



PROPOSED CHANGES TO TRN 3.112: PARKING METER REVENUE ALLOCATION POLICY (ORDINANCE No. 189092)

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Background

The Portland Bureau of Transportation (PBOT) worked to refine a set of policies to provide a comprehensive framework for revenue allocation for all existing and future parking meter districts, to ensure consistency across parking meter districts, transparency in the decision-making process, and alignment with adopted City goals. As part of this effort, PBOT has proposed changes to TRN 3.112 Parking Meter Revenue Allocation Policy.

Summary of key proposed changes to TRN 3.112

GENERAL CHANGES

- Removed redundant language on the purpose and financial obligations of parking meter revenue, while maintaining the overall intent.
- Updated references to outdated terms and unnecessarily specific language.
- Removed illustrative examples of allowable expenditures from the TRN, which are now documented in the Parking Management Manual, which is more easily updatable to respond to unknown future concerns and interests as they emerge.
- Policies are described for parking meter districts based on the date of district establishment for clarity.

ALLOCATION OF NET METER REVENUE TO PARKING METER DISTRICTS

- **Districts established before January 1, 1996:**
 - No change to existing policy that there is no requirement for minimum amount of net meter revenue to be allocated within the district where it was generated.
- **Districts established on or after January 1, 1996:**
 - Clarified existing policy that 51 percent (instead of “majority”) of NMR is allocated to projects within the district where it was generated.
- **Districts established on or after January 1, 2022:**
 - Subject to the same net meter revenue allocation policy as districts established on or after January 1, 1996, with additional requirement that the City adopt a local area plan for each district.
 - Defines local area plan as one that identifies improvements, projects, and programs eligible to receive funding from net meter revenue.
 - Provides that local area plans may be updated and amended over time.
 - If and when projects/programs in a local area plan have been substantially completed, the share of net meter revenue allocated to a meter district may be reduced.

ELIGIBLE EXPENDITURES OF NET METER REVENUE

- **Defined key principles that expenditures of net meter revenue should support:**
 - Sound parking management.
 - City goals by achieving performance measures related to 1) safety; 2) mobility, congestion, and climate; and 3) equity.
- **Clarified categories of eligible expenditures. Key changes and/or additions:**
 - Removed illustrative examples of allowable expenditures which are now documented in the Parking Management Manual.
 - Clarified existing practice that off-street parking facilities are eligible once all other parking best practices have been implemented.
 - Added emphasis on transportation demand management programs, and projects that improve accessibility of meter districts by modes other than single-occupancy vehicles.
 - Clarified limited allowed use of Net Meter Revenue for cleaning of the right of way.

COMMITTEES INVOLVED IN NET METER REVENUE ALLOCATION DISCUSSIONS

- **Districts established before January 1, 1996**
 - No change to existing policy that any district established before 1996 is not subject to provisions regarding advisory committees.
- **Districts established between January 1, 1996 and January 1, 2022**
 - No change to existing policy that PBOT will establish a designated committee to be involved in net meter revenue allocation discussions.
 - Clarified existing policy that a recommended resource allocation plan will guide annual decisions on net meter revenue expenditures, and must be approved by PBOT, comply with TRN 3.112, and demonstrate the City has

adequate resources to operate and maintain proposed physical improvements.

- **Districts established on or after January 1, 2022**
 - Subject to the same policy on committees as districts established on or after January 1, 1996, with additional requirement that PBOT will develop the annual recommended allocation plan for advisory committees to review and comment.

DEFINITIONS

- **Updated definitions of key terms**
 - Removed definitions no-longer referenced in TRN 3.112.
 - Added definitions for “net meter revenue” and “transportation demand management.”

TRN 3.112: Parking Meter Revenue Allocation Policy

CLEAN EDIT OF PROPOSED CHANGES

The intent of this section of the Parking Meter District Policy is to provide general guidelines on how parking meter revenues are to be allocated by the City to support transportation and parking services.

