



October 17, 2024

The Last-Mile Coalition respectfully submits the following comments on the New York City Department of Transportation's (DOT) proposal to amend Section 4-08 of the Traffic Rules to establish and implement a permit for the use of microhubs as part of a pilot program mandated by Local Law 166 of 2021 to aid in congestion reduction and increase freight sustainability. While we appreciate the efforts of DOT to combat the negative environmental and safety effects of truck deliveries, we have several concerns regarding the equitable implementation of this program.

Microhubs represent a crucial strategy for addressing the impacts of last-mile warehouses and the e-commerce industry; however, several considerations must be addressed to ensure this program benefits all communities equitably, particularly environmental justice communities.

Prioritize genuine community engagement and local workforce development

Robust community engagement is vital for the success of the microhubs program. To ensure this, we urge DOT to implement a transparent process that involves residents, organizations, Community Boards, and Council members in the siting and operation of microhubs. Additionally, job opportunities associated with the microhubs program should be made public, and operators should be required to prioritize hiring from within the local community before a permit is issued. This engagement will allow DOT to prioritize the needs and concerns of the community to ensure a successful program.

Advance environmental justice and facilitate equal distribution

The rise of e-commerce in recent years, particularly during the pandemic, has led to an acknowledgment that this industry needs to be regulated. The Department of City Planning's (DCP) City of Yes for Economic Opportunity noted that the rise of e-commerce is identified as a critical macroeconomic trend necessitating reform and to help address the impacts of the e-commerce industry, the agency proposed "micro distribution facilities." Furthermore, the City recently committed to propose and advance a zoning change application that would regulate last-mile warehouses via the City Planning Commission special permit processes and to work alongside the City Council to advance legislation that would empower the City's Department of Environmental Preservation to enact an indirect source rule to regulate emissions associated with these warehouse operations.

Given the proliferation of last-mile e-commerce warehouses in environmental justice communities, the microhub locations must be equitably distributed across all neighborhoods. These locations must align with existing and soon-to-be-established zoning regulations and DOT must ensure that any necessary zoning adjustments are made transparently, with meaningful community input, to prevent unintended harm to local neighborhoods. To avoid



potential increases in vehicle miles traveled and tailpipe emissions, DOT must work alongside DCP and other sister agencies to ensure that environmental justice communities are not unfairly burdened with increased pollution and vehicular traffic due to the siting and operation of microhubs, notably as micro-distribution facilities begin to appear along with more last-mile and mega e-commerce warehouses start operating. Clarification from DOT and DCP on the interaction between microhubs, larger e-commerce warehouses, and other components of the logistics chain would provide a clearer illustration of how all of these sites are working together to reduce vehicular traffic and tailpipe emissions.

Lastly, we strongly recommend that DOT require operators to use zero-emission vehicles or that operators will only be allowed to operate zero-emission vehicles by a specified future date. DOT must prioritize the health of communities by ensuring a shift to an emissions-free transportation sector. Given the City's climate goals and the objective of the microhubs program, mandating zero-emission vehicles can reduce tailpipe emissions and vehicular traffic to combat climate change.

Impose clear guidelines and standards for effective enforcement

Establishing clear guidelines to prevent microhubs from exacerbating environmental impacts in vulnerable communities is important. Clarity on where microhub operations can be conducted, whether on city-owned property, right-of-way locations, or private property, is necessary. Similarly, setting a minimum and maximum size for microhubs can help ensure that they are appropriately equipped to handle the volume of incoming and outgoing deliveries without occupying excessive space. Likewise, establishing a specific delivery radius for each microhub is essential to minimize the environmental impacts on the neighborhoods where these sites will be located. DOT must also include restrictions to ensure that microhubs do not impede pedestrian traffic or accessibility to avoid becoming disruptive barriers for residents. By the same token, DOT must ensure to incorporate the location of bus stops, bus lanes, and bicycle lanes when determining microhub locations and work with operators to guarantee these pathways and stops are not impacted by microhub operations.

Furthermore, effective enforcement mechanisms must be established to ensure compliance and to prevent increases in vehicle miles traveled and tailpipe emissions in communities. Clarity regarding the financial responsibility for necessary infrastructure improvements is missing. The permit holder should bear the cost of any additional financial burden to establish the microhub and upgrades to the site, including site upgrades such as the installation of solar panels and public electric vehicle charging stations available after hours. Additionally, strict penalties should be enforced for operators who fail to utilize sustainable modes of transportation methods, alongside stringent idling restrictions for vehicles associated with microhub operations, both for vehicles delivering packages to the microhub site and for vehicles delivering the packages from the microhub location. For operators to uphold community standards and foster a positive environment, guidelines to ensure microhub spaces remain clean and accessible after hours are



imperative. These measures are critical to reducing harmful emissions and improving air quality in communities where microhubs are sited.

In closing, the microhubs program is an opportunity to address the impacts of the e-commerce industry. To ensure its success, DOT must prioritize equity, community engagement, and environmental protection. By incorporating guidelines to address the concerns outlined above, the microhubs program can fulfill its intended objectives and support the City in achieving its climate targets in reducing emissions and vehicle miles traveled to improve air quality.

Thank you for considering these comments and we welcome the opportunity to meet with your team to discuss these further.

Sincerely,

The Last-Mile Coalition