

Parking and Public Policy

2008 Parking Industry Exhibition

I like PIE !!!

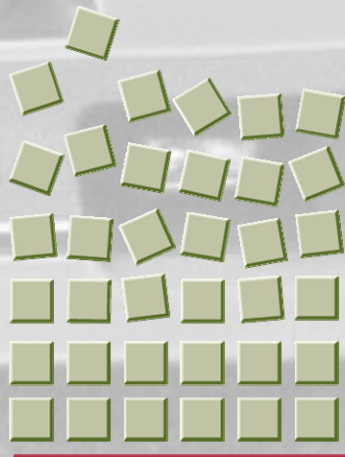


Barbara J. Chance, Ph.D.

President and CEO

with great ideas from

Joseph Sciulli and Chris Jurek of CMA



CHANCE
MANAGEMENT ADVISORS, INC.

Thoughts on this topic . . .

- **Nothing new**
- **One size does not fit all**
- **Money is not the real objective**
- **Discipline in all areas**
- **Habits are hard to change**
- **Following fashion is not always best**

Thoughts on this topic . . .

- **“There is nothing new under the sun.”**

~Ecclesiastes

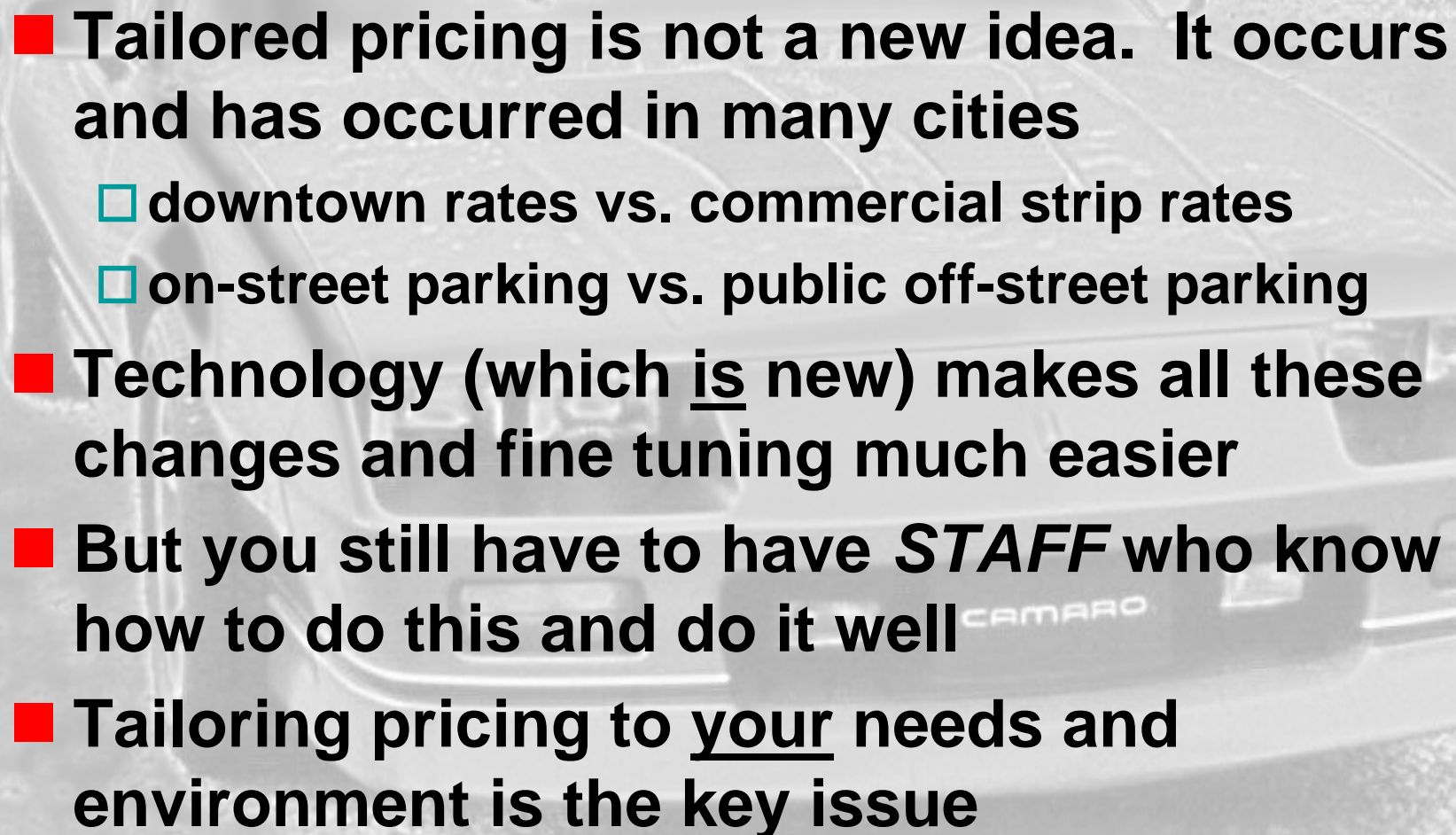
There is nothing new under the sun, but there are lots of old things we don't know.

~ Ambrose Bierce



- Difficulties of free parking have been known since the first parking meter was installed in Oklahoma City in 1935
- Modern “parking management” dates from the late 1970s and early 1980s in Washington,DC
- The objective has always been to use parking management tools to encourage people to park where you want them to park, and for the length of time desired



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- **Tailored pricing is not a new idea. It occurs and has occurred in many cities**
 - **downtown rates vs. commercial strip rates**
 - **on-street parking vs. public off-street parking**
 - **Technology (which is new) makes all these changes and fine tuning much easier**
 - **But you still have to have *STAFF* who know how to do this and do it well**
 - **Tailoring pricing to your needs and environment is the key issue**



Thoughts on this topic . . .



■ “One size does not fit all!”

~ *Cinderella*

Why do cities charge for parking?

- To influence who parks where, and for how long
- To create turnover – regulate use of a scarce and valuable resource
- To raise revenue from popular parking places to pay for parking needed in other locations
- To raise revenue for non-parking activities
- Green  vs. green 

What are the issues to consider?

