

Keep NYC Free

www.keepnycfree.com

Monday, August 1, 2011

Contact: Corey Bearak
(718) 343-6779/ cell: (516) 343-6207

The Holdup

Keep NYC Free wishes unemployment on no one but the recent MTA move to save \$150 million in administrative staffing on its capital program raises an interesting question? Why only now? Why not much earlier? For example, if implemented in 2010, not only would the agency saved more cash, it could have use about two-thirds of the savings to have averted the bus and subway cuts it misguided imposed at the behest of the outgoing chair. The agency used more than the funding it cut to apply as pay-as-you-go capital at Fulton Street.

Imagine if the savings proposed now got done last year. Perhaps some budgetary adjustment and voila' maintained service. So Keep NYC queries once more, what prevented the MTA from making such savings to save core bus and subway service more than a year ago. Paraphrasing the David Bromberg [song](#) (co-written with George Harrison) that provides title to the commentary *Might this be a holdup, no way to mistake it*. The public ought to know!

<http://cityroom.blogs.nytimes.com/2011/07/20/m-t-a-facing-shortfall-finds-its-inner-suze-orman/?ref=nyregion>

July 20, 2011, 5:49 PM

M.T.A., Facing Shortfall, Finds Its Inner Suze Orman

By [CHRISTINE HAUGHNEY](#)

As any budget-conscious New Yorker knows, it can be easier to cut back voluntarily on shoes, cocktails and rent than face a sobering conversation with a loved one or financial planner about thrifty living.

Perhaps that's why the [Metropolitan Transportation Authority](#), which faces a \$10 billion shortfall on its \$26 billion capital budget for financing longer-term projects, proposed its own budget-cutting measures on Wednesday before it receiving the belt-tightening suggestions of the federal government and Albany.

In its newly released “Making Every Dollar Count” report, the transportation authority’s executives channeled their inner [Suze Orman](#) to cut costs. The authority did not suggest cutting back on construction on major projects like the [Second Avenue Subway](#) or [East Side Access](#), which involves building a Long Island Rail Road terminal beneath Grand Central Terminal. But it did propose cutting 15 percent of its administrative staff, to save \$150 million.

The agency also proposed saving \$300 million by making more modest repairs of subway stations as problems arise, rather than waiting longer to do costlier fixes, as well as cutting back on bus service provided for stations that are being repaired. Another \$300 million in cuts may come from buying fewer cars and using more fuel-efficient equipment. Most of all, the authority plans to take advantage of the slower construction boom by cutting its costs there by \$800 million.

“We recognize that there’s no appetite for new taxes in New York today, and that makes it all the more important that we find ways to make these investments as efficiently and effectively as possible,” the M.T.A.’s chairman, Jay H. Walder, said in a statement.

The agency said it had already cut \$2 billion from its \$26 billion budget last year by doing things like consolidating the various transportation agencies’ repair shops so that, for example, a [Long Island Rail Road](#) train can now be fixed at a [Metro-North](#) repair shop. The agency also tried to buy more diesel-powered buses than hybrids.

The proposed cuts would be particularly harmful to the construction industry. Denise Richardson, managing director of the [General Contractors Association](#), called the capital budget “incredibly important and represents for our members thousands of jobs.”

“We are looking forward to working closely with the M.T.A. to find ways that maximize the M.T.A.’s ability to use its limited capital resources to cover as many projects as possible,” she added.

But it’s early days for a budget that has far to go. The authority still has another \$8 billion to cut, and possibly even more if the federal government cuts transportation funding.

Hope Cohen, associate director of the [Regional Plan Association](#)’s Center for Urban Innovation, called the proposed cuts “a significant step,” but added, “This is not the final word.”