

# 'Predatory' parking fines at private lots and garages get closer city scrutiny

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Updated December 19, 2018 at 3:37 PM; Posted December 19, 2018 at 11:57 AM



A private parking lot near Skidmore pictured in a file photo. (*Brad Schmidt*)

By [Andrew Theen | The Oregonian/OregonLive](#)

[atheen@oregonian.com](mailto:atheen@oregonian.com)

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Portland is strengthening its oversight of hundreds of private parking lots and garages, which city leaders say have been charging “unfair and predatory” fines to customers for years.

The City Council unanimously approved additional regulations Wednesday in response to complaints made to the [Office of the Ombudsman](#).

The vote was the culmination of nearly a year of work from the city's independent watchdog, and it's the latest step in a series of regulations on the private businesses dating to the early 1990s.

Margie Sollinger, the city ombudsman, said that while Portland parking lots or garages could charge a penalty to customers who stayed beyond their allotted time or failed to pay in the first place, companies have been going beyond that.

"What we were seeing was parking lot operators were just creating this separate parking fee," Sollinger said.

That fee, in some cases, was as much or more than the parking penalty allowed under city code.

If drivers pay their parking fee within 30 days, they legally can be charged \$44, the maximum overtime parking penalty approved by the Multnomah County Circuit Court. If they fail to pay within the first month, that fee can be \$88. That's the same fee the city can charge drivers for parking violations on public streets.

But the pay-to-park facilities scattered around the city found a way around that. They charged an additional "parking fee," which wasn't regulated by city code.

Wednesday's vote changes that.

The rules don't apply to private lots that don't charge drivers who park there while shopping at their business, nor to large institutions like Portland State or Oregon Health & Science University unless they contract out their parking enforcement. While parking lots are private businesses, if owners want to penalize drivers that violate their rules, they have to register with the city. There are 200 private pay to park lots registered as of December 2018, according to Revenue Director Thomas Lannom.

Sollinger formally started advocating for the regulations in January, according to emails provided to The Oregonian.

In a March email exchange between Sollinger and Revenue Bureau Director Thomas Lannom, Lannom described the additional fee as "egregious and potentially punitive."

He said that capping the fee at "\$10 would be reasonable," based on hourly rates of lots varying from \$2 to \$8.

Lannom said the city would take testimony at a public hearing in 2019 to determine the maximum fee.

"Clearly it will need to be less than the full daily rate which was the issue the City Ombudsman flagged as a problem," Lannom said in an email.

Eileen Park, Mayor Ted Wheeler's communications director, said most private parking lots hire contractors to track down parking violators. They also lose out on parking revenue when customers don't pay. "To compensate, lot owners have been charging a separate 'fee' to recover their lost parking revenue, without any cap or regulation," she said in an email. "In some instances, they are charging the full daily rate, which we believe is unfair and predatory."

The regulation changes also include new requirements to address another issue Sollinger's heard concerns about: Some garages made signs that described how to pay and potential fines for violating the city policy difficult to spot. "We had one instance where the signs were at foot level," she said.

Now, all signs must be posted no more than 10 feet from the entrance, within 2 feet of the property line, and the center of the sign must be at least 4 feet from the ground.

The regulations also give parking lot operators the authority to tow cars if they have been illegally parked at the lot or for 90 days, cited for violating the parking policy three or more times during that period and the business was unable to track down the vehicle's owner.

-- Andrew Theen

[atheen@oregonian.com](mailto:atheen@oregonian.com)

503-294-4026

@andrewtheen