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Interview: Assemblyman Richard Brodsky and Kathryn Wilde of Partnership of New York City discuss Mayor Bloomberg's congestion pricing proposal

JAY DeDAPPER, host:

Now comes the hard part. This week the federal Department of Transportation gave Mayor Bloomberg's controversial congestion pricing proposal a big boost, more than 350 million bucks designated to help the city implement the plan that would charge drivers for entering Manhattan south of 86th Street on weekdays, all of that in order to cut down on traffic jams. But there was a big catch. The money won't come to the city unless the city council and the state legislature sign off on either Bloomberg's proposal or something else that reduces congestion by the same 6 percent. And that has to be done by March 31st of next year. First, a 17-member commission will be formed to look at all the options, and it will make a final recommendation by the end of January. Then, just about everybody has to agree on it. Is that possible, when at this stage many Assembly Democrats and Senate Republicans are opposed to the very notion? Or is there, perhaps, another way?

Announcer: From News Channel 4 HD, this is NEWS FORUM.

DeDAPPER: And good morning, everybody. This is NEWS FORUM. I'm Jay DeDapper. And with us today are two people who have opposite opinions on congestion pricing. Kathryn Wilde from the Partnership for New York City, who is a supporter of the mayor's plan for congestion pricing; and Richard Brodsky, Assembly member from Westchester County, Elmsford, I guess, is the official town that we'll put it.

Mr. RICHARD BRODSKY: Yes.

DeDAPPER: And you are--and have long been, it must be said--an opponent of this idea. Not just in the last year or so, but for many years.

Mr. BRODSKY: That's true. Yes, I have.

DeDAPPER: Thank you both for coming on. Let me start by kind of laying the table here. Where do we stand with this? This week, of course, we had this announcement. The federal government will give New York City \$354 million in grants, provided that everybody signs off on this plan. Where do--where do you think we stand right now?

Ms. KATHRYN WILDE: Well, we're at the beginning, or into a process that's going to review the mayor's plan, with representatives of the governor, the legislature, the city council, will be appointed to a commission that will hopefully in the next few weeks be convened and begin to look at the details of the plan that's proposed, look at other alternatives, and try and build consensus, which is what we try and do in New York, around a proposal that is complicated but really is something that's very important for New York City to move forward on.

DeDAPPER: Does that mean the mayor's plan is going to change somewhat to a final plan, do you think?

Ms. WILDE: Well, I think there are a lot of details to be filled in, and there are a lot of questions that have been raised by many supporters as well as critics of the plan as to what the best alternatives for New York are. And I think it's great that we have a forum in which to talk about our priorities for mass transit, how funds should be invested that are raised through congestion pricing, as well as the nature of the system itself, and what can work best for New York. It's been tried all over the world, it's worked other places. But we know that we have to tailor a plan to New York to make sure that it really is effective.

DeDAPPER: Is this commission, Richard, that you have--you had the only real hearing on this, where the mayor testified. Is this commission an opportunity to get the questions answered that you say you and many members of the Assembly and state Senate, frankly, wanted?

Mr. BRODSKY: Yeah, it is, and it's needed because we were bum's rushed. We were told it was a July 16th deadline, it wasn't. We were told we had to have congestion pricing as part of a plan, it wasn't true. We were told a lot of things that weren't true. We were told that the feds had guaranteed money last week, which they didn't. They just promised that they would consider giving us money in the future. There is no contingent or absolute promise to give us money. So yeah, we have to sort of get to the bottom of things, and I think the mandate of the commission is a little larger than Kathy just mentioned. It is not just to look at congestion pricing, it's to look at the issues of congestion and mass transit funding.

Now, there's a consensus about that already. We--congestion's a problem, and we haven't funded our mass transit system adequately. Whether we need to do a pricing mechanism, whether there are other things that would work as well is really what the commission's mandate is, and we'll look at that, including pricing, in a fair and, I think, thorough way for a change.

DeDAPPER: The mayor--the mayor's people were not shy in saying, especially to reporters, kind of off the record, that hey, 17 member commission. But we've got--kind of, the fix is in. We've got a majority of the members in favor of his plan.

Mr. BRODSKY: That's exactly why the mayor failed so badly in getting his proposal out there in the first place. Their cynicism, their, frankly, dishonesty about settlements of the plan were just monumental. And the legislature caught on and did its job, said, 'No, no, no. We're going to take a serious, hard look at your proposal, but we're not going to listen to you.' The notion that because of--they think they control the votes now, we don't have to go through a process, we know it's done, is an example of Mike Bloomberg--who's a very good mayor, and a very good guy--at his worst. And I think we have to fix that. And I think we will.

