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City Club of Portland Report on Downtown Parking

City Club of Portland (Portland, Or.)

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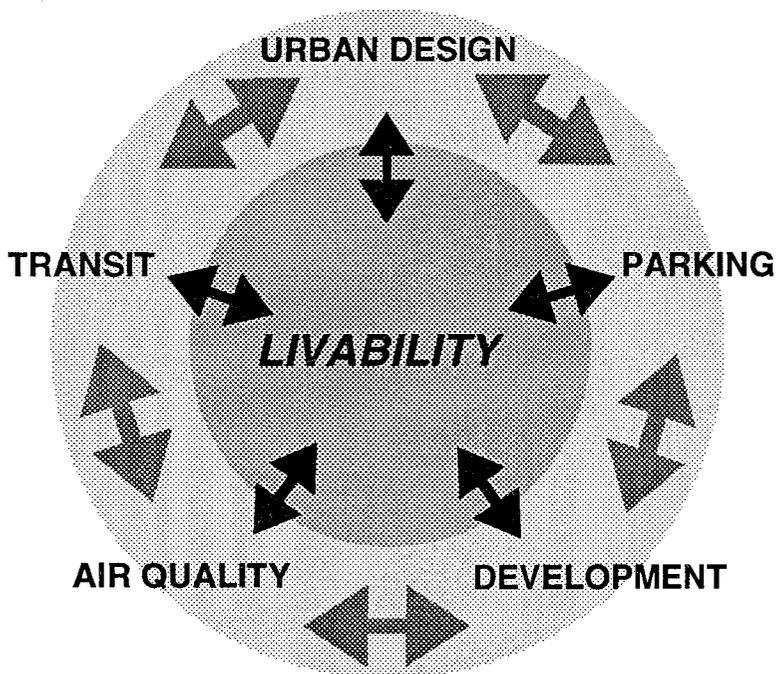
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City Club of Portland
Report on
Downtown Parking



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The City Club membership will vote on this report March 19, 1993. Until the membership vote, the City Club does not have an official position on this report. The outcome of the membership vote will be reported in the City Club Bulletin (Vol. 74, No. 44) dated April 2, 1993.

CITY CLUB OF PORTLAND

Report on DOWNTOWN PARKING

I. EXECUTIVE SUMMARY

Downtown Portland parking regulation, originally adopted as an air quality measure, has had a broad impact on a number of factors which define Portland's livability: economic development, air quality, urban design and transportation management. The Committee found that Portland's parking lid and new building parking ratios are generally credited with reducing downtown congestion, increasing mass transit use, and permitting continued downtown development.

However, the effect of restricting parking in downtown Portland only, was to push development and traffic out to the suburban communities. The Committee found that air quality and transportation management must be addressed through a regional parking strategy. A regional parking strategy would call for local regulations tailored to meet local needs which may include lids and ratios, but might also include parking taxes or surcharges, price regulations and other measures. As a first step, the Committee believes that the program of lids and ratios applicable in downtown Portland should be extended to the Lloyd District, Central Eastside, Northwest Triangle and the north Macadam areas.

The analysis of the economics of downtown parking led the Committee to investigate the role of City Center Parking in controlling parking rates. The Committee learned that, indeed, City Center Parking not only operates all City of Portland public parking lots, but owns or operates substantially all of the privately owned garages and lots in downtown Portland, as well. However, the Committee found no evidence that City Center Parking's dominant position currently results in higher parking rates or poorer service to the public.

II. INTRODUCTION

Initial witnesses to the Committee expressed concern that the management of private and municipal parking lots in downtown Portland is dominated by a single firm, City Center Parking. Others focused on parking policy, which they explained has a significant effect on transportation management in the Portland metropolitan area. These witnesses pointed out that this is a critical time for the Portland metropolitan area as it faces rapid population growth, congested traffic routes, and the beginnings of urban and suburban sprawl. They argued that while Portland's parking regulations have served downtown Portland well, they are inadequate to meet the needs of a growing metropolitan area.

In light of this initial testimony, the Committee drafted its charge as follows:

- to examine the current regulation and economics of Portland's parking;
- to identify who benefits and who pays under the current system;
- to recommend the appropriate geographic scope of parking regulation;
- to recommend the appropriate policy goals of parking regulation; and
- to recommend the appropriate government agencies and tools to regulate parking.

