

# ***Fare Strategy Briefing: Parking Management***

*Executive Committee*

*08/03/2023*

# *Why we are here*

- Recap the Board's fares-related work in 2023.
- Review existing Board direction to manage parking and benchmark against peer transit agencies.
- Highlight critical differences between existing policy direction and current system performance.
- Seek the Board's feedback on policy questions related to program expansion.
- Information only, no action required.

***Where we're going***

# *Fares guiding framework*

*We serve passengers with a fare structure that is regionally integrated to encourage transit ridership through equitable and simple pricing, and financial stewardship.*

# ***Toward a comprehensive fares strategy***

## ***Upcoming needed Board actions***

- ✓ Adopt an equitable and accountable fare compliance policy and expand reduced fare programs.
- ✓ Establish fare rates where none currently exist.
  - ✓ T Line
- ❑ Consider adjusting existing fare structures, fare levels (including parking fees), and categories to meet established targets.
- ❑ Review and consider modifying revenue and farebox recovery targets.

# Areas of focus in 2023

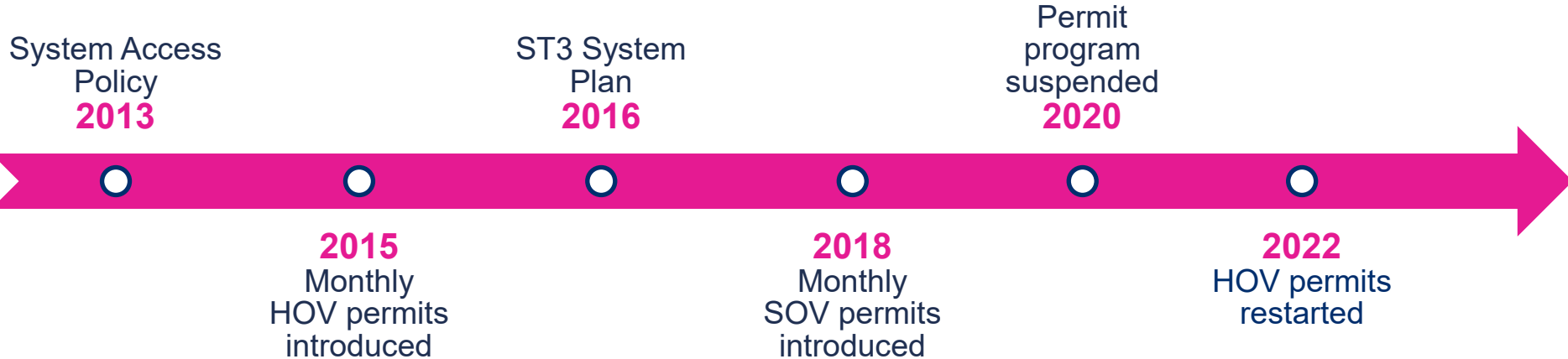
## Major policy topics

- Fare policy – originally adopted in 2010 with a minor update in 2014 (Resolution No. R2014-27)
  - Fare structure.
  - Farebox recovery targets.
- Parking management program – last Board action in 2018 to allow priced monthly parking permits (Resolution No. R2018-27)
  - Expanded program with daily paid parking.

*Where we've been*

# *Moving toward daily paid parking*

*Following Board direction and introducing a new fare-like cost on some passengers*





# *Permit parking program – authorized by the Board in 2018 (R2018-27)*

## **Goals**

1. **Maximize ridership.**
2. **Prioritize parking availability during weekday morning peak period.**

## **Parameters**

- **Cost recovery:** Market-rate fees that recover program costs.
- **Performance-based:** Variable pricing that manages demand, with CEO having rate setting authority.
- **Eligibility:**
  - All Link facilities eligible.
  - Sounder/ST Express facilities only when utilization >90%.
- **Limited reserved parking:** Monthly permits only, and minimum 50% of spaces must remain free, first-come first-served.
- **Discounts:** free HOV permits, deep discounts for reduced fare program participants, and priority given to in-district residents.

# Permit parking program

## Key features

- Monthly permits only:
  - SOV permits at market rates (\$45-\$120/month).
  - HOV permits were free to incentivize more riders per space.
  - Reduced-price SOV permits for ORCA LIFT-qualified passengers.
- 1,200 permits issued at 14 Sound Transit facilities before program suspension in March 2020.



