



# Case Study: New York City

New York City has seen several congestion pricing proposals since 2006. In 2014, former Traffic Commissioner Sam Schwartz proposed a “Move New York” plan focused on geographic and income inequity. Schwartz proposed a congestion pricing program that would support transit and provide travel discounts to low-income New Yorkers, but the plan did not pass state legislation. Continuing concerns over declining public transit infrastructure, subway delays, and slower driving speeds led to another congestion pricing program proposal in 2018. Known as the “Fix New York City Advisory Panel Report,” the plan directly linked congestion pricing to public transit investments for outer boroughs and suburbs before implementing a cordon price.

At the end of 2018 the bipartisan city/state Metropolitan Transportation Sustainability Advisory Group released a report recommending congestion pricing to fund public transit which gained support from both Governor Cuomo and Mayor de Blasio. Now, New York City is turning to London and Stockholm as success stories to inform its own efforts to carry out congestion pricing. As the first U.S. city to pursue congestion pricing, New York is planning for a phased approach to implement congestion pricing for travel within Manhattan.

Phase one focuses on investing in transit connections between the Central Business District and outer boroughs and suburbs. Phase two places a surcharge on taxis and for-hire vehicle trips within the District.<sup>1</sup> Beginning in February 2019, New York began charging \$2.50 for taxis and \$2.75 for private ride-hailing vehicles for single users. For shared ride-hailing rides, the charge is \$0.75 per customer. Phase three will finalize the congestion pricing zone and charge private autos traveling in Manhattan’s Central Business District below 60th street. This final phase is set to roll out by 2021 and is expected to raise between \$810M and \$1.1B annually to invest in the public transit system.<sup>2</sup>



NYC Congestion Pricing Zone (Source: Regional Plan Association – Congestion Pricing in NYC September 2019)

## What is Congestion Pricing?

Congestion pricing involves charging a fee to drive downtown during busy hours. It is one of the most effective tools we can use to get traffic moving, increase street safety, clean the air, and make our transportation system more equitable.

## How To Get Involved

Please help guide us as we seek to make congestion pricing a tool to advance equity in San Francisco.

## Contact Us

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Sign up for email updates or get more information at [sfcta.org/downtown](https://sfcta.org/downtown)

## CITATIONS

- 1 Seattle Congestion Pricing Study Phase 1 – Engagement and Communications Best Practices White Paper, May 2019
- 2 TransForm – Equity in Road Pricing, March 2019
- 3 Tri-State Transportation Campaign – Road Pricing in London, Stockholm, and Singapore – January 2018



## New York City's Congestion Pricing Program

### Population:

8.55M  
2020

### Traffic:

Reduction estimated between 58,000 to 59,000 fewer auto trips (varies by which charging scenario is chosen)

### Program Launch:

2021  
(phase three private auto congestion pricing)

### Greenhouse Gas Emissions:

~ 7%

### Transit Ridership:

↑ TBD

### Annual Net Revenues:

anticipated  
\$810M - \$1.1B

### Pricing:

suggested between  
\$3.06 - 9.18

varies by time of day, passenger vehicles may only be charged once daily for entering or remaining in the zone

### Exemptions or Discounts:

Emergency vehicles and drivers with disabilities will be exempt. Residents of the zone with incomes less than \$60,000 per year will receive a tax credit equal to the amount paid in congestion charges. Any other additional exemptions, credits, or discounts are to be determined.

## Key Findings

While the congestion pricing design is still in the works, New York City anticipates their pricing program to reduce congestion through a varied price scheme. The Regional Plan Association, an advocacy and urban research organization has developed a toolkit for implementing congestion pricing in New York. The Association recommends that the system should charge higher costs when congestion is the greatest, larger vehicles should be charged more, and exemptions should be as limited as possible to ensure congestion reduction and revenue goals are met. Additionally, New York can follow four principles to implement a successful program similar to London's and Stockholm's: significant investment in transit before and during the implementation of congestion pricing; reinvestment of generated revenues into public transit; dynamic tolling to change driver behavior; and information campaigns for the public.<sup>3</sup>

## What other cities can learn from New York City

New York City has made the most progress to advance a congestion pricing program among U.S. cities. The New York model was created to develop a revenue stream to fund the city's subway system and reduce auto trips. Other North American cities should watch New York to learn best practices to inform their own programs.

NYC Congestion Pricing Proposed Signage  
(Source: HDR Engineering, Inc. 2019)