III. BACKGROUND

A. Genesis of Parking Regulation in Portland

The adoption of the federal Clean Air Act by Congress in 1970 required the preparation and approval of an environmental impact statement prior to the construction of virtually all new commercial or residential buildings in downtown Portland. The City of Portland (the City) was concerned that this new requirement would unduly hinder the revitalization and development of downtown Portland by creating much uncertainty about the timing and cost of any new building project. As a result, the City negotiated an alternative arrangement with the Oregon Department of Environmental Quality (DEQ) and the federal Environmental Protection Agency (EPA). The agreement permitted new construction in downtown Portland without the preparation and approval of an environmental impact statement, but required, among other things, the City to adopt a policy limiting both the aggregate number of parking spaces in downtown Portland and the number of new parking spaces permitted in each newly constructed building.

The specific ordinances implementing this policy, known as the Downtown Parking and Circulation Policy (the Policy), were adopted by the Portland City Council on February 6, 1975. The stated goals of the Policy were to encourage transit use, minimize congestion, maintain satisfactory air quality and permit continued development. In the mid-1970s, the Policy was an integral part of the City's program to revitalize downtown Portland and develop a more livable urban core. The program included the development of a transit mall and other measures. In addition to the lid and ratios described below, the Policy established park-and-ride lots, provided City funding for short-term parking structures, and reduced the time limits of on-street parking meters.

Because the Policy was created to obviate the preparation and approval of an environmental impact statement for each new downtown project pursuant to the Clean Air Act, significant modification of the Policy generally requires the approval of both the DEQ and the EPA.

B. Current City Regulation of Parking in Downtown Portland—Lids, Ratios and Prices.

The City regulates parking by limiting the number of available spaces and by setting prices for City-owned spaces.

1. The Downtown Parking Lid

Portland's maximum parking space inventory (the Lid) limits the number of parking spaces within the downtown area bounded by the Willamette River, I-405 and N.W. Hoyt Street. The Lid applies to all parking spaces except residential and hotel spaces, which are exempt.

When the Policy was enacted in 1975, it permitted 39,680 parking spaces in downtown Portland. Since then, the Lid has been increased from time to time pursuant to the EPA's Air Quality Offset Program, which permits the number of parking spaces under the Lid to be increased when other measures designed to reduce air pollution in Portland are implemented, such as carpooling, employer

subsidization of transit passes, and flexible work scheduling. As of July 1, 1992, the Policy permitted an aggregate of 44,220 parking spaces within downtown Portland. These parking spaces were allocated as follows:

Parking Space Allocations as of July 1, 1992

Off-street spaces—public	3,579
Off-street spaces—private	32,224
On-street spaces	6,607
Approved but not built	1,442
Reserve	368
TOTAL	44,220
Exempt spaces—hotel & residential	2,637

Spaces in the “reserve” category are intended for use in new construction.

A developer of a new project in downtown Portland must apply to the City’s Bureau of Planning for a conditional use permit for the proposed project; this application must include the number of parking spaces proposed in the project. Each appropriate City bureau is notified of the application and asked to make a formal response regarding the proposed project’s compliance with ordinances it administers. The Bureau of Traffic Management is responsible for determining whether the project meets parking space requirements under the Policy.

Surface parking lots generally operate under revocable use permits. If the reserve under the Lid were depleted, these use permits could be revoked by the City and these lots could be shut down. However, to date, the Bureau of Traffic Management has balanced the approval of parking spaces in new projects with anticipated increases in the reserve in order to avoid the necessity of any such revocation.

2. Downtown Parking Ratios

Ratios were also established under the Policy as a means of controlling the number of parking spaces that may be included in a newly constructed building, regardless of the number of reserve spaces available under the Lid. Ratios determine the maximum and minimum number of spaces for a development by linking parking spaces to the square feet of office floor space. The average ratio is about 1 space per 1,000 square feet of office floor space, and will vary from building to building depending on the proximity of the building to transit services. Buildings near the highest level of transit service are limited to 0.7 spaces per 1,000 square feet, while buildings farther from transit are granted a somewhat higher ratio.

