



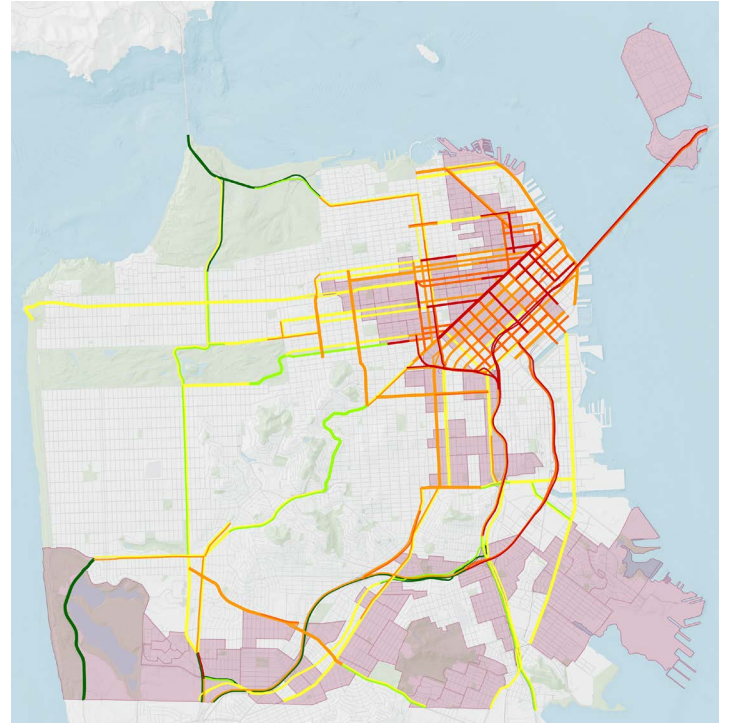
# How might congestion pricing advance equity in San Francisco?

Traffic congestion affects nearly everyone, however San Francisco's low-income communities and communities of color are disproportionately impacted by the city's clogged streets. This paper will examine how other cities are incorporating concepts of fairness and equity into their congestion pricing programs and will consider how a congestion pricing program could help make our transportation system more just.

## 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

*Traffic speeds during PM Peak, overlaid with Communities of Concern 2017*



## Improving Health

Pollution from cars and trucks is tied to increased rates of asthma, heart disease, and impaired lung function. In San Francisco, low-income households are disproportionately likely to live near congested roadways and be exposed to unhealthy air. Congestion pricing can help reduce traffic and the pollution burden on these populations.

### Examples from other cities

Congestion Pricing in **Stockholm** has reduced ambient air pollution between 5% and 15%. This was associated with a significant decrease in acute asthma attacks among children.

**Seattle** has developed a series of community health indicators as part of its congestion pricing plan. For example, the city will monitor changes in pollution and publicize the share of revenues spent on bicycle and pedestrian improvements in vulnerable communities.

**New York City** has estimated congestion pricing will bring over \$100 million of health cost savings annually.

### San Francisco

A 2011 study by the San Francisco Department of Public Health estimated that a congestion pricing program in San Francisco would result in 45 fewer vehicle-pedestrian collisions over a ten-year period. Over the same period, improvements in air quality would prevent approximately three air pollution related deaths.<sup>1</sup>

The Department of Public Health found these outcomes would have “restorative equity effects.” In other words, they will reverse or undo existing inequitable health disparities.

<sup>1</sup> San Francisco Department of Public Health (2011). Health Affects of Road Pricing in San Francisco



## Discounts and Exemptions

### Examples from other cities

In **London**, anyone with a disability placard is exempted from all charges. Residents who live within the charge zone receive a 90% discount.

In **Trondheim Norway**, drivers are charged only once per hour to avoid multiple charges for parents dropping off children.

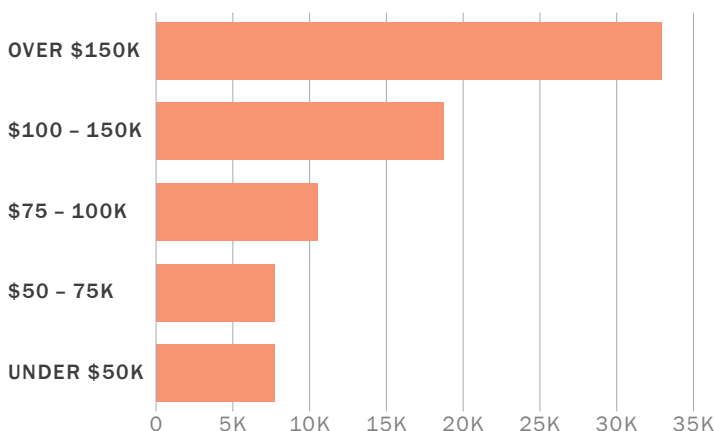
In **New York City**, residents who make less than \$60,000 per year and live within the charge zone will receive a tax credit reimbursing the costs of the fee.

