

Terry Taplin  
Councilmember District 2

## **SUPPLEMENTAL AGENDA MATERIAL for Supplemental Packet 2**

**Meeting Date:** November 9, 2021

**Item Number:** 23

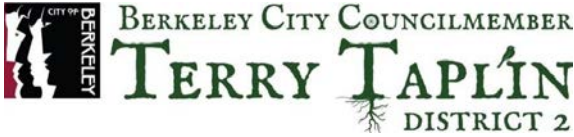
**Item Description:** Budget Referral: Allocate General Fund Revenues to Support Pilot Program Offering Free AC Transit on Sundays in Berkeley

**Submitted by:** Councilmember Taplin

Rather than making free service contingent on service restoration, this proposal more narrowly targets transportation inequities: **(1) fully funding free transit passes for youth/elderly/disabled riders, (2) studying universal cash benefits and restoring lost service with a shuttle under the City's authority, and (3) exercising the City's authority over street parking pricing to support the General Fund and encourage VMT reduction.**

It may be suboptimal and/or infeasible to provide free AC Transit service exclusively for trips originating in the City of Berkeley. AC Transit is a separate jurisdiction with its own budget, including federal funding from the American Rescue Plan Act (ARPA), that operates across multiple jurisdictions. Municipal governments should not independently subsidize universal free transit without legislative authority over its operations, as it would have with a shuttle service. As public servants, the Berkeley City Council is responsible for environmental policies with global ramifications, but only has jurisdiction within its municipal boundaries. The City should seek to maximize equitable outcomes with its limited resources. This does not necessarily entail subsidizing the operations of an outside agency in light of its lingering service cuts that are antithetical to transportation equity and environmental justice.

AC Transit's support for this item appears to be broadly conceptual, but does not indicate if it is practical for bus drivers to manually disable the vehicle's fare collection as soon as they cross municipal borders. Because many low-income workers commute from outside of Berkeley, and Berkeley's lower-income households have been disproportionately harmed by AC Transit service cuts during the COVID-19 pandemic, cash benefits and a City shuttle funded in part by parking revenues may be more equitable and practical than subsidized service with arbitrary geographic cutoffs.



CONSENT CALENDAR

November 9, 2021

To: Honorable Mayor and Members of the City Council

From: Councilmember Taplin

Subject: Budget Referral: Allocate General Fund Revenues to Support ~~Pilot Program Offering Free AC Transit Passes for Youth, Seniors, People with Disabilities, and Feasibility Studies for a Universal Basic Mobility Pilot and City shuttle; and Increase General Fund Revenues via Parking Pricing on Sundays on Sundays in Berkeley~~

RECOMMENDATION

Refer to the Annual Appropriations Ordinance (AAO) #1 November 2021 budget process approximately \$500,000 in General Fund Revenue toward ~~fully subsidizing AC Transit fares originating from Berkeley on Sundays for at least one calendar year and possible contingent on restoration of the suspended Line 80 serving some of Berkeley's lowest income neighborhoods providing free transit passes for youth, seniors, and people with disabilities; authorize the City Manager to charge for curbside parking on Sundays; and refer the City Manager to study the feasibility a Universal Basic Mobility Pilot and a City shuttle to replace AC Transit's Line 80.~~

CURRENT SITUATION, EFFECTS, AND RATIONALE FOR RECOMMENDATION

Reliable and low-cost shared mobility is necessary to reach the city's equity and climate goals. Fundamental social interactions and services, including but not limited to education, healthcare, commerce, socializing, recreation, and entertainment, require the conveyance of humans from one location to another. Berkeley is equipped with a robust, relatively low-cost, low-carbon, and unionized public bus transit system (AC Transit), connecting to many urban hubs through a larger system of regional public transit infrastructure. AC Transit also provides Berkeley with a ready-made means of accelerating its carbon emissions reduction strategy through mode shifting away from passenger vehicles. Even when powered by diesel, bus trips are significantly less carbon-intensive than gasoline-powered passenger vehicles; even greater climate benefits will be realized as zero-emission busses come on line. The City has an

opportunity to increase use of busses, particularly amongst those that do not commonly ride the bus, by working with AC Transit leadership to pilot fare-free public transportation for youth, seniors, and people with disabilities. ~~fareless Sunday bus trips originating in Berkeley, and thereby encouraging new riders to become familiar with the bus system. Berkeley fully subsidizes passenger vehicle parking on Sundays and transit should not be placed at a disadvantage.~~