3. Prices

Parking rates for private garages and lots in Portland are not regulated. However, the City sets the rates charged in City-owned garages and for metered, on-street parking, which account for just less than a quarter of the parking spaces in downtown Portland. Accordingly, by setting these rates, the City can affect significantly the cost of parking in downtown Portland.

C. City-Owned Parking

The City's commitment to support downtown merchants is the primary reason for its ownership of 3,579 spaces in 7 public garages (about 10% of total off-street parking), for its pricing policies for those garages, and for its metered on-street parking.

The rate for parking for 4 hours or fewer in City garages is \$0.75 per hour, to encourage use by shoppers and other short-term users, rather than commuters. The rate for parking more than 4 hours in City garages is \$1.50 per hour.

In July 1991, the City simplified all on-street parking by providing uniform rates of \$0.75 per hour, to match its parking garages' short-term rates, and by providing 15-minute and 1-hour meters in core commercial areas, and 3-hour and 5-hour meters in perimeter blocks. Two-hour meters were eliminated. The City's goals were to remove the economic incentives to park on the street, simplify the rate structure, and reduce the number of parking tickets. Surveys conducted by the Bureau of Traffic Management show that the changes have helped achieve these goals. In addition, the Bureau's surveys found that a driver has a better than 50% chance of finding an on-street parking space within 3 blocks of a driver's destination in downtown Portland.

Telephone calls by City Club staff members to city officials in Seattle, Tacoma, Eugene, Salem, Boise, San Francisco and Sacramento in April 1992 indicated that \$0.75 per hour is in the middle of the range of prices charged for parking at municipal, downtown lots in West Coast cities. Not surprisingly, cities larger than Portland charge more for parking; cities smaller than Portland charge less.

Since 1992, contracts for the operation of City-owned parking garages have been awarded by the City's Bureau of General Services through a competitive bidding process. Currently, the criteria used by the Bureau of General Services in judging bids include the experience of the bidder in parking management; the financial stability of the bidder; the bidder's demonstrated commitment to customer relations; the quality of the bidder's method for collecting, controlling and accounting for costs and revenues; the bidder's technical ability to manage its operations; and the bidder's proposed fee. At the present time, all City-owned parking garages in downtown Portland are operated by City Center Parking, which also does business under the name Parking Management Company (PMC).

D. Private Parking

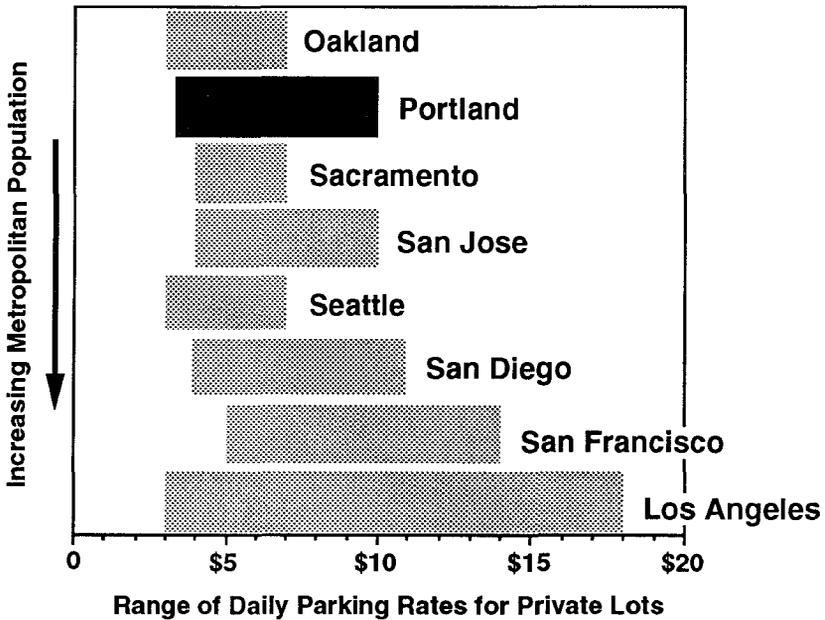
As noted above, more than 32,000 parking spaces are located in private garages, lots and buildings in downtown Portland; this represents more than 70% of all parking spaces in that area.

