

The Effects of Congestion

Congestion in New York City puts unnecessary strain on businesses. With nearly one million new residents expected by 2030, congestion will get even worse unless action is taken now.



- **Lost Revenue, Higher Costs:** According to the Partnership for New York City, a leading business group, congestion costs New York City \$13 billion annually.
 - This includes \$4.6 billion of lost industry revenue and \$1.9 billion in increased business operating costs annually. Construction, manufacturing and businesses that require on-time deliveries and logistics are especially hard-hit.
 - Businesses are paying employees to sit in traffic. New Yorkers already spend about one full work week a year stuck in gridlock, a wasteful drag on small and large businesses.
- **Wasted Fuel:** Trucks and cars stuck in traffic waste 200 million gallons of fuel every year. That means higher gas bills and more air pollution. Transportation is the fastest-growing source of greenhouse gases in New York.
- **Wasted Time:** The average traffic speed in Manhattan is just 8.9 mph and 14.4 mph citywide. It can be faster to walk across midtown than to take a bus during peak business hours. From manufacturing and construction, to health care, entertainment and retail, congestion brings slow deliveries, fewer customer visits, more aggravation, and wasted time and labor costs. For example, drivers in the service and repair industry are estimated to make at least one less trip per day due to congestion.
- **Higher Health Risks:** New York City already has some of the highest rates of asthma in the nation. Within 500 to 1500 feet of a busy road, risks of asthma attacks, heart disease, cancer and damaged childhood lung development increase significantly. At least 2 million New Yorkers live inside this 500-foot "risk zone," and drivers themselves are also at risk inside their cars, where they are exposed to a high concentration of vehicular pollutants. Poor health brings more sick days, missed school days, and higher health care costs. Vehicles in congested, stop-and-go traffic can emit three times more pollutants than moving vehicles.

Case Study: Cert Logistics



This London distribution company delivers to many downtown restaurants and hotels. It reports its delivery times have been cut by as much as 50%.

Business Support for Congestion Pricing

In cities around the world, congestion pricing has improved travel times, lowered emissions and won business support. For example:

- **In London:**
 - 91 % of business surveyed in 2003 either positive or neutral about the congestion charge.
 - With the congestion charge in place, retail sales in London are growing faster than in the rest of the U.K.
 - No significant change in number of visitors to central business district.
 - After one year of the charge, Londoners reported an increased sense of "pleasantness" outside and inside the zone
 - Traffic delays have decreased significantly – by 30%.

Questions? Email Diane Slaine-Siegel at Environmental Defense at dslaine@environmentaldefense.org

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- **In Stockholm:**
 - Retail trade increased inside and outside the charge zone.
 - Businesses in Stockholm were able to make 25 % more deliveries.
 - The success of the program led Stockholm's leaders and voters to choose to make the charge permanent.

Realities of Pricing

New York's planned congestion pricing system is business-friendly:

- **Once a Day:** Trucks and cars will only be charged once a day, no matter how many times they enter or leave Manhattan.
- **Peak Times Only.** The charge targets the most congested times. It only applies 6am-6pm during weekdays and is free during weekends and evenings.
- **Transit First.** Widespread transit improvements, including new express bus lines to neighborhoods that have higher percentages of drivers, will be in place in advance of congestion pricing
- **No Double Tolls.** Bridge and tunnel tolls paid prior to entering the zone are deducted from the congestion charge.
- **No Toll Booths.** Payment through electronic E-Z Pass technology without toll booths
- **Fair Exemptions.** Taxis and handicapped registered vehicles, among others, are exempt from the charge.

*"A plumber who currently spends a quarter of his day sitting in his van in midtown traffic... would be able to do more work every day -- increasing his income far more than the \$8 fee."
 - plaNYC*

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