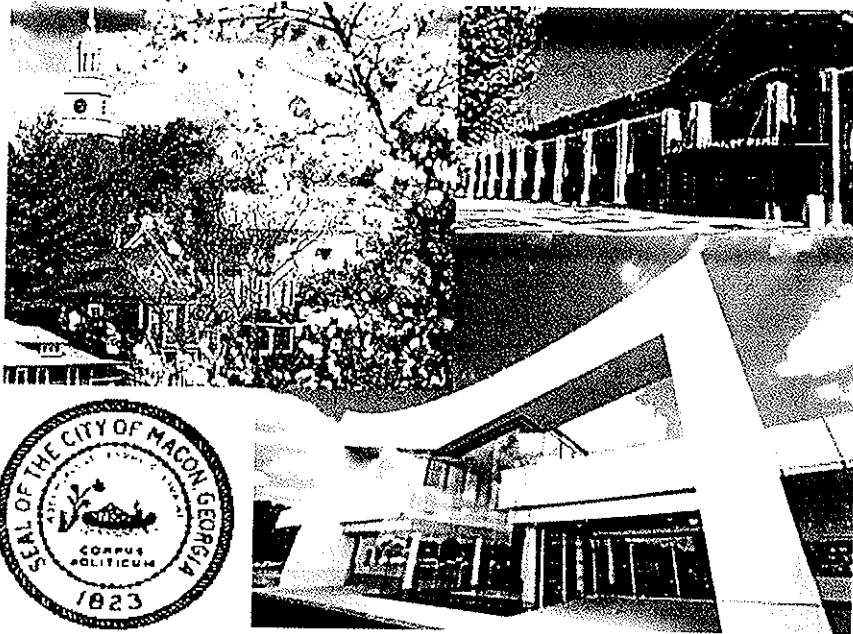


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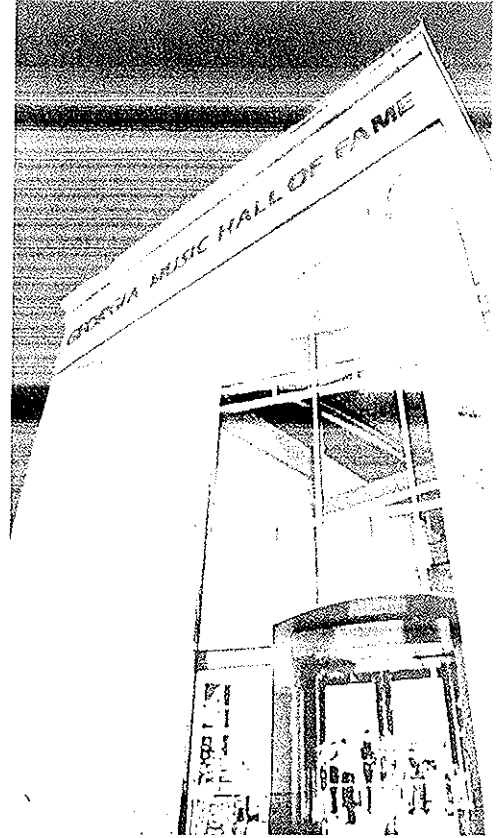


A Report on Parking System Management in Downtown Macon, GA

*Prepared By Central Parking System
Municipal Services Division – January 2006*

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Introduction

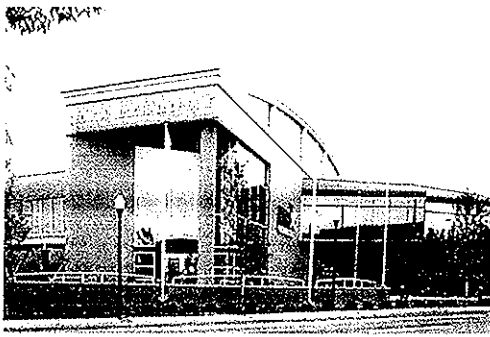
Cities around the country are attempting to bring people back downtown to work, play and live. Their individual success in these attempts depends on a multitude of factors, one of which is with how to deal with the resulting parking challenges. However, unlike many cities that are struggling to address parking related issues after the fact, and although Macon currently has parking related concerns, it is enviably positioned to begin to resolve these issues in a proactive and growth oriented manner.

