

## **PARKING MANAGEMENT**



**Too many cars...  
Too few spaces...  
Too much congestion...  
And no place to park!**

Sound familiar? If you're like many communities in Colorado, you're experiencing parking problems — too many people competing for too few spaces.

In fact, parking-related problems are one of the most frustrating side effects of success. Insufficient parking can cause employees to arrive at work late and stressed out from searching for a space. It can force customers to go elsewhere. And it can create traffic jams in downtown areas and around major work sites.

Expanding your parking facilities may or may not be an option, depending upon the development density of your community. Even if an addition is possible, it's going to be an expensive fix. In many urban areas, one parking space costs a minimum of \$6,000 to create. Fortunately, there is a better way to deal with parking dilemmas.

Parking management refers to a group of strategies that can ease demand for parking while encouraging the use of alternative commute modes such as carpooling, vanpooling and transit. Parking management allows you to strategically reduce or reallocate parking spaces to benefit your community, your company, your employees and your customers or clients.

Whether your objective is to solve a parking-shortage problem, reduce traffic congestion, or

free up more spaces for customers, parking management can help you tackle the transportation problems you face.

Parking management consists of three strategies: preferential parking, parking pricing and the transportation allowance.

### ***Preferential Parking***

This strategy reserves the best parking spaces for employees who share a ride to work instead of driving alone. "Preferred" parking could include:

- Covered parking that protects people and cars from the weather.
- An assigned parking space near the building entrance.
- A level-one spot in a multistory parking garage.
- Priority position on a parking space waiting list.

In Montana, the Missoula Parking Commission works with local business to create on-street spaces reserved for carpools and vanpools. Registered carpool and vanpool groups (set up by the employer) are given a hang tag that can be moved from vehicle to vehicle depending on who is driving that day. The spaces are usually located close to the front door on the building. The program helps to reduce the number of cars parking on the street and is an effective incentive to rideshare.

### ***Parking Pricing***

This strategy is designed to eliminate free parking in key locations around the community. Downtown retail areas rely on parking turnover to bring in business. If on-street spaces are taken up by employees, customer will have a hard time finding a place to park. Often downtown parking fees are designed to limit use to two hours.

For example, the City of Aspen has addressed parking through a number of initiatives. The City promotes a parking garage one block from Main Street. The garage charges 75¢ per hour or \$7.50 per day. Users can get around town using the free bus service. Residential parking is usually limited to residents only or visitors for up to two hours (unless they have a guest parking pass) 8:00 a.m. to 6:00 p.m., Monday through Friday. In the commercial core, the City has set up parking stations that accept payment by coins, parking tokens and debit “smart” cards. A half hour of parking costs 50¢. The pay station will print out a receipt showing the amount paid, the date and the expiration time. Drivers must display the receipt on the dashboard.

***Parking Pricing at Employment Sites.*** Parking pricing is one of the most powerful tools available for influencing how people choose to get to work. By charging for parking based on vehicle occupancy, employees are much more likely to switch from driving alone to sharing the ride.

In addition, you can greatly reduce parking expenses if your company has been fully subsidizing employee parking. New revenues from parking fees may be used to fund an employee transportation program that includes subsidized bus passes, rideshare incentives or a variety of other elements.

***Implementation Suggestions.*** Charging for parking is rarely popular with employees, who often view free parking as a “right.” For this reason, parking pricing strategies must be implemented with care and sensitivity. This can be done in part by explaining that you are attempting to create an equal level of subsidies among all transportation options, rather than favor driving alone by offering free parking.

Make sure the fee you charge for parking is in line with the market price in your area. If your rate exceeds the cost of public spaces, employees will simply park at another location. If no market rate for parking exists in your vicinity,

charge a nominal fee and closely monitor its impact.

Base your parking fees on vehicle occupancy: for example, \$20/month for single-occupant cars, \$15/month for two-person carpools, \$5/month for three-person carpools, and four-person carpools or vanpools park for free.

Watch out for parking “spill-over.” If employees can find a less-expensive (or free) space on the street or in a neighbor’s parking lot, they will park there and continue driving to work alone. This could defeat your program and create conflict with nearby businesses. To reduce the potential for spill-over, alert the owners of nearby parking facilities to the situation, and seek a mutually acceptable solution if problems arise.

## ***Transportation Allowance***

Another employer strategy is the transportation allowance. This strategy eliminates free parking, by providing each employee with a monthly allowance which is used to offset the cost of commuting. Employees are given the freedom to choose any commute mode they want, as long as they pay for all associated costs.

The transportation allowance should be equal to or less than the cost of paying for parking. Employees can use their entire allowance to pay for a parking space (or supplement the allowance with their own money). Or, they can select a less-expensive option such as riding the bus, vanpooling or carpooling, in which case they may pocket any surplus money not used for travel expenses. If employees walk to work and incur no commuting costs, they get to keep the entire amount!

