



INFRASTRUCTURE

More than **\$300 billion** supports an expanded, five-year infrastructure plan to rebuild mass transit systems, construct affordable housing, build new schools, and support a sustainable energy future



\$51.5 BILLION



MTA'S 5-YEAR CAPITAL PLAN
and DOT's 2-year
\$11.9 billion
capital plan



CLEAN WATER INFRASTRUCTURE

\$4 BILLION

clean water infrastructure investment grows by \$500 million

STATE PARKS INFRASTRUCTURE



\$110 MILLION

strengthens infrastructure of NYS parks



Budget Highlights

\$300+ Billion

Infrastructure Plan. The Executive Budget supports over \$300 billion for the Governor's newly expanded, five-year infrastructure plan that will rebuild mass transit systems, construct affordable housing, build new schools, and support a sustainable energy future. Supports the new MTA and DOT Capital Plans. Building on the State's historic investments in transportation, this budget supports the MTA's 5-year \$51.5 billion Capital Plan and DOT's 2-year \$11.9 billion Capital Plan.

Delivering on the Original \$100 Billion Infrastructure Plan. The Governor's \$100 billion plan, announced in FY 2017, is delivering modern infrastructure and major projects across the State, including the opening of the \$2.5 billion Moynihan Train Hall in January 2021.

Double Clean Water Infrastructure Investment. Building upon the already-unprecedented \$2.5 billion Clean Water Infrastructure Act, this year, the Budget continues its commitment to an additional \$2.5 billion investment to support drinking water and wastewater infrastructure, and source water protection initiatives by investing an additional \$500 million and raising the total current clean water investment to \$4 billion.

The pandemic that blindsided New York State devastated the economy. Investing in infrastructure will play a critical role in creating jobs and growing the economy while strengthening its foundation for this generation and those to come. Governor Cuomo has undertaken the most ambitious infrastructure plan in the nation. Starting with an initial \$100 billion investment, it has grown to over \$300 billion as new investments in transit, roads and bridges expand the program by another \$25 billion this year. Through this investment, New York State is rebuilding its transportation and mass transit systems, and making critical investments in social infrastructure — educational, health care, environmental, and community facilities — that makes 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.

\$306 Billion Infrastructure Plan

Governor Cuomo is delivering results from the state's historic investment in infrastructure. New Yorkers are already benefiting from the capital assets funded through his infrastructure plan, including the Mario Cuomo Bridge, the 2nd Avenue Subway, downtown revitalizations and water infrastructure projects all across the State.

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 infrastructure plan that will not overburden future taxpayers. Debt continues to remain affordable, growing on average 0.7 percent annually since the Governor took office and remains at the lowest levels as compared to personal income since the 1960's.

The \$306 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 \$306 billion infrastructure plan includes:

- \$190 billion for transportation, including mass transit, railroads, airports, highways, bridges, and tunnels across the State.
- \$33 billion for improving environmental facilities and parks, and the development of green energy.
- \$33 billion for economic and community development.
- \$14 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.
- \$17 billion to improve and maintain SUNY and CUNY buildings, State health care facilities, and other capital assets.

Responding to the Pandemic

While the global pandemic did immense damage to public health and the economy Governor Cuomo has remained committed to advancing the State's infrastructure plan and he used the opportunity of lower traffic and usage to accelerate some projects while keeping others on track for timely, and on-budget, completion. This effort kept New Yorkers working and strengthened the state's infrastructure so that it can continue to serve as the bedrock of economic growth. These projects include:

- Completing the \$2.5 billion Moynihan Station, a centerpiece to the redevelopment of Penn Station that is discussed further below.
- Launching the rehabilitation of the F Train's Rutgers Tube
- Accelerating 11 ADA stations, including 24 new elevators
- Rehabilitating the 138th Street Grand Concourse Station

Major Ongoing Infrastructure Investments

Governor Cuomo has made infrastructure a priority. Major projects with continued or added support from the FY 2022 Executive Budget include:

- **MTA Capital Plan.** The 2020-2024 MTA Capital Plan is supporting \$51.5 billion in investments. This includes Governor Cuomo's \$3 billion commitment as well as the \$25 billion in new financing secured by the Governor and Legislature in the FY 2020 Budget. 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. The goal of this investment is creating or preserving over 100,000 units of affordable housing and creating 6,000 new units of supportive housing. The State is well on track toward meeting these affordable housing goals and has exceeded those for supportive housing. To date, New York has financed the new construction and preservation of more than 66,500 affordable housing units and more than 7,000 units of supportive housing units that provide stability for some of the state's most vulnerable populations, including veterans, victims of domestic violence, frail or disabled senior citizens, young adults aging out of foster care, and New Yorkers identified as homeless with special needs, conditions, or other life challenges. With this success, the Governor has continued the State's commitment to supportive housing. The goal is now to create 20,000 units over 15 years, and the Budget includes \$250 million in additional capital funding to continue making progress in FY 2022.
- **Thruway All Electronic Tolling (AET).** The New York State Thruway completed its transition to All Electronic Tolling by the end of 2020. This \$355 million investment transformed 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. In July 2019, Governor Cuomo and New Jersey Governor Murphy signed created the Gateway Development Commission, which functions 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. Governor Cuomo has led the effort in calling on the Federal government to move forward with supporting this critical project which will be an integral part of his new multi-faceted plan.
- **Multi-Billion Transformational Midtown West Development.** With the completion of the Moynihan Train Hall, the State will turn to the existing Penn Station, launching a comprehensive \$16 billion project to expand and reconstruct the existing station. The fully renovated Penn Station, including the iconic new Long Island Rail Road entrance on 7th Avenue that opened on December 31, 2020, will comprise a widened and completely reconstructed 33rd Street LIRR concourse and an expanded and completely transformed

