

PBOT

PORTLAND BUREAU OF TRANSPORTATION

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Steve Novick Commissioner **Leah Treat** Director

SUPPLEMENTAL MEMORANDUM

To: Mayor Hales, Commissioner Fish; Commissioner Fritz, Commissioner Novick, Commissioner Saltzman
From: Judith Gray, Malisa McCreedy, Kathryn Doherty-Chapman, Matt Ferris-Smith, PBOT
Cc: Leah Treat, Mauricio LeClerc
Date: November 20, 2015
Re: Downtown parking meter rates and equity considerations

This memorandum responds to issues discussed at the Council Work Session on October 8 regarding concerns that an increase in on-street parking meter rates downtown Portland will disproportionately impact low-wage workers. This issue was raised by the SEIU representative on the citizen advisory committee and was included in a technical memorandum provided to the committee for their June 23 meeting:

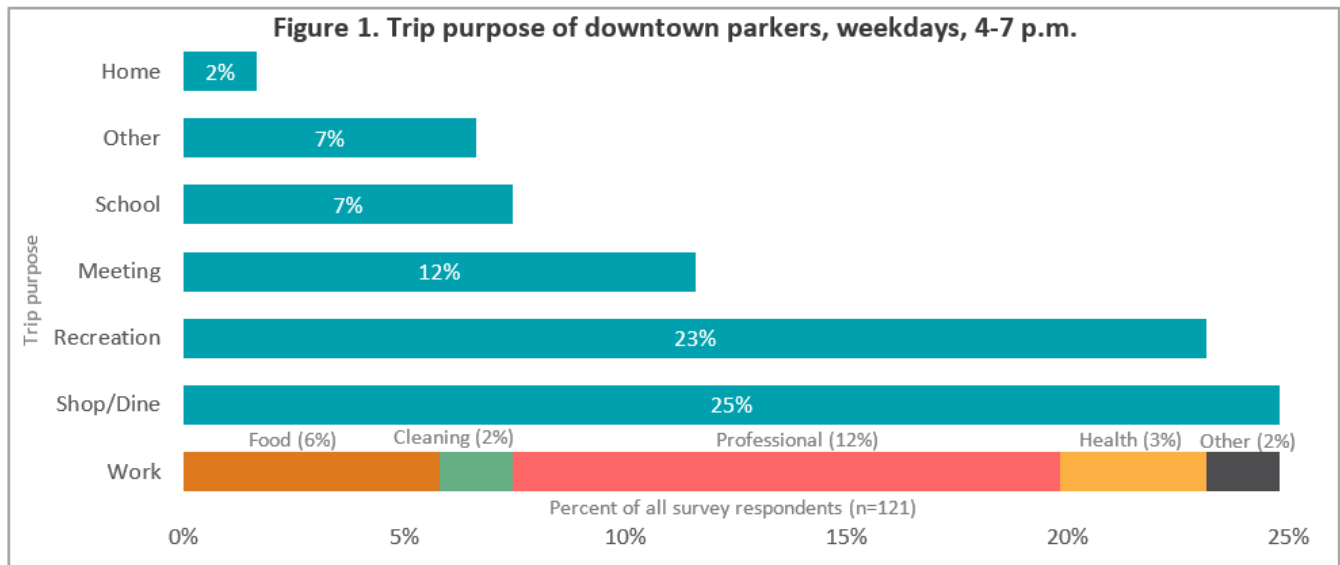
“...those (employees) who commute during the evening (such as restaurant or other evening shift staff) have different trends. Some of these workers may use the opportunity to park on-street given that enforcement hours end at 7pm. While it is not the intention of the on-street parking system to provide employee parking, it is important to consider whether changes in meter prices will disproportionately impact people with lower incomes.”

In order to assess the issue, PBOT staff reviewed outside research on parking fees and equity, spoke with national parking experts, and conducted a survey of on-street parkers. Both locally collected data and outside research indicate that a rate increase will not unduly impact low-wage earners. Key findings include:

- Outside parking experts, in written documents and in conversation, agreed that incremental increases in on-street metered parking prices do not create a significant and disproportionate impact on low-wage earners.
- Based on surveys conducted of on-street parkers, a very small percentage of people parking in the evening were parking for jobs in cleaning/janitorial (2%) or food service (6%) industries. Among those who were parked for work, the majority are in professional services (12% overall).
- SmartPark garages, which are intended to accommodate longer-term parking, offer a low-cost alternative to on-street parking in the evening. Demand in these garages tends to decline in the afternoon, leaving substantial capacity to accommodate evening workers.

