

A Peer-to-Peer Marketplace for Agent-Resource Matching and Truthfulness in Transportation Services

Jane Lin*

Department of Civil and Materials Engineering &
Institute for Environmental Science and Policy
University of Illinois at Chicago
janelin@uic.edu

Ouri Wolfson

Department of Computer Science
University of Illinois at Chicago
wolfson@cs.uic.edu

Number of words: 7056

Number of tables and figures: $3 \times 250 = 750$

Total number of words: 7756

Submitted to the 2017 Transportation Research Board Annual Meeting, August 1st, 2016

*Corresponding author

Abstract

Traffic congestion (and delay) is caused by limited availability of transportation resources (in the form of physical infrastructure such as road space and parking) and/or spatio-temporal mismatch between transportation resources and demand. Limited resource availability is often a hard constraint due to natural resource scarcity (e.g., limited land) or financial infeasibility that is outside the control of a transportation entity. This paper focuses on the latter, i.e., how to improve spatial and temporal allocation/assignment of existing resources to demand. In this paper we introduce a general virtual marketplace, called Spatio-Temporal rEsources Marketplace (STEM), that enables peer-to-peer financial transactions to guarantee that every user is not worse off than in User Equilibrium (UE) in terms of the cost s/he pays and at the same time the overall social welfare (system optimum, SO) is maximized. We show that many transportation services can be viewed as an agent-resource matching problem and formulated by the proposed STEM model. We propose a peer-to-peer Guarantee-Agent-Gain (GAG) payment scheme that is pareto-improving and revenue-neutral if all necessary user (agent) information is true and known to STEM. We then introduce a pricing scheme called TRUTH to incentivize truth-telling or to disincentivize cheating because agents would see no gain by lying in TRUTH. Some thoughts of future research directions are also discussed in the paper.

20 1. Motivation and Objective

21 On average, people traveling during morning and evening rush hours in urban areas experienced
22 34 hours of delay annually in 2010; in urban areas with population over 3 million that delay goes
23 up to 52 hours [1]. In one business district of Los Angeles, researchers found that vehicles
24 searching for parking traveled a distance equivalent to 38 trips around world, produced 730 tons
25 of carbon dioxide, and burned 47,000 gallons of gasoline in one year [2]. Congestion (and delay)
26 is caused by (1) limited availability of transportation resources (in the form of physical
27 infrastructure such as road space and parking) and (2) spatio-temporal mismatch between
28 transportation resources and demand. Limited resource availability is often a hard constraint due
29 to natural resource scarcity (e.g., limited land) or financial infeasibility that is outside the control
30 of a transportation entity. Hence, our proposed research focuses on the latter, i.e., how to
31 improve spatial and temporal assignment/match of existing resources to demand.

32 In transportation literature, two most well-known forms of assignment (or match) between
33 demand and resource are the so-called User Equilibrium (UE) and System Optimum (SO).
34 Simply speaking, UE is a stable match between users and the resources that the users are seeking
35 such that all users receive their best pay-offs in this match. Intuitively, this means that the system
36 is settling into a state in which no user can unilaterally improve her performance. In other words,
37 UE is what every user selfishly wishes to be. We have shown that UE is a form of stable
38 marriage match (assignment) [3]. SO aims at maximizing the overall social welfare. In other
39 words, SO is what we would like the transportation service to be. Unfortunately we know that
40 UE often times results in worse off social welfare than SO. Moreover, the gap between UE and
41 SO is potentially huge. Specifics depend on the particular system. But, for example, we have
42 shown that for parking the gap between optimum and equilibrium is unbounded in the worst case
43 [4], and is about 20% on average [5]. Imagine the potential of reducing travel-time by 20%!

44 Researchers have proposed to alleviate these problems by bridging the gap between UE and
45 SO assignments in congestion pricing (e.g., [6-14]) and parking pricing (e.g., [4][5][15-21]).
46 These studies are resource specific, i.e., focusing on a specific type of transportation resource
47 such as road space and parking space. The proposed pricing schemes are often resource specific
48 – price is set for specific resources independent of users (e.g., road tolls, parking rate), because
49 individuals' valuation structure and preferences are typically unknown to the central management
50 authority who sets the price. On the other hand, rapid advancement in mobile computing and
51 wide penetration of personal mobile devices such as smartphones make it possible to have users
52 declare or reveal their information in advance such that user specific pricing schemes in
53 continuous time are possible.

54 In this paper we demonstrate a framework to bridge the gap between UE and SO assignments
55 in the general context of spatio-temporal match of transportation resources to agents (users) that
56 are seeking the resources. Such resources are not limited to road space but may include many
57 transportation infrastructure facilities, for example, parking slots, public transit vehicles, shared
58 bikes, shared bike racks, ride-sharing, electric vehicles charging stations, and landing slots at an
59 airport. Specifically, we present a virtual marketplace that enables peer-to-peer (P2P) financial
60 transactions to guarantee that every user is not worse off than in UE in terms of the cost s/he pays
61 and at the same time the overall social welfare is maximized. This virtual marketplace is called
62 *Spatio-Temporal rEsources Marketplace* (STEM). Previously we have introduced STEM in the
63 context of agents seeking parking slots [22]. In [22] we showed that moving from equilibrium
64 towards optimum by peer-to-peer (P2P) financial transactions that guarantee that every user will

65 not be worse off than in equilibrium; and each user will be better off. Note that in [22] we did
66 not take into account the cost associated with using/occupying a parking slot; only the cost of
67 travel time to the parking slot was considered. Building on [22], this paper introduces STEM in a
68 general context of transportation resource matching.

69 The main idea of STEM is illustrated through a parking example as follows. Assume a set of
70 drivers looking for curbside parking in a downtown area; the area has a set of available parking
71 slots. At a given time T_0 all drivers report their current location, final destination, value of time,
72 and valuation structure and preferences to STEM. STEM computes the SO assignment and a UE
73 assignment. Next, STEM matches each driver u with a parking slot coinciding with her slot in
74 SO, and guarantees a cost to driver u that is not higher than the cost of her slot in UE. It does so
75 through the following mechanism. If the difference between driver u 's costs in UE and SO is
76 positive, i.e. her cost is reduced when moving from UE to SO, then u pays the other drivers the
77 difference; otherwise the other drivers pay u this difference. This pricing scheme is revenue
78 positive, and the profit can be redistributed back to drivers to further reduce their costs. This
79 scheme involves only peer-to-peer financial transaction and requires no toll or tax of some sort
80 on curbside parking slots. The amount each driver pays or gets paid is driver-specific and
81 dependent on the drivers' spatial location relative to the available parking slots at T_0 .

82 **2. Relevant Work**

83 **2.1 Pareto-improving, revenue-neutral Peer-to-Peer payment mechanisms**

84 Pricing scheme or mechanism design is a common economic intervention to regulate demand for
85 or behavior toward use of certain resources so that a preferred outcome can be achieved. In
86 transportation, tolling or congestion pricing in road networks is a prominent case of such
87 interventions (e.g. [6-14]). A preferred outcome in congestion pricing is often defined by
88 reduced or minimized total network travel time by switching some drivers to different routes via
89 pricing. Parking is another area of transportation that has seen active pricing research in recent
90 years [4][5][15-22].

