

Overview: Transportation Fees and Charges

- Fees adhere to binding City policy FIN-2.06
- Updated annually to reflect current cost of service
- Exhibits A through H cover a wide range of services, including parking, development review, right of way use and regulatory functions

FY 2022-23 Fee Updates

- Most fee changes reflect rising costs for staff and materials
- PBOT's pandemic response included holding fees flat in FY 20-21 and adopting limited increases in FY 21-22; Healthy Business permits provided without fee
- Development review fees include a phased, multi-year approach to achieve cost recovery and minimize permitting delays
- Parking fees include a new 20 cent Climate and Equitable Mobility Fee, in line with recommendations by the Pricing Options for Equitable Mobility task force, which will be invested in expanding access to the Affordable Housing Transportation Wallet and creating a more multimodal system

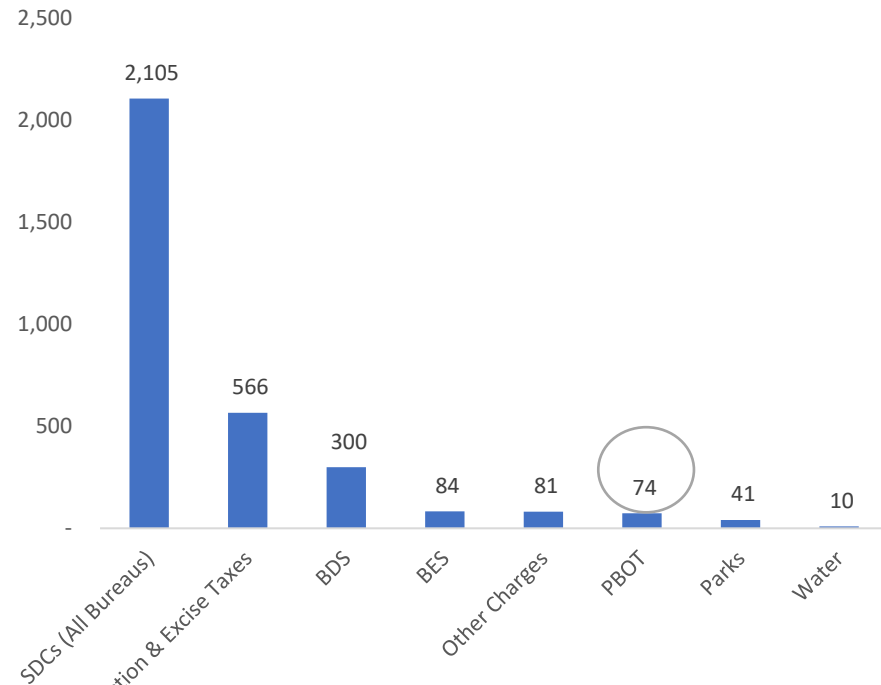
Future Moves

- **PBOT's fee schedule balances financial sustainability with support for economic recovery**
- **Planned increases to parking meter rates are deferred to July 2023**
- **Development review fee increases are phased over five years**
- **All future fee changes are subject to Council approval**

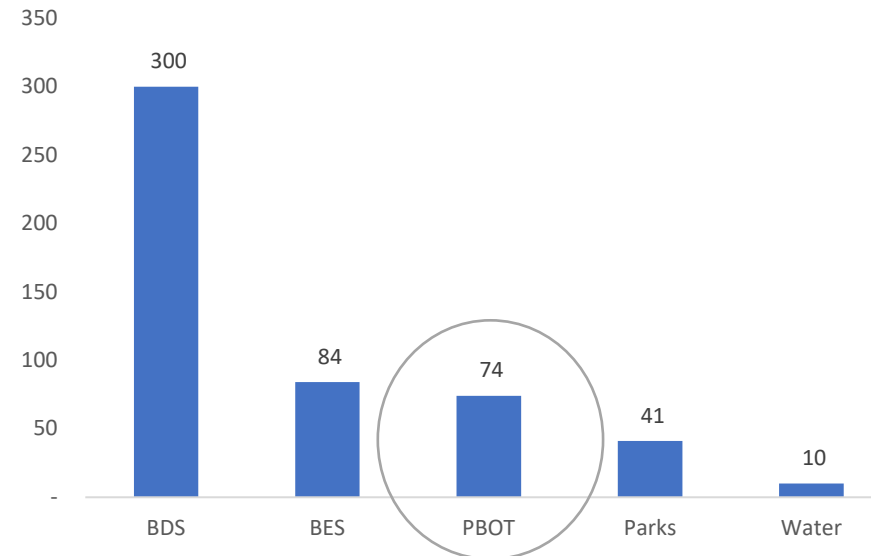
FY 22-23 Comparison: Relatively small increases