### San Francisco

Because they are more likely to drive downtown during congested times, higher income individuals are more likely to pay a congestion fee than low income travelers. Still, some people from disadvantaged communities will need to drive downtown. Discounts and exemptions for some local and regional drivers can help ensure that these groups are able to take full advantage of the increased access to jobs and opportunities which come from less congested roadways.

People traveling downtown by car during peak periods tend to have higher incomes.

CAR TRIPS TO/FROM/WITHIN DOWNTOWN DURING AM PEAK, BY INCOME (2010)



Source: SF CHAMP 2010. Income breakpoints are in 2008 dollars

## Generating Revenue

### Examples from other cities

**London** uses revenue from its congestion pricing program to improve bus service, which serves a disproportionately high number of low-income individuals. London added 300 new buses to the roads and bus ridership increased 18% in the first year of the program.

In **Singapore**, money raised from congestion pricing goes into a general fund which invests in both transit improvements and affordable housing close to transit.

### San Francisco

By co-designing investment priorities with vulnerable communities early in the planning process, we can ensure that those most disadvantaged by our current transportation system benefit from program design and the spending of congestion pricing revenues.

A 2010 study of congestion pricing in San Francisco suggested revenues be spent on additional transit service, street resurfacing, bicycle/pedestrian improvements, street beautification, parking enforcement, and a transit fare assistance program.<sup>1</sup>

<sup>1</sup> San Francisco County Transportation Authority (2010). Mobility Access and Pricing Study

## How To Get Involved

Help us shape a congestion pricing program for San Francisco: learn more and get involved at [sfcta.org/downtown](http://sfcta.org/downtown)

## Contact Us

**San Francisco County Transportation Authority**  
1455 Market Street, 22nd Floor  
San Francisco, CA 94103

**Project Manager:**  
Colin Dentel-Post, Senior Planner

Email the project team at  
[congestion-pricing@sfcta.org](mailto:congestion-pricing@sfcta.org)



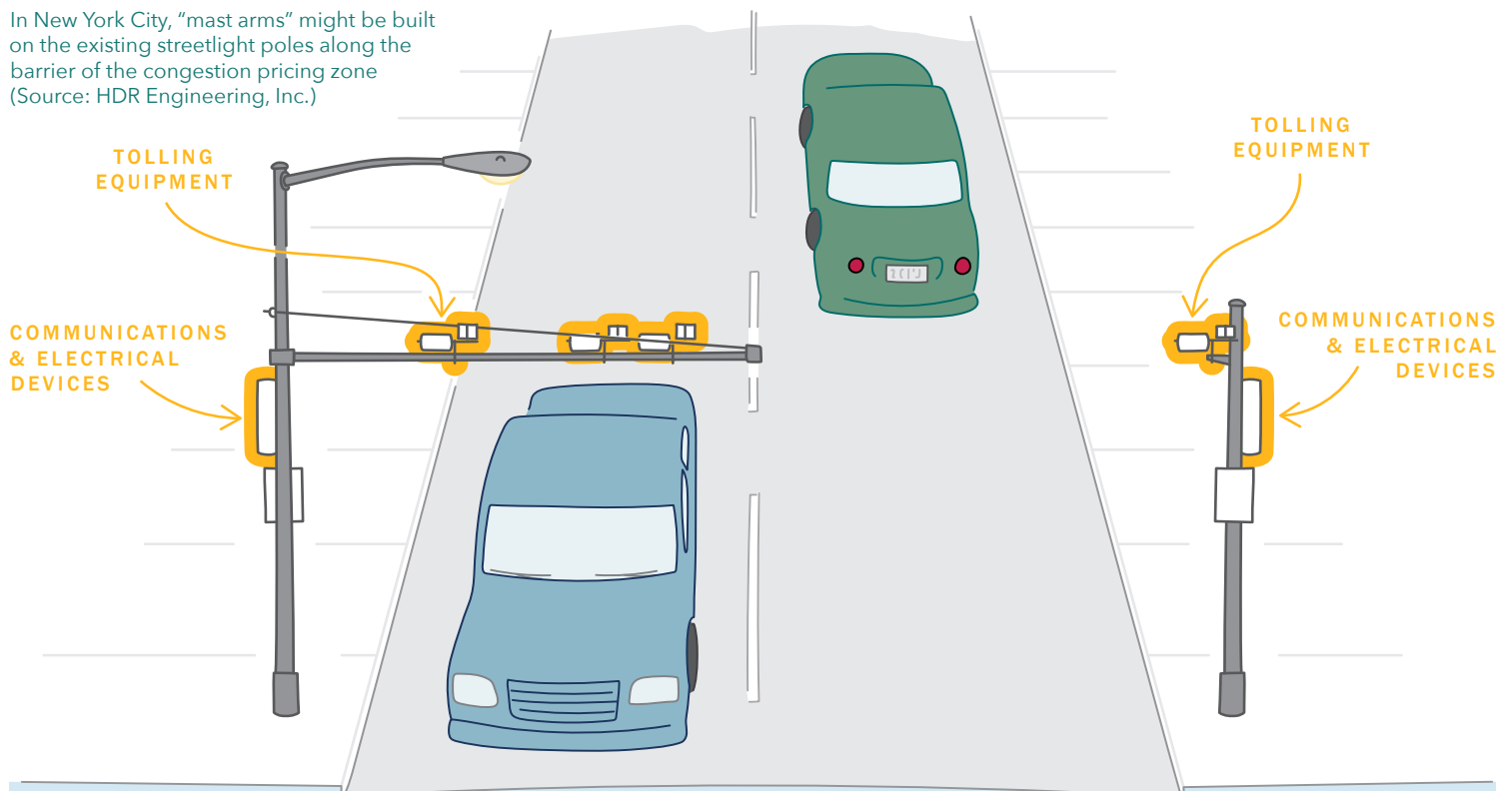
# How does congestion pricing work?

Congestion pricing programs are flexible and can be designed to meet local needs. This paper outlines some of the most common pricing strategies and highlights potential options for implementing a congestion pricing program in San Francisco.

## Where is congestion pricing used?

**Singapore, Milan, London** and **Stockholm** have all successfully implemented congestion pricing programs. In North America, **Los Angeles, Seattle, Vancouver,** and **San Francisco** are currently considering programs of their own. **New York City** will have an active program by 2021.

In New York City, “mast arms” might be built on the existing streetlight poles along the barrier of the congestion pricing zone (Source: HDR Engineering, Inc.)



## Pricing Strategies

Congestion pricing can take several forms. Fees can vary by vehicle type (e.g. private or commercial vehicles, cars or trucks) and by time of day. Different cities have also chosen to price different parts of their road network.

Stockholm has a system which charges drivers for crossing the boundary of the downtown area. This is also what New York City will implement in 2021.

London has a system which charges drivers that enter, exit, or drive within an eight square mile congestion pricing zone. This approach is best suited for geographically large pricing zones where vehicle trips within the zone may not cross the zone's boundary but still contribute to congestion.

Another strategy involves charging vehicles to drive on a select number of busy roads. This strategy is generally considered more complex because there can be many access points and intersections along a tolled road.

## 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.



## Building blocks of a congestion pricing program

### Technology

Congestion pricing programs usually use electronic tolling systems. The City of Los Angeles, for instance, is currently studying congestion pricing and is planning to use toll tag readers along any proposed zone's boundaries to read FasTrak transponders. To complement toll tag readers, cameras that automatically read license plates can be used to identify vehicles without FasTrak transponders. In San Francisco, a combination of these technologies could recognize vehicles which drive into the congestion zone without slowing down traffic.

### Payment

The Bay Area already has operating toll facilities on regional bridges including the Bay Bridge and the Golden Gate Bridge. A congestion pricing program in San Francisco may integrate payment methods with drivers' existing toll accounts. It is possible that Clipper, the regional transit payment system, could be integrated as well.

