

THIS AGREEMENT (“Agreement”), made and entered into this 21st day of November, 2024, by and among the FEDERAL HIGHWAY ADMINISTRATION, UNITED STATES DEPARTMENT OF TRANSPORTATION, (hereinafter referred to as “FHWA”) and the NEW YORK STATE DEPARTMENT OF TRANSPORTATION, an agency of the State of New York, Triborough Bridge and Tunnel Authority, and New York City Department of Transportation, (hereinafter referred to as “NYSDOT, TBTA, and NYCDOT ”).

WITNESSETH:

WHEREAS, section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Public Law 102-240, as amended by section 1216(a) of the Transportation Equity Act for the 21st Century (TEA-21), and section 1604 (a) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA- LU), Pub. L. 109-59 (August 10, 2005) establishes the Value Pricing Pilot Program, hereinafter referred to as the “pilot program,” and permits the FHWA to allow the collection of tolls as part of the value pricing pilot program established under Section 1012(b); and

WHEREAS, Section 1012(b) of ISTEA, as amended, authorizes the Secretary of Transportation to enter into cooperative agreements with as many as fifteen (15) State or local governments or public authorities to establish, maintain, and monitor value pricing programs, or projects; and

WHEREAS, NYSDOT, through the execution of cooperative agreements for prior value pricing projects, is one of the fifteen participants in the pilot program; and

WHEREAS, NYSDOT has requested that the FHWA enter into an agreement with NYSDOT, TBTA, and NYCDOT related to establishing, maintaining, and monitoring a value pricing project, known as the Central Business District Tolling Program (CBDTP) (hereinafter referred to as the “Project”), as part of NYSDOT’s participation in the value pricing pilot program; and

WHEREAS, as part of the CBDTP value pricing pilot program, TBTA intends to toll an area which includes portions of highway facilities that have been constructed, reconstructed, rehabilitated, restored, resurfaced or maintained with title 23 funds as described in Attachment A, and made part of this agreement; and

WHEREAS, the FHWA has determined that this Agreement is necessary to oversee and administer the collection of tolls pursuant to Section 1012(b)(4) of ISTEA, as amended; and

WHEREAS, Section 1012(b) of ISTEA, as amended requires that all revenues received from the operation of a value pricing project be applied only toward the project’s operating costs (including project implementation costs; mitigation measures to deal with adverse financial effects on low-income drivers; the proper maintenance of the Project;

any reconstruction, rehabilitation, restoration, or resurfacing of the Project; any debt service incurred in implementing the project; a reasonable return on investment of any private person financing the project), and other projects eligible for assistance under title 23, United States Code; and

WHEREAS, this Agreement is neither intended to, nor shall it, result in the independent participation by TBTA and NYCDOT in the value pricing pilot program, it being expressly understood that TBTA's and NYCDOT's participation in the value pricing pilot project approved in this Agreement is (i) derivative of and only exists through NYSDOT's participation in the value pricing pilot program and (ii) limited to the Project; and

NOW THEREFORE, in consideration of the premises and mutual undertakings of the parties, and in conformity with all applicable laws, the NYSDOT, TBTA, NYCDOT, and FHWA hereby agree as follows:

- (1) The FHWA agrees that TBTA may operate the Project as a toll Project in accordance with the provisions of this Agreement and as a value pricing project, as part of NYSDOT's value pricing pilot program.
- (2) Pursuant to Section 1012(b) of ISTEA, as amended, TBTA will use all toll revenues received from the operation of the Project for the operating costs of the project as described in attachment A (including project implementation costs; mitigation measures to deal with adverse financial effects on low-income drivers; the proper maintenance of the Project; any reconstruction, rehabilitation, restoration, or resurfacing of the Project; any debt service incurred in implementing the project; a reasonable return on investment of any private person financing the project), and any other projects eligible for assistance under title 23, United States Code.
- (3) The toll rates applicable to the Project will vary as described in Attachment A. and in accordance with Section 1012(b) of ISTEA, as amended including Sec. 1012(b)(6) - HOV Passenger Requirements. Notwithstanding section 102(a) of title 23, United States Code, a State may permit vehicles with fewer than 2 occupants to operate in high occupancy vehicle lanes if the vehicles are part of a value pricing pilot program under this section. Sec. 1012(b)(7) - Financial Effects on Low-Income Drivers – Any value pricing pilot program under this subsection shall include, if appropriate, an analysis of the potential effects of the pilot program on low-income drivers and may include mitigation measures to deal with any potential adverse financial effects on low-income drivers.
- (4) TBTA shall conduct or have an independent auditor conduct an annual audit of toll Project records to verify compliance with use of revenues and report the results of the audits to FHWA.

