

**DEPARTMENT OF TRANSPORTATION
PROPOSED AUTHORIZING RESOLUTION FOR
A NON-EXCLUSIVE BUS SERVICE FRANCHISE
MEMORANDUM IN SUPPORT**

STATUTORY AUTHORITY

Pursuant to its authority under Executive Order No. 25, dated August 23, 1995, and in accordance with the procedures set forth in Section 363 of the Charter of the City of New York (Charter), the Department of Transportation (DOT) has prepared and submitted to the Council a proposed Authorizing Resolution (the Resolution), which would authorize DOT to grant a non-exclusive franchise in connection with the provision of certain bus service in the City of New York.

PUBLIC SERVICE PROVIDED

The public services which will be provided pursuant to such non-exclusive franchise will promote the interest of the public by ensuring bus service will continue to operate between these locations, as it has for many years. The Resolution includes provisions to assure that all proposers are fully qualified and capable of providing the highest level of service to the riding public.

FRANCHISE REQUIRED

The Charter requires that all new franchises be granted through a Request for Proposals or other solicitations of proposals. Before DOT can issue any such Request for Proposals or other form of solicitations the Council must adopt an Authorizing Resolution. The Charter requires that the Authorizing Resolution set forth the nature of the franchise to be granted, the public service to be provided, the terms and conditions of the franchise, including any subsidies to be given to the franchisee, the method by which proposals will be solicited, and the criteria to be used in evaluating the proposals submitted in response to such solicitation.

PROCEDURAL REQUIREMENTS

If adopted by the Council, this Authorizing Resolution will permit the Department of Transportation to issue Requests for Proposals for the provision of a bus service and to grant a non-exclusive franchise as detailed herein and in the Authorizing Resolution (Bus Service). Such non-exclusive franchise is subject to the approval of the Franchise and Concession Review Committee and the separate and additional approval of the Mayor.

REASONS FOR SUPPORT

The provision of this non-exclusive franchise will help continue to provide a response to transportation demands for bus service for New York City residents that would otherwise not have adequate transportation service.

The Bus Service began in 1987 with a private commuter service from Staten Island to Midtown Manhattan. In 2001, EDC, at the request of the City, released a publicly advertised Request for Proposals for the Bus Service, and entered into a contract (Service Contract) with the provider of the Bus Service. EDC has since extended the Service Contract with the service provider and, following bankruptcy, its assignee.

The Bus Service, known as the "X23" and "X24," has been operating since 1987. The X23 provides morning service from Huguenot and Drumgoole in Staten Island to Madison and 59th Street in Manhattan, and the X24 provides morning service from Hylan Boulevard and Tysens in Staten Island to Madison and 59th Street in Manhattan, with reverse evening service on both routes. The Bus Service provides Park and Ride passengers—more than 300,000 passenger trips per year—service to Midtown and is an important supplement to the other public and private commuting options available for Staten Islanders to get from the South Shore to Midtown Manhattan.

Accordingly, the Mayor urges the prompt adoption of the Authorizing Resolution for a non-exclusive franchise in connection with the provision of the Bus Service in the City.