

*Note: the \$104 million for annual operating costs for new bus and subway service will come from the annual estimated \$390 million congestion tax net which means less than \$300 million net for transit projects -- presuming the accuracy of the revenue estimates and the cost of operating the congestion pricing infrastructure.*

<http://www.nytimes.com/2007/10/08/nyregion/08congest.html?ex=1192507200&en=a66648c1192a127e&ei=5070&emc=eta1>

October 8, 2007

## M.T.A. Says Mayor's Plan to Ease Traffic Will Cost \$767 Million to Accomplish

By ROBERT D. McFADDEN

Mayor Michael R. Bloomberg's plan to ease traffic congestion by charging motorists who drive into the busiest parts of Manhattan would cost hundreds of millions of dollars for new bus and subway services and mass transit improvements to accommodate tens of thousands of new riders, transportation officials say.

The Metropolitan Transportation Authority, in a report to a commission created to evaluate the mayor's plan, estimated that expanded transit service and capital improvements for city and suburban riders who would give up their cars to get into Manhattan over the next five years would cost \$767 million.

The total, the authority said, comprised \$284 million in 2008 and 2009 for 367 new city and suburban buses, 46 new subway cars and many station renovations and service enhancements; \$163 million for other subway and bus improvements from 2010 to 2012, and \$320 million for two new bus terminals in Queens and Staten Island.

The agency said its estimates assumed that an additional \$184 million would be provided by the United States Department of Transportation under an agreement covering some costs of the congestion pricing plan. It said \$56 million would be needed for improvements even before congestion pricing went into effect in 2009, and that maintaining the expanded service would cost \$104 million a year.

Eventually, the transit agency said, revenues from congestion pricing would help cover the costs. New York City has estimated that the plan, which would begin in 2009 with a three-year pilot, would raise \$400 million a year and would eventually cover half the cost of the transit improvements. But the report acknowledged that none of the anticipated costs were provided for in the authority's current financial and capital plans.

"The unfunded capital costs associated with enhanced transit service total \$767 million, assuming the pilot is successful and two additional depots are constructed," the report said. The 11-page report, issued by Elliot G. Sander, the agency's executive director, was required by legislation passed in the summer that set up the commission and directed it to make a recommendation on congestion pricing by Jan. 31.

Citing congestion pricing projections provided by the city, the authority said 78,000 motorists in the city would shift to mass transit, while only 2,500 from the Mid-Hudson region served by Metro-North and 3,500 served by the Long Island Rail Road would take trains. It said it was premature to estimate how many of the 170,000 commuters who crossed bridges and tunnels each day would give up their cars.

Drivers using E-ZPass when crossing the Brooklyn-Battery Tunnel, Queens-Midtown Tunnel, Triborough Bridge and Henry Hudson Bridge would have their congestion charges reduced by the amount of tolls paid each day, but to keep traffic moving, the toll offset would not apply to cash customers.

A second report, by the State Department of Transportation, said that congestion pricing would affect state highways and transportation lines outside the jurisdiction of the transit agency. But it said it did not have enough data to predict traffic changes and could not estimate the costs, although it cited \$166 million in projects that would “complement” the city plan by improving the flow of regional traffic.

The mayor’s plan, aired in April as part of a broad strategy to guide the city’s growth over the next two decades, proposed charging drivers \$8 and trucks \$21 a day to enter or leave Manhattan below 86th Street — less bridge and tunnel tolls already paid — on weekdays during working hours. It was designed to cut traffic and raise millions for transportation projects.

Opposition arose from politicians in other boroughs and the suburbs, where many residents drive regularly into Manhattan. In a last-minute compromise in July, days after what the city called a deadline for federal financing, a special session of the Legislature created the commission to study the plan, which would need the approval of the City Council and the Legislature.

The commission chairman is Marc V. Shaw, a former deputy mayor under Mr. Bloomberg. Two other members were appointed by Gov. Eliot Spitzer, who favors the plan; three were named by Mr. Bloomberg and three by City Council Speaker Christine C. Quinn, who also has supported the plan.

John Gallagher, a spokesman for the mayor, said last night, “The M.T.A.’s report shows that the transit improvements that would come with the mayor’s proposed congestion pricing pilot would expand options and improve service in virtually all parts of the city.”

An outspoken opponent of the mayor’s plan, Assemblyman Richard L. Brodsky, a Westchester County Democrat and a commission member, sharply criticized the two reports last night. He said both ignored the plan’s potential impact on transit fares and air quality, relied heavily on data supplied by the city and together proposed more than \$900 million in unfunded spending.

“You’re bumping up against almost \$1 billion in unfunded capital costs,” Mr. Brodsky said in a telephone interview. “Both reports are saying there are tremendous uncertainties. You have to have all these mass transit improvements in place before the plan goes into effect. And you’re probably going to see the \$8 fee doubled almost immediately.”