1. Outside research: Equity impacts of pricing

There is limited research on equity impacts of parking prices. A search of research indicates that most research related to transportation equity deals with the effects of transportation investments or, when directly related to



parking, deals with the added costs of housing when parking is required.¹ The most directly relevant research was from Deakin, et al² which looked at equity impacts of parking fees and other transportation pricing tools. That research concluded:

- Cities can mitigate equity concerns by using revenue from parking to further improve biking, walking and transit options (p. 8-1).
- Lower income people are less likely to own a car and are more likely to use transit (p. 8-3).
- Parking rate increases can free up supply and reduce congestion—improving the reliability of transit, and enhancing the travel experience for people who walk and bike. (Deakin concludes that parking pricing can relieve congestion, but does not explicitly note how this can benefit non-drivers. Donald Shoup, noted below, draws this connection more clearly.)

Donald Shoup, a nationally respected expert on parking policy, supports pricing as a mechanism to achieve equity goals. In a review of San Francisco’s performance-based parking program, which charges up to six dollars per hour for curbside parking, Shoup and Gregory Pierce push back against the notion that parking price increases are inherently inequitable. They note that parking can provide revenue for public services that lower income people may struggle to pay for privately. Shoup and Pierce write: “The poorest cannot afford cars, but they do benefit from public services—such as public transport—that parking revenues can finance.”³

2. Survey results from downtown on-street parking users

This equity discussion pertains to impacts of parking prices on low-wage earners. PBOT staff conducted a questionnaire of on-street parking users in order to assess the proportion of on-street parkers who fit this

¹ Litman, A. (2013), “Transportation Cost and Benefit Analysis – Parking costs,” *Victoria Transport Policy Institute*.

² Deakin, E., G. Harvey, R. Pozdena and G. Yarema (1996), “Transportation Pricing Strategies for California: An Assessment of Congestion, Emissions, Energy And Equity Impacts,” *University of California Transportation Center*.

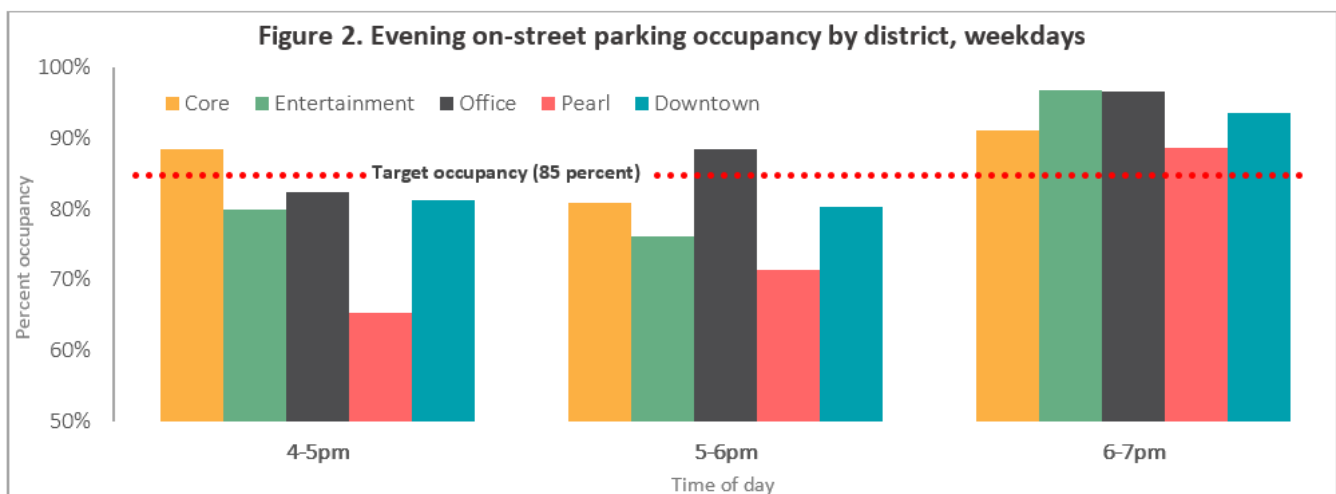
³ Pierce, G., and D. Shoup (2013), “Getting the Prices Right: An Evaluation of Pricing Parking by Demand in San Francisco,” p. 28, *University of California Transportation Center*.

description. This is not intended to represent a statistically significant finding, but rather provides a general indication of scale. The questionnaire was conducted on three weekdays in October between 4 p.m. and 7 p.m. Individuals were approached immediately after parking (typically while paying) and asked a series of questions about their trip purpose and their experience looking for parking.

