

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.4**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Streets

**BRIEF DESCRIPTION:**

Approving an increase of parking meter rates citywide by \$0.25 per hour and amending Transportation Code Section 402 to increase the minimum parking meter hourly rate from \$0.50 to \$1 and to charge a \$0.10 convenience fee when paying for parking using a mobile device. The convenience fee will match the service fee charged to San Francisco Municipal Transportation Agency by mobile application vendors.

**SUMMARY:**

- After the successful *SFpark* pilot of demand-responsive parking pricing, in 2018, San Francisco became the first city to adjust parking meter prices based on parking demand.
- Aside from a brief reduction of all parking meter rates to \$0.50/hour for a few months immediately following the COVID-19 emergency shelter-in-place order, San Francisco parking meter rates have been adjusted block-by-block and by time of day using the demand-responsive formula described in Transportation Code Section 402; the demand-responsive minimum rate of \$0.50/hour has not been adjusted since February 2016.
- The demand-responsive parking formula and the low minimum hourly parking rate didn't take into account the economic impact of the pandemic and high inflation. As a result, parking rates effectively stayed the same, even though the costs of other goods and services required to manage the meters increased significantly.
- Raising the demand-responsive rate floor to \$1 per hour, increasing parking rates across the board by \$0.25 per hour, and charging a \$0.10 convenience fee when parking using a mobile device will help the Agency address inflation and increased costs.
- Introducing the \$0.10 convenience fee when parking using a mobile device will match the service fee charged to SFMTA by mobile application vendors. Passing a mobile application convenience fee to the driver will save money for the Agency and bring San Francisco more in line with the practices of nearly every other city in the country.
- The SFMTA has determined that the proposed parking fee modifications are not a "project" under the California Environmental Quality Act (CEQA)

**ENCLOSURES:**

1. SFMTAB Resolution
2. Transportation Code Amendments

**APPROVALS:**

**DATE**

DIRECTOR



April 9, 2025

SECRETARY



April 9, 2025

**ASSIGNED SFMTAB CALENDAR DATE:** April 15, 2025

## PURPOSE

Approve an increase of parking meter rates citywide by \$0.25 per hour and amend Transportation Code Section 402 to increase the minimum parking meter hourly rate from \$0.50 to \$1 and to charge a \$0.10 convenience fee when paying for parking using a mobile device. The convenience fee will match the service fee charged to San Francisco Municipal Transportation Agency by mobile application vendors.

## STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The proposed item supports the following SFMTA Strategic Plan goal:

Goal 10: Position the agency for financial success.

The proposed item project supports the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

## DESCRIPTION

San Francisco's groundbreaking *SFpark* pilot of demand-responsive parking pricing established a minimum hourly parking meter rate of \$0.25, later increased to \$0.50 in February 2016. After the successful pilot, this Board in late 2017, approved amendments to Transportation Code Section 402 that established, for every parking meter under SFMTA jurisdiction, a minimum hourly rate of \$0.50, and a maximum hourly rate of \$8 (since increased to \$12 as of July 1, 2024 and expected to increase to \$13 on July 1, 2025). That made San Francisco the first city to set all of its parking meter prices based on parking demand. The amendments set the demand-responsive pricing rates as follows:

[T]he rates may be adjusted periodically based on vehicle occupancy on any block or set of blocks during the hours of parking meter operation according to the following criteria: (a) if occupancy is 80% or above, rates will be increased by \$0.25 per hour; (b) if occupancy is 60% or above but below 80%, rates will not be changed; (c) if occupancy is below 60%, rates will be lowered by \$0.25 per hour.

Section 401 grants the Director of Transportation the authority to set “[t]he rate to be charged at any particular meter at any particular time” within the range of minimum and maximum parking rate amounts authorized by Sections 402-405 and consistent with applicable law and the policies established by the SFMTA Board of Directors. Since the beginning of citywide demand-responsive parking pricing in February 2018—aside from a brief reduction of all parking meter rates to \$0.50/hour for a few months immediately following the COVID emergency shelter-in-place order—each Director of Transportation has used this demand-responsive formula to adjust rates.

The demand-responsive minimum rate of \$0.50/hour has not been adjusted since February 2018. There have been no across-the-board rate increases since February 2016. Between February 2016 and now, inflation has lifted costs and prices by around 30%. In contrast, the proposed \$0.25 hourly rate increase is only a 10% increase over the current average hourly rate of \$2.45.