PBOT fees represent a small share of proposed FY 22-23 increases (Breakdown of proposed increases for a single-family home - \$275k valuation)

All Increases



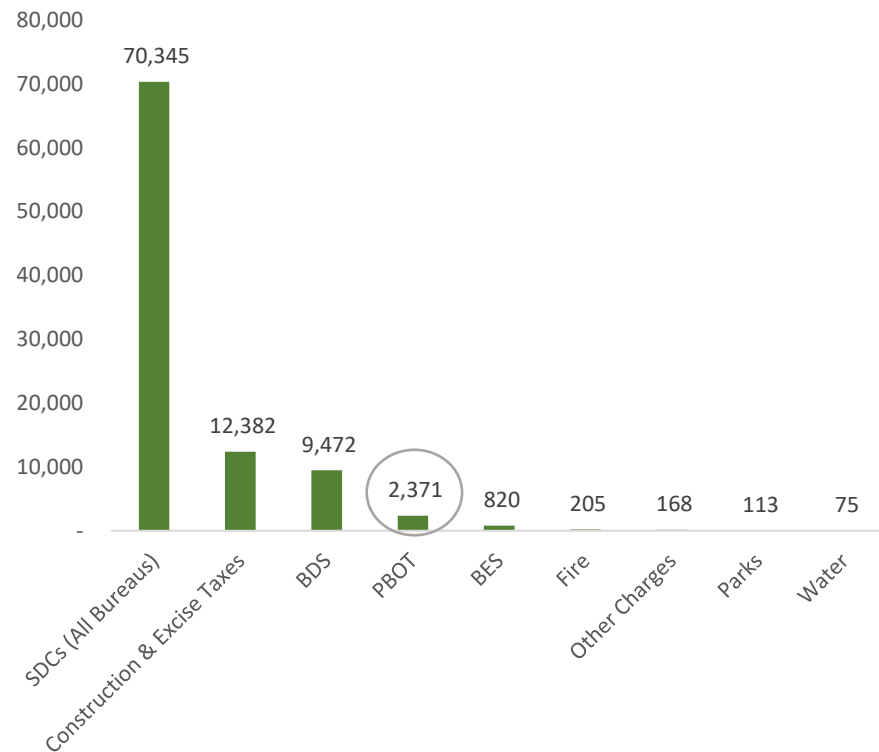
Land Use and Permitting Fees Only



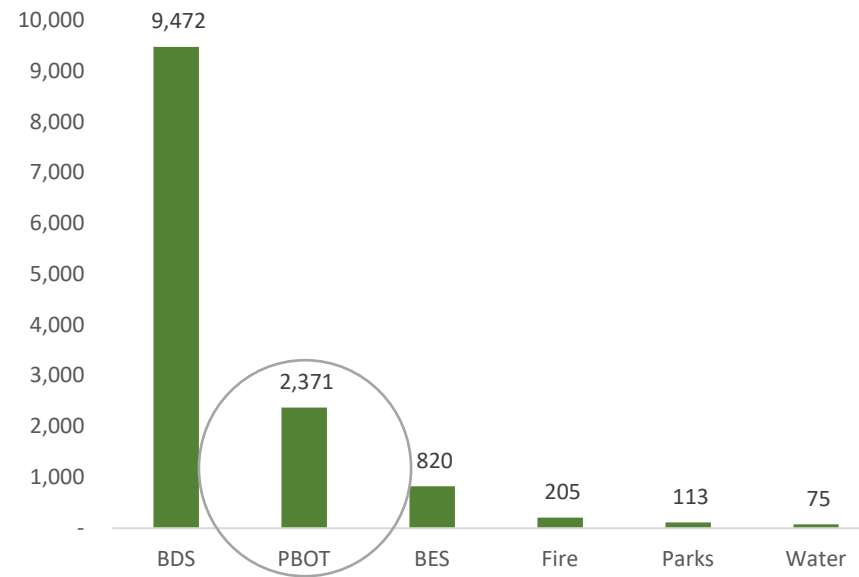
FY 22-23 Comparison: Relatively small increases

PBOT fees represent a small share of proposed FY 22-23 increases (Breakdown of proposed increases for a 50 unit, 6 story building - \$6.3M valuation)

