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To: City Council

From: Transportation Commission, Jon Pascal Chair

Date: May 8, 2008

Subject: Roadway pricing policy statement

At our April 1 study session the Council asked the Commission to prepare a City of Kirkland position statement on tolling. Some of the issues identified by the Council included:

- Should both I-90 and SR 520 be tolled?
- What should tolling revenue be used for transit or other uses?
- Should the goal of tolling be revenue or management. What should the mix be?
- How should diversion be mitigated? What might be the diversion through Kirkland?
- Are there equity issues for low income users?

On April 23, the Commission discussed the issue of tolling and as a result of those discussions developed the following draft policy for consideration by Council. We have used the term "price" rather than "toll", as we feel the former covers both tolling where all users pay and other systems where, for example, choosing to use a certain lane has a cost but using other lanes is free.

City of Kirkland Roadway Pricing Policy Statement
May 8, 2008 Transportation Commission DRAFT

The City of Kirkland generally supports roadway pricing.

Roadway pricing appears to be an effective tool for better managing our transportation system while at the same time being able to generate some additional revenue to leverage against existing revenue sources. We support early tolling of SR 520, tolling of I-90 when SR 520 is tolled and implementation of HOT[1] lane systems on I-405. Our support assumes that potential impacts to Kirkland are considered before and addressed after implementation of any such roadway pricing program.

Revenues from pricing may be used for a variety of purposes, but there must be a reasonable nexus between collection and spending.

Revenue need not be confined to paying the capital costs for construction of the facility where it was collected. Besides funding construction, examples of reasonable uses for pricing revenue include: transit service on the priced or parallel facilities, mitigation of pricing impacts like diversion onto non-priced routes and operations/maintenance of the priced facility. Pricing revenues should supplement not supplant current revenue sources.

Pricing for management must have clear objectives.

Pricing can be optimized to meet various objectives such as maximizing revenue, maximizing person trips or minimizing vehicle miles of travel. The objective for pricing will vary depending on the system being priced. This objective will typically be set by the agency operating the priced facility. However, prior to implementation of pricing, it is important that impacted jurisdictions have an opportunity to comment on the pricing objective.

Any pricing efforts must include careful consideration of potential negative impacts.

Before pricing is implemented funding should be designated to mitigate impacts from pricing. A comprehensive system of measurements should be made before and after pricing is implemented to evaluate its impacts especially with regard to traffic diversion. This is particularly important when considering early tolling of SR 520. In order to minimize negative impacts of pricing, choices such as high quality transit must be provided on priced corridors. Predictable and reasonable tolls will also help to minimize negative impacts.

It is important to consider the needs of low income users of priced facilities.

Experience from other parts of the county show that low income users are supportive of pricing systems such as HOT lanes both before and after such systems are implemented. With electronic tolling it is relatively easy to reduce the cost of pricing to individual users through subsidies. Low income users may benefit most from viable alternatives to pricing such as high quality transit.

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[1] High Occupancy Toll (HOT) lanes – combine HOV and pricing strategies by allowing single occupancy vehicles to gain access to HOV lanes by paying a toll. The lanes are "managed" through pricing to maintain free flow conditions. HOT lanes are in operation now on SR 167.