

**Testimony Submitted by the Niagara Frontier Transportation Authority for
A Joint Legislative Public Hearing on the Fiscal Year (FY) 2022-23 Executive Budget
Proposal**

Tuesday, February 15, 2022

9:30 AM

Albany, NY

Chairwoman Weinstein and Chairwoman Krueger and members of the Standing Committees, thank you for the opportunity to submit testimony on behalf of the Niagara Frontier Transportation Authority (NFTA) concerning the state fiscal year 2022-23 Executive Budget.

The NFTA was created by an act of the New York State Legislature in 1967 as a public benefit corporation to serve the multi-modal transportation needs in Erie and Niagara Counties of New York State. The NFTA provides services through three business centers including the Public Transit (Niagara Frontier Transit Metro System, Inc. or NFTA-Metro), Aviation (Buffalo Niagara and Niagara Falls International Airports), and Property.

NFTA-Metro was created as a subsidiary of the NFTA in 1974 to provide public transit service to Erie and Niagara Counties. Metro is the NFTA's largest business center, the second largest public transportation provider in New York State behind the Metropolitan Transportation Authority (MTA), and the only non-MTA transit system that operates a rail system. NFTA-Metro provides bus, light rail, and ADA paratransit services to Erie and Niagara Counties in New York State using 321 buses, 27 light rail cars, and 79 demand-response vehicles. NFTA-Metro service encompasses a bi-county area of about 1,094 square miles and a population of 1,130,175 people (2019 American Community Survey 5-Year Estimates), including an urbanized area of about 380 square miles and an urbanized population of 936,829 people (2019 American Community Survey 5-Year Estimates). From April 1, 2016, to March 31, 2020, NFTA-Metro provided an average of 25 million rides per year. The coronavirus pandemic resulted in a decrease in public transit ridership across the country including NFTA-Metro. Bus ridership has averaged about 60 percent of pre-pandemic monthly ridership and rail ridership has averaged about 45 percent.

The NFTA's aviation business center operates both the Buffalo Niagara International Airport (BNIA) and the Niagara Falls International Airport (NFIA). The air carriers operating out of BNIA serve 31 airports with up to 100 nonstop flights per day. NFIA operates under a joint-use agreement with the United State Military and serves general and commercial aviation along with the Niagara Falls Air Reserve Station, home to the Air Force Reserve Command's 914th Airlift Wing and the 107th Air Attack Wing.

The NFTA is the only entity in upstate New York that operates a regional public transit system and the region's aviation system. The region benefits from the synergies realized through this regional, holistic approach to transportation. This approach demands diverse, structurally sound, and inflation-sensitive sources of state and federal operating assistance that reflect the demands of a complex system and the integral nature of the NFTA's role in the region's economy.

The NFTA welcomes Governor Hochul's 2022-2023 Executive Budget and the increase in state transit operating assistance for public transit systems across the state. The strong commitment to public transit is extremely important as we as a region, a state, and a country combat climate change, work to better serve disadvantaged communities, and create economic growth coming out of the coronavirus pandemic. The NFTA has 3 primary budget asks that will allow us to further enhance public transit in Erie and Niagara Counties, support economic development and improve the quality of life:

- **an additional \$11 million in STOA in the 2022-23 enacted budget to recognize NFTA-Metro Rail service;**
- **a state commitment of at least \$180 million in the 5-year New York State Transportation Capital Plan to advance NFTA-Metro Transit Expansion; and**
- **\$30 million in state capital funding in the 2022-23 enacted budget to make core and shell improvements necessary at the former DL&W trainshed.**

NFTA-Metro Rail is the only rail transit system in New York State outside of those operated by the MTA and Port Authority. Federal Transit Authority (FTA) funding formulas recognize NFTA-Metro Rail passengers and revenue vehicle miles in determining formula allocations. If STOA were to recognize Metro Rail like the FTA funding formulas, NFTA-Metro would receive an additional \$11 million in annual STOA. **Therefore, we request an additional \$11 million in STOA for the NFTA in the enacted budget to recognize the cost of operating NFTA-Metro Rail and the high-capacity transit service that it provides to the region.**

If STOA recognized Metro Rail, not only would it enhance the ability of Metro Rail to provide high-quality customer service within the region, but also significantly improve the ability of the region to secure hundreds of millions of dollars in Federal Transit Administration (FTA) funding for Metro Transit Expansion that it would otherwise not receive. Metro Transit Expansion will extend high-capacity transit service from its current terminus at the University Station through the University at Buffalo North Campus. It will link all three UB campuses with high-capacity transit and provide a seamless connection between the region's largest concentration of housing and employment, health care, education, and entertainment destinations. In August 2021, the Federal Transit Administration (FTA) issued a Notice of Intent (NOI) as Lead Agency to prepare environmental documents for Metro Transit Expansion in accordance with the National Environmental Policy Act (NEPA). Now that the FTA has begun the federal environmental process, the region is positioned to advance the project into the FTA Capital Investment Grant (CIG) funding process. The project scores well enough to secure competitive federal infrastructure dollars of approximately \$600 million that would otherwise not be available to the region. However, the project cannot advance into the CIG funding process without state financial support. **Therefore, we request a state commitment of at least \$180 million in the 5-year New York State Transportation Capital Plan to advance the project and enter into the federal funding process.**

