Moving to Our Future:
Pricing Options for Equitable Mobility

Task Force Meeting #6

July 13, 2020

Zoom orientation

Tonight, we're using a new Zoom format!

General guidelines for Task Force members:

- Mute when you're not speaking
- Hold questions and comments for designated discussion times
- "Raise your hand" when you'd like to speak

For audience members:

- We ask that you mute yourself and turn your video off, except during public comment opportunities

Please keep the chat open for technical troubleshooting

Agenda

Time	Agenda item
6:00 p.m.	Welcome and housekeeping • Agenda review • Finalize meeting #5 summary • Public comment
6:10 p.m.	Project Updates
6:25 p.m.	Staff Presentation • Parking Pricing in Portland today • New ideas for Task Force consideration
6:50 p.m.	Task Force discussion • Identifying priorities • Initial screening with Equitable Mobility Framework (small groups) • Full group report out • What happens next?
7:55 p.m.	Wrap up

Meeting #5 Summary

Any questions or edits before finalizing?

Public Comment

(POEMcomments@portlandoregon.gov)

Project Updates

Key updates since our last meeting:

- Strategy Team transition
- Current conditions "snapshot" in the works
- Ongoing learning and discussion of how we center our work on racial justice
  - Proposed revision to the Equitable Mobility Framework to emphasize disparities in personal safety in the public realm

Equitable Mobility Framework Updates

This framework prioritizes extending benefits, reducing disparities and improving safety for Black people, Indigenous people and People of color (BIPOC communities). Leading with race, the Framework will also be used to consider impacts on people with disabilities, low-income individuals, multi-lingual individuals and displaced communities.

Why center race? Because racism is a contributing factor to disparities in equitable mobility: unequal access to mobility options, sustainability and health outcomes, experiences of safety in public space and economic opportunity. Addressing racism itself must be part of the work of creating a more equitable transportation system.

Equitable Mobility Framework Updates

Safety	Description
Traffic Safety	Improve safety of the system, e.g. crash risk
Personal Safety	~~Enhance safety and perceived safety by individual users in the public realm~~ **Ensure freedom from threat and fear of emotional, psychological, and physical harm when using public space**

Reminder: Where we are in our process and where we're going

Updated Task Force Workplan

Phase 1

Jan: Kick-off
Feb: How we got here
Mar: Equitable mobility workshop
April: Equitable mobility continued; COVID discussion

Phase 2:
Policy Overview

May: Snapshot – transportation funding; high level overview pricing tools
Ongoing: continued learning about COVID impacts, racial justice needs & mobility

Phase 3:
Portland pricing strategies + near-term priorities

July – Dec:
-Parking
-Tolling
-Commercial services
-Complementary Strategies

Phase 4:
Longer-term, regional pricing strategies

Jan – Mid-2021:
-Cordons
-VMT/Road usage charges
-Complementary Strategies
-Conditions of readiness

Phase 5:
Final report and next steps

Refine recommendations

Final analysis

Report development and next steps

Within Phases 3 and 4:

- How do we use this pricing strategy today? (if relevant)
- What other strategies could we consider?
- If implemented, what design parameters should the City consider?
- What complementary strategies should we prioritize for some revenue reinvestment?
- THROUGHOUT: How might this impact equitable mobility?

Phase 3 work plan:

Portland pricing strategies + near-term priorities

July

- **Parking intro, EMF screening**

August

- **Tolling intro, EMF screening**

September

- **Commercial services intro, EMF screening**

October - December

Review technical analysis of strategies for these topics

Use EMF to refine ideas and further explore complementary strategies

Develop design parameters and recommendations

The City isn't the always the implementor:

City of Portland pricing strategies

- Parking
- Commercial fleets
- Right-of-way access

Interjurisdictional pricing strategies (City provides input)

- Tolling
- VMT-based charges
- Cordons

Staff Presentation: Pricing Parking in Portland Today

Why price or manage parking?

Parking pricing can help:

- Reduce vehicle miles traveled by discouraging driving
- Use available space most efficiently, which helps:
  - Support the use of other travel modes like walking, biking, taking transit
  - Support commercial activity and services
- Give priority or accommodations for certain vehicles, like those using low-carbon fuels, disability parking, delivery vehicles, etc.
- Capture the true costs of driving and parking a car (air pollution, carbon emissions, road maintenance costs, safety costs, etc.)

