

Special Experimental Project No. 14 - FHWA/HUD Livability Initiative

Approved Work Plan - City of New York

New York State Department of Transportation
Work Plan Special Experimental Project No. 14 (SEP-14)
FHWA/HUD Livability Initiative
Plan Date: September 25, 2017

A. Introduction

The City of New York submits this work plan for review and approval as a multi-agency funded project under the provisions of Special Experimental Project No. 14 (SEP-14) for the use of innovative contracting practices. The New York State Department of Transportation has traditionally provided federal FHWA funding to local municipalities to be used as a sole source of federal funding. This work plan proposes to utilize emergency relief funding awarded to the City of New York for the Water Street Corridor Streetscape Improvements project from FHWA (FHWA Emergency Relief funding) and from U.S. Department of Housing and Urban Development (HUD) allotment. To accomplish this, the City of New York must meet HUD funding requirements by adding the appropriate HUD Section 3 language related to local hiring preferences in their bidding procedures.

The proposed project is located along Water Street (from Whitehall Street to Fulton Street) in the City of New York, New York County, New York State. Water Street is one of Lower Manhattan's most important commercial corridors and is home to some of Lower Manhattan's largest companies as well as an array of small and mid-sized firms. The major cross streets, such as Whitehall, Wall, and Fulton provide direct access to the city's waterfront amenities and transit options such as buses, subways, ferries, and bike paths. Currently the corridor is dominated by vehicles, is not very pedestrian friendly, and lacks an identity to distinguish itself. The project seeks to solve these problems primarily in two ways: First, by creating pedestrian improvements throughout the project area using elements such as bus bulbs, new plantings, and pedestrian bumpouts. Second, the project will create two new pedestrian plazas at Whitehall Street and at Coenties Slip which will serve to anchor the new corridor by providing new space for outdoor programming as well as create a more inviting atmosphere for pedestrians. Third, due to the proximity of Moore Street, damaged in Superstorm Sandy, the project includes reconstruction of Moore Street funded by Federal Emergency Management Agency (FEMA).

B. Purpose of Waiver Request

Typically and ideally, local municipalities pay for federal FHWA-funded projects through a single source of funding. For Example, the New York State Department of Transportation (NYSDOT) would provide FHWA funding for a streetscape project, and then the municipality would be able to complete the project with this federal funding along with the required local matching funds.

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As a result of dwindling transportation resources, local municipalities must be increasingly innovative in the creation of funding packages for infrastructure projects.

The purpose of this request is to permit a local municipality, the City of New York, New York County, New York State to utilize three sources of federal funding in the same transportation project: federal funding from FHWA, federal funding from FEMA, and the Lower Manhattan Development Corporation, a subsidiary of the department of Housing and Urban Development (HUD). This request is in accordance with the instructions in the Federal Register/Vol. 80, No. 44/Friday, March 6, 2015, /Notices 12257.

Approval of this procedure would avoid splitting the project into two separate advertisements. HUD's Section 3 requires that preferential hiring be afforded to those individuals living in the project area. The preferential hiring requirement is in direct conflict with FHWA requirements. Approval of this SEP-14 request will allow the available FHWA funding to be utilized for revitalization of the area while complying with training, employment, and contracting requirements of HUD's Section 3, to the greatest extent possible. Cost savings will be recognized by avoiding duplication of payment for Maintenance and Protection of Traffic, Mobilization, and Inspection, as well as avoiding any potential economic impact to the area as a result of increasing the overall construction duration. Specifically, two construction contracts would require two different inspection contracts and would also impact the traveling public for two separate contract durations. The scope of this work is such that two construction contractors could not simultaneously work in the project area.

C. Scope

The total scope of work for this project includes safety enhancements, such as bus bulbs and neckdowns, to the Water Street Corridor between Whitehall Street and Fulton Street in Lower Manhattan, full depth reconstruction of select intersections within the Water Street Corridor, and construction of two plazas to provide new pedestrian space to accommodate a variety of programming.