Metro Transit Expansion will not only be one of the largest infrastructure projects in the region's history, but it will also provide enhanced mobility to tens of thousands of regional residents daily, address climate change, and generate significant positive economic, fiscal, and household economic impacts. Metro Transit Expansion will also benefit another project in construction at the other end of the Metro Rail line – the reuse and reactivation of the former Delaware, Lackawanna and Western (DL&W) trainshed in the Cobblestone/Canalside Districts of the City, which currently serves as the NFTA-Metro Rail Yard and Shop. The NFTA will complete construction of DL&W Station, the first new NFTA-Metro Rail station since the initial construction of the line, by early 2024. Construction of the station will provide access necessary to redevelop approximately 140,000 square feet of vacant space on the 1st and 2nd floors into Buffalo's next great indoor and outdoor public space adjacent to some of the region's most popular attractions. The NFTA has entered into an agreement with Savarino Cos. to redevelop

the trainshed's vacant space. NFTA-Metro and Savarino Cos., working with Project for Public Spaces, completed *A Community Vision for the DL&W Terminal*. The report outlines how best to program the 140,000 square feet of vacant space above and adjacent to the new DL&W Station for the greatest benefit to the general public. In order to redevelop the space into a mix of retail, restaurant, and entertainment uses, state support is needed to construct the core and shell (i.e. landlord improvements) for the redevelopment. **Therefore, we request state capital funding of \$30 million to make the core and shell improvements necessary to allow private investment to turn the trainshed into a public, diverse, and accessible destination on Buffalo's waterfront.**

The 2022-2023 Executive Budget proposed a 24 percent increase in state operating aid for the MTA and a 36 percent increase for the other downstate transit systems while proposing a 13 percent increase for upstate systems. This discrepancy is much too great to go unnoticed by transit riders and constituencies in upstate urban and rural communities that need and deserve the same level of state commitment to transit service as downstate, so they have the same opportunities for mobility, access, and economic growth. Erie and Niagara Counties, along with other Upstate communities need and deserve a stronger state investment in transit service so that our residents have the same opportunities for mobility, access, and economic growth. Therefore, **we request that the Legislature add \$49 million in STOA to the Executive Budget for upstate transit systems to be more in line with those increases proposed for downstate transit systems.**

I would also like to take this opportunity to provide updates on 3 additional projects the NFTA is facilitating thanks to federal, state, and local support – our Battery Electric Bus (BEB) Deployment, Bailey Avenue Bus Rapid Transit, and Buffalo Niagara International Airport Terminal Re-Imagination project.

In 2021, NFTA-Metro advanced the first phase of our BEB Deployment Program by partnering with the New Flyer to build 10 BEBs and collaborating with the New York Power Authority, New York State Department of Environmental Conservation, and New York State Energy Research & Development Authority to fund, design, construct, and install charging infrastructure

to support BEB charging operations at our Cold Spring Bus Maintenance Facility (Cold Spring) in the City of Buffalo. We also worked closely with National Grid, the electric utility that serves the Cold Spring facility, to make the needed feeder and substation improvements to support BEB charging needs. The NFTA's first BEBs will hit the road in the 2022 calendar year.

This project will transform NFTA-Metro's Cold Spring Bus Maintenance Facility to operate, charge, and maintain approximately 100 BEB. The first portion of the project includes delivery of 10 BEBs and construction of the Cold Spring Bus Garage modifications for BEB charging by mid-2022. The remaining work on the project will require additional charging infrastructure, an additional electric transmission infrastructure, and delivery of additional BEBs.

In January 2021, the Greater Buffalo Niagara Regional Transportation Council (GBNRTC), in collaboration with the City of Buffalo and Niagara Frontier Transportation Authority (NFTA), completed the Bailey Avenue Corridor Improvements Study. The study analyzed existing transportation infrastructure along a 7.5-mile stretch of Bailey Avenue from Main Street to South Park Avenue in order to identify long-term approaches to streetscape and transit enhancements. The study recommended enhancements to improve multi-modal mobility options and the corridor's sense of place to facilitate economic development along Bailey Avenue and its surrounding neighborhoods. In particular, the study examined transit improvements including the implementation of Bus Rapid Transit service throughout the corridor to improve the streetscape and mobility. The NFTA is currently working with the City of Buffalo to determine the next steps to implement this important community and economic development project.

And in order to improve our aviation system, the NFTA recently completed a \$65 million upgrade to the BNIA passenger terminal primarily funded by Passenger Facility Charges (PFCs, local funding) and has applied to the Upstate Airport Economic Development and Revitalization Competition for \$50 million in state funds to continue to the transformation of our 20th century terminal into a best-in-class 21st century airport. The NFTA also has an application pending with the Upstate Airport Economic Development and Revitalization Competition for \$7.5 million in terminal improvements and security enhancements at the NFIA terminal.

I would like to acknowledge that, like so many other operations throughout the state, our systems continued to operate during this pandemic thanks to our amazing, dedicated workforce and the continued strong support of our federal, state, and local government partners, our private sector partnerships, and open collaboration with our customers and stakeholders. Not only did our dedicated team of professionals continue to provide these services with a great deal of additional safety precautions – we were able to enhance the relationships we’ve built by working closely with our partners and customers to adopt bus network improvements based on significant online and in-person public engagement and feedback. We are also working with our customers to review bus stops in key corridors to improve the speed, reliability, and accessibility of our services. The relationships we have built through close collaboration to maintain and improve service during the coronavirus pandemic will allow us to better address future challenges together.

Thank you for your continued leadership, partnership, and advocacy on public transit service on behalf of New Yorkers. We look forward to continuing to effectively serve the needs of Western New Yorkers by working with you, Governor Hochul, our other government partners, the private sector, community stakeholders, and our customers over the coming months and years.