

T&E/PHED COMMITTEE #1
March 16, 2009

Worksession

MEMORANDUM

March 12, 2009

TO: Transportation, Infrastructure, Energy, and Environment Committee
Planning, Housing, and Economic Development Committee

FROM: Aron Trombka, ^{AT} Senior Legislative Analyst
Office of Legislative Oversight

SUBJECT: Follow Up on Office of Legislative Oversight 2009-6, *Transportation Demand Management Implementation, Funding, and Governance*

On February 2, the Transportation, Infrastructure, Energy, and Environment (T&E) Committee and the Planning, Housing, and Economic Development (PHED) Committee met jointly to discuss Office of Legislative Oversight (OLO) Report 2009-6, *Transportation Demand Management Implementation, Funding, and Governance*. Transportation demand management refers to strategies aimed at providing alternatives to commuting by single-occupant vehicle, such as public transit, biking, or carpooling. At that worksession, the Committees discussed:

- The consistency of County transit and parking policies;
- Parking requirements in the County Zoning Ordinance;
- Parking pricing strategies;
- Strategies to improve transit accessibility; and
- Master Plan and Growth Policy standards for parking and transit use.

The Committees asked staff from the Department of Transportation (DOT) and the Planning Department to return in March with a recommended work program to revise County parking policies and other transportation demand management strategies. DOT and Planning Department staff will present the recommendations at the March 16 worksession.

DOT and Planning Department staff will attend the worksession.

Discussion Items

Based on the T&E/PHED discussion on February 2, OLO suggests that the Committees consider the following items:

1. Proposed Parking Management Study

The OLO report concluded that County parking policies work at cross purposes to County transportation demand management objectives. Although the County actively promotes alternative commuting modes, it simultaneously offers single-occupant drivers easy access to parking in urban centers. OLO recommended that the Council assess whether current Zoning Ordinance parking requirements are appropriate for urban centers served by transit. In addition, OLO recommended that Council consider establishing criteria for determining the supply and pricing of County-owned parking spaces. At the February worksession, Committee members asked DOT and Planning staff to report back on what information would be needed to prepare an amendment to Zoning Ordinance parking requirements and to develop a pricing policy for County-owned parking spaces.

Over the past six weeks, DOT and Planning Department staff have worked together to develop a joint recommendation on modifying County parking policies. The two departments prepared a proposal for a parking management study that would provide information needed to prepare a zoning text amendment addressing parking requirements in urbanized areas of the County.

The Planning Board reviewed the proposal and directed their staff to present the parking management study concept to the T&E and PHED Committees. A copy of the Planning Department memo to the Board appears on © 1 – 4. The proposed scope of work for the parking management study appears on © 4.

OLO has asked Planning Department and DOT staff to be prepared to discuss the need, cost, funding source, and timing of the proposed study at the T&E/PHED worksession.

2. Master Plans, Growth Policy, and the Zoning Ordinance

At the February worksession, Committee members discussed how to advance transportation demand management objectives through master plans, the Growth Policy and the Zoning Ordinance. The attached memorandum addresses the Planning Department's intentions for using these policy documents to promote non-auto travel (see © 1 -2).

3. Transit Signal Prioritization

The OLO report identified transportation demand management practices used in other jurisdictions that may be suitable for implementation in Montgomery County. One of the practices described in the report is called "transit signal prioritization." Transit signal prioritization refers to a traffic management strategy that gives precedence to transit vehicles at signal controlled intersections. In one common form of transit signal prioritization, buses are equipped with transponders that signal traffic lights to remain on green until the bus passes through the intersection. Multiple communities have instituted the use of transit signal

prioritization including Chicago, Illinois; Fairfax County, Virginia; King County, Washington; Los Angeles, California; Portland, Oregon; and Tacoma, Washington.

DOT operates the County's Advanced Transportation Management System (ATMS). ATMS is a computer system designed to monitor and control traffic signals in real-time to reduce traffic congestion, travel time, and accidents. Several years ago, DOT conducted a limited demonstration of transit signal prioritization for Ride On buses. At that time, DOT found transit signal prioritization generally feasible but refrained from implementing the system pending completion of the current multi-year replacement of major ATMS technology.

DOT has provided an update on its implementation of transit signal prioritization. As detailed on © 5, DOT plans to program ATMS to provide preferential treatment at signals for buses that are running behind schedule.