Parking Management throughout the City

- *On-street parking:* parking in the public right-of-way (can be free or priced through meters or permits)
- *Off-street parking:* garages or lots outside of the right-of-way (can be free or priced, public or private)

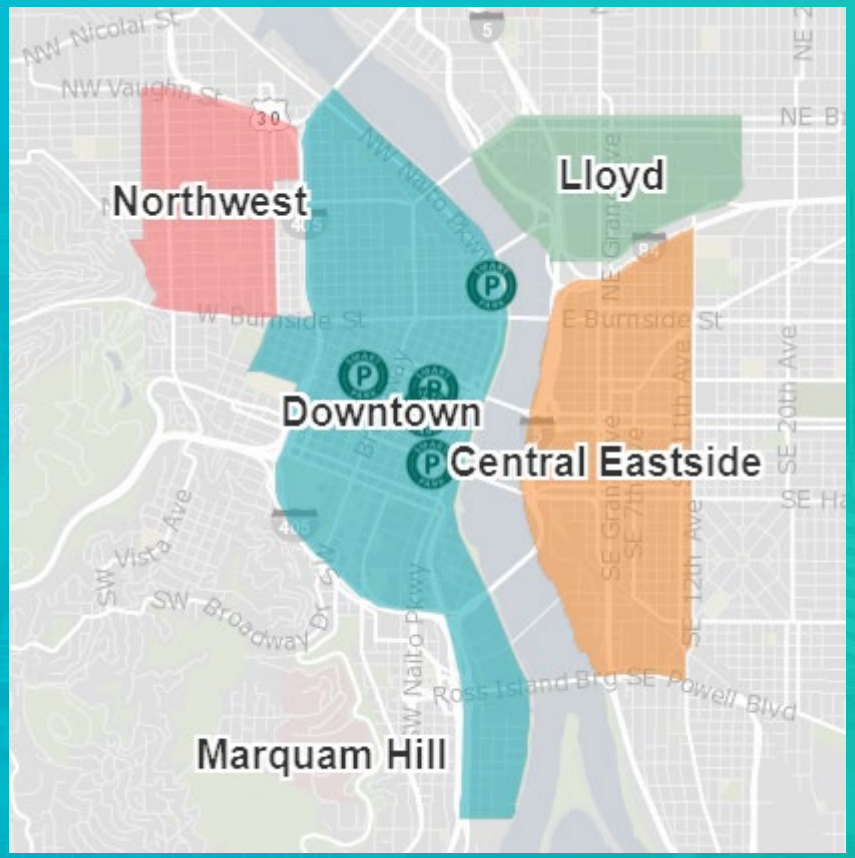
Tonight, we will discuss strategies in two buckets:

- Public Parking – Provided and managed by the City
- Private Parking – Owned/managed by private operators

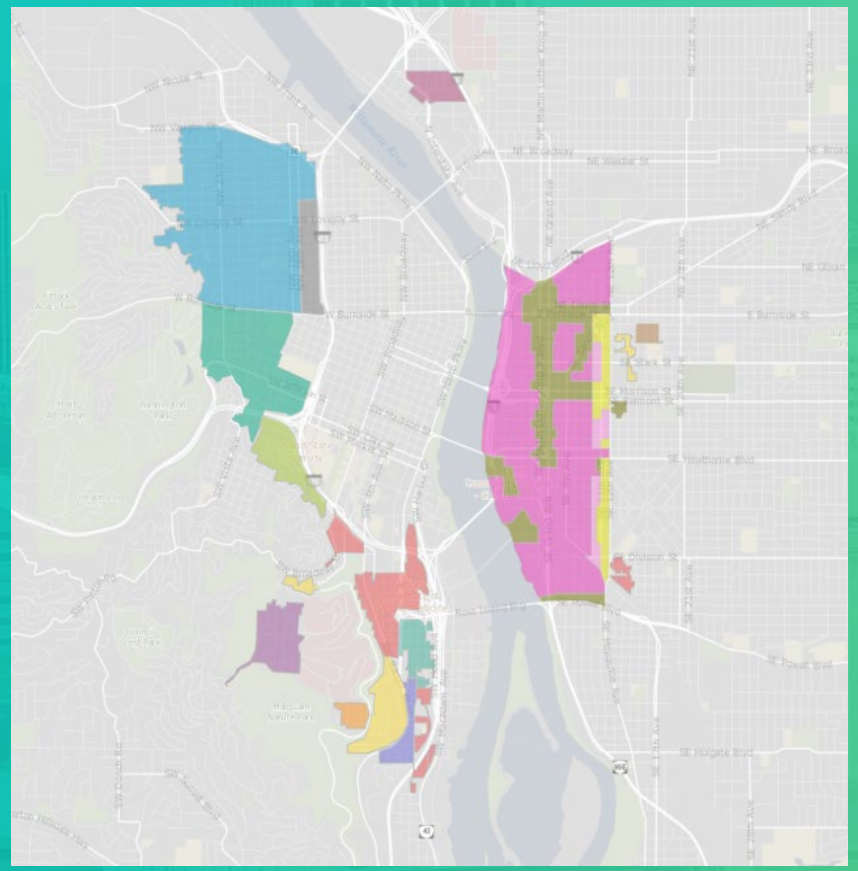
Public and private parking management must happen in tandem to truly meet the goals described previously