Macon is doing a remarkable job of revitalizing its downtown and City leaders have the confidence to take on new approaches and strategies for solving current and future parking dilemmas.

Since parking is one of the essential aspects of a successful downtown, decisions about how and where it is provided must be made with the overall goals for downtown in mind. Therefore, the purpose of this report is to outline a comprehensive and integrated system of downtown parking. The result will be a system that provides convenient and safe parking in a cost effective manner for visitors, employees and residents and one that is consistent with the City's vision for a vibrant, attractive and active downtown.

The following principles have been adopted by Central Parking System and define the criteria for the recommendations in this report:

- Parking should be supplied, managed and operated in the most comprehensive way possible and considered an integral part of the downtown infrastructure.
- On-street parking opportunities should be maximized and considered the most valuable spaces within the overall inventory and essential in boosting and supporting street level activities in the downtown.
- Off-street parking rates and availability must reflect current and future public demand and be an attractive and accommodating resource for commuters and long term parking patrons.
- Payment systems for on-street and off-street parking must be dependable, technologically advanced, customer friendly and easy to use.
- Enforcement of on-street parking regulations must be consistent throughout all of the downtown and the resulting adjudication process conducted in a fair and equitable manner.



Parking Management

The purpose of parking management is to ensure orderly use of the public parking supply, so that there are always spaces available to those who need them. Without parking management, long-term parkers such as employees and commuters park in prime spaces that are intended for short-term parkers such as customers for shops and restaurants. These spaces then become congested and unavailable to those who need them, causing frustration as customers have to park farther away from their intended destination, cruising (driving around the block over and over waiting for a space to become available), and the overall perception that there is a parking problem within the downtown.

How do we regulate parking?

Time Limits

A strategy that many cities like Macon use to create turnover and availability of prime curbside parking spaces is to limit the time that one may park in a given space. Violators of the time limit are issued a citation.

It seems like this would be a simple and effective system, but it often is not. For one thing, it is very difficult to set the time limits. Does a City arbitrarily pick time limits? That doesn't sound like a good idea, but it seems to be the most frequently used method.

Do we try to anticipate how much time each business's customers need to park? This seems more rational, but how do we do it?

To illustrate the difficulties in doing this, let us consider a hypothetical downtown block which has a coffee house, a sandwich shop, and a day spa. Let's say that the coffee house's customers only stay for an average of 15 minutes, the sandwich shop's clientele almost always leave within an hour, and the day spa's customers stay for average of two hours.



What should be the appropriate time limit for this block? Do we set the time limit at two hours, which would theoretically allow everyone's customers to stay for the time that they need? Sounds reasonable but this would very likely attract local employees, who would only need to rotate their cars three or four times during the day to avoid a parking ticket.

So then we might pick a shorter time limit, say an hour, which might eliminate some of that but now the day spa's customers will be forced to face tickets or walk further than they want.

Another approach might be to mix it up—perhaps 3 spaces at 15 minutes, 3 spaces at one hour, and 3 spaces at two hours. This also seems reasonable, right? Unfortunately, it isn't. We must remember two things:

- First, downtowns are a host to a diverse range of businesses, each with their own peculiar fluctuations in activity and parking needs.
- Second, curbside parking spaces are highly convenient and desirable. However, it is impossible to create additional curbside parking once maximized, so we need to use these resources as efficiently as possible.