4. Employer-Based Transit Passes

The OLO report also described an alternative transit pricing method used in other jurisdictions known as "employer-based transit passes." With employer-based transit passes, a transit agency sells an employer passes for all of its employees to ride public transit for free. The transit agency can price passes at a highly discounted rate because an employer pays for all employees regardless of how often they ride transit.

Transit systems in the Dallas, Denver/Boulder, Portland, Salt Lake City, San Jose, and Seattle areas offer employer-based transit passes. These programs, known as "EcoPass" programs, have increased transit usage by offering all employees – particularly commuters who do not need to drive every day – an incentive to ride transit on occasion. A study of EcoPass programs found that employer-based transit benefits reduce commuter parking demand by as much as 19 percent.¹

As detailed in comments from DOT appearing on © 6, the Division of Transit Services has begun discussions with WMATA about implementing employer-based pricing possibly as early as next year.

5. Transit Subsidy Tax-Free Limits

The OLO report also discussed the Internal Revenue Service ruling that considered employer-provided transit, vanpool, and carpool subsidies in excess of \$120 per month as taxable under Federal law. OLO found that the \$120 limit would cover only about one-half of monthly commuting costs for many County transit riders. OLO had suggested that the Council and the Executive team with transit advocacy groups and other local and state governments to persuade Congress to raise the maximum tax-free transit benefit amount.

As reported by DOT beginning on © 6, the recently approved Federal stimulus package raised the tax-free transit allowance to \$230 per month.

¹ Donald C. Shoup, *Eco Passes: An Evaluation of Employer-Based Transit Programs*, Department of Urban Planning, University of California, Los Angeles, 2004.



MONTGOMERY COUNTY PLANNING DEPARTMENT
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB
Roundtable Discussion
03/05/09

February 26, 2009

MEMORANDUM

TO: Montgomery County Planning Board

VIA: Rollin Stanley, Director *RS*

FROM: Dan Hardy, Transportation Planning Chief *DKH*
Lois Villemaire, Project Manager, Zoning Code Rewrite *llv*

SUBJECT: OLO Report 2009-6 Follow-Up
Parking Policy Consultant Draft Work Scope

The County Council PHED and T&E Committees reviewed OLO Report 2009-6, "Transportation Demand Management: Implementation, Funding, and Governance" at a joint worksession on February 2. This memorandum describes the follow-up actions from that worksession.

The Committees requested that the Planning Department and the Department of Transportation coordinate on short-term, medium-term, and long-term actions that would begin to implement the recommendations in OLO Report 2009-6.

The Planning Department's immediate action items are, for the most part, incorporated within our work program elements, including:

- **Master Plans**, where we are recommending land uses and densities that promote non-auto travel, as well as staging plans that include the achievement of progressive increases in non-auto mode shares as staging prerequisites in Germantown, Gaithersburg West, and White Flint. All three plans are scheduled for delivery to the County Council during the second half of FY 09.
- **The Growth Policy**, where we will identify recommended changes to transportation adequacy procedures that further incentivize trip reduction and non-auto facilities as preferred solutions to address the impacts of new development on the transportation system. The Staff Draft of the Growth Policy will be completed by June 15.

- **The Zoning Code Rewrite**, where we are pursuing reduced parking requirements and pedestrian-oriented design as we streamline the zoning code.

The reduction of the numeric parking space requirements in Section 59-E of the Code is challenging, particularly for non-residential uses, for the following reasons:

- From a technical perspective, the relationship between land use and parking demand is complex, particularly concerning:
 - the variety and mix of both commercial and residential uses,
 - the management of short-term and long-term parking supply,
 - the pricing or subsidy of parking by both property owners and public policy
 - the availability of alternative travel modes (notably transit and walking).
- From a consensus-building perspective, stakeholder concerns are equally complex, relating primarily to:
 - customer convenience,
 - project financing, and
 - spillover concerns in adjacent communities

Both the Planning Department and the Executive branch recognize the need for an analytic framework on which to develop a new parking policy for Montgomery County. This recommendation was included in the Planning Board's 2007 Growth Policy, the 2009 Climate Protection Plan, and OLO Report 2009-6.

Therefore, we are working with the County Council staff and the Department of Transportation to develop a focused parking policy study scope as a mid-term action for OLO Report 2009-6. The draft scope is included in Attachment A, and will be discussed at a joint PHED / T&E Committee worksession on March 16. This parking study would focus resources on identifying a model by which the County can identify appropriate parking space ratios in consideration of relevant independent variables.

