

2021 Policy Agenda

BREAKING DOWN THE BUILDING INDUSTRY'S TOP PRIORITIES AND RECOMMENDATIONS

JAN 2021

Message from the Chair and President & CEO



When the New York Building Congress was founded in 1921, New York City and its building industry looked quite different. The city's subway system was a fraction of what it is today; the Empire State Building was a decade away from breaking ground; and the building industry was fragmented by trade. Our founders then created an organization where contractors, architects, engineers, developers, owners, labor and all those with a role in the built environment can convene and share ideas. As we celebrate our centennial year, the Building Congress proudly continues that legacy.

Over the last century, the Building Congress has grown to be the leading voice of our industry, working tirelessly to ensure that the building industry's achievements and contributions to the success of New York are fully appreciated. We've maintained a strong tradition of supporting sound public policy, promoting productive capital spending, encouraging public/private partnerships and evaluating the implementation of major government projects. The Building Congress has promoted competence and productivity in the workplace with special emphasis on public service, teamwork and partnership with government.

Following the economic damage caused by the COVID-19 pandemic, the Building Congress' mission is more important than ever. We work to advance an industrywide agenda focusing on economic and infrastructure investment, job creation and professional exchange. We operate in close coordination with our more than 550 member organizations, comprising more than 250,000 skilled tradespeople and professionals working in all industry sectors. We look forward to elevating all their accomplishments and leading this esteemed organization to new heights through a member- and policy-driven agenda focused on growth and service.

Looking ahead, the Building Congress is pleased to present its public policy priorities for 2021. To respond to the current crisis created by the pandemic and meet the needs of the economy, the Building Congress has outlined our agenda for the City, State and federal government focused on the building industry's recovery. If successfully implemented, these recommendations will help put people back to work and build a better New York for all.

Please visit www.buildingcongress.com for updates on the Policy Agenda throughout the year.

Elizabeth Velez

Chair New York Building Congress President Velez Organization

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





FEDERAL

ENACT A COMPREHENSIVE NATIONAL INFRASTRUCTURE PLAN

In this time of great uncertainty, it is more important than ever for the federal government to recharge the economy, create new jobs and invest in America. A central component of this effort requires a robust investment in the overhaul of our nation's infrastructure.

By providing federal support to fix roads and bridges, build capacity in transportation systems, address the shortfalls in our water, energy and broadband systems and break ground on new construction projects across the country, we can create millions of jobs, support U.S. manufacturing and strengthen the economy.

We must empower state and local agencies to be the drivers of the recovery effort with significant federal investment. These entities must be given the resources and tools to rapidly develop projects and put the country back to work. Roads and bridges are ready to be revitalized; tunnels, like the Gateway Program, are planned and only awaiting funding; and our entire transportation system, which is vital to our country's prosperity, is in need of an upgrade.

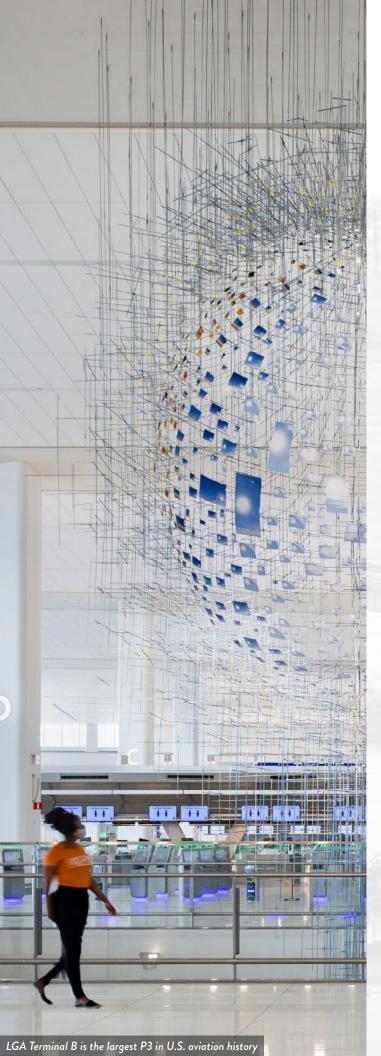
The United States has a rich history of coming together in times of trouble and making a renewed commitment to revitalization by investing in modernization. Rural electrification, building highways and developing new technologies have all served to propel our country forward on the global stage. Now is the time to reinvest in America and ensure its continued success in the 21st century.