Together, these two realities mean that one parking space must fulfill several needs throughout the day. For example, our coffee house may be very busy during the early morning (meaning that perhaps it might need all nine spaces at that time) but much less busy during the lunch hour (during which time it may only need one or two spaces). The sandwich shop will be closed during the morning, when it would need no parking spaces, but during lunchtime it may need every available space on the block. Unfortunately, three of them would be unavailable to sandwich shop customers, because the time limits of 15 minutes are too short. They are short for the coffee house's sake, but the coffee house doesn't need all three 15-minute spaces during lunchtime, so they sit empty.



In the afternoon, when both the sandwich shop and the coffee house aren't very busy, the day spa is very active and needs parking, but the empty spaces on their block can't be used by their customers at all because all of the time limits are too short.

It is an exhausting exercise to think of all of the different time limit needs for all of the different businesses in the Downtown or how the City might accommodate them all.

Enforcement

Another issue with time limits is that enforcement of them is very labor intensive. First, a tire on each car must be marked with chalk. Then, that block must be revisited after the time limit has passed... two hours later, one hour later, maybe only 15 minutes later. Any car which still has a chalk mark is issued a citation. If time limits are very short, then the officer must return very frequently. If multiple time limits are involved, then it is even more complex. While this system can be effective and cause customers to leave quickly employees often figure out systems for avoiding a ticket by moving their car to another space before the time limit is up, by erasing the chalk before the enforcement officer returns, or by swapping spaces with a co-worker several times during the workday.

To thwart such behavior, some cities divide their downtown into zones, and one must leave that entire zone before the end of the time limit or face a ticket. This is only slightly more effective at removing employees but usually much more inconvenient for customers.

No matter how strict the time limits are, if prices are free then employees will probably still park in prime spaces. For example, until 1995, all curbside parking in Aspen, CO was free. Predictably, it was congested-primarily by employees, owners and commuters. Time limits were fairly tight (90 minutes) and yet this didn't stop employees from using the prime spaces. City staff called the ticket-avoiding



technique used by employees the "90 Minute Shuffle." Although a 340-space parking garage was built to relieve the problem, according to the city manager: "Despite its convenient location and \$1.50 a day rate, only during special events did it ever fill. On most days the garage remained over half empty (or half full if you are an optimist), while congestion and fierce competition raged for the free on-street parking a block away." Absent appropriate prices, the only way for time limits to create turnover is to back them up with aggressive enforcement. If the enforcement isn't aggressive, people will figure it out quickly and flagrantly violate the time limits, especially employees, who have the advantage of being downtown all day every day and can easily figure out patterns and rhythms to parking enforcement patrols.

For the purposes of this discussion, "aggressive enforcement" means that tickets are issued immediately upon the expiration of the time limit and enough officers on duty to ensure that all violators are cited at all times. But aggressive enforcement leads to customers getting tickets, often for just being a few minutes late. Who wants to find a \$20 parking ticket sitting on their windshield at the end of a visit for being two minutes late back to their car? Moreover, who wants their customers to conclude their Downtown experience that way?

Even if a visitor is quick enough to avoid a ticket, they don't want to spend their time watching the clock and moving their car around. In the parking industry, this behavior is referred to as "ticket anxiety". After curbside parking availability, ticket anxiety is another contributing factor in the perception that there is a "downtown parking problem".

A recent "intercept" survey of downtown shoppers, motorists were asked which factor made their parking experience less pleasant. The number one response was "difficulty in finding a space" followed by "chance of getting a ticket", "need to carry change" was third, and the factor that least concerned the respondents was "cost of parking."



The reality is that pricing is much more effective than time limits and enforcement to ensure parking turnover in a downtown environment. A reliance on time limits and enforcement seems to result in a lot of "ticket anxiety" and frustration for customers. Subsequently, congestion results due in part to elaborate car-shuffling schemes developed by some merchants, employees, and other long-term parkers to avoid tickets while parking in prime curbside areas. Over and over again, pricing has shown to be a much more effective tool in managing parking within downtowns.