Because publicly available property records show only the record owners of downtown real estate, and parking operating contracts are generally the private business of the parties, the Committee was unable to obtain comprehensive information regarding the beneficial ownership and operation of privately owned parking garages and lots in downtown Portland.

However, City Center Parking told the committee that indeed, it owns or operates most of the private parking garages and lots in downtown Portland.

In addition, the Committee was informed that City Center Parking or its principals own a substantial amount of downtown Portland real estate. The Committee also observed that City Center Parking’s dominant position in the operation of City-owned and private parking garages and lots in downtown Portland is a source of considerable concern for many Portlanders, although generally not for the government officials, developers and others who are most intimately involved in downtown parking issues.

While the Committee heard concerns about the cost of parking in downtown Portland, a 1992 report prepared by the staff of the Portland Development Commission stated that “downtown parking rates in Portland are not out of line with other West Coast cities.”



From: *Downtown Older and Historic Buildings Parking Study*
Portland Development Commission, July 1992.

While maximum daily parking rates in Portland exceed those in Seattle, the Committee found that 1993 rates for monthly parking in Seattle ranged from \$75 to \$150. Portland rates varied from \$36 near Union Station to \$130 in the city core. Other surveys have also shown that parking rates in downtown Portland are comparable with those in other similarly sized western cities.

IV. DISCUSSION

A. City Center Parking

The Committee spent considerable time examining and analyzing the dominant position of City Center Parking in the operation and ownership of parking garages and lots in downtown Portland.

The Committee heard that City Center Parking has engaged in business practices that some consider unfair to discourage competing companies from entering the downtown Portland parking market.

The Committee was informed by several sources that since it controls most of the private parking spaces downtown, City Center Parking can offer additional spaces to building owners who retain it to operate their parking, and deny additional spaces to building owners who retain a competitor. Since most buildings need to offer more parking spaces to tenants than are contained within the building, this would present a substantial disincentive for a building owner to do business with a parking operator other than City Center Parking. The Committee was also told that City Center Parking has also used, at a minimum, the tacit threat of this practice to obtain contracts with private building owners on more favorable terms. City Center Parking told the committee that it offers available spaces in its lots to meet overflow parking needs of any other lot, regardless whether the other lot is operated by City Center Parking, and that City Center Parking has in fact handled overflow for competitors' lots.

One parking manager claimed that City Center Parking has lowered parking rates at lots and garages adjacent to lots or garages operated by competitors, to drive the competitors out of business. City Center Parking denied that it engages in this practice, and noted that historically its rates have been both higher and lower than those of its neighboring competitors.

Some have also suggested that City Center Parking has bid to operate some City-owned lots at cost, without any profit to City Center Parking, to discourage the City from contracting with a competitor and giving the competitor a foothold in the Portland parking market. However, while City Center Parking has bid to operate at least one City-owned garage at cost, City Center Parking has not made a practice of submitting bids at cost, nor has it consistently submitted the lowest bid to the City to operate its garages. In addition, the City no longer offers its operating contracts to the lowest bidder, but has adopted the "best bid" process described earlier.

Many have claimed that the involvement of City Center Parking or its principals in the Association for Portland Progress helped influence the bid granting process. However, at least partly in response to such claims, the Association for Portland Progress is no longer involved in the awarding of contracts to operate City-owned parking garages, and the bidding process for such contracts is currently administered by the City's Bureau of General Services as described above.

The Committee also heard several proposals to regulate, directly or indirectly, City Center Parking's business. One witness theorized that City Center Parking is a classic monopolist, whose role should be tolerated and even encouraged by the City, but whose monopoly profits should be taxed by the City, perhaps to fund transit programs. Others suggested that the City should regulate the prices charged in private lots and garages in downtown Portland, while others offered that the operation of private parking lots and garages in Portland should be franchised by the City, as with garbage collection throughout the City.

The Committee ultimately found no evidence that City Center Parking's dominant role results in higher parking prices or poorer service for the public. Indeed,

surveys show that parking prices in Portland are near the median of prices charged for parking in West Coast cities. While the Committee recognized that such a comparison is at best circumstantial evidence, the Committee did not find any more scientific studies of downtown Portland parking prices. By contrast, the Committee heard many government officials, developers and others praise City Center Parking for the efficiency and competence with which it manages the parking garages and lots within its control.

