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## Win-Win Parking Strategies

By Vicky Gagliano

Tough times require tough solutions — particularly for cities faced with ever-shrinking revenues. And parking is a good place to start the budget-balancing process. Here are six potential strategies. All of them are potentially tough sells — to department directors, local boards, elected officials, and other stakeholders — but the results can be worth the hassle.

**Charge for permits.** Residential permit programs have traditionally been subsidized with public funds. Let's say it costs the city \$10,000 a year to manage a program that serves 1,000 users. That figure covers the costs of issuing permits, maintaining signage, and enforcing the rules. Now think of what the city could take in if it charged \$10 annually for each permit. Voila! No more public subsidy. Arlington, Virginia, has a very user-friendly RPP. San Francisco's version, which includes 14 different permit categories, is more comprehensive.

**Raise public rates.** Public parking facilities are often priced below market rates. That amounts to a public subsidy. In Tampa, where I live, the cheapest place to park downtown is the city-owned garage. That doesn't have to be the case.

**Pay for convenience.** Municipalities should also consider charging premium rates for premium parking locations (whether on- or off-street). Users are generally willing to pay for convenience, as the success of express delivery services like UPS makes clear. But it is important to price the convenience factor appropriately. Too many municipalities provide free or cheap on-street parking and then wonder why no one parks in the empty (not free) parking garage located a block away. In a decade of conducting parking studies, I have encountered many municipalities that undercharged for on-street parking.

In addition to increasing parking revenues, charging for convenience also encourages the use of mass transit and creates high turnover in busy areas. It also ensures more pedestrian activity, which in turn enhances safety. More pedestrians coupled with a good mix of retail, restaurant, and entertainment uses can mean an economically healthier community — with more jobs and higher sales tax and property tax revenue.

**Adjust for inflation.** When was the last time your community reevaluated the fines it charges for parking violations? In some locations, fines have remained constant for the past decade, while enforcement costs (including cashier salaries, equipment maintenance, and security outlays) have risen steadily. From 2000 through the end of 2009, the average annual inflation rate was 2.6 percent. This means that a fine of \$20 in 2000 should now be about \$25.

**Relate parking to smart growth.** Most communities do not want to discourage growth, but some development tactics are smarter and more sustainable than others. Establishing reasonable parking policies is a way to ensure economic health. Shared parking is one such policy. It has been incorporated into zoning ordinances in communities such as Portland, Oregon; Palm Beach, Florida; and Waltham, Massachusetts. Other municipalities have set up funds to allow businesses to make payments instead of providing a certain number of parking spaces. This mechanism works well with shared parking, as one parking space can accommodate multiple uses, thus preserving valuable land for other developments.

**Ramp up technology.** Technological advances have made it easier and faster to lower parking expenses and increase revenues. The newest parking meters and payment systems significantly reduce payroll costs for cashiers, accountants, and lot attendants. Automated enforcement tools such as license plate recognition cameras can be used to enforce time limits and to flag vehicles with outstanding tickets. They can also be equipped to generate and mail citations directly to motorists. Fines associated with wheel locks and boots — which save towing fees — can now be paid by phone by violators. Lastly, online payment services and municipal websites can process credit card or debit card transactions immediately, thereby reducing cash handling, mailing expenses, and administrative time. As an added feature, these sites can disseminate parking-related information on a wider scale.

**Change we can count on.** It may be difficult to convince local stakeholders of the value of these strategies. But keep in mind that many of the individuals who dictate how a parking department will operate are the same people who figure out how to balance their budgets. That makes this a good time to make positive change, reduce public subsidies, and rebalance the parking operational budget.

Can your public parking operation afford to let these opportunities slip by?

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