



Net Meter Revenue and Permit Surcharge Funds

BACKGROUND

The Parking Meter District Policy (Binding City Policy TRN 3.102) was adopted in 1996 to address parking meter rates, fines and parking enforcement in existing meter districts, the formation of new parking meter districts, and the allocation of revenues derived within parking meter districts. This policy has guided the creation and management of several new meter districts since its adoption; however, it has not been updated in over 20 years. Given the new policy direction from the 2035 Comprehensive Plan, technology changes, and the evolving role of parking in a multi-modal transportation system, a revised Parking Meter District Policy and associated administrative rules will be a key element of the Parking Management Manual. The revised policy will ensure there is opportunity for public input on how projects and programs are developed and selected, and there is consistent use of Net Meter Revenue (NMR) and Permit Surcharge Allocations (PSA).

In general, parking meter revenue is intended to fund Transportation Demand Management (TDM) programs, parking services, small safety and/or capital projects for walking, bicycling, and transit, shared use arrangements for existing parking facilities, and new parking facility development. These investments help the City and PBOT meet the 2035 Comprehensive Plan and Transportation System Plan objectives by reducing drive alone trips and more efficiently managing parking as an element of the overall transportation system.

The Revenue Allocation Policy section of TRN 3.102 gives the following specific guidelines:

- Revenue remaining after capital and operating costs are covered may be allocated to support transportation services within the meter district and citywide
- A majority of net meter revenue should go to services and programs within the meter district in which they were generated
- Meter system revenues are to be allocated to support transportation and parking services

Under TRN 3.102, the first priority for meter revenue is always as a back-up source of funds to insure that debt service obligations are met for the revenue bonds issued to finance the system of City-owned parking facilities. Meter revenue allocation occurs annually as part of the City budget process; hence the deliberate use of the words *may* and *should* in describing revenue allocation priorities.

The Parking Management Manual will revise and strengthen this existing policy to:

- Standardize procedures for NMR and PSA expenditures
- Develop guidelines so expenditures relate to current PBOT transportation policy and City wide goals recently adopted in the 2035 Comprehensive Plan
- Follow City and PBOT public outreach/SAC procedures for all existing and future parking districts.

NET METER REVENUE

There are four meter districts in the City that receive 51% of the net meter revenue (Lloyd, Northwest, Marquam Hill, Central Eastside). Each parking meter district establishes a parking stakeholder advisory committee (SAC) according to the district's parking plan.

- The Lloyd District's *Go Lloyd*, which began operating in 1997, is funded with Enhanced Service District (ESD) and net meter revenue funds. *Go Lloyd*'s TDM efforts have demonstrated long-term success and set the example of



effective net meter revenue expenditures. Go Lloyd's efforts include delivering education and incentives to thousands of district employees and providing reduced cost transit pass (Universal Pass) to over 20 employers and all of their employees. Most significantly, since 1997 Go Lloyd has helped reduce drive-alone commute rates by 25% among its Universal Pass participants.

- Marquam Hill, a small meter district, includes an ad hoc Stakeholder Advisory Committee to help determine expenditures. Due to the size of this meter area they generate limited funds and to date the SAC has elected to save their funds and move forward with larger projects.
- The Central Eastside operates through the non-city affiliated Central Eastside Industrial Council (CEIC) business membership group. The Central Eastside uses the Transportation and Parking Advisory Committee (TPAC) which is a sub-committee the CEIC created to advise PBOT on expenditures.
- The Northwest Parking District is the most recently formed district. It employs a SAC of varied community members that make recommendations to PBOT on how to use net meter revenue. NW Parking District SAC members apply to serve on the committee through a public process and are then appointed by the Transportation Commissioner. The NW SAC is the model PBOT seeks to follow as more districts are formed.

PERMIT SURCHARGE ALLOCATION

There are 18 Area Parking Permit (APP) areas in the City. The charge for a permit, based on the cost of administration and enforcement of the program, is currently \$60 per year. City Council has authorized permit surcharges within both Northwest (Permit Zone M) and the Central Eastside (Permit Zones G and N). The surcharges were implemented at the request of stakeholder advisory groups representing both areas. The permit areas largely coincide with the meter districts, and the SACs in these districts advise PBOT on the administration of both the meter districts and the permit areas.

In 2015, a \$10 surcharge was added to the base price of area parking permits in the Central Eastside to pay for annual data collection and a part time CEIC staff person to support the TPAC. Over the past two years the TPAC has recommended annual increases to the permit surcharge (currently \$150 over the base price). The additional funds are used to help reduce the demand on the on-street parking system through projects and programs for walking, bicycling, carpooling, and transit. PBOT and the CEIC entered into an annual Memorandum of Understanding that outlines what are the acceptable uses of the surcharge funds.

Recently and at the recommendation of the NW SAC, a \$120 permit surcharge was approved in Northwest for Permit Zone M, which will become effective later in 2017. The NW SAC is now conducting outreach and gathering community input in the development of a project/programs list for use of NMR/PSA funds.

The Parking Management Manual will develop the first citywide policy governing Permit Surcharge Allocation as this tool is expanded to other existing and new parking permit areas.