Public Parking

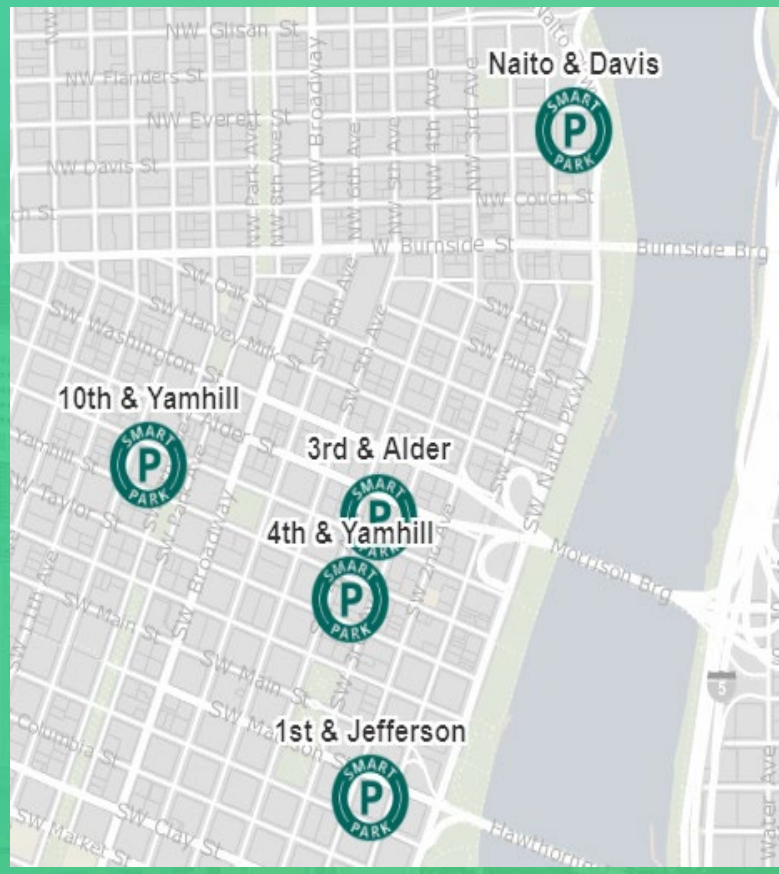
Public Parking: How the City prices public parking today



On-street parking meter districts



On-street area parking permit districts



Off-street SmartPark garages

Adopted Public Parking Management Objectives

- Contribute to economic vitality
- Advance established transportation and parking district goals
- Foster transportation options
- Minimize parking impacts on adjacent areas
- Support meter system maintenance and operational costs
- Allocate parking revenue in accordance with the Revenue Allocation Policy

Changing public parking prices: Adopted policies and processes in motion

Performance-Based Parking

- Adopted in April 2018; not yet implemented
- Will adjust rates annually based on demand (maximum of $0.60 increase annually)

