Battle Won, War Lost? Parking Reform and its Backlash in San Francisco

Abstract: SFpark, San Francisco’s federally funded experiment in market-priced parking, appears to have improved street parking occupancy rates. Yet when the experiment ended, priced parking in San Francisco was less politically viable than when it began. This article explains these seemingly-contradictory findings by examining SFpark’s context. SFpark was not the only major parking policy change San Francisco attempted between 2008 and 2013, and every change except SFpark was explicitly intended to increase revenue and bail out the city’s troubled transit system. These revenue-driven efforts overshadowed SFpark’s success and ultimately turned elected officials against both market-priced parking and metering more generally. The article highlights the difficulty of grafting innovative reforms on top of existing institutions, and the importance, in parking pricing, of balancing performance goals with revenue uses.

Policies can succeed on narrow terms but still set their broader causes backward. The public policy literature abounds with interventions that "planted trees but harmed forests"--where policymakers misjudged political environments and triggered backlashes that swamped their intended goals. To give a few examples: Prohibition in the United States reduced alcohol consumption, but created a culture of lawlessness and a violent black market that arguably did more harm than alcohol itself (Cook 2007). The US War on Poverty lowered poverty rates, but triggered a conservative reaction that helped shrink the American welfare state for decades (Edsall and Edsall 1992). In the transportation realm, Stockholm’s congestion charge reduced the congestion, but also pitted city voters against suburban commuters. Urbanites voted to make the charge permanent, but suburbanites voted in larger numbers against it, albeit in nonbinding referenda. Thus the city votes carried the day, but at a cost; in the same election suburbanites swept the environmental coalition that implemented the charge out of office, and the new government dedicated all toll revenues to suburban road building, not urban public transportation as had been originally planned.
None of these examples suggest the policies themselves were not worthwhile, or even that they failed. The point is only that their impacts cannot be fully understood without examining their contexts. Planners do not have the luxury of etching new policies onto blank slates, but rather graft new ideas onto existing politics and institutions (Manville and King 2013; Easterly 2014). These institutions in turn shape the policies’ ultimate fortunes.

This article illustrates the role of policy context by examining SFpark, San Francisco’s effort, between 2011 and 2014, to reform its transportation system through market-priced street parking. Mispriced street parking is one of the great distortions in urban economics, transportation policy, and local public finance, and its consequences have been well-documented (Shoup 2011). Street parking spaces are a scarce and valuable resource, but cities often underprice them. At busy times, this underpricing not only costs cities revenue but also creates shortages: drivers arrive at destinations and find every space full. In response, many drivers circle the block, or "cruise" for street parking, hoping another motorist will leave. Cruising adds extra miles to vehicle trips, exacerbating local congestion and pollution. Concerns about congestion and cruising in turn make local residents suspicious of new development, and lead cities to maintain minimum parking requirements in their zoning codes. Parking requirements, in turn, inhibit density and encourage vehicle ownership (e.g., Manville 2013). Underpriced street parking thus makes development more expensive, makes driving less expensive, and deprives municipalities of scarce funds.

In principle, cities could reverse these ill effects by charging the lowest price that always keeps one or two spaces open on a block. Such pricing—where meter rates rise and fall with demand—would ensure that drivers willing to pay could find a spot, and give drivers unwilling to pay little reason to cruise (even if a motorist left an occupied spot, the spot would not be free).
Vehicle miles and congestion would fall, and neighborhoods would have less reason to support parking requirements. Priced parking would face political obstacles, of course, but pricing spaces would convert them from drains on efficiency into sources of revenue, at least some of it paid for by nonvoters. Shoup (2011) has argued that if cities spend this revenue in the metered neighborhoods, they will create place-based political support for correct parking prices.

In 2008 the federal government awarded the San Francisco Municipal Transportation Agency (SFMTA, or MTA) $20 million for SFpark, which would be a two-year experiment in market-priced parking. The city would upgrade 7,000 of its roughly 25,000 meters to digital devices that could interact with sensors under the pavement, and use the information from this new technology to set prices based on demand. The experiment itself would occur from late 2011 through 2013.

In many ways San Francisco appeared a natural place for this experiment. The city is dense and walkable. A third of its commuters use transit, compared to five percent nationwide, and over 20 percent of its households are car-free. San Francisco has also been long renowned for progressive transportation policy. It had one of the nation's first freeway revolts, and has pioneered both restricting off-street parking and dismantling urban freeways. Since 1973 it has been governed (at least nominally) by a “Transit First” policy, which prioritizes walking, cycling and public transportation.

