

SUMMARY OF FINANCE TOOLS TO SUPPORT TRANSPORTATION MASTER PLAN UPDATE AND HIGHLIGHTED FUNDING WORKING GROUP RECOMMENDED OPTIONS FOR COUNCIL CONSIDERATION

NAME	DESCRIPTION	APPLICABILITY TRANSPORTATION MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
FEDERAL, STATE AND COUNTY							
<p><i>(State / County / City)</i> Motor Vehicle Efficiency Fee FWG TIER 2</p>	<p>The city's Department of Climate Initiatives is already working on designing a vehicle efficiency fee that would collect a fee at annual vehicle registration. The fee rate would be based on MPG.</p> <p>Because Boulder County, as a statutory political subdivision of the state, does not have the power to enact such a measure on motor vehicle registration, whether in the form of a voter-approved tax or a legislative fee, this fee would have to be imposed by the city.</p> <p>Since the city does not have jurisdiction to set fees outside of the City of Boulder, the scope of the fee is further restricted to be those vehicles registered within the city. If a dedicated climate/emissions gasoline tax is ever adopted at the state or federal level, the city will evaluate if this local fee is still needed or should be phased out.</p> <p>Funding Working Group (FWG) members also considered a vehicle registration fee based on vehicle value due to the regressive nature of a vehicle efficiency fee in which wealthier residents could more likely afford newer electric or hybrid vehicles.</p>	<p>The revenue from this fee could be used to fund several TMP Focus Area unfunded needs.</p> <p>The fee nexus study indicated that revenue from this fee could go to program and/or improvements that reducing SOV trips, electrifying the fleet and reducing emissions. Related to the TMP, this could include bike and pedestrian safety programs, electric-assist bicycle rebates, employer TDM programs, and transit services.</p>	<p>All vehicles registered within the City of Boulder would be subject to this proposed fee, excluding the vehicle types and classes of buses, trailers, over-road tractor-trailers and special machinery and equipment</p> <p>Staff is including possible rebates/discounts for low-mileage vehicles and for low-income residents.</p>	<p>To implement a fee at vehicle registration, city staff must coordinate and enter into contracts with the state Department of Revenue, which maintains the registration software system for the county's Department of Motor Vehicles, as well as Boulder County, which would collect and remit the fee to the city.</p> <p>The state registration software system, DRIVES, will require multiple updates to implement this proposed fee. The system will need to be coded on the backend to apply a new fee to the registration amounts calculated for each vehicle registered within the city limits. Further, because the DRIVES system does not include fuel economy of vehicles, the city will need to develop several lookup tables that link the vehicle information in DRIVES to the Environmental Protection Agency's (EPA) fuel economy data and have that coded into the software as well.</p>	<p>NEED TO CHECK</p>	<ul style="list-style-type: none"> - The fee would not impact vehicles registered outside of the city of Boulder - The fee may not be higher enough to significantly influence vehicle purchasing choices. + The fee could be used for a variety of unfunded transportation needs that reduce GHG emissions. 	<p>Staff is recommending a moderate fee approach at \$42 for 22 MPG vehicles per year. This would raise approximately \$2.7 million in annual revenues.</p>
<p><i>(Regional)</i> Regional Transportation Authority (RTA) Mass Transit Authority County-wide or Regional Transportation Tax FWG TIER 1</p>	<p>A Regional Transportation Authority (RTA) is a government agency or public-benefit corporation created for the purpose of providing public transportation within a specific region. An RTA is generally funded by either sales tax or property tax.</p> <p>For the purpose of providing local and intra-County transit service and to realize the city's Renewed Vision for Transit, the RTA's region would likely be at the county-level, in which the RTA provide transit service within the city and Boulder County and RTD provides regional service.</p> <p>The FWG also consider different forms such as a Mass Transit Authority which could be easier to implement. Currently there is momentum developing within the county and the region for a sales tax initiative to fund regional multimodal and transit projects in part due to the passing of the statewide ballot item 110 in Boulder and Boulder County.