

# MTA could lose \$500M

## DiNapoli: Working from home may take revenue toll

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The MTA's already perilous financial future could take another half-billion dollar annual hit if lapsed commuters continue working from home most of the week, according to a new report.

New York State Comptroller Thomas DiNapoli's annual outlook on the Metropolitan Transportation Authority's finances, released Tuesday, estimates that

the agency's projected fare revenue for 2022 could come in \$500 million lower than expected if workers telecommute an average of three to four days per week.

On the other hand, fare revenue could be \$300 million higher than expected if commuters work from home just 1.5 days a week, the report found.

Long Island Rail Road ridership remains at around 50% of pre-COVID-19 pandemic levels. The MTA has predicted that 80% to 90% of riders could return by 2025.

"Even if the economy improves as quickly as the MTA expects, there is a risk that ridership will not return to planned

levels," the report said. "If more employees than expected change their behavior regarding work-from-home or other commuting choices, or if COVID-19 variants continue to affect behavior, service utilization may rebound more slowly."

In a statement, MTA spokesman Aaron Donovan said "predicting the pace of post-pandemic ridership recovery is difficult" and that "all stakeholders" will need to consider how to fill future deficits.

"For its part, the MTA will continue to identify cost efficiencies while aligning service to meet public needs," Donovan said.

The pandemic dealt the

MTA an unprecedented fiscal crisis. Ridership and other revenue plummeted, leading the agency to forecast annual budget deficits in the billions of dollars through at least 2024. The MTA expects to be able to balance its books for the next few years using \$14.5 billion in federal stimulus aid.

The federal aid is expected to run out by 2025, leaving the MTA to turn to the "dangerous practice of long-term borrowing to pay for short-term needs like cleaning and maintenance," the report said.

DiNapoli said the MTA could get some help from a federal infrastructure bill that may include more funding for transit

agencies, and from the agency's planned congestion pricing plan, which could encourage more people to ride the train rather than pay new tolls for driving in Manhattan.

Lisa Daglian, executive director of the Permanent Citizens Advisory Committee to the MTA, which includes the LIRR Commuter Council, said DiNapoli's report "highlights just how hard the pandemic hit the MTA."

"Its fiscal future remains uncertain, and how the new normal looks will have a direct effect on the future and fortunes of the MTA, which in turn will have a direct effect on riders," Daglian said.

## Plan for new railroad at Penn makes progress

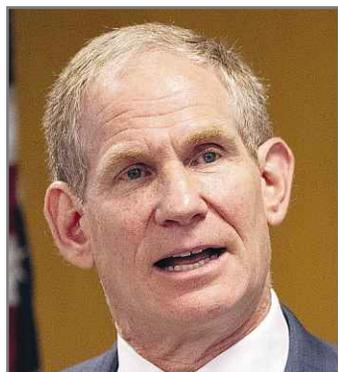
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An MTA plan to fit another railroad in Penn Station — the busiest train hub in the United States — has cleared a major hurdle, officials said.

The Metropolitan Transportation Authority announced Monday that the Federal Transit Administration had completed its environmental review for the \$1.6 billion "Penn Station Access" project. The FTA found that the project would have "no significant" environmental impact.

Penn Station Access aims to link Metro-North's New Haven line to the Manhattan transit hub, which already hosts the Long Island Rail Road, Amtrak, New Jersey Transit, and six subway lines. Four new Metro-North stations would also be built in the Bronx as part of the effort.

