TO: MTC Planning Committee/ABAG Administrative Committee

DATE: May 1, 2015

FR: MTC Executive Director

RE: Value Pricing Pilot (VPP) Parking Pricing Analysis Project: Update

Background

Parking policies have a major impact on travel and land use patterns. In particular, parking policies affect vehicle miles of travel and greenhouse gases, and the cost of housing and commercial development. MTC staff have assisted many local jurisdictions in the development of parking policies to support smart growth over the last decade, providing training, tools, and customized analyses, focused on Priority Development Areas (PDAs). For an overview of work to date see http://www.mtc.ca.gov/planning/smart_growth/parking/

The Value Pricing Pilot (VPP) Parking Pricing Analysis Project is a two year regional initiative led by MTC, to support the development of local and regional parking policies and the implementation of Plan Bay Area. This project is made possible by a $560,000 grant from the Federal Highway Administration (FHWA). A brief presentation was brought to the Planning Committee at the October 12, 2012 meeting, soon after the grant was awarded. A technical advisory committee (TAC) is assisting with development of this project, primarily comprised of dedicated staff from local jurisdictions; other partners include staff from FHWA, the California Department of Transportation (Caltrans), the Association of Bay Area Governments (ABAG), transit agencies, congestion management agencies, the development and business communities, and other community stakeholders.

This project has two major components:

1. A new regional parking database, including supply, policies and occupancy, and related analytical tools for use by local and regional agencies, and
2. An analysis of key parking policy questions and potential regional policy recommendations, for consideration by the Commission.

Work to date and next steps are summarized below.

Regional Parking Database

Through the VPP project, analytical tools are being created to help local jurisdictions evaluate and communicate about parking conditions, and to help consider local policy changes. A regional parking database is now available that includes supply, policies and occupancy information. The database schema defines a standardized organization of local parking data across places and time. Data has been collected for approximately 40 locations (Attachment A). Local parking policies have been collected, including restrictions and prices. We have developed

tools for analysis, for example, "heat maps" can be used to illustrate parking occupancy in a location at a particular time (Attachment B). In this example we see on-street parking in a couple downtown blocks of Santa Rosa is over occupied (shown in red), while there is a great deal of capacity in a nearby parking structure (shown in green). Using a performance pricing concept, prices can be modified so that the locations with the highest demand are priced higher, and the places with the lower demand are priced lower, aiming to achieve an 85% occupancy rate per block. The database also includes extensive case studies and analytical reports on parking policies from throughout the region and beyond. We will be holding workshops to train local jurisdictions in the use of the database and the analytical tools.

Parking Policy Questions, Findings, and Potential Policy Approaches

The second major component of this project is the policy analysis, which provides analysis and recommendations regarding key issues, a central source of best practices and applications, and a forum for adding information. The key issues examined involve:

1. Supply and Demand in the Bay Area
2. Parking Requirements and Unbundling
3. Parking Structure Analysis
4. Employee Programs
5. Regional Parking Pricing Policies

Potential policies associated with these issues include (see Attachment C):

- Support for systematic parking analyses and implementation at the local and corridor level
- Reduced parking requirements and unbundling as a condition for regional funding in certain programs; support for alternative modes for qualifying developments
- Regional requirements for multi-modal and financial analyses of proposed parking structures prior to commitment of regional funding support
- Enforcement of a refined parking cash out program for major employers
- A regional parking fee with a return to source for local transportation demand management.

There is extensive information about each of these policy issues, including the approach taken to address each, relevant case studies, academic papers, new modeling results, and other analyses and findings at the new website created for this purpose: www.parkingpolicy.com.

Next Steps

MTC staff will be completing the database and web interface, responding to input from the TAC and the consultants who are currently beta testing the program. The VPP project funding for the database task will be complete in June 2015. A potential next step is the development of a Regional Parking Database that could strengthen Priority Development Area Plans and Technical Assistance; provide for environmental benefits including a reduction in Vehicle Miles Traveled; and reduced costs related to new housing and mixed-use development. Members of the TAC, including staff from local jurisdictions have expressed strong support for this work.

During the next several weeks, MTC staff and consultants will be working with the VPP TAC to develop a set of potential parking policies that can serve to advance and inform the implementation of Plan Bay Area. MTC staff will update the Planning Committee regarding recommendations for potential parking policies and other next steps in fall 2015.

