



**Testimony Submitted to the City Council
Subcommittee on Capital Budget
February 17, 2021**

Oversight - Restarting the City's Capital Program in Light of COVID-19

The American Council of Engineering Companies of New York (ACEC New York) is an association representing nearly 300 engineering and affiliate companies with 30,000 employees in New York State, and a concentrated presence in the City. Our members plan and design the structural, electrical, mechanical, plumbing, civil, environmental, fire protection and technology systems for buildings and infrastructure throughout New York.

We thank the Subcommittee and Chair Rosenthal for focusing attention on the critical subject of today's hearing: Restarting the City's Capital Program in Light of COVID-19. We are also thankful for your service in managing the City through this crisis. Our organization, families and friends have all been affected by the pandemic, and we appreciate the efforts of our government leaders to keep the public safe and manage the City's essential functions through this challenging period.

Like all New Yorkers, our members are anxious to see the economy recover. The pandemic's impact on the City's capital program has been particularly challenging for our industry. This includes the City's pause on capital program design projects by agencies including the DDC, SCA, DOT and EDC. These impacts have created sobering challenges for middle-class New York families who work in and are employed by our industry, including the many thousands of engineers, construction managers, subcontractors, MWBE firms and small businesses we represent. Our members are doing their best to stay in business, mitigate layoffs, furloughs, and benefit cuts, but unfortunately these impacts have been a reality over the past 11 months. While our organization and partners are marshalling resources to advocate for the President and Congress to provide fiscal relief to the City government, we cannot depend solely on Washington D.C. to provide our City's economic recovery.

Design work is an essential component of economic recovery. Having the City's design projects on hold is, we believe, penny-wise and pound-foolish for the City. We therefore urge that this work be fully restarted across all agencies. This will position NYC agencies to be ready to move forward in construction once the COVID-19 emergency has passed. Design work is linked to the economic well-being of countless New York families including not only engineers and architects, but also general contractors, construction workers and ancillary industries whose livelihoods depend on the design and construction sector.

History shows infrastructure spending, in particular, has multiplier effects on the economy. In the short-term, building or upgrading transportation, energy and other physical infrastructure boosts

aggregate demand across the economy by creating increased construction activity and employment. It creates good-paying, local jobs, spurring wider economic activity. In the long-term, investments in infrastructure that has a lifespan lasting generations also boosts economic health by increasing the economy's supply capacity. For example, improving transportation infrastructure makes workers more mobile, making labor markets more efficient and productive.

In response to the Great Depression in the 1930s, the federal government enacted the Public Works Administration. The government made unprecedented investments in public projects to revive economic growth and productivity. This type of investment is once again needed. That is why we must continue designing and building New York.

The City's capital program is not only at the heart of the economy, but it is crucial to maintaining the City's status as a global leader. By investing in capital projects – design and construction – New York can lead the way out of this turbulent time, and develop the necessary transportation, environmental, energy and business infrastructure that will keep the City moving forward. We look forward to working with you in the time ahead to advance this effort.

If you have any questions or if our association can be of assistance to you, we are happy to work together. Thank you.

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