91 In recent years, research has been focused on finding Pareto-improving and revenue-neutral
92 (PIRN) pricing schemes (e.g., [6], [11-13]). A Pareto-improving scheme means no user in the
93 scheme is worse off than without it. A revenue-neutral scheme does not require external
94 financial flow into the system; in other words, a revenue-neutral scheme is a financially self-
95 sustaining one. For example, [6] shows that for a transportation network with homogeneous
96 travelers, a Pareto-improving O-D-specific scheme for refunding total toll revenue to all
97 travelers exists if and only if the pricing scheme reduces the total system travel time. In [11] the
98 authors investigate revenue neutral tradable credit schemes among road users in user equilibrium,
99 system optimum, and elastic demand conditions and show there exist unique solutions in which
100 everyone is no worse off. In [12] the study concerns a tolling/subsidy scheme between a single
101 O-D, two-mode transportation network. The two modes are highway automobiles and transit.
102 Assuming highway users are always tolled positively and transit users are always tolled
103 negatively, the study essentially presents possible revenue-neutral subsidy mechanisms from
104 highway tolls to subsidize transit service. [13] builds on [12] to further examine how users' value
105 of time (VOT) may affect the existence of a PIRN toll scheme and under what conditions PIRN
106 may be guaranteed.

107 One common feature in this area of transportation research is a resource-specific pricing
108 mechanism. For example, in congestion pricing literature, the same toll is set at a selected

109 roadway segment that applies to all road users equally. The underlying thinking is that individual
110 VOT values are typically unrevealed and hard to observe and thus toll differentiation across user
111 classes is unrealistic and difficult to implement in reality. Of course the advantage of a resource-
112 specific pricing mechanism is that it is easy to implement and still possible to achieve PIRN.

113 However, the conditions to achieve PIRN tolling are often hard to meet in reality. For
114 example, [13] points out that the existence of a PIRN scheme is not guaranteed in general and
115 external subsidies may still be required to ensure Pareto-improving even after revenue refund to
116 road users. [6] demonstrates that to ensure the existence of a class-anonymous (i.e., without
117 specifying individuals' VOT) Pareto refunding scheme the discrepancy in travel time changes
118 among the various OD pairs resulting from the pricing scheme should not be too large.

119 In addition, tolling is perceived by the public as a form of taxation and a "Big Brother"
120 (government) invention of one's daily life. [11] investigates a PIRN tradable credit scheme that
121 still would require government initially distributing the credits among users and careful design of
122 the total amount of credits and link specific credit charges.

123 **2.2 Truthfulness of User Provided Information**

124 A system like STEM is vulnerable to strategic manipulation, e.g., agents lying about their
125 location or final destination in order to gain an advantage. Appropriate design and
126 implementation of mechanisms to prevent false information reporting have been studied in the
127 literature. Under the mechanisms an agent will find herself not better off by lying about her
128 valuation, i.e. truth telling is incentivized. Among many existing mechanisms, the Vickrey-
129 Clark-Groves (VCG) and Myerson mechanisms [23-26] are most commonly used to allocate
130 public and private goods that maximize respectively social welfare and profit. Current
131 applications of VCG are predominantly in fields such as computer science, auctions and
132 procurement [27-30] than in transportation service.

133 To the best of our knowledge, there are only a handful of references that apply the principles
134 of truth telling to transportation problems. [31] considers VCG auctions to allocate railway
135 paths. Bidders make bids and pay the system revenue difference with and without their bidding
136 set. [32] explores the sufficient and necessary conditions for airlines to unilaterally deviate from
137 truth telling under a voting scheme to provide consensus advice to an air traffic service provider
138 (i.e. the central authority for air traffic flow management). [33] proposes two model-free, online
139 mechanisms which schedule user access to plug-in hybrid electric vehicle charging points, and
140 conclude that implementation of the proposed mechanisms can result in 50% increase in charging
141 capacity at the same fuel cost compared to a simple randomized policy.

142 Previously we have investigated truth telling mechanisms in parking [20][21]. In [20], we
143 devised new mechanism designs to induce truth telling of drivers' valuation in both static and
144 dynamic parking games and proved that with a monotonic allocation rule in the mechanism an
145 appropriate payment scheme, drivers have no incentive to lie about their true valuation and time
146 information. In [21], we studied a smartphone-based parking reservation system that manages a
147 finite number of curbside parking spaces located at different places in a downtown area, and
148 applied the Vickrey-Clark-Groves mechanism to determine the allocation of parking spaces and
149 parking fees to minimize the total social cost while ensuring all drivers to report truthfully their
150 final destinations.

151 Given the paucity of literature in the field of transportation resource allocation using
152 mechanism design, the increasing sharing economy of mobility service, and the growing reliance
153 on large streams of information and data in transportation planning and management, we

154 envision that mechanism design will become a crucial element of a future transportation system
 155 to prevent strategic manipulation of the system by users to their advantage.

156 3. Problem Definition

157 3.1 Model Configuration for STEM

158 We introduce STEM in the context of general spatio-temporal transportation resources. These
 159 are resources in geo-space, or time intervals, that may be available or unavailable to a user
 160 depending on other users. That a resource is unavailable may be due to the fact that it is
 161 occupied (e.g., parking slot) or that it incurs huge delay that a user is not willing to pay for (e.g.,
 162 roadway congestion). Broadly speaking there are two types of transportation resources: single-
 163 occupancy and multiple-occupancy. Many transportation resources are single-occupancy, for
 164 example, parking slots, shared bikes, shared bike racks, electric vehicle (EV) charging stations,
 165 and airport runways. Roadways, ride-sharing, and public transit vehicles are examples of
 166 multiple-occupancy transportation resources.

167 First, we define the model configuration for STEM. A configuration consists of a set of
 168 *mobile* agents - these are resource seekers in vehicles or other modes, $\mathbf{V}=\{v_i, i=1, 2, \dots, n\}$ in geo-
 169 space and a set of available *stationary* resources (e.g. parking slots) $\mathbf{R}=\{r_j, j=1, 2, \dots, m\}$ at a
 170 given time point T_0 . Agents do not have an extent, thus at any time they are located at points in
 171 geo-space. The resources are either all spatial or all temporal. If spatial, then they are static and
 172 occupy point locations in geo-space. Temporal resources are time intervals. For example,
 173 airport runway is a spatial resource; and landing time-slots on an airport-runway are temporal
 174 resources. A single-occupancy resource can be used only by a single agent at a time; a multiple-
 175 occupancy resource can be used by multiple agents simultaneously. An assignment is a mapping
 176 of agents to resources for a duration of time.

177 The locations of the resources are known to STEM and thus to the agents. STEM may reside
 178 centrally in the cloud, or a copy of it may reside in a tamper-resistant fashion in the mobile
 179 device of each agent. STEM may detect agents' locations but agents may choose not to disclose
 180 it. In other words, agents do not necessarily know other agents' locations in our research setting.

