

# DAILY COMMERCIAL NEWS

## AND CONSTRUCTION RECORD

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New York City traffic congestion charge plan stalled by politics

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New York City's currently stalled plan for a congestion-charge pilot program would generate US\$390 million a year for the city's transportation coffers, says one of its councillors.

"Considering the loss of our commuter tax, that loss of dedicated revenue to mass transit improvement really has compounded a serious situation we have," said Melissa Mark-Viverito, New York councillor.

"Our transit authority is severely in debt; cutting back on services and bus drivers...they are even talking about rolling back transit supplements to students."

New York's 51 member city council agreed, in March 2008, to attempt a three-year congestion charge pilot project in its central business district, explained Mark-Viverito at the recent [Transport Futures](#) conference in Toronto.

"It was a very interesting time at city council," she said. "In a very short time we ran a very vigorous debate, discussion and educational campaign to get the city to understand the importance of implementing this."

Despite the public's support and unified collaboration among municipal council, business, environmental and social justice stakeholders, New York's state legislature chose to not vote on the pilot proposal. Any city in New York State hoping to implement a new taxing initiative requires state approval.

Mark-Viverito pointed to the existing "upstate versus downstate dynamic" in the state, which pits the rural, more conservative upper New York State against New York City and its surrounding areas, as possibly to blame for the non-vote which stalled the pilot program.

New York's commuter tax was stopped in 1999 by the state, resulting in an estimated \$360 million loss in revenue a year from the city's budget. That tax was placed on the nearly 500,000 commuters who travelled into the city to work. A majority of that revenue generated was earmarked towards city infrastructure and transit, noted Mark-Viverito.

The central business district in New York is home to two million workers and attracts 20 million visitors annually. Traffic jams across the region cost the city an estimated \$13 billion a year through loss of productivity and wasted fuel, she noted.

The congestion charge would have been \$4 a day for entering the district between 6 a.m. and 6 p.m., Monday to Friday. The revenue generated would go to mass transit and transportation needs.

Revenue estimates for the first year of the pilot were expected at \$390 million and by 2030 they were anticipated to reach \$900 million. Approximately 67 per cent of New Yorkers polled supported the congestion charge as long as the revenue was dedicated to transit expansion.

"Since we are mass transit-based, (the charge) would encourage people to use more mass transit and there

was already a system in place that was viable people could rely on,” Mark-Viverito explained. “We would also get improvements to our roads, reduce congestion and improve the environment.”

Mark-Viverito expects the congestion charge pilot proposal to resurface considering the worsening congestion and pollution in New York.