The demand-responsive parking formula and the low minimum hourly parking rate didn't take into account the economic impact of the pandemic and high inflation on the City and the Agency. Raising the demand-responsive rate floor to \$1 per hour and increasing parking rates across the board by \$0.25 per hour will help the Agency make up the difference between static parking rates and increased costs over the last seven years. San Francisco's current parking rate minimum of \$0.50 per hour is likely lower than every other city in the Bay Area, so increasing it to \$1 per hour brings San Francisco in line with the rest of the region. Below are a few examples of minimum hourly parking meter rates in other Bay Area cities:

- San Francisco: \$0.50
- Oakland: \$1
- San Jose: \$2
- Berkeley: \$1.50
- Walnut Creek: \$1
- San Mateo: \$1
- San Bruno: \$1.50

Finally, this proposal would approve charging a \$0.10 convenience fee to customers who pay for parking using a mobile device. The convenience fee will match the service fee charged to SFMTA by mobile application vendors. Unlike most other cities, San Francisco currently covers the transaction fee charged by its mobile parking payment provider and does not pass that fee along to the customer. Passing transaction fees along to customers is the industry standard; below is a sample of mobile payment transaction fees charged to customers in other cities:

- San Francisco \$0.00
- Oakland: \$0.30
- Sacramento: \$0.35
- Los Angeles: \$0.25
- Fresno: \$0.49
- Houston: \$0.25
- Fort Worth: \$0.45
- Minneapolis: \$0.25
- New Orleans: \$0.35
- New York City: \$0.35
- Philadelphia: \$0.40
- Washington, DC: \$0.45

Passing along a convenience fee for the mobile parking option to customers will help San Francisco recoup some of the costs of offering a mobile form of payment. SFMTA is in the process of negotiating new agreements for mobile payment parking services. New agreements

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will have a service fee of \$0.35 per transaction. Staff will return to the Board to seek approval for new mobile payment agreements when ready.

### **PUBLISHED NOTICE**

Charter Section 16.112 requires published notice and a hearing before the SFMTA may institute or change any schedule of rates or charges that affect the public. In compliance with Charter Section 16.112, advertisements were placed in the City's official newspaper, the San Francisco Examiner, beginning on April 3, 2025, to provide notice that the Board of Directors will hold a public hearing on April 15, 2025, to consider these proposed increases and changes to parking meter fees.

### **STAKEHOLDER ENGAGEMENT**

These changes were discussed and commented on at the meeting of this Board on March 18, 2025. The Board unanimously approved a motion for staff to proceed with the changes and bring these items forward for consideration and approval. The proposals were also discussed with a variety of stakeholders and generally with the Muni Funding Working Group. They were also covered in the media.

### **ALTERNATIVES CONSIDERED**

The principal alternatives considered were to leave rates and the minimum demand-responsive hourly rate in place or to raise the minimum hourly rate to \$0.75 per hour. These alternatives were rejected because they fail to account for the increase in costs over the last nine years and the impacts those cost increases have had on Agency operations. The Agency also considered continuing to cover the mobile payment convenience fee, but this alternative was rejected to bring SFMTA practices in line with other regional governments.

### **FUNDING IMPACT**

Raising the minimum demand-responsive parking rate to \$1 per hour is estimated to generate about \$1.34 million per year. Raising all parking rates by \$0.25 per hour is estimated to generate about \$2.86 million per year. Passing along the \$0.10 transaction fee to mobile parking payment customers will save the SFMTA about \$450,000 per year. The costs to implement these changes are minimal.

### **ENVIRONMENTAL REVIEW**

On March 28, 2025, the SFMTA, under authority delegated by the Planning Department, determined that this proposal is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of

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Directors and is incorporated herein by reference.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney's Office has reviewed this calendar item.

