

City of Olympia Parking Strategy: Strategy 2 [Current Draft]

Strategy 2: Improve On-Street Parking

2.1: Consider price increases to encourage turnover where the data supports a change in price. Prioritize short-term parking in the Downtown core and adjust pricing if necessary to manage to the 85% rule to ensure the right spot for the right person. Monitor pricing of on and off-street facilities to ensure on-street facilities are priced based on higher demand.

During times of high parking demand many blocks in the Downtown core had occupancies at 85% or greater. Overall, the weekday on-street peak occupancy observed in the core was 78% between 12pm and 1pm and observed occupancy was 50% or below at all other times. Therefore, even at peak occupancy of 78% there were 127 stalls available in the core. At all other times during the weekday data collection there were 275 stalls or more available in the Downtown core. Parking occupancies should be kept at 85% or below to maintain an available parking stall on each block at all times. Parking occupancies at 85% or below provide a good customer experience and access to local businesses. Price increases should be modest to start, but should continue to increase to effectively manage demand at peak times and generally keep occupancies at 85% or below on each block.

The current price at two-hour parking meters of \$1 per hour has not increased in several years. To make parking more available to customers and visitors the City should increase the hourly price in the Downtown core from \$1 to \$1.50. The City should monitor parking demand and turnover following the price increase to assess how on-street behavior changes. As necessary, the price should be increased to maintain parking occupancies at 85% or below in the Downtown core. The City should also consider eliminating the allowance for the first 15 being free, which would better manage parking demand while providing increased revenues to support parking management and potential improvements Downtown. The impact of eliminating the 15 minutes of free parking is discussed in more detail below as part of strategies 2.2 through 2.4.

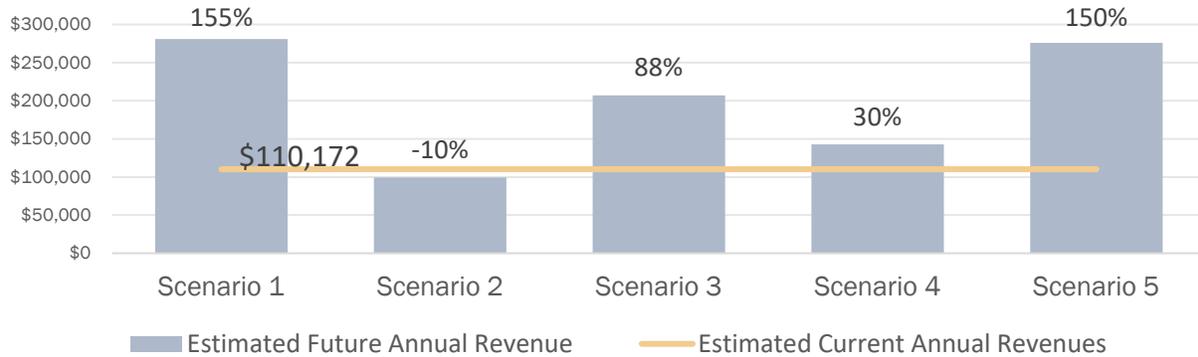
Timeline: Short to mid-term

Estimated Costs: Staff time to implement the price increase and monitor the parking system to understand changes in parking demand.

Estimated Revenues: As shown in Figure 12, estimated current annual revenues in the Downtown core are around \$110,000 based on observed weekday parking demand. Five scenarios are tested, and visualized in the chart, that show the range of potential revenues available with the implementation of various management policies, including elimination of 15-minute parking, no charge from 8am to 9am, elimination of 9-hour parking in the core, and new hourly pricing. These estimates are based on current conditions and targeted policy changes but cannot accurately account for the variation in occupancies from day-to-day, month-to-month, or season-to-season. However, the chart in Figure 12 provides a way to visualize the order-of-magnitude comparison in revenues between different management policies. The policies for each scenario are described in the table that follows the chart, with the estimated current annual revenues assuming all current policies apply. For each scenario, the policy changes that differ from the current policies are bolded.