Specific allocation of parking meter revenues will occur as part of the City's budget process.

The first priority for parking meter revenues is to pay the capital and operating costs of the meter system. Capital costs of meter systems include the cost of parking meters, ancillary equipment and all cost associated with the installation of the meters. Capital costs also include the costs to upgrade or replace meters and ancillary equipment as their useful life expires. This capital equipment can be financed in accordance with the City's financial and debt management policies or may be financed within PBOT through an internal loan.

Operating costs include all direct costs to operate, manage, maintain, and enforce the system, plus appropriate overhead costs of PBOT and the City's General Fund. Operating costs also include costs to mitigate parking impacts on adjacent neighborhoods that result from having parking meters in the adjoining commercial district.

Revenues remaining after capital and operating costs are covered may be allocated to support transportation services within the parking meter district and citywide.

For parking meter districts established before January 1, 1996, there is no requirement for a minimum amount of parking meter revenues remaining after capital and operating costs are covered to be allocated to support transportation services within the parking meter district where it was generated.

For parking meter districts established after January 1, 1996, 51 percent of parking meter revenues remaining after capital and operating costs are covered will be allocated to support transportation services within the parking meter district where the revenue was generated.

For parking meter districts established on or after January 1, 2022, a local area transportation plan shall be adopted by the City Council, identifying the infrastructure improvements, transportation demand management programs, and placemaking projects and programs that will be eligible to receive net meter revenue funding. For the purposes of net meter revenue allocation, a local area transportation plan must be adopted by City Council, identify a specific geographic boundary that is closely related to a parking meter district, and be developed with broad public outreach. Local area transportation plans may be amended at the discretion of PBOT.

If a local area transportation plan has not yet been adopted by City Council for a parking meter district established on or after January 1, 2022, that parking meter district may refer to other adopted City transportation plans to determine the list of projects and programs that will be eligible to receive net meter revenue funding.

For districts established on or after January 1, 2022, once PBOT determines that the projects and programs eligible for net meter revenue funding identified in a local area transportation plan

have been substantially completed, the share of revenue allocated to support transportation services within the meter district may be reduced.

Net meter revenues may be allocated to transportation projects and programs within the parking meter district where they were generated, and to areas that are adjacent and border the district, for the purpose of offsetting the direct impacts of a parking meter district on those bordering areas (such as residential neighborhoods).

Expenditures of net meter revenue should support one or more of the following key principles:

- Sound parking management:
 - Reducing the demand for on-street parking, and
 - Implementing data-driven best practices for parking management
- Supporting City goals by achieving one or more of the following performance measures:
 - Safety: Eliminate deaths and serious injuries.
 - Mobility, congestion, and climate: Decrease vehicle miles traveled by single-occupancy vehicles.
 - Equity: Improve access to transportation and destinations for marginalized people and areas, as measured by race and income of people living or working within the district where the funds originated.

For parking meter districts established between January 1, 1996 and January 1, 2022, designated committees were established by PBOT and will continue be involved in revenue allocation discussions.

For parking meter districts established on or after January 1, 1996, a recommended resource allocation plan will identify the annual expenditures of net meter revenue within a parking meter district. The recommended resource allocation plans must be approved by PBOT. PBOT approval shall be based on compliance with the criteria established in this TRN 3.112, and upon determination that the City has adequate financial resources to operate and maintain any physical improvements identified in a recommended resource allocation plan.

For parking meter districts established on or after January 1, 2022, the recommended resource allocation plan will be developed by PBOT and provided to the designated committee for review and comment.

Categories of eligible projects and programs include:

A. Transportation demand management programs as provided in the Parking Management Manual.

B. Public education programs designed to promote transportation projects or programs.

C. Physical improvements in the public right-of-way (that meet City Engineer and Director approval).

D. Maintenance of non-standard improvements. Parking meter districts must secure a commitment of revenue to pay for long-term maintenance of non-standard physical improvements prior to implementation. No PBOT resources other than the share of net meter revenues allocated to a parking meter district may be used to fund maintenance of non-standard improvements unless authorized by the PBOT Director.

