy of New York. It also developed research tools that, with refinements and additional research, could be used to help evaluate these and other transportation projects. Unfortunately, the study drastically underestimates the benefits of the Second Avenue Subway by excluding several categories of benefits and including some flawed assumptions. Using the Partnership's own methodology, but applying a more accurate set of assumptions, the benefits of the SAS far exceed those calculated. These include:

- Project completion in 12 years rather than 17. The project could be completed in as little as 10 years, and should be completed in far less than 17. Also, some service will begin years before project completion.
- Annual transportation benefits of \$1.26 billion rather than \$971 million. The estimates for the alternative assumptions are described in the appendix of the RPA paper on the economic benefits of the SAS.
- 7 million square feet of commercial development rather than 3.5 million square feet. The SAS will create the capacity for 86,000 new peak period trips, which could support as many as 21.5 million sf of office space. The SDEIS predicts the potential for 26 million sf of commercial space in the Second Avenue Corridor. Assuming 7 million sf, less than a third of that amount, from the SAS is a conservative assumption given the land value increases that would accrue from the subway and the range of development opportunities that exist in a service area that includes East Midtown, parts of West Midtown, the entire East River waterfront, Lower Manhattan and East Harlem.

**Applying these reasonable assumptions to the Partnership's methodology would increase the net present value of the transportation benefits from \$8.4 billion to \$12.8 billion, and nearly double the economic development benefits from \$12.6 billion to \$23.1 billion. Combined, these would far exceed the \$15.3 billion for the present value of the capital costs.**

*It should be emphasized that this does not include several important benefits, including construction impacts, reduced auto congestion, phasing and network benefits. By not including these, the Partnership report draws many inaccurate conclusions, which will be documented in a more detailed report in the coming weeks.*

- **In the end, the study's biggest flaw may be that it ignores funding realities.** Second Avenue Subway has been recommended by the federal government and is in line for significant federal funding, likely between \$5 billion and \$8 billion. The economic impact of the construction alone is tremendous. To walk away from billions of federal dollars is unimaginable.

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