San Francisco also had underpriced street parking. Despite having some of the highest land values in the Unites States, in 2008 almost 90 percent of the city's curb spaces were free, and metered spaces in many areas were hard to find (SFMTA 2014a).
Did SFpark work? The SFMTA’s own evaluation says yes: parking in the charging zones became easier to find, emissions fell, and revenue rose (SFMTA 2014b). Some outside evaluations of SFpark have been more cautious (Chatman and Manville 2014), but even assuming the SFMTA is correct, a larger issue looms. By the time SFpark ended, the cause of parking reform in San Francisco—and indeed the cause of sustainable transportation more broadly—was in retreat. Angry residents had turned back attempts to expand SFpark, and had convinced the Mayor and Board of Supervisors (San Francisco’s city council) to join a broader campaign against meters generally. The city rolled back meter hours, restricted the introduction of new meters, and disavowed the idea that meters could be used to effectively manage traffic. Anti-meter activists placed an initiative on the ballot designed not just to prevent SFpark from happening again, but to overturn the “Transit First” policy as well.

What happened? SFpark was intended to be—and in many respects was—an apolitical approach to parking, one designed firstly to improve driving and only secondarily to raise revenue. But SFpark was not the only parking intervention the SFMTA attempted between 2008 and 2014. SFpark was the highest profile intervention, but it was also an outlier. Every other parking policy change was designed explicitly to raise revenue. Moreover, rather than return that revenue to neighborhoods where it had been collected, San Francisco used it to subsidize its chronically troubled and highly controversial transit system. And through no fault of the people who implemented it, SFpark began when the transit system was in a particularly acute crisis. As a result, it could both successfully allocate street spaces and trigger a backlash that threatened many of the larger ideas it espoused.

In the remainder of this article I draw on media reports, government documents, and interviews to tell this SFpark “backstory.” Nothing I write is intended to impugn SFpark or its
implementers. SFpark was a valuable experiment, and transportation researchers everywhere are indebted to the people who carried it out. My only point, again, is that program’s fate cannot be understood if researchers confine their evaluations to what happened within the experiment itself. Understanding SFpark requires understanding the events around it.

II. Transit First: How Street Parking Became Attached to Muni

San Francisco adopted its Transit First policy in 1973, when the Bay Area Rapid Transit (BART) commuter rail line opened. But while BART may have motivated Transit First, BART is not the city's primary transit line. That distinction belongs to the Municipal Railway, or “Muni”, the system of buses and light rail that has served San Francisco since 1912. Muni is one of the most heavily used transit systems in the US, but it has long struggled with poor service and fragile finances. It is the slowest major transit system in North America (with average vehicle speeds of ten miles per hour), and one of the most expensive to operate (with per mile bus costs double those of other big cities). (Eskenazi and Dewar 2010). Muni recovers only 23 percent of its operating costs through fare revenue; BART recovers 65 percent; New York City 53 percent; Philadelphia, Chicago and San Diego over 40 percent.

Muni’s high operating costs have many causes, but most observers agree that at least part of the problem is generous pay and work rules for the agency’s employees, which the city agreed to in 1967 to resolve a labor dispute (Henderson 2012). Whatever their merits, these provisions were both unique and well-entrenched. Until 2010, Muni’s workers—alone among San Francisco’s unionized employees—did not have to engage in collective bargaining; their pay and benefits were written into the city charter. As a consequence, Muni employees were sometimes
the only city workers to receive raises, and also got generous overtime payments. In 2009 the City Controller calculated that for every dollar San Francisco spent on overtime, 45 cents went to Muni workers (Eskenazi and Dewar 2010). The SFMTA attempted to contain costs by neglecting maintenance, but this approach led only to frequent breakdowns (Eskenazi 2012).

Muni's difficulties are important to understanding SFpark because San Franciscans have regularly voted on efforts to reform or rescue the transit line, and these reform efforts have cumulatively linked parking policy—legally, politically, and rhetorically—to Muni and its troubles. Street parking—a tool to allocate space for storing private vehicles—became a tool to raise revenue for operating public vehicles. Ultimately Muni's struggles created political difficulty not just for the transit line but also for the parking policies tethered to it.

San Francisco's first attempt at Muni reform was Proposition M, which voters approved in 1993. Intended to free Muni from political interference and give it more fiscal autonomy, the proposition created a new Public Transportation Commission to oversee the transit line. It also established the first fiscal link between parking and transit, by dedicating 40 percent of all the city's parking tax revenues to the commission (San Francisco has taxed commercial parking transactions since 1970; since 1990 the tax rate has been 25 percent). Despite the new structure and new revenue, observers worried that the agency remained susceptible to interference from the Board of Supervisors, and service and finances continued to deteriorate. These worries were confirmed with 1999's "Muni meltdown"—a series of delays and disruptions that stranded thousands of commuters underground.