E. Physical improvements to the transportation system, especially those that improve the accessibility of parking meter districts by modes other than single-occupancy automobiles, such as transit, bicycle, walk, carpool, and public shared mobility services and infrastructure.

F. Short-term off-street parking facilities for bikes, automobiles, or other modes. Off-street parking facilities for automobiles are eligible once all parking best practices have been implemented on-street and transportation demand management tools are utilized, as approved by PBOT.

G. Local area transportation plans specific to a parking meter district. This may include a proportional share of the cost of any other plan adopted by City Council, limited to the portion of the plan related to management of the parking system within a parking meter district, or the list of projects and programs to be funded with net meter revenue within a parking meter district.

H. Cleaning and litter removal in the transportation public right of way, including curb space such as for parking and loading, sidewalks, and bicycle lanes. Expenditures on litter removal and cleaning may not exceed 25% of a district's total annual net meter revenue and must be matched by other funding sources such as from an Enhanced Service District (ESD) or privately raised funds. Public funds and their match may not be used to clean private property. Only in extenuating circumstances such as a state of emergency declared by a government agency, may a district apply to PBOT for an exception to utilize more than 25% of annual net meter revenue.

All categories of eligible expenditures (A-H) listed above may only be used for improvement to the public right of way.

DEFINITIONS

Local area transportation plan – A plan that identifies transportation investments within a defined area of the city, adopted by City Council by ordinance or resolution, that is consistent with the City's Transportation System Plan and Comprehensive Plan.

Net Meter Revenue – Parking meter revenue allocated to a Parking Meter District after accounting for capital and operating costs and citywide allocations.

Parking meter district – An area of the City with specific boundaries listed in PBOT's Rules and Procedures Manual which has parking meters in some or all areas where on-street parking is provided, which has been designated as a Parking Meter District by City Council.

Parking meter district revenues – Revenues generated by time stay fees for on-street metered spaces within a meter district. Time stay parking meter fees are established in PBOT's Annual Fee Schedule.

Transportation Demand Management – Implementation of strategies to make more efficient use of transportation infrastructure, by reducing travel demand, or redistributing demand in space, time, or mode of travel.

TRN 3.112: Parking Meter Revenue Allocation Policy

PROPOSED CHANGES INDICATING DELETIONS AND ADDITIONS

~~This revenue allocation policy will apply to all new meter districts and to all rate changes in existing districts that occur following passage of this policy. The intent of this section of the Parking Meter District Policy is to provide general guidelines on how parking meter system revenues are to be allocated by the City to support transportation and parking services.~~

~~Parking meter revenues are pledged as a back-up source of funds to insure that bond payment obligations are met for the revenue bonds issued to finance the system of City-owned parking facilities. This potential call on parking meter funds takes priority over all other uses except for the costs associated with collecting the meter funds. Although this potential use of meter funds is unlikely, the potential obligation needs to be acknowledged.~~

~~Specific allocation of new parking meter revenues will occur as part of the City's budget process. The allocation of additional revenue generated by a rate change in existing parking meter districts, will be discussed as part of the periodic assessment of meter district operations established earlier in this policy. The advisory committee formed as part of the periodic review process will be involved in these revenue allocation discussions. A recommended resource allocation plan shall be reported to the City Council by PDOT as part of the budget process.~~

~~The advisory committee established by this policy for new parking meter districts shall consider this revenue allocation policy as part of the deliberations on forming a new parking meter district. A recommended resource allocation plan shall be reported to the City Council by PDOT as part of the budget process.~~

~~The first priority for parking meter district revenues is to pay the capital and operating costs of the meter system. Capital costs of meter systems include the cost of parking meters, ancillary equipment and all cost associated with the installation of the meters. Capital costs also include the costs to upgrade or replace meters and ancillary equipment as their useful life expires. This capital equipment can be financed in accordance with the City's financial and debt management policies or may be financed within the Transportation Operating Fund PBOT through an internal loan.~~