Lastly, the Committee considered and determined not to address the current controversies regarding Multnomah County Commissioner Gladys McCoy's involvement in awarding certain county parking contracts, nor the giving of "tickets" by a City Center-contracted security firm to parking customers who violate the rules in certain downtown lots and garages. The Committee is unaware of evidence that these controversies represent systemic problems.

B. Policy Goals of Parking Regulation

The Committee heard from witnesses that parking is one factor within a matrix of factors that determines the livability of the Portland metropolitan area. This matrix is illustrated on the cover of this report. Other factors include economic development, air quality, urban design, the cost and availability of mass transit, and traffic flow. However, unlike some factors (like economic development or air quality), parking is not a goal in itself, but is merely related to transportation management. As a result, the Committee sometimes found it difficult to focus its study on parking without becoming immersed in the other issues to which parking relates. The following discussion briefly describes the relationship between parking and the other factors in the "livability" matrix.

1. Air Quality

Continued and increasing automobile reliance is a serious threat to maintenance of air quality standards in the region. Increases in vehicle trips and vehicle miles travelled (VMT) are eroding much of the gains made by cleaner vehicles and fuels. Reductions in per capita vehicle trips and VMT are especially important for reducing future motor vehicle emissions.

*Oregon Department of Environmental Quality
Report to the Governor's Task Force on Motor
Vehicle Emission Reductions in the Portland Area
March 25, 1992*

Parking regulation is an important tool for reducing automobile traffic and maintaining air quality. Indeed, the initial reasons for adopting the Policy were to comply with the federal Clean Air Act and manage air quality in Portland. Reducing automobile usage continues to be an important part of the region's effort to maintain air quality.

However, staff of the City's Bureau of Traffic Management informed the Committee that the Policy has contributed only 6-8% of the improvement in air quality in downtown Portland in recent years. DEQ inspections and the introduction of the catalytic converter and other car engine modifications are responsible for about 92% of the improvement.

Moreover, while automobile emissions continue to be the major cause of air pollution in Portland, as elsewhere, the number of cars coming and going from

downtown is not necessarily the most important factor in controlling car exhaust in the Portland metropolitan area. For example, a car trip from a suburban home to a Tri-Met park-and-ride station, from which a commuter can catch a bus into downtown Portland, may result in as much automobile emission as a car trip from the suburban home all the way into downtown Portland, since the number of cold starts is more important in causing harmful automobile exhaust than the number of miles travelled.

In addition, the Committee was informed that because of traffic and wind patterns, air quality tends to be a greater problem today in certain outlying areas, such as along 82nd Avenue in east Portland, than it is in downtown Portland, this makes the regulation of parking in downtown Portland comparatively less important than it once may have been to the improvement of air quality in the metropolitan area.

2. Economic Development

The Committee heard from witnesses who stressed the impact of parking policies on economic development in downtown Portland and the metropolitan region.

The Policy is currently intended to promote the downtown retail business, a key component of an economically viable downtown, through a pricing structure in City-owned and metered spaces that encourages short-term parking, and through the construction of additional City-owned parking garages.

More generally, witnesses told the Committee that available, affordable parking is critical for downtown Portland's cultural and business activities, and for the growth of residential development. The Downtown Community Association noted that middle- and low-income downtown residents often find the rate for long-term downtown parking (usually about \$100/month) difficult to afford.

In addition, the availability of parking can affect not only the degree but the nature of economic development. Obviously, retailers and other businesses that need parking principally for patrons have different parking needs than do businesses and residential developments that need parking principally for employees and tenants.

Likewise, tenants of older and smaller downtown buildings, which typically do not have their own parking, are affected differently by parking restrictions and the disappearance of on-street parking and surface lots than are tenants of modern office towers, which typically include substantial parking facilities. In a study of older and historic buildings conducted for the Portland Development Commission, DKS Associates and E. D. Hovee suggest that some parking spaces be designated for older and historic buildings, because such buildings will be most affected by the projected loss of 1,000 surface lot spaces due to the development of those lots in the near future.

