Needs and Wants

What to Look for in the MTA's Twenty-Year Needs Assessment

September 2023

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EXECUTIVE SUMMARY

A stable, well-functioning, efficient, and accessible transit system is critical to the economy of New York City and the region, and to New Yorkers' quality of life. Sufficient and appropriately prioritized capital investment is needed to ensure the system is in a state of good repair, is reliable, does not cost too much to maintain, is modernized, and serves New Yorkers robustly and equitably.

To help determine its capital investments, the Metropolitan Transportation Authority (MTA) conducts a twenty-year capital needs assessment and then develops a five-year capital plan that lays out its planned spending and resources. This process has not always been methodical. Even with substantial improvements over the last 40 years, the needs assessments have not always been public nor included the information needed to best facilitate decisions by MTA leadership and input from the public and policy makers.

Given policy priorities and the constraints of available funding, contracting capacity, and possibly contractor or goods availability, after the needs assessment, the MTA develops and issues its five-year capital plan. The plan identifies available resources and capacity and prioritizes possible capital projects based on these constraints and the system's needs.

Based on analysis of past needs assessments, this report recommends how the MTA should improve its forthcoming Twenty-Year Needs Assessment (TYNA). The MTA recently has focused on enhancing its asset management system, which should provide more and better foundational data for the upcoming TYNA. While some of the Citizens Budget Commission's (CBC) recommendations may appear ambitious, given the real-world constraints in resources, contracting, management, and vendor capacity, choices among competing priorities must be made. This prioritization process requires the detailed data and analyses recommended here. Fortunately, the MTA still has a full year before it plans to release its 2025 to 2029 capital plan. During that time, the MTA can release additional data and analyses to inform the capital plan prioritization process.

Findings

- **Capital needs assessments were not comprehensive:** By prematurely winnowing selections, past TYNAs masked investment choices MTA leadership already made and obscured the true scope of need;

- **Data were aggregated at too high a level:** Over-aggregation denied policy makers and New Yorkers the necessary information to fully participate in a substantive discussion about prioritizing investments and making trade-offs during the capital planning process;

- **Changes in needs were not reconciled across TYNAs:** TYNAs provided a snapshot of needs at one point in time but did show how needs changed over time. Reconciliation is critical to understand the impact of prior investments and the expected impact of future investments;

- **Identified needs were not tied to performance goals and the impact of investment:** To determine the needed investment in each asset, it is important to identify what its performance should be and how proposed investments would affect performance; and

- **Projections of future demand lacked key details:** Decisions about investment levels and priorities should be driven in part by expected changes in population, employment, and travel behavior and demand. Prior TYNAs did not provide sufficient detail.

Recommendations

To ensure the upcoming TYNA provides the necessary data and analysis for planning and prioritization, healthy public debate, and accountability, CBC recommends that it:

- **Include a complete accounting of the system's current and potential future capacity needs:** The TYNA should be a complete accounting of system's needs that does not prematurely omit anything. All options should be on the table, allowing MTA leadership, the public, and policy makers to provide input and make rational and data-driven choices. The five-year capital plan—not the TYNA—is the correct venue to prioritize projects based on constraints including funding.

- **Disaggregate data to the functional group and component level:** Disaggregating needs down to the functional group and component level is essential for the MTA to appropriately prioritize projects and to better inform public discussion. CBC encourages some grouping— for example, ventilation systems or elevators—but not so much aggregation as to hamper the quality of MTA decisions and vibrant and critical debate.

- **Include data on asset condition, needs, cost, and improvement timeframes:** The TYNA should detail condition, and cost and time needed to achieve a state of good repair for each investment category, functional group, and component. That means including data on the quantity of a given asset, the condition and distribution of need across the system, its useful life and average age, the method the MTA uses to determine a state of good repair, and cost and time needed to bring it to a state of good repair so that it can be on a normal replacement cycle.

- **Detail all projects' benefits and costs based on rigorous analysis, standard measures, and MTA goals:** The MTA should rigorously estimate the benefits and costs associated with addressing each asset's need, each potential expansion project, and each system improvement. The authority should standardize metrics to: a) identify the net benefit of each project, and b) bring transparency to the choices among investments, including between state of good repair work and network expansion.

- **Provide clear and complete data on future transportation needs:** Though projections are naturally imperfect, they are essential for long-term planning to be grounded in the best available data of needs, costs, and benefits. This upcoming TYNA should include detailed information about future service needs based on projected economic changes and user behavior, recognizing that there are forecast risks especially in this moment, given radical changes in technology and commuting patterns.

Read the full report at www.cbcny.org

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@cbcny

By Jason Wagner
Senior Research Associate

Ana Champeny
Vice President for Research

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