

NEW YORK STATE ASSEMBLY



Report to the Congestion Pricing
Mitigation Commission:
*Congestion Pricing and the 65th Assembly
District in Manhattan*

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respectfully submitted

A handwritten signature in black ink, reading "Micah Z. Kellner".

NYS Assembly Member Micah Z. Kellner

January 16, 2008

Introduction

Traffic congestion presents one of the most serious challenges facing New York City over the coming years. With the city's population projected to grow by up to a million residents during the next decade, mass transit already strained to the breaking point, and an increasing awareness of the severe consequences that climate change could present for the New York metropolitan region, action to mitigate congestion is urgently needed. But we must ensure that the steps we take are the right ones.

Over the last six months I have been soliciting opinions from the residents of the 65th Assembly District as to what they believe should be done about the problem, and how they feel about proposals for implementation of a congestion pricing program. I have found that while they express support for the concept of congestion pricing, many residents of the Upper East Side have serious reservations about a proposal that has never been adequately explained in detail.

Background

In April 2007, New York City Mayor Michael Bloomberg proposed, as part of his administration's PlaNYC initiative, a pilot congestion pricing program under which, subject to certain exemptions, vehicles traveling into, out of, or within Manhattan south of 86th Street between 6:00 a.m. and 6:00 p.m. would be charged a fee. Revenues from the program were to be directed toward funding improvements in mass transit. In July 2007 the New York State Legislature passed legislation, signed by Governor Eliot Spitzer, creating a Traffic Congestion Mitigation Commission. The Commission was tasked with evaluating options for reducing traffic congestion, including the Mayor's plan, and issuing a recommendation to the City and State by January 31, 2008.

The 65th Assembly district, which I represent, is one of four Assembly districts bisected by 86th Street, identified as the northern boundary of the congestion pricing zone in the Mayor's proposal. I began conducting a congestion pricing survey in my district in July 2007 in order to gauge the opinion of my constituents. As of January 2008, I have received approximately 400 responses.

These responses provide a basis upon which to evaluate the Mayor's proposal and the Commission's alternate proposals according to the needs and preferences of my constituents. On January 10, 2008, the Commission issued its Interim Report, outlining five primary options for reducing traffic congestion, one of which is the Mayor's proposal. None of the Interim Report's proposals adequately addresses the concerns I have raised about congestion pricing, or the objections expressed by the constituents who responded to my survey.

Summary of Survey Results

Survey results suggest that my district is generally in favor of the concept of congestion pricing – 64% of respondents indicated their support for some form of congestion pricing, including 51% of car owners. As one respondent put it, “First Avenue—from 7 a.m. to 7 p.m.—is a parking lot.” New York, said this respondent, “needs congestion pricing.” However, many constituents expressed strong opposition to the concept, arguing for instance that it would “drive more businesses and people out of the city...right into the arms of more welcoming communities outside the city.” Another respondent said that “pricing, while well intentioned, should not be used as a deterrent.” Of those who favor of congestion pricing, 69% support Mayor Bloomberg’s proposal.

Respondents also indicated concern over the proposed location of the congestion pricing zone’s boundary, as well as about the effects of the zone on those living both in and just outside of it. Majorities opposed setting the boundary at 86th Street, as well as the idea of charging residents for travel within the zone. Respondents also expressed opposition to the idea of allowing drivers to deduct bridge and tunnel tolls from the congestion charge. By an overwhelming majority, respondents said that revenues derived from congestion pricing should be dedicated to mass transit improvements.

The Interim Report

The Commission’s Interim Report outlines five options for reducing congestion, including: the Mayor’s plan; an alternative congestion pricing plan (the “Alternative Plan”); the imposition of tolls on currently un-tolled East River and Harlem River crossings; license plate rationing; and a combination of measures to increase the cost of parking in the central business district, reduce the number of government parking placards, and limit taxi traffic.

Unfortunately, *none* of the five options outlined in the report constitutes a viable plan. With just two and a half months remaining until the Federally-mandated deadline for passage of congestion pricing legislation (if the City and State are to qualify for \$354 million in Federal funds for mass transit improvements), and only two weeks before the Commission is due to issue its recommendation, the alternatives as presented lack critical details and leave too many questions unanswered about how the City would prepare for congestion pricing, how it would implement such a program, and what it would do with the money generated by the program.