The Park+ model occupancies used for scenarios 2 through 5, where parking management policies are implemented, indicate that the occupancies in the core would decrease a fair amount with the increase in hourly parking price, which is why greater revenue gains are not seen in scenarios 2 through 5. However, the decrease in on-street occupancies in the core comes with an increase in on-street occupancies outside the core, where revenues would be expected to increase as well given the shift in parking from within the core to outside the core.

Figure 1. Estimated Future Downtown Core Parking Revenues, by policy change scenario.



Assumptions	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Occupancies	▪ Current occupancy and turnover*	▪ Park+ occupancy for parking management scenario**			
Holiday parking	▪ Eliminate free holiday parking	▪ Free holiday parking	▪ Eliminate free holiday parking	▪ Free holiday parking	▪ Eliminate free holiday parking
First 15 minutes free	▪ Eliminate 15-minutes free	▪ 15 minutes of free parking	▪ Eliminate 15-minutes free	▪ 15 minutes of free parking	▪ Eliminate 15-minutes free
Paid parking from 8AM – 9AM	▪ Paid parking starts at 8AM	▪ Paid parking starts at 9AM			
9-hour meters converted to 3-hour meters	▪ No conversion	▪ 9-hour converted to 3-hour			
Pricing	▪ Varies	▪ \$1.50	▪ \$1.50	▪ \$2.00	▪ \$2.00

*Model assumes parking occupancy based on Park+ scenario 1 in Appendix F. Where the 9-hour meters are converted to 3-hour meters, the meters that were previously 9-hours assume the current occupancies for a 3-hour meter given that behaviors will change under the new policies.

**See Appendix F for more information on the scenarios tested. This analysis includes existing conditions with new parking policies implemented.

2.2: Implement paid parking and enforcement on Saturdays between 9AM and 5 PM in the Downtown core.

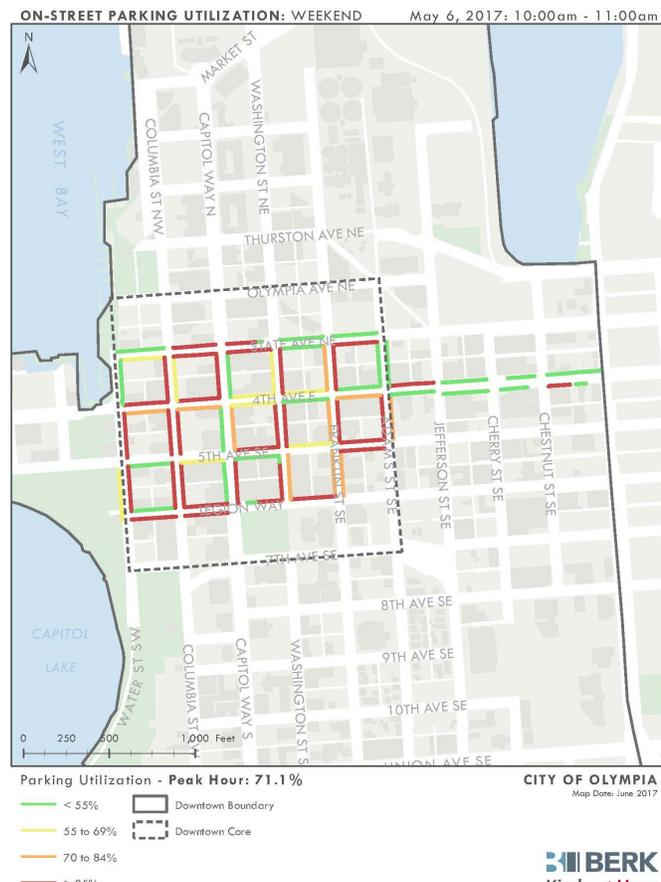
Data collected in the core on a Saturday showed high occupancies and longer durations than on weekdays (see Figure 13 on right). High demand and low turnover are likely caused by free parking and no time limits. Off-street data collected on Saturday showed lower occupancies even in free public parking lots in the core. To increase the availability of prime on-street parking in the core and access to local businesses the City should implement paid parking in the core on Saturdays. This will require the City to enforce paid parking and time limits on Saturdays. The City should charge the same rate per hour on Saturdays in the core as they charge on weekdays in the core and monitor parking demand after paid parking is implemented. If occupancies approach 85% or higher the City should increase the price of parking to reduce demand for on-street parking and encourage people to use off-street parking for longer-term parking needs.

