



NEWS

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CONTACT:

MARC LITTMAN/RICK JAGER
MTA MEDIA RELATIONS
(213) 922-4609/922-2700
FOR IMMEDIATE RELEASE

MTA CEO UNVEILS DRAFT FY 2000 BUDGET THAT CALLS FOR QUANTUM IMPROVEMENT IN METRO BUS & RAIL SERVICE

(LOS ANGELES) MTA CEO Julian Burke today unveiled a proposed \$2.536 billion balanced budget for Fiscal Year 2000 that meets the region's transportation needs by beefing up Metro Bus service, completing the subway and operating new Metro Rail service to Hollywood and North Hollywood, and funding a vast array of street and highway improvements.

"This will be a watershed year for the MTA," Burke said. "There will be a quantum improvement in both Metro Bus and Metro Rail service, and the many street and highway projects funded by MTA next year will ensure mobility for transit users and motorists, alike. We will begin to realize many of the goals we set out to achieve to the benefit of our customers, taxpayers and other stakeholders."

Burke said he is proposing that more than \$900 million, by far the largest slice of his spending plan, be earmarked for bus operations and to buy new buses and fund bus-related facilities next year. Burke noted that 437 new buses are scheduled for delivery in the coming fiscal year. These will enable MTA to retire aging buses and improve fleet reliability while also expanding service on the street. Toward that end, MTA will be hiring 310 more operators and mechanics.

The MTA next year will deploy an additional 115 buses bringing its peak hour fleet to 2,009 buses. Total Metro Bus revenue service will increase by 281,000 hours in the next fiscal year, 4 percent more than is currently budgeted.

Complementing the Metro Bus system, Metro Rail ridership will surge next year following the June 12, 1999 opening of the Metro Red Line subway to Hollywood and the extension of service to North Hollywood next spring. Currently, there are an estimated 100,000 Metro Rail boardings on an average weekday. Ridership is expected to double in the Year 2000.

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1st Add/MTA FY 2000 Budget

“This will be tremendous boon for the transit dependent, commuters, tourists and others who can take advantage of quick and easy rail access to major job centers, schools, hospitals, cultural, sports, and entertainment venues throughout Los Angeles County,” Burke said.

The budget also includes planning monies to study rail and other alternatives to serve the Eastside, Mid-City and San Fernando Valley corridors.

The second largest slice of the budget -- \$747 million -- will be earmarked for regional transportation programs including construction of freeway carpool lanes and sound walls, street and freeway gap closures, grade separations at railroad crossings, street widening, traffic light coordination, and funding for the Metro Freeway Service Patrol to help stranded motorists.

This fund also includes subsidies for 16 sub-regional bus operators in the county, Metrolink, ADA accessibility programs, funding for bikeways and pedestrian improvements, smart shuttles that fill the gaps between regular Metro Bus service in suburban areas, and rideshare incentives.

With an eye to the future, MTA next year also will be revising its 20-year Long-Range Transportation Plan that will closely examine future regional transportation programs that will be necessary to ensure mobility not only for the nearly 10 million residents of Los Angeles County but another 3 million estimated to move here in the next two decades.

Rail construction accounts for \$292 million in the MTA FY 2000 budget. While subway construction is completed, MTA is addressing the county's future regional transportation needs on a variety of fronts including plans for an innovative Rapid Bus demonstration program and by studying various transportation alternatives in the Eastside, Mid-City and San Fernando Valley corridors as well as other parts of the county.

In spite of an accelerated bus procurement effort and other capital programs, MTA's total debt will only increase next year by \$74 million from \$3.748 billion to \$3.822 billion, payable over 30 years. Debt service in Fiscal year 2000 is \$307 million, 12 percent of the proposed budget.

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2nd Add/MTA FY 2000 Budget

The proposed budget is for the fiscal year that starts July 1, 1999 and continues through June 30, 2000. It is \$118 million more than MTA's current fiscal year budget. Much of that difference is due to planned expansion of Metro Bus and Metro Rail service next year and for street and highway projects.

Burke is proposing a fare hike that would take effect in November if approved by the MTA Board of Directors following a public hearing. It would hike bus and rail cash fares a dime to \$1.45. Transfer, express stamps and off-peak fares would stay the same but discount tokens would be raised a nickel to 95 cents.

A Metro weekly pass would go up a dollar to \$12. Semi-monthly passes would go up two dollars to \$23. A regular monthly pass would be raised three dollars to \$45. K-12 student passes would be raised two dollars to \$22, and a college monthly pass would be raised two dollars to \$32 under Burke's proposal. Seniors and disabled persons would pay a dime more in cash fares to 55 cents and a dollar more for a monthly pass to \$13.

This would be the first time MTA has raised fares since February 1995, and it is permitted under the federal court Consent Decree for improving Metro Bus service.

"In the last 11 years we've only raised Metro fares once," Burke explained. "A modest fare increase is necessary at this time to help defray the cost of expanding service and to maintain a balanced budget. We held off raising fares last year because I felt service first had to get better. It has and we will continue that positive course next year."

MTA funding comes from the farebox, local, state and federal governments and other sources such as lease rentals, investment income, and advertising revenue.

The MTA Board will hold a public hearing on the FY 2000 draft budget at 9 a.m. Thursday, May 20, in the third floor Board room at MTA headquarters at Gateway Plaza next to Union Station in downtown Los Angeles. The MTA Board will consider adopting the budget at a special Board meeting May 24.

Copies of the draft budget can be reviewed during weekday business hours starting May 5 at the MTA library on the 15th floor at MTA headquarters or screened on the Internet at www.MTA.net.