Preparing for Congestion Pricing

Improving Mass Transit

Survey respondents overwhelmingly agreed that congestion pricing should be linked to improvements in mass transit. Yet in large numbers they expressed concerns that the current public transit infrastructure on the East Side and throughout New York City is not sufficient to absorb the number of daily auto diversions that would be generated by the implementation of a

congestion pricing plan (estimated by the City at about 78,000). One respondent said that public transit “still has a long way to go to entice riders to leave [their] cars home.” A supporter of congestion pricing worried that “subways and buses can’t handle the additional load that would be placed on them in lieu of the driving that is displaced,” a concern echoed in other responses. Another respondent, whose primary mode of transportation is public busing, insisted that more cross-town buses should be added and timed stops should be better spaced. A respondent opposed to congestion pricing argued that “if mass transit was improved, the need for a congestion plan would be eliminated—people use cars and taxis because the subways and buses are inadequate.” Any legislation authorizing a congestion pricing system must mandate a specific program of mass transit improvements to be achieved *before* congestion pricing is implemented.

In its report to the Commission, the MTA set forth a plan to enhance service prior to implementation of a pricing system. The plan includes the addition of 309 new buses on routes throughout the city, including 193 additional buses on routes operated by New York City Transit. Of these, 30 buses would be added to routes running uptown/downtown through the Upper East Side, and six would be added to cross-town routes between 65th and 86th Streets.

The Upper East Side would be particularly hard-hit by pricing-related diversions to mass transit. The neighborhood’s sole subway line, the Lexington Avenue Line, is already operating at maximum capacity and service on the line cannot be expanded any further. The additional bus service proposed by the MTA would appear to be at best a minimum of what would be required to handle thousands of additional riders. The MTA should consider further expanding bus service to the neighborhood, as well as the possibility of instituting bus rapid transit on at least one of the Upper East Side’s corridors before congestion pricing is implemented. Moreover, enhanced bus service may be rendered meaningless unless it is accompanied by a strengthened commitment from the Department of Transportation and New York City Police Department to enforcement of traffic violations like blocking the box and obstructing bus lanes.

According to the MTA’s report, “after assuming the use of available federal funds provided for by the Urban Partnership Agreement, the unfunded capital costs associated with enhanced transit service total \$767 million.” An additional \$56 million in annual debt service expenses would be required if this cost is fully capitalized. After accounting for operating revenue, the MTA estimates that unfunded operating costs would total \$55.8 million for initial implementation of the enhanced service plan, and \$104.2 million in annual recurring costs thereafter. These expenses must be fully provided for in any legislation authorizing a congestion pricing program.

Residential Parking Permits

A solid majority of survey respondents (58%) support the provision of a residential parking permit program for residents of the neighborhoods just north of the congestion pricing zone boundary. This vital detail was included in the initial PlaNYC proposal, but not in the bill submitted to the Legislature last year. As it stands, the Mayor’s plan promises that the City “would work with local communities” to address parking problems created by congestion pricing, including residential permits as a “possible solution.”

The Commission's Alternative Plan makes no mention *at all* of a residential permit program – particularly egregious since the Alternative Plan would increase meter costs and institute a \$2 charge for overnight parking within the zone, providing even further incentive for drivers to park just outside the boundary. The Commission suggests that the Alternative Plan would likely have a “small effect on parking in the area north of 60th Street [the Alternative Plan's northern boundary], given the limited supply and high cost of parking in this area.” However it is precisely this consideration that makes implementation of a residential permit system so important, since even a small effect on parking in an already-overcrowded neighborhood would considerably degrade the ability of neighborhood residents to find parking spaces.

Vague assurances and assumptions are not sufficient. Any legislation authorizing a congestion pricing program must specifically require that a residential permit parking program be implemented before congestion pricing begins.