Staff spoke with 121 downtown on-street metered parking users. Questions focused on parking search time, trip purpose and type of work. Survey areas covered a variety of downtown spaces: NW 9th & Everett (Pearl), SW Park & Stark (Entertainment), SW 4th & Clay (Office), and SW Broadway & Taylor (Core). The findings from the questionnaire are summarized in **Figure 1**. The figure shows that only a quarter of respondents were parking for work purposes; of those individuals, just 2 percent were employed in the cleaning industry and 6 percent were in the food/beverage industry.

Concurrent with the parker survey, staff evaluated on-street parking occupancy in the immediate vicinity of where the questionnaire was administered. The occupancy analysis showed that occupancy of the on-street parking increased steadily each hour, reaching 97 percent during the last hour. At the same time, it became more difficult to administer the survey simply because there were not enough empty spaces to accommodate new parkers. PBOT staff conducting the survey noted users who appeared to be highly relieved—feeling lucky to have found an empty spot—while others seemed to be stressed out after having spent 10 minutes or more searching for an available space.

Figure 2 shows how occupancy changes during the evening hours. Across downtown, average occupancy reaches 93 percent by 6 p.m. Over the next hour, all districts reached occupancy rates between 89 and 97 percent. Some blocks, including SW 4th Avenue (Office) and SW 9th Avenue (Entertainment), were essentially full during the entire survey period—averaging 96 and 91 percent occupancy, respectively, between 4 and 7 p.m. These findings indicate that parking demand increases as the afternoon progresses, likely due to the end of enforcement at 7 p.m.



3. Facilitate SmartPark use to mitigate price increases

In tandem with raising the price of on-street metered downtown parking, Portland could consider providing a reduced SmartPark price for low-income workers.

The city's SmartPark garages have surplus capacity in evening hours. As shown in **Figure 3**, all five SmartPark garages are below 85 percent occupancy by 5 p.m. on weekdays, falling to 40 percent or lower by 6 p.m. During this same time period, there is high demand for on-street parking spaces. **Figure 4** shows the location of SmartPark garages relative to downtown on-street parking spaces and their associated occupancy levels during the 5 pm hour.

