

Reinvent Albany Comments on Final Environmental Impact Statement Basic Public Disclosure Needed on Belmont Park Redevelopment Project

August 1, 2019

Reinvent Albany advocates for transparent and accountable New York government. We are a leading voice for sensible and transparent economic development subsidies and for more accountable public authorities, including Empire State Development (ESD).

We have previously provided feedback on the Belmont Park Redevelopment Project in March 2018¹ and January 2019², asking for clarity on the exact cost to state taxpayers for this project, particularly for the Metropolitan Transportation Authority (MTA) as it relates to increased Long Island Rail Road (LIRR service).

Our updated comment is based on Governor Cuomo's July 8, 2019 announcement³ of a \$105 million new Belmont Long Island Rail Road (LIRR) station, and the Empire State Development (ESD) vote to release a final environmental impact statement (FEIS) for the Belmont Redevelopment Project, which includes a new arena that the proposed LIRR station would serve.

Reinvent Albany has a number of questions which should be answered to address public concerns about the project. We are raising them here because the review for this project should include basic disclosure about the all-in cost to the public, be that fiscal or environmental.

¹ Reinvent Albany. "Full Cost to Taxpayers and MTA/LIRR of Belmont Park, Queens Redevelopment Project Needs To Be Disclosed." March 22 2018.

https://reinventalbany.org/2018/03/full-cost-to-taxpayers-and-mta-lirr-of-belmont-park-queens-redeve lopment-projects-needs-to-be-disclosed/

² Reinvent Albany. "Belmont Redevelopment's Cost to Taxpayers Remains as Clear as Mud." January 9, 2019.

https://reinventalbany.org/2019/01/belmont-redevelopments-cost-to-taxpayers-remains-as-clear-as-mu d/

³ Governor Andrew Cuomo. " Governor Cuomo Announces New Elmont Train Station, The First New Full-Time LIRR Station In Nearly 50 Years."

https://www.governor.ny.gov/news/governor-cuomo-announces-new-elmont-train-station-first-new-full -time-lirr-station-nearly-50

- 1. What is the exact cost to taxpayers for capital costs for the new LIRR station? Governor Cuomo's press release indicates the developer will pay \$97 million, with the state providing \$8 million. Yet later reporting⁴ clarified that the developer will pay \$30 million upfront, and receive a state no-interest loan for the remainder that it will repay. What is the cost to the state of facilitating this loan? Reports indicate⁵ it could be upwards of \$40 million for taxpayers.
 - a. In the FEIS response to public comments (page 46)⁶ notes that New York Arena Partners would contribute \$50 million toward infrastructure and mass transit improvements, with further annual payments to total \$117 million. Given these differing figures, what is the actual and full cost to taxpayers for the station?
 - b. Who will pay for any potential cost overruns for the project?
- 2. What are the total new operating costs for the MTA/LIRR for the new station and expanded service at the current Belmont spur? In a letter to ESD⁷ from December 2018, LIRR President Phil Eng seems to commit to additional service on the existing Belmont spur, yet notes that this will require a "sustained source of funding in LIRR's operational budget". The letter specifically notes that provision of service "does not include any capital improvements to LIRR Facilities or infrastructure, as there is no MTA or LIRR funding available for improvements *in connection* with the service" (emphasis added). President Eng stated in Governor Cuomo's July 8th release that there will be no capital cost to LIRR, but does not speak to operating costs for the new station, which will provide full-time, year-round service. LIRR fares are already heavily subsidized⁸, so ticket fares cannot be expected to make up the full cost.

⁵ Demause, Neil. "Who'll Really Pay For What In Cuomo's New \$105M Islanders LIRR Station Plan?" Gothamist. July 9, 2019. <u>https://gothamist.com/2019/07/09/islanders_arena_belmont_lirr.php</u>

⁴ Hogan, Bernadette and Calder, Rich. " Cuomo promises new railroad station at Belmont Park." July 8, 2019 New York Post.

https://nypost.com/2019/07/08/cuomo-promises-new-railroad-station-at-belmont-park/?utm_source= url_sitebuttons&utm_medium=site%20buttons&utm_campaign=site%20buttons

⁶ Empire State Development. Final Environmental Impact Statement, Belmont Redevelopment Project. July 8, 2019 <u>https://esd.ny.gov/belmont-park-redevelopment-project-feis</u>

⁷ Empire State Development. Final Environmental Impact Statement, Appendix M. Belmont Redevelopment Project. July 8, 2019 <u>https://esd.ny.gov/sites/default/files/Appendix%20M.pdf</u>

⁸ Brennan, Jim. "LIRR's Heavy Subsidies and the Coming Debate Over MTA Funding." Gotham Gazette Op-Ed. January 9, 2019.

https://www.gothamgazette.com/opinion/8182-lirr-s-heavy-subsidies-and-the-coming-debate-over-mta-funding

- 3. What is the total cost of improvements that the MTA has already made to the tracks to support additional passengers from the existing Belmont station?
- 4. If the project is proposed as an amendment to the MTA's Third Track project, as expected, how will it meet environmental impact statement requirements under the State Environmental Quality Review Act (SEQRA), as it is not currently part of the project?
- 5. Will most customers use mass transit if they will also be required to ride a shuttle bus to the arena? The location of the station is expected to be 1/2 a mile from the arena.
- 6. Beyond the proposed LIRR station, are the changes to the FEIS to include more curb-cut outs and shelters sufficient for those who are more likely to ride the bus? This includes MTA or Nassau Inter County Express (NICE) buses, which already serve workers in this area. Workers at the arena are unlikely to pay for the higher-cost LIRR service. ESD's own FEIS on page 5 of the Transportation Section ⁹ notes that 12% of workers would take the bus, versus 2% who would take LIRR. Arena patrons would be the reverse with 2% taking the bus and 12% taking LIRR.
- 7. Who will pay for increased bus service, which ESD's FEIS also states will be needed? The FEIS says: "Bus operators typically adjust their service based on ridership and market demand and it is anticipated that such increases in service would be coordinated with NYAP as part of the transportation management plan for the arena."

Thank you for the opportunity to provide comments. Should you have any questions, please contact Rachael Fauss, Senior Research Analyst, at <u>rachael@reinventalbany.org</u>.

⁹ Empire State Development. Final Environmental Impact Statement, Belmont Redevelopment Project. July 8, 2019 <u>https://esd.ny.gov/sites/default/files/11_Transportation.pdf</u>