Advantages of a Price Based Parking Strategy

The true advantage of a pricing based parking strategy is its flexibility. Unlike the time limit and enforcement model, as the parking demands of the downtown change so does the system pricing. For example, in order for pricing to be most effective, it must be based on the "market rate." That means that the price must be calibrated to the lowest level which will ensure a 15% vacancy rate. If the vacancy rate is lower than 15%, then the parking is overused and retail customers cannot find the convenience that they desire, resulting in cruising traffic and frustration. If the vacancy rate is higher than 15% then the parking is underused, meaning that a precious resource is being wasted because people aren't willing to pay the price. The market-rate approach says simply that if the vacancy rate is consistently below 15% that prices must be adjusted up. This will encourage long-term parkers and bargain hunters to find less expensive spaces on side-streets or in garages. Likewise, if the vacancy rate is above 15%, then the price must be adjusted down, in order to attract more users and ensure adequate use of the parking.



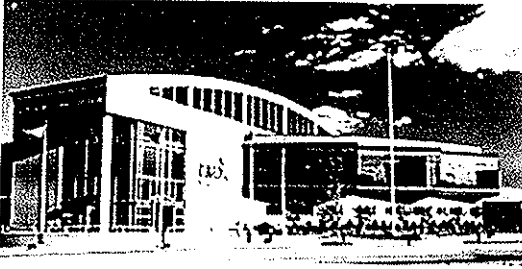
Paying for Parking

Why charge for parking? People love free parking, right? Why not give it to them? The answer could be summed up by the quote below:

"Of course there's not enough parking. If you gave away free pizza, would there ever be enough pizza?!"

Andres Duany, Elizabeth Plater-Zyberk, and Jeff Speck in Suburban Nation

When the supply of any commodity is limited and demand for it is near or above that limited supply, the price goes up. If the commodity is free, then it will be quickly used up and exhausted by the first people who get to it, and there can be no rational distribution to those who might need it or want it more. This is the main reason to charge for parking in a downtown. Therefore, the main reason to charge for parking is to ration a limited supply of a coveted product. By charging for parking, people will be encouraged to move from spaces as quickly as possible in order to pay as little as possible, and spaces are made available to others. Thus, charging for parking makes fewer spaces feel like more. Without parking management in general, and fees in particular, employees and merchants tend to park in the best spaces all day, depriving paying customers of the most convenient spots. Obviously, merchants and employees "shouldn't" park in prime spaces, but they do. The secondary reason to charge for parking is that it generates revenue. This shouldn't be the main reason to do it, although for some cities it is. The revenue generated is necessary to operate the parking system and to pay for new parking facilities.



Will Charging for Parking Drive Away Business?

Frankly, not too many people decide where to go shopping or a night out on the town based on free parking. People typically are seeking a fun, unique experience, be it shopping, dinner or entertainment. They want to go to a place that is exciting and lively. Granted, discount shoppers want a deal on everything, including parking. But no downtown can ever compete with big box "power centers" to attract discount shoppers. Thankfully, they don't need to. People who shop in downtowns are not usually looking for bargain basement prices on jumbo packages of paper towels. Rather, they are seeking unique products and unique environments. Niche shopping and "experience" shopping have been the saviors of downtown retail in the era of mega discount chains. In addition, shoppers and diners are typically less sensitive to parking charges because they are there for relatively short periods of time, meaning they accumulate less of a fee than an employee or someone else who will be in Downtown all day. Thus, shoppers and diners (priority customers for prime parking spaces) have a competitive advantage over long-term parkers.

There are a few things that DO seem to stand out to visitors of downtowns, though. One is a lack of available spaces nearby or in front of their intended destination. This causes people to cruise around until they can find a more desirable parking space, and it is frustrating. Why spend 15 minutes circling around the block looking for a space? Who wants to do that? Free curbside parking cannot relieve this problem, because it cannot create more spaces. Charging the market price CAN create additional open spaces through higher turnover rates. This allows for an increased potential of finding a prime curbside space when and where a motorists needs it the most.