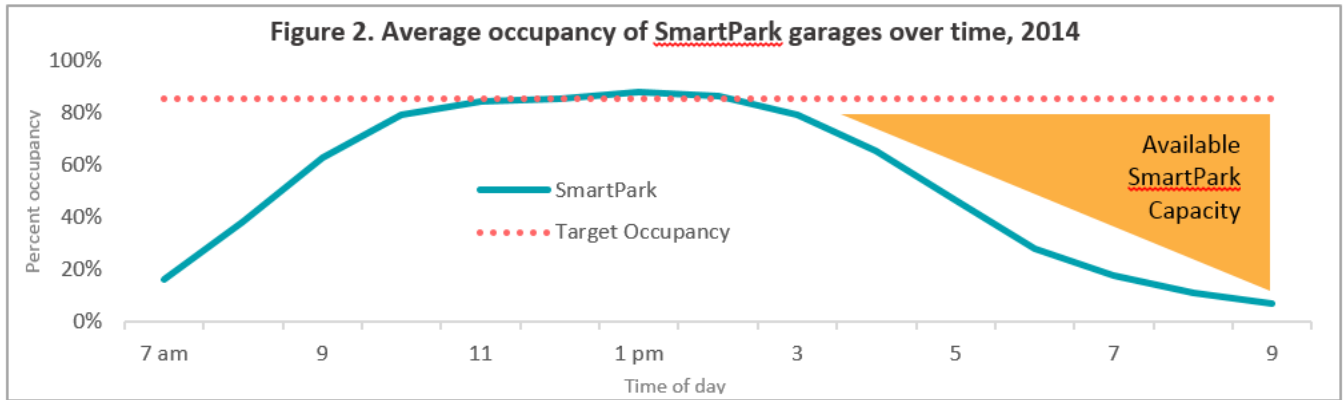
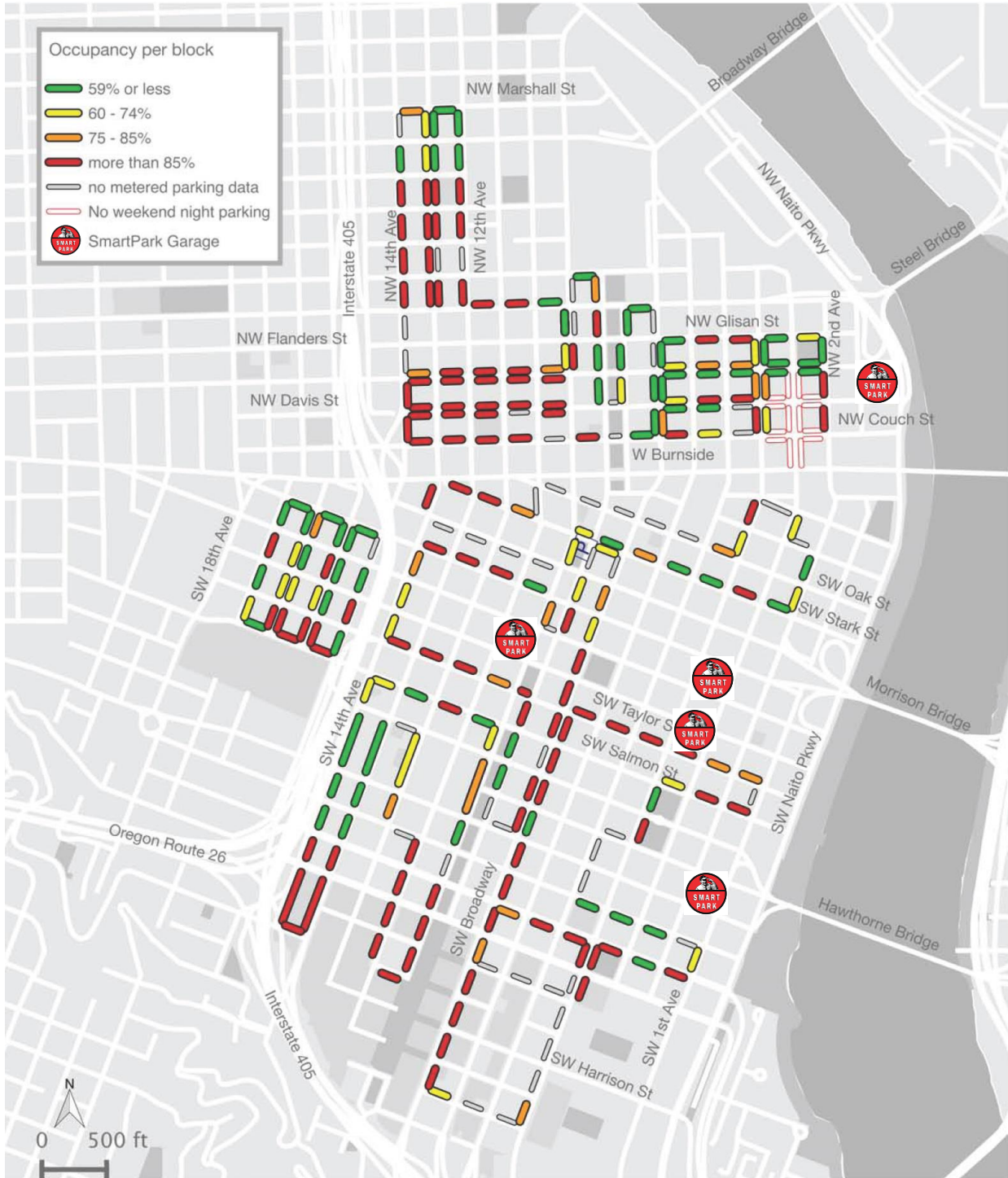


Figure 4. Downtown parking occupancy during the 5 pm hour and location of SmartPark garages



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