

LONG ISLANDTRANSPORTATION

Port Authority's budget eliminates 626 jobs, allocates \$1.2B less for capital improvements



Port Authority executive director Rick Cotton said capital projects already under construction, including the \$8 billion renovation of LaGuardia Airport, will not be stopped because of possible spending cuts. Credit: Corey Sipkin

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The Port Authority of New York and New Jersey may forego more than \$1 billion in capital improvements next year amid the coronavirus pandemic, a plan that some local experts say could deal a blow to Long Island's economy.

Citing plummeting revenue because of the public health crisis, the Port Authority, which operates Kennedy Airport and LaGuardia Airport in Queens, among other facilities, released a proposed \$7.3 billion budget for 2021 on Thursday that would cut 626 jobs and allocate \$1.2 billion less than planned for capital improvements.

Those changes could impact Long Islanders who work or travel at the airports, said Larry Levy, executive dean of the National Center for Suburban Studies at Hofstra University.

"A lot of the people who are going to lose their jobs are Long Islanders, and a lot of the people who are going to face delays at the airports because the improvements are slowed or scrapped are Long Islanders," Levy said. "It's just another price that we're paying for the pandemic."

Port Authority executive director Rick Cotton said capital projects already under construction will not be stopped because of the spending cuts. That would include the \$8 billion renovation of LaGuardia, and — although not yet under construction — the \$2 billion plan to build an AirTrain to the airport, he said.

Without federal aid, projects in planning phases could be delayed, although Cotton did not specify which. Authority representatives did not respond to questions Monday on the subject.

The grim financial outlook could have ripple effects in Long Island's economy, said John Cameron, chairman of the Long Island Regional Planning Council.

Cameron said Long Islanders laid off from airport jobs would spend less in their communities, and delays to airport capital projects would mean less business for Long Island architecture, engineering and construction firms.

Activity is down 75% at Port Authority airports and PATH trains and down 15% on its bridges and tunnels, according to the proposed budget. That has caused revenue from tolls, rental income, parking fees and other income sources to plummet.

Bruce Blakeman, a Hempstead Town councilman and former Port Authority commissioner, said his council district is filled with warehouses, freight forwarders, customs brokers and other businesses that serve nearby Kennedy Airport and are suffering because of the reduced activity.

"The airport is a tremendous economic engine for the region, and the fact that travel is down puts some pressure on the surrounding communities as well as on the Port Authority itself," he said.

In a statement, Port Authority chairman Kevin J. O'Toole said the budget "reflects the realities of operating the agency in the midst of a global pandemic."

He added: "The proposed 2021 budget shows the Port Authority, as it has for almost a century, is adapting to face new challenges while continuing to provide safe, secure and efficient movement of people and goods throughout the region."

The authority is accepting public comment on the budget proposal. Its board of commissioners may vote on the spending plan Dec. 17.