***Review of peer transit agency  
parking programs***

# WMATA (*Washington DC*)



## Price Per Day

Non-transit riders pay: \$8.70-\$15

## Discounts

Validated transit riders pay: \$3.00-\$5.20

## Reserved Options

Reserved spaces available until 10am

- Monthly permit fee of \$45-65 + the cost of the daily rate

## Multi-Day

Up to 10 days

- 15-17 multi-day spaces allocated at a few stations
- No extra fee

## Priorities

Keep prices artificially low for transit riders

- Serve high demand areas
- Try to stay revenue positive

## Payment

Collected at exit gates

- SmarTrip card, credit cards, coins (no bills)
- ParkMobile app

# LA Metro



Price Per Day	\$2-\$3
Discounts	60% off for monthly carpool permits
Reserved Options	None <ul style="list-style-type: none"><li>• Not consistent with policy priorities</li></ul>
Multi-Day	Up to 72 hours <ul style="list-style-type: none"><li>• Allow for parking over a weekend</li><li>• Pay per day (i.e., no discount)</li></ul>
Priorities	Prevent non-riders from using <ul style="list-style-type: none"><li>• Manage demand (aiming for 80-90% occupancy)</li><li>• Avoid overbuilding parking structures to allow land use flexibility</li></ul>
Payment	Collected via payment machines or mobile <ul style="list-style-type: none"><li>• Strongly encourage mobile payments</li><li>• TAP cards, credit cards, or cash (only enabled at half of payment machines)</li></ul>

# BART (San Francisco Bay Area)



Price Per Day \$3-\$6.30

Discounts All free after 3pm, unless observed utilization is above 90%

- Weekends free unless observed utilization is above 90%

Reserved Options Single, multi-day, and monthly permits available

- Permits cost at least 20% more than daily fee

Multi-Day Up to 20 weekdays

Priorities Maximize access

- Ensure availability
- Board policy establishes price floor and ceiling

Payment Collected via fare machines

- Credit cards and cash (30-40% due to delayed credit card support)
- BART app is also available

# RTD (Denver)



Price Per Day \$4

Discounts Free for in-district license plates for first 24 hours

Reserved Options Reserved spaces available until 10am

- Only in-district customers can use reserved spaces for a \$15 monthly fee

Multi-Day Up to 30 days

- Flat \$4 per day
- \$2 per day for in-district vehicles

Priorities Avoid charging in-district drivers

- Recently obtained the ability to charge, but no political interest

Payment Collected at pay stations

- Enter license plate at station or Parking.com app (50%), credit card (46%), cash (4%)

# *Peer agency takeaways*

## *Highlights*

- Most paid parking programs apply to 100% of parking inventory.
- Allowing administrative adjustment of parking fees helps to achieve policy goals and targets.
- Parking for transit passengers is prioritized with pricing and trip validation.
- Reserved parking requires careful, efficient management with rates set at a premium of the daily fee.
- Reserved parking available for paid, first-come, first-served use after morning peak periods.
- All peers facilitate and encourage mobile payment, but also accept cash.

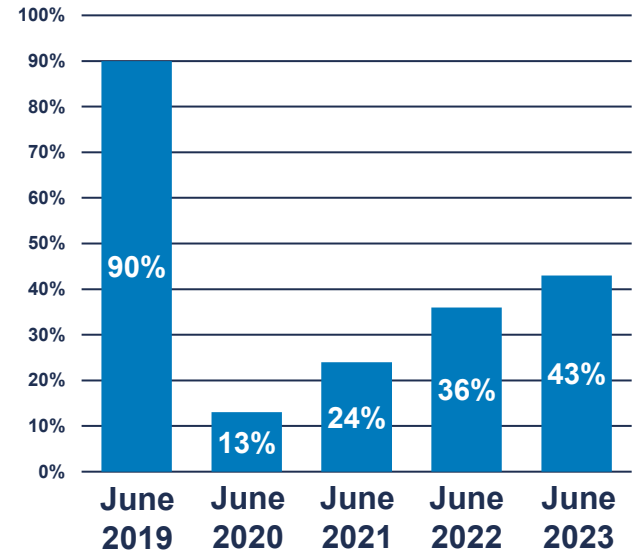


***Where we're going***

# Existing conditions & policy considerations

- Parking demand much lower than 2019 but is growing.
- Unequal demand between facilities.
- Post-pandemic prevalence of remote and hybrid work models may reduce demand for monthly permits.
- Program-wide revenue and cost challenges to overall plan affordability.