- **How active are your commercial areas?**
- **How will parking rates affect the desire for economic activity in various areas?**
- **What is the relationship of prices to existing vacancy? Are you trying to encourage or discourage certain activity?**
- **How do you affect vacancy – price, or regulations and enforcement?**

One concept does not work everywhere

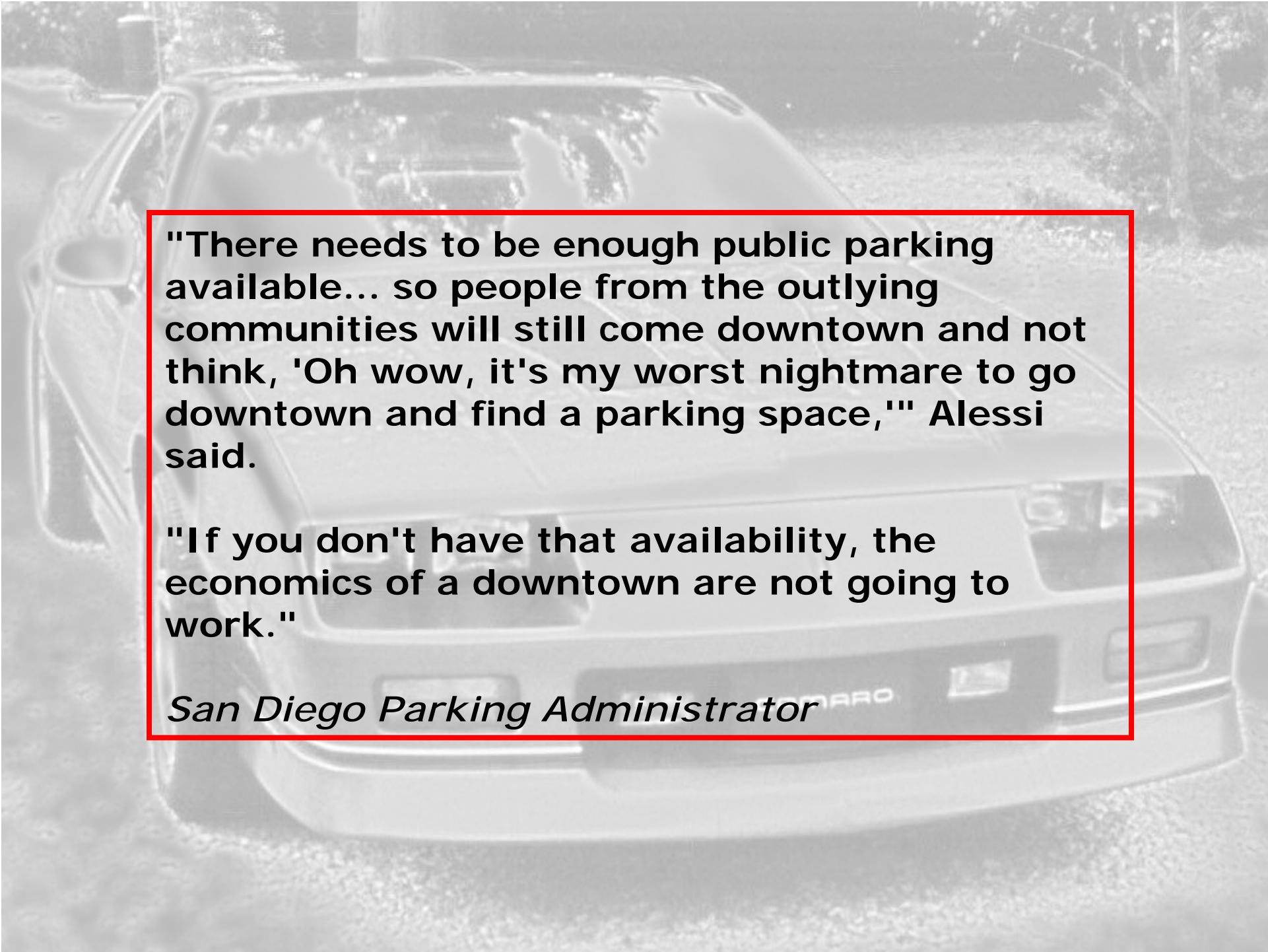
- **Smaller towns are different from dense, highly urban areas**
- **Decide what you are trying to accomplish and why**
- **Use your own toolkit – what programs and techniques do you have, and will they encourage what you want to accomplish**
- **Create new tools for your circumstances**

Thoughts on this topic . . .

- **He that is of the opinion that money will do everything may well be suspected of doing everything for money.**

