



**Testimony of
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Before the
Senate Standing Committees on
Corporations, Authorities and Commissions and
Investigations and Government Operations
Joint Hearing on the MTA 2010 – 2014 Capital Plan
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Good morning. My name is Bob Yaro and I am the President of Regional Plan Association, a private, nonprofit research and planning organization serving New York City and the greater metropolitan region. I am also co-chair of the Empire State Transportation Alliance (ESTA), a coalition of business, civic, labor and environmental organizations that seek to build consensus for expanded resources for New York State transportation capital needs. We appreciate this opportunity to testify today on the MTA's 2010 – 2014 Capital Program.

RPA and ESTA have been long-time supporters and aggressive campaigners on behalf of the MTA's capital programs. Since the inception of these plans in the early 1980's, after a tumultuous decline in previous decades due to years of disinvestment and deferred maintenance, system ridership has grown 66%. We know we must continue to invest: our system is essential to the future livability and economic vitality of the Downstate region, which has 60% of New York State's population and represents 80% of the State's economy and tax base. More than 8 million daily subway, bus and commuter rail riders depend on the MTA to get to work and other destinations.

On August 10, the MTA released its \$28 billion 2010-2014 Capital Plan and 2010-2029 Needs Assessment, setting the stage for what will necessarily have to be a renewed debate over how to fully fund the five-year plan. Both plans were very solid. The 20-year Needs Assessment can be a blueprint for a longer-term strategy to modernize the transit system and keep pace with the needs of the region over the next generation and many of the projects in both plans are consistent with recommendations made by Regional Plan Association in our October 2009 report, "Tomorrow's Transit: New Mobility for the Region's Urban Core."

The details of the five-year capital plan confirm that fully funding this program is one of the most important actions the New York region needs to take to restore our economy and support sustainable, long-term growth. The plan revealed that at least \$10 billion in additional revenue is needed, which, by all counts, is a conservative estimate. At a time when the State is facing an

unprecedented fiscal crisis, closing this gap will be no small feat. However, it is important to remember the state does not have a one year fiscal crisis on its hands, but rather a longer term crisis that is only going to be solved by long term investments, like those the capital program is proposing. That includes pressing ahead with a longer range plan, not a shorter one as current available funding dictates. Implementing a shorter term plan would likely eliminate critical projects that require design and engineering work that demand a longer planning horizon and sets a poor precedent for future project planning.

Reviving our economy depends on whether or not we can meet the challenge of funding the next round of critical transit investments, which are essential to the economic prosperity, quality of life and environmental sustainability of the state as a whole and the region's \$1.1 trillion dollar economy. Since every \$1 billion in MTA capital spending generates 8,700 jobs, \$454 million in total wages and \$1.5 billion in economic activity in the metropolitan region, we cannot afford to turn our backs at a time when the region and the state's economic recovery needs are so great. The current MTA capital program alone has resulted in \$29.2 billion in statewide economic activity and sales in municipalities as far north as Plattsburgh and as far west as Rochester and Buffalo. Environmentally, air quality in our region is vastly improved because of a reduction in greenhouse gas emissions from fewer motor vehicle miles traveled.

The MTA must therefore have a strong fiscal base for the next capital program. The MTA's riders and taxpayers are paying a heavy price for past financing practices brought on by underinvestment in transit. As a result of the disastrous system of "borrow now, pay-during-the-next-person's-term-of-office" used to finance capital programs in the late 1990s and the first half of the current decade, almost one in five dollars of the MTA's operating budget is expected to be devoted to paying debt service. The good news is that in its financing plan last spring, the Legislature put the MTA back on a more sound financial footing, in which a fair mix of taxes, tolls, fares and fees are used to finance this system which benefits the whole Downstate region.

However, this process revealed deep skepticism in Albany, and among the public and some of the media, about the MTA's credibility and left a substantial gap in funding for the agency's critical capital budget. Rebuilding the MTA's image will not be easy, but the recently-passed Public Authorities reform bill will be essential to regaining the public's trust and we are confident the MTA's new leadership fully understands this hurdle must be overcome before requesting new funds from the state.

