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DSNY AND BIC RELEASE STUDY SHOWING POTENTIAL BENEFITS OF COMMERCIAL WASTE COLLECTION ZONES

Collection zones would dramatically reduce truck traffic and greenhouse gas emissions associated with waste collection

The Department of Sanitation and Business Integrity Commission today released the results of a study of the City’s private carting industry. Private carting companies collect more than three million tons per year of waste and recyclables from the City’s restaurants, hotels, offices, and other commercial establishments. The study, first proposed in “One New York: The Plan for a Strong and Just City,” found that establishing commercial waste collection zones could reduce truck traffic associated with commercial waste collection by 49 to 68 percent and reduce greenhouse gas emissions by 42 to 64 percent.

Over the next two years, DSNY and BIC will work with a broad group of stakeholders including businesses, the private carting industry, and environmental justice advocates to develop an implementation plan for commercial waste reform in New York City. The plan will layout a framework for establishing commercial waste collection zones that will improve customer service standards, achieve the City’s environmental goals, set clear standards for worker safety, and allow for new investments in recycling infrastructure and cleaner trucks.

“The magnitude of the improvements in air quality and reduction in truck traffic coupled with the projected stable pricing for businesses the study found are compelling reasons for implementation of commercial waste collection zones,” said Sanitation Commissioner Kathryn Garcia. “This study is the first step toward developing a more efficient and effective commercial waste collection system in New York City for businesses, employees and the public at large. We are excited to work with City Council and industry partners to develop a comprehensive plan to achieve these environmental benefits while also improving safety standards for workers and achieving our zero waste goals.”

“The trade waste industry has made great strides in the last twenty years since the Business Integrity Commission was formed. However, the results of the study released today are compelling. It is clear that we should move ahead in our examination of how a zone collection model for commercial waste removal in the City could help (i) reduce truck traffic and vehicle
emissions, (ii) achieve greater recycling rates, especially for organic materials, (iii) and create greater uniformity in the trade waste industry as a whole. BIC particularly thanks the DSNY staff who worked very hard and effectively to manage the study with the consultants. Going forward, as we look to fashion the right zone collection system for the specific needs of New York, it will be critical that the interests of all affected parties are part of the design conversation,” said Commissioner of the Business Integrity Commission Daniel Brownell.

The study was conducted by a team of consultants that included BuroHappold, Sam Schwarz Engineering, Appleseed, and Paul Carpenter Associates. The study reveals that the current open-market commercial waste system generates excess truck traffic, is highly concentrated among a few carters, has little transparency in pricing, and prevents private carting companies from achieving efficiencies that allow investments in recycling initiatives or cleaner trucks. Today, commercial waste trucks travel over 23 million miles annually to collect refuse and recycling material from over 108,000 businesses.

A commercial waste collection zone system would divide the City into several geographic zones and assign private carters to serve businesses within each zone through a competitive bidding process. In this type of system, the study shows, truck would travel much less distance, resulting in far less overlapping truck traffic on commercial streets and highways.

Collection zones would reduce truck traffic by an estimated 49 to 68 percent as measured in vehicle miles travelled (VMT) along with a 42 to 64 percent reduction in associated greenhouse gas emissions. The study also found that collection zones would reduce other air pollutants, including those most closely linked with asthma and other respiratory illnesses, by between 34 and 62 percent. Reducing commercial collection truck traffic will lead to cleaner air, less traffic, safer streets, and quieter nights in neighborhoods across New York City.

“I want to thank the Administration, particularly the Department of Sanitation, for taking on this complicated issue,” said Council Member Antonio Reynoso, Chair of the Council Committee on Sanitation. “Since I’ve been overseeing the private carting industry as Chair of the Council’s Committee on Sanitation, I’ve referred to it as the ‘wild, wild west’ because it is inefficient and unregulated. A collection zone system will give us the opportunity to promote sustainability, improve worker safety, get dangerous trucks off the streets, and in general improve what is now a very problematic industry. I look forward to working with DSNY, businesses, industry representatives, and advocates to create an implementation plan that will transform our current system into a sustainable model for the future.”

Council Member Brad Lander said: “By moving to zoned-collection for commercial waste, we can reduce emissions, improve recycling, transform bad jobs into good ones, and save money for many small businesses. We’re thrilled that the DSNY study reveals the strong benefits of switching to a zoned system, and look forward to working with them on legislation to make it a reality for NYC.”

"Trash pickup and waste management is a fundamental piece of keeping a large city running -- with huge impacts on sustainability, quality of life, small business, and public health," said Manhattan Borough President Gale A. Brewer. "These proposed reforms to private carting
have the potential to reduce pollution, improve labor standards, and make this industry work better. I look forward to working with the Manhattan Solid Waste Advisory Board to review and assist with this promising new policy shift

"I thank DSNY Commissioner Garcia and BIC Commissioner Brownell for their close study of the private carting industry in our city, results that make a compelling case for meaningful commercial waste reform," said Brooklyn Borough President Eric L. Adams. "There is an environmental and public health imperative that we face to clean up the air we breathe, just as there is a substantial need to address the traffic and noise pollution concerns that have long hampered neighborhood quality of life. I look forward to working with the de Blasio administration to further the work toward a cleaner, safer, and more holistically equitable city for everyone."