Our proposed study will build upon lessons being learned in other jurisdictions, including the two studies noted below that were completed in 2008.

TCRP Report 128: Effects of TOD on Housing, Parking, and Travel
http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_128.pdf

This report evaluates on-the-ground characteristics of Transit Oriented Development sites across the country (including sites in Montgomery County). TCRP 128 considers both physical site layout and operational characteristics of primarily residential developments and concludes:

- The ITE trip generation and parking generation rates overestimate automobile trip rates for TOD housing (a conclusion already reflected in our LATR review processes).
- The vehicular trip generation and parking rates for TOD housing are 50% less than rates shown on the ITE trip generation/parking rates.
- Lowering residential parking rates by 50% for TODs in station areas can result in:
 - Increase between 20% to 33% in the potential density of a residential TOD
 - Savings from 5% to 36% on residential parking costs after accounting for increase in the number of units, and
- Potentially greater developer profits and/or increased housing affordability from achieving higher densities and lower capital costs for parking

Washington DC Review of Zoning Requirements for Parking
<http://www.dczoningupdate.org/parking.asp?area=pkg>

This analysis is part of the Washington DC Office of Planning comprehensive zoning ordinance update and recommends:

- Establishing a framework for establishing a new schedule of parking standards that focus more on existing transportation opportunities and constraints and less on preventing impacts on nearby streets. The objectives in the recommended framework include:
 - Removing minimum parking requirements,
 - Setting maximum parking requirements,
 - Establishing flexibility and supportive strategies for case-specific issues including economic development initiatives including unbundling parking, TDM programs incentivizing non-auto travel, and payment-in-lieu strategies.
- Applying design and operational tools, such as attended parking and stacked parking, to maximize parking efficiency opportunities.
- Using on-street management tools such as pricing and residential permit parking as preferable for addressing “spillover” impacts. Relying upon these tools rather than minimum requirements would allow zoning to focus on enhancing the unique strengths, and avoiding the most chronic constraints, of the District’s existing transportation and development market.

These studies provide useful background, but neither provides the causative relationship between parking demand and site land use and design we believe is needed to establish not just an ad-hoc recommendation for parking strategy, but rather a model that can be used comprehensively for setting parking standards as our land use and zoning recommendations evolve.

We look forward to discussing this information with you at the March 5 roundtable.

Attachment A.

Parking management study for urban commercial and mixed-use zones

Work Scope

DRAFT 2/27/09

Mission: Develop a model to define required parking space minimums and/or maximums to inform a Zoning Text Amendment for Section 59-E regarding parking space requirements for commercial and mixed-use zones in the County's urbanized areas. The study will identify a recommended process for setting the following quantitative elements of ZTAs:

- Expected parking demand per square foot for different commercial land uses
- A possible differentiation between long term and short term parking requirements
- Possible shared parking reductions
- Reductions for proximity to transit alternatives
- Possible implementation of reductions for achievement of master planned non-driver mode share goals

The study must consider the following elements:

- The proximity to heavy rail, light-rail, and varieties of bus transit
- Differing short-term and long-term parking space needs
- The definition and utility of shared parking
- Guidance regarding the advantages/disadvantages of publicly owned parking in the balance between the encouragement of economic development and transportation demand management
- The utility of the Parking Lot District as a parking management tool and/or the proposal of alternative parking management system(s)
- The accommodation of non-auto facilities such as offsite sidewalks, flex-car services, or similar approaches and the corresponding reduction in parking demand.

The study must consider existing and proposed commercial and mixed-use zones in the County's Metro Station Policy Areas, the Germantown Town Center Policy Area, and the proposed Life Sciences Center Policy Area.

The study must consider available parking utilization and commuter survey data for locations in Montgomery County and similar jurisdictions elsewhere in the USA.

The study must be completed within four months of Notice to Proceed, anticipated in October 2009.

Transit Signal Priority

The County's Advanced Transportation Management System (ATMS) includes, within its overall vision and scope, a concept for Transit Signal Priority (TSP). ATMS will utilize "conditional" TSP, meaning that only buses that are running late will receive preferential treatment through the traffic signals. Additionally, we envision potentially incorporating other factors into the final TSP algorithm, which is the computer application that will decide whether to grant priority to a late running bus, such as congestion levels at an intersection, passenger counts, and impacts to crossing transit routes.

The following is the current status of the work to date for use of TSP in the County.