~ Benjamin Franklin

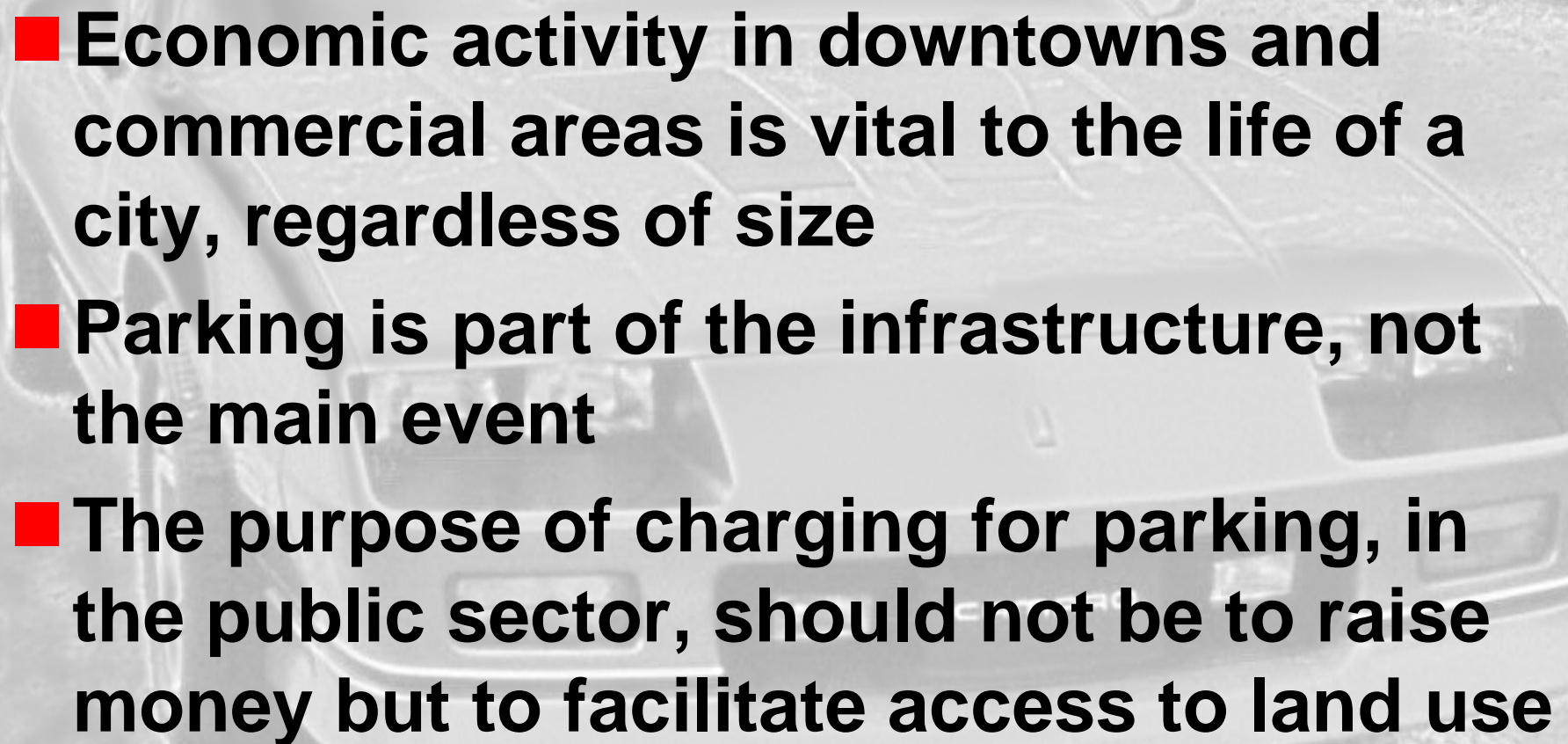


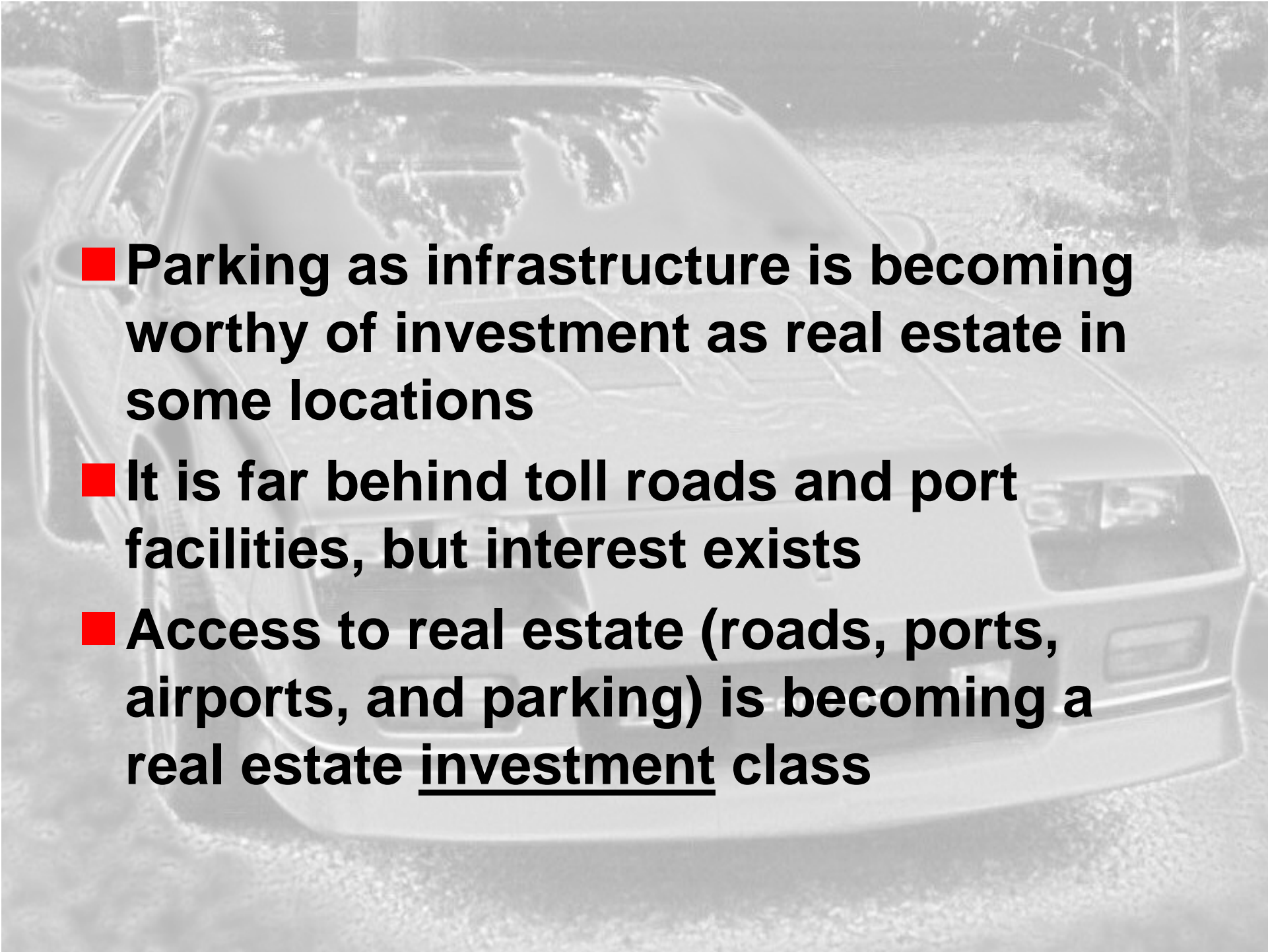


"There needs to be enough public parking available... so people from the outlying communities will still come downtown and not think, 'Oh wow, it's my worst nightmare to go downtown and find a parking space,'" Alessi said.

"If you don't have that availability, the economics of a downtown are not going to work."

San Diego Parking Administrator

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- **Economic activity in downtowns and commercial areas is vital to the life of a city, regardless of size**
 - **Parking is part of the infrastructure, not the main event**
 - **The purpose of charging for parking, in the public sector, should not be to raise money but to facilitate access to land use**

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- **Parking as infrastructure is becoming worthy of investment as real estate in some locations**
 - **It is far behind toll roads and port facilities, but interest exists**
 - **Access to real estate (roads, ports, airports, and parking) is becoming a real estate investment class**

Recent Examples

- **Chicago concession of 9,000+ public spaces**
 - **Necessary in large part because management had not kept up with capital improvements, technology, and marketing**
 - **Underground garages provide access to public and private real estate downtown**
 - **Revenue used for park improvements and other non-parking activities**
 - **Is privatizing good public policy or not?**

Recent Examples

- **Now Chicago is about to concession its parking meters**
 - **35,000 on-street meters**
 - **Another 1,200 metered spaces in lots**
 - **Potential 50-year concession**



**Austin considers entering the parking business
City would build and own garages, primarily downtown.**

AMERICAN-STATESMAN STAFF

Thursday, September 27, 2007

After years of discussion, the City of Austin might be getting into the parking business.