The meltdown led to a second reform measure, Proposition E, which voters approved in 1999. Proposition E's purpose, according to its authors, was "to reform the Municipal Railway
once and for all” (Gordon 2010). It did so by merging the Public Transportation Commission with the Department of Parking and Traffic (previously part of the police department) to create the SFMTA. To prevent interference from the Supervisors, the SFMTA's board was appointed entirely by the Mayor. The Supervisors could approve or veto the SFMTA's budget, but could not change it. The SFMTA would receive a dedicated contribution from the city's general fund each year. Like its predecessor, the SFMTA would receive 40 percent of parking tax revenue, but went further and changed the mandate of the city parking authority, subordinating its mission of building municipal garages to the goal of Muni’s fiscal health. Beginning in 2001, the authority could only add municipal parking spaces if doing so would not bring the Muni's parking-related revenue below 1999-2000 levels (SFCTA 2009).

Voters approved Proposition E as San Francisco began rolling back its minimum off-street parking requirements, and replacing them with maximum parking restrictions. Unlike most cities, San Francisco had always had relatively low minimums, and had used some parking maximums since 1968. But the idea of widely replacing minimums with maximums gained new traction in the late 1990s, when voters chose not to rebuild the Central Freeway, which had been damaged during 1989's Loma Prieta earthquake (Henderson 2013). Removing the freeway released new land for development, particularly in the Hayes Valley neighborhood, but it became apparent that parking requirements would hinder infill development along this corridor. Hayes Valley residents campaigned to have parking requirements removed, and this campaign started a larger conversation about replacing minimums with maximums citywide. The idea was controversial, however, and by the time the controversy ended, years later, it had further reinforced the connection between parking policy and public transit.
Many prominent business and property owners in the city's downtown opposed parking maximums (Henderson 2009, 2012). Thus when in 2006—after years of discussion and environmental review—the planning department proposed a “livability” ordinance to replace minimums with maximums in many parts of the city, including the downtown, these property owners lobbied Mayor Gavin Newsom. When the proposal came before the city planning commission, Newsom's appointees watered it down (Jones 2006). The Supervisors, however, subsequently returned the ordinance to almost its full strength and passed it into law.

But this approval didn’t end the fight. The downtown owners and their allies responded with a ballot measure—Proposition H—to replace the new maximums with stronger minimums. Proposition H, which would go before voters in 2007, would be San Francisco’s second parking-related ballot initiative in two years. In 2006 the Sierra Club had sponsored an initiative to raise the city's parking tax rate from 25 to 35 percent. The Club had argued that the higher rate would help Muni, both by increasing its revenue and making driving more expensive. But voters rejected the measure, 67-33 percent (Staff, 2006).

Proposition H was immediately controversial, and not only because of its content. The measure's authors wanted to court car-owning residents who had difficulty parking, and thus titled their proposition "Parking for Neighborhoods" (Hogarth 2007; Diaz 2007). The ballot abstract focused on increasing residential parking. But the measure itself—which ran to 61 pages—dealt almost entirely with removing commercial maximums in the downtown. Progressives who favored parking maximums sued, calling the measure deceptive. A judge found the proposition "misleading" but not illegal, and it remained on the ballot (Wachs 2006).
When the court upheld Proposition H, the progressives wrote a competing measure, Proposition A. Tellingly, however, Proposition A was not exclusively about parking, but instead a broad transportation-related amendment to the City Charter that its authors titled "Muni Reform." To be sure, Proposition A neutralized Proposition H: if passed, it would leave the parking maximums in place and add safeguards to prevent their removal later. Only a super-majority of Supervisors would be able to weaken any parking maximums, while a simple majority of Supervisors could strengthen them. But the proposition went well beyond minimums and maximums. The measure also doubled the SFMTA’s share of parking tax revenue, to 80 percent; allowed the SFMTA to keep all revenue from municipal off-street parking garages and lots; and allowed the agency to issue debts and bond against parking revenue. Proposition A also set the stage for SFpark, by granting the SFMTA exclusive authority to set rates and rules for on-street parking (along with control over traffic signs and signals). Lastly, the proposition increased Muni operators’ base pay to $29 an hour, and guaranteed them the second highest wages of any large transit agency in the country. This provision was made in exchange for union concessions about work rules, which Proposition A’s proponents said would reduce overtime. As a result of this exchange, endorsed by 21 of Muni’s 22 unions (one took no position) organized labor turned out in force and helped voters approve Proposition A and defeat Proposition H (SPUR 2007a, 2007b; Henderson 2012).

With Proposition A approved, parking policy was more intertwined than ever with the Muni. But Proposition A did little to solve Muni’s problems, for three reasons. First, the unions’ concessions did not reduce overtime as much as anticipated, so labor costs continued to rise. Second, the price of diesel fuel spiked, almost tripling in real terms between 1998 and 2008,
sending Muni’s operating costs upward. Third, the hoped-for revenue infusion from Proposition A did not materialize, because other city agencies began raiding the SFMTA’s budget.

