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How Seven Cities Are Exploring Congestion Pricing Strategies

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Issue

Congestion pricing is a vehicle tolling system that imposes fees to drive within a congested area, typically a downtown district. Cities that already have congestion pricing policies in place have been studied extensively. Notable examples are Singapore, London, Stockholm, Milan, and Gothenburg. These cities have appreciated a range of benefits from congestion pricing, including reductions in peak traffic, vehicle miles traveled, and emissions, as well as increased revenues for transportation investments.

Much can also be learned from cities that have considered—but not yet implemented—congestion pricing programs, because many have published detailed studies estimating the impacts of a potential congestion pricing system in their city. Researchers at the University of California, Davis evaluated seven cities considering congestion pricing: Boston, Los Angeles, New York, San Francisco, Seattle, Vancouver, and Auckland. The researchers compared the studies from each of these cities across several dimensions: 1) the duration of congestion pricing activities, 2) what policies were considered to promote equitable outcomes, 3) the range of pricing alternatives considered, 4) public engagement activities undertaken, and 5) whether emissions reductions were a driving motivation for considering the pricing system. Findings from this research can inform the efforts of other cities considering congestion pricing programs.

Key Research Findings

Congestion pricing programs can take decades to develop (Figure 1). Auckland began studying congestion pricing in 2006, followed by New York City in 2008 and San Francisco in 2010. Their progress has not been linear due to a variety of factors, and New York City is now the closest to full-scale adoption. Since 2016, Seattle and Vancouver have begun policy dialogues about whether congestion pricing is appropriate for their respective communities. The COVID-19 pandemic also changed downtown traffic patterns, which has further stalled policy dialogues in several of the cities studied.

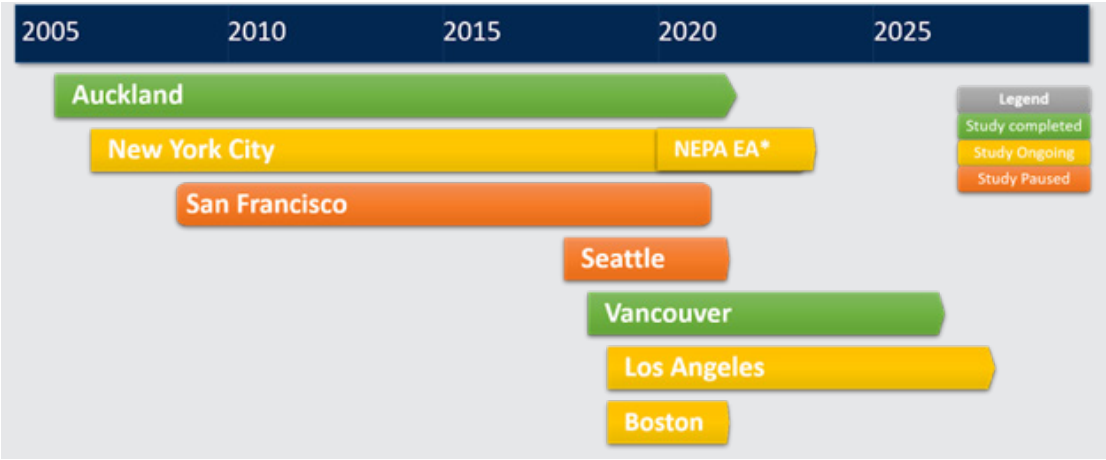

Figure 1. Timeline of congestion pricing activities

* New York is completing an environmental assessment, part of the National Environmental Policy Act.

All seven cities in this study have considered equity, including how congestion pricing would impact low-income travelers, residents who live inside of congestion zones, or other vulnerable populations. Each city has considered discounts and/or tax credits as a mitigation policy for low-income residents. Most cities are considering aligning any discounts with existing low-income programs such as transit discount programs; others, such as San Francisco, are exploring a highly granular set of discounts based on income and disability considerations. Many of the cities are also studying how congestion pricing can be an equitable strategy if revenues are directed to investments in transit, bicycling, and walking infrastructure that benefit targeted populations.

Cities have often considered other policies to reduce congestion alongside congestion pricing. The cities in this study typically have begun their exploratory process by focusing on the broad goal of congestion reduction before narrowing down to specific strategies like congestion pricing. Some cities are considering complementary policies, such as low-emission and fossil fuel-free zones. Others are focused more narrowly on congestion pricing. Auckland, for example, is examining specific variations of a broad range of congestion reduction policy options.

The level of public engagement in each city's congestion pricing efforts has varied. Securing public buy-in is critical to congestion pricing implementation, given that many programs will require voter approval. Los Angeles, San Francisco, and Vancouver have engaged the public early and consistently in their planning processes and organized stakeholder groups to accompany the efforts. Similarly, Seattle is planning to engage the public throughout their exploratory process. Boston, New York City, and Auckland have offered one-off opportunities for public engagement, but appear to lack an ongoing or cohesive strategy for public engagement .

Cities are divided on the degree to which they prioritize environmental outcomes in their congestion pricing policies. Seattle, San Francisco, and Los Angeles all assign significant importance to reducing vehicle emissions through their congestion pricing programs. Specifically, Seattle is even considering policies that would exempt or discount the congestion price for zero-emissions vehicles. Auckland and Vancouver, however, have a primary focus on reducing congestion and are not considering emissions-based exemptions.

Conclusions

There are many examples of cities worldwide that have reported multiple co-benefits after implementing a congestion pricing strategy. For local governments still in the process of considering whether congestion pricing is an appropriate strategy for their communities, the policy dialogue has the potential to be both time-consuming and fraught with apprehension. The seven cities examined in this study have taken different paths toward possible implementation of congestion pricing, and their successes and challenges provide opportunities for other local governments to learn from.

More Information

This policy brief is drawn from the report "Lessons from Cities Considering Congestion Pricing," prepared by Jonathan P. Colner and Mollie Cohen D'Agostino of the University of California, Davis. The full report can be found here: https://www.ucits.org/research-project/2021-57/.

For more information about the findings presented in this brief, please contact Mollie Cohen D'Agostino at mdagostino@ucdavis.edu.

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