All Proposed Increases



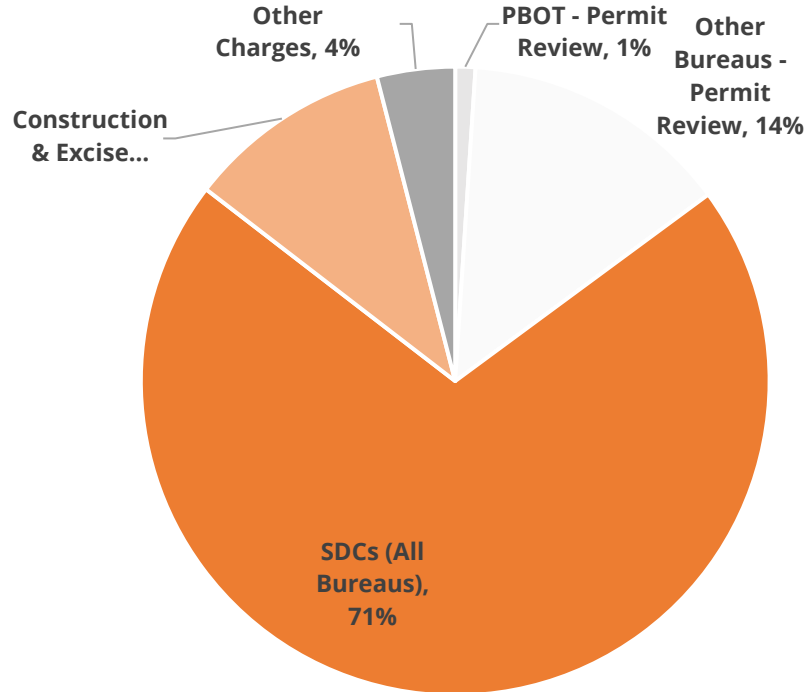
Land Use and Permitting Fees Only



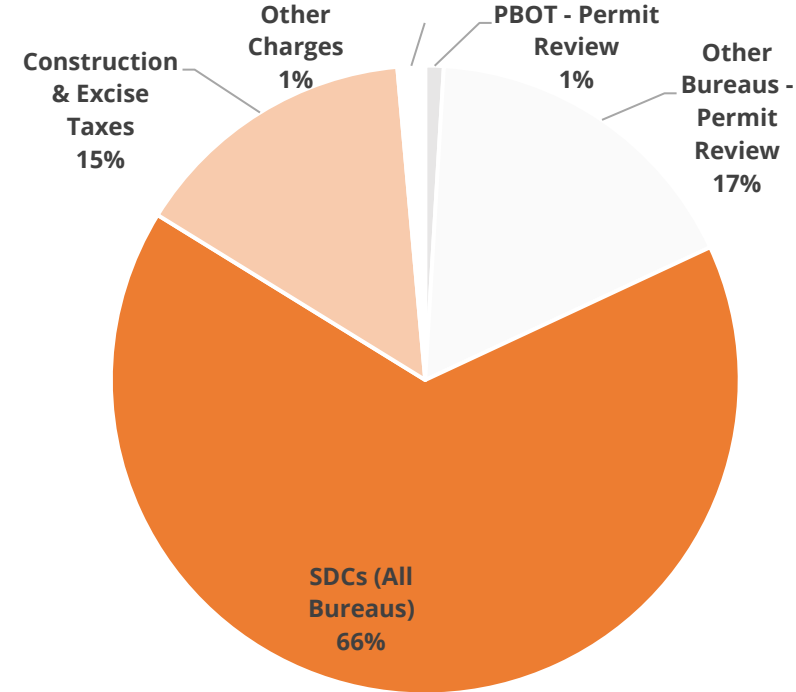
FY 22-23 Comparison: Relatively small increases

PBOT Development Review fees represent around 1% of fees and taxes paid by a typical development

New 6-Story Apartment Building (50 Units - \$6.3M valuation)



