

Planning and Sustainability Commission
1900 SW Fourth Ave.
Portland, OR 97201

7/25/2016

Re: Proposed Draft CC2035 Plan

Chair Shultz and Commissioners,

Please accept the following testimony from Portlanders for Parking Reform for the Proposed Draft of the Central City 2035 Plan.

The Central City 2035 Plan contains updates to the motor vehicle parking code to reduce its current complexity, extend maximum parking entitlements to all areas of the central city for all land uses, and encourage more efficient use of existing, and future, parking supply by allowing shared use of parking for residential and commercial purposes.

Portlanders for Parking Reform ask that the Planning and Sustainability Commission (PSC) recommend more meaningful maximum parking entitlements. Furthermore, we ask that the PSC direct the introduction of language requiring the unbundling of parking from commercial and residential leases in new buildings and direct a study on the feasibility of requiring a parking cash-out option for employees in the central city. A citywide requirement to provide a tax-adjusted equivalent cash benefit for employees who turn down a parking subsidy could have a significant effect on transportation mode share. Finally, we ask that the PSC multiply the effects of these policies by requiring Transportation Demand Management (TDM) for all new construction in the Central City.

These policies do not significantly increase costs for developers, employers, or property owners but they can be very effective in encouraging active transportation. They should be pursued with haste and implemented broadly.

Maximum Parking Entitlements

Recommendation: Maximum parking entitlement ratios should be data-driven and based on the city's mode split goals. To meet our targets, parking maximums in the Central City should be close to .25 parking stalls per residential unit or 1000 sq/ft of commercial space

At the very least, current parking maximums should absolutely not be increased. The current parking maximum for office space in Sectors 2 and 3 are .7 stalls per 1000 sq/ft, these zones span 166 acres of the central city, including Pioneer Courthouse Square and many of the surface parking lots likely to redevelop in the life of the plan. In Sector 4, which spans 74 acres of the city core, the current maximum ratio is .8 stalls per 1000 sq/ft.

The proposed draft claims that the increase in parking capacity for the city core is offset by reductions in Downtown sectors 5 and 6. Sector 5 is 56 acres and has a current ratio of 1 stall per 1000 sq/ft. But Sector 6, which is also 56 acres is currently at a 2 stall per 1000 sq/ft ratio. Nominally, reducing the parking capacity in this area balances the increases in Sectors 2, 3, and 4, but the vast majority of Sector 6 is recent (20 years) residential development near the marina and is unlikely to see any intense development during the life of the plan. As a result, the proposed draft effectively increases parking capacity for the central city, a move contrary to the other goals of the comprehensive plan.

If data-driven ratios are not possible at this time, then the base ratio for the Core of the Central City should be no more than .7 stalls per residential unit or 1000 sq/ft of office space.

Reasoning: Parking requirements are a fertility drug for cars. The rationale for implementing parking maximums is to “limit the growth of the parking supply and encourage the use of alternative modes to support the mode split goals for the Central City.” Many new downtown hotels have no on-site parking at all. Indeed, even the proposed 375 stalls to support the 600 room Convention Center Hotel only calculate to a .625 ratio.

These maximums, particularly in the Central Business District (CBD) are too high to meet mode split and climate change goals. Structured parking is a long term asset, lasting the life of a building which can be 50 years or more. If we hope to meet an 80% share for non-single-occupancy trips, we should be reducing parking maximums in the CBD by 50-75% for residential, commercial, and hotel uses.

Such a reduction is further justified by the relaxing of restrictions on parking use. The elimination of RX and Residential/Hotel types has the potential to immediately increase the current availability of parking to downtown commuters. Furthermore, the rationale for allowing shared use is that significantly fewer parking spaces will be needed in new construction as commuter and residential usage are complementary. Many stalls may be shared, and the true effect of the new maximums in mixed-use development may be to increase the availability of commuter parking by a significant amount.¹

It seems clear that we are depending on developers to determine that it is in their best interest to not build significant amounts parking, but the allotments still stand and the parking built will exist long past 2035, inducing single occupancy vehicle trips, congestion, and degrading environmental and air quality.

¹ Under current maximums, a hypothetical building in the CBD might be limited to 80 spaces for 100,000 square feet of office space and might build 120 stalls to support 100 residential units. The argument for shared parking suggests that a developer might be inclined to build 120 stalls total under the new policy, rather than 200 stalls (say 1/3 of the residents don't move their cars every day). Under the proposed policy, however, the developer would have a maximum parking entitlement of 220 stalls as the proposal increases the maximums in the CBD by 20-30% for many sites for office and commercial use.