181 Suppose that at T_0 , all agents in \mathbf{V} are located at given distances to any resource in \mathbf{R} . In
 182 other words, an agent may need to travel to reach the resource in order to use it. We call that
 183 travel time access time and denote it by d_{ij} for agent $v_i (\in \mathbf{V})$ to reach resource $r_j (\in \mathbf{R})$. There
 184 may be additional costs associated with agent v_i using resource r_j . For example, in the case of
 185 parking, additional costs may be the cost of parking and/or the cost of walking time from the slot
 186 to the driver's final destination. We define the time agent v_i spends using resource r_j as usage
 187 time, denoted t_{ij} , and other time associated with using the resource as egress time, denoted τ_{ij} ,
 188 e.g., walking time from the parking slot or bus stop to office. Denote agent v_i 's value of time
 189 (VOT) by α_i . Then at T_0 the total cost associated with agent v_i obtaining and using resource r_j ,
 190 C_{ij}^1 , is defined as follows:

$$191 \quad C_{ij} = \alpha_i d_{ij} + \beta t_{ij} + \alpha_i \tau_{ij} \quad (1).$$

192 If β is resource specific (i.e., not related to individual agents), then $\beta = \beta_j$. For example, the
 193 charge rate of parking is typically fixed for all users; the charge rate of a bike-sharing program is

¹ For simplicity the time dimension is dropped in all letter notations in this proposal. One should bear in mind when reading that they are all time dependent.

194 typically fixed for all users; bus fare is route specific. For another example, current congestion
 195 pricing (tolling) schemes are link specific tolls for all users traveling on those links. That is what
 196 is typically assumed and studied in the existing relevant literature. The reason is noted in [6] that
 197 toll differentiation across user classes is unrealistic and difficult to implement in reality because
 198 VOT is reported observationally indistinguishable. Furthermore, the access time and egress time
 199 are not considered in the existing congestion pricing literature. In other words, total cost reduces
 200 to $C_{ij} = \beta t_{ij}$ in the network/congestion pricing literature.

201 We show that transportation services in general can be viewed from the perspective of spatio-
 202 temporal resource assignment/allocation. Resources are the service agents (users) seek to obtain.
 203 For example, in bus service, buses (or bus lines) are the resources. Depending on when riders
 204 (agents) arrive at a bus stop, they may take different buses (or bus lines). For another example, in
 205 bike-sharing service, available bikes in different stations are the resources and their availability
 206 depends on when riders (agents) arrive at a station.

207 Furthermore, we consider the case where $\beta = \alpha_i$ in this research. In other words, the cost
 208 associated with using a resource depends on who is using it. That is,

$$209 \quad C_{ij} = \alpha_i d_{ij} + \alpha_i t_{ij} + \alpha_i \tau_{ij} \quad (2).$$

210 At the outset, each agent v_i sends STEM the information necessary to compute d_{ij} , t_{ij} , τ_{ij} , and
 211 C_{ij} . Such information may include the agent's current (or starting) location, final destination, and
 212 VOT (α_i). When receiving this information from all the agents, STEM computes all d_{ij} 's t_{ij} 's,
 213 τ_{ij} 's, and C_{ij} 's, and then determines an assignment and a payment scheme for each individual
 214 agent.

215 An assignment is essentially a mapping of agents $\mathbf{V} = \{v_i, i=1, 2, \dots, n\}$ to available resources
 216 $\mathbf{R} = \{r_j, j=1, 2, \dots, m\}$. In a one-to-one assignment, if the number of agents is greater than the
 217 number of available resources, i.e., $n > m$, then there are agents left unallocated at a given time. In
 218 a many-to-one assignment, there are agents unallocated if the number of agents demanding the
 219 resource exceeds the capacity of the resource. An unallocated agent incurs a very high cost, ω .
 220 Therefore, if the *cost* of an agent v_i ($\in \mathbf{V}$) in an assignment \mathbf{A} , denoted $C(i, \mathbf{A})$, is defined the same
 221 way as in Eq. (2), then at a given time T_0 ,

$$222 \quad C(i, \mathbf{A}) = \begin{cases} C_{ij}, & \text{if } (v_i, r_j) \in \mathbf{A}, \forall v_i \in \mathbf{V}, r_j \in \mathbf{R} \\ \omega, & \text{if } (v_i, r_j) \notin \mathbf{A}, \forall v_i \in \mathbf{V}, r_j \in \mathbf{R} \end{cases} \quad (3).$$

223 The total cost of an assignment \mathbf{A} is $\sum_{v_i \in \mathbf{V}} C(i, \mathbf{A})$.

224 In this paper, we assume the following in the process of matching agents and resources:

- 225 (1) at a given time point T_0 , not all agents in \mathbf{V} are necessarily allocated;
- 226 (2) unallocated agents at T_0 continue to seek resources at the subsequent time points when
 227 previously occupied resources may become available.

228 The time points may be pre-determined in STEM (e.g., every 5 minutes) or triggered by certain
 229 events (e.g., significant change in traffic conditions).

230 Now we formally define the UE and SO assignments in the context of STEM.

231 **Definition 1.** An assignment \mathbf{M} is a SO assignment if any other assignment \mathbf{B} has a total cost
 232 higher than that of \mathbf{M} . That is,

$$233 \quad \sum_{v_i \in \mathbf{V}} C(i, \mathbf{M}) \leq \sum_{v_i \in \mathbf{V}} C(i, \mathbf{B}), \text{ for } \forall \mathbf{M}, \mathbf{B} \quad (4).$$

234 In [4] we have shown that given a finite set of agents and a finite set of resources, a SO
 235 assignment can be computed in strongly polynomial-time by representing it as a minimum-cost
 236 network flow on a bipartite graph [34].

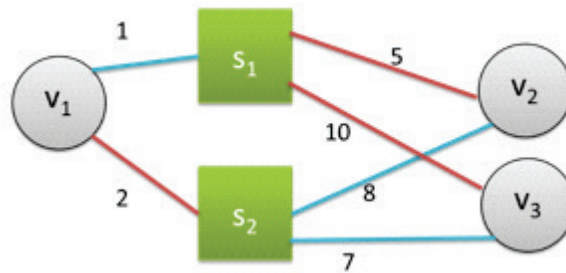
237 *Definition 2.* An assignment \mathbf{E} is a UE assignment if for every agent v_i and for any other
 238 assignment \mathbf{B} that differs from \mathbf{E} only in the assignment of v_i this relationship holds:

$$239 \quad C(i, \mathbf{E}) \leq C(i, \mathbf{B}), \text{ for } \forall v_i \in \mathbf{V}, \text{ and } \forall \mathbf{B} \text{ such that } \mathbf{B}_{-i} = \mathbf{E}_{-i}. \quad (5),$$

240 where \mathbf{B}_{-i} or \mathbf{E}_{-i} represents the remaining assignment in \mathbf{B} or \mathbf{E} after excluding agent v_i . In [5] we
 241 have shown that an equilibrium assignment can also be found in polynomial time using the Gale-
 242 Shapley deferred acceptance algorithm.

243 Note that Definitions 1 and 2 are the cost-based UE and SO, whereas in transportation
 244 network analysis, time-based disutility measures have long been accepted as standard system
 245 performance metrics. In the current transportation literature, both time-based and cost-based
 246 disutility measures are used and studied. It is easy to show that the time-based UE and SO are a
 247 special case of Definitions 1 and 2 respectively.