The New York Building Congress commends the efforts of the House of Representatives Transportation and Infrastructure Committee in passing the Moving Forward Act with the included INVEST in America Act, which look to address the nation's infrastructure maintenance backlog and build towards a more resilient future while encouraging economic growth. The Building Congress looks forward to continuing to work with the Committee, along with House and Senate leadership, and to advocating for robust investment in America's infrastructure including by strongly supporting the Biden Administration's plan to invest in infrastructure and Build Back Better.



NEW YORK BUILDING CONGRESS FEDERAL PRIORITIES:

- Move ahead with the approval process for the Gateway program and dedicate federal funds to address the most significant infrastructure project in the country.
- Provide direct funds to the Metropolitan Transportation Authority and the Port Authority of New York and New Jersey, who provide transportation infrastructure essential to the New York-New Jersey Metropolitan Region's vitality.
- Dedicate funds to the repair and revitalization of rapidly deteriorating roads, bridges and tunnels.
- Invest in efforts to modernize critical systems like broadband, water, energy and waste management, as well as airports and other transit hubs.
- Increase the country's investment in rail infrastructure.
- Make funding available to address transit maintenance backlogs and bring transit systems into a state of good repair.
- Provide funding for transit agencies to increase service, expand with new projects and implement new technology.
- Streamline the process for project approval and funding in order to shorten project development timelines.



ADVANCE NEW AND EXISTING FUNDING MECHANISMS

Delivering robust infrastructure improvements over the next 10 years will require a significant increase in direct federal investment. For this reason, it is imperative that Congress considers a wide array of funding mechanisms to generate the revenue needed to deliver a true national infrastructure modernization package. The New York Building Congress has outlined several funding mechanisms below that should be considered by the 117th Congress:

- <u>RAISE THE GAS TAX</u> This is the leading and most likely solution for funding any infrastructure plan. Most elected officials agree that the time has come to increase the gas tax in order to keep the Highway Trust Fund solvent and provide revenue for new transportation projects.
- NEW AND EXPANDED FEDERAL LOAN
 PROGRAMS The federal government can expand programs, such as the Transportation Infrastructure Finance and Innovation Act (TIFIA), Water
 Infrastructure Finance and Innovation Act (WIFIA) and Railroad Rehabilitation and Improvement Financing (RRIF), and make new money available through federal loans for infrastructure improvement.
- ISSUE INFRASTRUCTURE BONDS As the push for infrastructure investment takes shape, there will be many long-term funding solutions put in place (gas tax, user fees, tolls, etc.). These long-term funding streams will need to be leveraged in the short term to provide the capital needed to get large infrastructure projects underway. By issuing bonds backed by the projected revenue of long-term solutions, the federal government will deliver the vital capital needed to jump-start infrastructure revitalization across the country.
- PUBLIC PRIVATE PARTNERSHIPS (P3s) In order to encourage expanded private investment in infrastructure projects, the federal government could remove statutory and regulatory barriers to P3s, create competitive programs designed to leverage public dollars and expand the use of private activity bonds.

EXPAND TRANSPORTATION DEMAND

<u>MANAGEMENT PROGRAMS</u> – The federal government can fortify and expand the use of transportation demand management strategies such as user fees and congestion pricing on streets and highways. Existing programs include the Value Pricing Pilot Program, the High Occupancy Vehicle Facilities Program and the Express Lanes Demonstration Program. As a first step, the federal government must approve New York's Central Business District Tolling Program.

<u>UPDATE THE HARBOR MAINTENANCE</u> <u>FEE (HMF)</u> – The HMF is intended to require those who benefit from maintenance of U.S. ports and harbors to share the cost of the maintenance. Currently, revenue from the fee is deposited into the Harbor Maintenance Trust Fund, from which Congress may appropriate amounts to pay for harbor maintenance and development projects and related expenses.

- UPDATE THE AIRLINE PASSENGER FACILITY CHARGE (PFC) – Since 2001, the charge has been capped at \$4.50 per boarding. The generated revenue from any increase could be put toward capital improvements at the airport where the fee is collected.
- INTRODUCE A RAIL PASSENGER CHARGE – Similar to the HMF and PFC, revenue generated by a new Rail Passenger Charge could be used toward capital improvements at Amtrak stations and railways across the country.

 <u>CHANGES TO THE TAX CODE</u> – Changes should include restructuring the Tax Cuts and Jobs Act (TCJA), reinstating the full State and Local Tax (SALT) deduction and using revenue from existing taxes to fund infrastructure projects.



Amtrak Acela Express train passing through Harrison station in Newark, New Jersey



NEW YORK STATE

MAINTAIN NEW YORK STATE'S INFRASTRUCTURE AGENDA

Governor Andrew Cuomo has made major infrastructure investment a central focus of his administration through several key agencies and projects. The Building Congress will closely monitor progress on these projects throughout the year, urging against any reductions to capital budgets and maintaining funding at pre-COVID 19 levels. Unlike the operating budget, capital funding is not needed in the immediate, but is instead deployed over multiple years, only being spent upon reaching the next phase in design or construction. The Building Congress continues to support the Governor's efforts to modernize existing facilities and build new ones across the state, including bridges, airports and train stations.

AUTHORIZE ALTERNATIVE PROJECT DELIVERY METHODS

Following the successful advocacy efforts of the New York Building Congress and additional stakeholders, state law now allows the City of New York to use the design-build process on a variety of public projects. Beyond design-build, the Building Congress seeks to expand the use of P3s in order to modernize New York's public procurement construction laws. This would provide public owners with a wider variety of procurement and delivery modes, as necessary and appropriate, to reduce costs, speed up delivery and improve quality and safety. While it may not be suitable universally, there are many critical projects that would benefit substantially from P3s and alternative delivery methods.

PASS THE EMERGENCY RESPONDER ACT

State legislation protecting members of the building industry from liability when they respond to a declared emergency, such as the rush to build medical facilities to accommodate the surge of COVID-19 patients, is a matter of public safety. Without such protection, firms may be rendered unable to provide timely and adequate emergency support services. A strong liability protection law will allow the industry to respond decisively during catastrophic events and emergencies that fall outside normal procurement, as it did during the COVID-19 pandemic, Superstorm Sandy and September 11th.

INVEST IN WORKFORCE DEVELOPMENT

To address the shortage of talent in the building industry, educational opportunities that train New Yorkers for in-demand jobs, support entrepreneurs and help small businesses recover from the COVID-19 pandemic must be prioritized. A variety of excellent workforce development programs supported by the New York Building Foundation, the charitable arm of the Building Congress, are educating and training the next generation building industry professionals throughout New York State. The Building Congress and Building Foundation are working to expand access to these programs, underscoring their role in closing the racial wealth gap, driving local and regional economic recoveries and foregrounding workforce considerations in economic development project planning.

INSTITUTE A STATEWIDE RESILIENCY FUND

As climate change continues to exacerbate the frequency and intensity of disruptive events like storms and severe flooding, a dedicated resiliency fund would provide municipalities the financial security to collaborate with the state's most vulnerable populations and invest in long-term, regional solutions. Our communities need smart, proactive investment in 21st century resilient infrastructure to prepare for the challenges ahead. Advancing these projects will help create green jobs, spur additional economic growth, protect us from future disruptive events and enhance the quality of life of New Yorkers. Passing Governor Cuomo's Restore Mother Nature Bond Act in 2021 would be a victory for New York State, our residents and our economy.

ENSURE CLEAN & AFFORDABLE POWER FOR NEW YORK

The closure of the Indian Point Energy Center, which provides over 2,000 megawatts of clean energy for New York, poses significant risks to the state's energy consumers unless new, clean, affordable sources of energy are established. The Building Congress' *Energy Outlook* report anticipated a growing demand for energy, driven by the tremendous development underway in all five boroughs of New York City. The Building Congress will closely monitor New York State's progress on the closure of Indian Point and work to ensure that a clean and affordable plan to replace the energy loss is met.



NEW YORK CITY

PROMOTE ROBUST CAPITAL SPENDING BY THE CITY OF NEW YORK

In recent years, the City has made unprecedented investments to protect, maintain and expand its network of schools, libraries, hospitals, parks, roads and bridges, water and sewer systems and other core infrastructure components that ensure the quality of life of all residents. It is critical the City continue to make similar levels of investment in 2021 at pre-COVID-19 levels and demonstrate a longer-term commitment in its 10-Year Strategy. In order to spur the City's recovery, significant investment in 21st century infrastructure is needed. Investing now rather than later will create hundreds of thousands of jobs, counter the millions of dollars lost in wages and add billions in economic growth. History shows that an investment in infrastructure is an investment in people. To coordinate this robust spending, the City should create the position of Deputy Mayor of Construction within the Office of the Mayor to oversee all public capital construction and serve as the single point of contact for the multiple agencies involved in the development process.

SUPPORT HEALTHCARE AND LIFE SCIENCE INDUSTRIES

As we continue to grapple with the COVID-19 pandemic, we must also look toward our recovery. That begins with significant investment in 21st century infrastructure. More than ever, our essential infrastructure extends beyond roads, bridges and mass transit networks and encompasses our hospitals, emergency centers, healthcare facilities, laboratories and other highly specialized sites that are critical to serving New Yorkers in their times of need. These spaces are the front line of world-renowned healthcare delivery and cutting-edge science, serving as an economic engine for the entire city. New York City and building industry partners must promote the growth and development of the life science industry and support expanded hospital and healthcare capacity, as well as develop medical manufacturing in the five boroughs.

ENHANCE THE CITY'S MWBE PROGRAM

The Building Congress supports both the full engagement of emerging businesses in the City's capital program and the de Blasio administration's goals for participation of minority- and women-owned firms in their capital construction program. The City must improve MWBE capacity-building programs and provide additional resources to ensure meaningful inclusion and development of MWBE firms can take place. The Building Congress will work with our partners to look closely at the City's programs and practices, suggest areas for improvement and seek their implementation.

NewYork-Presbyterian David H. Koch Center entrance on York Avenue Ari Burling & Syska Hennessey Group

ADVANCE COMPREHENSIVE AFFORDABLE HOUSING PLAN

It is essential the City build a pipeline of housing for all income levels and continue to make the necessary investments in 2021. As part of United for Housing: From the Ground Up 2021, the Building Congress supports a comprehensive \$4 billion annual affordable housing plan, including:

- A racial equity strategy that starts to reverse centuries of racist housing policies and planning practices in New York City.
- An annual investment of \$1.5 billion into the New York City Housing Authority (NYCHA), matched by State funding, intended to fully restore the quality of the city's vital public housing stock.
- An annual investment of \$2.5 billion into affordable housing rental and homeownership opportunities, which would expand housing supply based on need and informed by data.
- An annual investment of \$200 million in rental assistance matched by New York State.
- A significant reduction to homelessness and an overhaul of inter-agency coordination in order to streamline housing development and preservation, starting in City Hall.

ENCOURAGE STRATEGIC REZONING INITIATIVES

As New York City's population and employment numbers hit record highs, the need for buildable land is strong. To accommodate growth, the City must continue to explore and develop comprehensive rezoning strategies throughout the five boroughs. Successful rezoning efforts should promote growth of livable neighborhoods, foster jobs and economic development, invest in essential services and infrastructure and create housing for all income levels. In addition, plans should epitomize smart growth strategies by positioning high-density zones at transit hubs and major thoroughfares.