Net Meter Revenue Policy Review

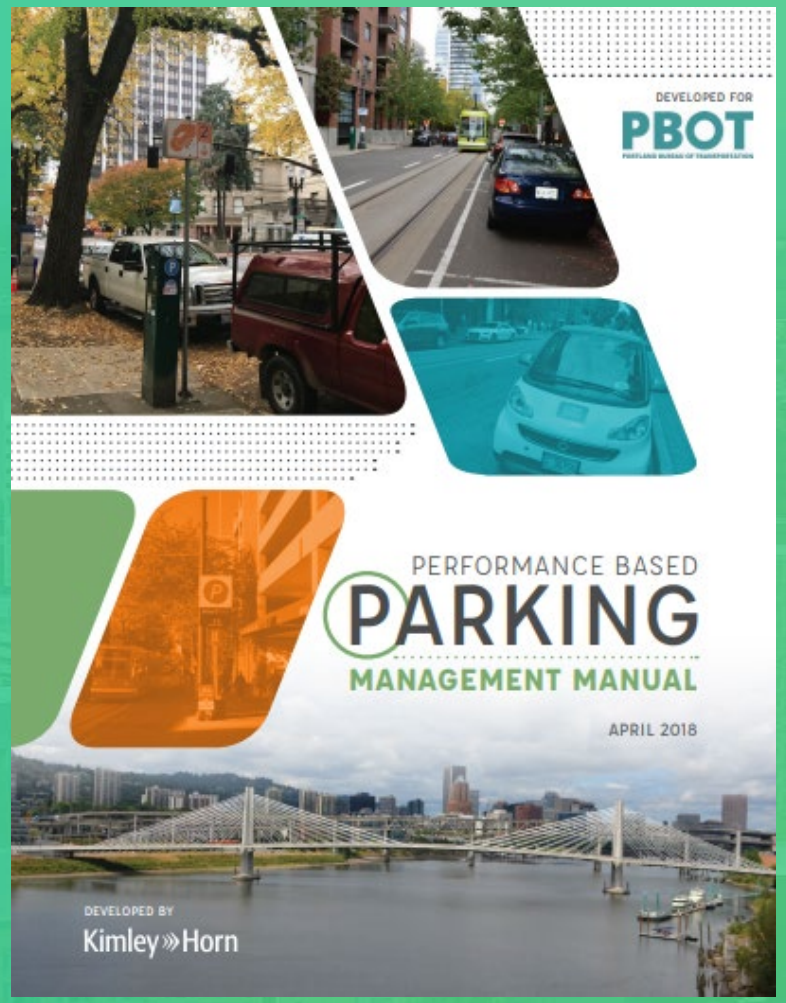
- Shared revenue with new meter districts

Creation of new Parking Management Districts

- Combined permits and meters to manage parking

What is Performance-Based Parking?

- City Council directed PBOT to develop a Performance-Based Parking Management Program in 2018
- Performance-Based Parking involves monitoring parking occupancy rates and adjusting prices based on demand
- PBOT's **Performance-Based Parking Manual** sets out the strategy for implementing the program, including:
  - Collecting annual data across several metrics in every meter district annually
  - Adjusting parking rates annually based on that data (maximum change of +/- $0.60)
  - Hourly rate range: $1 - $5 per hour
- Some other cities use Performance-Based Parking more dynamically
  - Changing rates more frequently
  - Implementing different rates for different times of day



Areas for POEM Task Force input

How can we **build on adopted parking policies to advance climate and equitable mobility objectives?** For example:

- Increase base rates to further manage demand
- Adjust SmartPark rate structure to create a disincentive for commuter parking
- Move towards more variable/truly dynamic public parking pricing

Public parking idea 1: **Increase parking base rates to further manage demand**

What is it: An increase to the parking base rate to more intentionally discourage drive-alone trips before implementing Performance-Based Parking

Context:

- Many meter districts have not seen a rate increase in over 5 years
- Once Performance-Based Parking is implemented, we will start adjusting rates annually (rates could go up or down)
- Raising rates more quickly could discourage trips and reduce carbon emissions more quickly. With COVID recovery, people who have choices may be less inclined to take transit and driving and parking could quickly increase.