Council Member Brewster McCracken has proposed the creation of a city-owned entity that would build and own garages and collect revenue from those built in conjunction with large, primarily private developments.

Profits would be dedicated to expanding the city's trails and transit systems, including a light-rail system downtown.

"It's a way to get more parking downtown and create a new long-term revenue stream," McCracken said.

Many stakeholders in parking



- **Many cities:** net parking revenue goes to the general fund
- **Philadelphia:** first \$25M net of on-street goes to the general fund, then to School District by State law
- **San Francisco:** net on-street and off-street revenue goes to the MTA by local law
- **Los Angeles:** net revenue goes to the Special Parking Revenue Fund controlled by City Council. Revenue is distributed to Council Districts prorated by number of meters in the Districts. Plans to change this have been under debate for some time
- **Many cities:** all revenue is pledged to cover revenue bonds and/or debt service reserve funds

Thoughts on this topic . . .

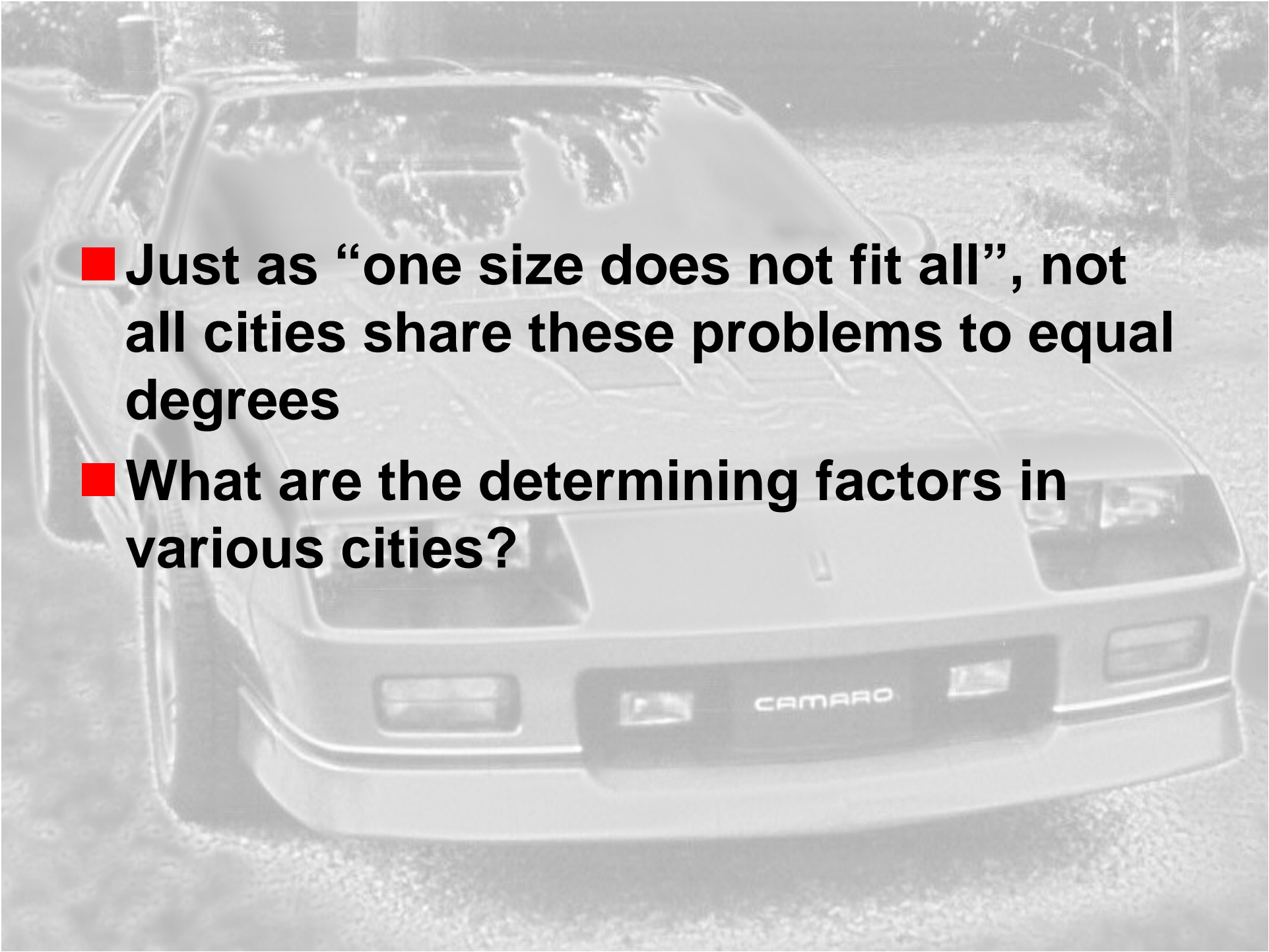


■ **“Without discipline,
there’s no life at all.”**

~Katherine Hepburn

Parking problems today

- **Cities are experiencing parking problems in:**
 - **ability to pay for improvements**
 - **all-day parking in on-street spaces**
 - **abuse of handicapped spaces**
 - **congestion related to finding spaces**
 - **wayfinding for visitors**
 - **vacancies in some places, too much demand in others**
 - **excessive illegal parking**