- The two main subsystems of ATMS that are required to work cooperatively to utilize transit signal priority are the traffic signal system and the CAD/AVL system. Both of these subsystems are in the midst of major upgrade/modernization projects. The new CAD/AVL system is nearing completion – the central system is up and running, equipment installation on the buses is 80% complete. Funding to proceed with the traffic signal system modernization project was just approved for deployment starting in FY09 and scheduled to run through FY14. Both systems included in their Concept of Operations a systems requirement to provide for TSP functionality. However, the scope of work and funding to further TSP beyond the conceptual stage is not included in either project; rather it is assumed that it will be done as part of the ATMS CIP. Actual work will depend on future funding levels within the ATMS CIP, competing subprojects, and actual progress on the replacement of the traffic signal system as the current schedule assumes certain levels of state aid. As the core signal system replacement project is complete, work on TSP can evolve to further developing the TSP functionality, making detailed decisions on methodology and technology to be utilized (i.e., centrally controlled or distributed/roadside based), design for and procure necessary on-board vehicle and traffic signal interface equipment, and then start deployment on a wider scale basis. Given the signal system project is currently in its infancy, it is premature to develop detailed TSP implementation steps and funding requirements at this time. However, the important thing at this point is that we are making plans for TSP, and nothing that has been done to date will preclude us from deploying some form of TSP in the future.

Transit Employer Pass

- **Transit Services has begun discussions with WMATA on developing an employer pass. We are currently reviewing other systems' passes and the fiscal impact and feasibility.**
- **We are identifying issues to be addressed and steps to implementation. Two issues identified thus far are:**
 - **Pricing of the pass: Many areas where employer passes have been implemented do not have higher-cost rail transit as part of their system. The travel-distance basis of Metrorail pricing also will need to be addressed.**
 - **Capacity constraints of the transit system: For example Metrorail in Montgomery County has capacity constraints during peak periods and thus is concerned about providing unlimited peak period rides with an employer pass.**
- **In developing the pass program, discussions also will be held with advisory groups and with other employers.**
- **Once a draft employer pass program has been developed it will be pilot tested with a limited number of employers.**
- **An information and marketing plan will be developed to support the pass program.**
- **We are hoping for initial implementation in 2010 when passes are available on the SmarTrip card.**

Transit Subsidies

- **On March 1st, the monthly transit benefit allowance increased to \$230 from the previous \$120, thanks to the recently-enacted federal economic stimulus package.**
- **The new federal legislation allows employers to subsidize their employees as much as \$230 a month, or \$2,760 a year, in public transportation benefits. The subsidy must be no more than the actual cost of the transit commute.**
- **Employees can receive these benefits either as a direct benefit (in addition to compensation), as a pretax payroll deduction, or some combination of the two.**
- **These benefits are tax free to both employees and employers.**
- **This increase in the allowable transit benefit means that for the first time transit benefits can be provided tax-free at the same financial level as parking benefits. ("Parking Parity")**
- **This provision of the economic stimulus bill will expire at the end of 2010. However, efforts will be made to extend the provision through new legislation.**
- **In the Washington region, more than 189,000 employees from 400 federal agencies and 4,000 private employers use the transit benefit and participate in Metro's SmartBenefits program.**
- **The Metro program allows employers to assign a dollar value of each employee's monthly commuting benefit directly to their individual electronic SmarTrip cards. The value is allocated remotely. Employees take the cards to machines in Metrorail stations between the first and last day of the month to claim the benefit.**

- In Montgomery County approximately 200 employers currently participate in the County's Fare Share or Super Fare Share (FS/SFS) transit subsidy programs, with about 4,000 employees receiving benefits.
- Through these programs the County incentivizes employers to provide transit benefits to their employees, by providing seed money to cover the employers' initial costs of administration and a significant portion of the subsidy itself for several years.
- The County's FS/SFS programs' contributions to employer costs are based on the 2008 maximum benefit level of \$115 per month per employee. There are no plans to tie the program to the increased maximum benefit of \$230 per month. However, employers will be able to increase their benefits to employees to that level using their own funding, or can increase benefits in the form of pre-tax payroll deduction.
- The FS/SFS programs have been interfaced with the SmartBenefits program to enable employers to obtain the County's contribution through remote loading of value onto employees' SmartTrip cards.
- For employees using transit providers that do not accept the SmartTrip card (e.g., MARC rail, MTA commuter buses), a process has been instituted to enable their employers to continue participating in both the SmartBenefits program and FS/SFS.