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## Weighing Transit Possibilities, New Study Follows the Money

By MICHAEL LUO

**T**he wish list of mass transit projects that local, state and federal politicians have drawn up for the city is long and ambitious: the Second Avenue subway, Long Island Rail Road service to the East Side, the No. 7 subway extension, a relocated Pennsylvania Station, a transit hub for Lower Manhattan, and the list goes on.

More important, the projects are expensive, with the potential of costing more than \$50 billion. Although everyone has a favorite, money is limited, and some will probably lose out. So how to choose?

One of the city's leading business groups, the Partnership for New York City, has weighed in on the question with a study that evaluates seven of the proposals on whether they pay off economically.

Among the report's conclusions, already generating controversy: the price tag for the Second Avenue subway exceeds its economic development benefits by nearly \$2.7 billion, largely because it would take 17 years to build.

The report, conducted for the partnership by the Boston Consulting Group and the Urban Transportation Research Center at the City University of New York, assesses economic development by incorporating real estate development, the increase in property values, jobs and income and sales and tourism. The subway project would produce \$12.6 billion in benefits, but it would cost \$15.3 billion, it says.

A proposed passenger rail tunnel under the Hudson, connecting New Jersey and Midtown, and an extension of the PATH system to Newark Liberty International Airport would also yield little economic benefit for the city, according to the report, although it does not consider the benefits for New Jersey.

Some of the study's clear winners include the transit hub for Lower Manhattan, the extension of the No. 7 subway line and the relocation of Penn Station.

Both Gov. George E. Pataki and the Metropolitan Transportation Authority have been emphasizing the Second Avenue subway and the East Side Access project, which would connect the Long Island Rail Road to Grand Central Terminal.

"The M.T.A.'s committed to a full build of the Second Avenue subway," William Wheeler, director of special project development and planning for the authority, said yesterday.

He pointed out that the project, along with the East Side Access proposal, had won support under the criteria set up by the Federal Transit Administration. The criteria include the number of customers benefited and the reduction in crowding.

The Second Avenue subway also has a powerful advocate in the speaker of the State Assembly, Sheldon Silver, who represents the Lower East Side. The report fails to fully recognize the project's economic benefits, Mr. Silver said. This includes its impact on Lower Manhattan, sparing commuters from an overcrowded Lexington Avenue line.

Decisions about transportation infrastructure, however, are too often politically based, said Kathryn S. Wylde, president of the partnership.

"It's not thinking about how investment should be designed to grow the economy and to open up the next generation of economic activity," she said.

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