Systemwide parking utilization,  
June 2019-June 2023



# Existing conditions & policy considerations

- Some facilities remain very full:
  - Northgate, Tukwila International Boulevard, and Sumner Stations are all reliably above 90%.
- 7 new facilities and 5 existing facilities will have Link service, which will continue to generate higher parking demand.
- Ridership is sensitive to parking availability and parking price.
- Changed conditions for parking demand allow for program evolution.



# Parking program update

## *Probable staff recommendations and needed Board input*

<b>Current program elements to continue</b>	<b>Parking management tools to authorize</b>	<b>What we need Board and public input on</b>
<ul style="list-style-type: none"><li>• Operate a performance-based parking program with established targets.</li><li>• Retain CEO rate setting authority.</li><li>• Retain discounts for reduced fare program users.</li></ul>	<ul style="list-style-type: none"><li>• Expand facility eligibility criteria for managing parking.</li><li>• Authorize daily and multi-day fees and/or permits.</li><li>• Decide whether to offer monthly and/or reserved permits.</li></ul>	<ul style="list-style-type: none"><li>• Whether to change program goals and priorities.</li><li>• If, where, and when to offer reserved parking, and permit types to offer.</li><li>• Potential program alternatives.</li></ul>

***Three possible parking  
program alternatives***

# *Purpose of program design alternatives*

- The purpose of these program alternatives is to illustrate the trade-offs inherent in developing an expanded program.
- We expect that our eventual recommendation will include elements from each alternative.
- We want passenger and public input to help shape this recommendation.
- Equity, ridership, and financial analyses will be performed when staff recommend an expanded program.

# Program design alternatives

	Alternative A	Alternative B	Alternative C
Reserved parking	Yes	No	No
Fee types	Monthly + daily	Daily	Daily
Pricing	Variable	Variable	Flat rate
Where fees apply	Select stations	Select stations	All stations

## Common features of all alternatives

- Performance-based.
- Ability to manage 100% of eligible facilities.
- Discounted pricing for certain passengers (e.g., low-income, HOV).
- Start simple and adjust as needed.

# A. Reserved parking + daily fees

## Key features

- Evolution from already-authorized program by having daily fees in addition to monthly permits.
- Allow for reserved parking at busiest facilities.
- Charge different prices at different locations.
- Use fewer pricing tiers to support a simpler price structure.
- Potential fees: \$2-4/daily; \$45-\$120/monthly.

## Expected effects of this alternative\*



**Ridership**



**Simplicity**

**Key engagement questions: how important are reserved parking options to passengers? Are passengers still interested in monthly parking permits?**



## ***B. No reserved parking + daily fees***

### ***Key features***

- All parking is first-come, first-served and there would not be a reserved option.
- Use frequent, demand-based price adjustment to always leave some parking spaces open.
- Charge different prices at different locations.
- Use more pricing tiers to ensure parking availability.
- Potential fees: \$2-\$10/daily.

***Key engagement questions: how important is reliable access to a parking space to passengers and are they willing to pay higher rates for it?***

### ***Expected effects of this alternative\****



***Parking availability***



***Price at busiest facilities***

## C. No reserved parking + flat daily rate

### Key features

- All parking is first-come, first-served and there would not be a reserved option.
- Charge the same price at **all** parking facilities.
- Flat fee structure would be the most simple to administer and communicate.
- Potential fees: \$4/day.

### Expected effects of this alternative\*

-  **Simplicity**
-  **Ridership**
-  **Revenue**

**Key engagement question: how important is it for passengers to have a simple and consistent program that applies across the district?**

# *Policy questions*

# Parking management program

## Policy questions

- Should we reconsider or reorder program priorities given the post-pandemic change in parking demand?
  - *Grow ridership*
  - *Ensure parking availability*
  - *Recover costs & generate revenue*
  - *What else?*
- What thoughts do you have on the program design alternatives or their key features?

***Next steps***

# *Toward a comprehensive fares strategy*

## *Next steps*

- **August 2023 full Board meeting:** preview public and passenger engagement on fare policy changes, Link fare changes, and daily paid parking.
- **Mid-September to mid-October 2023:** public and passenger engagement period.
- **Late 2023/Early 2024:** potential Board actions to update existing fare policy, change fare levels, and authorize daily paid parking.

*Thank you.*



 [soundtransit.org](https://www.soundtransit.org)