Unbundling Parking

Recommendation: Portlanders for Parking Reform strongly support the addition of code provisions to require the unbundling of parking costs from the leased or purchase price of residential or office space. The actual cost of all parking in the central city should be visible to the end user. Tenants or condo-owners should lease/purchase their parking stall separate from their housing payment. Commuters should pay directly for monthly or daily parking directly and seek reimbursement from their employers, if offered. Visitors should pay for central city parking at performance based hourly rates.

The code requiring unbundling should be placed in Title 33 where will be most visible and enforceable.

Furthermore, we ask that the PSC direct staff to develop a proposal to require a “parking cash-out” from employers who provide free or subsidized parking for commuters. Under such a policy, an employee who forgoes a monthly parking benefit would be entitled to an equivalent subsidy or direct cash payout for their chosen mode of transportation. Parking cash-out should apply to the entire central city, not just new construction.

Reasoning: Parking is regularly perceived by end-users to be free or very cheap. The development, maintenance, and lost-opportunity costs of structured parking, however, are substantial. Furthermore, the subsidizing and obscuring of parking costs for end-users encourages additional driving and the social, environmental, and public health costs that are associated with car travel.

Unbundling the lease or purchase of parking from the associated commercial or residential space is an easy and fair way to allow end-users to escape the hidden cost of parking if they choose not to drive. Such a policy will allow commuters to weigh the benefits and disadvantages of their available transportation modes on a level playing field.

Unbundling may not be enough, however, to truly level the playing field. Many downtown employers pay for their employees to park downtown, but provide much less valuable incentives for employees to take public transportation, walk, or bike to work. It is not unheard of for employers to pay upwards of \$250/month per employee for parking, but to provide no benefit for an employee who walks or rides a bike to work. The federal tax code allows employers to subsidize parking and transit passes as combinable fringe benefits but does not allow for tax-free cashouts.

Transportation Demand Management (TDM)

Recommendation: New residential and commercial development should be required to submit a one-time, basic, and pre-approved TDM plan before receiving a building permit. PBOT staff has already done much work on what such a TDM plan should look like and what incentives it

should provide. We recommend the Planning and Sustainability Commission to include PBOT's one-time, basic TDM plan requirement in the Central City 2035 Plan.

This one-time, basic TDM plan contains three elements:

1. Provide travel-options information to new residents and employees. The developer could use the SmartTrips program or provide equivalent information.
2. Provide a "bundle" of multimodal financial incentives comprised of transit passes, bikeshare membership, and other walking, bicycling, and transit incentives for new residents and employees. These could be purchased by the developer, by a third party such as a Transportation Management Association (e.g., Go Lloyd), or PBOT could facilitate the transaction:
 - \$1,100/residential unit;
 - \$2,400/ksf of commercial development.The developer would have flexibility regarding the ultimate make-up of the bundle of incentives they would provide.
3. Provide a commitment to participate (distribute, encourage, etc.) in regular surveys of residents and employees in order to gauge program performance. PBOT currently administers a survey every two years.

The financial incentive obligation was determined based on the \$1,100 cost of a one-year transit pass and the objective is to offer each resident or employee incentives for alternative modes of transportation for one year.

Reasoning: TDM is a proven tool to reduce traffic and parking impacts while providing low- and moderate-income residents and workers affordable transportation options, such as low-cost transit passes and discounted bikeshare membership. Empirical data show that TDM tools, such as multimodal travel information and financial incentives, are significantly more effective in reducing SOV trips when they are implemented in conjunction with unbundling parking and demand-based parking pricing.

The City's current TDM program, SmartTrips, has reduced drive-alone trips among new Portland residents by 7% in each of the last two years. While the program has been successful, the current program alone cannot help the city meet the mode-share goal. The new TDM requirements will make this program more sustainable and expand the benefits to more residents and employees. Partnering with developers and committing additional financial incentives for alternative modes will make meaningful progress towards attaining our mode share goal.

Several dozen Portland employment and residential sites are already voluntarily offering multimodal financial incentives, meaning such incentives are appealing to many employees and

residents. By requiring new development in the Central City to offer multimodal financial incentives, all future residents and workers can benefit.

According to PBOT, numerous organizations submitted letters supporting the ongoing TDM proposal, including the Northwest District Association, Portland Pedestrian Advisory Committee, Portland Bicycle Advisory Committee, Multnomah County Health Department, environmental organizations, environmental organizations, and TriMet. Having a TDM policy is a critical first step to reducing dependence on automobile and creating long-term transportation and environmental benefits for the Central City. We urge the PSC to adopt the one-time, pre-approved, basic TDM plan for Central City 2035 and direct PBOT to conduct further study for a refined and on-going TDM program.

Sincerely,
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Portlanders for Parking Reform -- Organizing for Progressive Parking Policy -- <http://pdxshoupistas.com>