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articles

book chapters

op-ed pieces

reports

in the news...

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Putting the Touch on the Port Authority

By Mitchell Moss

In most communities, June is the month for high school proms, weddings and packing the summer camp trunk. But in New York City, June is the month for the mayor to get City Council approval for the municipal budget. Despite the fact that fiscal watchdogs believe the city needs to cut costs and curtail services, neither strategy is compatible with David Dinkins' constituency. Privatizing government, laying off workers and closing down agencies would inevitably undermine the mayor's political support from municipal unions and groups that depend on public services. Minorities - many of whom count on a government job as the first step on the ladder of upward mobility - suffer most in times of municipal retrenchment.

Therefore, the mayor is doing what most people do in times of need: reaching out to his friends and relatives. For Dinkins, this means Albany and Washington - but it should also mean the Port Authority of New York and New Jersey.

Historically, Albany has not been friendly to New York City. Upstate and suburban politicians neither understand nor appreciate New York City, and they regularly shortchange us on school aid and transportation money.

But the city should put the touch on its close cousin, the Port Authority. The future of this bistate agency is intricately connected to the economic vitality of

this city, for without a thriving New York, the tolls and fees collected from its bridges, tunnels and airports would suffer.

Surely the Port Authority should support the major cultural institutions that attract visitors to the region. If it can help pay for Liberty Science Center in Jersey City and the New Jersey Performing Arts Center in Newark, why can't it help pay to operate and maintain the world-class museums in New York City? The Port Authority ought to contribute more than the \$38 million it pays to the city in lieu of taxes. The World Trade Center bombing dramatized how much it relies on the city for fire, police and emergency services. And, instead of selling Kennedy and LaGuardia airports to the Port Authority - as Gov. Cuomo recently proposed - we should raise the authority's rent from the ridiculously low \$3 million the city currently collects for the use of the airports.

Still, the mayor's best hope is Bill Clinton and the powerful and influential New Yorkers in Washington. Dinkins takes great pride in the New Yorkers, past or present, with high-level jobs in the Clinton administration: Robert Rubin, Roger Altman, Ron Brown, Andrew Cuomo, Donna Shalala. But what good are friends if they don't help you when you are in need? It's time to harness their clout with the power of Senator Moynihan, who, as chairman of the Senate Finance Committee, controls the tax plan Clinton needs to govern. New York needs its own Lloyd Bentsen, who made sure that the \$8-billion super-collider was funded to ensure jobs in Texas.

Last month, Clinton came to New York to give a speech at Cooper Union and raised \$3 million for the Democratic National Committee. Presidents and members of Congress love to raise money in New York, but they must also help pay for the social and physical infrastructure that allows New York to generate the wealth they so frequently draw upon. It's just as important to create the conditions that make New York flourish as it is to allow cattle to graze on federal land and oil companies to drill in the Southwest, or to subsidize apiculturists (look it up!). If the Democratic mayor of the nation's largest city can't get help from the man who triumphantly walked from Macy's to Madison Square Garden after winning his party's nomination for president, then New Yorkers can stop blaming Reagan and Bush for the city's fiscal problems.

[The following response by the executive director of the Port Authority of NY & NJ appeared in New York Newsday on June 16, 1993:]

PA's New York State of Mind

Mitchell Moss is in error when he suggests, in his June 3 Cityscape column, that the Port Authority's sole contribution to the City of New York is \$38 million in payments in lieu of taxes ["Putting the Touch on the Port Authority," June 3].

Our Regional Economic Development Program provides \$200 million for projects in New York State, and an equal amount in New Jersey. Moss notes that these funds helped pay for Liberty Science Center in Jersey City and calls for similar expenditures for New York City projects. Perhaps he is unaware of last year's \$7.5 million allocation for a new Science, Industry and Business Library in midtown Manhattan, a key element of Gov. Cuomo's "New, New York" plan.

Also omitted are Port Authority contributions to Brooklyn's Metrotech, the Columbia University Biotechnology Center, the Oak Point project to extend rail freight lines into the Bronx, and the \$11 million spent at the governor's request on Red Hook, Container Terminal improvements in Brooklyn. In addition, since 1975 the agency has purchased \$220 million worth of buses for New York State, most of which are being used by the city's transit system.

It is misleading to describe the Port Authority's rental payments for the airports as a flat \$3 million. We do expect the rent to fall to that level in 1993, as a result of extraordinary P.A. capital spending at the airports. Under a lease provision designed to encourage investment in facilities vital to the city's economy, high levels of capital spending by the Port Authority will result in a reduction in net revenue to be shared with the city. But this will be the first year since 1965, when the lease began, that the rent has fallen to the minimum level of \$3 million. In the last 10 years, we have paid the city \$596 million in rent, including payments of \$45 million in 1992 and \$37 million in 1991.

Stanley Brezenoff, Manhattan

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