

# Are These Tough Economic Times

*an Opportunity to Make*

# Much-Needed Changes to Parking?

*Vicky Gagliano, LEED AP*



**T**he older I get (not that I, or anyone reading this article for that matter, is “old”), the more I realize how much people hate change. Perhaps hate isn’t the right word: humans despise, loathe, detest, and will fight tooth and nail to avoid change. I remember going to church when I was young and my family always sat in the same place, every week. And the family in front and behind us was the same — EVERY WEEK. We knew them quite well — just through those weekly conversations before mass. If one of them didn’t show up, we would be concerned and usually call later to make sure everything was okay — we were a close knit community.

It secretly amused me when a new family would join the church and sit in one of the “claimed” pews. As each family was displaced and found a seat in someone else’s usual pew, the ripple effect multiplied and you could visually see the stress on everyone’s face — all because we had to sit somewhere different. What amazed me most was that this was occurring in a place of religious worship, where everyone sings happy songs and listens to lessons of treating others with kindness. All of these people that were usually very pleasant and caring quickly turned angry and frustrated because they were not able to sit where they have sat for years. We are truly creatures of habit, and I’m not just referring to the Catholics!

*Stubbornness does have its helpful features. You always know what you are going to be thinking tomorrow.*

*—Glen Beaman*

For some reason, people also feel just as passionately about parking. I’m not sure when parking became a “step-child” issue, but it certainly never fails to evoke a great deal of emotion. For those of you who have a parking system where some users park in the same stall every single day, I’m sure you understand how easily irate they become when someone parks in THEIR space! I’ve heard countless stories of employees who get to work early just to park their car in

a specific location, they will even refer to it as “their” space — and if someone actually beats them to it, and it does on occasion happen — those employees become upset, as if someone has invaded their territory. We all know how silly this sounds, even I do — but don’t park in my space at my house. If you’re related to me, I will likely ask you to move your car.

With that said, how could I pass up the opportunity to write about not one, but two controversial issues, change and parking?

*If you want to make enemies,  
try to change something.*

—Woodrow Wilson

Ignorance is truly bliss and when the wealth is flowing, many organizations fail to closely monitor accounting principles, perform audits, evaluate pricing, and make any unfavorable changes. All of us have been guilty of becoming complacent. If it isn’t broke, don’t fix it seems to be the motto of choice, and the status quo sets in. My intent for this article is to discuss some of the issues faced by three sectors: municipalities, health care institutions and educational institutions. The second goal is to offer some ideas and strategies to consider specific for each sector. Change will not ever be easy, but I do think we (the parking industry) have a window of opportunity in front of us that is too valuable to pass up — who knows when we will have it again.

When the economy was booming, elected officials did not want to implement parking rate increases due to the political backlash that may occur, specifically during election time. The growth in their jurisdiction was often the highest it has ever been, with multiple developers looking for opportunities to build in their municipality (city/town/county/borough). The elected officials were seeing revitalization efforts in areas that were impoverished, and the last thing desired was a policy change that would discourage growth in any way. These decision makers often steered clear from policies that would create a more efficient parking system simply due to the threat of not being re-elected.

During those “good” economic times, I have witnessed more than one public parking agency slowly losing revenue, incurring more expenses, and sliding deeper and deeper into the red — a sinking ship. It would seem logical that someone would quickly step in to stop the leak and at least stabilize the agency. Perhaps, it would be even more logical to evaluate why the agency is having financial difficulties, but instead, nothing is done. Even when outside consultants

study, analyze, evaluate the situation, and clearly define ways to remedy the situation — nothing is done. I can’t explain why so many elected officials fail to act. Even worse, I believe most of them knew what changes were needed and turned a blind eye for short-term gains. Politics at its finest.

I doubt many elected officials are reading this article, but if so, please keep reading. Many of the individuals running municipal-owned parking systems know what is wrong and how to improve the process. These are the individuals on the front line each and every day, hearing



the customer complaints, seeing the marketplace, and they have spent a lot of time thinking of ways the operation could run smoother. Talk to them, listen to them, ask questions, and let them help you.

*The only man I know who behaves sensibly  
is my tailor. He takes my measurements anew  
each time he sees me. The rest go on with their  
old measurements and expect me to fit them.*

—George Bernard Shaw

Healthcare and medical institutions (hospitals) have also been very hesitant to implement paid employee parking, especially in geographic regions where parking is typically free. Many of these institutions were growing at such a rapid pace that they were faced with

an abundance of customers (patients) and a shortage of qualified staff (in particular nurses). It was not uncommon to see bonus offers as part of an employment package — I admit, even though I was in the highly coveted parking industry, I was envious of the incentive packages advertised. Competition was so fierce that many employees were being courted by multiple institutions, each with a better salary package. It is understandable that during those times, the hospital administration was not open to considering a paid employee parking system and would subsidize all parking—

related costs to keep the employees happy and improve their chances of recruiting top staff. Oddly, many of those same hospitals would implement marginal customer (patient/visitor) parking fees as the patients either did not have an option (as the hospital was approved per their health insurance provider) or they had specialized needs that were best treated at that specific institution. Still, as the wealth was flowing, many of these customers were charged minimal fees and the remainder of the expenses for the parking system were subsidized by the hospital.

Like the irony of church members getting angry over a pew, I find it interesting that the one group of individuals on a hospital campus who are the most demanding and want free parking, is the one group of individuals who can most afford parking fees — the physicians.

However, since I'm sure a neurosurgeon could do my job better than I could do theirs, I will leave this battle for another day. Park in front of the door and hurry up to go save another life!