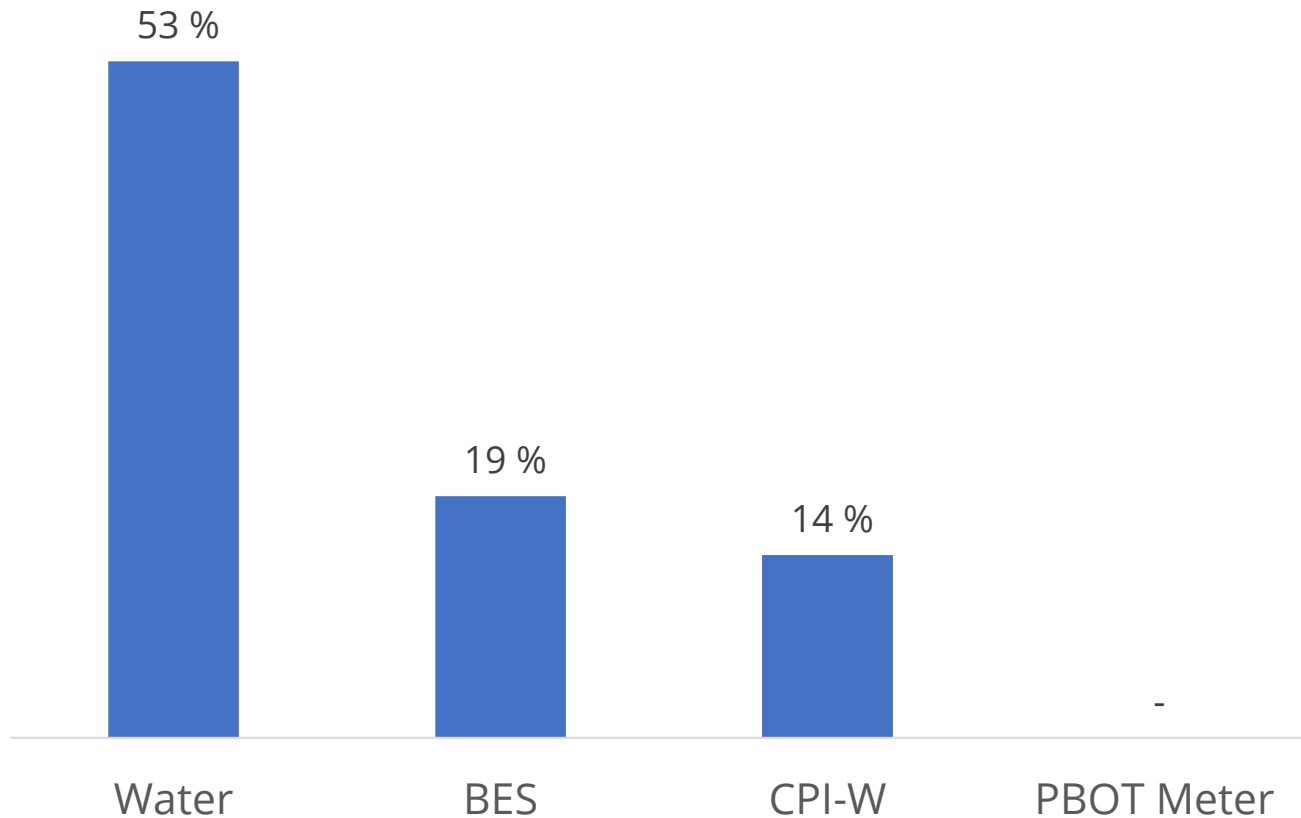
New Single Family Residential



OUR CURRENT FINANCIAL PICTURE: PBOT IS IN A UNIQUE POSITION