</p> <p>To address local first and final mile issues, a portion of the funding could be reallocated to local municipalities to provide funding for those critical connections between regional transit and employment and other destinations.</p> <p>There is also discussion about have a county-wide tax be dedicated to both housing and transportation to address the need for more affordable housing and regional transportation improvement and bus rapid transit service in the area.</p>	<p>An RTA is one of the mechanisms identified as a possible way fund local and intra-County service as part of the Renewed Vision for Transit.</p> <p>To meet the TMP and environmental goals, transit service in Boulder basically needs to double and RTD is not in the financial position to provide that level of service</p>	<p>Incidence of payment depends on which mechanism, sales or property tax. For sales tax, the incident of payment is widespread to any individual or corporation purchasing goods or services.</p> <p>For property tax, the incident of payment is divided by both commercial and residential properties pay with commercial properties carrying more of the burden.</p>	<p>Both the city and the County have the legal authority to create an RTA, MTA, or let the resident vote on a sales tax for transportation.</p> <p>Administrative costs will be incorporated in the rates to cover the cost of providing or contracting to provide transit service.</p>	<p>RTAs and MTAs are common structures for providing transit service and exist throughout the state and country.</p> <p>In 2018, the state's ballot item 110 failed statewide, but passed in Boulder and Boulder County. It would have enacted a \$0.62 sales tax for regional projects with a portion returning to local governments as well.</p>	<ul style="list-style-type: none"> + Predictable source of funding to implement the Renewed Vision for Transit + Historically sales tax revenues have increased without a change in the rate. - Sales tax revenue is not keeping up with inflation and may not be the most reliable way of paying for transit 	<p>Boulder County's current mill rate is 22.726. Given an assessed evaluation of \$7.8 billion, a 1 mill property tax would generate approximately \$7.8 million per year for Boulder County.</p> <p>A \$0.01 sales tax in the city of Boulder would raise over \$30 million. A \$0.01 sales tax in Boulder County would raise over \$55 million.</p> <p>The complete Renewed Vision for Transit is estimated to cost approximately \$118 million annually compared to the \$50 million that is currently spent on local and regional travel.</p>

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CITY TAXES, FEES & DEBT							
<p>Property Tax (Section 94, Article VI, Charter of the City of Boulder) <i>(Rate increase)</i></p>	<p>This is a tax on real and personal property. The city mill levy for collections in 2018 is 11.981. This would be an increase in the city mill levy from the current amount that would be earmarked for transportation projects. It could be used in conjunction with the issuance of general obligation bonds.</p> <p>Currently, property tax revenues are earmarked for the General Fund, the Permanent Parks Fund, the Library Fund and Public Safety.</p>	<p>An incremental mill levy could be earmarked for the transportation fund; it could be used as debt service to finance particularly large projects of citywide benefit; it could be used within a district.</p> <p>This would be most applicable to finance projects that correct existing deficiencies or finance the local government share of projects partially funded by new development.</p>	<p>Would be imposed on the basis of assessed real estate values. There is a weak connection between assessed values and the need for roads.</p> <p>Due to assessed valuation formulas, residential properties pay 33% of what non-residential properties pay, for the same value of property.</p> <p>Visitors do not pay property taxes in a direct way.</p>	<p>Requires a popular vote to increase the mill levy.</p> <p>The administrative staff are in place to manage and disburse sales tax revenues</p>	<p>Additional mill rates are assessed in CAGID (downtown), UHGID (University Hill), Forest Glen (Eco Pass GID, and Boulder Junction Access District (BJAD)</p>	<ul style="list-style-type: none"> - Any increase in the mill levy would require a popular vote. + Generates significant and predictable potential revenue stream. 	<p>The city's assessed value was \$3,667,034,079 and effective mill levy was 11.981.</p> <p>A one mill levy (.001) would generate annual revenues of \$3.66 million annually.</p> <p>For example, for every \$100,000 of home value, homeowners pay \$86.26 in taxes to the City of Boulder (\$100,000 multiplied by the assessment rate (7.20 percent) and the multiplier for the mill levy for the City of Boulder (0.011981)). For every \$100,000 in commercial value, business owners are subject to the same formula, but are taxed on 29 percent of the property's value, or \$29,000 for a total tax liability of \$347.</p>