This proposal follows the launch of fare-free Muni for all youth in San Francisco, which began this past August. In this program, which has been funded for a year-long pilot, all Muni riders under the age of 19 are permitted to take Muni for free without a Clipper Card or any other passes.<sup>1</sup> San Francisco's Free Muni for All Youth is an excellent program designed to relieve the financial burden of public transportation and make life-long patrons of public transportation out of the next generation of San Franciscans. Berkeley and AC Transit should follow San Francisco's model even further by not only guaranteeing free AC Transit for all youth, but for seniors and people with disabilities as well. Overall, youth, seniors, and people with disabilities represent approximately 18% of AC Transit's total ridership<sup>2</sup>, demonstrating the potential of free fares to encourage ridership among these groups who are underrepresented among riders when compared to the region's demographics.

~~This proposal follows AC Transit's successful promotion of the American Rescue Plan Act (ARPA) funded 'Fare-Free Fridays' program during September 2021, and would support public transportation and local businesses which have faced steep declines in utilization and patrons amidst the COVID-19 pandemic. Both East Bay residents and AC Transit workers have suffered immensely due to pandemic-related service cuts and related uncertainty regarding dependability and scheduling. The details of the program are part of ongoing discussions and coordination with Alameda Contra Costa Transit District (AC Transit) staff and leadership. Thanks to the leadership of AC Transit Board Director Jovanka Beckles, the AC Transit Board of Directors are set to preliminarily consider a resolution in support of the concept of municipally funded transit trips, including the Berkeley Free AC Transit Pilot proposal, at its October 13, 2021 Board of Directors meeting (see attachment).~~

~~The staff report prepared by Michael A. Hursh, AC Transit General Manager, and Chris Andrichak, Chief Financial Officer, at the request of Director Beckles states:~~  
"Staff is in support of this resolution and the closer partnerships it could bring with the cities in the District's service area....[t]he main advantage to approving the resolution is

<sup>1</sup> <https://www.kqed.org/news/11881120/free-muni-for-all-youth-ages-18-and-under-to-begin-on-august-15>

<sup>2</sup> [https://www.actransit.org/website/uploads/board\\_memos/17-231a%20Rider%20Survey%20Atch%20-Red%20Folder.pdf](https://www.actransit.org/website/uploads/board_memos/17-231a%20Rider%20Survey%20Atch%20-Red%20Folder.pdf)

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~~that it could encourage Berkeley or other cities to fund transit programs, which would increase ridership and benefit the District... [i]n general, the concept of municipally funded transit trips should be financially positive for the District, with the specific impacts depending on how any program is structured.”<sup>3</sup>~~

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In response to the pandemic, AC Transit also indefinitely suspended Berkeley’s critical Line 80 during the pandemic which ran along Ashby Avenue, Sixth Street and Pierce Street. Restoration of this line is a critical matter of equity as it served some of Berkeley’s lowest-income and diverse populations in an area that is not easily BART accessible. In April 2021, the Berkeley City Council sent the AC Transit board a letter, sponsored by Councilmembers Taplin, Bartlett and Harrison urging the Board to restore the line.<sup>4</sup> The line also connects seniors to the South Berkeley Senior Center, the Berkeley Pines Care Center, Ashby BART, and the Alta Bates Medical Center. In June, AC Transit agreed to pilot a Line 79 which would restore service on Ashby, but would not run along Sixth Street. It is therefore critical that as part of any discussion or funding of ~~Sunday-free AC Transit passes~~Pilot, the City should continue working with AC Transit and ~~explore the feasibility of launching a City-run shuttle service that replaces the unserved portions of the former Line 80 route if this service is not restored soon, potentially provide resources as appropriate to facilitate the expeditious restoration of service along Sixth Street.~~<sup>5</sup>