"By making use of existing infrastructure, we are connecting people to these opportunities at a fraction of the cost it would take to build a new rail line," acting MTA chairman and chief executive officer Janno Lieber said in a statement. "The next

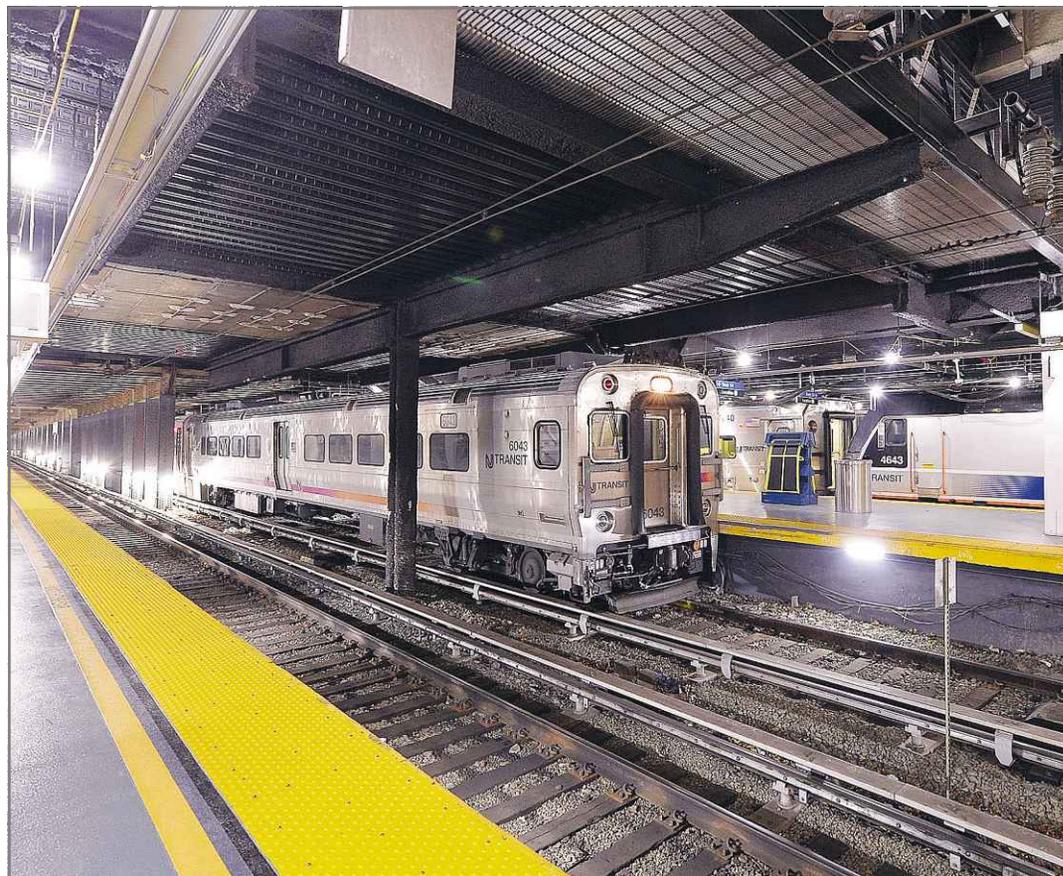


The MTA's Janno Lieber

step is to award a contract to one team that will manage both the design and construction in a coordinated way to deliver the project on time and on budget."

Though long coveted by communities in the Bronx, Westchester County and Connecticut, the project has raised concerns among Long Island commuters over the years because of its potential to contribute to crowding in the already heavily used Penn Station.

Before the COVID-19 pandemic, the station was already handling about 650,000 passengers daily. The MTA estimates



A commuter train arrives inside the new Moynihan Train Hall, an expansion of Penn Station.

that another 30,000 would ride Metro-North into and out of Penn each weekday.

"While tristate connectivity is important to Long Island's economy, it's equally important that LIRR commuters do not experience a reduction in service as a result of Metro-North trains utilizing Penn Station," said Kyle Strober, executive di-

rector of the Association for a Better Long Island, a pro-business group.

MTA officials have said they expect to complete the project by 2024. By then, the LIRR is expected to run fewer trains into and out of Penn because it will also be operating out of Grand Central Terminal as part of East Side Access, which is

scheduled for completion in late 2022.

The MTA also expects to gain extra capacity at Penn, both through an ongoing renovation of the station, which would include widening walkways and raising ceilings, and a planned northern expansion that would add up to nine new tracks.