station. Additionally, at least eight new tracks will be constructed south of the existing Penn Station to add capacity, cut down on delays, and improve operations. This will be a signature transportation project creating nearly 60,000 direct jobs and involving the federal government, Empire State Development, the Metropolitan Transportation Authority, New Jersey Transit, and Amtrak. New York State stands ready to work with New Jersey Transit and the Federal government to share in this historic investment for the future of the region.

- **High Line Extension to Moynihan Station.** As part of the Transformational Midtown West Development, the Budget includes funding to support the Governor's proposal to extend the High Line in Manhattan to give pedestrians seamless access to the elevated pathway from the recently opened Moynihan Train Hall. As part of a public-private partnership, Brookfield Property Group will partner with Empire State Development, the Port Authority of New York and New Jersey, and Friends of the High Line to build an L-shaped connection from the 10th Avenue terminus of the High Line to Brookfield's Manhattan West public space.
- **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 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. The first new facilities are scheduled 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, with the AirTrain LGA providing a critical link to the airport at Willets Point via the Long Island Railroad and the 7 subway line. Overall, the redevelopment of LaGuardia is expected to create a combined \$10 billion in economic activity. In July 2018, 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. In October 2019, 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. And in August 2020, the first seven new gates in the new Western Concourse opened, welcoming more travelers through LaGuardia's Terminal B with a world-class passenger experience.
- **Empire Station.** The State has made significant progress with its ongoing investment to combine extensive renovations at the existing Penn Station with the transformation of the James A. Farley Post Office building into the Moynihan Train Hall to create a new Empire Station. In FY 2018, the Governor opened a new, state-of-the-art expanded West End Concourse at Penn Station. The 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). 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 to more effectively accommodate the service needs of travelers and commuters at the busiest transit hub in the Western Hemisphere. In December 2020, the Governor announced that a key element of the plan – the Moynihan Train Hall project - was completed. The main hall that once served as the Post Office's mail sorting room is reminiscent of the original Penn Station's vaulted concourse, showcasing a 92-foot-high skylight that holds an acre of glass. Supported by three of the building's original steel trusses with an intricate lattice framework, the new skylight soars above the train concourse, bathing passengers in natural light. All LIRR and Amtrak trains are now served by the 17 tracks accessible from the train hall, while providing a direct connection to 9th Avenue and the 8th Avenue Subway. For Amtrak, the train hall becomes its new home in New York City—relocating and replacing all primary passenger operations from the existing station.

- **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 Governor's \$500 million investment through the program, hundreds of millions of dollars in private sector and federal investment were leveraged, 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 77 million visitors to New York State Parks in 2019. The Executive Budget allocates \$110 million in 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.** The Executive Budget adds a \$500 million appropriation to support clean water, raising the State's total investment to \$4 billion and continuing to fulfill the Governor's \$5 billion clean water commitment. 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 – Empire Wind and Sunrise Wind - with a combined capacity of nearly 1,700 megawatts. In 2020, the New York State Energy Research and Development Authority (NYSERDA) issued a second solicitation for offshore wind which is expected to yield at least an additional 2,500 megawatts of projects, the largest in the nation's history. The solicitation also included a multi-port strategy and requirement for offshore wind generators to partner with any of 11 prequalified New York ports to stage, construct, manufacture key components, or coordinate operations and maintenance activities. In 2021, NYSERDA will issue awards

for the development of these massive clean energy projects, each more than 20 miles off the shore of Long Island. Funding for port infrastructure investments at five different port facilities in the State will total \$400 million in public and private financing. These actions further position New York to achieve the 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 and are an integral component of the Governor's Green Economic Recovery Program to be launched this year.

- **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, all 133 infrastructure projects were underway, with 111 projects in the design phase, 11 projects in the construction phase, and 11 projects' construction completed. In addition, twenty sites were identified for the Regional REDI Dredging Project and dredging was completed at four of these locations. In 2021, 104 municipal infrastructure projects and 15 dredging projects will move forward with a significant number anticipated for completion.