Implementing Congestion Pricing

Boundary

A majority of survey respondents (53%) opposed establishing the northern boundary of any congestion pricing zone at 86th Street. This street is a major commercial center for residents of the Upper East Side, drawing business from many blocks to both the north and south. Moreover, the area surrounding 86th Street is already subject to a number of serious challenges to mobility, including Phase I construction of the Second Avenue Subway (projected to continue through the end of 2013), truck traffic generated by the possible opening of a marine transfer station at East 91st Street, and the proximity of the 86th Street express station on the Lexington Avenue subway line. Supporters of the Mayor's plan have asserted that 86th Street was chosen as the boundary so as to discourage commuters from parking at the edge of the congestion pricing zone and walking into the central business district. However, given the great distance from 86th Street to the CBD, the choice of this location has always appeared to be almost entirely arbitrary.

The Commission's Alternative Plan would establish the pricing zone boundary at 60th Street. This, too, is unacceptable – since it is likely to generate precisely the sort of park-and-walk activity that the original plan was meant to discourage. The Commission should instead consider setting the boundary of any congestion pricing zone at or around 72nd Street, which would mitigate the problems associated with the two proposed locations.

Exemptions and Discounts

The Mayor's plan includes an exemption from the fee for drivers with handicapped license plates issued under Section 404-A of the New York State Vehicle and Traffic Law. However, the Commission's Alternative Plan, as outlined in the Interim Report, mentions no such provision, nor does it mention an exemption for holders of New York City SVIP placards. Disabled drivers, who are often unable to use public transportation, must be exempt from payment of any congestion pricing fee. Additionally, none of the plans includes an exemption

for drivers traveling to or from hospitals within the congestion pricing zone. These drivers frequently do not have the option of using mass transit, and should be exempt from paying a congestion pricing fee.

58% of respondents to my survey support a reduced fee for vehicles carrying more than three passengers, as well as for hybrid vehicles. One respondent commented that “there are too many cars with only one passenger.”

Taxis

The Commission’s Alternative Congestion Pricing Plan would include a \$1 surcharge on taxi and livery cab trips that begin or end within the congestion pricing zone. Such a surcharge would make the plan more regressive. Ten percent of survey respondents use taxis as their primary means of transportation; many more doubtless use cabs on a regular basis. A taxi surcharge would be particularly burdensome for elderly and disabled commuters for whom taxis are a necessary means of transportation. As an alternative, an effective plan should include a surcharge on the approximately 10,000 so-called “black cars,” which contribute significantly to traffic congestion and whose passengers are mostly affluent corporate employees. Corporate New York, which would enjoy particular benefits from a reduction in traffic congestion, should be required to contribute proportionately to solving the problem.

Tolls, Periphery, and Intra-Zonal and Outbound Charges

Nearly two-thirds of survey respondents (61%) oppose charging residents of the congestion pricing zone a fee for travel within the zone, and many express objections to the idea of charging residents who are leaving the zone. One respondent commented that the “key issue is that residents of the zone should not have to pay to leave [to go to work] and return home.” Another argued that “to penalize residents of New York by making them pay an extraordinary fee to get out is unconscionable.” An intra-zonal charge is seen as particularly unfair if out-of-town and out-of-state commuters are allowed to deduct their congestion charges against the cost of tolls for travel into Manhattan; residents strongly object to the notion that residents of the city center should be subject to fees that do not apply to those commuting from outside.

Fifty-six percent of survey respondents said that they would support a congestion pricing program that did not include an intra-zonal charge. The Alternative Plan is an improvement over the Mayor’s plan in that it eliminates this charge, and does not include a charge for outbound travel. However, the Alternative Plan would not include free travel on peripheral routes like the FDR Drive. Eliminating free peripheral travel would needlessly impede the ability of New York City residents to get from place to place without contributing to traffic congestion in the CBD. This is unacceptable.

By a margin of 57-31%, survey respondents opposed instituting tolls on East River bridges in lieu of congestion pricing. Bridge tolls would shift a larger portion of the financial burden onto residents who drive during off-peak hours, and who are thus not contributing to traffic congestion.

Alternatives and Supplements to Congestion Pricing

Some respondents called for the construction of more, and safer, bike lanes. One constituent who lives on 93rd Street explained that he likes to ride his bike to work but that his commute “would be much more pleasant and safer if there were a continuous bike path on the East River...presently there is a gap from 60th to 34th street.”