Steve Heminger

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Data Collected

Legacy Data (14 Sites)

1	Los Altos Downtown
2	Berkeley - Downtown
3	Berkeley - Telegraph
4	Berkeley - Elmwood
5	Walnut Creek Downtown
6	San Carlos Downtown
7	Concord Todos Santos Plaza
8	Oakland - Montclair
9	Mountain View
10	Redwood City Downtown
11	San Leandro Downtown and BART Station Area
12	Oakland Jack London Square
13	San Mateo Downtown
14	Oakland Temescal District

VPP Data (25 Sites)

Alameda Park Street Downtown District
Pinole San Pablo Avenue
Burlingame Caltrain Station Area
Union City Downtown and BART Station Area
Sunnyvale Downtown and Caltrain Station Area
Lafayette Mt Diablo Boulevard and BART Station Area
Dublin BART Station Area and Dublin Boulevard
San Jose N Downtown
San Jose NE Downtown
San Jose S Downtown
San Jose Diridon Station Area
El Cerrito del Norte BART Station Area
El Cerrito Plaza BART Station Area
Millbrae El Camino Real and Station Area
Martinez Downtown and Amtrak Station Area
Gilroy Downtown and Station Area
Emeryville Shopping District
Fairfield Downtown and Amtrak Station Area
Hayward Downtown and BART Station Area
Santa Rosa Downtown, Railroad Square, and Surrounding Areas
Sausalito Waterfront
South San Francisco Downtown
Vallejo Downtown and Waterfront
Albany Solano Avenue
Albany San Pablo Avenue

Application – City of Santa Rosa

Issue	Key Findings	Potential Policy Implications
1. Supply & Demand in the Bay Area	• Supply vs. usage is being analyzed for the 25 new sites, in addition to other studies • Results vary by location, time and price • Excess supply hurts economic development • Unmanaged parking limits customer access, and causes excess VMT and GHG • Business leaders understand the value of managed parking when benefits are communicated clearly. Business benefits are realized after pricing management strategies are implemented.	• Support regional parking database maintenance and outreach • Promote use of a standard methodological approach for analyses of parking conditions. Continue to fund additional studies in PDAs. • Help fund implementation analyses, focused on city policies, user information systems and payment infrastructure at local and corridor levels • Monitor results of local analysis and policy development, and share with local jurisdictions, on a regular basis
2. Parking Requirements & Unbundling	• Reduced or eliminated parking requirements would result in more housing and commercial development in transit priority areas (TPAs) • Developments within TPAs produce less VMT and GHG per capita than those outside TPAs. • Reductions in parking requirements would both result in reduced cost per housing unit and allow for more development of housing within the same "footprint" of land • There is an unmet demand for housing with no or low levels of parking; many cities and lenders have been reluctant to allow such housing	• Incentivize car-free or low parking levels in housing in regional funding programs; programs to be identified • Require reduced parking requirements or unbundling of parking in PDAs as a condition of certain funding (e.g., OBAG) • Include unbundling and parking maximums in regional principles in Cap and Trade AHSC Program • Focus regional funding for carshare for carfree/very low parked housing in PDAs as a GHG/VMT reduction strategy
3. Parking Structure Analysis	• Structured parking typically costs ~$30,000 to $50,000 per space, but drivers are rarely asked to or are willing to pay this amount • Analyses are mixed regarding how much development is needed to fully provide the ridership of a surface lots – from 6 to 10 stories, but the models have limitations • TOD produces more off-peak trips, and more internal trips (e.g., walking to on-site retail)	• Require analysis of alternative access for a site/station, pricing options, and a financial review of costs as a condition for regional funding participation for parking structures • Compare parking structures to mixed use development for impacts (ridership, local property/sales taxes, finances) prior to committing to parking structures

3. Parking Structure Analysis (cont'd)	• Providing access by other modes (walking, biking and local transit) can be less expensive for local trips than providing parking spaces	• Assist in the funding of user information systems regarding parking availability for parking structures, (e.g., BART, Montclair Village)
4. Employee Programs	• Most employees currently park for free • Drive alone mode share to work is significantly decreased where employees must pay to park - one analysis found a reduction of 17%. A Bay Area survey found 77% of commuters drive alone when parking is free, whereas only 39% drive alone when they must pay for parking • The impact of paid parking on mode choice is greater than that of providing other access options, e.g., transit benefits • The current CA Parking Cash Out law is cumbersome and not widely implemented, even within the narrow definition of its application • More data on parking cash out is being collected in Bay Area CBO evaluation	• Require enforcement of CA Parking Cash Out law within the Bay Area / Refine parking cash out for the Bay Area • Work with the Air District to determine the feasibility of a requirement that large employers charge employees for parking as a GHG measure (and potentially spend funds to provide transit / bicycle / carshare benefits) • Require employers to charge for parking in a renewed Bay Area Commuter Benefits Ordinance
5. Enacting Regional Parking Pricing Policies	• Perception of local competition and fear of market response (competition of other business/retail districts) restricts local implementation of major parking reforms, outside a few brave cities • Many people, especially the Millennials, are open to reduced parking benefits in exchange for other benefits (transit, bicycling, carshare memberships) • More people are open to parking charges if/where/when payment it is convenient (good user information, multiple payment options) and perceived to be fair or a benefit to the local area (e.g., local improvement district).	• Define and assist in funding systematic parking management systems for local jurisdictions, including ongoing reviews of experience with alternative technologies • Analyze regional parking fee options to reduce VMT/GHG, for use for TDM/carsharing with return to source to participating entities (local cities/CMAs/transit agencies)