- (5) As of the date of the execution of this Agreement, the imposition of tolls under this Agreement does not render Federal-aid highways within the State of New York generally ineligible for Federal-aid highway funds where such highways are otherwise eligible under the particular funding program.
- (6) NYSDOT, TBTA, and NYCDOT, as applicable, will continue to adequately maintain or cause to be adequately maintained, the highway facilities that have been constructed, reconstructed, rehabilitated, restored, or resurfaced or maintained with title 23 funds located in the Project.
- (7) That TBTA agrees, upon reasonable notice, to make all of its records pertaining to the Project subject to audit by the FHWA. TBTA agrees to annually audit the records of the Project for compliance with the provisions of this Agreement and report the results thereof to FHWA. In lieu of the TBTA performing said audit, a report of the New York State Comptroller or an independent auditor furnished to FHWA may satisfy the requirements of this section.
- (8) Effective on the date of this Agreement, the project is approved as a pilot program, and the following requirements shall apply:
 - a. In order to carry out Section 1012(b)(5) of ISTEA, as amended, the FHWA and NYSDOT, TBTA and NYCDOT will cooperate and work together in the implementation of the Project.
 - b. That TBTA and NYCDOT, as applicable, shall monitor and report on the project performance (Attachment B) from the date of implementation for a period of at least ten years or to the end of the life of the Project, whichever is sooner, to evaluate the effects on driver behavior, traffic volume, congestion, transit ridership, air quality, and availability of funds for transportation programs. Reports begin one year after the operation date and every two years thereafter.
 - c. That TBTA and NYCDOT will identify benefits the application of tolls has in reducing climate pollution.
 - d. That TBTA and NYCDOT will demonstrate the benefits mitigation measures provide to underserved communities.
- (9) That NYSDOT, TBTA and NYCDOT agree to comply with all Federal laws and requirements applicable to this project, including the laws and policies applicable to the Value Pricing Pilot Program. Such laws and requirements include, but are not limited to Section 1012(b) of ISTEA, as amended, the guidance implementing Section 1012(b) of ISTEA, and 23 CFR Part 940 and 950.

- (10) TBTA, through NYSDOT, agrees to provide FHWA notice of any proposed changes to the toll structure other than the phases set forth in Attachment A, a minimum of 60 days before such changes go into effect. Any such changes must be eligible pursuant to the VPPP enacted by section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Public Law 102-240, as amended by section 1216(a) of the Transportation Equity Act for the 21st Century (TEA-21), and section 1604 (a) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA- LU), Pub. L. 109-59 (August 10, 2005).
- (11) That NYSDOT, TBTA and NYCDOT agree they will work with FHWA to return the Project to its original operating condition if TBTA decides to discontinue tolls on the Project.
- (12) That this Agreement will be prepared in quadruplicate originals so that each signatory will have a signed Agreement. This Agreement may be signed in counterparts, each of which shall be deemed an original and taken together shall constitute one and the same agreement.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be duly executed, the day and year first written above.