Cruising causes many problems. First of all, the people who are forced to cruise are justifiably upset. Secondly, all of these cars circling



around for a prime curbside parking spot can cause major traffic issues. Although we could find no major studies on cruising, several small studies have been done. Of the studies performed, an average of 30% (and a high of 74%) of downtown traffic was caused by cruisers. The average cruising time was about 8 minutes. Not only is this frustrating to people who are wasting their time by cruising, but this causes problems for others, too. This adds to the consumption of gasoline and the emission of air pollution, in addition to creating unnecessary noise and fumes for people on the sidewalks. Motorists who are not cruising experience unnecessary delays and some types of traffic accidents are more likely to occur due to the extra driving. Proper parking pricing can reduce or eliminate cruising. If a space that meets the parker's needs is available as soon as they enter the neighborhood, then why would anyone cruise?

When all parking is free or pricing is backwards (garages and lots cost more than curbside spaces), long-term parkers are NOT motivated to park in less desirable off-street parking facilities. People tend to feel swindled when they don't get a better deal for using a less desirable product, in this case a parking space which is further away and more expensive than the desired curbside parking space. This is exacerbated when off-street parking is MORE EXPENSIVE than the prime curbside spaces. Then people are really motivated to seek the curbside spaces, even if they don't necessarily need curbside convenience. The obvious outcome is that curbside parking becomes congested just where it's needed the most.



Economic Development through Parking Strategies

The Old Pasadena, CA Model

This summary of the parking management system in Old Pasadena, CA is excerpted from "The High Cost of Free Parking" by Dr. Donald Shoup:

Old Pasadena had no parking meters until 1993. All curb parking was free and was restricted only by a two-hour time limit. Because employees parked in the most convenient curb spaces and moved their cars periodically to avoid citations, customers had difficulty finding places to park. The city's staff proposed installing meters to regulate curb parking, but the merchants and property owners opposed the idea. They feared that meters, rather than freeing up space for customers, would discourage customers from coming at all. Customers and tenants, they assumed, would go to shopping centers with free parking.

Meter proponents countered that anyone who left because they couldn't park free would make room for others who were willing to pay for parking if they could find a space, and that the want of convenient short-term parking kept many potential customers away. Proponents also argued that people who were willing to pay for parking would be likely to spend more money in the shops while they were in Old Pasadena.

Debates about the meters dragged on for two years before the city reached a compromise with the business and property owners: Meter revenue would be used to pay for public investments in Old Pasadena. Parking meters came to be seen in a new light - as a source of revenue - and the desire for public improvements suddenly outweighed the fear of driving customers away. The business and property owners agreed to an unusually high rate of \$1 an hour for curb parking and even to operating the meters in the evenings and on Sundays. The city also liked the arrangement because it wanted to improve Old Pasadena.



The meters could provide the \$5 million needed to finance the city's ambitious plan to improve Old Pasadena's streetscape and to convert its alleys into walkways with access to shops and restaurants. In effect, Old Pasadena became a parking benefit district.

As an example, for Macon this type of public investment can be made in the form of interest free loans to merchants and property owners for façade improvements. As these funds are repaid and grown through a dedicated portion of the parking generated income, more loans of increasing value will become available annually. Quite literally, parking revenues can be used to transform and improve the face of downtown Macon.

Success Stories

City	Year of CPS Partnership	Revenue Before CPS	Revenues in Year 2	Revenues in Year 3
Richmond, VA	1998	\$1,728,000	\$2,900,000	\$3,000,000

Central Parking System
Municipal Services Division
Parking Enforcement Programs

- Hartford, CT
- Raleigh, NC
- Baltimore Co., MD
- Charlotte, NC
- Mobile, AL
- Durham, NC
- Plymouth, MA
- Toledo, OH
- Virginia Beach, VA
- Carson, CA
- Ft. Myers Beach, FL
- Newport, RI
- Wilmington, NC
- Carolina Beach, NC
- Daytona Beach, FL