Developers who spoke to the Committee believe, to varying degrees, that current City parking regulations are a potentially negative influence on major downtown building development, because such regulations only exist in the downtown area. Several developers commented that regional parking regulation would "level the playing field."

Similarly, a representative from the Association for Portland Progress expressed concern that businesses will move to the suburbs, where there currently are no parking restrictions, at least in part to flee the restrictions on parking in downtown Portland. In a study of businesses which left downtown for the suburbs, the Association found that 8 out of 10 identified parking as the most important reason for the move. However, the Committee contacted representatives of some other businesses which had moved operations from downtown Portland to outlying areas, such as U.S. Bank and US West, and was informed that parking was not an important factor in their respective decisions to relocate.

One developer cautioned the Committee not to focus on the effect of parking on economic development to the exclusion of many other important factors related to both. He said that such a narrow focus was "only punching one key on the piano," and does not take into account all the factors necessary to maintain an economically healthy downtown.

3. Urban Design

Parking policy also plays a part in the shape and density of urban development, or "urban design."

Witnesses explained to the Committee that the relative expense and unavailability of parking in downtown Portland could encourage commercial and residential development in outlying areas. Unmanaged suburban development could decrease the density of commercial and residential development in the Portland metropolitan area, which in turn would encourage the type of urban sprawl that is occurring or has already occurred in the Seattle area and in many California cities.

Urban sprawl brings with it many problems associated with increased automobile use, including traffic gridlock, air pollution, and the costs of maintaining adequate roads and highways. By contrast, higher urban density permits the location of residences and businesses closer to public transit, thereby decreasing the use of automobiles. Therefore, witnesses expressed the belief that it is critical to create a level playing field between downtown and suburban areas with respect to commercial and residential development, and encourage desired density in Portland's urban core.

4. Transportation

If [the Portland metropolitan area] is to grow by 500,000 people without losing its livability, we've got to get people out of their cars and onto transit.

*Tom Walsh, General Manager, Tri-Met
City Club Luncheon
January 17, 1992*

Parking policy is a critical element in transportation demand management. Since parking is essential at some point for virtually all automobile trips, the price and availability of parking have a strong influence on whether people choose to make their trips by automobile.

*Commuter Parking Symposium
Co-sponsored by the Association for
Commuter Transportation and the
Municipality of Metropolitan Seattle,
December 6-7, 1990*

The Committee was informed by witnesses that transportation management is perhaps the critical factor that will determine the livability of the Portland metropolitan area in the coming decades. Transportation patterns will significantly influence land use, economic development and air quality, and the efficient, economical movement of people and goods through the metropolitan area is an essential element of a livable community.

Oregon is currently attempting to address this issue by adopting the Land Conservation and Development Commission's Transportation Planning Rule, or Goal 12, which calls for a 20% reduction in VMTs in the Portland metropolitan area on a per capita basis over the next 30 years. Also, Portland's Transportation Policy aims to have 85% of all new trips to downtown made by means other than an auto. Since a recent DEQ report states that per capita VMTs in the Portland metropolitan area have actually been increasing at a rate of 7% each year since 1980, current trends will have to be significantly reversed to achieve these transportation management goals.

The price and availability of parking is obviously an important factor in determining transportation patterns in the Portland metropolitan area. Notably, Goal 12 also calls for a 10% reduction in the number of parking spaces per capita in the Portland metropolitan area over the next 20 years, in recognition of the important relationship between parking policy and transportation management.

The Committee was informed that the central purpose of the restriction on parking spaces under the Policy was to reduce the number of cars in the downtown area and to encourage downtown travellers to use mass transit and other alternative modes of travel. The Policy has generally been successful in achieving this purpose.

However, witnesses also expressed concern that restricting the availability of parking in the downtown area only has simply encouraged businesses and shoppers to move into the suburban areas, where parking is readily available and generally free. Because of this, it was explained, the restriction of parking downtown, at least without comparable restrictions elsewhere, could increase automobile usage and traffic congestion in the metropolitan area as a whole. Development is, in effect, encouraged in outlying areas where transit is less feasible.