Water Street is one of Lower Manhattan's most important commercial corridors. Running about a half mile from Whitehall Street to Fulton Street, it is flanked by office space that is home to some of Lower Manhattan's largest companies, numerous small and mid-sized firms. The major cross streets – Whitehall, Wall, and Fulton Streets – provide direct access to waterfront amenities and public spaces including the East River Waterfront, Pier 15, Peter Minuit Plaza, and Imagination Playground. These thoroughfares provide direct access to a wide range of public transportation options, including subways, ferries, buses and CitiBike kiosks.

Currently, the Water Street corridor is dominated by vehicles, is not pedestrian-friendly, and lacks an identity distinguishing the Water Street corridor from the surrounding streets in Lower Manhattan.

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Recent substantial investments and trends in Lower Manhattan, such as the East River Waterfront Esplanade, improved transit facilities and service, a growing residential population, and more resilient building infrastructure post-Sandy have created a positive context in which to work toward a stronger Water Street corridor.

Through the provision of pedestrian infrastructure improvements, the City of New York intends to establish a safer and more inviting pedestrian experience along Water Street. Lower Manhattan is an extremely dense, urban environment, and opportunities abound for people to move through the community in a more sustainable manner. It is the goal of the City of New York to maintain vibrant and viable connections between the multiple recreational, cultural, and tourism destinations, commercial businesses, retail establishments, and transportation modes in and around the Project area.

The goal and vision of the project is to increase the quality of life for residents, visitors, and businesses in the corridor, as well as, enhance the identity of the Water Street corridor by creating a pedestrian-oriented environment through landscaping, improving pedestrian safety, maintaining appropriate traffic flow, prioritizing commercial curb access, incorporating traffic calming measures, and full-depth reconstruction of select intersections.

D. Schedule

The project is currently in design. Final design will proceed and be completed by Spring 2018. Upon approval of the SEP-14, the necessary HUD requirements will be included in the contract documents and the project will be advertised for construction. The anticipated dates follow:

Completion of Design: April 2018
Advertisement and Bid Opening: October 2018
NTP (contractor): November 2018
Project Completion: November 2020

E. Measures

The Engineer's cost estimate for the project has been separated into four shares:

Highway Share (FHWA-ER Funds)	Local Match (New York City)	Plazas, non- standard finishes and areas outside FHWA footprint (CDBG Funds)	Moore Street Reconstruction (FEMA)	Total
\$8,600,000	\$2,100,000	\$10,000,000	\$693,000	\$21,393,000

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The amount of HUD funding for construction (the balance of the \$10,000,000 is funding design and Resident Engineer Inspection Services) to be included in this project is \$7,500,000, which is 35% of the overall construction estimate.

- a. To the extent that bid information is available, the City of New York will evaluate the differences in bid prices or total bids with similar projects that do not have the local hiring preferences and explain any potential differences.
- b. The City will analyze the anticipated cost savings by avoiding the duplication of payment for Inspection as well as avoiding any potential economic impacts to the area because of the reduced construction duration of one project versus two.
- c. The City will monitor the employment, training, and contracting preference where feasible in accordance with HUD's Section 3 requirements.
- d. The City will provide an opinion from both the prime contractor and the contracting agency's representative on whether the hiring preference requirement resulted in any additional costs or delays at the end of the project.

F. Reporting

The New York State Department of Transportation and the City of New York will prepare and submit initial and final reports on this project. The initial report will be prepared at the approximate time of award of this contract. The initial report will include industry reaction to the mix of funding sources, and any identifiable effects on the bid prices received and a copy of the bid tabulation.

A final report will be submitted upon completion of the construction contract and final acceptance by the New York State Department of Transportation. The final report will contain an overall evaluation of the project including the economic benefits of one project versus two, an evaluation of the impacts of HUD's Section 3 requirements, an opinion of both the prime contractor and the contracting agency's representative related to whether the hiring preference requirement resulted in any additional cost or delays, and any suggestions and recommendations for improving the process.