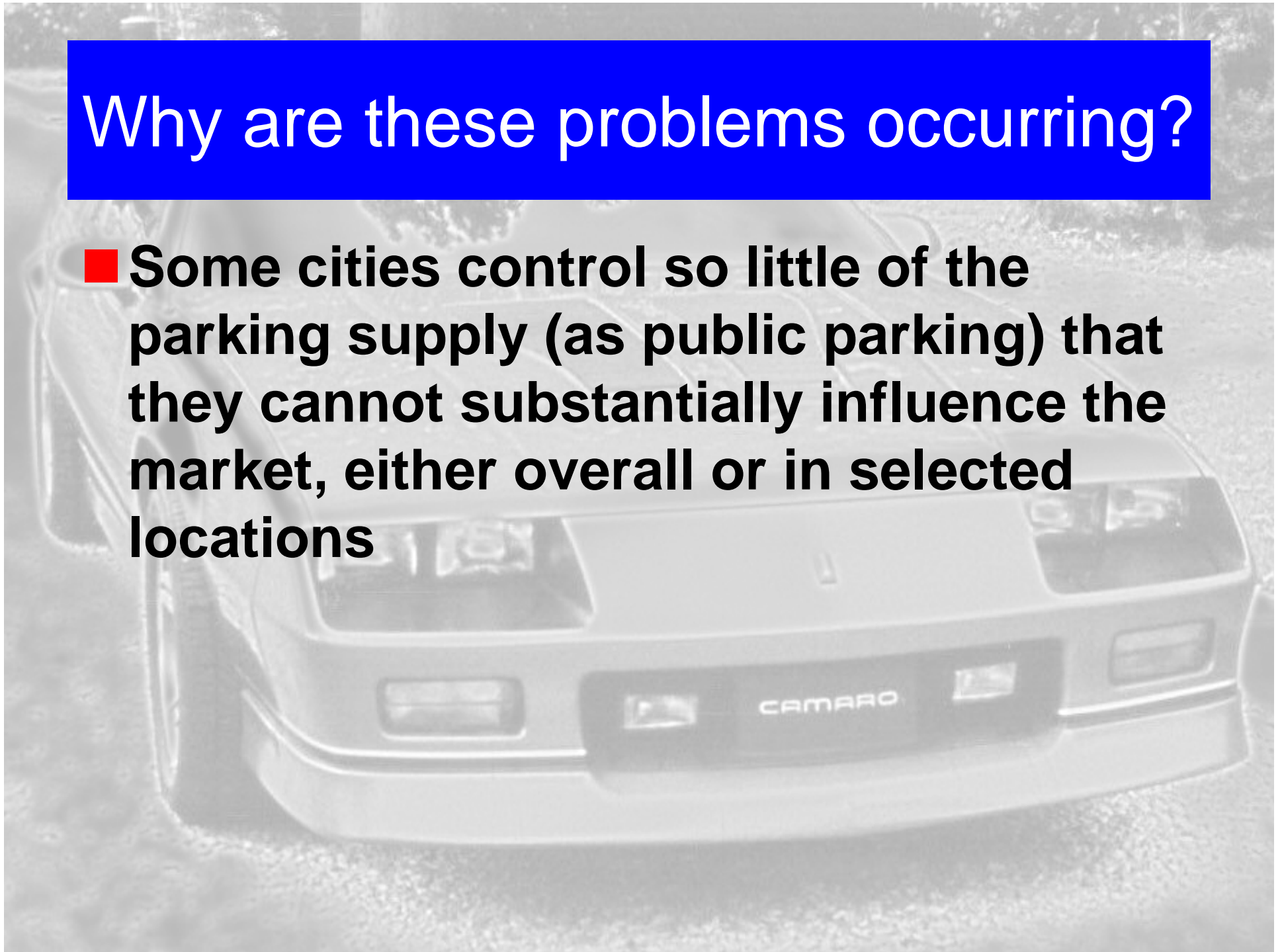
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- **Just as “one size does not fit all”, not all cities share these problems to equal degrees**
 - **What are the determining factors in various cities?**

Why are these problems occurring?

- **Inappropriate regulations**
- **Outdated regulations**
- **Inadequate or inappropriate enforcement**
- **Outdated rates**
- **Imbalance between on-street and off-street parking rates**
- **Outdated technology**
- **Lack of parking analysis**
- **Lack of data to support actions**

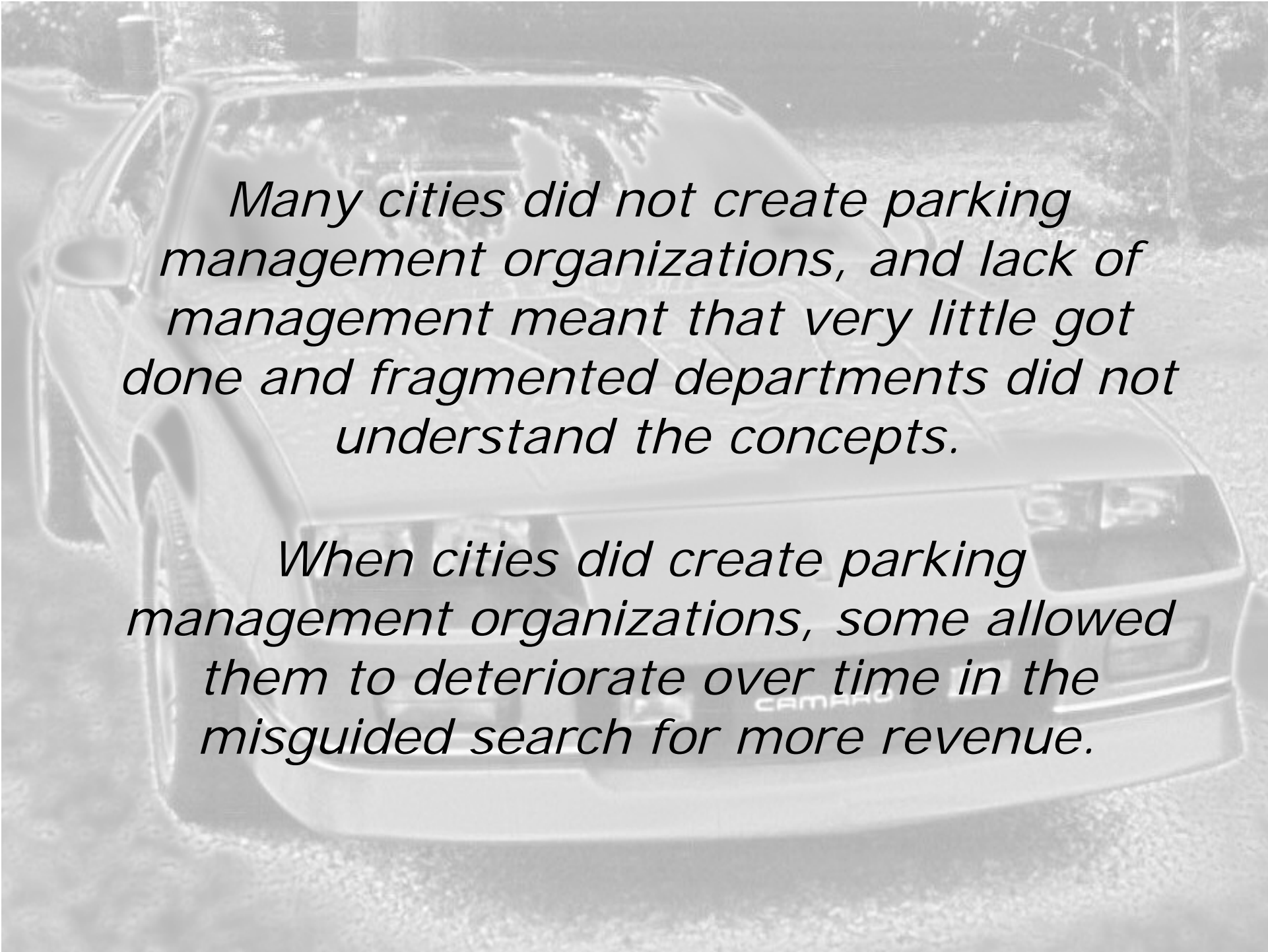
Why are these problems occurring?