Learning from other cities:

Seattle implemented Performance-Based Parking in 2014. Hourly rate maxes out at $5 in highest demand areas. By comparison, Portland base rates today range from $1-$2 an hour. Increasing by $0.60 annually, it would take 5 years for Portland downtown parking rates to get to $5.

Public parking idea 2: **Adjust SmartPark rate structure to create a disincentive for commuter parking**

What is it: A proposal to update the SmartPark rate structure:

- Maintain short term rates just below on-street rates;
- Encourage medium term parking (4-6 hours)—right now, jumps to all-day rate after 4 hours;
- Allow for long-term parking (more than 6 hours); **but**
- Discourage commuter parking (frequent, recurring trips of more than 6 hours)

Example:	Hourly Rates for Hours 1 – 4:	$1.80 - $2.00 *(current rate)*
	Hourly Rates for Hours 5 – 6:	$2.20 - $2.40
	All Day Rates	$22 - $30/day *(higher than current all-day rate)*

Public parking idea 2: **Adjust SmartPark rate structure to create a disincentive for commuter parking**

Context:

- SmartPark mission prioritizes short-term parking (typically up to 4 hours) while saving on-street parking for shortest trips
- City policy: reduce commute trips significantly by 2035
  - Targets trips that take place during the most congested times and recurring trips
- Adding more hours to the rate schedule could disincentivize commuter parking (regular more than 6 hr)

Could also consider different rates depending on time of entry (e.g. higher during more congested times)

- *Currently, SmartPark provides a swing shift/evening shift special rate*

Public parking idea 3: **Move toward more variable/truly dynamic public parking pricing**

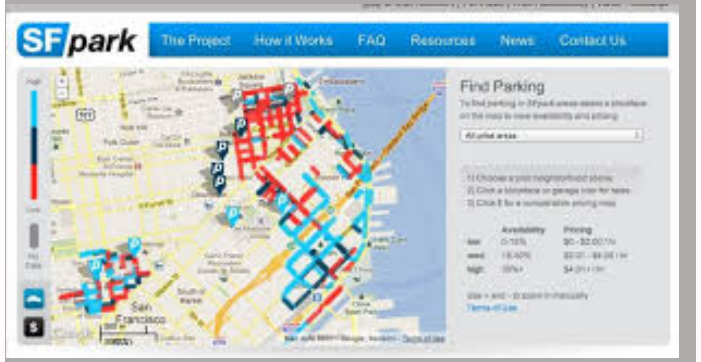
What is it: Parking pricing systems where the rates change more regularly based on demand, including:

- Changing parking prices by **time of day** in areas
- Adjusting parking rates **more frequently than annually**
- Adjusting **parking rate dynamically based on actual on-street conditions**

Context:

- Portland's adopted Performance-Based Parking strategy will result in an annual review and adjustment of public parking prices based on occupancy
- Analyzing parking data takes time
- Truly dynamic pricing would require new technology and a significant investment

Learning from other cities:



San Francisco implemented variable on and off-street parking pricing in 2011, and expanded their program citywide in 2018. On-street and off-street rates vary by time of day and are reviewed frequently (~6-8 weeks) .

Private Parking

What does private parking management look like?

Supply

Development Requirements:

- Parking minimums and maximums
- Required carpool or carshare spaces
- Shared parking arrangements

Demand

- Pricing parking
- Parking Cash-Out Regulations
- Unbundling Parking from rent or leases
- Private parking lot taxes or fees

To-date, Portland is very focused on supply side of private parking management

Supply

Development Requirements:

- Parking minimums and maximums
- Required carpool or carshare spaces
- Shared parking arrangements

Demand

- Pricing parking
- Parking Cash-Out Regulations
- Unbundling Parking from rent or leases
- Private parking lot taxes or fees

Demand-based strategies are mostly informal and very site specific

- Transportation Demand Management (TDM) Requirements for Development do include "parking management“, **BUT**:
  - Does not specify which parking management tool is required
  - Discretionary reviews in development applications
  - Only apply to very limited number of developments

Areas for POEM Task Force input

How could new private parking management strategies **advance climate and equitable mobility objectives?** For example:

- New fees on off-street private parking
- Require employers to provide a parking cash-out option if they provide free parking to their employees
- Further regulations to more aggressively “unbundle” parking costs from housing/real estate costs