Ms. WILDE: I don't want to jump in, but I will.

DeDAPPER: No, no. I was going to let you jump in.

Ms. WILDE: I don't--I don't think the mayor opines that he thought that this was not a serious effort. I think other people might have said that, but I don't think the mayor said that.

Mr. BRODSKY: I think it's true, and I think...

Ms. WILDE: And I think--I think the mayor takes this commission very seriously, and I think, as somebody who's worked for the last three years on this, I think this is a great opportunity. I guess I disagree with Richard only on, I've worked also for two years with the federal DOT on figuring out how New York could become a candidate for money. I see as a major victory, and I believe we do

have a firm commitment for \$354 million to expand and improve our bus and ferry system in this city, conditional only on the work of this commission, on coming out with a plan that achieves the goals of congestion pricing, that--the goals that the mayor's plan laid out in congestion pricing. The details can be developed, and we can look at other alternatives and see if we can come up with anything--any solution that works better to reduce congestion. I think--I think all those things are true. But the truth is, if we come forward, and by March 31st have a--have the legislature and the city council approval of a plan to use pricing to reduce congestion in this city, we are standing to gain \$354 million. And I think a pipeline of funds beyond that, because we will become the showcase for the country on how a city learns how to manage its traffic problems, and invest the proceeds in mass transit. And hopefully keep our subway fares down at the same time.

Mr. BRODSKY: Let me jump in. Let me jump in to that, because the--when you read the documents the feds put out, at--it just doesn't say that. And I think there's sort of a sense we'd like it to say. It says very explicitly, the feds aren't obliged to give us a penny whether we adopt congestion pricing or not. Now, the reason that's important isn't because it tells you anything about what we ought to do, it's because the process so far has been, I think, not handled candidly with the people of this area. There are arguments that you can make for congestion pricing. You can--arguments you can make against it, but the debate hasn't yet be had. And what we're now able to do is begin that debate. I just don't think that pricing mechanisms are the way we ought to go for distributing public goods. If the schools get crowded, or if the parks get crowded, are we going to then say, 'Well, no, no, we have a precedent. When things get crowded, people who can pay will get in and people who can't pay don't.' That's not New York's tradition. There are practical problems as well. There are invasion of privacy problems. A thousand cameras taking pictures of people in the streets. There are two levels, in other words. There is a philosophical concern and there are practical limitation concerns. I don't think the commission will be restricted to details, even though I think details matter. I think there will be an opportunity to argue whether this is a change in the relationship between the people of the city and their government and whether it's a good idea.

DeDAPPER: If you want--if you want to reduce congestion, though, this has happened in London and by all accounts it has had an effect, and a positive effect on reducing traffic. At least at first, they had to raise the fee again several years later in order to continue that effect. It's happened in Singapore. Very different place than New York, and it's happened in Stockholm as well. But if you want to reduce congestion, what other, I mean, what other ideas are out there?

Mr. BRODSKY: There are things you can do that the mayor's proposed, actually enforce the laws. Block the box. Deal with the trucks on the sidewalks. There are plenty of things you can do that do that. There's congestion rationing on which based on license plate number your access to the downtown is restricted. It has some positives, it has some negatives, as does congestion pricing. But there's no--the notion that this is the only thing out there is what's wrong with the debate. It's one of the reasons the mayor failed is because these alternatives need to be taken seriously. I think the commission will do that and I think it's all for the good.

DeDAPPER: Before I--before I get back to you, I just want to ask you about the \$354 million. You're a member of the Assembly, a senior member of the Assembly. The Democrats in the Assembly and some Republicans in the state Senate from the suburban areas who are opposed to this now have this \$354 million kind of thing hanging over your head. If you don't approve this, you've thrown away \$354 million. Isn't that a persuasive thing?

Mr. BRODSKY: No, no, no, no, no. When--if congestion pricing is the right thing to do, we ought to do it whether or not there's federal money. If it's the wrong thing to do, we ought not to be bribed into doing it. And the debate we're going to have, and I keep hammering this, Jay, because this discussion simply re-establishes what I've been saying, we have not discussed the policy or the practical implications of congestion pricing. I think it's the wrong thing. I think it burdens the middle class. My suburban constituents, by the way, do not generally pay the congestion fee because they don't have to--their tolls offset the fee. This is really a tax on middle class people from Queens, Brooklyn, and the Bronx and there are alternatives that are not class sensitive. Kathy's been an honest and effective advocate for her position, but that the business community supports this does not surprise me. That there are progressives who actually think that pricing mechanisms are the way we should handle middle class people. Look, if you can the \$150 ticket and the \$200 meal and the \$70 parking thing, you can come down to midtown. If want to take your kids to see the tree, that additional fee may make a difference. It is discriminatory against middle class people and progressives like myself who ought to be very careful before they adopt it.