### Payment options for unbanked individuals

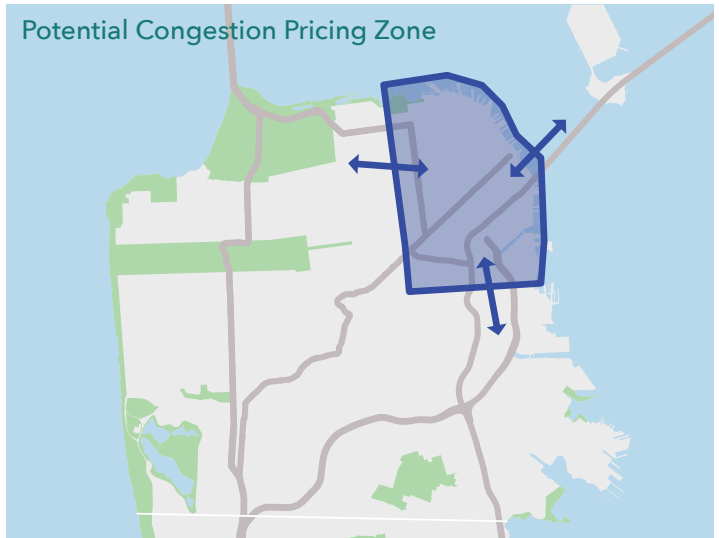
At the end of each month, the City of Stockholm sends a bill to vehicle owners who have driven into the downtown congestion zone. San Francisco could adopt a similar strategy to accommodate unbanked individuals who do not have a FasTrak transponder or account.

Here in San Francisco, all tolling on the Golden Gate Bridge is electronic. Drivers who wish to pay with cash can set up an account, receive a transponder, and make cash payments at the FasTrak customer service center downtown or at local retailers such as Safeway and Costco. Drivers can also make one-time cash payments at these locations without opening a FasTrak account.

Puerto Rico has several tolled roads which accept only electronic payment, yet 42% of residents do not have checking accounts. Transponders are sold at more than 200 retail and gas station locations. Credit can also be added to transponders at most gas stations.<sup>1</sup>

### Exemptions

A combination of discounts and exemptions can be used to reduce financial burdens, create a more equitable transportation system, and ensure that all travelers enjoy increased access to opportunity and jobs. Discounts or



exemptions could be implemented by offering special transponders to low income drivers, people with disabilities, or other vulnerable groups. Special transponders could be charged a reduced fee or no fee at all.

### Privacy

Any information collected through an automated license plate recognition system is considered sensitive information under California law and special precautions must be taken when handling such data. The Federal Highway Administration notes that tolling agencies have devised a method to protect the public's privacy by linking the transponder and the driver's personal information with a generic, internal account number that does not reveal the driver's identity and that is not disclosed to other organizations. Any motorist can open an anonymous account if they desire.

## How To Get Involved

Help us shape a congestion pricing program for San Francisco: learn more and get involved at [sfcta.org/downtown](https://sfcta.org/downtown)

## Contact Us

**San Francisco County Transportation Authority**  
1455 Market Street, 22nd Floor  
San Francisco, CA 94103

**Project Manager:** Colin Dentel-Post, Senior Planner

Email the project team at  
[congestion-pricing@sfcta.org](mailto:congestion-pricing@sfcta.org)

<sup>1</sup> LACMTA (2010) Metro ExpressLanes Project, Draft Final Low-Income Assessment



# Where might the money go?

San Francisco's Downtown Congestion Pricing Study will explore how revenues generated from congestion pricing could be used to support vulnerable communities and improve alternatives to driving downtown. Revenue could be used to help correct inequality in the transportation system, increase transportation options that will help meet the city's sustainability goals, or fund other community priorities. This paper summarizes the investment plans for program revenues in London and Stockholm, where congestion pricing already exists. It also identifies goals and objectives behind the proposed investment plans in Los Angeles and Seattle, which are considering implementing congestion pricing, and New York City where congestion pricing will begin in 2021.

## 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 San Francisco will determine its congestion pricing investment plan

San Francisco's Downtown Congestion Pricing Study will include an estimate of how much revenue will be generated and a proposed investment plan for how revenue will be spent. The investment plan will be vetted through a robust community engagement process and Policy Advisory Committee.

## Summary of San Francisco's proposed 2010 investment program

In 2010, the San Francisco County Transportation Authority studied congestion pricing and developed an investment package for expected revenues.<sup>1</sup> That package had two primary components.

- A startup program which included funds to improve transportation options prior to the charge taking effect.
- An annual funding program for ongoing operations and improvements to San Francisco's transportation system.