Rate changes vs. inflation

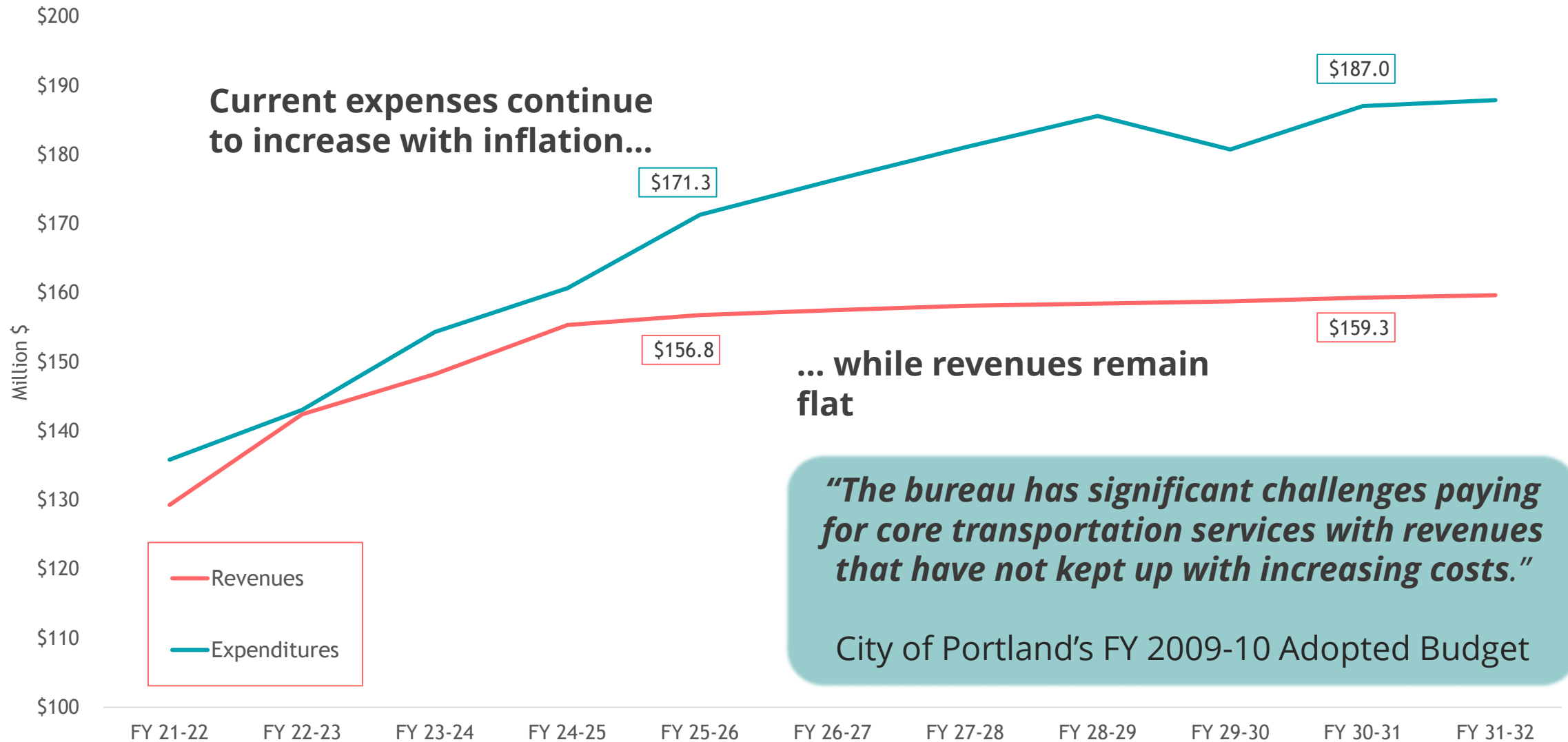
(Historical and forecast revenues: FY17 through FY26)



