

City Council Transportation Committee Testimony
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Thank you for stepping up to take action against declining transit service.

For you to take the most effective actions you can as *City* officials, it's important to remember that the MTA is a *State* agency, controlled by the Governor and the state legislature. The City government should play its supportive role in a way that makes the State and MTA more accountable, rather in a way that inadvertently perpetuates State officials' bad habit of evading that accountability – because it is the State's chronic avoidance of accountability that is the root cause of poor service. Don't indulge it.

While some would like to debate the deceptively simple notion of “fair share” of “the money,” the real issue is not simply money. As proof, you are having this debate within recent memory of the City having made an unprecedented commitment of \$2.5 billion – a City commitment that, coincidentally or not, was followed by State government dithering and declines in service. If the answer really was that the City government should put in ever-more money, well, to quote George Bush, fool me once, shame on you, fool me twice, uh, I forget the rest of the saying.

Instead, you can take advantage of this opportunity to fundamentally change the dynamic between the State and City governments. Imposing long-overdue accountability and transparency is truly the best thing you could do to improve transit service.

How can you, as a *City* government, make a *State* agency you don't control perform better?

Here's how: don't let the City treasury be treated as an ATM for the MTA. Don't give your PIN to somebody in Albany and say, here you go.

Instead, your attitude toward the MTA should become the mindset of an *investor* or a *customer* – not the mindset of a donor, or a reluctant victim of political extortion.

An investor would ask: what return am I getting on the money I put into this enterprise? A customer would ask: what product of value am I getting for what I am paying?

Because of the opacity of the MTA, and State officials' gymnastics with their own budget, you currently have no idea what you are getting for the prior \$2.5 billion. Is the additional \$400 plus million currently being demanded from you the right number? Under the current regime, in which costs and outcomes are obscure, *nobody* knows. Chair Lhota has promised a top-to-bottom review of the MTA's procedures and culture, so it's premature to send you a bill for a product that hasn't been defined or evaluated.

You have the power to break those bad habits. You can condition every dime of City funds on specific measurable outcomes – you can choose to purchase specific things.

The City of Seattle does not control the transit system that serves its city either – the transit is under the control of King County, and a regional board. But the Seattle City Council and Mayor want improved transit service for their residents, so they reached a clear, contractual relationship with the County government, under which City funds are transferred to the County government in exchange for specific levels of transit service. You could similarly contract with the MTA for specific outcomes the City wants: a certain number of stations rehabilitated, a certain number of service hours provided, mitigation of fare increases, for example.

Those understandings are healthy, and do-able. In fact, we forget that in March, the Mayor of New York City and Governor of New York State and Speaker of the New York Assembly and Chair of the MTA reached a clear agreement on costs and outcomes and fiscal responsibilities – we forget it, probably, because it was revealed on March 5th - **1981**, as mutually announced by Governor Carey, Mayor Koch, Speaker Fink and Chair Ravitch. They were competitive politicians who didn't always like each other, and they competed viciously with each other – they competed to see who could get the most credit, rather than who could lay the most blame. Those competitive politicians discovered that when good things happen for their mutual constituents, there was more than enough credit to go around.

Insisting on better results, the way an *investor* or *customer* would, will have an additional side-effect that would benefit the public: accountability will require more transparency on the part of the MTA. Chair Lhota has already pledged to open more data and provide a dashboard of meaningful metrics. His pledge is a good start. As an investor, you can push for the maximum amount of disclosure. Boston's MBTA and London's Transport for London, both with subways that are older than New York's, are leaders in letting the public see how well the agency is performing. These comparisons will turn a spotlight on how New York lags so many of its peer cities: for example, why capital construction projects here routinely cost multiples of dollars and years more than projects in similar cities.

The City can also be strategic in the assets that you bring to the table:

For example, the last time our organization testified before your committee, you heard how the City Department of Transportation could expedite the MTA's buses: more exclusive lanes, transit signal priority and other street design issues are within the control of the City. Since that hearing, few notable improvements have been made, while bus ridership has continued to decline. In fact, members of this council continue to speak out *against* dedicated lanes that would dramatically improve the commute for tens of thousands of their constituents who commute by bus, instead privileging a few dozen constituents who want to park a private car at the public curb.

You also have potential financial resources that the State legislature and Governor should allow you to tap: the East River Bridges that you own, and the for-hire vehicles that you regulate and tax, are potential revenue sources to improve transit. If State officials are zealous about the City providing funding to what is essentially a State agency, then those officials should get out of your way and allow you to raise that funding through sources that are directly related to transportation.

By acting like an investor and customer, the City Council will not merely respond to a so-called official "emergency" that is not of the City Council's own making, but can put transit governance on a new path toward more systematic success for years to come. Thank you for your leadership.