



CONSTRUCTION OUTLOOK UPDATE:

NEW YORK CITY FY 2020 ADOPTED CAPITAL BUDGET

SEPTEMBER 2019

“New York City’s long-term success and continued economic growth depends on the wellbeing of its built environment.

We are thrilled by the de Blasio Administration and City Council’s robust capital budget and sustained investment in essential infrastructure – schools, housing, transportation, and environmental protection.”

Carlo A. Scissura, Esq.
President and CEO
New York Building Congress



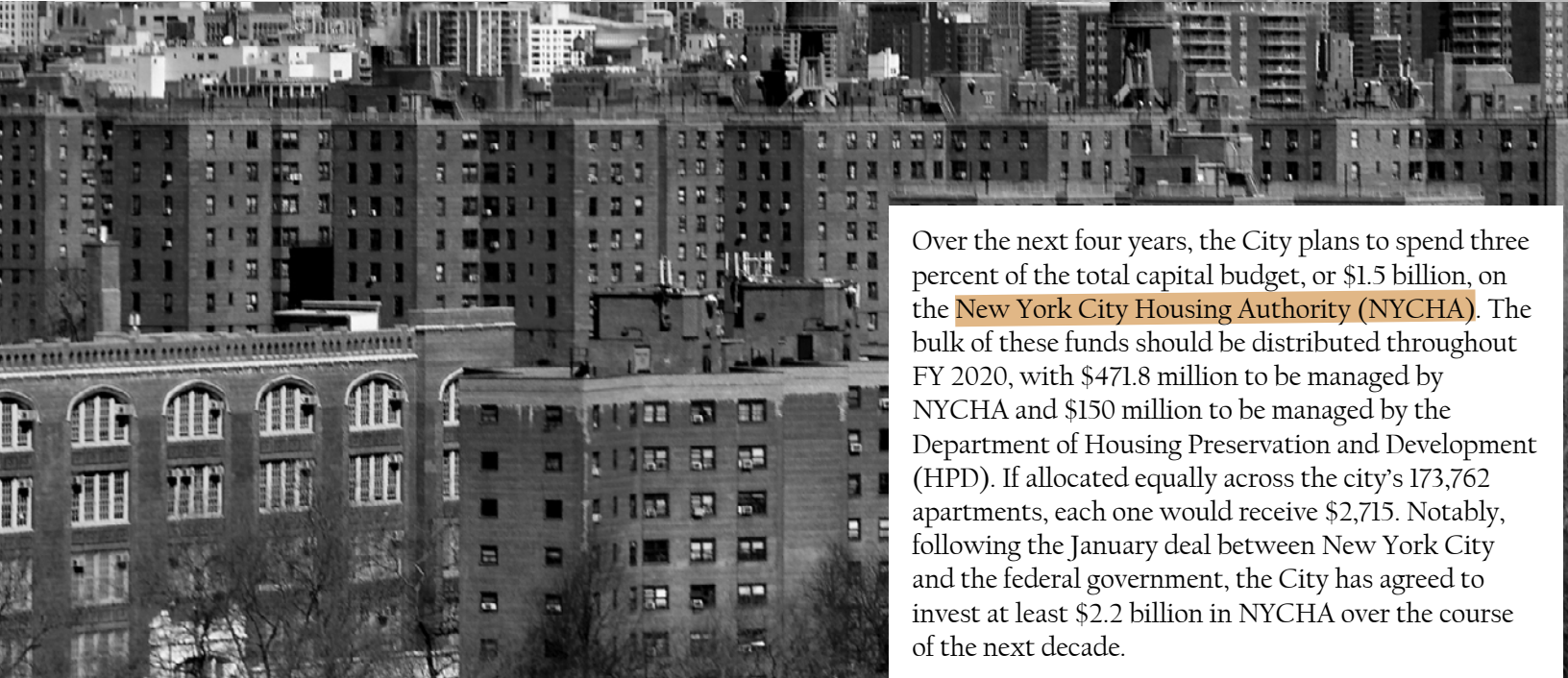
FY 2020 Adopted Capital Budget Analysis

In another record-setting year, the New York City Council adopted an unprecedented budget that includes \$58.2 billion in capital spending over the next four years, an increase from last year's approved \$52.5 billion. Reflecting the city's anticipated growth and deteriorating infrastructure, investment in the built environment is set to steadily grow from \$12.7 billion in FY 2020 to \$16.2 billion by FY 2023, a nearly 30 percent increase.



PROJECTS IN THE PIPELINE

The City budgeted \$38.9 million for **homeless facilities** during FY 2020, although that number is expected to fluctuate – \$21.7 million in FY 2021, \$91.9 million in FY 2022 and \$87.4 million in FY 2023. The overall increase between FY 2020 and FY 2023 corresponds to the anticipated growth in the Department of Homeless Services' facility needs. This fiscal year, the agency accounts for .2 percent of the total budget, but that figure will reach .6 percent by FY 2023.



