

Assessing Transit Investment Priorities in New York City

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The purpose of this study was to develop a methodology for estimating and weighing the transportation and the economic development benefits of transportation projects from the perspective of the private sector. This methodology is intended to help decision makers and the public evaluate the benefits of individual projects and clusters of projects. It may also be valuable in making the city's case for federal transit aid.

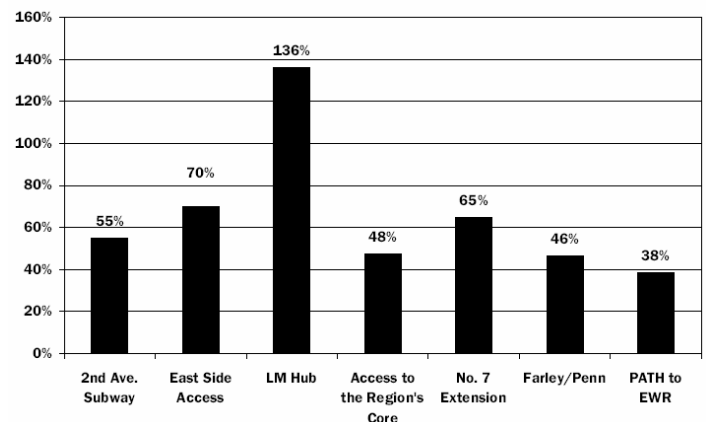
The study found that:

- New York City's transportation investment decisions deserve greater scrutiny from a wider audience of stakeholders.
- The value of transportation benefits of a rapid transit project, rarely fully justifies its capital cost. Projects whose transportation benefits exceed 50% of capital costs include the Lower Manhattan Hub, East Side Access, the No. 7 Subway line extension, and the Second Avenue Subway.
- The Second Avenue Subway provided the greatest transportation benefits, but also had the greatest costs and construction time. If analyzed as a full-length project, no transportation benefits would be seen until the project is complete. Results would be more favorable if the project is built in phases.
- Transportation hubs produce the greatest total benefits, because of the large number of passengers they serve, and because of their great potential to spur economic development.
- The following four projects would clearly yield significant economic development benefits for New York City – the Lower Manhattan Hub, the No. 7 Subway line extension, the relocation of Penn Station to the Farley Post Office, and East Side Access.

The study recommends:

- Reconsidering the full build-out of the proposed 2nd Avenue Subway to determine the economic benefits of building the project in phases.
- Developing rapid transit projects that accelerate economic development in emerging business districts in the boroughs beyond Manhattan
- Building the proposed extension of the No. 7 Subway line because it will generate significant economic development benefits and is essential to the redevelopment of the Far West Side
- Adopting the best practices from the intergovernmental planning and review processes in use on the Far West Side and in Lower Manhattan and apply those to all mass transit investment decisions
- Creating a regional ferry system that would be managed by the MTA.

Figure 1.
Transportation Benefits as % of Costs



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