



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Staff Report

File #: 23-94

Version: 1

Date: 2/27/2023

Item #: 5.b.

TO: City Council

FROM: Mayor Chris Hoy

SUBJECT:

Motion from Mayor Chris Hoy regarding the Downtown Parking District

Ward(s): Wards 1 and 2

Councilor(s): Councilors Virginia Stapleton and Linda Nishioka

Neighborhood(s): CANDO Neighborhood Association

MOTION:

I move to direct staff to return to City Council with a plan to implement paid on-street parking in the downtown parking district and phase out the parking district tax.

DISCUSSION:

Approximately ten years of parking studies indicate that downtown parking usage supports moving to a paid on-street system to manage demand. In 2020, 2021, and 2022 the Downtown Advisory Board's Parking Fund Budget recommendations included a recommendation to transition to a paid on-street parking system.

Since 2013, the downtown parking tax has been capped at 2% annual growth or the CPI, whichever is less. The parking tax has not kept pace with the inflationary impacts to the costs of operating the downtown parking system. Additionally, the fund has lost significant revenue in recent years due to the closures of the Nordstrom, JC Penney, and TJ Maxx department stores, and pandemic impacts including an increase in remote working and online shopping habits.

A paid on-street system will improve parking demand management as well as stabilize and enhance the parking fund.

Attachments:

None.