Ms. WILDE: You can take the train to see the tree.

DeDAPPER: We have to take a break, and then you'll get your chance to filibuster when we come back.

(Announcements)

DeDAPPER: And we're back. Congestion pricing, the mayor's plan, is it, in fact, a tax on the middle class? That is something that Richard Brodsky and some of the other opponents of this have argued. Do you agree with that?

Ms. WILDE: Absolutely it's not a tax because it's voluntary. Right now, we're all paying a huge congestion tax and that is the cost that traffic congestion is adding to our economy. We did a study that showed \$13 billion a year in new--in additional costs and losses of revenue and another 50,000 jobs that are lost because of the delays, the inefficiencies, the extra expense that's associated with traffic congestion. And this is--the source of the congestion is Manhattan south of 60th Street where more than half our regional economy, our 28-county regional economy is based. It is the vehicles going in and out and through Manhattan south of 60th Street that's creating congestion on the Van Deegan, the Long Island Expressway, the Van Wyck. If you look--the Jersey Turnpike. So we've got a very contained problem. The density of economic activity in Manhattan, which we're trying to grow.

DeDAPPER: Mm-hmm.

Ms. WILDE: And we have--but we have spread out implications that are affecting traffic and the economy and business. They're affecting air pollution. They're affecting--they're affecting the entire metropolitan region. We have looked carefully. It didn't start with supporting congestion pricing as the solution. We looked at what happened around the world with different remedies in cities attempting to deal with this problem. And we came to the conclusion, based on three years of study, that the most effective way to deal with this is a cordon pricing zone in the central business districts. Not tolling the bridges, but rather having those cars and trucks that feel they have to be in the central business district during the busiest time of day to have them participate. I'll give an example in terms of an average middle class person. I'll use myself. I live a block from an express bus stop. If I take the express bus to work in the morning from Bay Ridge, Brooklyn, it costs me \$9 round-trip. If I drive my car, it's free.

DeDAPPER: And that's the incentive for you to drive.

Ms. WILDE: Right. I have no disincentive. No disincentive.

DeDAPPER: So where do you--let me ask you, where do you park if you drive?

Ms. WILDE: Well, that's the point. I pay for parking. Most--many of the people, the largest groups driving in, don't have to pay for parking.

DeDAPPER: So wouldn't that be a more fair way to do this is to simply change the parking system so that there's residential parking permits that people have to buy? There's no free street parking for people driving in? Companies aren't allowed to give away free parking as a bonus?

Ms. WILDE: Well, I think--I don't think anybody is driving into Manhattan and parking on the streets except for the very fringe areas.

DeDAPPER: They did it in my neighborhood.

Ms. WILDE: Where do...

DeDAPPER: I walk the dog in the West Village. I walk in the West Village.

Ms. WILDE: OK.

DeDAPPER: I walk my dog in the morning and I see people, you know, finding--waiting for that alternate street and as soon as...

Ms. WILDE: On the edges, on the edges. Right. But there are fewer and fewer of those opportunities because most of the parking.

DeDAPPER: You can't do it in midtown, right.

Ms. WILDE: The parking lots in your neighborhoods are now being developed and so you're not going to have that opportunity any longer.

DeDAPPER: That's true. Fair enough. In midtown, there's no opportunity to do that. But wouldn't it--wouldn't charging for parking be just as realistic or making parking a decidedly difficult thing to do?

Ms. WILDE: Well, parking is mostly a private business in New York City, not a public amenity, so what that fails to do is capture the revenues which is really the second leg of the stool, to capture the revenues to be able to invest in public transit and keeping the subway and train fares down. That's what we really want to get.

Mr. BRODSKY: Go back for a second.

DeDAPPER: OK, we'll get to that. Go ahead.

Mr. BRODSKY: Because you started off by saying there wasn't a tax because it's voluntary. The sales tax is voluntary, but it's a tax. At \$8 a day, someone comes in...

Ms. WILDE: We have to wear clothes, Richard.

DeDAPPER: On this show, you do.

Mr. BRODSKY: We have to get to work. The person from Queens and Brooklyn and the Bronx whose income, car drivers, is about 44,000 a year, at \$8 a day, pays another \$2,000 a year to the

government. You can call it a tax or not a tax. That's who pays. Those are the income levels we're affecting. Remember, the suburban commuter, the Jersey, Connecticut, Westchester, Nassau, Suffolk, don't pay the fee because their tolls are offset against this fee.

DeDAPPER: They don't pay the entire fee.

