



A new direction: Congestion pricing in New York City

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Mayor Bloomberg's proposal to introduce congestion pricing as part of a plan to deal with New York City's notorious traffic problems is now in the discussion-and-debate stage. The commission charged with evaluating the proposal and recommending a final traffic plan met in September and October, and public hearings are underway. The mayor's plan calls for a fee of \$8 per car and \$21 per truck for vehicles entering Manhattan south of 86th St. between 6 a.m. and 6 p.m., with certain exceptions. The federal government has offered \$354 million in funding to implement transportation improvements if a plan meeting the proposal's performance goals is approved by the City Council and enacted by the State Legislature by March 2008.

The American Council of Engineering Companies of New York (ACEC New York) believes the congestion pricing proposal is a smart, forward-looking solution to a range of issues that impact New York City's economic environment and quality of life. The proposal supports the vision of a city that is able to maintain its social and economic vitality as it grows, while keeping its air clean and its public spaces green.

A bold proposal that affects daily life in a major metropolis is bound to meet with some objections, and this one has had its share. ACEC New York appreciates the concerns of people who drive into Manhattan for convenience or out of necessity, and would have to pay to maintain their routine. And we also understand the anxiety of businesses that depend on trucking routes into Manhattan and would have to absorb additional operating costs.

But we are convinced that the economic and social benefits of congestion pricing, in both the short and long term, are so substantial -- and the potential improvement in quality of life so far-reaching -- that the proposal must be given a chance. The pain of paying to drive into Manhattan would be offset by a package of real benefits that New York City residents as a whole can enjoy.

For starters, the plan would provide a direct revenue source (estimated at about \$400 million a year) for badly needed transportation investments, including expanded service on some subway lines and additional bus routes. Some of these improvements may occur in areas that currently have limited access to mass transit. Those who choose not to drive into Manhattan to avoid congestion pricing will help reduce city traffic. (Is there any New Yorker who hasn't wished for less traffic while taking surface transportation across town, or simply crossing a street?)

We also believe long-term economic benefits will result from improvements to the transit system and from more efficient movement of people and goods. As is often the case, it's the little things that make a difference. A more pleasant, pedestrian-friendly environment will invite people into the city to relax, shop, and enjoy the experience of being there. Faster and more convenient travel across town will make business interaction much easier and reduce fuel costs.

There are also clear environmental benefits. A reduction in "vehicle miles of travel" would cut greenhouse gas emissions, which translates into cleaner, fresher air. In fact, the proposal advances

"green" goals in various ways, such as a reduced charge for trucks that use green technology. It's important to note that while the mayor's congestion pricing plan would be a test case for New York City, the strategy has already been tried successfully elsewhere. One prominent example is London, where a congestion pricing strategy has been in place since 2003. It has proved popular with many London residents, and within the central business district it has produced an improvement in terms of traffic congestion (which fell about 20%) and vehicle carbon dioxide emissions (which dropped about 15%). In a New York Times Op-Ed piece on July 2, 2007, London's mayor Ken Livingstone noted that after the city's congestion pricing proposal was enacted, "the negative side effects predicted by opponents never materialized" Instead, the retail sector in the affected zone experienced an increase in sales, and the theater district, also within the zone, stayed vibrant. His conclusion: "People are still flocking to London -- they're simply doing so in more efficient and less polluting ways."

The congestion pricing plan in New York City would be implemented and evaluated for a three-year pilot period. ACEC New York believes this is a reasonable approach to testing a promising strategy.

The City Council, State Legislature, and New Yorkers in general should get ready to try this new direction, and give congestion pricing a chance.

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