<p>Sales Tax <i>(Rate increase)</i></p>	<p>The City currently imposes a sales tax of 3.68% (excluding the 0.15% food service supplemental tax) and earmarks revenues to 8 funds. Included in this total is 0.6%, which is earmarked for the Transportation Fund, pursuant to a vote in 1967. An additional 0.15% was added in 2014 to make the dedicated sales tax a total of 0.75%.</p> <p>In 2017, the dedicated sales tax generated approximately \$24 million</p> <p>An additional sales tax on online sales could generate a significant amount of new revenue for the city of Boulder.</p>	<p>The voter-approved allocation to transportation states that funds are earmarked "for projects related to transportation or for related or appurtenant to transportation services, or facilities..." (BRC 3-2-39)</p> <p>Sales tax revenues are the largest single source of Transportation Fund revenues.</p> <p>The Blue Ribbon Commission is 2004 recommended diversifying revenue to be less dependent on sales tax.</p>	<p>Households and businesses that purchase retail goods in the county pay these taxes.</p> <p>The sales tax is also imposed on visitors and travelers who purchase retail goods and stay in local lodging.</p> <p>Boulder offers a refund on sales taxes paid for food based on family income and family size.</p>	<p>The administrative staff is in place to manage and disburse sales tax revenues.</p> <p>A popular vote is necessary to increase the tax rate.</p>	<p>Boulder earmarks 0.75% of its sales tax revenues for the Transportation Fund.</p> <p>Fort Collins dedicates 0.25% to capital projects including transportation.</p> <p>Boulder County has a 0.1% sales tax for transportation improvements.</p> <p>Jefferson County imposes a sales tax and a local improvement district.</p>	<ul style="list-style-type: none"> + Produces a significant and reasonably predictable revenue stream. • City/County will need to work with RTD on what happens to existing sales taxes RTD receives for basic and Fastracks service. - Sales tax revenue is not keeping up with inflation and purchasing power is declining. The city may be close to the acceptable sales tax ceiling. 	<p>A \$0.01 sales tax in the city of Boulder would raise over \$30 million.</p> <p>A \$0.01 sales tax in Boulder County would raise over \$55 million.</p>
<p>Tax Increment Financing (TIF) <i>(Additional application of an existing tool)</i></p>	<p>The concept of tax increment financing is to earmark incremental sales and property tax revenues from redevelopment toward public improvements within the redevelopment area. If the urban renewal authority (BURA) is used, then all incremental property tax revenues (school, county, city, etc.) can be earmarked for project area improvements.</p>	<p>This tool is most appropriate to finance improvements in a specific geographic area where the improvement will generate substantial additional development activity.</p>	<p>This is a reallocation of property and sales tax revenues to improvements within a specified area that has been declared blighted.</p> <p>If the formal urban renewal authorities are invoked, then property tax revenues previously flowing to the School District and the County would be earmarked for improvements within the blighted area.</p>	<p>If the urban renewal powers are used, then there are significant administrative costs in establishing the project area. If the concept of tax increment is used, then implementation is more streamlined.</p> <p>Authorized under State Statutes.</p> <p>It may be helpful to coordinate with County and School District, since property tax revenues would be frozen at base year levels.</p>	<p>Boulder has used tax increment financing (TIF) in the Crossroads Area and is pursuing TIF in Downtown.</p> <p>Fort Collins and Santa Barbara have used tax increment financing to build parking structures.</p>	<ul style="list-style-type: none"> + Can provide additional financing (property tax revenues from the County and School District) for Boulder projects at no additional cost to Boulder taxpayers. - Must be within blighted area, if urban renewal authorities are used. 	<p>Revenues would tie directly to the forecasted sales and property tax revenues.</p>