STATE OF NEW YORK DEPARTMENT OF
TRANSPORTATION

BY: 

Title: Commissioner

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BY: 
Catherine T. Sheridan

Title: President

NEW YORK CITY DEPARTMENT OF TRANSPORTATION

BY: 
Ydanis Rodriguez

Title: Commissioner

FEDERAL HIGHWAY ADMINISTRATION
UNITED STATES DEPARTMENT OF TRANSPORTATION

BY: *Gleia M. Sepulveda*

Title: Executive Director

ATTACHMENT A – Project Description
ATTACHMENT B – Performance Metrics

Attachment A

Project Description

The CBD Tolling Program will implement a vehicular tolling program to reduce traffic congestion in the Manhattan Central Business District (“CBD”), consistent with the MTA Reform and Traffic Mobility Act. Traffic congestion is expected to be reduced by disincentivizing use of vehicles within the CBD by imposition of tolls, and concurrently by investments in transit that will incentivize use of transit systems instead of driving. The project purpose is to reduce traffic congestion in the CBD in a manner that will generate revenue for future transportation improvements, pursuant to acceptance into FHWA’s Value Pricing Pilot Program.

The CBD consists of the geographic area of Manhattan south and inclusive of 60th Street, but not including Franklin D. Roosevelt Drive (“FDR Drive”), West Side Highway/Route 9A, the Battery Park Underpass, and any surface roadway portion of the Hugh L. Carey Tunnel connecting to West Street (the West Side Highway/Route 9A).

TBTA will toll vehicles entering the CBD via a cashless tolling system. The toll amount will be variable, with higher tolls charges during peak periods when congestion is greater. The toll will apply to all registered vehicles (i.e., those with license plates), with the exception of qualifying vehicles transporting persons with disabilities, qualifying authorized emergency vehicles, transit buses, and specialized government vehicles. Passenger vehicles will be tolled no more than once a day. Taxis and for-hire vehicles (“FHVs”) will be tolled on a per-trip basis for rides carrying passengers occurring wholly or partially within the CBD.

The Project will use the same tolling infrastructure and tolling system equipment described and evaluated in the Final Environmental Assessment for the Project (the “Final EA”).

The environmental commitments made in the Finding of No Significant Impact will be implemented as described in the Environmental Documents.

To address effects to low-income drivers, the Project will include a tax credit for CBD tolls paid by residents of the CBD whose New York adjusted gross income for the taxable year is less than \$60,000. TBTA will coordinate with the New York State Department of Taxation and Finance to ensure availability of documentation needed for drivers eligible for the tax credit. In addition, the Project commits, for five years, to a Low-Income Discount Plan offering low-income frequent drivers a 50 percent discount on the full E-ZPass toll rate after the first 10 trips in each calendar month (excluding the overnight period, which will already be deeply discounted).

The toll amounts will be graduated over a six year period in accordance with the toll rate schedule below. Phase 1 will span 2025 through 2027, Phase 2 will span 2028 through 2030, and Phase 3 will commence in 2031.

Toll Rate Schedule

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CENTRAL BUSINESS DISTRICT (CBD) CHARGES							
		PHASE 1 2025-2027		PHASE 2 2028-2030		PHASE 3 starting 2031	
a	E-ZPass Customers	CBD ENTRY CHARGE	TUNNEL CROSSING CREDIT	CBD ENTRY CHARGE	TUNNEL CROSSING CREDIT	CBD ENTRY CHARGE	TUNNEL CROSSING CREDIT
VEHICLE CLASSIFICATION							
1	Passenger and other vehicles, including sedans, sport utility vehicles, station wagons, hearses, limousines, pickup trucks with factory beds, pickup trucks with caps below the roofline and not extending over the sides, and vans without an extended roof above the windshield Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period for registered Low-Income Discount Plan participants using an eligible vehicle, 11th trip and trips thereafter in a calendar month (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: (maximum daily credit \$5.00) If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$9.00 \$4.50 \$2.25	 \$3.00 \$1.50	\$12.00 \$6.00 \$3.00	 \$4.00 \$2.00	\$15.00 \$7.50 \$3.75	 \$5.00 \$2.50
2	Single-unit trucks, including non-articulated trucks, pickup trucks with modified beds, vans with modified body behind the drivers cab, pickup trucks with caps above the roofline or extending over the sides, and vans with an extended roof above the windshield Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$14.40 \$3.60	 \$7.20 \$3.60	\$19.20 \$4.80	 \$9.60 \$4.80	\$24.00 \$6.00	 \$12.00 \$6.00
3	Multi-unit trucks, including articulated trucks where a power unit is carrying one or more trailers Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$21.60 \$5.40	 \$12.00 \$6.00	\$28.80 \$7.20	 \$16.00 \$8.00	\$36.00 \$9.00	 \$20.00 \$10.00
4	Buses, including vehicles registered with the DMV and plated as a bus, omnibus, or have other designated official plates Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends) Licensed sightseeing buses Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$14.40 \$3.60 \$21.60 \$5.40	 \$7.20 \$3.60 \$12.00 \$6.00	\$19.20 \$4.80 \$28.80 \$7.20	 \$9.60 \$4.80 \$16.00 \$8.00	\$24.00 \$6.00 \$36.00 \$9.00	 \$12.00 \$6.00 \$20.00 \$10.00
5	Motorcycles Peak period (5am-9pm weekdays, 9am-9pm weekends) Peak period per-trip credit: If entering the CBD via the Lincoln Tunnel or Holland Tunnel If entering or exiting the CBD via the Queens-Midtown Tunnel or Hugh L. Carey Tunnel Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$4.50 \$1.05	 \$1.50 \$0.75	\$6.00 \$1.40	 \$2.00 \$1.00	\$7.50 \$1.75	 \$2.50 \$1.25