Highlights of 2010-2014 Capital Plan

The total funding request for the five-year Capital Plan is \$18.7B for the Core + \$5.7B Expansion + \$3.6 MTA Bridges and Tunnels/Misc = \$28B. The breakdown of funds are as follows:

- Federal Funding = \$8.4B (assumes 25% increase above current levels)
- City/Fed (Bus) = \$160M
- City = \$500M (assumes 25% increase above current levels)
- MTA Bridges & Tunnels = \$2.5B
- MTA Bonds (Bonded from Regional Mobility Tax & Other Taxes/Fees) = \$6B
- Asset Sales/Pay-as-you-go/Misc = \$600M

This adds up to only \$18B of the total \$28B funding request for the plan, a \$10B gap remains. The gap could be significantly higher if assumptions on federal and city funding and asset sales do not come through.

In addition to the major core and expansion items, there are several important service improvements included in the currently proposed plan worth noting:

- There is a large investment made in the signaling system, which will upgrade the Flushing line to CBTC and start work on Queen Blvd lines.
- In 2008 NYCT evaluated all 468 stations, examining 11,000 station components. Based on this evaluation the agency has re-prioritized rehabs or determined more efficient ways to upgrade the stations to a State of Good Repair (SOGR). They are calling these renewals.
- The section on Bus Rapid Transit includes funding for rolling stock purchases (\$110M) and depots (\$25M) to support the enormously important BRT routes currently being installed around the city.
- Real-Time information on train status for commuter railroads and subway includes countdown clocks and other mobile solutions for the customer.
- Funding for contactless payment system (SMARTCARDS) is included to start the conversion of the fare system.
- There is a section called “Optimizing System Links,” covering new transfers opportunities and addressing problems at the Nostrand Junction.
- “Improving Commuter Rail Stations in NYC” section includes funds for an extension of platforms at Kew Gardens (plus signal enhancements and new pocket tracks).
- In the Capital Planning Section there is mention of a “Cross-Borough Scoot” service between Jamaica and Flatbush/Atlantic Ave in Downtown Brooklyn.
- There is also funding (\$56M) for studies on solutions for Queens Blvd line congestion, the next phase of Staten Island North Shore/West Shore & the Tier 2 Environmental Impact Statement for Tappan Zee Bridge transit service.

What’s Missing

The five year plan is extremely comprehensive but a few improvements are recommended. Costs and supporting data in some instances could be more detailed. For example it would be helpful for MTA Bridges & Tunnels to provide listing of asset category costs for each facility or for NYCT to detail the Communications Based Train Control implementation costs for each line. Additionally, details could be greater on the 2008 Station Condition Survey and recent Metro North Penn Station Access modeling of through service options. Lastly, the next phases of Second Avenue Subway receives little attention when this should really be a section itself within the Expansion chapter.

Regional Benefits of the Mega Projects

While State of Good Repair and Normal Replacement are absolutely essential, the long term mega projects need to move forward as well. Without them – East Side Access, Second Avenue Subway, the #7 line extension and the Fulton Street Transit Center – we are abandoning one of our best chances at long term economic recovery. I have attached an analysis of the regional benefits of some of the mega projects currently underway such as the Second Avenue Subway and East Side Access. These are the two of the highest value projects underway in the United States right now and must see completion.

The number of weekday trips that will be made on the Second Avenue Subway, for example, which will save vehicle and walk time and allow passengers to enjoy less crowding and more reliable service, is estimated at 591,000 – a number that exceeds the amount of travel on all proposed rail projects in the nation combined. Additionally, the time saved per trip is about 10 minutes for those switching to Second Avenue, which means a daily savings per person of 20 minutes. As important is the East Side Access project which will save up to 45 minutes a day for 80,000 Long Island commuters and reduce road traffic congestion by an estimated 6,000 vehicles. Overall on Long

Island over 300,000 fewer miles would be driven each day, easing congestion and reducing carbon emissions and our dependence on foreign oil.

Completion dates for these and other mega projects that will provide thousands of jobs and spur economic investment are being pushed farther into the future. The delay of these and future projects will mean further job losses and a deteriorated, less reliable system.

Conclusion

Regional growth projections by 2030 estimate 3.8 million additional residents and 3 million new jobs. Unless the transit system is maintained, modernized with new technologies and expanded, it is inconceivable that the region will be able to support this growth and maintain its quality of life.

Thank you again for the opportunity to testify here today.



MTA Mega Projects: The FACTS on Regional Benefits

Second Avenue Subway

1. Second Avenue Subway phases one and two will have positive service impacts the following areas:
 - The east side of Manhattan from 63rd to 125th Street
 - Areas served by #2, #4, and #5 in the Bronx
 - Areas served by the #1, #2, # 3 in Manhattan
 - Counties served by Metro North
 - Areas served by #7 because of those riders need to transfer to the #4 or #5 or #6 at 42nd Street
 - The Queens Boulevard corridor
 - The Bronx Third Avenue corridor

2. Reduce travel time and offers another option for commuters on Metro North destined for offices on the east side (3rd Ave) and for residents of Upper East Side that are reverse commuters to commercial destinations like White Plains or Stamford.