Unlike the Sierra Club’s failed ballot measure, which would have increased the city’s total amount of parking tax revenue but not increased the SFMTA’s share of it, Proposition A increased the agency’s share without generating new funds. While this approach had political advantages—it didn’t raise drivers' taxes—it also meant the SFMTA would be drawing revenue from other city departments. These departments, however, found ways protect their budgets. Almost immediately after Proposition A took effect, the Mayor dipped into the MTA’s budget and took $725,000 to pay salaries for his staff (Hogarth 2007). But this was small change; other departments used interagency "work orders" to charge the SFMTA more for services. The police, for instance, charged the SFMTA for traffic patrols, placing officers on buses, and even for cars driving past Muni garages at night. The city’s 311 information service charged the SFMTA almost $4 million for answering calls about Muni; the city hospital charged almost $2 million for a single traffic accident (Eskenazi and Dewar 2010). While work orders themselves were not new, they spiked after Proposition A. The proposition was supposed to increase Muni funding by $27 million annually. In 2006, the year before Proposition A, other city agencies billed the MTA $36 million. By 2010 work orders totaled $64 million, and by fiscal year 2012 they would be $66 million—any revenue gains from Proposition A were more than wiped out (City Controller 2010; Hogarth 2008; Gordon 2011).

In sum, between 1993 and 2008 San Franciscans voted on five different parking-related propositions, and watched a years-long battle over off-street parking play out in neighborhoods, courtrooms, the ballot box and city hall. Almost all these controversies were tied to Muni and its troubles. And it was in this context that the city introduced SFpark. SFpark was a technocratic,
revenue-neutral, apolitical approach to parking management—one designed to benefit drivers. But most parking policy in San Francisco was the antithesis of that: yoked by politics and a desperate need for revenue to the city's transit agency. Had SFpark been the lone major change made to parking policy during this time, it may have been able to carve out its own identity. But Muni's finances got worse, and as a result the SFMTA attempted numerous other changes to street parking while it was rolling out SFpark. All of these changes were justified on the basis of raising revenue for the Muni. SFpark would thus be swept up in Muni-related controversies.

III. SFPark Begins; Muni Deteriorates

The SFMTA's board approved SFpark in November 2008, but price changes would not begin until late 2011. In the intervening years the agency chose the areas where SFpark would occur, installed new digital meters and occupancy sensors, reached out to the community, and devised an evaluation plan.

In its outreach efforts the SFMTA emphasized that SFpark would improve access to parking spaces and benefit drivers. The agency also emphasized that SFpark was not designed to increase revenue (e.g., SFMTA 2011: 102). Amidst preparations for SFpark, however, the SFMTA plunged into its worst-ever fiscal crisis. In early 2009 the agency announced a $100 million shortfall over the next two fiscal years (Rhodes 2010). Fuel costs, labor costs and work orders all contributed, but the main driver was 2008's recession, which battered Muni's budget in two ways. First, the weak labor market combined with rising gas prices to reduce driving, which in turn reduced parking revenue. Second, the recession shocked California’s already-fragile state finances, and state legislators balanced their budget by raiding local transit funds. Between 2008 and 2010 the state withheld $179 million in transit assistance from Muni (Rhodes 2010).
Reluctant to raise fares, the SFMTA instead declared a fiscal emergency—allowing it to reduce service without undergoing environmental review—and then made the deepest service cuts in Muni’s history. The cuts alarmed the Board of Supervisors, who argued that reduced service, like increased fares, would fall hardest on low-income riders. The Supervisors asked the SFMTA to find different new revenue, and threatened to veto the agency’s budget if it did not (Goebel 2009). In June 2009 the SFMTA returned with a plan to add over 1,300 new parking meters and enforce meters in many parts of the city until 8 pm, and on Sundays as well (Eskenazi 2009a; Roth 2009).

To be clear, these proposals would have been sensible even if Muni had been entirely solvent. San Francisco’s meter hours had not changed since 1947 (Bialick 2012), when the city had fewer vehicles and many businesses were closed Sundays and evenings. In 2009 almost three-quarters of the city’s businesses were open on Sundays, and an SFMTA survey showed high Sunday and evening parking demand in many areas (Roth 2010). Furthermore, Muni riders paid fares Sundays and evenings, and drivers paid bridge tolls, so free Sunday parking was also inconsistent. Nevertheless, , it was clear the SFMTA was proposing more metering not to make parking more available or its fees more consistent, but overall consistency of its fees to raise revenue for Muni.

The meter expansion idea was controversial. Churches opposed it, and more importantly so did Mayor Newsom, who by some accounts threatened retribution on MTA board members favoring it (Goebel 2010). Politically, the proposal’s timing was inopportune. San Francisco’s 2009 unemployment rate was over 10 percent, making it hard to sell new charges to the public. And the neighboring city of Oakland had just attempted its own disastrous meter expansion. In search of revenue, Oakland officials had abruptly quadrupled meter rates and extended meter
hours, but angry constituents had forced the city to reverse the policy (Rhodes 2009). Caught between the Mayor and the Supervisors, the SFMTA conducted a study to determine Sunday metering’s likely impacts. The results, released in October 2009, suggested that many businesses supported Sunday metering, and that meters were unlikely to reduce economic activity, both because they would increase turnover in front of shops and because fewer than one quarter of shopping trips were made by car. The Mayor remained opposed to Sunday metering (Roth and Goebel 2009), but some MTA board members, armed with the study and needing revenue, appeared ready to defy him (Eskenazi 2009; 2009b).