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<p>Head Tax <i>(New tax)</i></p>	<p>This would be a tax imposed on employees or employers who work in the City of Boulder.</p> <p>The City has substantial flexibility regarding who pays (employer versus employee) and who is exempt (public, nonprofit, low-wage earners).</p>	<p>This would be applicable to finance projects that correct existing deficiencies and projects that serve commuters.</p>	<p>The tax could be imposed on 100% on employees or 100% on employers or shared between the two.</p> <p>This is one of few tools that can target people who work in Boulder and reside elsewhere.</p> <p>If imposed as a flat tax, it would impact low-wage employees more than high-wage employees. Excluding those earning less than some minimum amount could lessen the regressive impact.</p> <p>Government employers and non-profits could be exempt.</p>	<p>This taxing authority is available to home rule cities only, such as Boulder.</p>	<p>Currently, Aurora, Denver and Greenwood Village impose a head tax.</p> <p>Boulder voters turned down a \$116 per year head tax in 1994.</p>	<ul style="list-style-type: none"> - Requires a vote to impose a new tax. + Produces a predictable stream of revenue 	<p>City staff estimate that there are about 104,000 jobs in the City. (This includes public and private sector.)</p> <p>If imposed on all employees,</p> <ul style="list-style-type: none"> • a \$5 per month (\$60 per year) tax would generate \$6.2 million per year; • a \$10 per month tax (\$120 per year) would generate \$12.5 million.
<p>Transportation Utility/Maintenance Fee <i>(New fee)</i></p> <p>FWG TIER 1</p>	<p>A Transportation Utility Fee or Maintenance Fee is a fee which can be imposed on both residential and commercial properties to collect revenue to pay for ongoing operations and maintenance. Fees generally appear on utility bills.</p> <p>Most cities with TMF/TUFs use Institute of Traffic Engineers (ITE) trip generation tables to establish rates based on land use and size.</p> <p>The rates can be set to pay for all or a portion of on-going transportation related operations and maintenance. Rates can also be indexed to inflation to ensure that adequate funding is available when the cost of operating and maintaining the system increases with material and labor costs.</p> <p>The city could use this kind of fee to replace a portion of dedicated sales tax or be used in addition to current sales tax revenue.</p>	<p>This may be applicable to maintenance of transportation improvements rather than to constructing capital projects.</p> <p>This tool could replace exiting Transportation Fund revenue sources.</p>	<p>Cities have the authority to create, franchise or license utilities under ' 31-21-101 CRS.</p> <p>While this statute is typically used to franchise electric, gas and telephone services, it has also been used by the City of Fort Collins to create a street utility.</p> <p>The utility fee would need to be structured to share costs equitably among users. For example, the Fort Collins fee schedule was based on land use and trip generation and was imposed on developed properties on a per front foot basis.</p> <p>Providing favorable treatment to properties abutting roads maintained by the State could cause an inequity.</p>	<p>The Fort Collins utility was tested in the Colorado Supreme Court. The Court ruled that the street maintenance fee was a form of special services fee and the fee schedule reasonably correlated with use and was appropriately imposed. The Fort Collins City Attorney does not believe that it was necessary to create a utility to impose a street maintenance fee.</p> <p>There may be significant costs (technical, administrative, and legal) to establish a utility.</p>	<p>Fort Collins implemented and then abandoned the utility in favor of a simpler transportation finance program. Fort Collins is now considering a "Transportation Maintenance Fee", collected via the city's utility billing system. The fee would be based per residential unit and per vehicle trip for nonresidential uses.</p> <p>Eight Oregon cities impose a transportation utility fee.</p>	<ul style="list-style-type: none"> - May be time-consuming to impose fee. + May be perceived as an equitable technique to collect street maintenance costs, thereby freeing up existing revenues currently used for street maintenance. + Reliable, predictable and scalable funding for the city's highest investment priority 	<p>Fees can be set at varying rates to cover different operations and maintenance needs, from only pavement maintenance to all routine and capital maintenance and transit operations and service.</p> <p>It may be better to understand what the city wants to fund and then set rates to cover those expenditures.</p> <p>TMF analysis in 2014 concluded that the annual residential fee to raise \$5.6million in revenue would be \$87 per household. The cost to commercial properties would vary based on land use and size from \$0.03 per sq. ft. for warehouses to \$0.22 for large commercial centers and offices at \$0.11.</p>
