

New York City Testimony
United States House of Representatives
Committee on Oversight and Government Reform
Subcommittee on Transportation and Public Assets Field Briefing
Monday, June 8, 2015

Good morning. My name is Bill Goldstein and I am the Senior Adviser to the Mayor for Recovery, Resiliency and Infrastructure. Based on my current and past experience in Government in the New York City area, I have seen the strain on the City's infrastructure grow over the years and the need for investment become ever greater.

New York City is home to more Fortune 500 companies than all but a handful of cities in the world, and the region's gross domestic product is roughly 10 percent of the nation's GDP. The City's success is built on the backbone of its transportation infrastructure. The remarkable growth of the city in the 1990s and 2000s would not have been possible without the huge investments made by the City, State and Federal governments to make the subways, buses, and bridges of the city clean, safe and reliable. The City and state are continuing to invest, but federal funds have not kept up with the need. Federal funding is a critical piece to ensuring New York City has the resources necessary to continue as a national and global hub of community, culture, and commerce.

But demand on our infrastructure is high – and growing. New York City boasts its highest population ever, 8.4 million residents, and is anticipated to grow by over half a million new residents over the next 25 years. The entire region will grow by 1.7 million people by 2040. This population growth has had a major impact on our transportation network. Between 2007 and 2011, bicycle commuting has doubled – and continues to grow. Freight volume in the region is projected to increase by 48 percent over the next two decades.

The city's transit system, which keeps millions of people on the move every single day, is experiencing record highs. The subways are at their highest ridership since the 1950s, and many lines are at or over capacity during rush hours. In 2014, NYC subway ridership hit a record high of 6 million riders per day.

Although New York City does not oversee the MTA, we recognize its vital importance to the City and we strive to work cooperatively with the MTA.

The City has laid out its own transportation priorities in OneNYC. In this plan, Mayor de Blasio presents a bold vision for a strong, sustainable, resilient and equitable city – including improving access to underserved areas, increasing capacity on congested transit lines, improving the condition of our roads and bridges, improving safety through Vision Zero, and enabling the average New Yorker to reach 25% more jobs within 45 minutes by public transit. To meet these goals, we must work cooperatively with partners at all levels, including the federal level.

The City's transportation infrastructure, estimated at well over a trillion dollars in assets between our transit system, the City's 6,000 roadway miles and 789 bridges that serve the region's millions of motorists and businesses, and ferries that carry 65,000 riders per day, needs ongoing investment and expansion.

Currently, transportation projects in New York City receive approximately \$1.4 billion in federal highway and transit funds every year. These funds are used for MTA subway and bus maintenance and improvements, Bus Rapid Transit routes, Vision Zero safety improvements, the Staten Island Ferry system and road and bridge repairs. For NYCDOT, Federal funding accounts for approximately 25% of their capital commitments, with the remaining 75% coming largely from the City.

But investment has not kept up with demand. Federal transportation funding has been flat since 2009, and funding has come in short-term patches – including the current two month extension that expires in July. Federal investment in infrastructure is currently at a 20-year low of 1.7% of our national GDP. By comparison, China invests 9% of their GDP in infrastructure, and Europe invests 5%.

Lack of increased, long-term federal funding means investment in our infrastructure will continue to fall behind, and may stall key new projects – including the next phase of the Second

Avenue Subway, connecting Metro-North to Penn Station, Utica Avenue subway line, and Woodhaven/Cross Bay Boulevard Select Bus Service.

We are doing what we can locally. Over the past ten years, we have increased capital commitments to roads and bridges by 50%. The 2016 Executive Budget includes even more funds for roads, bridges and transit. The City's contribution to the MTA Five Year Capital Program increased to \$657 million, which complements other City investments in the MTA such as \$200 million from the Vanderbilt Corridor Rezoning and approximately \$1 billion a year in operating expenses. The budget also includes \$12.6 billion to grow transportation infrastructure, including \$7.8 billion to restore and rehabilitate bridges and \$1.6 billion for road resurfacing.

While there is an undoubted need for increased investment, we recognize the need to make existing dollars stretch further. To this end, the City is reviewing its own processes for design, construction and procurement for opportunities to improve project delivery. We are lobbying State government for legislation that will allow the City to use the design-build project delivery method. Design-build was successfully piloted in New York City on the ARRA funded project to reconstruct the inter-modal facility at the ferry terminal on Staten Island. That project was delivered on budget and significantly quicker than would have been the case under our usual restricted practice of design-bid-build. We would like to benefit from the advantages of design-build in future projects and we hope that our partners in the State legislature agree.

However, without a strong federal partner, the twin demands of maintaining existing infrastructure and preparing for future transportation needs are beyond local means. Mayor de Blasio has joined a bipartisan group of mayors around the country to call on Congress to meet our transportation needs now. I thank Congressman Mica for his attention to this issue.

BIOGRAPHICAL DATA
William H. Goldstein
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Bill Goldstein has held numerous senior positions managing major New York City infrastructure programs since 1983. In his current capacity as Senior Advisor to the Mayor for Recovery, Resiliency and Infrastructure, Bill oversees the City's multi-billion dollar Hurricane Sandy recovery portfolio, which includes both housing recovery and capital investments in infrastructure to reduce risk to New Yorkers from future climate-related disasters. In addition, he oversees the City's sustainability program and overall infrastructure policy. Bill also manages the development and implementation of *OneNYC: The Plan for a Strong and Just City*, NYC's quadrennial plan that addresses growth, sustainability, resiliency and equity.

Bill previously served as Executive Vice President at the MTA Capital Construction Company. He was also the President and CEO of the New York City School Construction Authority, where he developed and managed the City's unprecedented \$12 billion Capital Program to rebuild schools and add new facilities for the New York City Department of Education.

Bill has also served as Director of Capital Program Management at the MTA and Deputy Executive Director for Capital Programs for the Port Authority of New York and New Jersey. At the Port Authority, he managed a broad portfolio of capital investments in aviation, real estate, bridges, ports and transit. He also played a key role in rebuilding the World Trade Center after the 1993 attack. Bill previously held senior management positions at two major New York City consulting firms, Parsons Brinkerhoff and URS.

Bill has a B.S. in Economics from The Wharton School, University of Pennsylvania and a Masters Degree in City Planning from the University of Pennsylvania. He and his wife have lived in Brooklyn for 30 years. They have two children.