Several respondents also support further restrictions on the times during which truck deliveries can be made, as well as an increase in fines for violations of those hours and parking laws. One suggestion was to ban truck deliveries from 6-9 a.m. and 4-6 p.m. Another idea was a ban between 7 a.m. and 10 p.m.

Respondents frequently cited idling and double-parking as problems that need to be addressed. One respondent stated that she “would like to see vigorous enforcement of the law prohibiting cars and trucks (especially) from idling.”

Revenue from Congestion Pricing

While respondents put forward a number of suggestions as to what to do with revenue generated by a congestion pricing program, they were most unanimous in agreeing (74%) that such revenue should be dedicated to funding improvements in mass transit. However, by a margin of 47-38%, respondents opposed the creation of a new public authority to specifically control the funds collected by congestion pricing, many expressing concern at the prospect of creating unnecessary layers of bureaucracy.

When the Mayor initially proposed a congestion pricing program, it was with the assurance that the revenue generated would be dedicated to the MTA’s capital budget. However, the legislation he submitted to the Senate last year included no provision dedicating that revenue to any particular recipient. Instead, the funds were used as a form of political bait, held up as a potential prize to those pursuing a number of different agendas. A serious plan for congestion pricing must be specific about how the program’s revenue would be used.

Recommendations

The purpose of the Mayor’s congestion pricing proposal was threefold:

1. To reduce traffic congestion in New York City;
2. To raise revenues for mass transit; and
3. To reduce emissions and improve the state of our environment.

My constituents and I fully support these aims, but none of the proposals in the Interim report is likely to accomplish all of these goals while respecting the detailed concerns of Manhattan

residents. A comprehensive and equitable approach to realizing these goals should include the following elements:

A Better Congestion Pricing Program

- Passenger vehicles entering Manhattan below 72nd Street on weekdays between 6:00 a.m. and 6:00 pm would pay an \$8 fee. Trucks would pay \$21, except for low-emission trucks, which would pay \$7. Drivers would pay once upon entering the charging zone and would be able to make additional trips in and out of the zone at no additional cost. There would be no intra-zonal charge for trips contained wholly within the zone, nor would there be a fee for outbound trips from the zone. Roads on the periphery of Manhattan (the West Side Highway and the FDR Drive) would not be included in the zone.
- For E-ZPass users who are residents of New York State, the value of all tolls paid on MTA or Port Authority bridges and tunnels would be deducted from the fee up to \$8. Out-of-state drivers would not be permitted to deduct their tolls.
- Emergency vehicles, transit vehicles, vehicles with handicapped license plates or SVIP placards, vehicles traveling to or from hospitals, and taxis would be exempt. A mechanism must be included to recognize these vehicles so that they are not inadvertently charged.
- Hybrid vehicles and vehicles with more than three occupants would pay only \$4.
- Rates for metered on-street parking within the zone would be significantly increased, and un-metered on-street parking in the busiest commercial areas within the central business district would be eliminated.
- A \$4 surcharge would apply to all trips by “black cars” and non-yellow for-hire vehicles beginning or ending within the zone.
- Before congestion pricing is implemented, a tested method must be developed to collect fees from drivers who do not use E-ZPass.
- No congestion fees would be collected until the MTA has implemented a fully-funded program of service enhancements, at least as extensive as that described in the MTA’s report to the Traffic Congestion Mitigation Commission, to handle at least 78,000 daily diversions to mass transit.
- No congestion fees would be collected until the City has implemented a program of residential parking permits including at least the neighborhoods just north of the zone boundary, and in neighborhoods in the Bronx, Brooklyn, and Queens adjacent to all bridge and tunnel crossings into Manhattan.
- No tolls should be implemented on the East River or Harlem River bridges.

- All revenues generated by congestion pricing must be dedicated to the MTA's capital budget.