<p>Off-Street Parking Fee/Parking Space Fee <i>(New application of fee)</i></p> <p>FWG TIER 2</p>	<p>With a parking fee, any vehicle parked off street outside of existing management parking districts would be charged a fee to park off-street. This could be accomplished through License Plate Recognition (LPR) technology and access to off-street private parking lots.</p> <p>Exemptions would be made for retail spaces and primarily applied to offices, warehouses, and industrial developments.</p> <p>If a private property owner does not allow the enforcement vehicles on site, then a one-time, annual or monthly fee could be imposed on property owners per off-street parking space. Property owners could pass this fee on to users in a variety of ways.</p>	<p>This fee would essentially eliminate free parking in the city depending if all parking lots were included versus applying it only to business employee parking and provide a financial incentive to use other transportation options which, in turn would meet a variety of TMP goals and objectives.</p>	<p>This fee would impact all parking space users, including residents, businesses, commuters and visitors.</p> <p>It penalizes properties that have complied with city parking regulations and benefits properties that have sought parking reductions. High tax generators (retail, lodging) are particularly impacted.</p> <p>It imposes a direct charge on a less desirable travel mode, potentially impacting mode choice.</p>	<p>There are significant administrative costs associated with developing and maintaining a database showing off-street parking spaces per property, enforcing through LPR technology and sending monthly or annual bills.</p>	<p>While many properties and districts charge for parking, this would be a new type of fee charging individuals to park off-street on private property where the property owners have provided free parking in the past.</p>	<ul style="list-style-type: none"> + Once established, parking space fees generate a predictable stream of revenue. - Due to Advanced Mobility innovations parking demand and supply may see significant reductions and this fee or tax would decline in revenue over time. 	<p>Quantification would require a full inventory of private off-street parking spaces.</p> <p>Based on the number of in-bound trips by non-resident employees and the number of Boulder residents that work in Boulder and drive to work, a \$1 per day parking fee charged on weekdays on employee parking would raise approximately \$15 million per year.</p>

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DISTRICTS, AUTHORITIES, UTILITIES AND INTERGOVERNMENTAL AGREEMENTS							
Business Improvement District (BID) (' 31-25-1201+ C.R.S.) <i>(Application of tool)</i>	Cities may create BIDs to fund capital improvements or maintenance within a district. Unique attributes of BIDs are: (a) Only non-residential property owners pay for improvements; (b) The BID can fund maintenance programs.	The BID might be used to finance improvements within primarily non-residential portions of multi-modal corridors where there is a direct benefit to the abutting property owners.	The incidence is on non-residential properties within the district. Residential properties do not pay. Fees must be in sync with benefits received.	BIDs are established by petition. A benefit study is needed to develop fees or assessments that are based on benefits received. A BID is a governmental entity that may enter into intergovernmental agreements with others.	There are 18 BIDs in Colorado. This is a newer statutory tool than SIDs, GIDs, and Metro Districts. Downtown Boulder has a BID. Others in the County include Longmont Gateway BID and Main Street Louisville BID.	+ BIDs may enter into IGAs with other governments. + BIDs can fund on-going maintenance.	BIDs are self-financing tools. Fees and assessments are structured to generate sufficient revenues to pay for district programs and facilities.
