



Division of
the Budget

INFRASTRUCTURE

The **NEW \$175 billion** infrastructure plan builds on previous **\$100 billion plan = \$275 Billion.**

MTA PLAN

The 2020-2024 MTA Capital Plan supports \$51.5 billion in investments.



TRANSPORTATION

mass transit, railroads, airports, highways, bridges and tunnels.

ALL ELECTRONIC TOLLING

will make the Thruway a safer, greener and less congested roadway.



GREEN NEEDS

environmental facilities, parks, and green energy facilities.

CAPITAL INVESTMENTS

Clean water, broadband, parks, airports, Erie Canal and more.



ECONOMIC DEVELOPMENT

economic and community development.



AFFORDABLE HOUSING

for the people of New York State.



SCHOOLS

construct and maintain better school buildings.



HIGHER EDUCATION/HEALTH CARE

for SUNY and CUNY buildings, the state's health care facilities and other capital assets.

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Governor Cuomo has undertaken the most ambitious infrastructure plan in the nation. Starting with an initial \$100 billion investment, it has grown to \$275 billion as new investments in transit, roads and bridges expand the program by \$25 billion. Through this investment, New York State is rebuilding its transportation and mass transit systems and making critical investments in the social infrastructure — educational, health care, environmental, and community facilities — that make New York State a better place to live, work and learn. The investment in infrastructure is modernizing the State, creating jobs, and improving the State's competitiveness for the 21st century economy.

Overview

Governor Cuomo is delivering on his historic investment in infrastructure. New Yorkers are already benefiting from the capital assets funded through the current \$100 billion infrastructure plan, from the Mario Cuomo Bridge, to the 2nd Avenue Subway, to downtown revitalizations and water infrastructure projects all across the state. These projects are supporting the creation of approximately 450,000 jobs and contribute New York's all-time high job count.

Long-stalled or long-overdue projects, such as the redevelopment of LaGuardia and JFK airports and the Penn-Farley Station project have been jumpstarted.

Importantly, Governor Cuomo ensured that these investments are financed responsibly. Working in partnership with public authorities, local and Federal governments, and private enterprise, the State is maintaining an affordable infrastructure plan that will not overburden future taxpayers. Debt continues to remain affordable, growing on average 0.3 percent annually since the Governor took office.

\$175 Billion, Five-Year Infrastructure Plan

In May 2018, Governor Cuomo announced a plan to invest \$150 billion in the State's infrastructure between FY 2020 and FY 2024. Implementation of the new MTA and DOT plans are expanding the comprehensive, Statewide plan to \$175 billion. The Capital Plan builds on the State share of the Statewide \$175 billion investment. When added to the previous \$100 billion infrastructure plan, undertaken prior to FY 2020, New York is on course to invest over one-quarter of a trillion dollars to upgrade and preserve aging infrastructure. The \$175 billion infrastructure plan includes funding for transportation and mass transit systems, affordable housing, economic and community development, schools, environmental and park facilities, and energy efficiency upgrades.

The \$175 billion infrastructure plan includes:

- \$87 billion for transportation, including mass transit, railroads, airports, highways, bridges, and tunnels across the State.
- \$35 billion for improving environmental facilities and parks, and the development of green energy.
- \$11 billion for economic and community development.
- \$9 billion to further the State's investment in the construction of high-quality, affordable housing for the people of New York.
- \$19 billion to help school districts build new and better school buildings.

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- \$14 billion to improve and maintain SUNY and CUNY buildings, State health care facilities, and other capital assets.

Major Infrastructure Investments

Governor Cuomo has made infrastructure a priority. Major projects with continued or added support from the FY 2021 Executive Budget include:

- **MTA Capital Plan.** The 2020-2024 MTA Capital Plan is supporting \$51.5 billion in investments, including Governor Cuomo's \$3 billion commitment. This is in addition to the \$25 billion secured by the Governor and Legislature in the last legislative session. It is the most ambitious and largest plan in the authority's history. The new financing is centered on Central Business District Tolling, the first congestion pricing plan in the country that will combat gridlock and deliver to the city's residents and visitors the world-class transit system they deserve.
- **Transportation Capital Plan.** The FY 2021-2022 DOT Capital Plan is supporting \$11.9 billion in investments to preserve and upgrade roads, bridges, airports, and other vital transportation infrastructure throughout the State. Compared to the final two years of the last DOT Capital Plan, this is an increase of \$3.0 billion, or 33 percent.
- **Affordable and Homeless Housing Capital Plan.** The Budget continues the \$20 billion, comprehensive five-year investment in affordable housing, supportive housing and related services to provide New Yorkers with safe and secure housing. This investment is creating or preserving over 100,000 units of affordable housing and creating 6,000 new units of supportive housing. The Budget also adds additional funding to the Homeless Housing and Assistance Program (HHAP), doubling it for FY 2021 from \$64 million to \$128 million.
- **Thruway All Electronic Tolling (AET).** The New York State Thruway will complete its transition to All Electronic Tolling by the end of 2020. This \$355 million investment will transform the entire Thruway system to cashless tolling leading to a safer, greener, and less congested Thruway system.
- **Gateway Tunnel Project.** The rail tunnels under the Hudson River used by Amtrak play a critical role as the connection for New England rail traffic to the rest of the eastern seaboard, giving this project national significance. These aging tunnels were seriously damaged by Superstorm Sandy and are in dire need of repair and expansion to increase capacity. The plan, which includes funding commitments from New York State and the State of New Jersey, would revitalize existing rails and tunnels, and add a new, two-track tunnel under the Hudson River. To continue progress on this important initiative, in July 2019, Governor Cuomo and New Jersey Governor Phil Murphy signed the Gateway law. The law, which passed in all four chambers in the state legislatures of the two states in June, creates the Gateway Development Commission. The unit will function as a bi-state agency that can receive federal funding for the Gateway plan's estimated \$30 billion in projects. The legislation also ensures that local funding is shared equally by the two states, provides for legislative oversight and other transparency efforts, and makes sure the two states and Amtrak are represented in the agency. The Federal Transit Administration has yet to commit to its projected share of this project (\$6.35 billion) and the Governor has led the effort in calling on the Federal government to move forward with supporting the critical project.
- **Transformed John F. Kennedy Airport.** In October 2018, the Governor announced a historic \$13 billion plan to transform John F. Kennedy International Airport (JFK) into a

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modern, 21st century airport that calls for an overhaul of the airport's eight disparate terminals sites into one unified JFK Airport. Work will include demolishing old terminals, utilizing vacant space, and modernizing on-airport infrastructure, while incorporating the latest in passenger amenities and technological innovations. The record investment includes \$12 billion in private sector funding, and will increase the airport's capacity by at least 15 million passengers annually. Construction of the new JFK is scheduled to begin in 2020 with the first new facilities to open in 2023

- **A New LaGuardia Airport.** In 2018, the Governor officially opened the first new gates in LaGuardia Airport's Terminal B, part of the \$8 billion transformation of the airport into a unified 21st century terminal system that will provide a world-class passenger experience. When completed, the new 2.7 million square-foot airport will be the first new airport built in the U.S. in more than 25 years. The new LaGuardia will also be better connected to transit. In September 2018, the Port Authority commenced the formal environmental review for the proposed AirTrain LGA, which would provide a critical link to the airport at Willets Point via the Long Island Railroad and the 7 subway line. In July, the Governor opened a new flyover to LaGuardia from the Grand Central Parkway's Eastbound Exit 7, the first and most important of 26 new bridges to improve airport traffic flow. Overall, the redevelopment of LaGuardia is expected to create a combined \$10 billion in economic activity. In October, the Governor announced the opening of the first new concourse and gates at Delta Air Lines' new Terminal C as part of the ongoing transformation of LaGuardia into a unified 21st century airport.
- **Empire Station.** The State is investing \$700 million to leverage a total of \$3 billion, including from private sector and Federal partners, for the transformation of the James A. Farley Post Office building into the Moynihan Train Hall. Combined with extensive renovations at the existing Penn Station, this will create a new Empire Station. In September 2018, the Governor announced the completion of the structure for a midblock skylight as the train hall moves toward substantial completion by the end of 2020. This builds on progress made in FY 2018, when the Governor opened the expanded West End Concourse at Penn Station. The new, state-of-the-art concourse provides direct access to 17 of the station's 21 tracks for LIRR commuters and intercity rail passengers and offers an underground connection between the future Moynihan Train Hall and Penn Station via 33rd Street with a direct link to the 8th Avenue Subway (A/C/E). The opening of the West End Concourse completes the first phase of the transformational redesign of Penn Station, the nation's busiest transportation facility, to a fully modernized, world-class transit hub for the 21st Century. Expanding on this vision, in his 2020 State of the State, Governor Cuomo announced a proposal to expand Penn Station southward to create the Empire Station District. The plan creates new, larger terminals, and will increase track and train capacity by 40 percent, addressing the underlying and most critical problem at the busiest transit hub in the Western Hemisphere.
- **New NY Broadband.** "When the New NY Broadband Program was launched, 30 percent of New Yorkers – approximately 2.42 million locations – lacked access to broadband. As a result of the Program's \$500 million investment leveraging hundreds of millions in private sector and federal investment, and along with additional State-secured upgrades, broadband access has expanded dramatically to accomplish the Program's mission of statewide broadband availability."
- **Parks Capital.** The State made a multi-year capital investment of \$900 million to fund capital rehabilitation and improvement of State parks and historic sites, more than triple the investment from prior administrations. The effort helped spur a record 74 million visitors to New York State Parks in 2018. The Executive Budget allocates \$110 million in