Timeline: Short to mid-Term

Estimated Costs: Costs include an additional parking enforcement officer with an estimated cost for salary and benefits of \$70,000, staff costs to update the Municipal Code, and updated signage and communications regarding weekend paid parking rules. Parking revenues should offset the costs for implementing weekend paid parking and enforcement. The new enforcement position would also support existing parking operations, management, and enforcement on weekdays.

Estimated Revenues: The following revenue estimates assume that paid parking enforcement occurs between 9AM and 5PM in the Downtown core, and that all 9-hour spaces are converted to 3-hour stalls (which is consistent with other implementation strategies). Given these conditions, the estimated annual revenue for Saturday paid parking based on an hourly rate of \$1.50 is about \$233,000 when the first 15 minutes are free, and around \$292,000 when the policy for 15-minutes of free parking is removed. Any paid parking option on Saturday would result in an increase in revenues as there is currently no charge to park in Downtown on the weekends.

Figure 2. Weekend Core Parking, On-Street



Source: Kimley-Horn, 2017; BERK, 2017

2.3: Convert 9-hour meters in the Downtown core (as shown in the data collection summary) to short-term visitor parking. There are currently 61 9-hour meters in the core.

To increase short-term customer and visitor parking in the Downtown core the 9-hour meters should be converted to 3-hour meters. Currently residential and employee on-street permit holders can park in the 9-hour meter stalls even in the Downtown core. This reduces parking turnover and the overall availability of short-term parking in the Downtown core to support access to local businesses.

Timeline: Short to mid-term

Estimated Costs: To upgrade the existing coin operated meters in the core to the newer credit card meters would cost \$675 per meter or a total of around \$41,000 for 61-coin operated meters. The only cost to the City to implement Pay-by-Phone is staff time to install signage. Pay-by-Phone charges the user a transaction cost of \$0.35 unless the City chooses to absorb the cost as part of the parking fee. The City is currently in the process of implementing Pay-by-Phone.

Estimated Revenues: Revenues collected from the conversion of 61 9-hour meters in the Downtown to 3-hour meters on weekdays would range from around \$22,000 to \$43,000 (see Figure 14), depending on the implementation of additional policies, such as pricing, eliminating the 15 minutes of free parking, and eliminating free holiday parking. The revenue estimates assume that paid parking is enforced from 9AM until 5PM.

Figure 14 shows the estimated current revenues from the 9-hour meters within the Downtown core, as compared to various policy scenarios for future revenue collection shown in Figure 15. When applying the 3-hour conversion to the revenue estimates, assuming occupancies and turnover at the meters would be consistent with those observed at current 3-hour meters, there would be little change to revenues unless the 15 minutes of free parking were to be eliminated. Eliminating 15 minutes of free parking in the current 9-hour meters would result in around 25% greater revenues annually from these 61 meters, while converting to 3-hour parking and eliminating the 15 minutes of free parking would result in around a 100% increase in revenues annually.

The policies for each scenario are described in the table that follows the chart, with the estimated current annual revenues assuming all current policies apply. For each scenario, the policy changes that differ from the current policies are bolded.

Figure 3. Estimated Future Revenues from 9-Hour Meter Conversion to 3-Hour Meters