- **Some cities control so little of the parking supply (as public parking) that they cannot substantially influence the market, either overall or in selected locations**



Even Oklahoma City knew that enforcement was necessary to make on-street parking work.





Many cities did not create parking management organizations, and lack of management meant that very little got done and fragmented departments did not understand the concepts.

When cities did create parking management organizations, some allowed them to deteriorate over time in the misguided search for more revenue.

Discipline is needed

- **Funds need to be devoted to the analysis necessary to develop and manage good parking programs**
- **Equipment and facilities need to have adequate budgets for updating and repair**
- **Enforcement, wayfinding, design, regulations, PARCS – all need to be a part of the program, not just parking rates**

Thoughts on this topic . . .



- **My problem lies in reconciling my gross habits with my net income.**
~ *Errol Flynn*

Where should parking money go?

- This is typically not a decision that parking managers get to make
- Often it is a political decision – usually local but not always so
- Many public officials want parking money – they see parking as a “cash cow” to be milked for other uses. They don’t understand the programs.
- What are the dangers in diverting parking revenue from parking activities?



Potential Dangers in Diverting \$\$\$

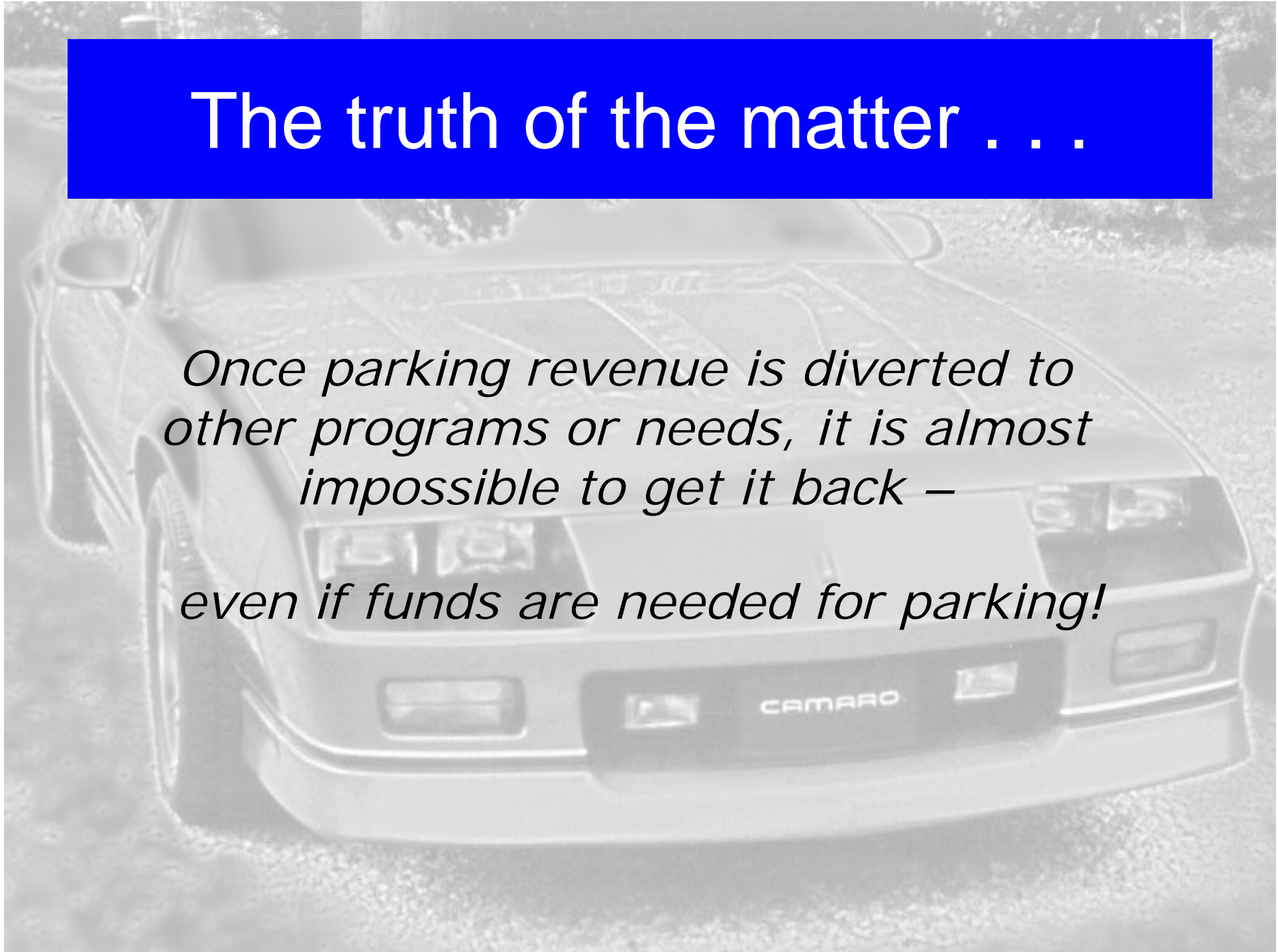
- **Most common is that funds are not set aside for capital improvements**
 - **garage restoration or repair**
 - **updated PARCS (parking access and revenue control systems)**
 - **updated parking meters**
 - **vehicles and equipment to support the parking program**

Potential Dangers in Diverting \$\$\$

- **Second most common is lack of funding for a dedicated organization and staff**
 - “We can run this in existing departments”, no matter how many departments are involved
 - Analysis is no longer the basis for decisions
 - All the functions but the “revenue producing” ones get neglected
 - (This results in lower revenue anyway)
- **Raising cash by selling public garages often eliminates the floor of parking rates in a city**

The truth of the matter . . .