3. Will serve as a catalyst for further network expansions beyond the planned Phases 3 and 4. These extensions might include 3rd Avenue and Co-op city in the Bronx; Queens Blvd Bypass and Jewel Avenue in Queens; and Downtown Brooklyn, Atlantic Branch Conversion, and Utica Avenue Lines in Brooklyn.

4. The Second Avenue Subway will add capacity for upwards of 100,000 more jobs, and establishes the possibility for future economic development throughout the City – in Brooklyn, Queens, and the far West Side of midtown Manhattan.

5. The Second Avenue Subway would add transit capacity into Midtown and Lower Manhattan, capacity that has not been increased in over 60 years, putting a ceiling on job growth in Manhattan.

6. Relieves the hopelessly overcrowded Lexington Avenue line that currently provides a poor transit option for Upper East Siders and Bronx residents commuting to both midtown and Lower Manhattan, and for Metro North commuters destined for Lower Manhattan. The overcrowding slows trains at the busiest stations on the Lexington Avenue line, reducing its capacity and reliability. This effect further diminishes the attractiveness of this transit commute and encourages more commuters to use motor vehicles (taxis and passengers cars) to travel on the streets of Manhattan.

7. The extension of the #7 Flushing Line to Midtown's Far West Side, would add more riders to the Lexington Avenue line. Without the Second Avenue subway this would further exacerbating an already intolerable crowding condition. Rough estimates suggest that as many as 15,000 riders could be added on the Lexington Avenue line in the peak period, if the Far West Side fully develops, swelling the crush loads by 20 percent or more. This

argues that the #7 Flushing Line extension should not be advanced without a commitment to the SAS.

8. Additional Facts on Second Avenue:

- Number of weekday trips that will be made on the Second Avenue Subway (according the Federal Transit Administration), saving in vehicle and walking time and enjoying less crowding and a more reliable service = 591,000 (this number exceeds the amount of travel on all proposed rail projects in the nation combined)
- The time saved per trip is about 10 minutes for those switching to the Second Avenue, which means a daily savings per person of 20 minutes.
- Number of daily trips made that would remain on the Lexington Avenue Line, enjoying less crowding an a more reliable service = 610,000 (estimates based on NYMTC numbers)
- Taken together, about 1.2 million riders would see direct benefits from the Second Avenue Subway.
- Number of trips per day diverted from motor vehicles = 29,800 (based on FTA numbers)
- Number of daily trips by Metro North commuters destined for Lower Manhattan who would benefit = 15,000 (RPA estimates)
- Number of daily trips by Metro North commuters destined for Upper East Side who would benefit: estimated at 6,000 (RPA estimates)
- The monetary value of the benefits to riders and to the economy of New York City of the completion of the Second Avenue Subway is enormous. Conservatively, the time saved, reliability provided and overcrowding avoided amounts to just under \$1 billion per year. However, the longer the line goes without being built, the more these “savings” and productivity is foregone. Viewed this way, City of New York has already lost \$30 billion since the Second Avenue Subway was stopped in the early 1970s.
- The Second Avenue Subway will create opportunities to serve additional markets:
 - New service from Queens down the Second Avenue subway line to ease overcrowding on three subway services in that borough.
 - New service to the subway-starved Lower East Side.
 - New service to Brooklyn to create easier transfers to the east side of Manhattan
 - New service from Jamaica and the Long Island Rail Road to Lower Manhattan and to the east side.
 - New one-seat ride service from Kennedy Airport to Lower Manhattan and possibly to the east side

East Side Access

1. Savings of time for LIRR riders destined for locations in East Midtown. An estimated 62,334 peak period passengers and 151,600 average weekday passengers will travel to Grand Central Terminal in 2010 with ESA. It is estimated that on average passengers will save up to 22 minutes each way or 44 minutes a day by using ESA. Specific areas benefited include Nassau and Suffolk counties and the boroughs of Queens and Brooklyn.
2. Savings of transferring for LIRR riders destined for the East Midtown. The estimated numbers of passengers who would avoid the inconvenience of transferring to the subway or bus or a long

walk of a taxi ride is given in (1) above. Specific areas benefited include Nassau and Suffolk counties and the boroughs of Queens and Brooklyn.