A political showdown was averted when California’s budget temporarily recovered. In March 2010 the state restored $36 million in transit aid to Muni (Rhodes 2010), and in April the supervisors approved a two-year SFMTA budget without new meters nor expanded hours. But while the crisis had passed, the controversy and service cuts had been costly; public frustration with Muni had grown. Where in 2002 90 percent of voters said Muni was improving or staying the same, and five percent thought it was getting worse, by March 2010 only 13 percent thought Muni was improving, and 57 percent thought it was getting worse (David Binder Research 2002; Gordon 2010). Public relations weren't helped when in February Muni’s unions rejected a concession deal to help close the SFMTA's deficit. The rejection came even as other major unions, including police and fire, agreed to concessions with the city (Rhodes 2010). Muni workers received a 5.5 percent pay increase that year, making them the only city employees to get raises (Roberts 2010).

When Muni's workers rejected the concessions, Supervisor Sean Ellsbrend proposed a charter amendment to strip them of their guaranteed wage levels and remove some of their labor protections. The union's president offered to reconsider the concessions if Ellsbrend withdrew his
amendment, but Ellsbrend refused (Gordon et al 2010). Buoyed both by public frustration and substantial financial support, his amendment, Proposition G, qualified for the ballot with more signatures than any previous initiative in the city’s history. Although union representatives argued (probably correctly) that labor reform alone would not solve Muni’s problems, voters approved the amendment in a landslide, 65 percent to 35. The election suggested that many voters, rightly or wrongly, saw inefficiency and entitlement, not insufficient revenue, at the root of Muni’s problems.

At this point, remarkably, SFpark still had yet to begin: real-time data collection would not start until April 2011, and the price changes based on that data wouldn’t begin until August. But the program was about to encounter its largest political obstacle. In 2010, amid the SFMTA’s fiscal turmoil, the City Planning Department asked the agency to develop a parking plan for San Francisco’s Eastern Neighborhoods: the Northeast Mission, Mission Bay, Potrero Hill, and Dogpatch. For four reasons, these neighborhoods seemed ripe for metering. First, cruising was common. Despite being close to the city center and other amenities, parking in these neighborhoods was largely unregulated, with neither meters nor permit districts. As a result many people from outside the neighborhoods parked there and took transit into the city center. SFMTA surveys showed only 26 percent of vehicles at the curb registered in those neighborhoods’ zip codes, and showed drivers circling for 30 minutes to find spaces (Bialick 2012a). Second, the city was converting a large municipal parking lot in the area into a park, and neighbors worried that the conversion would exacerbate competition for street spaces. Third, the neighborhoods were zoned to accommodate much of the city's new growth, so without meters parking problems were only likely to get worse. Finally, the neighborhoods were directly adjacent to SFpark’s charging zones.
In sum, the neighborhoods looked like ideal places to expand SFpark, and in 2011 the SFMTA suggested as much. Arguably the suggestion was unusual: SFpark itself had barely begun when the SFMTA suggested expanding it. The agency proposed charging 25 cents an hour to start, and allowing drivers to park for up to eight hours. Like Sunday metering, the proposal was, from a planning perspective, sensible. And though it charged for spaces that had been free, the price itself—$2 a day—was hardly onerous. Moreover, as part of SFpark, the prices would be regulated by demand, not by the SFMTA's revenue needs. Neighbors, however, worried the price would rise dramatically. Some also argued that the area’s businesses were not retail, and thus didn't need as much turnover. Many also distrusted performance pricing, and believed the SFMTA just wanted revenue. Because SFpark had barely begun, suspicious residents could not alleviate their concerns by evaluating its price changes. What residents could see was an agency desperate for revenue, one that—even as it proposed meters for the Eastern neighborhoods—was also raising the city's parking fees and fines. Between 2008 and 2011 residential permit prices increased 67 percent, and by 2012 San Francisco had the nation's highest parking fines (Gordon 2011; SFMTA 2012b). These increases were controversial, and critics accused the SFMTA of taxing drivers to compensate for its own mismanagement. Newspaper columnist Ken Garcia, for example, (2011) said the SFMTA had:

… decided yet again to target motorists to offset the department’s chronic annual budget deficit … Think of it as a kind of “gouge and go” philosophy to get city transportation planners off the hook for their bosses’ inability to run their own department efficiently.
In January 2012 the SFMTA held a hearing in the Eastern Neighborhoods about SFpark’s expansion. Hundreds of neighbors turned out in opposition. Nevertheless, the presiding SFMTA officer ordered neighborhoods metered, and dismissed the crowd’s protests by saying the decision was “not a numbers game. It’s doing what’s best for the community” (Hernandez 2012a, 2012b). The comment struck neighbors as arrogant: weren’t they the community? Why have a hearing if their input didn’t matter?\(^1\)