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AC Transit busses reduce air pollution, frequent key urban locations, are relatively accessible to disabled persons, observe COVID-19 safety protocols, support commerce, and are outfitted with bicycle storage. Any Free Transit pilot would likely interface with the Clipper Card system, which provides riders with additional discounts regardless of income, including a discounted Day Pass that tops out at \$5, and additional discounts for low-income riders through the Clipper START pilot and disabled people via the RTC Clipper program.<sup>6</sup> It also facilitates easier onboarding for bus drivers and passengers. Expanding usage of the Clipper system is a top priority for the AC Transit Board and the City of Berkeley. The City is also actively considering providing free transit passes to low-income residents through its Climate Equity Action Fund pilot

<sup>3</sup>Michael A. Hursh, General Manager “Support of Municipally-Funded Transit Trips,” AC Transit Board of Directors, Staff Report No. 21-473, <https://actransit.legistar.com/LegislationDetail.aspx?ID=5164251&GUID=9E4A4EDC-91ED-44B8-9394-84A3FDA978F5>.

<sup>4</sup>“Urge the AC Transit Board of Directors to Restore the 80-Ashby/Sixth Street Bus Line,” Berkeley City Council, April 20, 2021, [https://www.cityofberkeley.info/Clerk/City\\_Council/2021/04\\_Apr/Documents/2021-04-20\\_Item\\_26\\_Letter\\_in\\_Support\\_of\\_AB\\_816.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2021/04_Apr/Documents/2021-04-20_Item_26_Letter_in_Support_of_AB_816.aspx).

<sup>5</sup> Theresa Harrington, “More buses returning to Ashby Avenue; other Berkeley transit cuts likely to linger,” Berkeleyside, June 2, 2021, <https://www.berkeleyside.org/2021/06/02/more-buses-returning-toashby-avenue-other-berkeley-transit-cuts-likely-to-linger>.

<sup>6</sup> Clipper START, Metropolitan Transportation Commission, <https://www.clipperstartcard.com/s/>.

program.<sup>7</sup> The federal government has empowered Berkeley to transfer ARPA funds to local agencies such as AC Transit. It is in the public interest for the City of Berkeley to support AC Transit and the Berkeley community by exploring and funding increased accessibility and utilization of public transit amidst the COVID-19 pandemic and the climate emergency through a year-long pilot of free bus rides for youth, seniors, and people with disabilities.

~~Sunday bus rides and possible contingent on the restoration of Line 80~~

~~As this new program is underway, the City should continue to study and explore alternatives for future programs that expand fare-free or reduced-fare AC Transit to those not included under this initiative. The City of Oakland's Universal Basic Mobility Pilot, which provides prepaid debit cards with up to \$300 for public transportation use to a randomly selected group of East Oakland residents and workers, is a model of a universal program that Berkeley should examine for future efforts at subsidizing public transportation.<sup>8</sup>~~

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## BACKGROUND

According to data from the National Transit Database, monthly public transit ridership is 65% lower than before the pandemic.<sup>9</sup> Because of the COVID-19 pandemic, public transit has been forced to reduce its hours and accessibility, and many people shifted to driving personal vehicles as their main mode of transportation. Even as schools and businesses begin to reopen following increased vaccination and masking policies, public transit ridership remains extremely low.

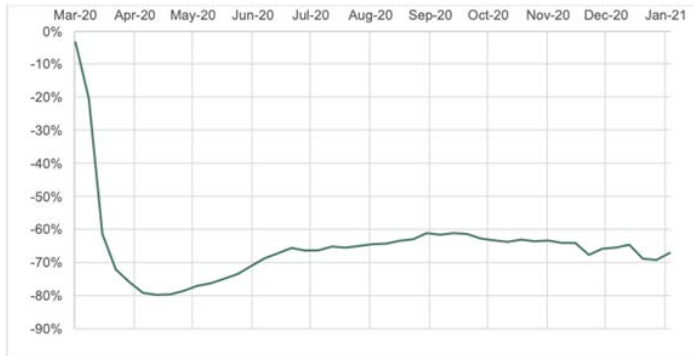
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<sup>7</sup> "Climate Equity Action Fund - Committee Discussion Pursuant to Resolution No. 69,984 Regarding Eligible Categories of Fund Expenditures to Maximize Equitable Emissions Reductions and Impacts for Eligible Households," FITES Committee, [https://www.cityofberkeley.info/uploadedFiles/Clerk/Level\\_3\\_-\\_City\\_Council/2021-10-06%20Agenda%20Packet%20-%20Facilities.pdf](https://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3_-_City_Council/2021-10-06%20Agenda%20Packet%20-%20Facilities.pdf).

<sup>8</sup> <https://www.oaklandca.gov/topics/universal-basic-mobility>

<sup>9</sup> "The Impact of the COVID-19 Pandemic on Public Transit Funding Needs in the U.S." Evidence-Based Practice (EBP), January 2021, <https://www.apta.com/research-technical-resources/research-reports/the-impact-of-the-covid-19-pandemic-on-public-transit-funding-needs-in-the-u-s/>.

Figure 2 Public Transit Ridership Losses and Projections



Source: APTA Ridership Trends Dashboard powered by Transit, January 2021.<sup>10</sup>

More generally, transit ridership in the U.S. has been steadily declining since 2014.<sup>11</sup> The COVID crisis both demands and provides an opportunity for bringing the community back to public transport systems. Implementing free public transit ~~on~~ Sundays for youth, seniors, and people with disabilities can help change the trajectory of Berkeley's ridership levels.

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A pilot free transit program will have a positive environmental impact. We are facing a grave climate emergency, requiring municipalities to rapidly transition to a zero-carbon economy by 2030.<sup>12</sup> Berkeley has struggled to rein in its transportation emissions, which as of 2018 accounted for 59% of greenhouse gas emissions and only fell 6% below 2000 levels.<sup>13</sup>

In addition to discounted transit passes and micromobility service memberships for low-income households, the City of Oakland has implemented a Universal Basic Mobility

<sup>10</sup> <https://transitapp.com/APTA>.

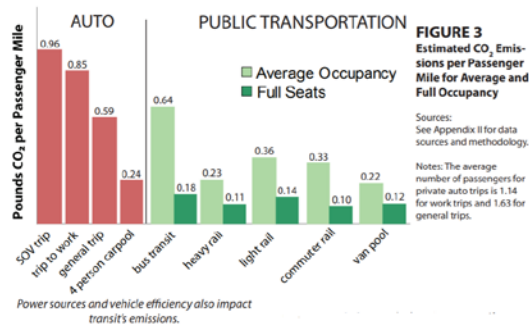
<sup>11</sup> National Academies of Sciences, Engineering, and Medicine 2020. Analysis of Recent Public Transit Ridership Trends. Washington, DC: The National Academies Press. <https://doi.org/10.17226/25635>.

<sup>12</sup> The City of Berkeley has historically shown its commitment to tackling climate change through the 2006 Berkeley ballot Measure G, 2009 Climate Action Plan, and the 2018 Climate Emergency Declaration. See also, "Endorsing the Declaration of a Climate Emergency", Resolution No. 68,486-N.S., June 2018 [https://www.cityofberkeley.info/uploadedFiles/Council\\_2/Level\\_3\\_-\\_General/Climate%20Emergency%20Declaration%20-%20Adopted%2012%20June%202018%20-%20BCC.pdf](https://www.cityofberkeley.info/uploadedFiles/Council_2/Level_3_-_General/Climate%20Emergency%20Declaration%20-%20Adopted%2012%20June%202018%20-%20BCC.pdf)

<sup>13</sup> 2020 Climate Action Plan and Resilience Update, Office of Energy and Sustainability, July 21, 2020, [https://www.cityofberkeley.info/Clerk/City\\_Council/2020/07\\_Jul/Documents/2020-07-21\\_Special\\_Item\\_05\\_Climate\\_Action\\_Plan\\_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2020/07_Jul/Documents/2020-07-21_Special_Item_05_Climate_Action_Plan_pdf.aspx).

(UBM) Pilot, which provides a randomly-selected pool of East Oakland residents with a \$300 prepaid debit card to meet their mass transit and shared mobility needs.<sup>14</sup>

Even when powered by diesel fuel, public bus transit trips are significantly less carbon intensive than passenger vehicle miles, and will continue to fall each year as AC Transit completes its Zero Emissions Bus Rollout Plan by 2040 with 100 percent of all transit new bus purchases being zero emissions by 2029.<sup>15</sup> According to national data from 2010, a single occupancy vehicle trip generates 0.96 pounds of carbon dioxide per passenger mile whereas a bus generates only 0.18 when fully occupied and 0.64 at average occupancy, representing a 33 to 81% decrease in carbon intensity per mile.<sup>16</sup>



Source: Public Transportation's Role in Responding to Climate Change, 2010.<sup>17</sup>

Scientists and researchers have warned that recovery and "stimulus" funds distributed by governments in the wake of the COVID-19 pandemic must be expended on climate mitigation efforts in order to meet the extremely small carbon budgets agreed to as part of the 2015 Paris Agreement to limit global warming to "well below" 2 degrees.<sup>18</sup>

Across the nation cities are taking action through the implementation of free transit systems. The goal of these transit services is affordable mobility for all, whether through

<sup>14</sup> See footnote 8.

<sup>15</sup> Zero-Emissions Bus Rollout Plan, AC Transit, Version 1, 2021, [https://www.actransit.org/sites/default/files/2021-03/AC%20Transit%20ZEB%20Rollout%20Plan\\_06102020.pdf](https://www.actransit.org/sites/default/files/2021-03/AC%20Transit%20ZEB%20Rollout%20Plan_06102020.pdf).

<sup>16</sup> Public Transportation's Role in Responding to Climate Change, U.S. Dept. of Transportation, January 2010, <https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/PublicTransportationsRoleInRespondingToClimateChange2010.pdf>.

<sup>17</sup> *Id.*

<sup>18</sup> H. Damon Matthews, and Kasia Tokarska, "New Research Suggests 1.5C Climate Target Will Be out of Reach without Greener COVID-19 Recovery Plans." *The Conversation*, 10 Aug. 2021, [theconversation.com/new-research-suggests-1-5c-climate-target-will-be-out-of-reach-without-greener-covid-19-recovery-plans-151527](https://theconversation.com/new-research-suggests-1-5c-climate-target-will-be-out-of-reach-without-greener-covid-19-recovery-plans-151527).

free bus systems, shuttles, railways, etc. In particular the establishment of pilot programs and COVID-19 recovery efforts across the country have demonstrated the need for a push to free public transit. In March 2021, Connecticut Governor Ned Lamont directed CTtransit to provide free, statewide bus service to the public every weekend in order to combat the economic losses incurred during the ongoing pandemic.<sup>19</sup> Similarly, thanks to the leadership of grassroots movements and Supervisor Dean Preston, during the pandemic the San Francisco Mayor agreed to adopt free transit for youth under 19 years old across MUNI for a minimum of one year.<sup>20</sup> Programs such as this aim to not only boost ridership but also to increase the accessibility of transportation to youth, low-income commuters, and seniors with disabilities. Before the pandemic, Lawrence Massachusetts launched a two-year free bus transit pilot program daily on its three primary bus routes in September 2019 and saw an impressive 24% increase in ridership. Other cities have seen an increase as high as 60%. Similar experiments are underway in Kansas City, Olympia Washington, and Boston. According to the New York Times, 100 cities worldwide provide free public transit.<sup>21</sup>

According to a Health Affairs study, certain groups, including "women, young adults (those ages 25-29), Black workers, and low-income workers," disproportionately rely on public transportation for commuting and mobility, and public transportation has clear benefits for public health and health equity. At the same time "[l]ack of access to public transportation can disproportionately harm older people and people with disabilities... [and] can also contribute to existing racial and economic disparities by decreasing mobility and forcing individuals to depend on costly car ownership."<sup>22</sup>

Currently, U.C. Berkeley students and Berkeley City employees enjoy unlimited AC Transit EasyPasses, incentivizing ridership on public transit.

Notably, the City of Berkeley does not charge for parking on Sundays, which encourages use of single-occupancy vehicles. [Subsidizing public transit instead of private automobile storage on public streets](#) ~~Offering free public transit within Berkeley on Sundays can stimulate positive and COVID-safe social interactions by providing access to local~~

<sup>19</sup> "Governor Lamont Implements Free Weekend Bus Service During Summer Months in Connecticut as Part of Ongoing COVID-19 Recovery Efforts", State of Connecticut, March 2021 <https://portal.ct.gov/Office-of-the-Governor/News/Press-Releases/2021/03-2021/Governor-Lamont-Implements-Free-Weekend-Bus-Service-During-Summer-Months>

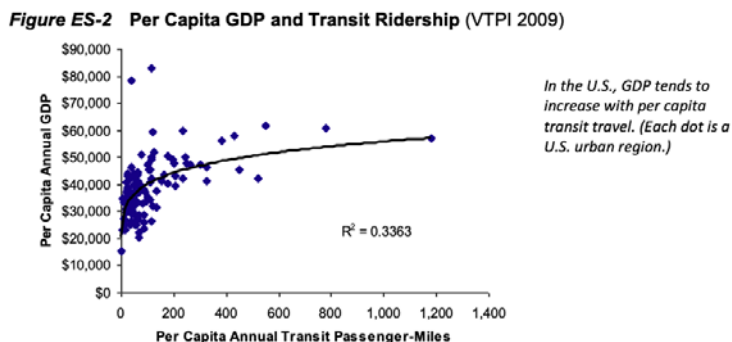
<sup>20</sup> Mayor London Breed and Supervisor Myrna Melgar Announce Expansion of Free Muni for All Youth Program, Monday, July 12, 2021, <https://sfmayor.org/article/mayor-london-breed-and-supervisor-myrna-melgar-announce-expansion-free-muni-all-youth>.

<sup>21</sup> Barry, Ellen, and Greta Rybus, "Should Public Transit Be Free? More Cities Say, Why Not?" The New York Times, The New York Times, 14 Jan. 2020, [www.nytimes.com/2020/01/14/us/free-publictransit.html](http://www.nytimes.com/2020/01/14/us/free-publictransit.html).

<sup>22</sup> Public Transportation in the US: A Driver of Health and Equity, Wendy Heaps, Erin Abramsohn, Elizabeth Skillen, July 29, 2021, <https://www.healthaffairs.org/doi/10.1377/hpb20210630.810356/full/>.



~~businesses, open space and other public venues.~~ It is also good for the economy. Figure ES-2 suggests that transport policies which make alternative modes of transportation such as public transit more accessible strongly correlate with enhanced commercial activity.<sup>23</sup>



Source: "Evaluating Transportation Economic Development Impacts", 2018 <sup>24</sup>

The City also receives sales and business license revenue from such commerce. However, consistent with its climate goals, the City's aim in expanding transit must ensure that economic growth primarily benefits the most vulnerable members of our population and ~~must not be to increase economic growth for growth's sake, but to enhance~~ community access to basic municipal services~~the provision of basic human needs.~~

Supporting AC Transit operations also means supporting an "essential" and unionized transit workforce as well as the local maintenance and local manufacturing/assembly of busses.

~~Ahead of submission of this item, Councilmember Harrison's office and AC Transit have discussed some potential preliminary logistical and fiscal aspects of launching such a pilot program, as well as discussed strategies to prioritize increasing transit ridership.~~

<sup>23</sup> In a study conducted by the American Public Transport Association, researchers examined three cities: Silicon Beach, CA; Austin, TX; and Durham, NC, to analyze the impact of increased public transportation on local economic growth. The study found that "public transportation investments will yield a 2 to 1 return while helping to generate income for local businesses, its workers and their neighborhoods" APTA also stated that "87% of trips on transit directly benefit the local economy". "Public Transportation Supports Knowledge and Innovation Districts", American Public Transportation Association <https://www.apta.com/research-technical-resources/research-reports/public-transit-knowledge/>; "2021 PUBLIC TRANSPORTATION FACT BOOK", American Public Transportation Association, 2021

<https://www.apta.com/wp-content/uploads/APTA-2021-Fact-Book.pdf>.