Private parking idea 1: **New fees on private off-street parking**

What is it: Cities can capture the value of land used for free private parking, e.g.:

- Surface lot tax (levied on owners of private surface lots)
- Parking excise tax (collected by operators from parking customers)

Context:

- Estimates suggest there are over 177,000 unpriced private parking spaces in the City
- New taxes either on owners or users could reduce driving while capturing costs and generating revenue for reinvestment
- Depending on implementation, could also impact land use decisions and overall parking supply

Learning from other cities:

Illinois recently passed a parking excise tax. Operators of parking areas, spaces and garages will be required to collect and remit the tax based on the parking price (6% of hourly, daily or weekly rates; 9% of monthly or annual rates). Government buildings, residential parking and hospitals are exempt, as are small garages of 3 or fewer spaces.

Private parking idea 2: **Require employers to provide a parking cash out option**

What is it: Regulation requiring employers who provide free/subsidized parking to offer the option to "cash out" the value of the parking space, to be used for other modes of transportation or to keep the value

Context:

- Previous studies indicate the majority of automobile commuters in the Portland metro area park free at work
- Where implemented, cash out programs have garnered support from commuters and employers and reduced drive-alone trips

Learning from other cities:

Washington, DC – Transportation Benefits Equity Amendment Act requires employers who provide free or subsidized parking to employees to offer those same employees alternatives that include:

- *Employer-paid transit benefit*
- *Cash (taxable) for employees who walk, bicycle, carpool or take transit*
- *Increased employer contribution to an employee's healthcare benefit.*

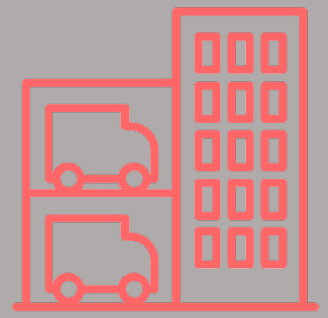
Private parking idea 3: **Unbundle parking from development (more than we do today)**

What is it: Unbundling parking separates parking spaces from the lease or purchase price of a residence or commercial space and monetizes that space, allowing buyers and lessees to only pay for the parking they need.

Context:

- Today, parking can be voluntarily unbundled from existing developments at any time, but it is not required
- Unbundling can make renting or purchasing commercial or residential space more affordable for renters/purchasers who need less parking space

Learning from other cities:



Seattle mandated unbundled parking for the following:

- *All new multifamily developments*
- *For commercial spaces 4,000 square feet or greater*

Santa Monica mandates unbundled parking for the following:

- *New residential development with more than 4 units*
- *100% affordable projects exempt*
- *Commercial ("nonresidential") development in mapped areas*

Any clarifying questions?

Task Force discussion

Reminder: Seed ideas proposed by staff

Public Parking

- Increase parking base rates to further manage demand
- Adjust SmartPark rate schedule to discourage commuter parking
- Move towards more variable or truly dynamic parking

Private Parking

- Implement new fees on private off-street parking
- Require employers to provide a parking cash-out option
- Unbundle parking from development (more than we are today)

Task Force members will have a chance to weigh in on any ideas added to this list after the meeting

Any ideas to add to this list?

Let’s take a poll!

We’ll dive into two of these strategies together in this meeting (you’ll get a chance to weigh in on the others on your own).

Which two strategies are you most interested in discussing with the group tonight?

Initial screening with Equitable Mobility Framework

Re-orientation to the Equitable Mobility Framework

Please pull up the Equitable Mobility Framework to reference for the upcoming exercise

As we consider each idea in light of the “what we care about” indicators, **we will lead with race and prioritize Black people, Indigenous people and People of color (BIPOC communities)**

We will also consider impacts on **people with disabilities, low-income individuals, multi-lingual individuals and displaced communities**