The next two pages present two parking management tables featuring a variety of parking pricing and parking supply strategies. Parking management strategies discussed in this section as well as additional approaches are outlined in each table.

## Parking Pricing Strategies

<b>Parking Transportation Allowance</b>	Provides employees with a monetary credit towards purchasing commuting related transportation goods and services. Employees use credits (i.e., 'transportation allowance') to purchase their own transportation or pay for their own parking. Other versions of a transportation allowance program might allow employees to select from a menu of transportation goods and services that take advantage of tax incentives and business deductions.
<b>Unbundled Parking Leases</b>	A lease is unbundled when the charge for building or office space is separate from charges for parking spaces and there is the flexibility to vary the number of parking spaces rented. By unbundling parking leases, employers can use parking pricing strategies to reduce parking demand and reduce company parking expenses. Employers who are aware of parking costs may have the ability to reduce parking expenses and better use existing parking resources.
<b>Parking Fees or Charges</b>	Parking rates can be based on time, day, or month. Parking charges target on-street or off-street parking. It can include pricing strategies to discourage all-day single occupant vehicle (SOV) parking. This can reduce parking demand in an area or free up parking for other short-term uses such as customer parking.
<b>Tax Incentives and Disincentives</b>	Federal, state, regional, and local tax rules may impact the types of parking management incentives that employers wish to offer. For example, some cities place a tax on parking. This tax can increase the cost of parking, thus serving as a disincentive to drive.
<b>Peak Hour Pricing</b>	Increasing parking charges during peak periods (i.e., during a major entertainment event) can influence how and when drivers use parking facilities. Peak hour pricing can thereby reduce demand for parking spaces during these periods.
<b>In-lieu Parking Fees or Assessment Districts</b>	Involves the collection of parking fees from a group of building owners and/or employers. The funds are used for parking improvements in the specific area. This can encourage shared-use of parking facilities.
<b>Parking Enforcement</b>	Local jurisdictions can step up enforcement of parking regulations as a means to ensure that changes in parking management policies do not create negative 'spill over' impacts on adjacent neighborhoods. Increased enforcement can enhance local jurisdiction revenues and create an incentive to obey parking restrictions.
<b>Parking Cash-Out</b>	Allows employees the opportunity to choose a parking space or receive the cash equivalent of the space (based on the "out-of-pocket costs to the employer"). The employee can determine whether to use the cash for alternative modes of transportation or keep the funds.

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## Parking Supply

<b>Maximum Parking Ratios</b>	This strategy limits the amount of parking that is built. The objective is to increase land use densities by lowering the parking supply and encourage the highest and best use of land and the use of alternative modes of transportation.
<b>Lower Minimum Parking Requirements</b>	This measure can allow developers to build fewer parking spaces as required in local parking requirements. As with maximum parking ratios, the intent is to better manage the supply of parking.
<b>Shared Use Parking</b>	Parking spaces that can serve two or more land uses. For example, office employees can use a parking facility during the day and patrons of an adjacent restaurant or movie theater can use the same facility at night. This strategy increases the available parking supply in a multi-use area to mitigate highest peak parking demand.
<b>Transit Supportive Development</b>	An urban design and site planning approach that creates dense, mixed use development, designed for pedestrians and multiple modes of transportation. It also encourages high density development around light-rail transit stations and transit centers. Transit supportive development can include a variety of parking management strategies such as maximum parking ratios or lower minimum parking requirements, shared use and centralized parking facilities. It reduces the need for surface parking lots.
<b>Preferential Parking</b>	Reserving premium parking spaces. Preferential parking can be used as an incentive for ridesharing and the use of high occupancy vehicles such as carpools and vanpools. These spaces are generally located close to building entrances or in other convenient areas.
<b>Time Restrictions</b>	Simply shortening the permitted parking period for on- and off-street parking spaces is a very effective means to better manage a limited parking supply. Often used for customer, visitor, member or patient parking, short term restrictions on spaces are usually more conveniently located for easy access and shorter trip purposes. Long-term parking restrictions uses include all-day parking for employees or residents, which can be located farther away since it is accessed only once per day.
<b>Parking Permits</b>	Require a parking permit or decal to allow parking in restricted areas (e.g. employee permitted parking areas).
<b>Land Banking</b>	Reserving land for future parking needs. This can involve phased construction of parking.
<b>Subterranean or Parking Structure</b>	Projects providing structure or underground parking have a higher density, can be more easily accessible by transit and pedestrians, and are more likely to control access and parking pricing.
<b>Satellite or Peripheral Parking</b>	Parking located near or just outside of a central business district, retail, or employment center. When combined with more restrictive parking development standards and convenient shuttle service, this strategy can be used to reduce traffic congestion in core areas.

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