<sup>24</sup> "Evaluating Transportation Economic Development Impacts", Victoria Transport Policy Institute, 2018

[https://vtpi.org/econ\\_dev.pdf](https://vtpi.org/econ_dev.pdf)

~~Fortunately, AC Transit received significant funding from the Coronavirus Aid, Relief, and Economic Security (CARES) and ARPA to help stabilize massive fare losses, but ultimately these funds are temporary.~~

~~Meanwhile, the City of Berkeley has received approximately \$66 million over two years from the American Rescue Plan Act. It must expend these funds no later than December, 2024. Section 603(c)(3) of the American Rescue Plan Act allows local governments to transfer funds to other agencies such as AC Transit to assist with the recovery from the COVID-19 pandemic and to improve equity measures including access to transportation:~~

~~“TRANSFER AUTHORITY.—A metropolitan city... receiving a payment from funds made available under this section may transfer funds to ... a public benefit corporation involved in the transportation of passengers or cargo, or a special purpose unit of State or local government.”<sup>25</sup>~~

~~The City of Berkeley is considered a metropolitan city and AC Transit likely qualifies as a special purpose unit of local government.<sup>26</sup> Alternatively, the Council could fund the program through excess equity. While the Transportation Network Company tax may provide funding in subsequent years, the Council has already indicated support in this first year for using these funds for priority protected bikeways and quick-build transit projects.<sup>27</sup> AC Transit leadership has repeatedly expressed the significance of Berkeley's interest in funding such quick-build improvements.~~

It is in the public interest to allocate General Funds towards the AC Transit pilot program in order to boost ridership rates, expand access to local goods and services, and to reduce transportation-based carbon emissions. This item proposes an allocation of \$500,000 to support this program and to support possible increased demand resulting from COVID-19 recovery efforts or demand stimulated as a result of this pilot. Implementation of any Berkeley pilot would be subject to approval by the AC Transit Board.

A successful pilot initiative could inspire potential subsequent efforts to expand free transit on a more permanent and frequent basis and thereby further reduce emissions and expand mobility equity.

<sup>25</sup> American Rescue Plan Act, U.S. Congress, January 3, 2021, <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf>.

<sup>26</sup> 41 CFR § 105-50.001-4 Special purpose unit of local government. Special purpose unit of local government means any special district, public purpose corporation, or other strictly limited purpose political subdivision of a State, but shall not include a school district.

<sup>27</sup> Budget Referral: Allocate Transportation Network Companies User's Tax Proceeds and other General Fund Revenues to Support Tier 1 Protected Bicycle Lanes, Crossings, Demonstration Paving Projects, and/or Quick-build Public Transit Projects Under the Street Repair Program, Councilmember Harrison, March 9, 2021, [https://www.cityofberkeley.info/Clerk/City\\_Council/2021/03\\_Mar/Documents/2021-03-09\\_Supp\\_1\\_Reports\\_Item\\_21\\_Rev\\_Harrison\\_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2021/03_Mar/Documents/2021-03-09_Supp_1_Reports_Item_21_Rev_Harrison_pdf.aspx).

## FINANCIAL IMPLICATIONS

The item would have a net \$500,000 impact on the General Fund.

## ENVIRONMENTAL SUSTAINABILITY

Reducing carbon emissions at an emergency and equitable pace is a necessary step to meet the goals of the Climate Action Plan and Climate Emergency Declaration.

Free and underpriced parking increases Vehicle Miles Traveled (VMT) per capita and increases emissions from the transportation sector, which comprised 59% of the City of Berkeley's greenhouse gas emissions in 2018. Collecting parking fee revenue on Sundays would mitigate this trend.

According to UCLA parking scholar Donald Shoup, motorists searching for underpriced or free parking rather than paying demand-based parking prices in a parking garage can increase the average VMT of a local trip by as much as 0.5 miles per trip<sup>28</sup>, or 5 additional miles per day per curb space.<sup>29</sup> Collecting parking fees based on fair market value can reduce the overcrowding of parking spaces, increase parking availability, and increase funding for public services.<sup>30</sup> According to the US Department of Transportation<sup>31</sup>, over 59% of automobile trips were six miles or less, and three-fourths of trips by any mode were less than ten miles, suggesting a major potential for emissions reductions by shifting transportation modes for short trips away from private automobiles.

