



County of Rockland

Office of County Executive C. Scott Vanderhoef

NEWS RELEASE

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FOR IMMEDIATE RELEASE
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County Completes MTA Value Gap Analysis Report

New City, NY - County Executive C. Scott Vanderhoef announced today that the County has completed its MTA Value Gap Analysis update. A presentation of the report's data will be presented to the County Legislature's Economic Development Committee this afternoon.

The report was commissioned to update the 2005 value gap study sponsored by MTA. Cambridge Systematics, Inc. (CS), the transportation consulting firm who co-authored MTA's own 2005 study, developed this new report for the County using 2010 data.

As expected, the report indicates that dollars paid to MTA by County taxpayers and businesses continue to increase. There was a 25 percent increase in cost to Rockland between 2005 and 2010. The value gap, however, has essentially remained the same at approximately \$42 million.

The report estimates that the MTA provides \$68 million in service and allocations to the County of Rockland. In return, we pay \$110 million total to MTA, broken down as follows:

Taxes taken from our residents/businesses	\$72.1 million
Tolls and fares paid by our commuters	\$37.9 million

The value gap ratio has increased from 0.53 to 0.62, due to increased system-wide MTA investments from 2005 to 2010. Even with all of MTA's capital investments between 2005 and 2010, though, this simply indicates that Rockland now receives back about 62 cents in value for every dollar it pays to MTA.

"The report provides the solid foundation and updated data we need to now explore the realities of withdrawal," said County Executive C. Scott Vanderhoef. "Realities which include two major unknowns – legislative approval at the State level, and the value of MTA's Commuter Rail Revenue Bonds (CRRB), which given legislative history may have to be undertaken by the County."

MTA's 2010 financial report lists all Revenue Bonds at \$14.9 billion. CCRBs are not identified specifically and are assumed to be a subset of these, so determining the portion of MTA's Bond debt that the County would likely be obligated to repay will need further investigation. However, the value ranges from \$5 million and could be as high as \$326 million.

The County would also need to get legislation underway that would reallocate a portion of MTA-dedicated taxes and formula funds to Rockland, should the County be authorized to withdraw. Otherwise, the County would have no operating funds with which to run the required transit services.

The report also reviewed previous studies and existing data and updated options outlined in the County's 1998 value gap study. Those options include a Withdrawal scenario and a Value Gap Reduction scenario, with a detailed analysis of the pros and cons of each.

"By following the path toward withdrawal, the County will be able to gain more information and the financial impact on the County can be better determined," said Planning & Public Transportation Commissioner Thomas Vanderbeek, P.E. "However, this decision cannot be made in a vacuum. There are a number of significant issues facing our County, not the least of which are the replacement of the Tappan Zee Bridge and the County's current financial challenges. Based on the above, at this time I believe we should not go this route alone. I suggest that we share these results and our thoughts with Orange County, and explore the possibility of a joint action."

No state legislation has been passed to date that would authorize withdrawal from the MTA. However, both the State Senate and the State Assembly have draft legislation pending, neither of which include re-establishment of MTA-dedicated taxes for County use.

The Value Gap Analysis cost approximately \$52,000 and was paid with funds from the Federal Transit Administration (80%), NYS Department of Transportation (10%) and other transportation dollars allocated to Rockland County (10%). No County tax funds were used to pay for the analysis.

The County Planning Department conducted the analysis in conjunction with CS – the County's on-call transportation consultant. CS specializes in transportation and has specific expertise in strategic planning, policy analysis, transportation finance and economics, and in conducting benefit/cost analyses for public transportation investment decision-making.

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