Both programs focused on improving transportation to and from downtown. The current Downtown Congestion Pricing Study will generate new estimates of how much revenue a congestion pricing program could generate for San Francisco as well as a new plan for how revenues could be spent.



ADDITIONAL  
TRANSIT  
SERVICE



STREET  
RE-SURFACING



BICYCLE/  
PEDESTRIAN  
IMPROVEMENTS



TRANSIT FARE  
ASSISTANCE  
PROGRAM



STREET  
BEAUTIFICATION



PARKING  
ENFORCEMENT  
OUTSIDE OF  
PRICED ZONE

<sup>1</sup> San Francisco County Transportation Authority (2010). Mobility Access and Pricing Study





## Other cities have used congestion pricing revenue to improve transit, walking, and biking

San Francisco's Downtown Congestion Pricing Study will explore how revenues generated from congestion pricing could be used to support vulnerable communities and improve alternatives to driving downtown. By reducing congestion, the program itself is projected to contribute to a more reliable roadway and transit network. Revenues can be used to expand on these benefits for historically underinvested communities by funding transportation improvements such as transit, sidewalk upgrades, and protected bicycle lanes in the communities that need them most.

**In London**, drivers pay a flat daily fee equivalent to about \$15.05 US dollars to drive into or within central London. The program raises nearly \$230 million US dollars per year in revenue. When congestion pricing was implemented, London purchased 300 new buses. This increased service within the priced zone by 23%. Transit ridership went up by 18%. Revenues funded 8,500 new parking spaces outside of the priced zone as well as new bicycle and pedestrian infrastructure.

**In Stockholm**, the fee that drivers are charged for entering and exiting downtown varies by time of day. During the early mornings and at night there is no charge. Drivers are charged up to \$4.75 US dollars during the most congested times. The program raises the equivalent of about \$150 million US dollars per year, which is invested in transit improvements, park-and-ride lots, and pedestrian and bicycle projects. At the start of the program, Stockholm added 197 buses and 16 new bus routes to their system. During the seven-month pilot period, Stockholm saw a 4% increase in transit ridership and a 23% increase in park-and-ride use.

## Congestion pricing investment plans in US cities

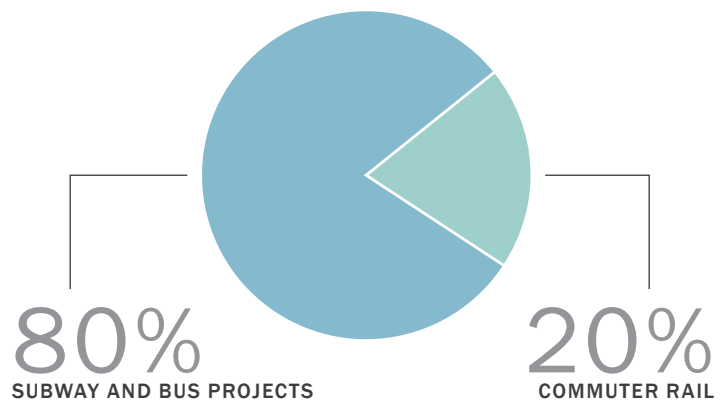
North American cities considering congestion pricing have proposed investment plans tailored to local needs. San Francisco could use congestion pricing revenues to address our local priorities.

**Los Angeles** has begun an equity study to determine how to best address existing inequities through congestion pricing. The proposed investment program for LA Metro could include transit discounts for low-income residents.

**Seattle** has proposed focusing investments to reduce vehicle miles traveled and become a carbon neutral region by the year 2050. Discounts may be offered to those who drive low emissions vehicles and revenues will enable the region to purchase zero emissions transit vehicles.

**New York City** will charge a congestion fee starting in 2021. Some revenues will pay for a tax credit for residents who live in the congestion zone and make less than \$60,000 per year. All additional revenue will be used to fund subway, bus, and commuter rail improvements.

### NEW YORK CITY TRANSIT INVESTMENT PRIORITIES



## How To Get Involved

Help us shape a congestion pricing program for San Francisco: learn more and get involved at [sfcta.org/downtown](https://sfcta.org/downtown)

## Contact Us

**San Francisco County Transportation Authority**  
1455 Market Street, 22nd Floor  
San Francisco, CA 94103

**Project Manager:** Colin Dentel-Post, Senior Planner  
Email the project team at [congestion-pricing@sfcta.org](mailto:congestion-pricing@sfcta.org)