Special Improvement District (SID) (' 31-25-503 C.R.S.) <i>(Broader application of existing tool)</i>	Cities may create special improvement districts (SIDs). The local government or property owners may initiate SIDs. There is a hearing, which states maximum costs per property owner. The district is formed by ordinance or resolution. These districts are only financing vehicles, they are not new governments and have no power to make contracts or levy taxes. The primary distinguishing feature of SIDs is that the formula for repaying district debt is most often some form of assessment, based on benefit. Typically, district debt is issued and payment is spread equally over 10 to 15 years.	These districts are most applicable for localized improvements where a substantial portion of the benefit is attributable to properties along the improvement. When SIDs are used for projects with larger benefit areas, often the local government shares in costs and/or finances segments of larger projects.	The incidence of payment is on properties included in the SID. Local governments sometimes participate to finance the through traffic share. Assessments must be in sync with benefits received.	SIDs can be established by petition from property owners or by resolution of the city. If established by resolution, more than 50% of the property owners affected can protest and halt the formation of a district. A benefit study is necessary to develop a cost sharing formula, based on benefit.	There are 52 SID's in Colorado. This tool is used widely in Colorado. Boulder uses SIDs to finance neighborhood-scale improvements, such as sidewalks. Denver uses SIDs for neighborhood alley improvements. Aurora has made extensive use of SIDs in financing new roads or road upgrades since the 1950s.	+ When the road requirement is built into an annexation agreement, an SID with payments spread over 10 years can be a more palatable way to finance a project than outright cash. + Fixed life which corresponds to financing specific improvements. • This is a financing tool only; SIDs are not governmental entities and may not enter into IGAs.	SIDs are self-financing tools. Assessments are structured to generate sufficient revenues to pay for district programs and facilities.
General Improvement District (GID) (' 31-25-604 CRS) <i>(Broader application of existing tool)</i> or Public Improvement District (' 30-20-505+ CRS)	All municipalities may create general improvement districts (GID). These districts may use property tax revenues to repay district costs. They may be initiated by a petition signed by a majority of electors owning property in the district. The local government adopts an ordinance or resolution creating the district. The governing body of the municipality or county where the GID is located is the ex officio governing body of the district.	GIDs may be useful in financing smaller transportation projects which benefit a defined area. GIDs may acquire, construct and install streets, parking facilities and drainage improvements.	The incidence of payment is on properties included within the GID. GIDs may impose property taxes and may also impose fees, rates, tools or charges. A distinguishing feature of GIDs is their authority to impose property taxes.	A GID may require less up front legal or administrative costs because a benefit study might not be needed. Since a GID is a government entity, it can sign an IGA with a city or county.	There are 35 GIDs in the State. The most extensive use of GIDs for transportation is in Boulder. CAGID (Central Area General Improvement District), UHGID (University Hills General Improvement District) and Forest Glen Transit Pass GID are examples.	+ GIDs may enter into an IGA with a city or county. + No benefit study is needed if only property taxes are to be used for repayment of district obligations. + These districts are not new governmental entities. However, GIDs may have an advisory board, such as CAGID and UHGID.	GIDs are self-financing tools. Taxes and fees are structured to generate sufficient revenues to pay for district programs and facilities

INNOVATIVE FUNDING MECHANISMS