**RECOMMENDATION**

Staff recommend approving an increase of parking meter rates citywide by \$0.25 per hour and amending Transportation Code Section 402 to increase the minimum parking meter hourly rate from \$0.50 to \$1 and to charge a \$0.10 convenience fee when paying for parking using a mobile device.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, After the successful *SFpark* pilot of demand-responsive parking pricing, San Francisco became the first city to adjust parking meter prices based on parking demand in 2018; and,

WHEREAS, Aside from a brief reduction of all parking meter rates to \$0.50/hour for a few months immediately following the COVID-19 emergency shelter-in-place order, San Francisco parking meter rates have been adjusted block-by-block and by time of day using the demand formula in Transportation Code Section 402; and,

WHEREAS, The demand-responsive minimum rate of \$0.50/hour has not been adjusted since February 2018; and,

WHEREAS, The demand-responsive parking formula and the low minimum hourly parking rate did not take into account the economic impact of the pandemic and high inflation on the City and the Agency, resulting in parking rates effectively stayed the same, even though the costs of other goods and services increased significantly; and,

WHEREAS, Raising the demand-responsive rate floor to \$1 per hour, and increasing parking rates across the board by \$0.25 per hour, will help the Agency make up the difference between current parking rates and increased costs over the last seven years; and,

WHEREAS, Passing along the \$0.10 convenience fee to customers who pay for parking using a mobile device will match the service fee charged to SFMTA by mobile application vendors and save money for the Agency and bring San Francisco more in line with the practices of nearly every other city in the country; and,

WHEREAS, On March 28, 2025, the SFMTA, under authority delegated by the Planning Department, determined that this proposal is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves amending Transportation Code Section 402 to increase the minimum parking meter hourly rate from \$0.50 to \$1, and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves amending Transportation Code, Section 402 to pass along the \$0.10 convenience fee to match the mobile parking payment vendors service fee to customers; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves a one-time increase of parking meter rates citywide by \$0.25 per hour.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 15, 2025.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

RESOLUTION NO.

[Transportation Code – Parking Meter Regulations]

**Resolution amending Division II of the Transportation Code to charge a \$0.10 convenience fee for each use of mobile parking payment services and other similar technology; raise the minimum parking meter rate from \$0.50 to \$1.00; and raise current parking meter rates by \$0.25.**

NOTE: **Additions** are in *single-underline italics Times New Roman font*.  
**Deletions** are in *strike-through italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strike-through Arial font~~.  
**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 400 of Division II of the Transportation Code is hereby amended by revising Section 402, to read as follows:

**SEC. 402. CITYWIDE VARIABLE PARKING METER RATES.**

The rates for parking meters located anywhere within the boundaries of the City and County of San Francisco as described in Appendix A, not under the jurisdiction of the Port of San Francisco, the Recreation and Park Department, the Golden Gate National Recreation Area, the Presidio of San Francisco, or the Treasure Island Development Authority, shall be between ~~\$0.50~~\$1.00 an hour *effective May 15, 2025*, and \$12 an hour effective July 1, 2024, and \$13 an hour effective July 1, 2025. Each year thereafter, the SFMTA shall increase the maximum rate by \$1 per year. Within that range, *the Director of Transportation may adjust the rates for particular meters and times ~~may be adjusted~~ periodically not more than once every 28 days.*  
The Director may use ~~based on~~ the following parking pricing model to charge variable rates:



(a) Demand Responsive Pricing: Estimated vehicle occupancy on any block or set of blocks during the hours of parking meter operation according to the following criteria: ~~(a)~~ if occupancy is 80% or above, rates will be increased by \$0.25 per hour; ~~(b)~~ if occupancy is 60% or above but below 80%, rates will not be changed; ~~(c)~~ if occupancy is below 60%, rates will be lowered by \$0.25 per hour.

(b) Mobile Parking Payment Transaction Fee: In addition to the Demand Responsive pricing model, a \$0.10 convenience fee shall be charged per transaction for payments made using a mobile parking payment service including but not limited to a mobile application or other similar technology. The convenience fee shall be published in the SFMTA Fee and Fines Schedule under Section 301.

~~Rates shall be adjusted for any particular block or set of blocks not more than once every 28 days.~~

Section 2. The Board of Directors approves a one-time increase of \$0.25 to all current parking meter rates based on the rates as of April 15, 2025.

Section 3. Effective Date. This resolution shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this resolution.

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Section 4. Scope of Resolution. In enacting this resolution, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly shown in this resolution as additions or deletions in accordance with the "Note" that appears under the official title of the resolution.

APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

By: \_\_\_\_\_  
MISHA TSUKERMAN  
Deputy City Attorney

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I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 15, 2025.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency