

Fare Strategy Briefing: Parking Management

Rider Experience & Operations 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

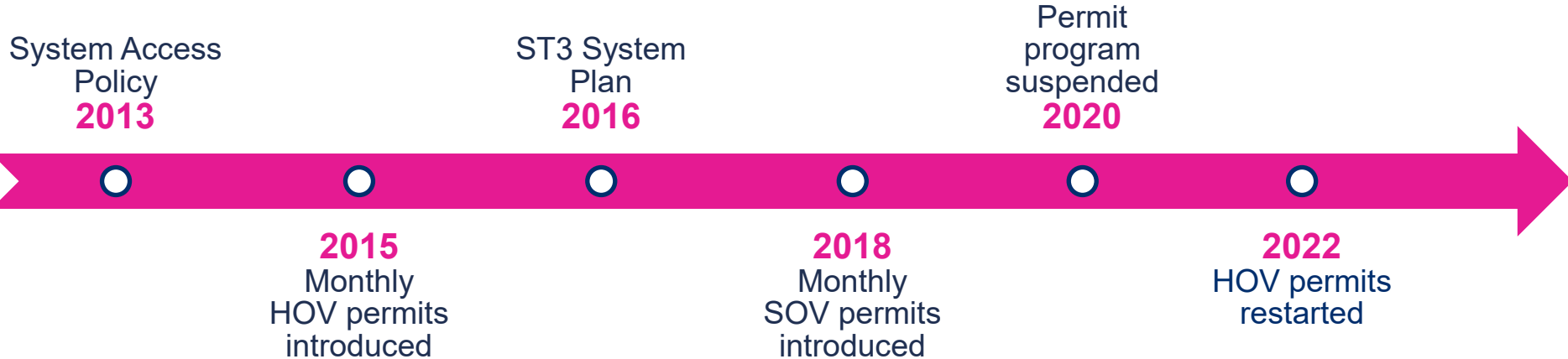
Major policy topics

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

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

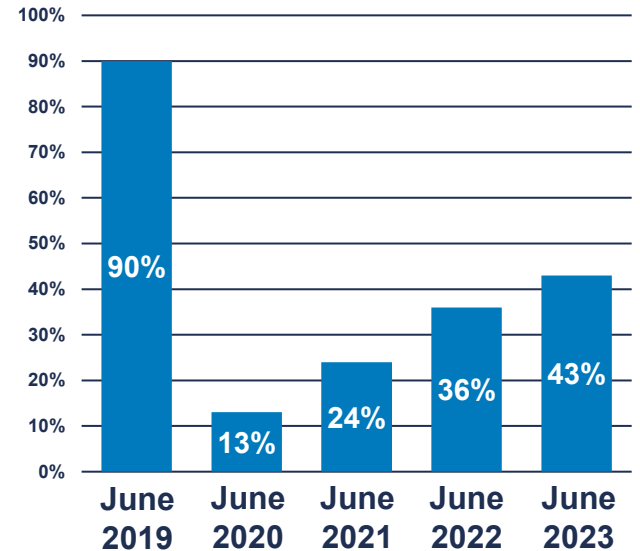
- Most paid parking programs apply to 100% of parking inventory.
- Allowing administrative adjustment of parking fees helps to achieve policy goals and targets.
- Parking for transit passengers is prioritized with pricing and trip validation.
- Reserved parking requires careful, efficient management 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

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

***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.



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