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<p>Vehicle Miles of Travel Tax</p> <p>FWG TIER 3</p>	<p>A vehicle miles of travel (VMT) tax would collect revenue based on the number of miles driven annually by registered vehicles.</p> <p>This tax requires the implementation of technology to gather data from vehicles at certain times. Data can be gathered annually or periodically throughout the year. The recent pilot in Colorado collected data wirelessly from a device in the vehicle at gas stations when the vehicle was being fueled for example.</p> <p>Weight of vehicle can be factored in to create a user tax that takes into account impact on pavement.</p>	<p>A VMT Tax could provide a significant amount of revenue to meet unmet funding needs and could replace a portion or all of the dedicated sales tax.</p> <p>However, this type of tax and the technology investment needed means that it is not viable at the municipal level.</p> <p>Residents who use transportation options would reduce their tax liability.</p>	<p>The incidence of payment would be on owners of vehicle registered in the city if implemented on the local level.</p> <p>In that case it would not impact the vehicles entering the city.</p>	<p>There are several privacy issues to be considered related to this tax and the tracking of vehicles.</p> <p>Due to the technology involved, it is unlikely that a VMT tax could be implemented by the city. It is more applicable at the state or federal level.</p>	<p>Many states are conducting pilots, but this tax has not been implemented anywhere at this time.</p> <p>A VMT Tax could possibly replace the state and federal gas taxes in the future.</p>	<ul style="list-style-type: none"> - Unlikely to be viable at the local level due to technological investment and administration. - One of the TMP goals is to reduce overall VMT so this tax would face declining revenue if the city is successful in reducing VMT + Would be a user fee that assesses a tax based on actual usage of the roadways in motor vehicles. 	<p>Based on current VMT data from the Denver Regional Council of Government (DRCOG) travel model, approximately 2.4 million VMT occurred daily in the Boulder Valley.</p> <p>Annually, a \$0.01 tax per VMT would generate \$8.7million. However that includes vehicles not registered in the city of Boulder and entering from outside the city limits.</p> <p>According to the Travel Diary Survey, the average Boulder resident travels between 4,000 and 5,000 miles a year in SOVs and MOVs. A penny per mile tax would cost between \$40 to \$50 per year per person.</p>
<p>Cordon Fee</p> <p>FWG TIER 2</p>	<p>A cordon fee is charged on vehicles that enter and/or leave a specific area such as a central business district or a municipality.</p> <p>Current license plate recognition or tolling technology can be used to assess the fee on vehicles entering the cordon</p> <p>A cordon fee could be assessed on all vehicles or specifically apply to SOV as many High Occupancy Tolling Lane projects do today.</p> <p>The amount charged for crossing the cordon can also be dynamically priced to charge more during congested peak travel time periods.</p>	<p>Given the impact of in-commuting, service and freight vehicles entering the city, a cordon fee could generate significant revenue to address unmet regional multimodal projects and programs and serve as a disincentive to driving into the city.</p>	<p>The incidence of pay would be on vehicles entering (or also leaving) the cordon. The fee could be assessed throughout the day or during specific peak hours.</p>	<p>The city of Boulder has the legal authority to implement a cordon fee.</p> <p>There would be significant costs to implement and administer the cordon fee due to the technology required and the billing process.</p> <p>As a fee, there would need to be a rational nexus between the fee and the use of revenue generated.</p>	<p>The most successful cordon fee has been implemented in central London and resulted in significant decrease in vehicle entering, traffic congestion and travel delay.</p>	<ul style="list-style-type: none"> + A cordon fee could generate a significant and reliable source of revenue based on the current inbound trips - Could have a negative impact on retention and recruitment of employees in a competitive labor marker. • Regional multimodal infrastructure and service would need to improve to provide viable options. Revenue from a cordon fee could focus on improving regional service. 	<p>In the AM peak, there are approximately 41,000 to 45,000 vehicles entering from outside the city on an average weekday.</p> <p>A \$1 cordon fee on AM Peak travelers entering the city could raise approximately \$14 million.</p> <p>In additional at the AM peak, approximately 16,000 vehicles leave the city limits.</p>