Over the next four years, the City plans to spend three percent of the total capital budget, or \$1.5 billion, on the **New York City Housing Authority (NYCHA)**. The bulk of these funds should be distributed throughout FY 2020, with \$471.8 million to be managed by NYCHA and \$150 million to be managed by the Department of Housing Preservation and Development (HPD). If allocated equally across the city's 173,762 apartments, each one would receive \$2,715. Notably, following the January deal between New York City and the federal government, the City has agreed to invest at least \$2.2 billion in NYCHA over the course of the next decade.

In anticipation of the closing of **Rikers Island** and the passing of the borough-based jail system, the City earmarked a substantial portion of the Department of Correction's capital budget to the construction and renovation of correction facilities – \$12.2 million in FY 2020, \$104.6 million in FY 2021, \$120 million in FY 2022, and \$50.7 million in FY 2023. The spike in 2021 and 2022 can be attributed to the proposed four new facilities in Manhattan, Brooklyn, Queens and the Bronx that would replace the Rikers complex.





Although still in the early planning and design phase, the City set aside over \$1 billion for the **Brooklyn-Queens Expressway renovation**, with most of the work expected to take place after 2021. The budget is divided into \$6.5 million for FY 2020, \$26.2 million for FY 2021, \$537.7 million for FY 2022 and \$504.6 million for FY 2023.



This fiscal year, the City allocated three percent of the capital budget, or \$303 million, for the **Metropolitan Transportation Authority (MTA)**, compared to \$40 million for each of the the following three fiscal years.



The City committed three percent, or \$1.3 billion, of the total capital budget for **resiliency measures** between FY 2020 and 2022. These funds are planned to be distributed at \$480.4 million this fiscal year, \$465.1 million the following year, and \$317.6 million in FY 2022.



For this fiscal year, the City bookmarked less than one percent of the total capital budget, or \$80.2 million, for the **New York, Brooklyn, and Queens Public Library systems**. The following year, the City anticipates spending only \$3.6 million; however, in FY 2022 and 2023, that number will increase to \$117 million and \$121.9 million.



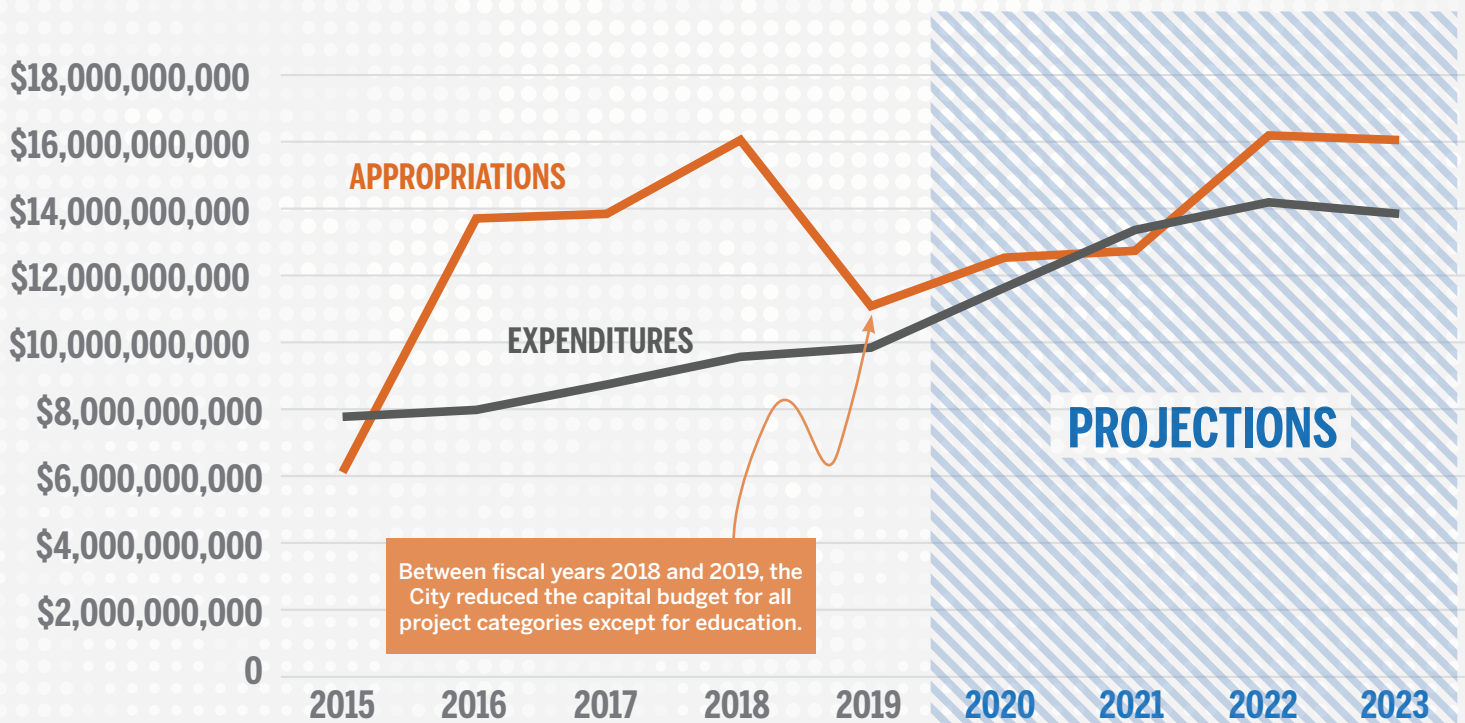
"I am happy to have led the Subcommittee on Capital Budget through a second budget year, where we were able to add \$655 million in discretionary capital funds, which is an all-time high for the Council. A few other great investments include \$68 million for Protected bike lanes through FY23, \$57 million for Accessible Pedestrian Signals, and \$262.8 million for street resurfacing, which reflects an improvement to over 1,000 lane miles. We are grateful to see these investments directly improve the everyday lives of New Yorkers and look forward to the work ahead."