Questions to consider

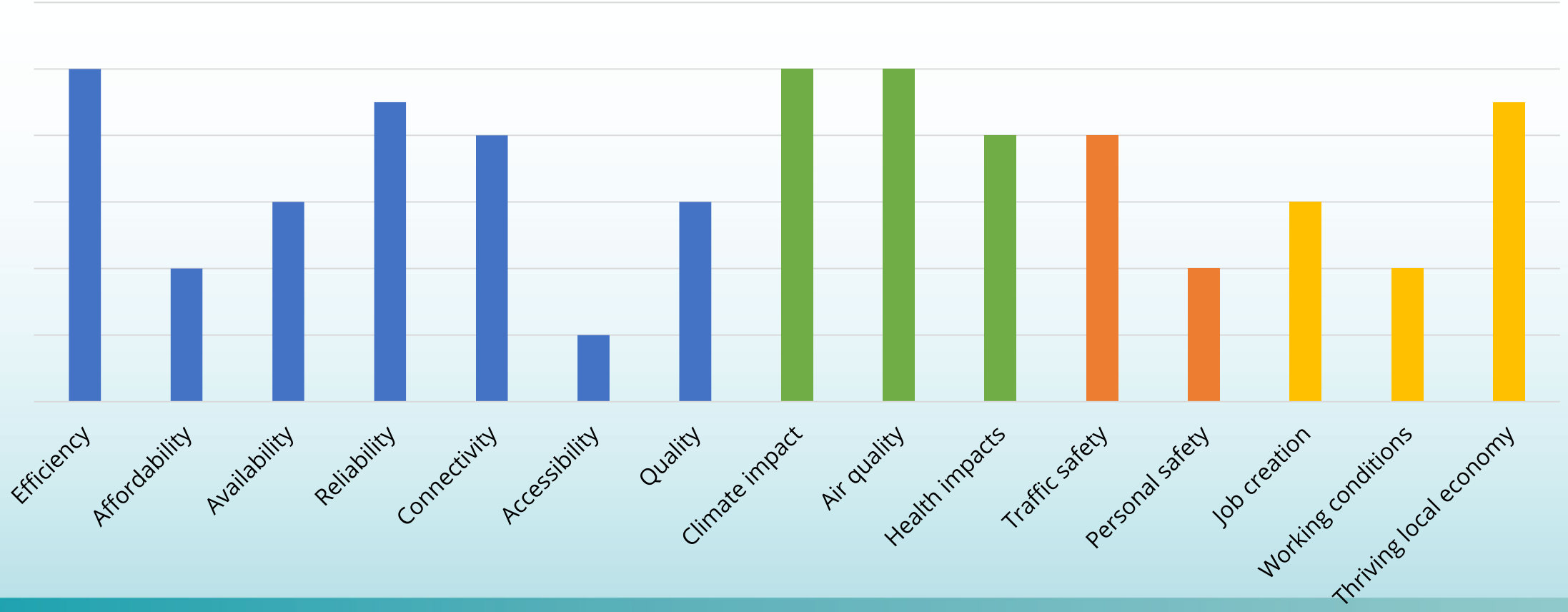
What impact could this pricing strategy have on equitable mobility? How could the way these strategies are designed impact these outcomes (e.g. exemptions by fuel type, occupancy, income)?

- Moving people and goods (e.g. reducing driving demand, improving efficiency)
- Climate change and health (e.g. reducing pollution)
- Safety (e.g. reducing vehicle miles travelled)
- Economic opportunity (e.g. supporting local businesses)

