



Growth or Gridlock: The Economic Case for Traffic Relief and Transit Improvement for a Greater New York

The Partnership for New York City has released a breakthrough report that documents the economic impact of traffic congestion on the city and the region. The report (available for download at www.pfnyc.org) explains how the increasing problem of traffic congestion costs the regional economy more than \$13 billion a year, resulting in the loss of as many as 52,000 jobs annually.

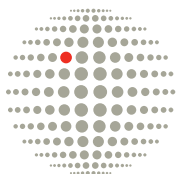
Other world cities, many of which are competitors with New York for business investment and job creation, are moving aggressively to reduce the burden that traffic places on economic activity and the environment. Most of these cities, including New York, have run out of room to expand road systems. They are improving public transit so that people can achieve mobility without putting more cars on the streets.

On its current course, New York City is forecast to add a million more residents and 750,000 new jobs over the next 25 years. The traffic problem will only grow as Manhattan-bound traffic moving through the region increases by more than 20 percent over the next two decades, bringing us to a standstill. The future of the city and the region depends upon implementing a combined program of traffic relief and transit improvement.

Beyond the Tipping Point

Busy streets are signs of a healthy economy, but traffic in much of the Metro Region has crossed the line that separates economically efficient traffic flow from destructive, *excess* congestion. This translates into loss of business revenues and increased costs for virtually every business and industry sector in all five boroughs and across the region.

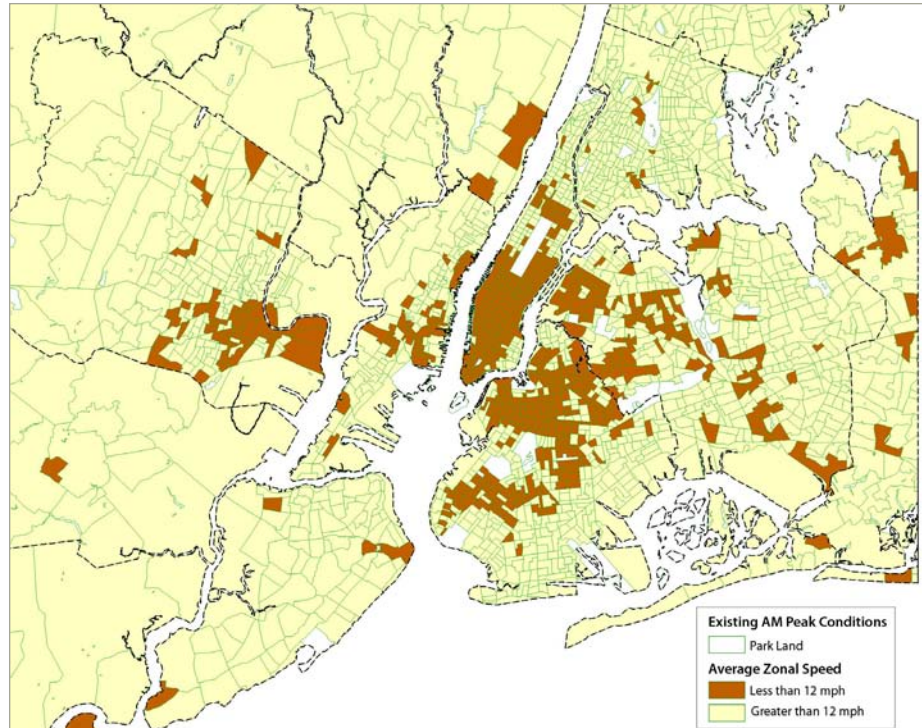
The Cost of Excess Congestion in New York Metro Region



The Source of the Problem

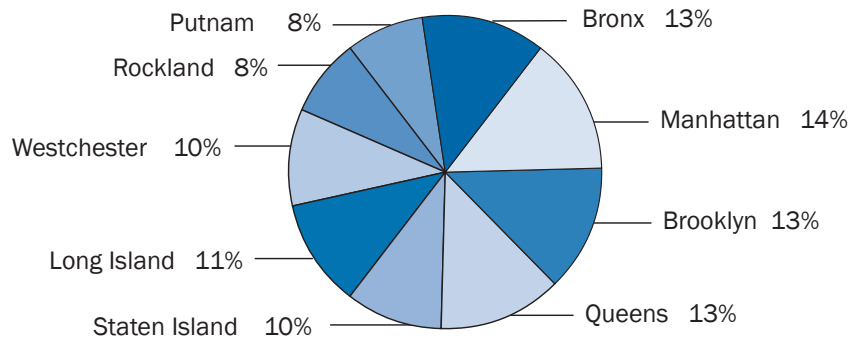
The Central Business Districts of Manhattan, between 60th Street and the Battery, are the engine of a \$901 billion regional economy. This concentration of economic activity is the primary source of excess congestion across the entire region. Each weekday, 3.6 million people travel into the Manhattan CBDs, a third of them in cars, trucks or taxis. One result, as shown on the map below, is a ripple effect of congestion during peak periods.

