SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY BOARD OF DIRECTORS

RESOLUTION No. 250603-054

WHEREAS, The SFMTA, in order to provide the option for customers to pay for parking meters through a smart phone application, has historically absorbed the per transaction fee the agency pays to the vendor providing the mobile payment application; and,

WHEREAS, This option enables the customer to pay for parking before leaving their vehicle, and gives them the option to add additional time to their initial parking session without returning to the meter where their vehicle is parked; and,

WHEREAS, The SFMTA has historically absorbed the per transaction fee, and costs for vendors to maintain mobile parking payment application services have steadily increased as technology grows more complicated; these costs are in turn passed on to municipalities; and,

WHEREAS, Due to rising costs, industry standard practices now encourage municipalities to establish a convenience fee that would be charged to customers to offset each per transaction service fee; and,

WHERAS, While the SFMTA was procuring new vendors to expand mobile parking payment options, and after discussions with the San Francisco Treasurer Tax Collector's office, the SFMTA Board of Directors approved offsetting the current \$0.10 per transaction fee with a \$0.10 Parking Mobile Payment Convenience Fee of \$0.10, which went into effect on May 20, 2025; and,

WHEREAS, The two new conditionally approved mobile parking payment contracts contain a per transaction service fee of \$0.35, with the SFMTA given sole discretion to increase the transaction fee to \$0.37 in contract year three and to \$0.39 in contract year 5; and,

WHEREAS, Staff expects that both the implementation of the increased convenience fee and the potential transition to new mobile payment vendors will create some volatility in the general upward trend in the use of mobile payment by parkers; and,

WHEREAS, Once customers have adjusted to the changes, and the trend in use of mobile payment by parkers stabilizes, the Agency can review the pros and cons of increasing the convenience fee; and,

WHEREAS, On May 19, 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 raise the Mobile Parking Payment Convenience Fee from \$0.10 to \$0.35, with provisions for increases up to \$0.39, to match the per transaction service fee paid by SFMTA to mobile parking payment contractors.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 3, 2025.

Secretary to the Board of Directors

San Francisco Municipal Transportation Agency

[Transportation Code - Mobile Parking Payment Convenience Fee]

Resolution amending Division II of the Transportation Code to increase the convenience fee to \$0.35, with provisions for increases up to \$0.39, for each use of mobile parking payment services and other similar technology; and make clarifying changes, including to the hourly meter parking rate and name of the convenience fee.

NOTE: Additions are in <u>single-underline italics Times New Roman font</u>.

Deletions are in strike-through italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough 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 adding 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 \$1.00 an hour and \$12 an hour effective May 15, 2025, and \$12 an hour effective July 1, 2024, and between \$1.00 an hour 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 periodically not more than

once every 28 days. The Director may use 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: if occupancy is 80% or above, rates will be increased by \$0.25 per hour; if occupancy is 60% or above but below 80%, rates will not be changed; if occupancy is below 60%, rates will be lowered by \$0.25 per hour.
- (b) **Mobile Parking Payment** <u>Convenience</u> <u>Transaction</u> **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. <u>On July 7, 2025, the convenience fee shall increase to</u> <u>\$0.35. The convenience fee may be increased in two-cent increments up to \$0.39.</u> The convenience fee, <u>and any increases under this section</u>, shall be published in the SFMTA Fee and Fines Schedule under Section 301.

Section 2. 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 3. 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

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 June 3, 2025.

Secretary to the Board of Directors

San Francisco Municipal Transportation Agency