Additional Measures

- The City should commit to reducing the number of government-issued parking placards by 20% over the next three years, and then by 5% per year for the following three years.
- Fines for parking violations should be drastically increased. Enforcement against these violations should be made more intensive and geographically-focused. Agents should be assigned to monitor problem intersections.
- The City Council should pass legislation allowing all of the City's traffic enforcement agents to issue tickets for blocking the box, and should increase fines for this violation.
- Cameras should be installed to aid in enforcement against obstruction of bus lanes and fines for this violation should be significantly increased.
- The state should re-introduce the commuter tax on workers commuting into New York City to raise additional revenue for the mass transit and road infrastructure these commuters use.
- Two-way truck tolls should be re-introduced on the Verrazano-Narrows Bridge to generate additional revenue and reduce the number of trucks driving through the Central Business District.
- The City should consider significantly raising the fees it charges for use of its streets by contractors to better reflect their value.
- At least 50 additional active taxi stands should be created in Midtown and Lower Manhattan, reducing cruising by taxis.
- The Taxi and Limousine Commission should commit to achieving a fully-accessible taxi fleet by 2012, in conjunction with its mandate to convert to an environmentally-friendly fleet by the same date.
- The State should consider instituting a carbon tax to reduce emissions.
- The MTA should commit to expanding the number of accessible subway stations beyond its current target of 100 and to improving the accessibility of its express buses, thus making it easier for disabled persons to use public transportation instead of private vehicles.

Conclusion

By a narrow majority, my constituents appear to support the concept of congestion pricing as the most promising approach to reducing traffic congestion and generating additional funds for mass transit in New York City. However, they do so with a number of very important reservations. To date, the congestion pricing proposals under consideration have been too vague to reassure me or my constituents that these concerns will be addressed. A congestion pricing program would affect New Yorkers on an individual basis, in a wide variety of ways. It is these localized effects that must be addressed before any sweeping changes can be implemented. Any viable congestion pricing proposal must include concrete plans to prepare for its implementation, properly account for the details of its operation, and assign the revenues it generates. We have not yet seen such plans.

APPENDIX

APPENDIX I: Congestion Pricing Survey Questionnaire

APPENDIX II: Congestion Pricing Survey Results

APPENDIX III: Map of 65th Assembly District

APPENDIX IV: Population Breakdown of 65th Assembly District (2002)

Congestion Pricing Survey Questionnaire

PART I: HOW DO YOU TRAVEL?

1. Please rank your preferred method of transit:

Walking Bicycle Subway Bus Taxi Livery Cab Personal Vehicle

2. Do you own a car?

Yes No

3. What type of car do you own?

Compact Luxury SUV Hybrid

4. How often do you drive below 86th Street?

1-5 times per day 1-5 times per week 1-5 times per month

5. How often do you take mass transit

1-5 times per day 1-5 times per week 1-5 times per month

6. Please indicate below the subway lines and bus routes you most frequently use and the stops/stations you get on and off at:

PART II: MAYOR BLOOMBERG'S PROPOSED CONGESTION PRICING PLAN

1. Do you support the concept of congestion pricing? Yes No

2. Do you support Mayor Bloomberg's proposed congestion pricing plan? Yes No

3. Do you support having the "congestion pricing zone" begin at 86th Street? Yes No

4. Do you support the \$4 fee that residents who live in "the zone" would have to pay each day that they drive inside "the zone"? Yes No

5. Do you support the ability for drivers to deduct tolls against the cost of the congestion pricing fee? Yes No

6. Do you support the creation of a new public authority that would control the funds collected from congestion pricing? Yes No

PART III: ALTERNATIVES TO MAYOR BLOOMBERG’S PLAN

1. The Central Business District has always been defined as south of 60th Street. Would you support having the congestion pricing zone begin at 60th Street? Yes No
2. Would you support an \$8 fee to enter Manhattan anywhere on the island? Yes No
3. Would you support a congestion pricing plan that DID NOT include a fee for residents who live in “the zone” to drive inside or outside “the zone”? Yes No
4. Would you support a free residential parking permit plan for the neighborhood just north of the congestion pricing zone? Yes No
5. Would you support a congestion pricing plan that DID NOT allow drivers to deduct tolls against the cost of the congestion pricing fee? Yes No
6. Would you support a reduced fee for personal vehicles that are either hybrids or carrying more than 3 people? Yes No
7. The Institute for Rational Urban Mobility recently released a study that showed if that the congestion pricing fee was raised to \$16 all MTA buses and subways could free. Would you support a \$16 congestion pricing fee if all subways and bus fare were eliminated? Yes No
8. Under Mayor Bloomberg’s current plan there is no mandate that the funds collected from congestion pricing must be invested in upgrades to our transit system. Would you support a plan that mandated funds be used for transits improvements? Yes No
9. In lieu of congestion pricing would you support putting tolls on all the East River Bridges? Yes No

Congestion Pricing Survey Results

PART I: HOW DO YOU TRAVEL?

1. Please rank your preferred method of transit. (PRIMARY METHOD OF TRAVEL)

34% Walking 3% Bicycle 21% Subway 24% Bus
9% Taxi 1% Livery Cab 7% Personal Vehicle

2. Do you live in the suggested Congestion Pricing Zone (below 86th Street)?

73% Yes 27% No

3. Do you own a car?

48% Yes **52% No**

4. If so, what type of car do you own?

48% Compact 28% Luxury 18% SUV 4% Hybrid

5. If you own a car, where do you normally park?

26% On the street **74% In a private garage**

6. How often do you drive below 86th Street?

16% 1-4 times per day 38% 1-4 times per week **46% 1-4 times per month**

7. How often do you take mass transit?

53% 1-4 times per day 38% 1-4 times per week 9% 1-4 times per month

PART II: MAYOR BLOOMBERG'S CONGESTION PRICING PLAN

1. Do you support the concept of congestion pricing?

64% Yes 31% No 5% Undecided/Did not answer

51% of car owners are in favor of congestion pricing
45% of car owners are not in favor of congestion pricing
4% of car owners are undecided about congestion pricing

2. Do you support Mayor Bloomberg's proposed congestion pricing plan?

44% Yes **45% No** 10% Undecided/Did not answer

69% of those who support the concept of congestion pricing support the mayor's plan

21% of those who support the concept of congestion pricing do not support the mayor's plan
10% Undecided

3. Do you support having the "congestion pricing zone" begin at 86th Street?

41% Yes **53% No** 6% Undecided/Did not answer

4. Do you support the \$4 fee that residents who live in "the zone" would have to pay each day that they drive inside "the zone"?

34% Yes **60% No** 6% Undecided/Did not answer

5. Do you support the ability for drivers to deduct tolls against the cost of the congestion pricing fee?

42% Yes **46% No** 13% Undecided/Did not answer

6. Do you support the creation of a new public authority that would control the funds collected from congestion pricing?

38% Yes **48% No** 15% Undecided/Did not answer

PART III: ALTERNATIVES TO MAYOR BLOOMBERG'S PLAN

1. Would you support having the congestion pricing zone begin in the East 70s?

36% Yes **54% No** 10% Undecided/Did not answer

2. Would you support an \$8 fee to enter Manhattan anywhere on the island?

39% Yes **53% No** 8% Undecided/Did not answer

3. Would you support a congestion pricing plan that DID NOT include a fee for residents who live in "the zone" to drive inside or outside the zone?

56% Yes 36% No 8% Undecided/Did not answer

4. Would you support a free residential parking permit plan for the neighborhood just north of the congestion pricing zone?

57% Yes 35% No 8% Undecided/Did not answer

5. Would you support a congestion pricing plan that DID NOT allow drivers to deduct tolls against the cost of the congestion pricing fee?