3. Savings of subway, bus or taxi fare for LIRR riders destined for East Midtown. The estimated number of travelers that would avoid these costs, less the number who might avoid a walk from Penn Station to their destination, is given in (1) above. Specific areas benefited include Nassau and Suffolk counties and the boroughs of Queens and Brooklyn.
4. Expanded capacity for LIRR services for Queens residents near the Jamaica, Queens Village, Hollis, Kew Gardens, and Forest Hills stations. The FEIS estimates that the number of trains operating in the peak to Manhattan will increase from 42 to 60 with ESA in place. Without ESA access approximately 52,000 people will be carried on the 42 trains, with that being reduced to 29,000 with ESA in place in 2010. Thus, with the same space per rider conditions another 23,000 riders might be accommodated on trains destined for Penn Station. The extra space could be occupied by added Queens riders, if the service were offered and the fare made attractive. This would reduce overcrowding on Queens subway lines, most notably the Queens Boulevard services.
5. Reduction in crowding on key subway lines from Manhattan's west side to the east side. A large share of the rail passengers identified in (1) above would no longer ride either the E train from Penn Station in the morning to the stations in the east 50's, or the #1/9 and/or the #7 or 42nd Street shuttle in access East Midtown. This would significantly reduce crowding at those subway stations. All living in west side of Manhattan districts.
6. Reduction in autos entering Manhattan under the East River. The FEIS estimates that in 2010 ESA would lower the number of vehicles entering Manhattan by 10,000 on an average weekday (with a similar number leaving each day). This would lower traffic volumes on Manhattan streets and reduce the amount of land needed for parking in Manhattan. All living in Brooklyn, Queens, and Long Island and all districts through which streets and highways linked to East River crossings are located.
7. Reduction of congestion on roads on Long Island. Daily vehicle-miles of travel would be lowered by 342,000 per average weekday. The lower vehicle volumes would reduce traffic congestion at the East River bridges and tunnels and on highway in Queens, Brooklyn and on Long Island particularly on the Long Island Expressway, Grand Central Parkway, the Brooklyn-Queens Expressway, the Northern State Parkway, and the Southern State Parkway. All districts through which the above highways pass.
8. Reduction in vehicle emissions. The reduced traffic volumes and the lower congestion levels would reduce vehicular emissions. All residents of Long Island, Queens, and Brooklyn.
9. Transit opportunities between Long Island and communities in Metro North territory. With the LIRR accessing Grand Central Terminal, it will become possible for transit it be easily used to travel between these two suburban sectors on the metropolitan region. Countless opportunities will arise, including access to job centers in these two suburban sectors for residents of the other, and to recreational opportunities.
10. Availability of some Penn Station peak period "slots" for new services. FEIS forecasts a 45% reduction in LIRR commuter activity by year 2010. These could include Penn Station access for Metro North trains, new NJ TRANSIT services, Amtrak Acela high-speed service on the

Northeast Corridor. These possibilities will require the LIRR to give up some of its slots, thereby reducing service for Long Islanders and Queens residents. See #4.

11. Access to Kennedy Airport. ESA will provide a quick connection to the Airtrain, making airport easily available to residents of the Upper East Side and in Metro North territory.
12. Opens up for use by other transit services the LIRR's Atlantic Avenue branch between Jamaica and Downtown Brooklyn.

Communications Based Train Control/Signal Improvements

1. Installation of CBTC on full length of Flushing Line. Potentially increasing capacity of line another 15-20% or another xxx riders per day (based on 2007 average daily ridership of Flushing Line). This would benefit communities in Queens and in LIRR, MNR, and NJT Commuters who utilize the cross-town service in Manhattan and to access the future commercial center in Long Island City.
2. Dyre Avenue Line – 3rd track express peak-period service.
3. Queens Blvd Line (E&F) CBTC installation, potentially upgrading service frequency in Queens, Brooklyn, and Manhattan.
4. Commuter rail signal improvements on the LIRR Babylon and MNR Harlem lines will increase the speed of service for commuters in these areas and has the potential to improve frequency and system wide capacity.

Tracks and Line Structures

1. West of Hudson track rehabilitation will improve reliability and increase speed. Benefits both NJ and NYS residents.
2. Double tracking from Farmingdale to Ronkonkoma and Mainline Corridor improvements will greatly benefit reverse commuters and increase system wide capacity/throughput, allowing the full potential of ESA to be realized. Benefits residents of Long Island and Queens.