“Meeting the City’s climate change goals will require aggressive action and collaboration. This study presents a clear opportunity to improve how private carting works across the city, resulting not only in more efficient operations, cleaner air, and quieter nights for all New Yorkers, but also reduced greenhouse gas emissions that come from optimizing trucking routes,” said Daniel Zarrilli, NYC’s Senior Director for Climate Policy and Programs and Chief Resilience Officer. “This Zero Waste initiative, as part of our OneNYC program, is helping us to build a more sustainable, more resilient, and more equitable city.”

The study also included a market assessment of the commercial waste industry. Those analyses found:

- Nearly 90 private carters serve approximately 108,000 customers in New York City.
- The market is highly concentrated: the five largest carters serve 46 percent of all customers and collect 55 percent of all revenue, and the 20 largest carters serve 81 percent of customers and collect 84 percent of all revenue.
- Private carters are geographically dispersed, 38 percent of carters with fewer than 1,000 customers operate in three or more boroughs.
- Half of carters reported an operating loss in 2013.
- There is little transparency on how rates are established, but commercial customers pay on average approximately 30 percent less than the rate cap set by BIC.
- Large customers pay on average 38 percent less than small businesses, who often lack pricing transparency and formal written contracts.
- With the exception of Staten Island, there is little connection between geography and rates paid by customers.

The study includes case studies from three other cities that have moved to implement commercial waste zones: Seattle, San Jose, and Los Angeles. In Seattle, two carters were awarded zones, and operational efficiencies led to a decrease in customer rates of approximately eight percent. In 2012, San Jose implemented a citywide commercial waste franchise with two hauling and disposal vendors. There, 58 percent of customers saw their rates decrease, while 42 percent of customers saw rates increase. While Los Angeles has not yet completed its transition to franchising, a study commissioned by the City of Los Angeles showed
that in Los Angeles County, rates were lower on average in municipalities with exclusive or non-exclusive commercial waste franchises than in the City of Los Angeles open market system.

An analysis of available worker and traffic safety data indicated that crashes and other safety incidents are generally under-reported in the private carting industry, except in the case of severe injury or fatality. Most private carting crashes occurred between midnight and 6:00 AM, and employees reported in interviews that the desire for efficiency can overshadow safety concerns and incentivize workers to complete their routes as quickly as possible. Occupational Safety and Health Administration through 2011 showed that average annual days away from work were higher for private carting employees than for other businesses in New York City, although the average case rate is lower for private carters. In addition, the study found that large carting companies had significantly more robust safety and training programs compared to small companies.

Read the full results of the study here: nyc.gov/privatecarting.

"The results of this study show the potential that commercial franchise zones have to significantly reduce emissions from garbage truck traffic and to boost organic waste recycling in the commercial sector. If these operational efficiencies are fully realized, it will be a great help toward staying on track to meet the City's OneNYC goals. We applaud Mayor de Blasio, DSNY, and BIC for their thoughtful consideration of this proposed solution and for bringing together a diverse group of stakeholders to craft an implementation plan that takes into account environmental justice, business, and the private carting industry," said Marcia Bystryn, President of the New York League of Conservation Voters.

“This study offers proof positive that a commercial waste zone approach could slash diesel truck traffic, global warming emissions and ground level air pollution in neighborhoods across this city. And it holds the potential for increased recycling, more sustainable waste handling, and justice for private sanitation workers. We welcome this authoritative analysis and look forward to working with Mayor de Blasio and Sanitation Commissioner Garcia to insure that the progressive goals we share are translated into a lasting reform of the commercial waste system, “ said Eric A. Goldstein, New York City Environment Director at the Natural Resources Defense Council.

“The Rockefeller Foundation is committed to making cities around the world more resilient and today's announcement moves New York City closer to that goal,” said Peter Madonia, Chief Operating Officer, The Rockefeller Foundation. “I applaud the City for its commitment to working with businesses, the carting industry, and other stakeholders to improve the handling of commercial waste in the five boroughs. This effort is critical to achieving the City's OneNYC resilience goals.”

"ALIGN applauds the decision of Mayor de Blasio and Sanitation Commissioner Garcia to reform of the private sanitation industry and implement commercial waste zones. This marks a major turning point for New York City after years of harm communities, workers, and the environment. We are eager to work together for this change that will cut emissions, improve
worker safety, and help meet NYC’s 2030 zero waste goal.” Matt Ryan, Executive Director, ALIGN.