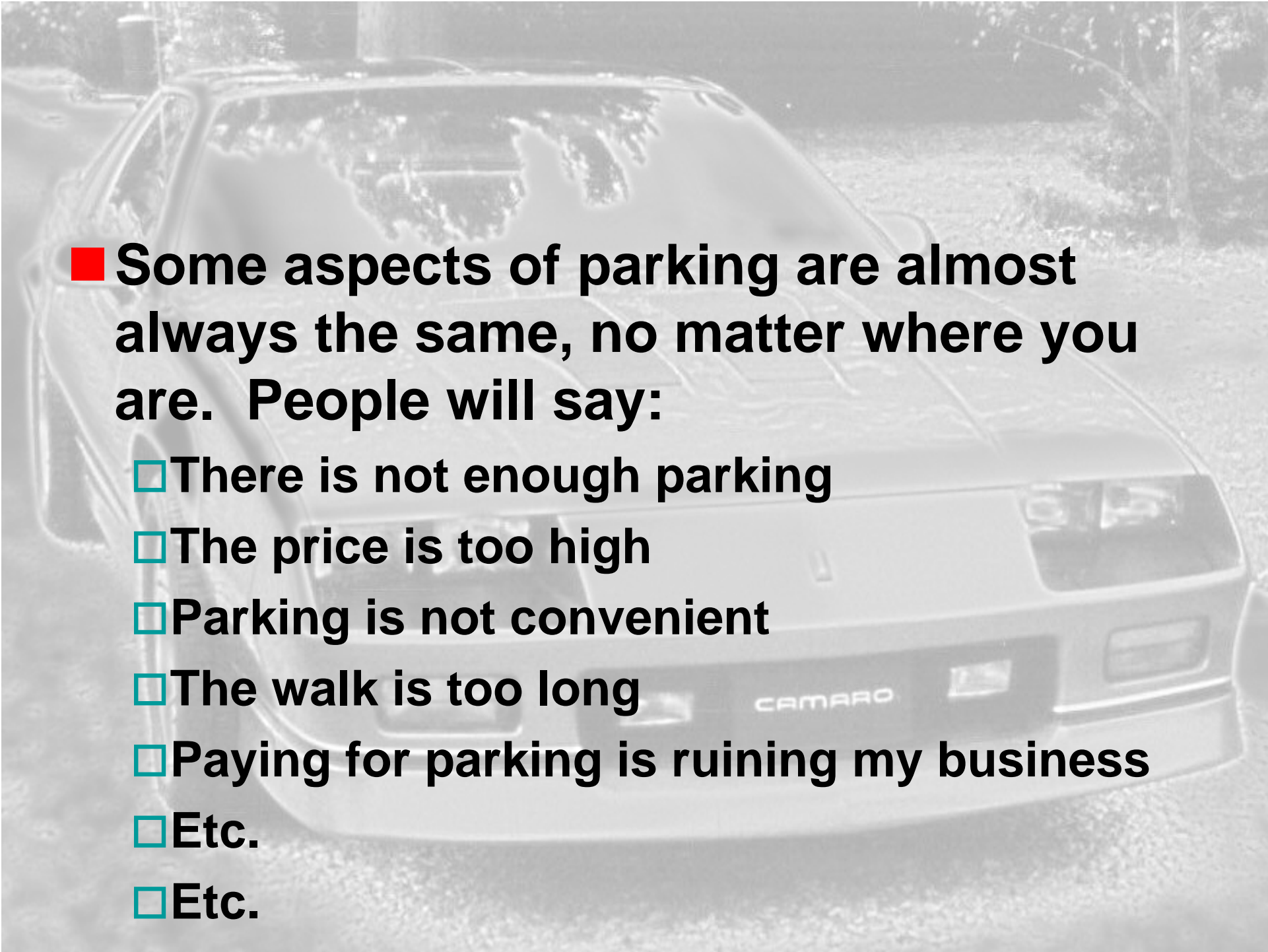
Once parking revenue is diverted to other programs or needs, it is almost impossible to get it back – even if funds are needed for parking!



Thoughts on this theme . . .

- **Fashion is what you adopt when you don't know who you are.**
~Quentin Crisp





■ **Some aspects of parking are almost always the same, no matter where you are. People will say:**

- There is not enough parking**
- The price is too high**
- Parking is not convenient**
- The walk is too long**
- Paying for parking is ruining my business**
- Etc.**
- Etc.**