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New York Works capital funding to the Office of Parks, Recreation and Historic Preservation in order to continue the State's investment in critical infrastructure projects.

- **Clean Water Infrastructure.** In FY 2018, the Governor signed the Clean Water Infrastructure Act, a historic five-year \$2.5 billion investment in drinking water infrastructure and source water protection actions that will enhance communities' health and wellness. In FY 2020, the Governor committed an additional \$2.5 billion to this effort, effectively doubling the state's funding for clean water projects over five years. To that end, this year's Budget provides another \$500 million for these purposes, bringing the State's current total current investment to \$3.5 billion. These funds will be expended via locally based construction projects that will result in improved and safer municipal drinking water distribution, filtration systems, and wastewater treatment infrastructure all while creating jobs.
- **Renewable Energy** In July 2019, Governor Cuomo announced the nation's largest offshore wind energy procurement and awarded two offshore wind contracts with a combined capacity of nearly 1,700 megawatts. In 2020, the New York State Energy Research and Development Authority (NYSERDA) will issue its second solicitation for offshore wind which is expected to yield at least an additional 1,000 megawatts. Further, NYSERDA, the Department of Transportation and Empire State Development will initiate a competitive process to award \$200 million in public investments in port infrastructure improvements. These actions further position New York to meet State's goal of 9,000 megawatts of offshore wind by 2035 and to become the hub of the nation's rapidly growing offshore wind industry.
- **Resiliency.** In May 2019, Governor Cuomo launched the Lake Ontario Resiliency and Economic Development Initiative (REDI). The REDI Commission – a multi-agency task force, which includes 11 State agency Commissioners – was charged with developing a plan to strengthen critical infrastructure and promote natural solutions along the Lake Ontario and St. Lawrence River waterfronts in order to promote health and safety, as well as, bolstering the region's local economies that are heavily dependent on summer tourism. Governor Cuomo committed \$300 million for REDI, including funding for assistance to homeowners and business resiliency programs. The REDI Commission identified projects for funding through robust community engagement, involving local stakeholders. The Commission designated 133 sustainable projects for grants, and Governor Cuomo announced the awards in October 2019. In 2020, the State will work with recipients to implement these critical projects

New Infrastructure Investments

With the FY 2021 Executive Budget, Governor Cuomo continues his commitment to infrastructure with new projects that build, rebuild, or revitalize capital assets across the State. Major initiatives include the following:

- **Restore Mother Nature Bond Act:** This year, New York will launch Restore Mother Nature, the nation's most aggressive program for significant habitat restoration and flood reduction, funded in part by a \$3 billion Environmental Bond Act. The program will reduce flood risk and revitalize critical fish and wildlife habitats by connecting streams and waterways, right-sizing culverts and dams, restoring freshwater and tidal wetlands, reclaiming natural flood plains, preserving open space, conserving more forest areas, replanting more trees, reducing contamination from agricultural and storm water runoff, and expanding renewable energy. By 2030, New Yorkers in every corner of the State will