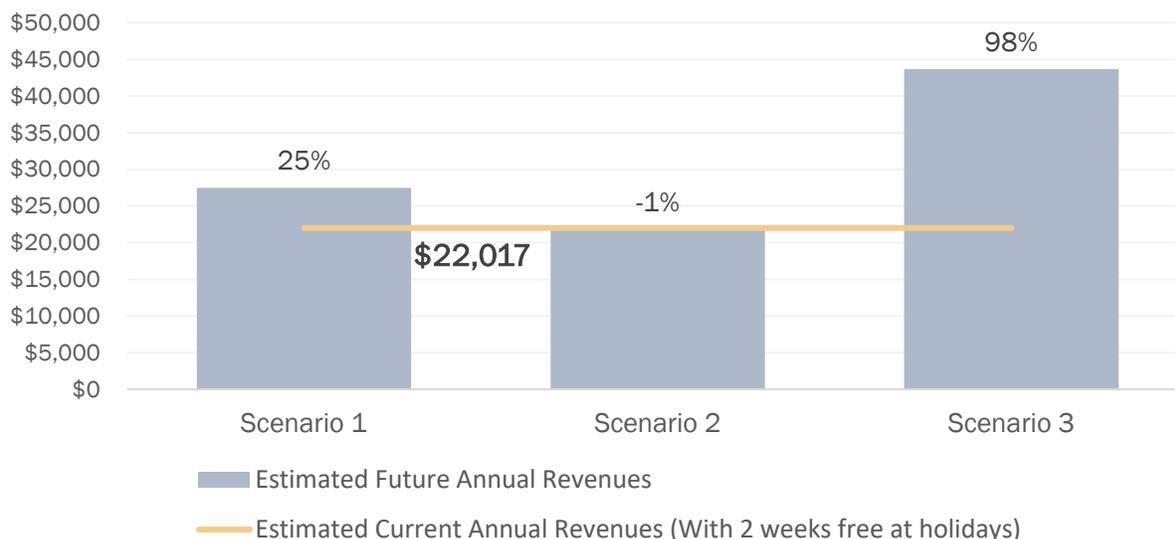


Figure 4. Policy Scenarios for 9-Hour Meter Conversion to 3-Hour Meters

Assumptions	Scenario 1	Scenario 2	Scenario 3
Occupancies	Current 9-Hour Occupancy and Turnover*	Current 3-hour occupancy and turnover*	Current 3-hour occupancy and turnover*
9-Hour Parking in Core converted to 3-Hour	No conversion	9-hour converted to 3-hour	9-hour converted to 3-hour
Pricing	\$0.50	\$1.50	\$1.50
Eliminate 15-Minutes Free Parking	Eliminate 15-minutes free	15 minutes of free parking	Eliminate 15-minutes free
Eliminate Free Holiday Parking	Eliminate free holiday parking	Free holiday parking	Eliminate free holiday parking

*Estimates assume the existing occupancy and turnover rates, using the 9-hour occupancies for current revenues and the 3-hour occupancies for estimating the converted meter usage once the 9-hour have been changed over to 3-hour.

City of Olympia, 2017; Framework, 2017

2.4: Collect data and monitor parking demand to analyze the impacts of 15 minutes of free parking, when time limits and enforcement are in effect, free holiday parking.

Currently the first 15 minutes of on-street parking is free, which significantly reduces parking revenue to the City and may be in contrast with the strategies to improve parking demand management in areas with the highest demand. For example, the average length of time a vehicle was parked in a 2-hour or 3-hour space in the core during the weekday data collection was a half hour, resulting in the City receiving about half the revenue in those locations than if the 15 minutes free policy were eliminated. This loss of



revenue reduces the resources available to the City to support parking management and other improvements to implement the Downtown Strategy and improve the overall experience in the Downtown. Eliminating the 15 minutes of free parking may also help manage parking demand and increase on-street parking availability in high demand areas.

The City also offers free parking for two weeks during the holiday season when parking demand is typically the highest. Time limits are enforced during the two-week parking holiday. Parking pricing is one of the most effective ways to manage demand and increase access to Downtown. Therefore, offering free parking during the highest demand times may contrast with the parking strategy to use price increases to manage parking demand. The City should collect parking occupancy and turnover data during the parking holiday to ensure that parking management is increasing access to local businesses in the Downtown.

On-street parking time limits are currently in effect Downtown from 8am to 5pm Monday through Friday. Data collected during the weekday data collection period showed very low parking occupancies between 9am. The City should consider revising the on-street time limits to be in effect from 9am to 5pm. The City may consider extending time limits to 6pm as evening demand increases.

Timeline: Short to Mid-term

Estimated Costs: See the discussion of costs and revenues under strategies 2.2 and 2.3 above.