Shoup's research has also found that market-priced curb parking can yield 5-8% of a city's total land rent.<sup>32</sup> In 2018, the Urban Redevelopment Authority of the City of Pittsburgh, PA voted to allocate \$6.8 million from parking revenues to fund affordable housing development.<sup>33</sup> Circulate San Diego has argued that parking meter revenues "could be spent on amenities that provide transportation access to the neighborhood in a manner that would not burden limited parking resources" and also encourage mode shifts, including public transit, sidewalk and crosswalk improvements, and bicycle safety infrastructure.<sup>34</sup>

<sup>28</sup> Newton, D. (2008). Professor Donald Shoup: How About Congestion Parking? *Streetsblog LA*. Retrieved from <https://la.streetsblog.org/2008/01/12/professor-donald-shoup-how-about-congestion-parking/>

<sup>29</sup> Shoup, D. C. (2006). Cruising for parking. *Transport policy*, 13(6), 479-486.

<sup>30</sup> Shoup, D., Yuan, Q., & Jiang, X. (2017). Charging for parking to finance public services. *Journal of Planning Education and Research*, 37(2), 136-149.

<sup>31</sup> <https://www.energy.gov/eere/vehicles/articles/fotw-1042-august-13-2018-2017-nearly-60-all-vehicle-trips-were-less-six-miles>

<sup>32</sup> Shoup, D. C. (2004). The ideal source of local public revenue. *Regional Science and Urban Economics*, 34(6), 753-784.

<sup>33</sup> Schooley, T. (2018, Feb. 8). URA board approves parking revenue diversion plan for mixed-use project in Uptown. *Pittsburgh Business Times*. Retrieved from <https://www.bizjournals.com/pittsburgh/news/2018/02/08/ura-board-approves-parking-taxrevenue-diversion.html>

<sup>34</sup> [https://www.circulatesd.org/memorandum\\_permmissible\\_expenditures\\_by\\_community\\_parking\\_districts](https://www.circulatesd.org/memorandum_permmissible_expenditures_by_community_parking_districts)

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The City of Seattle instituted demand-based parking pricing by updating parking fees on an annual basis based on performance and found a \$6 million increase in revenue in 2009. That revenue then increased by 31%, from \$25 million to \$37 million, between 2009 and 2013. The city allocates most of its parking revenue to its General Fund, increasing the budget for vital infrastructure improvements and services.<sup>35</sup> The City of Chicago generated \$139 million in parking revenue in 2019, an increase of \$100 million since 2008, by raising parking prices to meet demand while optimizing revenue and parking availability.

Both the California Department of Transportation (Caltrans)<sup>36</sup> and California Air Resources Board (CARB) have found that parking pricing strategies have the potential to reduce VMT and encourage a modal shift that reduces greenhouse gas emissions.<sup>37</sup>

Free parking on Sundays in Berkeley likely increases VMT per capita. Therefore, failing to collect parking fee revenue seven days a week not only reduces the availability of parking for motorists, but in doing so, is also inconsistent with the city's climate action goals mandated by voters in 2006 with the passage of Measure G, aiming to reduce the community's greenhouse gas emissions by at least 80% below 2000 levels by 2050.

#### CONTACT PERSON

Terry Taplin, Councilmember, District 2, (510) 981-7120

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<sup>35</sup> <https://www.seattle.gov/transportation/document-library/reports-and-studies#parking>

<sup>36</sup> <https://dot.ca.gov/-/media/dot-media/programs/research-innovation-system-information/documents/preliminary-investigations/final-pricing-parking-management-to-reduce-vehicles-miles-traveled-pi-a11y.pdf>

<sup>37</sup> [https://ww2.arb.ca.gov/sites/default/files/2020-06/Impacts\\_of\\_Parking\\_Pricing\\_Based\\_on\\_a\\_Review\\_of\\_the\\_Empirical\\_Literature\\_Policy\\_Brief.pdf](https://ww2.arb.ca.gov/sites/default/files/2020-06/Impacts_of_Parking_Pricing_Based_on_a_Review_of_the_Empirical_Literature_Policy_Brief.pdf)