40% Yes **44% No** 17% Undecided/Did not answer

6. Would you support a reduced fee for personal vehicles that are either hybrids or carrying more than 3 people?

58% Yes 33% No 8% Undecided/Did not answer

7. Would you support a \$16 congestion pricing fee if it meant that all subway and bus fare would be eliminated?

33% Yes **59% No** 7% Undecided/Did not answer

8. Would you support a plan that mandated that funds be used for transit improvements?

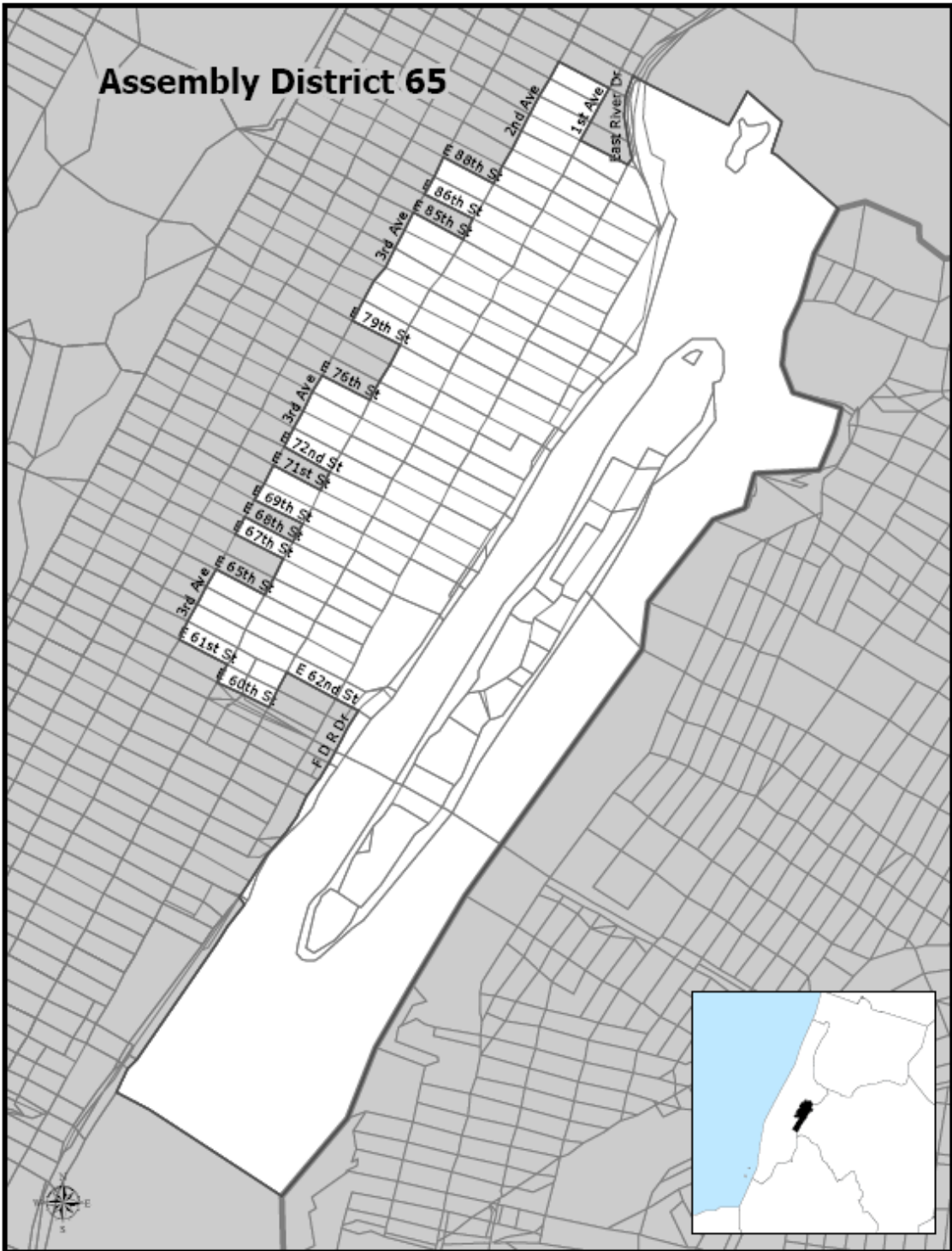
73% Yes 20% No 7% Undecided/Did not answer

9. Would you support putting tolls on all the East River Bridges, in lieu of congestion pricing?

31% Yes **58% No** 11% Undecided/Did not answer

TOTAL REPLIES: 400

Assembly District 65



Assembly District 65

Total Population : 128,115
 Deviation : 1,606
 Dev. Percentage : 1.27

	NH White	NH Black	Hispanic	NH Amer Ind	NH Asian	NH Multi	NH Other
Total	103,919	4,530	7,570	76	9,480	2,088	452
Total %	81.11	3.54	5.91	0.06	7.40	1.63	0.35
Total18+	94,201	3,838	6,428	66	8,391	1,563	351
Total18%	82.03	3.34	5.60	0.06	7.31	1.36	0.31