248 Observe that in a one-to-one assignment, if the number of agents is higher than the number of
 249 resources, i.e., $n > m$, then different sets of agents may be allocated the resources in \mathbf{E} and \mathbf{M} . In
 250 other words, different sets of agents may be unallocated in the two assignments. For example,
 251 consider Figure 1 where there are two EV charging slots (resources) S_1 and S_2 , and three EVs
 252 (agents) v_1 , v_2 , and v_3 ; the arc values are costs associated with using that resource by the agent,
 253 i.e., $C_{11}=1$, $C_{12}=2$, $C_{21}=5$, $C_{22}=8$, $C_{31}=10$, $C_{32}=7$. In this configuration, the optimum assignment
 254 $\mathbf{M}=\{(v_1, S_2), (v_2, S_1)\}$ has a total cost of $7+\omega$ with $C(1, \mathbf{M})=2$, $C(2, \mathbf{M})=5$, and $C(3, \mathbf{M})=\omega$
 255 (unallocated); the equilibrium assignment $\mathbf{E}=\{(v_1, S_1), (v_3, S_2)\}$ has a total cost of $8+\omega$ with
 256 $C(1, \mathbf{E})=1$, $C(2, \mathbf{E})=\omega$ (unallocated), and $C(3, \mathbf{E})=7$. So v_3 incurs a very high cost in \mathbf{M} and v_2 in
 257 \mathbf{E} . When simply moving the system from \mathbf{E} to \mathbf{M} , the total cost is reduced by 1. On the other
 258 hand, v_3 is the victim of this movement and v_2 is the beneficiary. In reality, v_3 is unlikely to
 259 voluntarily give up his/her position in \mathbf{E} .



260
 261

Figure 1: A configuration of 3 EVs (agents) and 2 available charging slots (resources).

262 Now if v_2 is willing to pay an amount of $(\omega-5)$ to v_3 to compensate v_3 for postponing getting
 263 the resource at this point and an amount of 1 to v_1 for moving to the more costly resource S_2 ,
 264 then we could achieve the SO assignment $\mathbf{M}=\{(v_1, S_2), (v_2, S_1)\}$ and at the same time the adjusted
 265 costs for v_1 , v_2 , and v_3 are now 1, ω , and 5 respectively. In this case, v_1 and v_3 are better off and
 266 v_2 is no worse off than in the UE assignment \mathbf{E} . In this process, no central authority is involved;
 267 it is simply Peer-to-Peer financial transactions among the three agents; all agents are guaranteed
 268 no worse off; and no external financial flow is required. This example illustrates the essence of
 269 our proposed Guaranteed-Agent-Gain (GAG) payment scheme to be described in Section 3.2.

270 3.2 Design of Pareto-Improving and Revenue-Neutral Peer-to-Peer Payment Mechanism

271 In this section, we present a PIRN payment scheme called Guaranteed-Agent-Gain (GAG) in
272 which the payment amount varies by user not only due to the heterogeneity in user's VOT and
273 valuation structure but also dependent on users' spatial and temporal positions relative to the
274 resources over time. This is seen in the way the individual cost is defined in Eq.(2). It is a key
275 divergence from the existing transportation pricing literature. The payment transactions are
276 enabled in STEM.

277 Simply speaking, GAG is a Peer-to-Peer payment scheme that converts a UE assignment (**E**)
278 to a SO assignment (**M**) in such a way that no agent is worse off by moving from **E** to **M** and that
279 the scheme is revenue neutral. GAG works in a general context of spatio-temporal transportation
280 resource allocation. We know that road tolling essentially attempts to bridge the gap between
281 optimum and equilibrium [35,36]. So Intuitively this PIRN GAG exists and has been
282 demonstrated in the example depicted in Figure 1.

283 Why would agents cooperate? First of all, no one is worse off and the total social welfare is
284 maximized. All agents may feel good about their good karma. Secondly, some agents get paid
285 for his/her good karma; the others obtain his/her preferred resources, so the payment scheme is
286 nothing out of the ordinary in practice. Thirdly, it is unlikely that the agents would perceive the
287 payment scheme as a toll (or some form of tax) so there is little resentment to it. Fourthly, there
288 is no central authority involvement so agents do not feel being told what to do. Lastly, as mobile
289 apps are already well accepted in everyday life, this will be viewed as just another "cool" app.

290 3.2.1 Guaranteed-Agent-Gain (GAG) payment scheme

291 In [22] we introduced a payment scheme called Guaranteed-Agent-Gain (GAG), and proved that,
292 under the time-based UE and SO, STEM transactions are guaranteed to leave every user, and
293 society overall, in a better off situation than UE. In this research, we generalize GAG and prove
294 that GAG also works in the cost-based UE and SO. That is, GAG is a payment scheme that
295 guarantees to each agent $v_i \in V$ that its cost in **M**, $C(i, \mathbf{M})$, will not be higher than its naturally
296 expected cost in **E**, $C(i, \mathbf{E})$. We denote the difference between the two costs by D_i , i.e.,

$$297 \quad D_i = C(i, \mathbf{E}) - C(i, \mathbf{M}) \quad (6)$$

298 This is how GAG works:

- 299 i. If for some agent v_i , D_i is negative, then STEM pays v_i an amount equal to $|D_i|$ to
300 compensate the increase in v_i 's cost by moving from **E** to **M**.
- 301 ii. If D_i is positive, that means v_i benefits from some other agents "sacrificing" what they
302 could have had in **E**. Then v_i pays back STEM the amount of D_i and its overall cost in **M**
303 is still no worse than that in **E**.

304 Thus, the GAG payment scheme guarantees that each agent v_i incurs an adjusted cost, i.e.
305 $C(i, \mathbf{M}) + D_i$, which is not higher than v_i 's naturally expected cost in equilibrium, $C(i, \mathbf{E})$.

306 Assume now that STEM proceeds with assignment **M** and the GAG payment scheme, i.e. it
307 announces these to the agents, only when the *total income* (I), i.e. the sum of $|D_i|$'s received from
308 the agents in (ii), is not lower than the *total outcome* (O), i.e. the sum of $|D_i|$'s paid out to the road
309 users in (i). Otherwise STEM does not mediate the competition, and tells the road users to
310 compete for the roadway resources as they currently do, i.e. without the mechanism proposed in
311 this research.

312 Definition 3. The GAG payment scheme is *revenue neutral* if and only if the total income is no
313 less than the total outcome, i.e., $I \geq O$.

314 **Theorem 0:** For every configuration of agents and resources, the GAG payment scheme
 315 combined with assignment \mathbf{M} is revenue neutral.

316 *Proof:* The proof follows from Theorem 4 in [5], and is based on the fact that the total system
 317 cost of assignment \mathbf{M} is not higher than the total system cost of assignment \mathbf{E} . That is, the
 318 following inequality always holds:

$$319 \quad \sum_{\forall i \in \mathbf{V}} C(i, \mathbf{M}) \leq \sum_{\forall i \in \mathbf{V}} C(i, \mathbf{E}) \quad (7)$$

320 Then

$$321 \quad \sum_{\forall i \in \mathbf{V}} [C(i, \mathbf{E}) - C(i, \mathbf{M})] \geq 0 \quad (8)$$

$$322 \quad \text{i.e.,} \quad \sum_{\forall i \in \mathbf{V}} D_i \geq 0 \quad (9)$$

323 We rewrite (9) into the following:

$$324 \quad \sum_{+} D_i + \sum_{-} D_i \geq 0 \quad (10)$$

325 where $\sum_{+} D_i$ represents the summation of all positive D_i 's and $\sum_{-} D_i$ all negative D_i 's. Based
 326 on Definition 3, $\sum_{+} D_i$ is the total income I of STEM from the agents and $\sum_{-} D_i$ is the total
 327 outcome O from STEM to the agents. Eq.(10) says $I \geq O$. Therefore, the GAG payment scheme
 328 combined with the SO assignment \mathbf{M} is revenue neutral. []

329 3.2.2 Design of GAG in STEM

330 Observe that, for the purpose of computing the assignments and the payment scheme, it does not
 331 matter whether STEM is implemented centrally in the cloud, or distributed on the mobile devices
 332 of the agents. If distributed, all mobile devices will receive the same information and compute
 333 the same assignment.

