

Exhibit A

Office of Transportation Bureau of Traffic Management

1995 Downtown Parking Meter District Rate Report

Introduction

The City of Portland has approximately 5,450 parking meters in operation in the core of downtown. The parking meter system is managed to first meet short-term parking demand, followed by demand for carpool spaces; the remaining meters provide a long-term parking resource on the fringes of the core area.

The meter system is also managed to complement the system of public parking facilities. One-hour meters are deployed in three block areas surrounding public garages and are intended for the single destination trip. The public is encouraged to use the garage facilities for longer stays in the retail core. Three-hour meters supplement one-hour meters in areas more than three blocks from one of the City facilities. The City also maintains approximately 800 five-hour meters primarily along the perimeter of the central business district where there is a low demand for short-term parking.

Together the City's system of parking meters and garage facilities provide a convenient and low cost supply of short-term parking to support downtown's role as the premier office, retail and cultural center of the metropolitan region.

The Downtown Parking and Circulation Policy (DPCP), Section 2-9B states:

Rates for curb parking shall be reviewed annually, and shall be established to closely equal the hourly short-term rates of the City's garages. These rates are intended to encourage use of off-street parking facilities, to reduce traffic circulation, and to increase curb parking turnover.

In response to this directive, the Office of Transportation annually evaluates meter usage patterns and revenue, City parking facility usage trends, parking rates in private facilities and trends in parking meter turnover and citation levels. This information is used to assess the effectiveness of the on-street parking system in meeting the policy goals of the DPCP.

Meter Rate Increase History

Parking meter rates have been increased four times in the past 25 years. In the recent past, the short-term rate was increased to \$.60 per hour in 1982, and in 1991 it was changed to the current \$.75 per hour. The long-term meter rate (five-hour time limit) was last increased in 1982 to \$.40 per hour. A Meter Rate History table (Table I) is appended to this report and contains additional details about

past meter rate increases.

The short-term rate increase approved in 1991 was part of a major upgrading of the parking meter system. Electronic meters replaced the aging mechanical meters; the number of meter time limits was reduced from six to four; the rate structure was simplified by collapsing three rates into two; and short-term meter rates were increased from \$.60 to \$.75 to bring meter rates up to the hourly rate charged at the City parking facilities.

The initial proposal in 1991 was to raise meter rates to \$1.00 per hour to create a higher rate for meters and thereby encourage the use of the public garage system. A higher on-street rate would likely have a positive effect on downtown circulation, congestion and auto emissions. However, there were concerns over increasing the rate to \$1.00 in a single step, and the rate was established at \$.75. It was suggested by the advisory committee to the 1991 process that meter rates be evaluated more frequently, and that increases should occur in smaller increments on a more regular basis. The rate for long-term meters remained at \$.40 per hour.

1995 Findings and Recommendations

Findings - Public Review Process

The assessment of meter rates began in the fall of 1994 as part of the Office of Transportation's Design '98 process. The five-year financial forecast projected significant and growing gaps between the expected revenue stream and the costs to provide current transportation services. As a result, a comprehensive assessment of efficiencies, economies and revenue options was undertaken as part of the Design '98 process. An increase in parking meter rates was one of the revenue options identified.

Several additional factors contributed to the consideration of a meter rate increase. It had been four years since the last increase and it was felt that a detailed assessment was appropriate. For several years, PDOT has supported a policy of having the meter rate somewhat above the short-term City garage rate to encourage parkers to drive directly to the garages for longer stays and avoid unnecessary traffic circulation in the core. A meter rate increase now would provide the opportunity to implement this differential rate policy.

PDOT raised the issue of a meter rate increase with the public through surveys and focus groups that were part of the Design '98 process, and later during four citizen budget forums. Initially, PDOT proposed a three-year phased increase of ten cents in 1995, ten cents in 1996, and a five-cent increase in 1997 to bring the short-term meter rate to \$1.00 per hour. The long-term rate was proposed to increase in 1995 from \$.40 to \$.50 per hour. In general, the public was not opposed to a meter rate increase and recommended that an increase to \$1.00 per hour should be done in one or two steps, not three. At that point PDOT revised the proposal to increase the rate by \$.15 in 1995 and by an additional \$.10 in 1996. This proposal was integrated into PDOT's budget submission for FY 95-96.