The Committee learned in the course of its study that the issue of parking cannot be neatly separated from other transportation issues. Indeed, some Committee members came to believe that the profound effect that transportation policies will have on the development of the Portland area, and the need to increase funding for and use of mass transit, should be the focus of the Committee's report. They contend that parking is really a subsidiary of the larger issue of the availability of inexpensive and convenient public transit service in the entire metropolitan area, and note that California and Washington devote 14% and 32% of their state transportation budgets, respectively, to the funding of mass transit, while Oregon devotes only 6% of its state transportation budget to this purpose. While most members of the Committee acknowledged the central importance of transportation policies to Portland's future and sympathized with the goal of increasing transit funding and use, a majority of the Committee concluded that its charge was to focus on the importance of parking within this mix of issues.

C. Geographic Scope of Parking Regulation

The problem with the downtown lid is not that it is ineffective, but rather that it addresses only a portion of the geographic area of the Central City and an even smaller portion of the region. It does not reduce or even maintain region-wide auto travel and it does not address region-wide reductions in ozone.

*Elsa Coleman Parking Manager,
City of Portland
Office of Transportation
Future Focus Briefing Paper
January 17, 1991*

The Committee heard witnesses testify as to the positive effects of the Policy enacted in 1975. These witnesses believe that the Policy has not only achieved its primary goal of reducing the number of days in which Portland violated air quality standards, but the Policy has generally reduced traffic congestion in downtown Portland and provided a fair method for distributing parking.

Land use codes and ordinances in areas outside of downtown Portland do not restrict the price or availability of parking. In fact, in many suburban communities, zoning regulations provide for minimum, rather than maximum, parking requirements for land uses.

Witnesses who spoke to the Committee underscored the need for a regional approach to parking policy in the metropolitan area. These witnesses explained that regulation of parking in downtown Portland without regulation in other areas tends to encourage development and traffic in the outlying areas, thereby increasing suburban sprawl and traffic congestion. Moreover, these witnesses stressed that one component of any strategy designed to reduce VMTs on a metropolitan-wide basis must be appropriate parking regulations that help get people out of their cars. Indeed, Goal 12 calls for the Portland area to adopt a plan to reduce the number of parking spaces in the area on a per capita basis by 10% over the next 20 years.

These witnesses explained that the benefits of region-wide regulation to the metropolitan area would be comparable to the benefits already realized in downtown Portland: better air quality, less congestion and increased transit use.

The Committee is aware of substantial resistance in suburban communities to the imposition of parking regulations from without. Representatives of suburban communities explained to the Committee that parking regulation could come to those communities only through the adoption of a regional policy, since local suburban communities would be loathe to adopt parking restrictions without the adoption of similar restrictions in neighboring communities.

The City of Portland's Central City Transportation Management Plan is being studied by Shiels and Oblatz, whose report is scheduled to be completed in March 1993. The report will review parking regulation in areas near downtown Portland that are not subject to the Lid or ratios. An interim report, released in January 1992, suggested that some parking limitations be applied to these areas to reduce the competitive disadvantage that downtown parking regulations place on downtown development.

Some witnesses observed that a first step in developing a regional parking policy would be to extend the Policy to the Lloyd District, Central Eastside, North-

west Triangle and the north Macadam areas. Parking regulation could be extended now to these areas by the City of Portland, without any additional state or regional governmental actions. The growing density in these areas makes them comparable in many ways to the areas already subject to the Policy.

However, one witness pointed out that certain high-density employment areas outside Portland, such as Clackamas/Sunnyside, Kruse Way and downtown Beaverton, are experiencing the most critical traffic congestion problems. This witness believed that these trouble spots were in even greater need of parking regulation than the areas of Portland referred to above.

Many expressed the hope that ultimately all areas within the Portland Metropolitan Area Regional Urban Growth Boundary would be subject to some form of regional parking policy that would provide for coordinated, local parking regulations.

Because of its rapid growth and increasingly close relationship with the Portland area, the Vancouver-Clark County area was cited as a priority consideration, although bringing that area within a regional parking policy would require additional intergovernmental agreements not currently in place.