334 This is how STEM works. At a given time point T_0 , STEM

- 335 1. receives from agents (users) the following information: resource to be sought after,
 336 agent's current location, destination, transportation modes, value of resource to the
 337 agent, VOT, preference on the resource (e.g., in the vicinity of current location or
 338 destination), and usage time of the resource;
- 339 2. forms the current agent set \mathbf{V} , which is a combination of the new agents at T_0 and the
 340 existing agents who sent their requests at the previous time points before T_0 and have
 341 not found one at T_0 ;
- 342 3. identifies the available resource set \mathbf{R} ;
- 343 4. computes the cost C_{ij} for each agent $v_i \in \mathbf{V}$ to each available resource $r_j \in \mathbf{R}$;
- 344 5. performs assignments \mathbf{E} and \mathbf{M} , and determines the costs for each agent v_i in \mathbf{E} and
 345 \mathbf{M} , i.e., $C(i, \mathbf{E})$ and $C(i, \mathbf{M})$, $\forall v_i \in \mathbf{V}$;
- 346 6. computes D_i for each agent $v_i \in \mathbf{V}$;
- 347 7. matches agents to their assigned resources in \mathbf{M} ;
- 348 8. collects payments from agents with a positive D_i or provides compensations to agents
 349 with a negative D_i .

350 Repeat steps 1-8 at the subsequent time points.

351 **3.2.3 Incorporating other payment items into GAG**

352 We could further implement a refund scheme when $I > O$. Distributing the profit ($I - O$) evenly
 353 among the agents is one such a refund scheme. In this case, each agent receives a refund amount
 354 of $(I - O)/n$. In the end, each agent's GAG-based adjusted cost is $C(i, \mathbf{M}) + D_i - (I - O)/n = C(i, \mathbf{E}) - (I -$
 355 $O)/n \leq C(i, \mathbf{E})$. Therefore, no agent is worse off from what he/she naturally expects to pay and it
 356 is revenue neutral. As an example, for the configuration of Figure 2, Table 1 summarizes the
 357 above steps of determining the GAG-based adjusted cost.

358 **Table 1. Overall cost to agents in GAG in Figure 2 with even refund.**

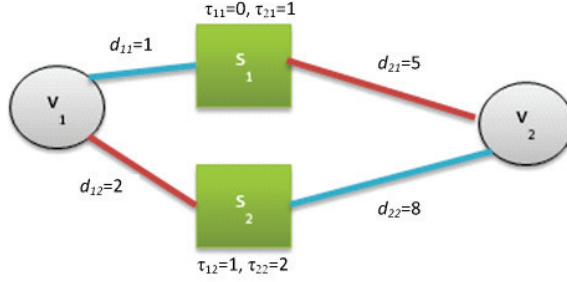
Agent	$C(i, \mathbf{E})$	$C(i, \mathbf{M})$	D_i	Even refund	Total add'l cost	GAG-based adjusted cost
v_1	+1	+3	-2	-0.5	-2.5	0.5
v_2	+10	+6	+3	-0.5	+2.5	+8.5

359 Observe that although some central coordination occurs through STEM, due to the refund
 360 scheme STEM does not make a profit, i.e., all the money paid by agents is paid out to agents, and
 361 in this sense the transactions are Peer-to-Peer. However, observe that in the general case, these
 362 are not necessarily binary transactions. This means that the payment of one agent may be paid out
 363 to more than one other agent, or the combined payment of three agents may be paid out to four
 364 other agents.

365 A future extension of GAG could be to incorporate environmental costs, e.g., fuel cost and
 366 greenhouse gas emission costs, to the calculation of C_{ij} 's. We have demonstrated how these costs
 367 may be determined in [37-40].

368 **3.3 Truthfulness of Users**

369 In the previous section we assumed that the agents provide STEM with the correct information to
 370 compute the D_{ij} 's and C_{ij} 's. Agents can gain from being untruthful. Consider an example in
 371 Figure 2. There are two vehicles (agents) v_1 and v_2 looking for parking and there are currently
 372 two available parking slots (resources) S_1 and S_2 . The labels on the arcs are the respective access
 373 times d_{ij} 's, i.e., $d_{11}=1$, $d_{12}=2$, $d_{21}=5$, $d_{22}=8$. Both v_1 and v_2 prefer S_1 because it is closer. The
 374 egress times from the parking lots to agents' final destinations are noted on S_1 and S_2 , i.e., $\tau_{11}=0$,
 375 $\tau_{12}=1$, $\tau_{21}=1$, and $\tau_{22}=2$. Assume both vehicles park the same amount of time and pay the same
 376 amount for parking. Thus the cost associated with parking can be excluded in the assignment.
 377 Assume both agents have the same VOT of unity, without loss of generality. Then the costs are
 378 $C_{11}=1$, $C_{12}=3$, $C_{21}=6$, $C_{22}=10$. The SO assignment $\mathbf{M}=\{(v_1, S_2), (v_2, S_1)\}$ has a total cost of 9, in
 379 which $C(1, \mathbf{M})=3$ and $C(2, \mathbf{M})=6$; the UE assignment $\mathbf{E}=\{(v_1, S_1), (v_2, S_2)\}$ has a total cost of 11, in
 380 which $C(1, \mathbf{E})=1$ and $C(2, \mathbf{E})=10$. In GAG, v_1 gets paid an amount of 2 and v_2 pays an amount of
 381 4. Now suppose that v_2 lies about his/her final destination so that $\tau_{21}=0$ and $\tau_{22}=0$, and all other
 382 egress times remain the same. The \mathbf{M} and \mathbf{E} assignments do not change but now v_2 pays an
 383 amount of 3 instead of 4 to use his/her preferred resource S_1 . And the total net income to STEM
 384 is reduced to 1.



385
386
387

Figure 2: A configuration of vehicles (agents v_1 and v_2) and parking slots (resources s_1 and s_2), where the arc-labels denote respective access times to the parking slots.

388 Some information such as location is relatively easy to detect nowadays. What is hard to
389 detect is agents' valuation structure (VOT and utility). They are typically assumed to be known
390 to the central authority and left mostly unquestioned in the current literature. That is obviously
391 not the reality. So an agent could strategically provide false valuation information to gain unfair
392 advantage in the above GAG scheme.

393 One way to combat cheating is to give STEM direct access to agent's GPS readings. This
394 authorization may be combined with the authorization to impose fines if cheating about the
395 agent's current location or final destination is detected. However, this method would not help in
396 the case of lying about an agent's valuation structure (VOT and utility), which is hard to detect.

397 An alternative way is based on Vickrey-Clarke-Groves (VCG) mechanisms that price the
398 resources in a way that incentivizes truth telling. The adaptation of such a mechanism to the
399 transportation resource assignment problem was discussed in [22] in the context of time-based
400 disutilities. Here we adapt a similar VCG to the cost-based disutilities defined in this research.