A series of meetings were held with key interests in the downtown to discuss the revised meter rate increase proposal. This additional review resulted in a modified proposal, which was supported by

Council during the budget balancing session for the FY, 95-96 budget. The recommendation to increase the short-term rate by \$.15 and the long-term rate by \$.10 cents effective July 1, 1995 was endorsed. The additional \$.10 increase in 1996 was deferred until the next biennial budget and PDOT was directed to develop more explicit policies on meter rate setting and revenue allocation prior to the next budget process.

Findings - Comparative Data

Hourly rates in private off-street facilities were surveyed in December of 1994 to determine the private market rate for short-term parking in downtown Portland. Five lots in the core area were selected which serve the short-term parking customer. Rates ranged from a low of \$1.50 per hour up to \$4.50 per hour for the initial hour of parking, with four of the five lots charging \$2.00 or more for the first hour. A three hour stay at these lots would result in a parking charge two to three times greater than the \$2.25 for a three hour stay at a three-hour parking meter.

In addition, certain western cities were surveyed to compare meter rates. The results of the survey are contained in Table 2 of this report. Short-term rates ranged from a low of \$.60 per hour in Phoenix to \$2.00 per hour in Seattle and Los Angeles. Portland's current rate of \$.75 per hour is toward the low-end among the cities surveyed.

If the \$.60 per hour rate established in 1982 were adjusted for inflation, the short-term rate for 1995 would be \$.91. A similar calculation based on the \$.75 rate approved in 1991, would result in a rate of \$.90 per hour in 1995.

Recommendation

The current short-term parking meter rate is well below the private rate for short-term parking in downtown Portland. This disparity in parking cost provides an incentive to the public to "circle the block" looking for the cheaper and more convenient parking option, the on-street meter. Excess circulation adds to auto emissions, impedes traffic flow and is a source of increased congestion. In addition, the current rate compares favorable with other western cities, and even with the proposed increase, Portland's rate will be below most western cities.

Currently, the short-term meter rate is equal to the first four-hour rate at the City-owned downtown parking facilities. As discussed earlier in this report, PDOT supports a policy of having the short-term parking meter rate higher than the hourly rate at City garages to create an economic incentive to drive directly to the City's garages for longer visits to downtown.

Maintaining the purchasing power of the parking meter resource to provide transportation services would put the short-term rate at \$.90 per hour for 1995 based on past meter rate increases.

For these reasons, the Office of Transportation recommends an increase in the short-term meter rate to \$.90 per hour and an increase in the long-term meter rate to \$.50 per hour effective July 1, 1995.

Implementation

The process to change meter rates has been made much easier with the new electronic meters the City purchased in 1991. Hand held computers would be used to reprogram the rate systems within the meters, which will greatly speed the process and reduce the cost of making the rate change.

This work will be done by existing meter staff and will be integrated into current work schedules. It is estimated that this work can be completed before the end of July.

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Table 1

METER RATE HISTORY

Year	Short-term Rate	Long-term Rate	Reasons for Increase
1969	\$.20	\$.15	Fund computer for downtown traffic control; Support revenue bond for Autoport development
1975	\$.25	\$.20	Cover cost increases (inflation); meter rate substantially below off-street rates; improve turnover and circulation
1982	\$.60	\$.40	Encourage off-street parking; cover revenue shortfall in General Fund; inflationary cost increases for parking operations
1991	\$.75	\$.40	Fund electronic meter purchase; bring meter rates up to City garage rates; encourage off-street use

Parking Meter Rates
Western Cities
December 1994

Short-term Hourly Rate

1. Denver		\$1.00
2. Los Angeles		2.00
3. Phoenix		.60
4. Sacramento		.75
5. Salt Lake City		.50
6. San Diego		1.00
7. San Francisco		1.50
8. San Jose		.75*
9. Seattle		1.00 or 2.00**
PORTLAND	Current	.75
	7/1/95	.90

* Proposal under consideration to raise to \$1.50; public garage rate \$1.50 per hr. first two hours; \$1.00 per hr. after 2 hours.

** 30 minute meters are \$2.00; others are \$1.00 per hour.

METER RATE POLICY STEERING COMMITTEE

Downtown Parking Supply

1.	Total Parking Spaces (Excludes hotel & residential)		42,052
2.	On-Street Inventory		6,333
	Meters	5,450	
	Non-meter Zones	883	
3.	Off-Street Inventory		35,719
	City Garages	3,575	
	Private	32,144	
	City Share of Total Parking Supply:		9,908 or 24%
	Number of City-owned Short-term Spaces:		7,950
	Meters	5,450	
	Off-street	2,500	

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