*Most of us are about as eager to be changed as we were to be born, and go through our changes in a similar state of shock.*

—James Baldwin

Educational institutions (universities) have been more aggressive in the past several years as the demand has steadily grown and many schools were faced with enrollment caps. The top institutions were highly desired by students and the high parking permit fees were often not considered or were so small compared to the other educational expenses that students did not think twice (or better yet, the “parental units” were footing the bill!). Like health care institutions, the faculty was often treated with a less aggressive pricing strategy and almost always provided the most convenient parking areas. While some of the parking services were still

being subsidized, many schools implemented a revenue-producing operation, at least from the student fees, and the revenues from parking would actually subsidize other university programs or departments. Those fortunate to have a successful athletic program (i.e. the University of Florida — Go Gators!) quickly realized that their die-hard alumni fans wouldn't think twice about not attending a home football game just because they had to pay to park.

*The only people who like change are wet babies.*

—Anonymous

Once the money stopped flowing as readily (as in our current economic downturn), all of the previously mentioned organizations have started to look more closely at each operational cost center, one of which is the parking system. Right now is a prime opportunity for all organizations to re-balance the parking operations. Seize the moment and create an efficiently run system that can operate as a business without

the need of subsidies. We are already beginning to see that services that can operate solely on the revenues produced are stabilized or thriving while other services requiring financial assistance are feeling the effects of budget cuts and shortages. Homeowners are charged for water, patients are charged for procedures, and students are charged for courses — why shouldn't motorists be charged for parking?

The same elected officials who allowed and in some cases, encouraged, parking to be a subsidized service are now faced with budget cuts and in many areas of the country, a crisis. As jobs in the public sector are examined, consolidated, or eliminated, there are more reasons to carefully evaluate whether or not parking should still be considered a liability. Municipalities that once subsidized parking should consider the benefits of creating a self-sufficient department.

In the past ten years, numerous cities have been trying to lure residential development into the downtown core areas and have offered free or almost free, parking as an incentive. While the absence of a parking requirement

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can make growth more financially viable, we have to closely examine if it is merely a short-term gain (usually reaped by developers), and who will bear the long-term effects (often the taxpayer). It may also be time to charge the end users (downtown parkers) market rate instead of deferring the cost to all tax-payers regardless if they utilize downtown parking facilities or not.



This may also be an opportune time to consider a parking authority, parking enterprise fund, or other independent agency to create a healthy separation between elected officials and policy makers. Poor economic times like these are precisely when independent agencies should be established as the political repercussions seem to be fewer. Or perhaps the payoffs to our politicians aren't as lucrative?

*There is a certain relief in change, even though it be from bad to worse; as I have often found in traveling in a stagecoach, that it is often a comfort to shift one's position, and be bruised in a new place.*

—Washington Irving

The current economic conditions have impacted healthcare institutions as it has impacted almost all business activity. Unemployment has soared and the job market has shifted the power from employee — directed to employer — directed. The significant increase in unemployment causes employees to look at stability versus just a high paying position or bonus. It has empowered employers to modify a subsidized parking system into a self-sufficient cost center.

With the number of qualified staff looking for employment, the implementation of a parking fee will not likely result in an employee leaving a stable position, especially when those positions are in high demand. Administrators can balance changes to the parking system by presenting employees with alternatives and/or

a phased implementation. For example, a hospital may implement employee parking fees for parking areas adjacent to the hospital and provide free or discounted parking for staff willing to park in remote or off-site parking areas. The permits can be initially issued to employees free of charge and marketed as another employee benefit. Later, fees can be implemented and/or the benefits altered to allow employees to

select where they would like to park based on how much they are willing to pay. This type of strategy provides employees with options, and allows them to decide the value of convenience. In addition, this strategy allows administrators to preserve valuable land near core buildings for either short-term/high-turnover parking, hospital expansion projects, or parking for physicians.

With the high cost to build a garage, parking facilities on the periphery may be leased from other business entities that are more willing to consider sharing their resources in order to generate revenue. Some mutually beneficial agreements have been made between healthcare institutions and museums, places of worship, and movie theaters. All of those land uses typically experience low levels of demand during the weekday, daytime hours, which allows for hospital employees to utilize empty parking spaces. Likewise, those institutions may sometimes need additional parking during their own special events. As many of those events are likely to take place during evening and/or weekend hours, there is an opportunity for some of their patrons to spill into vacant hospital parking spaces (i.e. spaces used for medical office building staff and patients, spaces used to accommodate shift changes, etc).

*The key to success is often the ability to adapt.*

—Anonymous

While hospitals can implement variable rate pricing (higher fees for the most convenient spaces), so can universities. Parking at an

educational institution shouldn't have to be subsidized, especially for faculty and staff. The most convenient lots, which they usually utilize, should be the highest priced. For those not willing to pay for convenience, a lower-cost option can be provided in more distant locations.

By utilizing more remote lots to preserve valuable core space, universities can continue to expand academic services and shift parking to the periphery. Shuttles are becoming more important as the once — small campus cores are now four to five times larger than ever expected. Walking from one class to another takes long enough, without having to walk around or through a parking lot. The core campus should be a "people place" that is safe to walk around, dense with academic buildings, and filled with activity. Not a series of parking lots.

Another way to mitigate parking congestion is by establishing a more evenly distributed class schedule. Top ranked professors would never think of teaching classes during the evenings or on a Friday in the past, but as educational institutions face budget cuts, more professors are out searching for a position. Schools that are turning away students due to enrollment caps may have an untapped market — more evening and weekend students (all who can park in the empty lots and will pay to do so).

*All change is not growth, as all movement is not forward.*

—Ellen Glasgow

I know these ideas are only the tip of the iceberg, but hopefully they have spurred some thought or inspiration. Now, I'm not saying to create change just for the sake of doing something, but if you have an idea and it is thought out, why not at least try? ■

*Life is change. Growth is optional. Choose wisely.*

—Anonymous

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