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Press Release

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IMMEDIATE

### MTA's New Taxi Agreements Will Boost Rental Income by 75% Over 5 Years

#### *Competitive Bid Process Yields New Deals at 15 LIRR Stations in Nassau, Suffolk and Queens*

The Metropolitan Transportation Authority (MTA) today announced that revenue from taxi companies operating at Long Island Rail Road Stations in Nassau, Suffolk and Queens will jump 75 percent over the next five years as a result of a competitive bidding process completed last month and approved by the MTA Board.

At locations where rents have been set by policy for decades, the MTA's decision to make the sites available to the highest bidder will boost its rental income in present value terms from \$400,000 to \$700,000 over the five years.

Many of the winning bids came from incumbent cab companies, a clear indication that that taxi concessions dedicated to serving LIRR customers are healthy businesses. The RFP is also bringing taxi service to stations where there was no taxi service or where concession agreements did not exist.

"The MTA has an obligation to the public it serves to realize the full and fair value of its marketable assets," said MTA Director of Real Estate Jeffrey Rosen. "We continuously inventory our assets to unlock as much value as possible from every element of the agency's real estate holdings."

As a result, the MTA is moving to maximize non-fare revenues by continuing to develop its portfolio, including property used by all of its subsidiary agencies. Perhaps the initiative's most lucrative component is the plan by the MTA to maximize the untapped value of its headquarters buildings above Grand Central Terminal through sale or long term lease.

LIRR President Helena Williams said: "Taxi operators at many of our key stations provide a critical ground transportation link for many of our customers. This competitive process ensures that these taxi services will continue across the LIRR while maximizing the revenue they generate for the MTA."

Earlier today, the MTA Board approved new agreements with taxi companies at the following 15 LIRR stations: Floral Park, Garden City, Hicksville, Island Park, Mineola, Nassau Blvd., Wantagh and Woodmere in Nassau County; Babylon, Copiague, Northport, Port Jefferson and Sayville in Suffolk County; and Bayside and Little Neck in Queens.

The stations that drew the highest bids were Hicksville, where two separate locations brought winning bids totaling nearly \$160,000 on a present value basis, Sayville, where a single firm submitted a bid totaling over \$100,000 on a present value basis and Floral Park where a single location drew a winning bid of nearly \$75,000.

In addition to maximizing the value of its assets, over the last two years, the MTA has been engaged in aggressive cost-cutting at headquarters and at its subsidiary agencies. That effort resulted in recurring savings amounting to \$500 million in 2010 and rising to \$750 million by 2014.