The Eastern neighborhoods were not an ideal neighborhood to anger. Table 1 shows that these areas were wealthier, more-entrenched, more likely to own vehicles than residents of the SFpark charge zones and residents of San Francisco generally. As such, they mobilized quickly and effectively. Almost immediately after the meeting the Potrero and Dogpatch neighborhood associations sued the SFMTA under California’s Environmental Quality Act (CEQA), alleging that SFpark’s expansion should require a costly and time-consuming environmental review. Area residents also formed a group called the Eastern Neighborhoods United Front (ENUF), which vowed to block the metering. ENUF became the most prominent and effective of a number of grassroots organizations that mobilized first to fight SFpark’s expansion, and then to oppose meters more generally. Multiple web sites also sprang up to fight the SFMTA,\(^2\) and ENUF members began contacting various elected officials.

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\(^1\) Although residents criticized the SFMTA’s outreach, a neighborhood activist told me residents would likely have opposed new meters regardless of outreach.

By the end of January 2012 the SFMTA, facing both the lawsuit and questions from Supervisors, had rescinded its order to expand SFpark. It also held a second hearing in the Eastern neighborhoods, with three Supervisors present, to apologize to residents (Hernandez 2012b; Bialick 2012a). The neighborhoods, in turn, dropped the CEQA lawsuit.

Chastened but still needing a plan for these neighborhoods, the SFMTA returned to the drawing board. SFpark itself was by this point thriving; the program had made four price changes with almost no public complaint, and was about to win its first municipal governance award—one of a dozen the program would ultimately garner. And the agency got some support in February; when skeptical supervisors questioned the Mayor (now Edwin Lee) about dynamic pricing in the Eastern Neighborhoods, the Mayor defended the idea (Bialick 2012b). But SFpark was faring better than the SFMTA. In March the agency announced a two-year deficit of $53 million, and again spiraled into fiscal crisis. Neither Propositions A nor G had stopped Muni’s bleeding: work orders were increasing, and the MTA was spending more on overtime than any other city agency and twice what it had budgeted (Bay Citizen 2012).

Table 1: Socioeconomic Characteristics of Eastern Neighborhoods, SFpark zones, and San Francisco City, 2008-2012

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<th>Proposed Expansion Zone</th>
<th>SFpark Zone</th>
<th>San Francisco</th>
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<tbody>
<tr>
<td>Percent White Alone</td>
<td>53%</td>
<td>46%</td>
<td>42%</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$115,241</td>
<td>$59,682</td>
<td>$72,888</td>
</tr>
<tr>
<td>Per Capita Income</td>
<td>$67,563</td>
<td>$54,063</td>
<td>$46,580</td>
</tr>
<tr>
<td>Median Gross Rent</td>
<td>$2,001</td>
<td>$1,258</td>
<td>$1,416</td>
</tr>
<tr>
<td>Percent Homes Owner-Occupied</td>
<td>39%</td>
<td>23%</td>
<td>36%</td>
</tr>
<tr>
<td>Median Length of Tenure (Years)</td>
<td>16</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Percent Households without Vehicles</td>
<td>17%</td>
<td>34%</td>
<td>31%</td>
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<tr>
<td>Percent Commuters Driving to Work</td>
<td>45%</td>
<td>30%</td>
<td>30%</td>
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Source: ACS Five-year estimates, 2008-2012
Determined to avoid another standoff with the Supervisors, the agency tried to balance its budget without service cuts or fare increases (Bialick 2012c). It laid off ten managers and convened an advisory panel to examine its budget (although it also quietly reduced service, running 35-40 fewer buses per month (Elinson 2012)). The panel resurrected the ideas of new meters and Sunday meters. As transportation policy, these ideas had been sensible in 2009 and remained so in 2012. Once again, however, the SFMTA made plain that its motivation was revenue, not performance. Drivers would pay more to protect transit riders. “We are doing everything we can to avoid fare increases and service cuts,” the agency’s director said. “These proposals reflect our commitment to the city’s Transit First policy” (Steve 2012).

Sunday metering was again controversial. Churches still opposed it, and the Mayor was reluctant. Some officials worried that if the MTA introduced new parking charges while also introducing new subsidies—amid the crisis, the agency was making Muni free for children—would further inflame public opinion. “The understandable public perception,” Supervisor Scott Wiener (2012) wrote in an op-ed, "is that Muni is expanding parking meters to Sundays, adding new meters, and raising [parking] ticket prices, not to pay for improvements to the system but rather to fund free Muni for all youth, even those who don't need the subsidy. If that doesn't undermine public confidence in Muni … I don't know what will.” Nevertheless, in April the SFMTA board approved Sunday meter enforcement as well as free rides for children (Chinn 2012).