~~Operating costs include all direct costs to operate, manage, maintain, and enforce the system, plus appropriate overhead costs of PBOT and the City's General Fund. Operating costs also include initial costs to mitigate parking impacts on adjacent neighborhoods that result from having parking meters in the adjoining commercial district.~~

~~Revenues remaining after capital and operating costs are covered may be allocated to support transportation services within the parking meter district and citywide. A policy of fairly allocating revenues between the district and for citywide transportation services shall be maintained. As a general rule, the majority of net revenues should go to supporting transportation and parking services and programs within the meter district.~~

~~It is recognized that new meter districts may warrant a larger share of meter revenues to cover startup and transition costs, and that over time, the share to the district may diminish and the share for citywide transportation services may increase.~~

For parking meter districts established before January 1, 1996, there is no requirement for a minimum amount of parking meter revenues remaining after capital and operating costs are covered to be allocated to support transportation services within the parking meter district where it was generated.

For parking meter districts established after January 1, 1996, 51 percent of parking meter revenues remaining after capital and operating costs are covered will be allocated to support transportation services within the parking meter district where the revenue was generated.

For parking meter districts established on or after January 1, 2022, a local area transportation plan shall be adopted by the City Council, identifying the infrastructure improvements, transportation demand management programs, and placemaking projects and programs that will be eligible to receive net meter revenue funding. For the purposes of net meter revenue allocation, a local area transportation plan must be adopted by City Council, identify a specific geographic boundary that is closely related to a parking meter district, and be developed with broad public outreach. Local area transportation plans may be amended at the discretion of PBOT.

If a local area transportation plan has not yet been adopted by City Council for a parking meter district established on or after January 1, 2022, that parking meter district may refer to other adopted City transportation plans to determine the list of projects and programs that will be eligible to receive net meter revenue funding.

For districts established on or after January 1, 2022, once PBOT determines that the projects and programs eligible for net meter revenue funding identified in a local area transportation plan have been substantially completed, the share of revenue allocated to support transportation services within the meter district may be reduced.

Net meter revenues may be allocated to transportation projects and programs within the parking meter district where they were generated, and to areas that are adjacent and border the district, for the purpose of offsetting the direct impacts of a parking meter district on those bordering areas (such as residential neighborhoods).

Expenditures of net meter revenue should support one or more of the following key principles:

- Sound parking management:
 - Reducing the demand for on-street parking, and
 - Implementing data-driven best practices for parking management
- Supporting City goals by achieving one or more of the following performance measures:
 - Safety: Eliminate deaths and serious injuries.
 - Mobility, congestion, and climate: Decrease vehicle miles traveled by single-occupancy vehicles.
 - Equity: Improve access to transportation and destinations for marginalized people and areas, as measured by race and income of people living or working within the district where the funds originated.

For parking meter districts established between January 1, 1996 and January 1, 2022, designated committees were established by PBOT and will continue be involved in revenue allocation discussions.

For parking meter districts established on or after January 1, 1996, a recommended resource allocation plan will identify the annual expenditures of net meter revenue within a parking meter district. The recommended resource allocation plans must be approved by PBOT. PBOT approval shall be based on compliance with the criteria established in this TRN 3.112, and upon determination that the City has adequate financial resources to operate and maintain any physical improvements identified in a recommended resource allocation plan.

For parking meter districts established on or after January 1, 2022, the recommended resource allocation plan will be developed by PBOT and provided to the designated committee for review and comment.

~~Revenues remaining after capital and operating costs are covered may be allocated to support district transportation and parking services including:~~ Categories of eligible projects and programs include:

~~A. Improvement in adjacent neighborhoods to offset the direct impacts of the meter district on the adjacent areas.~~ Transportation demand management programs as provided in the Parking Management Manual.