Ms. WILDE: No, but let's...

Mr. BRODSKY: No, no, no, no, wait, wait, wait.

DeDAPPER: Actually, wait, but I want to actually challenge you on this point of this drivers. Only 5 percent of the people commuting in from the boroughs, from the outer boroughs, are driving, so it's not a tax on everybody. It's not a tax on the 95 percent who take the buses and subways.

Mr. BRODSKY: It's not...

DeDAPPER: It's a tax on the 5 percent who feel like they've got to drive.

Mr. BRODSKY: That's correct. But those 5 percent...

DeDAPPER: So it's not a middle class tax or a tax on the poor...

Mr. BRODSKY: No, no, no.

DeDAPPER: It's a tax on the people who choose to drive.

Ms. WILDE: And we did a survey--we did a survey of people...

Mr. BRODSKY: Whoa, whoa, whoa, whoa.

Ms. WILDE: Let me finish this point. We did a survey of those people who drive into the city for work, south of 60th Street, and we found that 83 percent said they drove out of choice, that they had good or better, faster public transit alternative. This is not a forced situation for even that 5 percent.

DeDAPPER: So...

Mr. BRODSKY: The commission will deal with these dueling studies, but wait a minute, it's a question...

Ms. WILDE: It's not a dueling study. There's no study on the other side.

Mr. BRODSKY: The...(unintelligible)...data shows that the people who come in make--the average income is about \$45,000, the ones who pay the full fee. The ones who escape the fee average \$85,000. Now, you can call that what you want, but that's the depth--excuse me, the data.

Ms. WILDE: And who are they? Who do they work for, Richard?

Mr. BRODSKY: One second.

Ms. WILDE: They're working for government and have free parking.

Mr. BRODSKY: You just--you just lectured me that you wanted to finish. I want to finish. Now listen. You can make a case for that kind of tax because it may benefit mass transit. I would say as a progressive, someone who's been, I think, politically committed to defending middle income and lower income people, that there are better ways to do it, and you put your finger on it. If you were, for example, to deal with this question of taxi cabs and parking fees, you could raise similar

amounts of money. It would be less regressive. The fact of the matter is, this is part of the gentrification of Manhattan, where it is harder and harder and harder for middle income people to participate in the cultural, social, economic life of the heart of New York City. We ought not to be adopting mechanisms which focus on middle income and low income people. We are going to stop the Chevrolets, but we're not going to stop the BMWs and Mercedes and...

Ms. WILDE: We're getting a political pitch, not a factual pitch now.

DeDAPPER: OK. Wait a second, wait a second. Only for the sake of time, we've addressed this issue of the middle class tax and whether or not it is, in fact, a tax. I want to ask you a question and challenge you on something that the supporters have said, and that is that this revenue stream is going to help mass transit. On the day of the announcement of the federal grant, the mayor said, well...(unintelligible)...how are you going to actually pay for it because feds aren't going to now pay for it, the cameras and the easy pass and the readers. And he said, 'Oh, maybe we'll have a private company come in and bid and they'll be able to pay--they'll be able to pay for it through the revenue generated.' OK. So the revenue generated is going to go to the private company. The revenue generated, which isn't very much, is going to go to mass transit. The revenue generated is going to go to this, that, and the other thing. I just don't understand how the argument is made that this is going to go to mass transit and build the Second Avenue subway. It's not that much money, in the great scheme of things, and it seems like it's already being divvied up between a lot of different people.

Ms. WILDE: Well, let's remember what we're talking about now is a demonstration and we're talking about the possibilities of looking what are the revenue options. As Richard said, the commission is going to be looking at a lot of options and one of those is how revenues can work. In some places, where they've instituted congestion pricing, the charge depends on how crowded the traffic is and they actually vary the charge. So if you come in on a day where there's no traffic, the charge is very low or nonexistent. If you come in on the day the Christmas tree lights up, the charge is very high, very expensive.

DeDAPPER: But I'm asking about...

Ms. WILDE: So you can in fact generate...

DeDAPPER: I'm asking about the pool of revenue, the 90 million, the 100, the 200 million.

Ms. WILDE: Absolutely.

DeDAPPER: If it's 200 million by 2010, but the vender who put in the gear is having to pay for the gear with that 200 million, and some of it's going to everybody...

Ms. WILDE: The total--the total price of a complete installation system is a one charge--one time charge of 220 million and then there's the charge of manning the system.

Mr. BRODSKY: Right. It's a cost of \$230 million for one system.

Ms. WILDE: No, no, that's an upfront charge.

Mr. BRODSKY: No, that's the annual cost it would cost.

