

Russell Squire
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**The City of New York
Community Board 8 Manhattan**

March 27, 2023

Carl Weisbrod, Chair
Traffic Mobility Review Board
CBD Tolling Program
2 Broadway, 23rd Floor
New York, NY 10004

Janno Lieber, Chair and CEO
MTA New York City Transit
2 Broadway
New York, NY 10004

RE: Policy recommendations related to MTA transparency, accountability, and oversight in regards to Congestion Pricing operations

Dear Chair Weisbrod and Mr. Lieber,

At the Full Board meeting of Community Board 8 Manhattan held on March 15, 2023, the board approved the following resolution by a vote of 36 in favor, 1 opposed, 0 abstention, and 0 not voting for cause.

WHEREAS; the FY 2020 New York State budget law states that “for purposes of establishing a central business district toll or tolls the board shall, at minimum, ensure annual revenues and fees collected under such program, less costs of operation of the same, provide for sufficient revenues into the central business district tolling capital lockbox fund, established pursuant to §553j of the New York State Public Authorities Law necessary to fund \$15 billion dollars for capital projects for the 2020 to 2024 MTA capital program, and any additional revenues above that amount to be available for any successor programs; and

WHEREAS; §553j also specifies the uses of the revenues generated by Congestion Pricing are solely for use to support the construction and operations of the Central Business District Tolling Program and the 2020-2024 MTA Capital Program, and further requires readily available reporting of all receipts and expenditures of the program; and

WHEREAS; concerns have been raised about how effective the MTA will be in managing congestion pricing revenues and adhering to the requirements described in §553j, even with a lockbox in place; and

WHEREAS; it is well documented that the MTA has struggled with internal bookkeeping, managing project costs and efficient project delivery, and at times, has allegedly created different sets of books for different recipients; and

WHEREAS; Phase 1 of the Second Avenue Subway project, constructed almost entirely within Community District 8, exemplifies how the MTA has failed in the past to deliver projects on time and on budget as evidenced by its extremely high cost-per-mile to construct, and has been ineffective in performing contractor oversight; and

WHEREAS; the recently completed East Side Access project, completed over a decade late and billions of dollars in excess of its project budget, raises concerns that projects that will be funded with Congestion Pricing revenues will suffer from similar mismanagement; and

WHEREAS; there has been no information made available thus far by the MTA regarding the use of funds generated through the Congestion surcharge fees already being assessed on passengers of for-hire vehicles south of 96th Street and through other fund-raising methods; and

WHEREAS; the MTA has provided no details regarding how monies that will be generated by vehicles being tolled to cross the toll zone boundary at 60th Street will be allocated and expended; and

WHEREAS; the MTA, along with any local, state or federal governmental entity, must be accountable to taxpayers, especially to constituents bearing a large portion of the financial burden such as Community District 8 residents that will be assessed fees through the congestion pricing law; and

WHEREAS; responsible governmental entities should perform after-action reviews and make public reports identifying mismanagement and inefficiencies in project delivery and recommendations to ensure such mistakes are not repeated; and

WHEREAS; in order to generate confidence in the pending congestion pricing program, the MTA should make clear to constituents and taxpayers that it has addressed past mistakes and will be able to avoid them on future projects that may be recipients of congestion pricing funding; and

WHEREAS; the Central Business District is defined by New York State law as the area south of and inclusive of 60th Street in Manhattan, except for the FDR Drive, except for the FDR Drive, and New York State Route 9A (aka the “West Side Highway”) including the Battery Park Underpass and any surface roadway portion of the Hugh L. Carey Tunnel connecting to West St.;

THEREFORE BE IT RESOLVED, to ensure that Congestion Pricing is operated properly and efficiently, and to ensure that the MTA is held accountable and spends funds effectively and that projects are performed within budgetary constraints, Community Board 8 requests the MTA achieve the following by November 30, 2023 ahead of the start date of Central Business District Tolling:

1. Perform after-action reviews of recent megaprojects such as Phase 1 of the Second Avenue Subway and East Side Access/Grand Central Madison to identify errors in accounting, budgeting, and project design, and issue such a report so the MTA can immediately implement practices to avoid them from occurring on future projects including Phase 2 of the Second Avenue Subway;
2. Provide a list of audit and accounting procedures to the public to improve its transparency;
3. Develop a webpage dedicated to Congestion Pricing reporting that identifies specific funding streams generated by the program and the amounts being provided to specific projects in the 2020-2024 Capital Program (and successor programs) that the funding is being used for.

Please advise us of any action taken on this matter.

Sincerely,

Russell Squire

Russell Squire
Chair

Alida Camp and Craig M. Lader

Alida Camp and Craig M. Lader
Co-Chairs, Congestion Pricing Task Force

cc: Honorable Kathy Hochul, Governor of New York
Honorable Eric Adams, Mayor of the City of New York
Honorable Carolyn Maloney, 12th Congressional District Representative
Honorable Mark Levine, Manhattan Borough President
Honorable Liz Krueger, NYS Senator, 28th Senatorial District
Honorable José M. Serrano, NYS Senator, 29th Senatorial District
Honorable Dan Quart, NYS Assembly Member, 73rd Assembly District
Honorable Rebecca Seawright, NYS Assembly Member 76th Assembly District
Honorable Julie Menin, NYC Council Member, 5th Council District
Honorable Keith Powers, NYC Council Member, 4th Council District