EMBRACE NEW TECHNOLOGIES

To build for the future, the City must embrace the potential of new technologies, such as drones, building sensors, modular construction and 3D printing, to increase

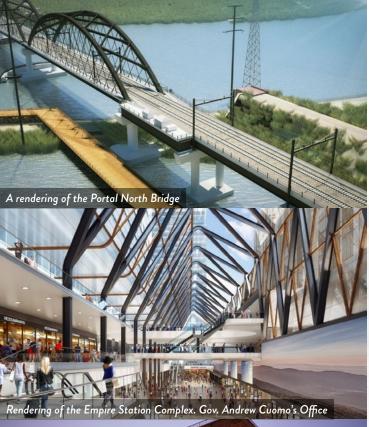
productivity and efficiency. Drones in particular offer a 21st-century solution to reduce inspection time and cut construction costs. On sites around the country, drones equipped with sophisticated sensors and cameras fly around and above buildings to generate 3-D models and high-quality images. The integration of other new technologies can help monitor roadway and building conditions, predict problems before they arise, decrease material waste, reduce carbon emissions and speed up project delivery.

EXPAND 5G WIRELESS SERVICE

To keep New Yorkers connected, strengthen the regional economy and create jobs, the next generation of wireless services must be brought to businesses and residents. Millions of New Yorkers rely on their wireless devices, and that number is growing daily. Reliable and rapid connectivity is crucial when it comes to accessing a wide array of services, particularly telehealth and remote learning – two areas that have become critical to residents across the state since the start of the pandemic. At a time when New York is focused on the path to economic recovery, the statewide implementation of 5G is expected to generate more than 193,000 wireless-related jobs in New York and nearly \$28.2 billion in economic growth across the state over the next five years.



Mobile telecommunications workers in New York install a shroud for 5G equipment







Sunnyside Yard site in 2019. Max Touhey

Outerbridge Crossing, Staten Island to New Jersey. Port Authority of New York and New Jersey

PROJECTS CRITICAL TO THE FUTURE OF OUR REGION

The City, State and federal government must be significant forces in the investment in and advancement of major projects that will enable our region to thrive in the next century. The Building Congress will publicly urge the progression of ongoing and new projects, as well as innovative funding proposals to ensure they move forward. These projects include, but are not limited to:

- <u>The Gateway Program</u>, the most critical infrastructure program in the nation, will improve rail services by adding resiliency and creating new capacity at the most active section of the Northeast Corridor.
- Midtown West Redevelopment will transform the neighborhood into a 21st century business-transit development district. The Empire Station Complex will connect the recently opened Moynihan Train Hall to a revitalized Penn Station; a new Port Authority Bus Terminal built for increased capacity will replace the existing, 60-year-old facility; and an expanded High Line and new park at Pier 76 will increase the area's green space.
- **NYCHA facilities** must continue being repaired at an increased rate to bring the nation's largest public housing system to a state of good repair.
- <u>Sunnyside Yard</u> will deck over the current rail yard, which covers over a mile and a half of western Queens, and create a new neighborhood above.
- <u>Borough-Based Jails</u> will replace Rikers Island with a smaller network for four, community-based jails and allow the island to be reinvented.
- The Brooklyn-Queens Expressway (BQE), from Staten Island to Queens, must be rehabilitated and redesigned after decades of heavy use to maintain safe and efficient regional and local connectivity.
- <u>The new Outerbridge Crossing</u> will replace the 90-year-old bridge between Staten Island and New Jersey, which has lasted long past its initial projected life span.

AIRPORT REDEVELOPMENT

- <u>AirTrain LaGuardia (LGA)</u> will provide a convenient, easy-touse rail connection that offers travelers and employees reliable, predictable travel times to LaGuardia Airport, including a 30-minute ride from Midtown Manhattan.
- John F. Kennedy International Airport (JFK) will completely redevelop, modify and expand existing facilities and infrastructure to accommodate the dramatic expected growth.
- Newark Liberty International Airport (EWR) will redevelop Terminal 1 and replace the EWR Airtrain with a new system.

