

Crain's Custom Content Studio: What does the much-debated Penn Station Redevelopment Project herald for New York?



The Penn Station Redevelopment Project has been subject to a blitz of probing questions about its scope, financing and impact on adjacent businesses and neighborhoods. But none of the critiques levied against the ambitious plan negates the plain truth: Penn Station desperately needs an overhaul.

With that in mind, a cohort of thought leaders, activists and public officials convened to share their takes on the matter at a Dec. 14 breakfast event, “The Penn Station project: What it means for the future of NYC,” jointly sponsored by the Building Trades Employers Association, the Grand Penn Community Alliance and Trains Before Towers.

Fred P. Gabriel, publisher and executive editor of *Crain's New York Business*, moderated a spirited and engaging panel discussion. “Taking Penn Station from a tired transit center to a crown jewel of New York’s cityscape will rank among the largest real estate projects in American history,” he said in his introduction, noting that the reimagined hub would include office space, residential units, retail space and a hotel.

Business titan and former New York Lt. Gov. Richard Ravitch minced no words in emphasizing the project's import. "Transforming Penn Station into a commuter gateway should be the No. 1 priority for New York and New Jersey," he said. "We need Govs. Hochul and Murphy to sit down with Amtrak, the Metropolitan Transportation Authority and other stakeholders to produce a unified political pitch. If we want help from Uncle Sam, we need to speak as a coalition."

Now is the moment for a "truly visionary" project that will restore the long-lost glory of the original Penn Station and give New Yorkers and travelers the grand and welcoming public space they deserve, said Alexandros Washburn, the executive director of the Grand Penn Community Alliance, who previously worked to create Moynihan Train Hall.

"President Biden's infrastructure bill set aside billions of dollars in grant money for the Northeast corridor," said Layla Law-Gisiko, chair of the Land Use, Housing and Zoning Committee for Manhattan Community Board Five. "We need to go after that funding aggressively to get the biggest share we can for Penn Station. And to do so, we need to devise a plan advanced enough in design for grant eligibility."

"We have the MTA, Amtrak and others fretting about ceding power to each other," said state Sen. Leroy Comrie, who represents Queens in the 14th Senate District. "Now is the time to seize funding that can create true interconnectivity between those transportation lines. We have a real opportunity to get this right."

To Sarah M. Kaufman, interim executive director at New York University's Rudin Center for Transportation, interconnectivity is about more than linking transit systems. "Data and technology fiefdoms are holding us back," she said, noting that the various transit modes are not sharing data streams. "We can use real-time intel to provide alternate modes when necessary. So if a subway line from Brooklyn to Penn Station is flooded, we can add bus routes. If there's a traffic issue on the streets, we can increase bike availability."

That's a particularly cogent argument, Kaufman said, when you consider that the city has numerous modes of transportation, many of which intersect at Penn Station. Ensuring seamless transfer between modes via a digitally enabled hub would result in a more nimble and user-friendly supersystem, she said.

Louis Coletti, president and CEO of the Building Trades Employers Association, spotlighted another people-centric angle. "The Penn Station project has the potential to re-create the surrounding area, particularly on the Eighth Avenue side," he said. "There's a social urgency to reaching a consensus. This project can create jobs, catalyze the rebirth of the middle class, and lift up those whose lack of higher education makes meaningful employment difficult."

Perhaps the biggest sticking point of all was the question of Madison Square Garden, the giant entertainment arena situated atop Penn Station, which is owned by the publicly traded Madison Square Garden Sports. The Garden's operating permit expires in 2023, putting into play its relocation.

It's an idea with many advocates, among them Washburn, of the Grand Penn Community Alliance. "The linchpin of Penn Station's redevelopment is the re-homing of the Garden," he said. Currently, the juxtaposition of the arena's infrastructure above the station's infrastructure means that small repairs turn into needlessly costly and byzantine affairs."

Others are less than convinced.

“It’s not a binary question of whether Madison Square Garden stays or goes,” said Tom Wright, president and CEO of the Regional Plan Association. “With creative thinking, the Garden can be part of the solution. We can widen concourses, raise ceiling heights, and create an excellent station for commuters without forcing the Garden to move.”

Forcing the Garden to move, in Wright’s view, would be a mistake. Coletti agreed, sharing that an Empire State Development Corporation report estimated that moving the Garden would add \$8.5 million to the Penn Station project—and delay it for years.

Whatever its final form, the renaissance of Penn Station will usher the long-derelict city entry point into the modern age—a welcome change for residents and commuters alike.