At almost the same time the agency was embracing Sunday meters, however, it was backing away from expanding SFpark. The SFMTA held an April hearing with ENUF and other Northeast Mission residents, most of whom who remained opposed to dynamic meters in their neighborhood; over 2,200 had signed a petition against them (Burbank 2012). At the end of April
the SFMTA relented, and said it would not extend SFpark to the Eastern neighborhoods. The agency still planned to install meters, but they would not be dynamic, and the SFMTA would not install them without more community input (SFMTA 2012). The decision was a win for ENUF, although neighborhood activists said they would not be satisfied until the SFMTA abandoned metering altogether (Hernandez 2012c).

In the following months ENUF continued agitating against the city’s parking policies. The group’s web site had foreboding and hyperbolic announcements like “meters are appearing all over San Francisco. Soon the meters will be on the streets in front of your home” (Bialick 2012d), and its flyers and posters (Figure 1) directly linked meters to Muni’s problems. Gradually, more Supervisors began to oppose parking meters. While Sunday metering was not to begin until January 2013, in May 2012 Supervisor Mark Farrell wrote an op-ed opposing them, echoing ENUF’s talking points. SFMTA officials, Farrell wrote, were "attempting to balance their budget on the backs of San Francisco residents ... [and to] nickel and dime residents without justification” (Farrell 2012). In June the SFMTA announced it would delay any further decision about metering the Eastern Neighborhoods until autumn, in order to do more outreach (Gordon 2012). In July, Supervisor Jane Kim, who represented Northeast Mission, said she opposed new meters in her district, and called the SFMTA’s parking policies “punitive for residents.” In August the SFMTA, hoping to win over critics, outlined its parking policy in a single document for the first time (Bialick 2012d). The step was welcome, but arguably such a document was long overdue; politically, the agency was playing catch-up.
When Sunday metering began in 2013, with almost no controversy. In March of that year the agency released a revised plan for the Northeast Mission, again calling for meters to help manage parking demand (Bialick 2013a) The President of the Potrero Hill Boosters responded by criticizing the meters and calling for resident permits (Kelly 2013). The area’s Supervisor, David Campos, endorsed this suggestion, and criticized the idea of metering (Reisman 2013). The SFMTA’s staff responded with an online FAQ explaining that in dense residential areas permit parking would do too little to reduce curbside congestion.

Supervisor Farrell, meanwhile, continued his campaign against meters. In late April 2013 he held a hearing on meters in the Eastern Neighborhoods. A number of Supervisors attended; few spoke in favor of meters (although some offered tepid support for the SFMTA) and many explicitly opposed them. In her introductory remarks, for example, Supervisor Malia Cohen said she hoped the hearing would end with the SFMTA’s director saying "I quit, you win, we're not
going to be doing parking meters” (Bialick 2013b; 2013c). Other Supervisors said the SFMTA should focus on improving Muni, not adding parking meters. During the hearing Farrell thanked ENUF for its work, and said his goal was “not letting parking meters creep into our residential neighborhoods, and protecting the quality of life for our residents.” ENUF's Maria Eliza urged the Supervisors to rein in the SFMTA, warning presciently that if they did not "citizens are calling for a ballot proposition." The SFMTA delayed yet again any decision about new meters in the Eastern Neighborhoods (Gordon 2013).

Tensions came to a head at the end of 2013, when the SMFTA tried to completely replace its existing parking meters. Aside from those in the SFpark zones, all the city's meters were old, coin-operated devices. In its budget proposal to the Board of Supervisors, the agency requested $54 million to buy 36,000 new digital parking meters. This request alarmed some Supervisors—the city only had about 25,000 coin-operated meters, so asking for an extra 10,000 made the Supervisors suspicious that the SFMTA was planning a dramatic meter expansion. Summoned to a Supervisors’ hearing, the agency's director said the extra meters would only be used to replace broken devices, or to install meters when businesses requested them, and that no meters would be installed anywhere without community input. But the Supervisors were not convinced. Supervisor John Avalos said the SFMTA was not being candid about its intentions, and Farrell said that “There is distrust in the neighborhoods. I don’t have any security that there’s not going to be 10,000 new [metered] parking spots.” The head of the Potrero Neighborhood Association piled on: “They have lied to us at every turn,” he said. … Nothing in the past two years gives us any confidence that they’ll try to honestly get our approval before installing new parking meters.” Farrell vowed to monitor and if necessary block the new meter purchases (Roberts
Hoping to control the damage, the SFMTA board voted shortly thereafter to require more outreach before it put meters in any new neighborhoods.

