

Contractor Parking Permit Increase

SFMTA Board of Directors April 1, 2025

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Overview

- The Contractor Parking Permit program was implemented in 1982
- Permit is unique and exempts holders from parking meter and Residential Parking Permit (RPP) time limits, and parking meter payment
- Approximately 3,000 permits were issued in FY24
- Proposed \$3,074 fee represents (27% from approved FY25 fee)
- Equates to \$12 per business day for unlimited, free parking in RPP and meter areas
- The proposed increase would generate an additional \$1.7 million in revenue per year

Fee Model

Annual Permit Fee	FY25 Fee	Proposed FY25 Fee	Change
Administration/ Materials	\$72.00	\$84.00	17%
Meter Recovery	\$2,340.00	\$2,990.00	28%
Total	\$2,412.00	\$3,074.00	27%

- Permit fees limited to cost recovery
- Model assumes permits are used 50% of the time at parking meters and 50% in RPP areas
- Meter recovery rate =

 (average weighted daily meter rate) x
 (5 days a week) x (52 weeks) x 50%
- Model does not assume costs for RPP permits at \$190 per permit (32 permit areas)

Meter Rates and Revenue Recovery

- Proposed increase is based on adjustment of daily meter rate from \$18* as a basis to \$23 (current actual rate)
- Hourly parking meter rates range from \$0.50 to \$11.00 an hour
- Permit value varies depending on usage by individual contractors (actual usage data not available)

Area	Actual Cost (8 Hours)	Annual permit fee equivalent to # days at full cost
Washington & Drumm Streets	\$61.50	50 days
Valencia & 16th Streets	\$36.00	86 days
Fillmore & California Streets	\$31.50	98 days
Geary Boulevard & 25 th Avenue	\$20.00	153 days

*Daily rate for meter recovery used in model has been historically underpriced compared to actual



Outreach

- 421 Notices were mailed to current contractor permit holders three weeks prior to March 18, 2025 requesting feedback
- 10 communications were received, including one from the San Francisco Electrical Contractors Association representing 30 business owners, and two speakers provided public comment at the March 18 meeting

Summary of Feedback

- Increase would create an undue financial burden and could have negative impact on development
- Assumption of 50% use at meters is overstated and no data has been provided to support this



Recommendation

Staff recommend increasing the Contractor Permit fee by \$662 from \$2,412 to \$3,074

- Contractor permit provides a valuable benefit not offered to other industries – proposed fee equals \$12 per business day for unlimited parking in RPP and metered areas
- The proposed increase equates to \$62 a month
- The program does not allow for data collection, therefore prices must be based on usage assumptions
- The proposal would generate an additional \$1.7 million
- Maximizing revenue is critical given the current fiscal environment





Thank You