

Second Avenue Subway Phase I

New York, New York

(November 2009)

The Metropolitan Transportation Authority and New York City Transit (MTA/NYCT) are constructing 2.3 miles of new subway on Manhattan's East Side from 96th Street to 63rd Street, connecting with the existing Broadway Line at the 63rd Street Station. The Second Avenue Subway Phase I project includes: construction of three new stations at 96th, 86th, and 72nd Streets; modification of the existing 63rd Street station; new tunnels from 92nd to 63rd Streets; station/ancillary facilities; track, signal and power systems; and the procurement of 68 rail cars. The Phase I project is a minimum operable segment (MOS) of a planned 8.5-mile subway line extending the length of Manhattan's East Side from 125th Street in East Harlem to Hanover Square in the Financial District.

The project will relieve overcrowded conditions and improve service reliability on the Lexington Avenue Line (LAL), and improve current mobility and meet future demand for commuters throughout New York City and the metropolitan area. The LAL is currently the only full north-south passenger rail line serving Manhattan's east side and is the busiest transit line in North America. This heavy passenger load (approximately 3,000 passengers at one station during a 15-minute period of the morning peak hour) causes significant delays in service due to the excessive overcrowding along station platforms and queuing on stairways.

The total project cost under the Full Funding Grant Agreement (FFGA) is \$4,866.61 million. The Section 5309 New Starts funding share is \$1,300.00 million.

Status

MTA/NYCT completed a major investment study/Draft Environmental Impact Statement (MIS/Draft EIS) on the Manhattan East Side Corridor in September 1999. The MIS/Draft EIS covered the northern portion of the corridor from 63rd Street to East 125th Street. The full 8.5-mile Second Avenue Subway was selected as the locally preferred alternative (LPA) in May 2001. FTA approved the LPA into preliminary engineering in December 2001. Anticipating financial difficulties in implementing the entire project at once, MTA/NYCT contemplated the development of minimum operable segments within the corridor. A Final EIS covering the full alignment, but including a strategy for the implementation of four distinct operable segments within the corridor, was completed in April 2004. In July 2004, FTA issued an environmental Record of Decision for the full-length project. FTA included the Phase I MOS in the "other projects" category in the FY 2007 President's Budget. FTA approved entry into final design for the Second Avenue Subway Phase I project in April 2006. FTA executed an Early Systems Work Agreement (ESWA) in January 2007, to enable MTA to advance critical elements of the project. The tunneling contract has been awarded. MTA and FTA entered into an FFGA in November 2007, with revenue operations scheduled for June 2014. Construction has begun on the tunneling and two of the stations. Costs are increasing over the original budget due to a combination of events including higher cost of materials, a less competitive bidding environment that required repackaging that delayed the project, unbudgeted stakeholder requirements, and a lack of timely decisions. FTA does not believe the costs can be recouped and expects the project will remain over budget until completed. The project revenue operation date is delayed one year and local share is being increased to cover increasing costs of about \$1,000 million.

Through FY 2010, Congress has appropriated \$752.20 million in Section 5309 New Starts funds including \$78.87 million in ARRA funds for the project.

Reported in Year of Expenditure Dollars

<u>Source of Funds</u>	<u>Total Funding (\$million)</u>	<u>Appropriations to Date</u>
Federal: Section 5309 New Starts	\$1,300.00	\$752.20 million in total appropriations through FY 2010. This includes \$78.87 million in ARRA funds
Section 5307 Other	\$2.46	
Flexible Funds (CMAQ)	\$48.23	
State: State Transportation Bond Act of 2005	\$450.00	
Local: MTA Dedicated Sources (bonds, surplus toll revenues, etc.)	\$2,249.31	
MTA Operating Budget (finance costs)	\$816.61	
TOTAL	\$4,866.61	

NOTE: The sum of the figures may differ from the total as listed due to rounding.

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