DeDAPPER: There is some dispute about that in the hearings and the mayor actually wasn't able, and neither was the deputy mayor, able to actually answer. But to be fair, Richard, because it's not set up yet.

Ms. WILDE: Well, I visited...

Mr. BRODSKY: Whatever the number is, Jay, the most attractive part of the mayor's presentation, which was attractive, was that we need to fund the capital mass transit and he wanted to commit the money to that, whatever the

number is, and that's good. The problem is that the MTA has said and the governor has said they want that for operating, and Kathy just said earlier that she wants it to save the fare. If this money is to have any validity and if we're to believe the mayor, it isn't going to be available for the fare, it isn't going to be available to vendors, it's going to be available for the long term unfunded capital needs of the system. But people have--as you pointed out, are breaking away from that left and right. What we have is a bum's rush.

DeDAPPER: Is that a problem, though? Because if I'm raising this issue, I'm not the only one that's looking at this thing. This pot of money's being--everybody's getting their hands on it.

Ms. WILDE: No, I think that's right, that the closer we get toward achieving a congestion pricing scheme, the closer we've moved, the more people are fighting over what we're going to do with the proceeds before we even have the approval of putting it in place.

DeDAPPER: Right. This is the cart before the horse.

Ms. WILDE: So this is really a little backwards. But we were--that's why we were so happy to get the 354 million from the feds to say we've got sitting there, so we can start using that to fix the bus--to expand the bus system and the ferry system as soon as we get it.

Mr. BRODSKY: It's not the cart before the horse.

DeDAPPER: We have to take a break and then we'll let you guys get back at it.

Mr. BRODSKY: Sure.

DeDAPPER: Hang on one second.

(Announcements)

DeDAPPER: And we're back. One minute each. I want you to tell me what you think ought to change or might be able to change in this to make it more palatable, remembering that the public opinion polls across the board say mostly people are not in favor of this.

Ms. WILDE: I think number one, the biggest concern we've heard is from people who are on peripheral areas to the zone as to whether or not they'll be negatively affected by cars coming in to their own neighborhoods looking for parking, creating pollution. And I think that's a hard look at that and what we have to do in terms of park and rides and discouragement. Whether it's residential parking permits. That's an area that we really have to resolve because we have to make sure that that phenomenon does not happen. It has not happened in London and Stockholm. They took proper steps to avoid that and I think we can do this.

DeDAPPER: What did they do? Did they do residential?

Ms. WILDE: They have residential parking restrictions and they have implemented other measures to make sure that people can--who have the opportunity to take mass transit further out close to their home, which is what people want to do. They'd like to do a one-seat ride if they can.

DeDAPPER: Right. Richard:

Mr. BRODSKY: The likely change is to see the fee probably double. One of the biggest supporters of congestion pricing who testified said that an \$8 fee won't work. It's got to be 15 to \$20. So I think if you're looking at what will happen, a real honest look at the economics and the behavioral changes will show that you can't do this in New York without a 15 to \$20 fee. But...

DeDAPPER: Which is what it is in London.

Mr. BRODSKY: But remember, the commission is intended to actually look at whether there are alternatives that will deal with congestion and mass transit funding equally, as well. We agree there's a congestion problem. We agree there's a mass transit funding problem.

DeDAPPER: So what alternative? You've got like 20 seconds now. What alternative? What's the big alternative you think that has a chance other than...

Mr. BRODSKY: The one we ought to look at is congestion rationing. There are other things, including traffic mitigation, fines, parking, ending the permit program, the free parking that Kathy talked about. All of which are doable.

All of which in aggregate can have the same effect on the problem we agree exists.

Ms. WILDE: None of which have worked in other cities whereas congestion pricing has.

DeDAPPER: All right. I'll give her the final word.

Mr. BRODSKY: She...

DeDAPPER: Ladies first and ladies last. Congestion pricing, I think we're going to be talking about this for a while. The--when, incidentally, when will the first commission meeting be? Any guess?

Ms. WILDE: I'm sure...

DeDAPPER: September? Early September?

Ms. WILDE: ...it'll be after Labor Day.

Mr. BRODSKY: I don't know.

DeDAPPER: OK. So probably early September we'll look for the commission to meet. You--either one of you could possibly be on it, right?

Ms. WILDE: Who knows?

Mr. BRODSKY: (Unintelligible). Hard to say.

DeDAPPER: All right. So congestion pricing, we'll continue to hear more about it. Kathy Wilde, thank you for coming in.

Ms. WILDE: Thank you.

DeDAPPER: Rich Brodsky. I'm sure we'll hear more as we go forth.

That's NEWS FORUM. Have a good weekend everybody. We'll see you back here next week.