401 3.3.1 Maximum-total-net-value assignment

402 Before we introduce the VCG-inspired pricing scheme for truth telling, we first define a
403 maximum-total-net-value assignment in addition to the UE and SO already described above.

404 Assume that each agent v_i may choose what information to disclose to STEM or it may
405 disclose false information to STEM. Assume further that for each agent v_i there is a value
406 associated with using a type of resource and that value is denoted B_i . Notice that B_i is agent
407 specific and independent of the specific resource item obtained. For example, if an EV may
408 choose between two EV charging slots, S_1 and S_2 , then S_1 and S_2 would give the EV the same
409 value because S_1 and S_2 are identical "goods". If the cost associated with using resource r_j by
410 agent v_i is C_{ij} as defined before, then the net value to v_i of using resource r_j , called V_{ij} , is defined
411 as

$$412 V_{ij} = B_i - C_{ij}, \quad \text{for } \forall i \in \mathbf{V}, j \in \mathbf{R} \quad (11)$$

413 Furthermore,

$$414 V_{ij} = \begin{cases} B_i - C_{ij}, & \text{if } B_i > C_{ij} \\ 0 & , \text{ if } B_i \leq C_{ij} \end{cases}, \quad \text{for } \forall i \in \mathbf{V}, j \in \mathbf{R} \quad (12)$$

415 Namely, if $C_{ij} \geq B_i$ then resource r_j is too costly and its cost exceeds its value to v_i such that v_i
416 would rather not use it, and V_{ij} is set to zero. In other words r_j has no value to v_i .

417 Definition 4: if the net value to v_i of using resource r_j , V_{ij} , is zero, then we say r_j is *infeasible* for
418 v_i , otherwise it is *feasible*.

419 Definition 5: maximum-total-net-value assignment, denoted **MN**, is one that maximizes the sum
 420 of agents' net values defined in Eq.(12). We denote by **MN**: $\{\max_{\forall i,j} \sum V_{ij}\}$.

421 Assume that STEM's objective is to maximize the total net value $\sum_{\forall i,j} V_{ij}$. This means
 422 maximizing the social welfare. We have the following proposition.

423 **Proposition 1:** the Maximum-total-net-value assignment **MN**: $\{\max_{\forall i,j} \sum V_{ij}\}$ is equivalent to the
 424 system optimum assignment **M**: $\{\min_{\forall i,j} \sum C_{ij}\}$.

425 Proof: Observe that in $\sum_{\forall i,j} V_{ij} = \sum_{\forall i,j} B_i - \sum_{\forall i,j} C_{ij}$, $\sum_{\forall i,j} B_i$ is constant for a given set of agents and
 426 resources. Hence, maximizing $\sum_{\forall i,j} V_{ij}$ is equivalent to minimizing the total cost $\sum_{\forall i,j} C_{ij}$ for all
 427 feasible pairs (v_i, r_j) .[]

428 Maximum-total-net-value can be solved by a maximum matching in the following bipartite
 429 graph G. G has resources and agents as nodes, and an edge between each pair of an agent v_i and
 430 a feasible resource r_j ; this edge has a weight $= V_{ij}$. See maximum weighted bipartite matching in
 431 [41-43].

432 3.3.2 Pricing scheme to incentivize truth-telling

433 Now if agents do not reveal their true valuations to STEM, then we propose a pricing scheme
 434 TRUTH to incentivize truth telling from the agents as follows.

435 Let V_i^* be the net value of agent v_i in assignment **M**, i.e., $V_i^* = B_i - C(i, \mathbf{M})$. Let $V'_{k(i)}$ be the net
 436 value of agent v_k in an assignment **M'** of maximum total net value that includes all the resources
 437 but does not include agent v_i , i.e., **M'**: $\{\max_{\forall k \neq i, \forall j} \sum V_{kj}\}$. In other words, $V'_{k(i)} = B_k - C(k, \mathbf{M}')$ for
 438 $\forall v_k \in \mathbf{V} - \{v_i\}$.

439 Definition 6. Pricing Scheme TRUTH: Price paid by agent v_i to STEM in assignment **M** of
 440 maximum total net value, called PA_i , is $PA_i = \sum_{\forall k \neq i} V'_{k(i)} - \sum_{\forall k \neq i} V_k^*$.

441 **Theorem 1:** TRUTH is: (1) truthful, i.e., the best strategy for each agent is to declare its true
 442 valuation for each resource, (2) individually rational, i.e., $PA_i \leq V_i^*$, and (3) $PA_i \geq 0, \forall v_i \in \mathbf{V}$.

443 Proof: The theorem follows from the VCG theorem, with the Clarke pivot rule. More
 444 specifically, it follows from theorem 9.17 and Lemma 9.20 in [44]. 9.17 addresses a model in
 445 which there is a set **A** of alternatives (corresponding to the possible assignments in our model),
 446 and a valuation function $V_i(a)$ of each player (agent) for each alternative a in **A**. $V_i(a)$
 447 corresponds to V_{ij} , where j is the resource assigned to agent i in assignment a . 9.17 indicates that
 448 a set of pricing schemes (mechanisms) is truthful, and 9.20 further refines these by indicating
 449 when these schemes are also individually rational and do not incur payments to the players.
 450 Intuitively, this happens when agent i pays an amount that is “equal to the damage that s/he
 451 causes the other players – the difference between the social welfare of others with and without i 's
 452 participation. In other words, the payments make each player internalize the externalities that
 453 s/he causes [44]”. In our model, these translate into our proposed pricing scheme TRUTH.[]

454 To see that payment scheme TRUTH induces truth-telling, consider again the configuration
 455 of Figure 2. We assume that the value of using a resource is \$11, and the value of time for each
 456 driver is \$1/minute. In this case the net value for each agent-resource pair is $V_{11}=10$, $V_{12}=8$,
 457 $V_{21}=5$, $V_{22}=1$. The net value for each agent in assignment $\mathbf{M} = \{(v_1, S_2), (v_2, S_1)\}$ is $V_1^* = 8$,
 458 $V_2^* = 5$, and the net value for v_1 without v_2 is $V'_{1(2)} = 10$, and vice versa $V'_{2(1)} = 5$. If STEM makes
 459 the maximum-total-net-value assignment \mathbf{MN} (which is equivalent to \mathbf{M}), then the TRUTH price
 460 paid to STEM by v_1 is $PA_1 = V'_{2(1)} - V_2^* = 5 - 5 = 0$, and the TRUTH price paid to STEM by v_2 is
 461 $PA_2 = V'_{1(2)} - V_1^* = 10 - 8 = 2$.

462 If v_2 lies and says she is very close to S_1 , and v_1 tells the truth, assignment \mathbf{MN} would not
 463 change, and v_2 's TRUTH price would still be 2. Intuitively, the reason for this is that the
 464 TRUTH price paid by v_2 depends on the damage that her assignment in \mathbf{MN} causes the other
 465 drivers. This is similar to Vickrey's second price auction, where the price paid by the winning
 466 player does not depend on the value she declared, but on the value declared by the 2nd highest
 467 bidder. In other words, the winner's price depends on the damage she causes the other players,
 468 which is the value to the 2nd highest bid. Similarly, if v_1 lies and says he is very close to S_1 , his
 469 TRUTH price would still be 0 because assignment \mathbf{MN} would still be the same.