Councilmember Vanessa Gibson
Chair, Subcommittee on Capital Budget
District 16, Bronx



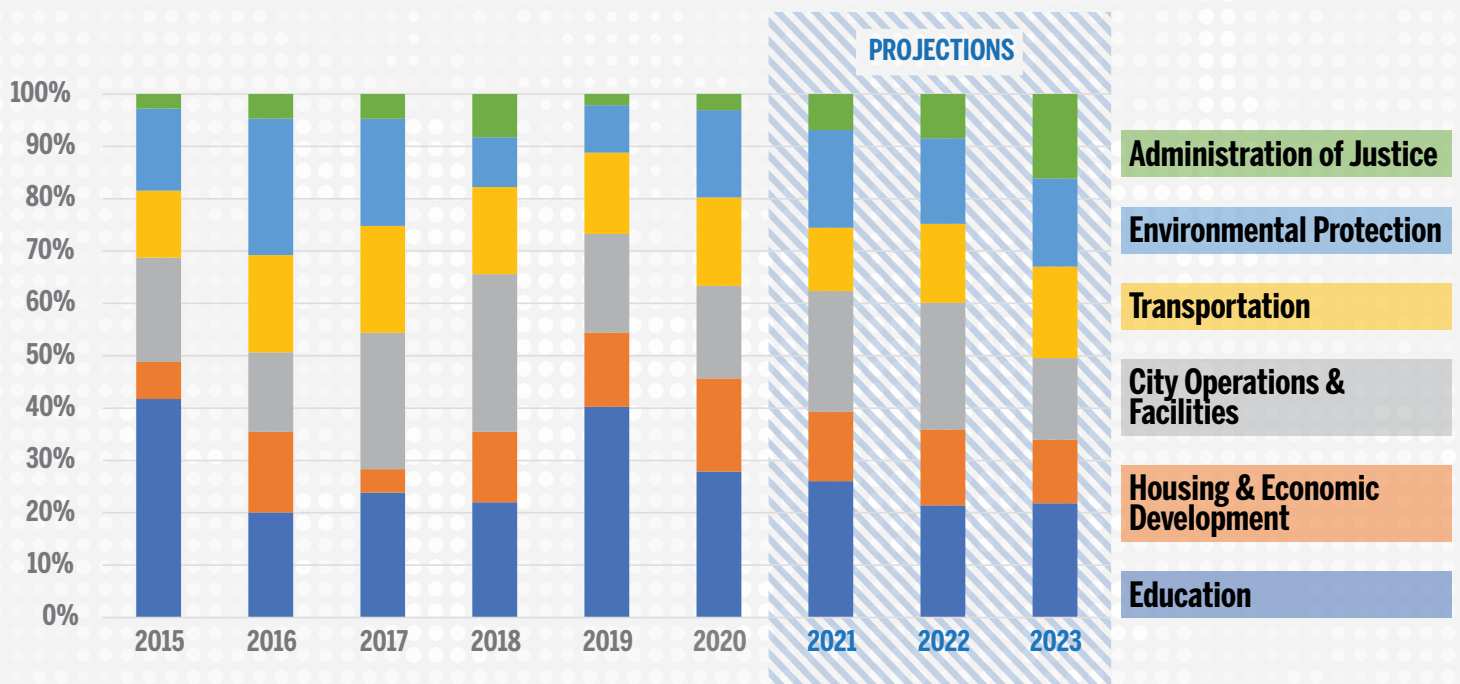
NYC CAPITAL EXPENDITURES VS APPROPRIATIONS OVER TIME

Although capital commitments have fluctuated over the years, actual expenditures have increased steadily.



NYC RELATIVE CAPITAL APPROPRIATIONS

The distribution of appropriations over the years represents the shifting priorities for capital projects





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