

Congresswoman Carolyn Maloney

## Second Avenue Subway Report Card

On April 12, 2007, the Metropolitan Transportation Authority (MTA) celebrated the most recent groundbreaking for the Second Avenue Subway. At the time I expressed the wishful hope that the fourth groundbreaking on this project would be the charm. And it still may be, but there's been a lot of sobering news since we celebrated the subway line's most recent resurgence.

At groundbreaking, the plan was for the subway line to be completed in 2013, with three tracks at 72<sup>nd</sup> street and at a cost of \$3.8 billion. Today, the MTA and the Federal Transit Administration (FTA) are discussing whether the subway will open in 2016 or 2018, projected costs are now estimated at \$4.4 billion and we've lost the third track. Meanwhile, construction is having a dramatic impact on local businesses, residents and traffic. Roughly two and a half years into construction, it is time to take a look at the project and see how well the MTA is doing. Just as the City has found that report cards help evaluate the schools, this report card is intended to gain a better understanding of how the MTA is doing in moving forward with construction. This is a mid-term report, and the MTA has plenty of time to make up for early deficiencies.

### **WHAT'S BEEN WORKING**

#### **Project Merit – A+**

All the reasons that led the FTA to consider this project one of the best in the nation remain strong factors. The subway will relieve overcrowding on the Lexington Avenue line, which continues to be the most overcrowded subway in the nation. When it is completed, it is expected to carry roughly 202,000 passengers a day, more than any other new start project in the nation. New Yorkers continue to rely on mass transit to commute to work, more than any other area of the country, and the Second Avenue Subway will provide much needed capacity on a system that has not grown in more than half a century.

#### **Economic Benefits – A+**

The Second Avenue Subway is creating 16,000 jobs, most of which are well-paid union jobs. At a time when the construction industry is slowing down, infrastructure construction like the Second Avenue Subway provides a vital source of income for thousands of construction workers. It has generated \$842 million in wages and produced \$2.87 billion in economic activity. Economists like Mark Zandi tell us that every dollar spent on public infrastructure increases GDP by an estimate \$1.59. Using that formula, the Second Avenue Subway will generate nearly \$7 billion in GDP.

## **Communication with the Public – B+**

The MTA has held numerous public hearings during the environmental review portion of the project, and before property takings were approved. The MTA has also worked with Community Board 8, and other community boards, and has participated in Second Avenue Subway Task Force Meetings at least quarterly. As construction moves forward, they have agreed to attend meetings as frequently as monthly. In addition, the MTA has attended frequent meetings of the Second Avenue Business Association, and has worked with the City to mitigate impacts relating to sanitation, signage, traffic, utilities disruption and other matters. The MTA has hired Claudia Wilson who received plaudits at a recent Community Board 8 Second Avenue Subway Task Force Meeting for her availability and her willingness to solve individual problems. The MTA has also been willing to meet with local residents to resolve individual concerns relating to particular buildings. Nonetheless, despite these efforts, many community residents seem to know little about the project until construction begins in their neighborhood. Further, some details have not become public until it was considered too late to address the problem. For example, residents of buildings adjacent to ancillary facilities are being told that their windows will be covered by the new buildings. The likelihood was long known, but the MTA never told the neighbors until the designs were finalized.

## **WHAT NEEDS IMPROVEMENT**

### **Planning – B-**

The Second Avenue Subway is a complex project, and it requires a lot of coordination to bring all of the elements together. It is surprising, therefore, to find that there has been so little progress in two and a half years. Anyone with experience in New York City's streets knows that there are few roadmaps for utility pipes, and that there are surprises. The MTA says it lost several months on the tunnel launch box because of where utilities were located. Delays of this type should have been expected and built into the schedule. Further, the MTA should have investigated the structural integrity of local buildings long before masonry started falling. If there had been better coordination between the MTA and city agencies, blasting would not have been delayed in order to allow adjacent building to be appropriately shored up. All of this should have been done much earlier in the process.

### **Construction Management – B-**

The MTA is working on many large projects simultaneously and it needs to ensure that this project is getting the attention it deserves. The 7 train extension (which does not need federal approvals and is being constructed in a less dense area) began long after the Second Avenue Subway, and the tunnel boring machine is already in the ground. The MTA has recently taken steps to pull up its grade by getting permission of the MTA board to allocate federal funding so that contracts can be bid more quickly. It has broken contracts into smaller chunks to allow for

more competitive bidding to bring costs down. It has created a schedule of contracts so that the public can follow its progress to make sure that contracts are being bid on time.

### **Mitigation of Construction Impact – C**

The MTA seems to want to try to mitigate the impact of construction on local residents and businesses. They have been diligent in meeting with local businesses. They have hired people who genuinely appear to want to work with the community to address individual concerns, and some members of the community have complimented their efforts. They have reduced the number of buildings they have condemned to limit the number of people who will be losing their homes. They have created a Shop Second Avenue campaign to try to drive customers to affected businesses. Unfortunately, more than a dozen businesses have closed along the subway's construction zone despite these efforts.

### **On Time Record - C**

When this project went into Final Design, the MTA was projecting a completion date of 2012. By the time the project broke ground, they projected a completion date of 2014. This summer, the MTA began projecting a 2016 completion date. Some argue that the project will not be finished until 2018. Others suggest that the MTA could get its act together and move forward more aggressively, finishing earlier than December 2016. There's a lot of room for improvement here.

### **Staying on Budget - C**

When the full funding grant agreement was signed, this project was supposed to cost \$3.8 billion. Today, the MTA is projecting \$4.4 billion. It's not going to be easy to find the extra funds, particularly when there are so many other competing projects. The longer this project takes, the more it will cost. The MTA is taking advantage of the dip in the economy to bring some of the costs down, and it has scrapped plans for a three track system to reduce costs further. But unless the MTA meets its projections, it will be very hard to find the resources to complete this project.

### **Progress Toward Completion - C-**

Thus far the MTA has bid 3 of 11 contracts. It has completed some of the preparatory work for the tunnel launch box, including building the slurry wall, but no blasting has begun. Thus far there has been no tunnel dug, no shafts completed, no station entrances built, and no ancillary facilities built. It's early in the project and preparatory work does need to be done before we should expect to see tangible results. Two and a half years into construction, we hoped for greater progress.

## **FINAL GRADE**

### **Overall Grade - B-**

The Second Avenue Subway is crucial to the economic future of New York. It needs to be built. The MTA has an ambitious construction schedule, and it needs to put its full attention to making sure that this project is moving forward with all deliberate speed. Up until now, the project has been marred by missed deadlines, cost overruns and a harsh impact on local businesses. There is a lot of room for improvement, but also the possibility that the project is now starting to gain momentum.