Eddie Bautista, Executive Director, NYC-EJA, said: The NYC Environmental Justice Alliance applauds Mayor de Blasio, the Department of Sanitation and the Business Integrity Commission for tackling NYC’s largest unresolved solid waste challenge: our commercial waste system. For nearly three decades, low income communities of color have sought relief from an inefficient “free market” commercial waste system that consigned the vast majority of the City’s commercial waste handling to a handful of communities of color. By pursuing commercial waste zones, the City of NY stands to drastically reduce truck traffic, greenhouse gasses and other co-pollutants, while driving up commercial recycling rates - thereby helping us meet Mayor de Blasio’s twin goals of reducing NYC’s carbon footprint and reaching for Zero Waste solutions. We again applaud the Mayor’s commitment to addressing the City’s sustainability goals in a more environmentally just manner. We welcome the opportunity to work with the Administration on helping design a commercial waste zoning system that works for all New Yorkers - particularly low income communities of color still reeling from a disparate solid waste system and the concentration of waste transfer stations.”

“Mayor de Blasio’s plan will transform commercial sanitation to protect New York City residents, workers, and businesses,” said George Miranda, President of Teamsters Joint Council 16, whose affiliate locals represent public and private sanitation workers in New York City. “The administration collected the data and these facts don’t lie. Today’s private sanitation industry is grossly inefficient, impacting our roads, air quality, and safety. This is the plan we need to create a private sanitation industry that New York can be proud of.”

“Our members at the Department of Sanitation have safety protections at work and take a fair paycheck home to their families,” said Harry Nespoli, President of Teamsters Local 831, the Uniformed Sanitationmen’s Association. “All workers deserve respect, a safe environment, and a fair wage.”

Justin Wood, New York Lawyers for the Public Interest, said: “The reform supported by this unprecedented report is a win for NYC’s small businesses, our communities, and our shared environment. Most small business owners are eager to cost-effectively recycle more and see less garbage on the streets, but the current ad-hoc waste system offers them very little in the way of incentives, education, and accountability on recycling and waste reduction. Lacking market leverage, small businesses also pay 38% more for garbage services than larger customers. A competitive waste zone system will ensure that all customers are treated equitably, will reward businesses for diverting waste from landfills, and will ensure that waste haulers provide the education and customer service necessary to boost our citywide recycling rate.”

“Establishing commercial waste collection zones is an important step in New York City’s initiative to eliminate traffic fatalities and serious injuries,” said Paul Steely White, Executive Director of Transportation Alternatives. “Our neighborhoods already have far too much dangerous truck traffic, and the way commercial haulers currently pick up waste makes the problem much worse. We thank Mayor de Blasio for showing Vision Zero leadership by making
this recommendation as part of a larger effort to make waste hauling companies' operating practices safer."

“We have been working in the shadows for too long, but Mayor de Blasio is shining the light on this industry,” said Sean Campbell, President of Teamsters Local 813, which represents private sanitation workers in New York City. “What was once a good, union job is now too often a dangerous, low-wage job. The reforms that Mayor de Blasio announced today are giving renewed hope to the working families of the New York commercial sanitation industry that they can have the American Dream too.”

"We applaud the Mayor, Department of Sanitation and Business Integrity Commission on taking this step to create a better commercial waste industry and a healthier city." Bill Lipton, New York State Director, Working Families Party said. "Establishing commercial waste zones should reduce truck traffic, improve our air quality, and help us meet our climate goals. This is a step forward for New York that will improve our communities health and standards for workers in the industry - turning the current chaos into a system that works for all New York's working families."

Deborah Axt Co-Executive Director, Make the Road New York, said: We commend the Mayor for initiating much needed improvements in the private sanitation industry. Community members, small business and workers will benefit from increased transparency and stricter sustainability goals. Improving labor standards in the industry is of particular importance. The majority of private sanitation workers are immigrants and people of color, far too of whom are scraping by on poverty wages and laboring in dangerous, unsanitary conditions. We look forward to a private sanitation industry that better serves the needs of all New Yorkers.

Assemblyman Michael DenDekker (D-East Elmhurst): “The recommendations in this study highlight New York City and the Department of Sanitation’s commitment to better environmental practices and a higher standard of living for all New Yorkers. These commercial waste zones have the potential to dramatically reduce truck traffic and emissions, and I commend the Department of Sanitation and the Business Integrity Commission for their work on this issue.”

“Taking action to avert climate change requires us to rethink virtually everything we do,” said Assemblymember Brian Kavanagh, who chairs the New York State Caucus of Environmental Legislators. "Fortunately – as with so many other measures that will help us reduce climate changing pollution – the reforms proposed for the commercial carting industry will have many benefits, including safer, quieter, less congested streets and reduced costs for small businesses. I applaud Commissioners Garcia and Brownell for taking this on.