E-ZPass CBD entry charges are available subject to terms, conditions, and agreements established by the Authority.

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight, or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the CBD charge for any such vehicle of unusual or unconventional design, weight, or construction. Any single unit vehicle identified as belonging to Classes 1, 2, or 5 will be up-classed to the next toll class when towing a trailer or another vehicle.

Daily toll cap of once per day for Class 1 and Class 5 vehicles. Caps for other vehicles are subject to change pursuant to the adaptive management approach to mitigating project effects, as committed to in the Final Environmental Assessment.

CBD entry charges and tunnel credits are subject to a variable percentage increase/decrease of up to 10% for up to one year after implementation pursuant to the adaptive management approach to mitigating project effects, as committed to in the Final Environmental Assessment.

The Low-Income Discount Plan shall continue for five years as committed to in the Final Environmental Assessment.

The Authority reserves the right to charge a 25% higher CBD charge during Gridlock Alert Days. Each year, the NYCDOT identifies Gridlock Alert Days during the UN General Assembly and throughout the holiday season when heavy traffic is expected in Manhattan. On Gridlock Alert Days, consider walking, biking, or taking mass transit for any trips in Manhattan.

Qualifying authorized emergency vehicles and qualifying vehicles transporting persons with disabilities are exempt pursuant to Vehicle and Traffic Law § 1704-a (2).

Qualifying authorized commuter buses and specialized government vehicles, as determined by the Authority, are exempt.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CENTRAL BUSINESS DISTRICT (CBD) CHARGES							
		PHASE 1 2025-2027		PHASE 2 2028-2030		PHASE 3 starting 2031	
b Customers Using Fare Media Other Than E-ZPass		CBD ENTRY CHARGE	PER TRIP CHARGE PLAN* (TO/FROM/ WITHIN/ THROUGH CBD)	CBD ENTRY CHARGE	PER TRIP CHARGE PLAN* (TO/FROM/ WITHIN/ THROUGH CBD)	CBD ENTRY CHARGE	PER TRIP CHARGE PLAN* (TO/FROM/ WITHIN/ THROUGH CBD)
VEHICLE CLASSIFICATION							
1	Passenger and other vehicles, including sedans, sport utility vehicles, station wagons, hearses, limousines, pickup trucks with factory beds, pickup trucks with caps below the roofline and not extending over the sides, and vans without an extended roof above the windshield Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$13.50 \$3.30		\$18.00 \$4.40		\$22.50 \$5.50	
2	Single-unit trucks, including non-articulated trucks, pickup trucks with modified beds, vans with modified body behind the drivers cab, pickup trucks with caps above the roofline or extending over the sides, and vans with an extended roof above the windshield Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$21.60 \$5.40		\$28.80 \$7.20		\$36.00 \$9.00	
3	Multi-unit trucks, including articulated trucks where a power unit is carrying one or more trailers Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$32.40 \$8.10		\$43.20 \$10.80		\$54.00 \$13.50	
4	Buses, including vehicles registered with the DMV and plated as a bus, omnibus, or have other designated official plates Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends) Licensed sightseeing buses Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$21.60 \$5.40 \$32.40 \$8.10		\$28.80 \$7.20 \$43.20 \$10.80		\$36.00 \$9.00 \$54.00 \$13.50	
5	Motorcycles Peak period (5am-9pm weekdays, 9am-9pm weekends) Overnight period (9pm-5am weekdays, 9pm-9am weekends)	\$6.75 \$1.65		\$9.00 \$2.20		\$11.25 \$2.75	
	NYC TLC taxis, green cabs, for-hire vehicles (FHVs) Taxis, green cabs, and FHVs on trips FHVs on trips dispatched by high-volume for-hire services (HVFHSs)		\$0.75 \$1.50		\$1.00 \$2.00		\$1.25 \$2.50