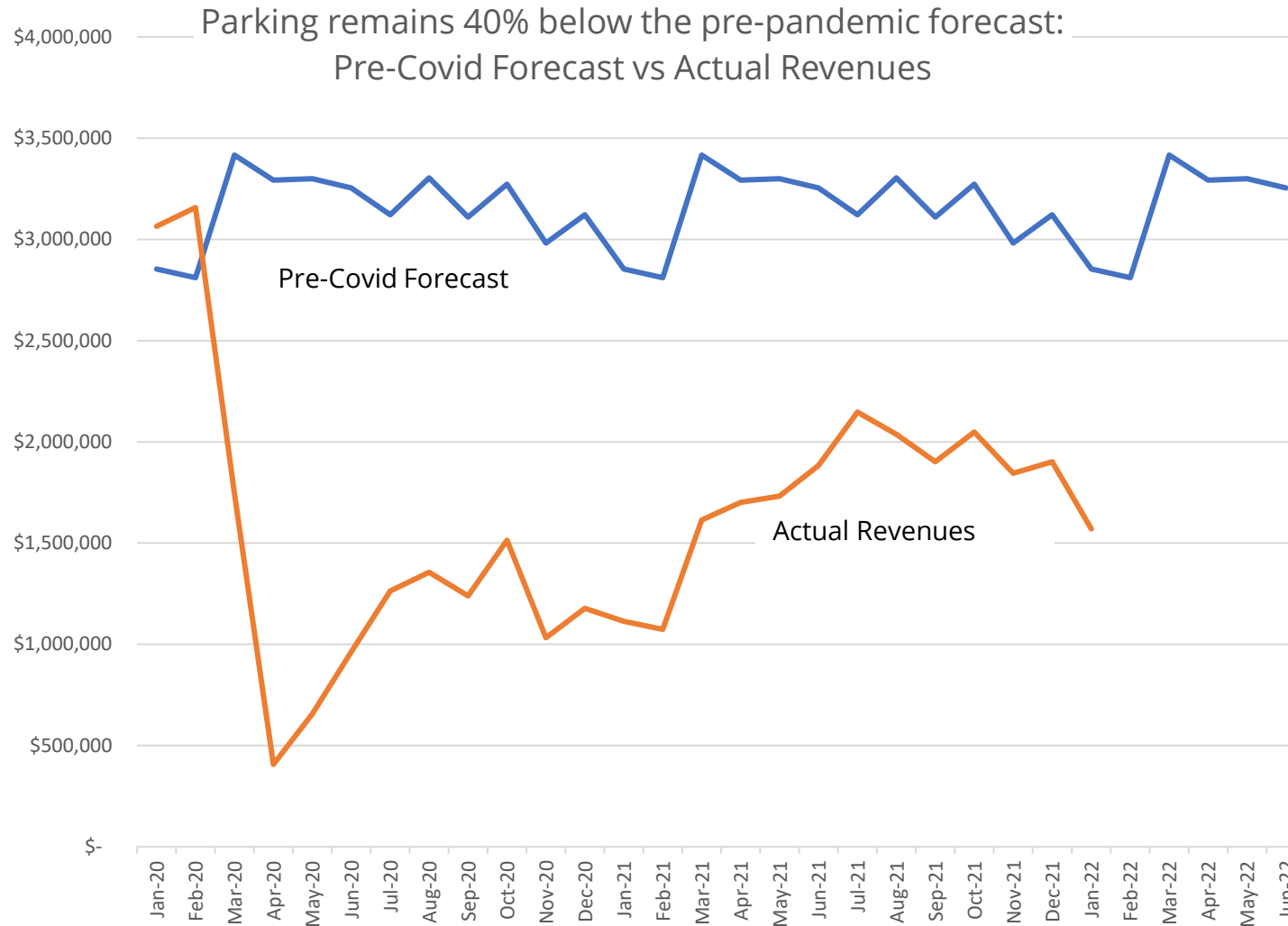
PBOT does not regularly increase meter rates with inflation

Water and BES regularly increase rates to cover inflationary costs and also address their critical asset needs

OUR CURRENT FINANCIAL PICTURE: Expenditures outpacing revenues, leading to growing deficit



OUR CURRENT FINANCIAL PICTURE: PANDEMIC EXACERBATED CHALLENGES



This was a big problem before 2020.

The pandemic made it worse.

- Expecting \$88M in lost revenue due to the pandemic compared to earlier forecasted expectations

PBOT needs \$30M+ to balance five-year forecast and \$130M+ to balance the ten-year forecast

PBOT has already cut 10% and 44.5 FTE in the past two budgets

FY 21-22 (Last budget): FY 22-23 (This budget):

- **7% budget reduction** across the bureau
- Cut **39.5 FTE positions**

Service impacts include:

- Reduced funding for active transportation projects
- Reduced electrical, street, and asset maintenance
- Reduced capacity for 823-SAFE program
- Reduced parking meter maintenance capacity

- **3.5% budget reduction** across the bureau
- Cut **4 FTE positions (net)**

Service impacts include:

- Reduced ability to respond to derelict RV complaints
- Delayed safety analysis and policy work
- Reduced funding for Sunday Parkways
- Reduced ability for preventative maintenance
- Reduced budget for Streetcar maintenance

Not addressing our revenue shortfall means more cuts in the future

Future risks:

- Further impacts to current service levels
- Maintenance backlog grows
- Reduced ability to make new investments that support policy priorities

\$75 million was cut from PBOT's five-year budget over the past two years.

PBOT is the only bureau that has had to take cuts of this magnitude.

BUILDING TO THE FUTURE: NEAR-TERM “BRIDGE TO THE FUTURE” FUNDING PROPOSAL

Package of near-term moves to help **stabilize PBOT’s budget in the immediate term** and take a **first step toward implementing price signals** in line with POEM recommendations

In summer 2022

Implement a climate and equitable mobility fee on each on-street parking transaction

Starting in 2022

Staggered parking permit program rate increases to achieve cost recovery

In 2023

Implement Performance-Based Parking while bringing base meter rates up on par with inflation

What this achieves:

- Helps limit future budget cuts (if forecast holds)
- Stabilizes bureau in near-term while we develop longer-term revenue strategies and further implement POEM recommendations