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see measurable improvements as a result of resiliency investment and increased or new recreational opportunities

- **Reimagine the Erie Canal.** Building on the findings of the Reimagine the Canal Task Force, the New York Power Authority Board, which now oversees the Canal Corporation as a subsidiary, will invest \$300 million over the next five years to integrate the Empire State Trail and Erie Canal through a new program that will stimulate tourism and economic development, address environmental challenges unknown a century ago, and create an asset that will improve the quality of life in communities along the 360-mile spine of the Erie Canal. A first phase of funding will start this year that will have two parts: a \$100 million economic development fund to invest in communities along the Canal and a separate \$65 million investment in solutions that will help prevent ice jams and related flooding in the Schenectady area. The remaining \$135 million of the plan's funding will subsequently be allocated to research recommended by the Reimagine Task Force, as well as to solutions related to flood mitigation, invasive species prevention and ecosystem restoration.
- **Olympic Regional Development Authority (ORDA) Capital Improvements.** The Budget includes \$147 million in new capital funding for ORDA, including \$134.5 million for a strategic upgrade and modernization plan to support improvements to the Olympic facilities and ski resorts. Such improvements will not only serve to attract more visitors to these destinations, but also well-position Lake Placid to host the coveted 2023 World University Games. Funding of \$10 million is provided for critical maintenance and energy efficiency upgrades, and \$2.5 million appropriated from the Office of Parks, Recreation and Historic Preservation budget as part of the New York Works initiative.
- **Economic Development.** In addition to the unprecedented capital investment in ORDA facilities that will yield significant economic benefits, the Budget also provides \$470 million in Economic Development grant funding across a number of valuable programs, including Round X of the Regional Economic Development Council (REDC), a fifth round of Downtown Revitalization Initiative and support for a wide array of investments in technology, infrastructure, manufacturing and related economic development initiatives. These grant programs incentivize local private sector investments that stimulate and strengthen local economies and create jobs across the State.

Assuring Affordability through Effective Capital Management

The \$100 billion infrastructure plan, and the \$175 billion infrastructure plan, are funded from multiple sources, including State, Federal, public authorities, local governments, and private enterprise.

Governor Cuomo has used a disciplined approach to controlling and targeting new borrowing to keep debt service affordable and within the State's debt limit. Effective management of State debt has enabled delivery on affordable infrastructure plans. This is evidenced in the improving debt metrics that are used to measure debt affordability, specifically:

- Since the Governor took office in 2011, the State has been disciplined in its use of debt, while making significant investments in the State's infrastructure. From FY 2011 to FY 2020, debt outstanding has increased from \$55.7 billion to \$57.0 billion (projected), or an average of 0.3 percent annually. During the Governor's tenure, debt outstanding declined for five consecutive years, FY 2013 through FY 2017. This marks the first time in modern history that New York has achieved this result.

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- State-related debt outstanding as a percentage of personal income is expected to decline from 5.9 percent in FY 2011 (Governor Cuomo's first year) to 4.0 percent in FY 2025.
- Debt service costs have ranged from \$5.6 billion to \$6.5 billion from FY 2011 through FY 2021 (estimated), after adjusting for debt service prepayments. This represents a stable growth rate of 1.4 percent, below the historical growth rate in debt service costs. Debt service growth from FY 2011 through FY 2025 is projected at 2.2 percent.

Throughout his administration, Governor Cuomo has consistently improved the State's capital planning process by requiring agencies to establish processes that are efficient, outcome-focused and properly safeguarded to ensure public money is spent with integrity. This effort continues in the FY 2021 Executive Budget with the following process improvements:

- Expanding the design-build authorization to additional State agencies and authorities to foster innovative and cost-effective solutions,
- Developing a Capital Projects Database that facilitates monitoring of capital projects statewide and require agencies to be more accountable for delivering their capital projects in the most timely and cost effective manner, and
- Requiring OGS to implement an optimization plan for both State owned and leased space. An initial 5-year investment (FY 18 - FY 22) in rehabilitating State-owned buildings through the annual funding of the Office Space Optimization Plan will result in a net savings of approximately \$20 million after 10 years, with additional savings in perpetuity.