470 Now observe that incentivizing truthfulness has its own price in STEM. Specifically,
 471 STEM's revenue suffers due to the incentive that it provides for truthfulness. To see this, we first
 472 define another pricing scheme as follows.

473 Definition 7: the Naïve pricing scheme NAIVE is one in which each agent v_i declares to STEM
 474 its true valuation and thus its net value for each resource r_j (i.e. V_{ij}), and pays the price, denoted
 475 PN_i , equal to the net value of v_i using the assigned resource r_h , i.e., $PN_i = V_{ih}$.

476 Because STEM makes assignment \mathbf{MN} , and each agent declares its true valuation, based on
 477 proposition 1 we have $PN_i = V_i^*$. Hence the price of truthfulness for each agent v_i , denoted P_i , is
 478 the difference between the payment of v_i in TRUTH to incentivize truth telling and the payment
 479 in NAIVE in which all agents reveal their true valuations. That is,

$$480 \quad P_i = PA_i - PN_i = \sum_{\forall k \neq i} V'_{k(i)} - \sum_{\forall k \neq i} V_k^* - V_i^* = \sum_{\forall k \neq i} V'_{k(i)} - \sum_{\forall i} V_i^* \quad (13)$$

481 Observe that in Eq.(13) P_i is always non positive, i.e., $P_i \leq 0$, because $\sum_{\forall i} V_i^*$ is the maximum

482 total net value in \mathbf{M} , whereas $\sum_{\forall k \neq i} V'_{k(i)}$ is the total net value of some assignment that does not

483 include v_i . And a net value of an agent-resource pair is a non negative value based on Eq.(12).
 484 Therefore, $P_i \leq 0$. This means that each agent pays less to STEM under TRUTH than under
 485 NAIVE, and the difference is the price that STEM pays to induce each agent to be truthful.
 486 Again, this is similar to the situation in which the Vickrey second-price auction is compared with
 487 the naïve auction, i.e. the one where each agent declares and pays his value for the item; in the
 488 auction case, the winner also pays less in Vickrey auction than in naïve auction. Specifically, in
 489 Vickrey's 2nd price auction, the house revenue is not the highest bid, but the 2nd highest.

490 In TRUTH, each agent now incurs an adjusted cost of $C(i, \mathbf{M}) + PA_i$ in assignment \mathbf{M} . So the
 491 cost difference between \mathbf{E} and \mathbf{M} becomes:

$$492 \quad D'_i = C(i, \mathbf{E}) - C(i, \mathbf{M}) - PA_i = D_i - PA_i \quad (14)$$

493 From Theorem 1 we have $PA_i \geq 0$ and thus $D'_i \leq D_i$ and $\sum_{\forall i} D'_i \leq \sum_{\forall i} D_i$. In other words, the
 494 total net income to STEM is reduced due to the price paid to incentivize truth telling. This
 495 finding is consistent with Eq.(13). Furthermore, from Theorem 1 we know that $PA_i \leq V_i^*$, so
 496 Eq.(14) can be rewritten as the following:

$$497 \quad D'_i \geq (D_i - V_i^* = C(i, \mathbf{E}) - B_i) \quad (15)$$

498 Eq.(15) implies that TRUTH does not guarantee Pareto-improving nor revenue neutral. So a
 499 future research question is “can we devise a mechanism that induces truth telling and at the same
 500 time is PIRN?” Is such a mechanism too good to be true? Intuitively speaking, agents may learn
 501 over time that lying does not always make them gain and in contrast being truthful can be PIRN,
 502 and thus self correct their behavior. So an iterative truth-telling mechanism may achieve PIRN
 503 over time.

504 **4. Summary and Future Work**

505 In this paper we have described an agent-resource matching problem for transportation resources
 506 and presented a peer-to-peer marketplace called STEM for general transportation resource
 507 matching. We showed that many transportation services can be viewed as an agent-resource
 508 matching problem. We have presented a peer-to-peer Guarantee-Agent-Gain (GAG) payment
 509 scheme that is pareto-improving and revenue-neutral if all necessary user (agent) information is
 510 true and known to STEM. We have then introduced a pricing scheme called TRUTH to
 511 incentivize truth-telling or to disincentivize cheating because agents would see no gain by lying
 512 in TRUTH. On the other hand, TRUTH is not PIRN, which points to a future research question,
 513 i.e., "can we design a mechanism that is PIRN and at the same time induces truth-telling?"

514 Another future research direction is the further generalizeability of the proposed STEM to an
 515 even broader set of transportation resources. Observe that an agent-resource matching problem is
 516 a typical bipartite graph, with resources and agents as nodes, and edges between all feasible
 517 agent-resource pairs (v_i, r_j) . Each edge has a weight equal to the cost C_{ij} or the value V_{ij}
 518 associated with the agent acquiring and using the resource. For example, Figures 1 and 2 are
 519 bipartite graphs. In the case of a road network or a multimodal system, which is typically
 520 represented by a directed (multi-)graph, can the STEM model configuration defined in Section 3
 521 still apply? Specifically, at any time point T_0 , (1) what are the resources in a roadway network to
 522 allocate/assign? (2) how to define the access time (d_{ij}) , usage time (t_{ij}) , and egress time (τ_{ij}) in a
 523 roadway network? These are some of the questions to be addressed in our on-going and future
 524 research work.

526 **Acknowledgement**

527 This research was funded in part by the National Science Foundation grants DGE-0549489,
 528 IGERT: Graduate Program in Computational Transportation Science and CCF-1216096 ICES:
 529 Small: Collaborative Research: Dynamic Parking Assignment Games.

531 **References:**

532 [1]. Urban Mobility Report. 2015. Texas Transport Institute

533 [2]. Mathur, S. Jin, T., Kasturirangan, N., Chandrashekhara, J., Xue, W., Gruteser, M. and Trappe, W.,
534 2010. Parknet: Drive-by sensing of road-side parking statistics. In *MobiSys*, San Francisco, CA, June
535 2010

536 [3]. Gale, D., and Shapley, L. S. 1962. College admissions and the stability of marriage, *The American*
537 *Mathematical Monthly*, vol.69, pp.9-15

538 [4]. Ayala, D., Wolfson, O., Xu, B., Dasgupta, B., and Lin, J. 2011. Parking Slot Assignment Games. In
539 *Proc. of the 19th ACM SIGSPATIAL International Conference on Advances in Geographic Information*
540 *Systems (ACM GIS)*, Chicago, IL, Nov. 2011, pp.299-308.

541 [5]. Ayala, D., Wolfson, O., Xu, B., Dasgupta, B., and Lin, J. 2012. Pricing of Parking for Congestion
542 Reduction. In *Proc. of the 20th ACM SIGSPATIAL International Conference on Advances in Geographic*
543 *Information Systems (ACM GIS)* Redondo Beach, CA, Nov. 2012.

544 [6]. Guo, X.L., Yang, H., 2010. Pareto-improving congestion pricing and revenue refunding with
545 multiple user classes. *Transportation Research Part B: Methodological* 44 (8–9): 972–982.

546 [7]. Daniel, J. I., 1995. Congestion pricing and capacity of large hub airports: A bottleneck model with
547 stochastic queues. *Econometrica: Journal of the Econometric Society*, 327-370.

