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Press Release

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[MTA Headquarters](#)

IMMEDIATE

MTA to Sell Madison Avenue Headquarters

Office Space Consolidation to Reduce Costs, Raise Capital Funds

The Metropolitan Transportation Authority (MTA) today announced plans to consolidate its office space, including the sale of its three valuable headquarters buildings on Madison Avenue in midtown Manhattan. The Madison Avenue complex is expected to yield at least \$150 million to support MTA capital projects.

The plan takes advantage of an opportunity created by the MTA's aggressive cost-cutting, which included a 20 percent reduction in its headquarters payroll and the elimination of 3,500 positions across the organization. As a result, there are now significant vacancies in MTA office space, including 15 percent at the Madison Avenue buildings and the MTA's facility at 2 Broadway. Under the plan, headquarters employees would be accommodated at 2 Broadway, both by filling vacant space and using the overall space more efficiently. Metro-North personnel currently working in the Madison Avenue offices would be relocated near Grand Central and Metro-North's other facilities, including an office facility in North White Plains.

"The hard work we've done to overhaul how the MTA does business is opening the door for even greater cost savings," said Jay H. Walder, MTA Chairman and CEO. "Selling our Madison Avenue buildings is a true triple play, allowing us to raise capital funds, avoid costly renovations and make better use of our office space downtown."

The office space consolidation is one aspect of a broader MTA strategy to reduce real estate costs and maximize the benefit of its entire real estate portfolio. The strategy also includes:

Reducing office space leases

Already reduced 12% (\$2.5 million) since April 2010

Identifying underutilized properties that can be sold

Working with New York City and other municipalities to unlock the value of jointly-owned assets, such as 370 Jay St. in Brooklyn

Monetizing air rights opportunities

"We are reviewing our real estate portfolio from top to bottom, looking for opportunities to reduce costs and increase revenue," said Jeffrey B. Rosen, MTA Director of Real Estate. "In our real estate, as in all of our operations, the MTA is making every dollar count."

The MTA is moving immediately to begin the process, which includes the relocation of Metro-North and MTA Police communications equipment, with the goal of completely vacating the Madison Avenue buildings within 2 to 3 years.