New Infrastructure Investments

With the FY 2022 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:

- **Multi-Billion Dollar Transformational Midtown West Macro Development** This year, Governor Cuomo will launch one of his most ambitious infrastructure projects yet – a multi-billion, 97-acre macro development that will complete the buildout and connectivity of Midtown West from Penn Station to the Hudson River. This bold effort will bring New Yorkers new outdoor spaces, affordable housing, improved public transit and pedestrian connections, access to the waterfront, and commercial and retail opportunities. The macro development will extend from 6th Avenue all the way to the Hudson River and from 30th street to the north end of the expanded Javits Center at 40th Street – a footprint three times larger than the World Trade Center complex and seven times larger than Times Square. Through new development and public realm improvements, Midtown West will be a truly connected neighborhood to serve residents, workers, and visitors to the city.

Elements of this project include:

- **Continued development of the Empire State complex** to fully transform and expand Penn Station to make traveling easier, safer, more reliable and enjoyable. The effort will also include a completely reconstructed 33rd Street LIRR concourse with the addition of eight new tracks to add capacity;
- **Two new Gateway tunnels** to bring more trains across the Hudson from the west and the renovation of the two existing Gateway tunnels for a total of four train tunnels from New Jersey and beyond;
- **New housing and commercial development** around the station and on two parcels near Javits. In total, the area spanning from Broadway to the Hudson will include 10 building sites that will yield more than 20 million square feet of retail, commercial, and residential development and provide up to 1,400 much-needed units of affordable housing in a transit, job, and amenity rich community.
- **Completion of the Javits Center expansion** to increase capacity by 50 percent and provide attractive improvement such as a rooftop pavilion and outdoor terrace; a one-acre rooftop farm; and a 54,000-square foot special event space with Hudson River views;
- **A New waterfront park at Pier 76:** the State will transform Pier 76 from a NYPD car impound to a 5.6-acre expansion of Hudson River Park which, in the short term, will become a magnificent public space that will delight visitors while the Hudson River Park Trust develops plans for the Pier's long-term future.
- **Building High Line Extensions:** The successful High Line will also be expanded to provide safer and faster pedestrian connectivity from Moynihan Train Hall and the expanded Penn Station to Hudson Yards, the Javits Center, and Hudson River Park. In Phase One, the High Line will be extended east from 10th Avenue and 30th Street toward Moynihan Train Hall. Phase 2 will extend the northwestern end of the High Line, which currently terminates at 34th Street and 12th Avenue, northward past the Javits Center before turning west to cross the West Side Highway and end at Pier 76, the next great public pier in Hudson River Park.
- **Replacing the Port Authority Bus Terminal:** The Port Authority of New York and New Jersey will replace the outdated terminal with a new state-of-the-art facility to accommodate growing commuter volume and additional inter-city bus operations, thereby reducing congestion on city streets and improving air quality while serving over a quarter million daily passengers. The project will continue the transformation of mass transit to and from the West Side of Manhattan and incorporate community priorities including new green space, mixed use development, and street level retail.
- **Green Economic Recovery Program:** New York State will launch a massive expansion in clean energy infrastructure, creating 12,400 megawatts of capacity to power 6 million homes. Combined with clean energy initiatives in the buildings and transportation sectors, the State's green economy recovery will directly create 50,000 jobs, and spur more than

\$29 billion in private and private investment. In addition to other achievements, this bold and aggressive effort will leverage the Governor's newly implemented rapid site approval process to advance several dozen large-scale, land-based renewable energy projects; embark on the development of two new massive offshore wind farms and supporting port facilities; construct a new Green Transmission Grid' to deliver clean energy generated Upstate and Canada to downstate areas; and engage NYPA to construct a large-scale 20-megawatt battery storage project in northern New York.

- **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 into a new "Empire Line" system 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. In 2021, \$40 million will be invested in economic development and climate resilience and sustainability projects along the canal to stimulate tourism and recreational activity, restore wetlands, and provide grants to farmers to develop irrigation systems that access canal waters for the production of high-value crops.
- **Olympic Regional Development Authority (ORDA) Capital Improvements.** The Budget includes \$105 million in new capital funding for ORDA, including \$92.5 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 XI 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 State's infrastructure plan is funded from multiple sources, including State, Federal, public authorities, local governments, and private enterprise.

Governor Cuomo has used a disciplined approach to control and target new borrowing to keep debt service affordable and within the State's debt limit. This effective management of State has made enabled the delivery of affordable infrastructure plans, an effort that is making it possible for the State to continue to invest in the infrastructure that will be key to reviving the pandemic-

damaged economy even as the State's resources are stretched thin. 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 2021, debt outstanding has increased from \$55.7 billion to \$59.9 billion (projected), or an average of 0.7 percent annually. By comparison, in the prior 10 years, debt grew by 3.7 percent. 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.
- 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 4.8 percent in FY 2026.
- Debt service costs have ranged from \$5.6 billion to \$6.4 billion from FY 2011 through FY 2022 (estimated), after adjusting for debt service prepayments and the repayment of PIT notes. This represents a stable growth rate of 1.2 percent, below the historical growth rate in debt service costs. Debt service growth from FY 2011 through FY 2026 is projected at 3.0 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:

- Continuing design-build authorization for 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.