■ **The context in which parking occurs is always different**

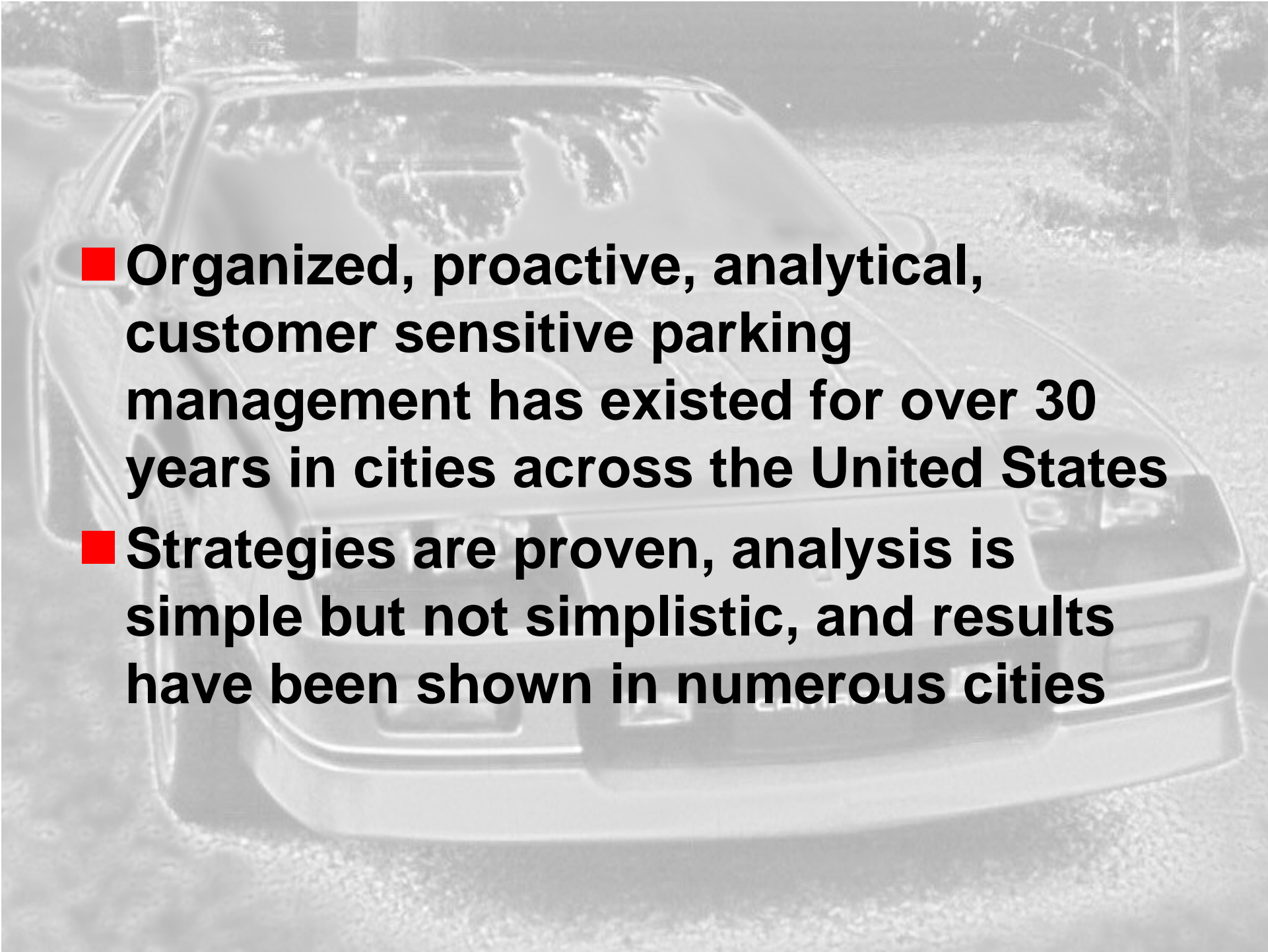
Political

Economic

Physical

Historical

Geographic

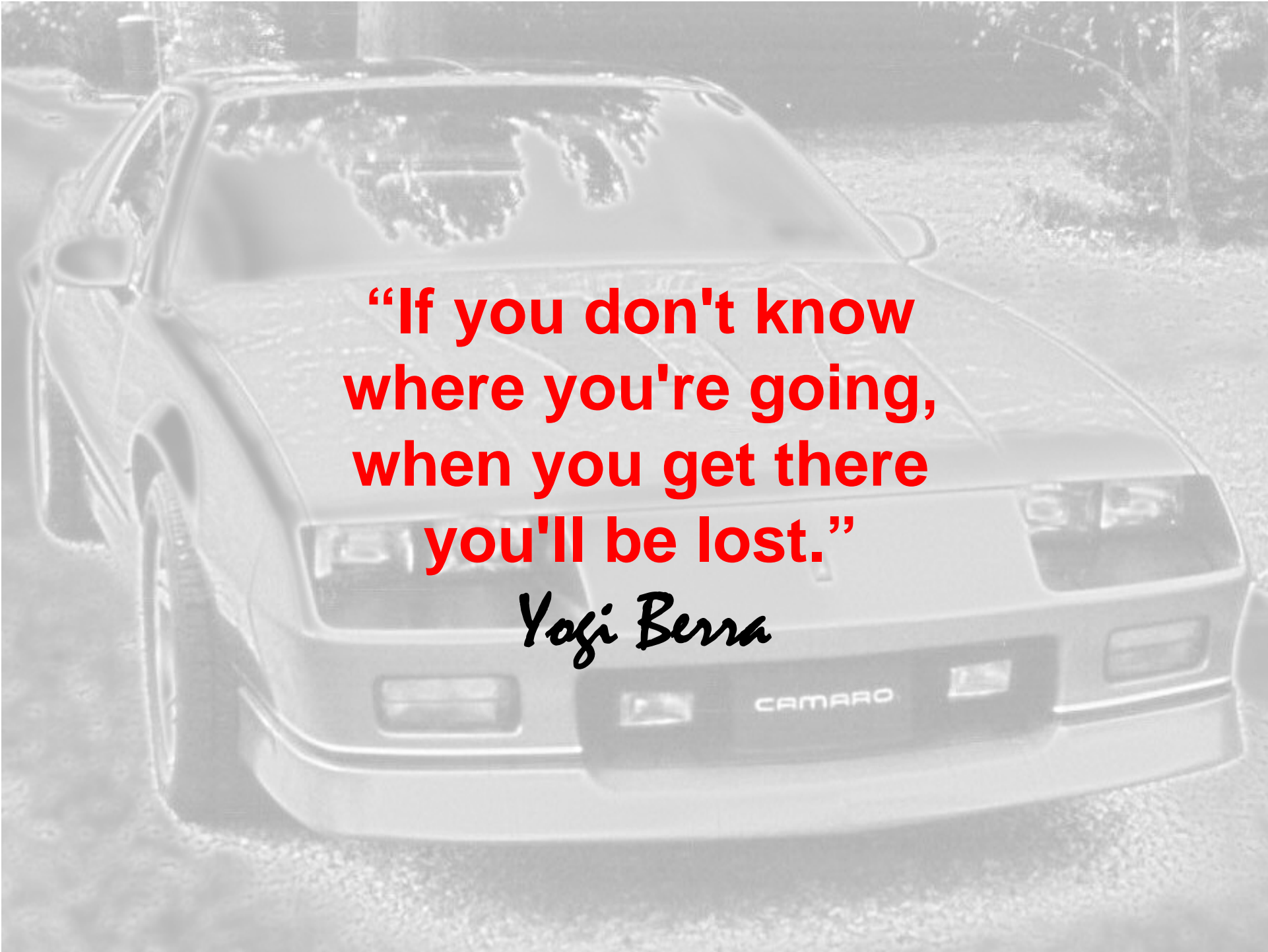
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- **Organized, proactive, analytical, customer sensitive parking management has existed for over 30 years in cities across the United States**
 - **Strategies are proven, analysis is simple but not simplistic, and results have been shown in numerous cities**



Don't adopt the latest fashion because it receives publicity.

Learn from your colleagues with successful programs, and develop your own that work in your environment.

***Know who you are, and do it right
for where you are!***



**“If you don't know
where you're going,
when you get there
you'll be lost.”**

Yogi Berra

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