Based on the testimony of several witnesses, the Committee envisions a regional parking strategy in which a regional policy would be developed by Metro, based upon consideration of the factors discussed in this report and pursuant to Goal 12's call for a 10% reduction in per capita parking spaces in the metropolitan area over the next 20 years. This policy would call for local parking regulations that would be implemented and enforced by local governments in the metropolitan area. While the policy would be regional, parking regulations would not be uniform throughout the region. The policy could call for different levels and types of parking regulations in various localities, depending upon Metro's assessment of local conditions, viewed in the context of regional needs.

The Committee heard witnesses attest to the effectiveness of the regulatory tools currently employed by the City—the Lid and ratios—and Committee members would expect these tools to be considered in implementing a regional parking policy. However, the Committee also learned that many communities outside Oregon have adopted “parking pricing strategies” that increase or regulate the price of parking, as part of a package of transportation measures designed to encourage transit use and influence parking behavior. For instance, a parking tax or surcharge increases parking prices, thereby discouraging automobile use and encouraging transit use. The City of San Francisco regulates the ratio of short-term parking rates to long-term parking rates and the proportion of spaces that may be devoted to long-term parking, in order to encourage the availability of short-term parking for retailers and discourage commuting by car. Alternatively, many communities have adopted a tax or fee that is imposed on developers based on the number of parking spaces included within a proposed development, to discourage the creation of parking spaces and place some of the cost of the attendant increase in traffic on the developer. Finally, since most employers currently subsidize or provide free employee parking, regulations in some communities provide incentives to employers to subsidize or otherwise encourage employees to commute by mass transit. Many believe that these types of price-oriented regulations are more effective than lids and ratios, and more easily tailored to meet specific local needs.

The Committee wrestled with the question of which regional authority should be responsible for developing a regional parking policy. Witnesses suggested Metro as the most appropriate candidate—particularly since Metro’s recently adopted charter places greater emphasis on its role as a regional planning authority, and in light of Goal 12’s call for a plan to reduce the number of parking spaces on a region-wide basis. However, the Committee also heard from witnesses who questioned Metro’s competence and interest in taking on such a responsibility. Some witnesses suggested that Tri-Met might also be an appropriate authority to take on this task, but questioned whether Tri-Met’s focus on transit would make it unable to balance the several policy goals that would need to be considered to develop a regional parking policy.

V. CONCLUSIONS

1. Many Portlanders are concerned about the domination of downtown Portland parking ownership and operation by a single enterprise, City Center Parking. However, no evidence exists to show that City Center Parking’s dominant position has resulted in higher prices or poorer service to the public for parking.
2. The current criteria used by the City of Portland in awarding parking contracts are generally appropriate, since they emphasize factors that bear on the ability of the bidder to serve the public and the City in a competent and efficient manner.
3. The current system of lids and ratios in downtown Portland has generally served that area well.
4. While the system of parking lids and ratios in downtown Portland was originally conceived as an air quality measure, parking policy has a much broader impact on Portland. Parking is related to a matrix of factors, including economic development, air quality, urban design and transportation management, all of which determine the livability of the Portland metropolitan area.
5. To maintain the livability of the Portland metropolitan area, parking regulation policies must be regional.

VI. RECOMMENDATIONS

1. a. Metro should develop and adopt a regional parking policy, pursuant to Goal 12, providing for coordinated, local parking regulations to be implemented and enforced by local governments. While the policy should be regional, parking regulations should not be uniform. The policy should take into consideration local conditions and regional needs.
b. As a first step, parking regulations currently applicable to downtown Portland should be extended to the Lloyd District, Central Eastside, Northwest Triangle and north Macadam areas.
2. Metro should specifically identify the goals of the regional parking policy, consistent with Goal 12, and carefully analyze the relationship of parking policy to policies regarding economic development, air quality, urban design and transportation management.

Respectfully Submitted,

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VII. APPENDICES

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B. Persons Interviewed

Affiliations are as of the interview date.

- Appraisal Group, Inc.
Barton DeLacy, President
- Association for Portland Progress
Rick Williams, Vice President
- Downtown Community Association
Lee Lacey, President
B.J. Seymour, Member
- Citizens for Better Transit
Ray Polani, Chair
- City Center Parking
Doug Goodman, President
Greg Goodman, Vice President
Mark Goodman, Vice President
- City of Beaverton
Don Ferris, Project Manger
Bud Roberts, Traffic Engineer
Rick Root, Transportation Manager