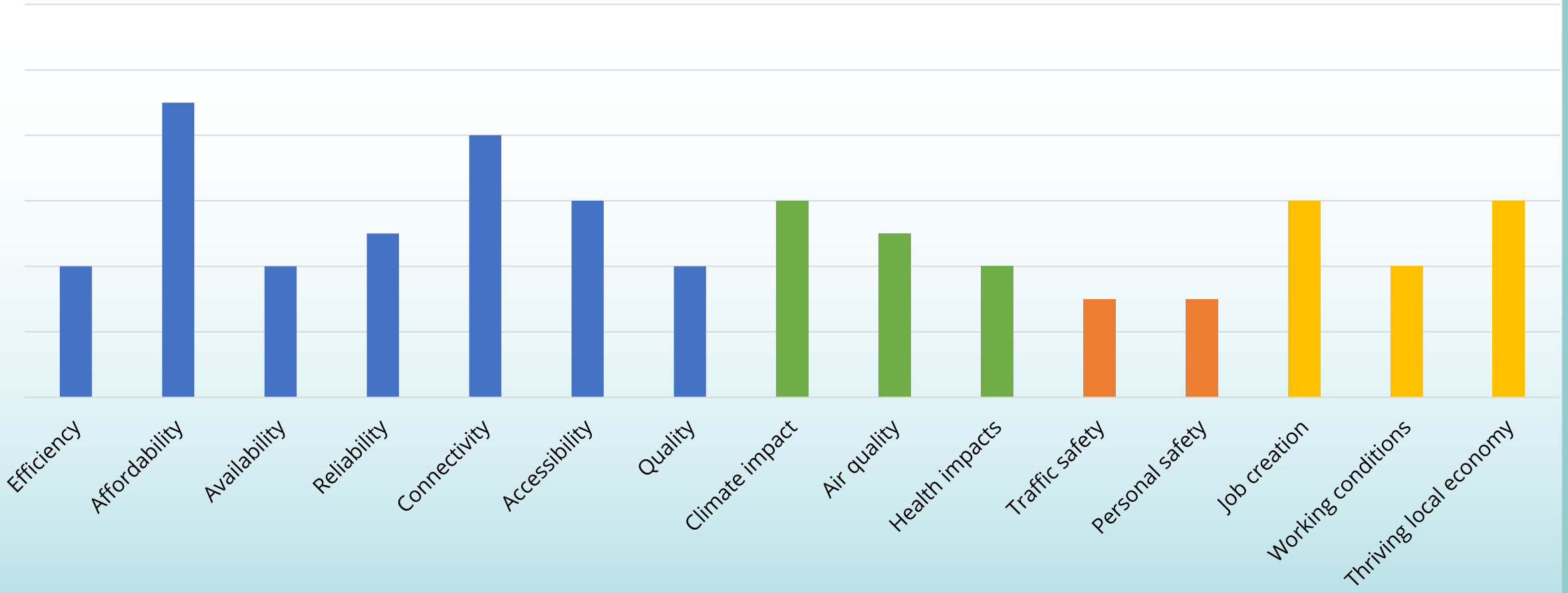
If revenue was reinvested in any of these areas, what additional impact could that have on equitable mobility? What would you prioritize?

- Transit benefits, e.g. Rose Lanes, service expansion, fare support
- Safety and access improvements, e.g. sidewalks, crossings
- Transportation programs and services, e.g. incentives, education, support for EVs
- Rebates and subsidies, e.g. low-income exemptions, clean fuel exemptions

Turning the dials: Different strategies may have different impacts



Turning the dials: Different strategies may have different impacts



Instructions: Equitable Mobility Framework screening

Why we're doing this:

- Run ideas through an initial screen and gather preliminary feedback
- Inform further technical analysis

Steps:

1. Full group walk through as an example
2. Small group break outs
3. Full group debrief
4. Homework: Weigh in on the other strategies

Example walk through & introduction to *Mural*

Key Questions for Feedback

Equitable Mobility Framwork Focus Areas

	How could this idea advance equitable mobility in this cateory for Black, Indigenous, and People of Color communities?	What risks or concerns do we have about this idea's impact on equitable mobility for Black, Indigenous, and People of Color in this category?	What additional information would help us understand equitable mobility impacts in this category?	If revenue was reinvested in any of these areas, what additional impact could that have on equitable mobility? What would you prioritize?
Moving People & Goods Efficiency Affordability Connectivity Availability Reliability Accessibility Quality				
Sustainability & Health Climate impact Air quality Health impacts				
Safety Traffic safety Personal safety				
Economic Opportunity Job creation Working conditions Connected, thriving local economy				

Full-group report out

For each strategy:

- Share two ways your group felt this could help advance equitable mobility in your category
- Share two concerns your group identified
- Share two questions or pieces of information your group would like to know

What happens next?

Task Force homework

By 4 p.m. on Thursday, July 16:

- Log into Mural (link to be sent following meeting) and repeat the exercise we did tonight for the other seed ideas
  - If you want support using Mural or would like to provide feedback in another way, please reach out to staff!
- Share any relevant background materials or additional parking ideas with staff

Next meeting:
August 10, 6 – 8 p.m.

Next meeting topics:

- Recap parking, review Task Force feedback, identify priority strategies for further technical analysis
- Introduce tolling

Thank you!