The SFMTA’s action was not enough. When the contract to purchase new meters returned to the Board, the Supervisors restricted it. Supervisor Avalos amended the contract to remove 5,000 meters, vowing that “There will be no expansion.” (Roberts 2013; Bialick 2013d). No Supervisors, even those who normally supported progressive transportation policy opposed this amendment. Supervisor London Breed, for example, voted for the amendment and said, “I don’t want to wake up one morning and all of a sudden two, three, four blocks in my neighborhood have meters … We’re kind of venturing past the territory of commercial areas, and places where meters were meant to be, into residential areas, where they never should be.” Breed further announced, unprompted, that she also opposed Sunday metering (Bialick 2013d). Only Supervisor Jane Kim voted against the amended contract, and she opposed it because she thought the amendment was insufficiently stringent—the SFMTA could, conceivably, install some new meters on a limited scale. She wanted to make new meters impossible (Wolf 2013).

Two weeks after this vote, the SFMTA released an evaluation of Sunday metering. Sunday meters had reduced cruising, increased turnover and vacancy, and increased revenue (SFMTA 2013). But the tide had turned. In early 2014 SFpark’s sensors, running low on battery life, were turned off, and real-time parking data ended (Kwong 2013). Shortly thereafter Mayor Lee, in his State of the City speech, called for an end to Sunday meters (Matier 2014). Lee had recently proposed two referenda for the November 2014 ballot: one to float $500 million of bonds and the other to raise the city’s vehicle license fees. Revenue from both would finance the MTA. Rolling back metering, he said, would help convince vehicle-owners to vote for these initiatives. "I've always felt uncomfortable with [Sunday meters]" Lee said, "but Muni was
suffering and we needed the money." The ballot measures offered a better path. "Instead of nickel and diming our residents at the meter on Sunday, let’s work together to support comprehensive transportation funding measures," (Rodriguez 2014). Implicit in this statement, of course, was the idea that meters’ only transportation benefit was revenue for Muni; benefits from efficiently allocating parking went unmentioned. The SFMTA board acceded to the Mayor's request, and voted to end Sunday metering in April 2014. In defending the decision, the SFMTA's director echoed the Mayor, suggesting that meters primarily delivered revenue, and that any revenue lost from Sunday meters would be won back through bonds and vehicle fees. "We can give up a few million dollars," he said, “if it helps us secure $1.5 billion” (Kwong 2014). Unmentioned again was the idea that meters might deliver benefits beyond revenue.

Progressive transportation advocates, however, were unwilling relinquish Sunday meters, and led by the group Livable City they used CEQA to challenge the SFMTA’s vote. The advocates argued that because the SFMTA’s own evidence suggested free Sunday parking was likely to increase congestion, ending should it should require environmental review. The lawsuit put the SFMTA in an awkward position; to defend itself, the agency submitted formal documents arguing that the only environmental consequence of reduced metering was lost Muni revenue. The City Planning department filed documents asserting the same (Bialick 2014; Reiskin 2014; Jones 2014). This argument not only directly contravened the SFMTA’s own evaluation of Sunday meters, but also disavowed the entire premise of SFpark. But the Board of Supervisors rejected the CEQA appeal, and Sunday parking remained free (Rodriguez 2014b). Ironically, two months later the SFMTA released an evaluation of SFpark that argued the opposite: dynamic metering, the evaluation suggested, reduced cruising, vehicle miles travelled and greenhouse gas emissions (SFMTA 2014b).
With the CEQA challenge defeated, the Mayor's plan to save Muni through the ballot box could move forward. But the proposed vehicle license fee, was polling poorly, and in June the Mayor pulled it from the ballot (Cote 2014). The bond proposal remained, but a group of citizens allied with ENUF had also proposed a ballot initiative of their own. Called "Restore Transportation Balance", the initiative, although non-binding, called for undoing the city's "Transit First" policy. It called for a five-year freeze on parking rates and a ban on Sunday, holiday and evening metered parking. It called for a majority vote before the city could introduce SFpark-style variable pricing into any neighborhood, and for "motorists' representatives" to sit on the SFMTA board. The measure needed 9,500 signatures to qualify for the ballot; in July its supporters submitted 17,500. The measure's organizers had been inspired to action by SFpark's attempted expansion. Their symbol? A parking meter with a line through it (Figure 2).

![Figure 2: The Restore Transportation Balance Initiative](image)

**Conclusion**
Could SFpark have done anything differently? Not without difficulty. Arguably the program may have fared better had its revenue not flowed to Muni. But such a change would have been difficult: the same charter amendment that enabled SFpark (Proposition A) also cemented parking's role as Muni's fiscal backstop. And with Muni in a nearly-ceaseless fiscal crisis, moving money away from it is not costless. For this reason the SFMTA has been cautious, at best, toward returning meter revenue to metered neighborhoods (Bialick 2014b). SFpark was a valuable and high-profile experiment, but also a lonely one. The SFMTA was consumed by its need for revenue, and SFpark was the sole parking initiative designed primarily to improve parking, not to transfer resources from drivers to transit riders (or, in some voters’ eyes, to transit workers). We should not be surprised that these politics surrounding SFpark worked against it, and triggered a backlash.

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