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Facing funding fight, M.T.A. touts 'unprecedented' use

By Dana Rubinstein



As the M.T.A. gears up for a difficult funding fight in Albany, it wants to make one thing clear: The subways might not be particularly well-financed, but they are very heavily used.

On September 23, 6,106,694 people rode the subway, "making it the highest ridership ever since daily figures were first recorded in 1985," according to the M.T.A.

It was one of five days in September when subway ridership exceeded 6 million.

The monthly total of 149 million rides means September saw the heaviest use the subway system has seen in at least 60 years.

That's actually been good for the system's bottom line.

The subway so far this year has generated about \$2.36 billion in revenue, about 1.2 percent more than forecast. But, according to the M.T.A., that doesn't go anywhere near far enough to meet the system's needs.

"This is a phenomenal achievement for a system that carried 3.6 million daily customers just 20 years ago," said M.T.A. chairman Tom Prendergast, in a press release that did not make reference to the revenue aspect of the ridership increase. "As ridership increases, the M.T.A. Capital Program is vital to fund new subway cars, higher-capacity signal systems and improved stations to meet our customers' growing needs and rising expectations."

Last month, the M.T.A.'s board approved a five-year plan to keep the system's subways, buses, rails, tunnels and bridges in good working order, and expand them where needed.

Its price tag? Thirty-two billion dollars.

It's an aspirational number.

The M.T.A.'s capital plan has a \$15.2 billion funding gap. Governor Andrew Cuomo, who effectively controls the M.T.A., won't provide details on how he plans to fill it, though if recent history is any guide, he'll slim down the plan and fund it with debt.

That's also a problem.

As Comptroller Tom DiNapoli noted yesterday, the M.T.A.'s existing debt load is already expected to hit \$39 billion by 2018.

He said that if the M.T.A. resorts to taking on even more debt, "each \$1 billion borrowed would increase debt service by about \$70 million annually, which is comparable to a 1 percent increase in fares and tolls," on top of the fare increases already scheduled for 2015.

In other words, the state will ask the riders to pay more.

(And riders, in large part, will pay what they're asked to, because rider response to fare hikes is actually pretty inelastic.)

Earlier this week, Cuomo told reporters that "everything should be on the table" in addressing the M.T.A.'s funding gap, though he doesn't consider East River bridge tolls particularly realistic.

On Wednesday, the same day the M.T.A. released its "unprecedented" ridership numbers, a construction industry group offered up several funding ideas, including getting rid of some Cuomo-engineered exemptions to an M.T.A.-supporting tax that's unpopular in the suburbs; implementing the MoveNY plan, which would charge drivers to cross the East River bridges and south of 60th Street, while also lowering tolls in the outer boroughs; applying the state's \$4 billion in bank settlements to the M.T.A.; or raising the gas tax.

"The financing options we are highlighting—and others—must be on the table," Richard Anderson, president of the New York Building Congress, said in a statement. "The M.T.A. has laid out a reasonable plan to protect and enhance the transit system on which more than 8 million people and the economy as a whole rely. Our elected leaders must find a way to support this plan and find the funds needed to ensure its full implementation."