

CROSS HARBOR FREIGHT MOVEMENT MAJOR INVESTMENT STUDY

■ The Study

- The Cross Harbor Freight Movement Major Investment Study (MIS) was commissioned two years ago by the New York City Economic Development Corporation (EDC) on behalf of the City of New York. Eighty percent of its \$5 million funding was provided by the Federal Transportation Equity Act for the 21st Century (TEA-21) legislation. Twenty percent was provided by the New York City Industrial Development Agency.
- The purpose of the MIS is to examine alternatives to move freight more efficiently across New York Harbor and reduce truck congestion on New York City's roadways and bridges.
- The main objectives of the MIS are to help develop a strategy that would decrease the region's excessive dependence on trucking, and subsequently improve air quality, lessen deterioration on roadways, and reduce the costs of goods for consumers in the New York City region.

■ Project Team

The MIS Study Team was comprised of 10 consulting firms led by Edwards and Kelcey Engineers, with oversight from EDC. Edwards and Kelcey has experience in developing freight projects. Other members of the team included firms responsible for the design and construction of historic rail tunnels around the world, as well as firms expert in regional goods movement and economics.

■ Committees

A Steering Committee consisting of government agencies, and an Advisory Committee of elected officials, community boards, business interests, labor unions, and environmental groups, were formed to guide the progress of the study. A number of public meetings were also held to solicit input from communities and local businesses.

■ Study Strategy

During its first year, the MIS identified 14 conceptual alternatives and implementation strategies for improving freight movement in the New York City metro region.

These were then narrowed to three feasible alternatives for further study:

1. An improved railcar float system with new rail barges and transfer bridges;
2. A rail freight tunnel between Staten Island and Brooklyn; and
3. A rail freight tunnel between Jersey City and Brooklyn.

■ Major Findings

The MIS recommends construction of a cross harbor tunnel for freight trains, which would significantly improve the quality of life in the New York City metro region. It concludes that tunnel alignments between both Brooklyn and Jersey City and between Brooklyn and Staten Island are feasible.

To implement the recommendations, a phased improvement program is suggested. Each phase builds upon its predecessor to create a comprehensive, efficient, sustainable and effective freight network:

1. Short-term Strategy: Enhance and expand the railcar float system capacity, and enhance existing rail yards.
2. Medium-term Strategy: Improve the Bay Ridge Line in Brooklyn and expand rail yard capacity.
3. Long-term Strategy: Construct a rail freight tunnel under New York Harbor and improve the Bay Ridge Line to accommodate modern double-stacked container trains for new intermodal facilities in Brooklyn and Queens.

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■ Other Findings

- A rail tunnel would divert 8.6 million tons of freight from truck to rail annually, equal to one million fewer annual truck trips across the George Washington and Verrazano-Narrows Bridges.
- More than 40 trains would use the tunnel daily.
- The tunnel would result in almost \$350 million in annual benefits to businesses through reduced transportation costs.
- Public benefits such as improved air quality, highway safety, reduced travel time, and decreased highway maintenance costs are approximately \$70 million per year.
- The benefits of a one-track freight tunnel are triple the annual costs. A two-track tunnel would deliver annual benefits twice the annual costs.
- The increased and improved railcar float operation would divert two million freight tons annually from trucks on approximately 14 barge crossings daily, compared with the two to four crossings a day currently.

■ Costs

- Enhanced railcar float system - \$150 million
- Single-track tunnel from Staten Island to Brooklyn - \$1.5 billion
- Double-track tunnel from Staten Island to Brooklyn - \$2.3 billion
- Single-track tunnel from Jersey City to Brooklyn - \$1.34 billion
- Double-track tunnel from Jersey City to Brooklyn - \$2.15 billion

These estimates include the costs of necessary improvements to existing rail infrastructure.

■ Financing

- The project team examined a traditional public works financing plan for the freight tunnel. This option would rely on government sources for capital, with the Federal Government contributing 50 percent of the funding, and another 50 percent from local sources and revenues from rail use and utility lines running through the tunnel.

- KPMG Consulting examined innovative financing strategies for the study and determined that a freight tunnel could be implemented as a public-private partnership. Such a partnership could take advantage of flexible private financing and would qualify for tax credits and depreciation.

- In addition, a private tunnel operator, with oversight by a new public the tunnel authority, could finance the cross harbor freight tunnel using revenues from rail fees and the leasing of viaduct space for telecommunications and electricity transmission.

- Additional funding for the rail improvements could come from various public/private sources, including the Federal Railroad Rehabilitation and Improvement Financing and Congestion Mitigation/Air Quality programs.

■ Next Steps

The next step for the MIS is to advance the proposed alternatives into the Environmental Impact Statement (EIS) process which will address the environmental impacts associated with each of the proposed alternatives. The U.S. Department of Transportation's Federal Highway Administration and the Federal Railroad Administration have agreed to co-lead the EIS. This process is expected to take up to two years.

■ The Study Team

- New York City Economic Development Corporation
- Edward and Kelcey Engineers, Inc.
- Cambridge Systematics, Inc.
- KKO and Associates, LLC
- A. Strauss-Wieder, Inc.
- VZM/Transsystems Corporation Consultants
- KPMG Consulting, LLC
- Mueser Rutledge Consulting Engineers
- Zetlin Strategic Communications, Inc.
- Hatch Mott MacDonald, Inc.
- TAMS Consultants
- Sverdrup Consultants, Inc.

**FOR MORE INFORMATION
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