RECOMMENDED PROCEDURE FOR SAC AND USE OF PARKING FUNDS

Advisory Committee Mission, Formation, and Function

The mission of a NMR and/or PSA Stakeholder Advisory Committee (SAC) is to advise the City on transportation and parking issues, with the goal of efficiently managing parking and reducing reliance on the single-occupancy automobile.



The SAC is comprised of residents and business owners/representatives of a district who apply to serve on the committee. The Commissioner of Transportation appoints committee members¹. The mission and activities of the SAC are intended to implement City and neighborhood land use and transportation goals, objectives, and policies, and to provide guidance for the development of more detailed projects, programs, and activities.

The SAC will meet regularly as a committee and with the broader community to compile a list of recommended programs and projects for proposed revenue expenditure. All SAC meetings are open to the public and are subject to public records law². PBOT staff works with the SAC to identify eligible projects and programs. Once a list of projects and programs for the year is finalized, an annual work plan will be developed to document the allocation of funds.

PBOT staff will attend the meetings, support the SAC activities, and promote the TDM programs and efforts to further the mission and goals. If an SAC would like to hire outside staff, a 1:1 match of funds outside net meter revenue will be required. The maximum annual compensation for outside staff will be tied to the City's "Program Coordinator" job classification.

Use of NMR and PSA

In addition to capital projects, NMR and PSA shall also be used for outreach programs and regular on-street parking data collection and analysis. This data collection and analysis is used to determine if any parking management changes are needed to improve the function of the system.

Eligible NMR/PSA Programs and Projects

For reference, examples of eligible projects/programs are shown in the table below. The list is not intended to be comprehensive but rather a starting point. Projects are further classified as *required* (R) project types (such as work plans, outreach, and evaluation activities to support implementation of TDM programs and capital investments) or *eligible* (✓) for NMR and/or PSA funds.

Because permit surcharges are optional and may be discontinued at any point, PSA projects are typically better suited for one-time expenditures and other types of subsidies that are renewed annually. To support permit surcharge-funded programs and projects, an annual budget shall be developed that allocates funding to PBOT's Active Transportation Division for marketing, outreach, and evaluation activities. As a more permanent source of funding, net meter revenue funds may be used, if desired, to contract with outside staff for management, marketing, and outreach activities, provided the 1:1 outside funding match requirement is met.

¹ This may not be the case in instances, like GoLloyd, where PBOT is contracting with a district-based, representative non-profit organization to partner in the determination and prioritization of district parking meter funds. In these instances, the Board of Directors of the contracted organization would serve as the SAC, with PBOT representation provided for.

² See above footnote, contracts with non-profits may not require compliance with public records law.



Project Type		NMR	PSA
Program Management, Marketing, and Outreach (M)			
M.1	Develop work plans to attain identified mode split goals	R	R*
M.2	Awareness campaigns and direct marketing	R	R*
M.3	Materials and services, such as graphic design and printing	R	R*
M.4	Evaluation and analysis, such as surveys and public outreach for specific programs and projects	R	R*
M.5⁺	Contract with outside staff to administer specific TDM programs or projects to help achieve mode split goals identified in the district work plan. This includes staff time for programs that provide information, incentives, and encouragement to district employees and residents to walk, bike, carpool, and use transit more often, as well as funding for special events and targeted outreach to employers and district employees.	✓	
M.6	Develop and promote a shared parking program	✓	✓
M.7	Perform transportation analysis related to capital projects to determine impact	✓	✓
Transportation Demand Management (T)			
T.1	TriMet Pass program to provide transit passes to district employees, residents, or as an opt-out incentive (for residents who choose to not renew their permit)	✓	✓
T.2	Subsidized BIKETOWN memberships for district employees, residents, or as an opt-out incentive (for residents who choose to not renew their permit)	✓	✓
T.3	Company or district-wide ridesharing networks using DriveLessConnect with incentives to carpool	✓	✓
T.4	Free day and week passes on TriMet to encourage people to try transit	✓	✓
T.5	District-wide BIKETOWN zones that allow commuters and customers to park at any bike rack without paying a fee	✓	✓
T.6	Free or discounted bicycling and walking safety accessories such as lights, locks, and rain gear	✓	✓
T.7	Subsidized car-share memberships	✓	✓
Capital Projects (C)			
C.1	Area walking maps and installation of pedestrian wayfinding signs	✓	✓
C.2	Design and installation of new sidewalks or curb extensions	✓	✓
C.3	Design and installation of crossing safety improvements (such as Rapid Flash Beacons)	✓	✓
C.4	Bicycle infrastructure including bicycle network improvements (such as bike lanes or trails) or bicycle storage (such as bike racks or corrals)	✓	✓
C.5	Any project identified in the adopted Transportation System Plan	✓	✓
C.6	Transit tracker kiosks to provide arrival and departure information	✓	✓
C.7	Enhanced transit service in partnership with TriMet and/or Portland Streetcar	✓	✓
C.8	Increase supply of off-street parking once all best practices have been implemented on-street and TDM tools are utilized	✓	

R = Required;

* = To be administered through PBOT's Active Transportation Division;

✓ = Eligible;

⁺ = Requires 1:1 funding match, with maximum salary tied to PBOT's "Program Coordinator" classification