548 [8]. Yang, H., and Huang, Hai-Jun, 1997. Analysis of the time-varying pricing of a bottleneck with elastic
549 demand using optimal control theory. *Transportation Research Part B: Methodological*, 31(6), 425-440

550 [9]. Brueckner, J. K., 2002. Airport congestion when carriers have market power. *American Economic*
551 *Review*, 1357-1375.

552 [10]. Lou, Y., Yin, Y., and Lawphongpanich, S., 2010. Robust congestion pricing under boundedly
553 rational user equilibrium. *Transportation Research Part B: Methodological*, 44(1), 15-28.

554 [11]. Yang, H. and Wang, X., 2011. Managing network mobility with tradable credits. *Transportation*
555 *Research Part B: Methodological* 45: 580-594.

556 [12]. Liu, Y., Guo, X., Yang, H., 2009. Pareto-improving and revenue-neutral congestion pricing schemes
557 in two-mode traffic networks. *Netnomics* 10: 123-140.

558 [13]. Nie, Y. and Liu, Y., 2010. Existence of self-financing and Pareto-improving congestion pricing:
559 Impact of value of time distribution. *Transportation Research Part A: Policy and Practice* 44: 39-51

560 [14]. Wie, B. W., and Tobin, R. L. 1998. Dynamic congestion pricing models for general traffic
561 networks. *Transportation Research Part B – Methodological*, vol.32, pp.313-327

562 [15]. He, F., Yin, Y., Chen, Z., Zhou, J., 2015. Pricing of parking games with atomic players.
563 *Transportation Research Part B: Methodological* 73: 1-12.

564 [16]. Guo, L., Huang, S., Zhuang, J., Sadek, A., 2013. Modeling parking behavior under uncertainty: a
565 static game theoretic versus a sequential neo-additive capacity modeling approach. *Networks and Spatial*
566 *Economics* 13, 327–350.

567 [17]. Kokolaki, E., Karaliopoulos, M., Stavrakakis, I., 2012. Leveraging Information in Vehicular
568 Parking Games. *Technical Report*, July, 2012.

569 [18]. Qian, Z., Rajagopal, R., 2014. Optimal dynamic parking pricing for morning commute considering
570 expected cruising time. *Transportation Research Part C* 48, 468–490.

571 [19]. Qian, Z., Xiao, F., Zhang, H., 2011. The economics of parking provision for the morning commute.
572 *Transportation Research Part A* 45 (9), 861–879.

573 [20]. Zou, B., Kafle, N., Wolfson, O., Lin, J., 2015. A Mechanism Design Based Approach to Solving
574 Parking Slot Assignment in the Information Era, *Transportation Research Part B: Methodological*,
575 Vol.81 (2): 631-653

576 [21]. Chen, Z., Yin, Y., He, F., Lin, J., 2015. Parking Reservation for Managing Downtown Curbside
577 Parking, *Transportation Research Record: Journal of the Transportation Research Board*, No. 2498, 12–
578 18

579 [22]. Wolfson, O., and Lin, J. 2014. A Marketplace for Spatio-temporal Resources and Truthfulness of its
580 Users, *Proceedings of the 7th ACM SIGSPATIAL International Workshop on Computational*
581 *Transportation Science*, pp. 70-75.

582 [23]. Vickrey, W., 1961. Counterspeculation, auctions, and competitive sealed tenders. *The Journal of*
583 *finance*, 16(1), 8-37.

584 [24]. Clarke, E. H., 1971. Multipart pricing of public goods. *Public Choice*, 11(1), 17-33.

585 [25]. Groves, T., 1973. Incentives in teams. *Econometrica: Journal of the Econometric Society*, 617-631.

586 [26]. Myerson, R. B., 1981. Optimal auction design. *Mathematics of operations research*, 6(1), 58-73.

587 [27]. Dasgupta, S., and Spulber, D. F., 1990. Managing procurement auctions. *Information Economics*
588 *and Policy*, 4(1), 5-29.

589 [28]. Feigenbaum, J., Papadimitriou, C., Sami, R., & Shenker, S., 2005. A BGP-based mechanism for
590 lowest-cost routing. *Distributed Computing*, 18(1), 61-72.

591 [29]. Narahari, Y., Narayanam, R., Garg, D., & Prakash, H., 2009. Mechanism design for resource
592 procurement in grid computing. In *Game Theoretic Problems in Network Economics and Mechanism*
593 *Design Solutions* (pp. 1-28). Springer London

594 [30]. Chen, J., Huang, H., and Kauffman, R. J., 2011. A public procurement combinatorial auction
595 mechanism with quality assignment. *Decision Support Systems*, 51(3), 480-492.

596 [31]. Borndorfer, R., Grottschel, M., Lukac, S., & Mitusch, K., 2006. Auctioning Approach to Railway
597 Slot Allocation, *An. Competition & Reg. Network Indus.*, 7, 163.

598 [32]. Swaroop, P., 2013. *Problems and Models in Strategic Air Traffic Flow Management*. (PhD
599 dissertation) University of Maryland.

600 [33]. Robu, V., Gerding, E. H., Stein, S., Parkes, D. C., Rogers, A., & Jennings, N. R., 2013. An Online
601 Mechanism for Multi-Unit Demand and its Application to Plug-in Hybrid Electric Vehicle Charging.
602 *Journal of Artificial Intelligence Research*.

603 [34]. Cook, W. J., Cunningham, W. H., Pulleyblank, W. R., and A. Schrijver. 1998. *Combinatorial*
604 *Optimization*. John Wiley & Sons.

605 [35]. Arnott, R., Palma, A. D., and Robin, L. 1990. Economics of a Bottle Neck. *Journal of Urban*
606 *Economics*, 27, 11-130

607 [36]. Gonzales, E. J., and Daganzo, C. F. 2012. Morning commute with competing modes and distributed
608 demand: User equilibrium, system optimum, and pricing. *Transportation Research Part B* 46 (2012),
609 pp.1519–1534

610 [37]. Lin, J. Chen, Q., Kawamura, K. 2014. Logistics Cost and Environmental Impact Analyses of Urban
611 Delivery Consolidation Strategies, *Networks and Spatial Economics*, available On-line First, April 2014,
612 DOI 10.1007/s11067-014-9235-9.

613 [38]. Lin, J., Zhou, W., Du, L., under review. Green Same Day Delivery Service with Real-time Demand,
614 *Transportation Research Part D: Transportation and the Environment*.

615 [39]. Zhou, W., and Lin, J., under revision. Is Electric Commercial Vehicle a Cost-effective Alternative
616 to Diesel Commercial Vehicle in Urban Delivery? *Transportation Research Part E: Logistics and*
617 *Transportation Review*

618 [40]. Lin, J., and Zhou, W., 2016. EV Routing Problem, to appear in *Transportation Research Procedia*
619 *of the 9th International Conference on City Logistics*, DOI 10.1016/j.trpro.2016.02.007

620 [41]. West, Douglas Brent, 1999. *Introduction to Graph Theory* (2nd ed.), Prentice Hall.

621 [42]. Gibbons, A., 1985. *Algorithmic Graph Theory*, Cambridge University Press.

622 [43]. Tassa and Tamir, 2012. Finding all maximally-matchable edges in a bipartite graph. *Theoretical*
623 *Computer Science* 423: 50–58,

624 [44]. Nisan, N., Roughgarden, T., Tardos, E, and Vazirani, V. 2007. *Algorithmic Game Theory*.
625 *Cambridge University Press, New York, NY, USA*.