



**May 18, 2016**

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**NEW YORK**

### **NYBC: How The City Could Improve Its Infrastructure**

NEW YORK CITY—Suggesting a major overhaul of planning, paying for and building the city’s network of roads, bridges, transit, schools and other infrastructure, a new report recommends specific steps that the city and state could make.



*Cavallaro: “NYC’s success over the past two decades is due partly to wise city and state investment in public works.”*

BY [RAYNA KATZ](#)

NEW YORK CITY—To meet the massive physical demands brought about by a growing economy, the city must revamp the way it plans, pays for and builds its sprawling network of roads, bridges, transit, schools and other

infrastructure systems, according to Building a Better NYC Capital Budget, a report released Tuesday by the New York Building Congress in conjunction with its research, educational, and philanthropic arm, the New York Building Foundation.

The report recommends the adoption of a series of user fees and taxes dedicated to infrastructure investment. Specific steps designed to create a more strategic and realistic approach to the city's capital budget planning process—and to increase the odds of completing capital projects on time and on budget—are suggested.

“Despite the city's increased capital commitments in recent years, New York's infrastructure is straining to keep pace with the remarkable growth of the city's workforce, population, visitors, neighborhoods, and transportation ridership,” adds Building Congress president Richard T. Anderson. “As a city, we must do more to meet these challenges.”

“The Building Congress and Building Foundation are urging the city to reconsider how it plans, funds, and executes its capital programs,” notes New York Building Foundation chairman John Dionisio. “As part of our capital budget campaign, we have proposed a number of specific ideas to improve and expand the city's physical assets while controlling the high cost of construction, including streamlining procurement and project delivery processes.”

The Building Congress calls on city government to overhaul its capital budgeting process to better define long-term priorities and comprehensively guide ongoing capital investment decisions. The report recommends that the revised process include a twenty-year capital needs assessment by the city, updated every four years, that examines a full range of demographic, economic, environmental, and general infrastructure needs.

That assessment would be translated into a fiscally responsible ten-year capital strategy that categorizes the city's infrastructure needs as “state of good repair,” “replacement,” or “expansion.”

From there, the city would adopt a fixed, four-year capital program that is fully funded and premised on measurable targets that can be tracked through the period.

The Building Congress also calls for the creation of a Mayor's office of infrastructure and a City Council committee on infrastructure that would continuously review the city's capital planning and propose ways to improve overall project delivery.

“The city should aim for a coherent and transparent capital planning process,” states Anderson. “Such an approach would give project managers, elected officials, and other branches of government—as well as the general public—a clearer understanding of each capital project's progress and facilitate a far more informed discussion of costs and capital priorities.”

The Building Congress also advocates a far more streamlined procurement and project delivery process to ensure that schedules are met; to stretch limited taxpayer dollars further; and, when possible, to leverage public funds with additional private investment.

Also, the report continues, New York City must address perhaps the biggest obstacle to meeting its vast capital needs—lack of available funding. Financial support for the city's capital projects are in constant competition with other priorities, and, unlike other budget items, capital budgets are restricted, by statute, to a specific percentage of the city's tax revenue.

The report offers a variety of ways the city, with state government's consent, could generate new sources of revenue. These include increasing the gasoline excise tax—or lifting the cap on the gas sales tax; charging a fee on vehicles entering the Manhattan central business district, as part of a uniform toll policy; implementing parking fees, including a neighborhood parking permit and dynamically priced parking meters;

Adding a sales tax surcharge in the city; implementing a save-as-you-throw garbage fee for the city's residential buildings, with revenue dedicated to the city's environmental infrastructure; or using a tax increment financing model to direct a portion of increasing property values to an infrastructure fund.

“New York City's success over the past two decades can be attributed in part to wise city and state investment in public works, which in turn has facilitated an explosion of private investment,” adds NYBC chairman Richard Cavallaro. “This report offers a blueprint for continuing this cycle of success through further improvements to transportation access, better schools, and more reliable services from government.”