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight, or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the CBD charge for any such vehicle of unusual or unconventional design, weight, or construction. Any single unit vehicle identified as belonging to Classes 1, 2, or 5 will be up-classed to the next toll class when towing a trailer or another vehicle.

Daily toll cap of once per day for Class 1 and Class 5 vehicles. Caps for non-passenger vehicles are subject to change pursuant to the adaptive management approach to mitigating project effects, as committed to in the Final Environmental Assessment.

NYC TLC taxi, green cab, and FHV tolls are to be paid by the passenger pursuant to Rules of City of NY Taxi & Limousine Comm (35 RCNY) §§ 58-26 (f), 59A-23 (b), 59D-17 (c).

CBD entry charges and per trip charges are subject to a variable percentage increase/decrease of up to 10% for up to one year after implementation pursuant to the adaptive management approach to mitigating project effects, as committed to in the Final Environmental Assessment.

The Authority reserves the right to charge a 25% higher CBD charge during Gridlock Alert Days. Each year, the NYCDOT identifies Gridlock Alert Days during the UN General Assembly and throughout the holiday season when heavy traffic is expected in Manhattan. On Gridlock Alert Days, consider walking, biking, or taking mass transit for any trips in Manhattan.

Qualifying authorized emergency vehicles and qualifying vehicles transporting persons with disabilities are exempt pursuant to Vehicle and Traffic Law § 1704-a (2).

Qualifying authorized commuter buses and specialized government vehicles, as determined by the Authority, are exempt.

*Subject to full execution of and in compliance with plan agreement by FHV bases and taxi technology system providers.

ATTACHMENT B – Performance Metrics

As developed in the Final EA and the Reevaluations for the Project dated June 2024 and November 2024, the performance metrics of the system for evaluating the effectiveness of the pilot program and managing congestion are related to reducing vehicles entering the CBD and reducing VMT within the CBD. For reference, the amount of congestion reduction within the CBD for the toll structure is as follows::

- Reduce daily vehicle miles traveled (VMT) within the Manhattan CBD by 6.4 percent (Phase 1) to 8.9 percent (Phase 3)
- Reduce the number of vehicles entering the Manhattan CBD by 13.4 percent (Phase 1) to 17 percent (Phase 3)

Another important factor for measuring congestion reduction in the CBD related to transit investment is transit ridership in the CBD.:

- Increase in transit use entering the CBD.

The program will be collecting a significant amount of data to assess, track, and trend the direct and indirect effects of the project. These data, which are described in the following bullets, will be made public on a regular basis in open data format to the greatest extent practicable.

Direct Congestion Measures

- Vehicle entries into the CBD (by type of vehicle, day of week, time of day)
- Historic volumes entering the CBD (average fall weekday/weekend, time of day)
- Taxi and FHV trips to, from, and within the CBD
- Taxi and FHV VMT within the CBD

Indirect Congestion Measures

- System-wide transit ridership for transit services providing CBD-related service (monthly total ridership by mode and transit operator)
- Metropolitan Transportation Authority bus speeds within the CBD
- Capital projects funded or financed through Project revenue

Monitored and Modeled Air Quality Measures

- PM2.5
- Nitrogen Oxides
- Ozone: via modeling
- Greenhouse Gases

Reporting on revenue and for audit purposes

- Project revenue
- Project capital and operating expenses