Average Morning Peak Commute Travel Speeds Under 12 mph

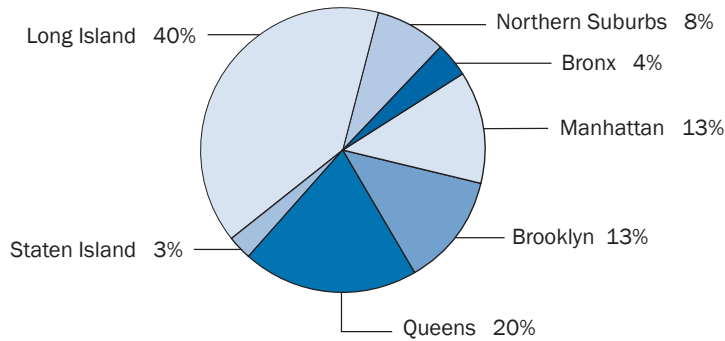


Manhattan may be the source of regional traffic woes, but the economic costs and consequences are borne by all five boroughs and the 28 counties in the Metropolitan Region. The charts below demonstrate two ways of illustrating the impact of excess congestion on travel throughout the Metro Region.

The Distribution of Excess Congestion Across the New York Counties



Person-Hours of Delay As Distributed Across the Metro Region



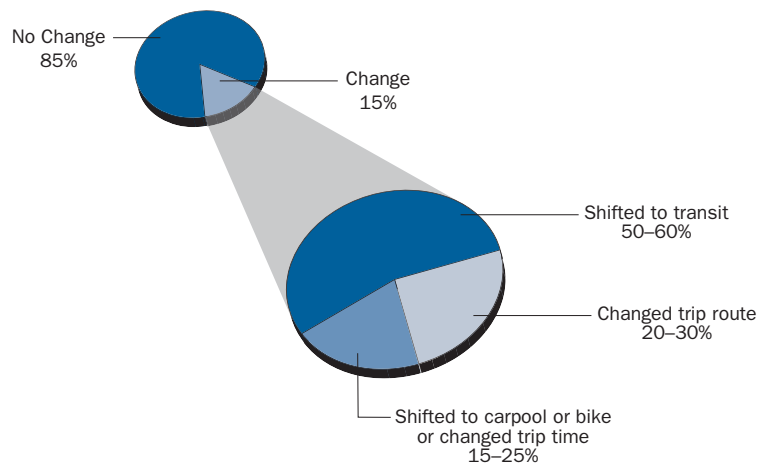
London's Experience: What Is the Competition Doing?

In 2003, London (which has been competing effectively with New York for leadership in some world markets) imposed a user fee on most vehicles traveling through its central business district. The result has been freer flow of traffic, increased reliability of trip times and increased utilization of rapid transit. Equally important, fears that pricing could hurt business in the zone have proven to be unfounded.

Revenues from the fees helped London pay for significant improvements to its public transportation system, adding 300 more buses; installing tracking systems that tell passengers when a bus will arrive; and installing of new bus lanes. Specific results of London's program are:

- Average 17% reduction in total traffic
- Bus ridership up 37%
- Trip speeds up 19%, from 8.5 miles per hour to 10.1 miles per hour
- Trip reliability gain of 22%
- 15.7% drop in CO₂, 8% reduction in NOx, 6% reduction in PM10

London Results – What Happened to the Vehicle Trips?



Traffic Relief Options for New York

New York City and the entire Metro Region need to move quickly to plan a comprehensive program of traffic relief and congestion management. All possible solutions should be considered, including:

- Better design and management of freight loading facilities
- Improved regulation and increased pricing for on-street parking
- New and upgraded bus, ferry and commuter rail services
- Charges for vehicle use of certain roads and for entry into highly congested zones

What Traffic Reduction Would Mean for the New York Region

The Partnership found that reducing the number of vehicles traveling into Manhattan south of 60th Street would significantly benefit all five boroughs and the surrounding counties, cutting down traffic delays enormously and speeding the travel of all vehicles.

Impact of 15% Reduction in Vehicle Trips into Manhattan Central Business Districts on Vehicle Hours Traveled

ABOUT THE PARTNERSHIP FOR NEW YORK CITY

Dedicated to maintaining the city's pre-eminence as a global center of commerce and innovation, the Partnership for New York City is a nonprofit organization with a membership of New York-based, international leaders of business and finance. It works in partnership with government, labor and the nonprofit sector to promote economic growth and an improved quality of life in America's largest city. Through its affiliate, the New York City Investment Fund, the Partnership directly invests in economic development projects in all five boroughs of the city.