SUBWAY EXPANSION

- <u>Second Avenue Subway, Phases 2 and 3</u> will build upon Phase 1's extension of the Q from 63rd Street to 96th Street by adding 13 new stations that will ultimately connect 125th Street in Harlem and Hanover Square in Lower Manhattan.
- <u>Utica Avenue Extension</u> will expand the A/C or 3/4 lines on Eastern Parkway and Fulton Street and provide a more convenient alternative to Brooklyn's busiest bus routes.
- <u>Red Hook Redevelopment</u> will study adding three subway stations to the neighborhood via the 1 train, vastly improving transit access in a subway desert and offering opportunities for increased storm resiliency and affordable housing.

LONG ISLAND RAIL ROAD (LIRR) EXPANSION

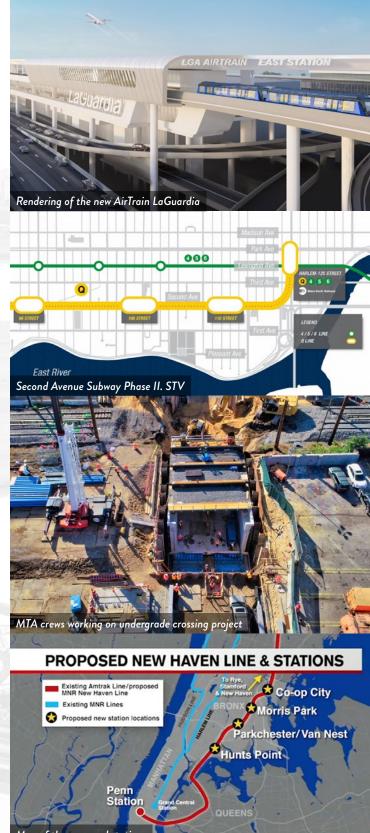
- <u>East Side Access</u> will connect the LIRR to Grand Central Terminal, reducing congestion at Penn Station and adding new regional transportation options.
- <u>The LIRR Expansion Project</u> will construct a third track along the Main Line corridor from Floral Park to Hicksville, allowing for increased service during peak hours.

METRO-NORTH EXPANSION

• Four New Bronx Metro-North Stations will connect Bronx residents with service along the existing rail line to central business and cultural districts that are not currently accessible.

LIGHT RAIL EXPANSION

- <u>The Brooklyn Queens Connector (BQX)</u> will link neighborhoods from Astoria to Red Hook and support equitable growth along the Brooklyn-Queens waterfront.
- North Shore Light Rail will activate Staten Island's waterfront and add transit options in car-centric neighborhoods.





Rendering of the Brooklyn Queens Connector streetcar



New York Building Congress 1040 Avenue of the Americas, 21st Floor New York, NY 10018 Tel: 212.481.9230 www.buildingcongress.com

The New York Building Congress, a broad-based membership association celebrating its 100th year, is committed to promoting the growth and success of the construction industry in New York City and its environs.

CHAIR	Elizabeth Velez
VICE-CHAIRS	John J. Cardoni, Louis J. Coletti, Cheryl McKissack Daniel, Peter DiMaggio, P.E., SECB, Sabrina Kanner, Richard Kennedy, Eli R. Khoury, P.E., Gary LaBarbera, Anthony Mannarino, Charles F. Murphy, Edward V. Piccinich, Frances A. Resheske, Jonathan D. Resnick
PRESIDENT & CEO	Carlo A. Scissura, Esq.
TREASURER	Cyrus J. Izzo, P.E.
SECRETARY	Carl Galioto, FAIA
GENERAL COUNSEL	Michael S. Zetlin
PAST CHAIR	Milo E. Riverso, Ph.D., P.E., CCM
NEW YORK BUILDING CONGRESS STAFF	Jeanine M. Badalamenti; Alanna Draudt; Michael Papagianakis; Ilan Z. Stern; Robert Chapman; George Quan; Giancarlo Sapio; Anasa Welch; Sarah Moore; Maria Free, AICP Candidate