~~B. Public education programs designed to improve the district by promoting no auto modes of travel (transit, carpool, bike and walk), easing traffic and parking congestion, and promoting the benefits of nearby access to goods and services for are residents.~~ promote transportation projects or programs.

~~C. Physical improvements to in the pedestrian environment such street trees, park benches, and sidewalk treatments to enhance pedestrian circulation and safety within the district~~ public right-of-way (that meet City Engineer and Director approval).

~~D. Maintenanceaining and improving the right of way within the meter district (signals, signs, pavement markings, street cleaning, pedestrian and bike facilities, trash receptacles).~~ of non-standard improvements. Parking meter districts must secure a commitment of revenue to pay for long-term maintenance of non-standard physical improvements prior to implementation. No PBOT resources other than the share of net meter revenues allocated to a parking meter district may be used to fund maintenance of non-standard improvements unless authorized by the PBOT Director.

~~E. Developing short term off street parking facilities to support economic activity in the district; promoting transit service and facilities; supporting alternatives to standard transit service to meet the specific transportation needs of the district.~~ Physical improvements to the transportation system, especially those that improve the accessibility of parking meter districts by modes other than single-occupancy automobiles, such as transit, bicycle, walk, carpool, and public shared mobility services and infrastructure.

~~F. Implement programs which reduce the demand for parking, improve economic vitality of the district and result in a balanced transportation and parking management system.~~ Short-term off-street parking facilities for bikes, automobiles, or other modes. Off-street parking facilities for automobiles are eligible once all parking best practices have been implemented on-street and transportation demand management tools are utilized, as approved by PBOT.

G. Local area transportation plans specific to a parking meter district. This may include a proportional share of the cost of any other plan adopted by City Council, limited to the portion of the plan related to management of the parking system within a parking meter district, or the list of projects and programs to be funded with net meter revenue within a parking meter district.

H. Cleaning and litter removal in the transportation public right of way, including curb space such as for parking and loading, sidewalks, and bicycle lanes. Expenditures on litter removal and cleaning may not exceed 25% of a district's total annual net meter revenue and must be matched by other funding sources such as from an Enhanced Service District (ESD) or privately raised funds. Public funds and their match may not be used to clean private property. Only in extenuating circumstances such as a state of emergency declared by a government agency, may a district apply to PBOT for an exception to utilize more than 25% of annual net meter revenue.

All categories of eligible expenditures (A-H) listed above may only be used for improvement to the public right of way.

~~Meter system revenues which are not spent on district services are to be applied to citywide and multi-district service costs and shall be allocated within PDOT's budget through the City's budget process.~~

DEFINITIONS

~~Business Association — A group of business representatives officially recognized by the City's Office of Neighborhood Associations and organized for the purpose of considering and acting upon a broad range of issues affecting the economic health and livability of their commercial district.~~

Local area transportation plan – A plan that identifies transportation investments within a defined area of the city, adopted by City Council by ordinance or resolution, that is consistent with the City's Transportation System Plan and Comprehensive Plan.

Net Meter Revenue – Parking meter revenue allocated to a Parking Meter District after accounting for capital and operating costs and citywide allocations.

~~Neighborhood Association — A group of people organized for the purpose of considering and acting upon any of a broad range of issues affecting the livability and quality of their neighborhood and officially recognized by the City's Office of Neighborhood Association.~~

Parking meter district – An area of the City with specific boundaries which has parking meters in some of all areas where on-street parking is provided, listed in PBOT's Rules and Procedures Manual which has parking meters in some or all areas where on-street parking is provided, which has been designated as a Parking Meter District by City Council.

~~Short-term parking — Parking having a duration not exceeding four hours~~

Parking meter district revenues – Revenues generated by time stay fees for on-street metered spaces within a meter district. Time stay parking meter fees are established in PBOT's Annual Fee Schedule.

Transportation Demand Management – Implementation of strategies to make more efficient use of transportation infrastructure, by reducing travel demand, or redistributing demand in space, time, or mode of travel.