<p>Dynamic Tolling/HOT lane tolling/Congestion Pricing</p> <p>FWG TIER 2</p>	<p>There several ways to dynamically price access and use of roadways that differ from a cordon fee. These include dynamic tolling, High Occupancy Tolling, and congestion pricing. As opposed to a cordon fee when road users are charged for crossing a line, these mechanisms are generally applied to assessing fees for driving through designated corridors.</p> <p>Current license plate recognition or tolling technology can be used to assess the fee on vehicles traveling through a corridor or using a specific lane.</p> <p>The fee charged can vary based on level of congestion or time of day.</p>	<p>The TMP Funding Focus Area specifically calls out the need to investigate the implementation of user fees to diversify Transportation funding.</p> <p>User fees, such as these mechanisms, charge roadway users for actual use of public right of way.</p> <p>User fees, with the right set of multimodal options, could disincentivize driving and encourage the use of travel options.</p>	<p>The fee would be assessed on any motor vehicle using designated corridors or lanes whether they are residents, visitors, service providers, freight or non-resident employees.</p>	<p>The city of Boulder can legally implement user fees on roadways using existing technology.</p> <p>Depending on the number of locations, the implementation cost could be significant but there is also significant revenue potential</p>	<p>HOT lane and tolling exists today in Colorado on many roads including 470 and US36.</p> <p>New York State has indicated that it will implement a congestion pricing program.</p>	<ul style="list-style-type: none"> + A roadway user fees could generate a significant and reliable source of revenue based on the current vehicle trips in and out and around the city. - Could have a negative impact on retention and recruitment of employees in a competitive labor marker. • Regional multimodal infrastructure and service would need to improve to provide viable options. Revenue from roadway user fees could focus on improving regional service. 	<p>The city has extensive vehicle counts on all major corridors and the revenue potential would be based on the number of corridors with user fees/tolling, the times of day in effect and the fee rate.</p> <p>For example, the highest count station in the city at Foothills and US 36 counts on average 95,000 vehicles per day in either directions throughout the day.</p> <p>Charging \$0.25 to use Foothills could generate almost \$9 million annually.</p>

SUMMARY OF FINANCE TOOLS TO SUPPORT TRANSPORTATION MASTER PLAN UPDATE AND HIGHLIGHTED FUNDING WORKING GROUP RECOMMENDED OPTIONS FOR COUNCIL CONSIDERATION

NAME	DESCRIPTION	APPLICABILITY TRANSPORTATION MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
<p>Curbside Access Fee</p> <p>FWG TIER 2</p>	<p>With the rise of Transportation Network Companies (TNCs) like Uber and Lyft, cities are beginning to rethink the use of public right-of-way to access the curbside.</p> <p>As parking revenue is likely to decline in the future as TNCs incrementally replace private motor vehicle travel, city are now evaluating the revenue potential in charging TNCs and delivery vehicles to access the curb for loading and unloading of people and goods.</p> <p>Fees to access the curb could be dynamically priced based on level of demand or time of day.</p>	<p>The TDM Focus Area of the TMP is specifically evaluating how the city should prepare for the transportation revolution coming with Advanced Mobility.</p> <p>A key aspect of this is developing city policies around curbside management and the possibility of charging for access.</p> <p>After revenue covers the cost of implementing and operating the management system, the remaining revenue could be used to subsidize and incent shared autonomous and electric TNC trips of the future.</p>	<p>The incidence of payment would be on private vehicles that access designated loading and unloading zones.</p>	<p>The city of Boulder has the legal authority to price access to the curb and already does so through on-street parking fees.</p> <p>Current and future technology can be implemented to determine which vehicles are access the curb for the purpose of loading or unloading people or goods.</p> <p>City would like work with a third party provider who manages data collection and billing</p>	<p>Many cities are regulating where TNCs can pick up and drop off and loading zones are a well-established practice.</p> <p>Some larger cities, like New York City are charging permits, but the dynamically pricing of curbside access is still for the most part only in the initial phases and pilots projects to test the technology.</p>	<ul style="list-style-type: none"> + Designated pick up and drop off locations and loading zones can help reduce travel delay and congestion + Revenue from curbside management could help to replace parking revenue with the emergence and adoption of autonomous vehicles - Increases the cost of TNC and delivery services as costs are passed on to customers. 	<p>Difficult to estimate the potential revenue but as TNC use increases, autonomous person and freight deliveries increase, the potential could be significant</p>