

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

**PENN COMMUNITY DEFENSE FUND, 251 WEST 30TH
STREET RESIDENTIAL TENANTS ASSOCIATION, CITY
CLUB OF NEW YORK, and RETHINKNYC,**

Petitioners-Plaintiffs,

- against -

**NEW YORK STATE URBAN DEVELOPMENT
CORPORATION d/b/a EMPIRE STATE DEVELOPMENT,
and NEW YORK STATE PUBLIC AUTHORITIES
CONTROL BOARD,**

Respondents-Defendants.

Index No.
IAS Part

AFFIDAVIT

State of New York)
) ss:
County of New York)

RICHARD RAVITCH, duly sworn, deposes and says:

1. Over the past six decades, I have served in a variety of public and private capacities, many of them focused on public financing in this state. I was the Lieutenant Governor of New York, and the chair of both the Urban Development Corporation (“UDC”) and the Metropolitan Transportation Authority (“MTA”). Later, I was co-chair of a commission to design a financing plan for the MTA. I was also co-chair of the State Budget Crisis Task Force alongside Paul A. Volcker, former chairman of the Federal Reserve, and I am now on the Board of Directors of the Volcker Alliance, the non-profit Mr. Volcker established a decade ago to bolster the public sector workforce and keep government spending honest.

2. I write this affidavit because I am genuinely outraged by the plan of Empire State Development (“ESD”) to override the City’s zoning laws and proceed, recklessly, with a gift of 18 million square feet of mostly office space to the owners of the land surrounding Penn Station. ESD certainly has a good cause – rehabilitating Penn Station – but it has altogether failed to explain why that requires a real estate giveaway on this scale.

3. I want to focus on how the agency proposes to pay for it. In my decades of work in public finance, I have never seen a large-scale project where the sponsors supplied so little information about how much money they needed and how much they would be able to raise. Here, there is a sample reason we do not know how much the new Penn Station is going to cost: We have no idea what the new station is going to *be*. There are no architectural plans. It is the height of irresponsibility for ESD to move ahead when it knows so little about the design – consequently the cost – of the station.


4. We have no better idea of how much revenue ESD’s plan would generate. Governors Cuomo and Hochul have had several years to craft a revenue plan, and if they have one, we certainly haven’t seen it. As I said in a recent op-ed in the *Daily News*, there has been a “ludicrously low level of transparency.” It is galling that the project plan did not supply a *single* figure for how much money it would generate.

5. The Money from this redevelopment will not come in until the owners actually build the towers. But the plan sets no deadline for owners to start building. Until the midtown market turns around, they *won’t* build, and the MTA won’t see a

dime for Penn Station. The wiser, safer approach is to finance the old-fashioned way – by bonding and appropriation (and maybe supplementing with a more modest redevelopment plan).

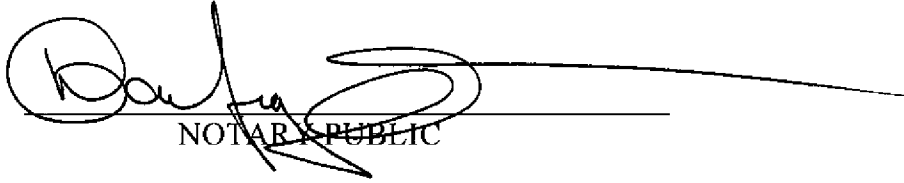
6. To anyone following this story, it has been obvious that the project was never inspired by some vision of how best to pay for the station; If New York can't pay for the project, so be it.

7. But this is how government is supposed to work: Identify a problem. Come up with a solution. Figure out how much the solution is going to cost. And find a way to pay for it. All ESD has done here is identify the problem – Penn Station. Until it comes up with an actual plan for the station, and a price, and a way of paying for it, this project should be put on the shelf and left there.



Richard Ravitch

Sworn to before me this October 19, 2022



NOTARY PUBLIC

DONNA FRANZESE
Notary Public, State of New York
No. 01FR6309829
Qualified in Nassau County
Commission Expires August 18, 2026