

# Active Parking Management & Pricing

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Source: FHWA



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# Overview

- FHWA's Parking Pricing Primer as groundwork
- “Performance pricing” street meters
- Pricing employee commuter parking
- Pricing on-street parking (to avoid spillover impacts of land use activities)
- Identifying and rectifying “pricing gaps”
- Newer FHWA parking pricing projects and approaches



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# FHWA's Parking Pricing Primer— General Observations

- Tremendous breadth and depth of parking pricing strategies
- A number of unique and tailored parking pricing policies
- New technologies and demonstrated successes are revolutionizing parking pricing and management, especially on-street visitor and loading zone parking



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# Performance pricing street meters

- According to *The Cost of Free Parking* (Shoup, 2011), where studied, 8-74% of city traffic (30% on avg.) was caused by motorists circling (for an avg. of 8.1 minutes) for underpriced parking
- FHWA studies are more accurately ascertaining parking cruising levels
- Using pricing and technology (e.g., occupancy sensors, smart video, and pay by cell) to achieve parking availability targets
- Notable successes with SFpark (citywide performance parking as of 2018), LA Express Park, parkDC, and the lower-tech Seattle parking pricing, but disabled placard abuse remains problematic
- More prices go down than up, but higher prices occur with higher occupancy causing meter revenue to rise (offset by lower enforcement revenue)
- Substantially expanded price/convenience options



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# Pricing employee parking

- 95% of private-sector employees receive free parking v. 6% who receive transit benefits
- Equalizing parking and non-parking benefits through cash out and transportation allowances works:
  - Eight-site Los Angeles study showed cash out to cut drive-alone commutes from 76% to 63% of total
  - CH2M Hill in Bellevue, WA converted free parking to a travel allowance, cutting SOV commuting from 89% to 64% (Shoup, 2011)



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# Pricing on-street residential to avoid spillover impacts from land uses

- An FHWA Value Pricing Pilot Program project in King County, WA, showed the housing affordability benefits of separating out residential parking charges from housing rents (see this resulting tool: <http://www.rightsizeparking.org/>)
- One community concern about limiting or pricing on-site residential parking is spillover to neighborhood streets
- Appropriately pricing on-street residential parking, and other competing parking uses, would preclude saturation of such parking regardless of how much on-site residential parking is or is not provided



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# Residential Parking Permit Reforms

- Communities may limit permit numbers per household or overall
- Eugene, OR and Toronto, ON charge permit fees based on demand, sometimes reflecting household characteristics such as number of permits sought and off-street parking availability
- In cities with excess capacity after accommodating residential “demand” for free parking, there has been success in deploying significant non-resident parking charges (through special non-resident monthly permits, but pay-by-cell instead of special permits is possible today)
- Benefit districts can enable compliance with laws that prohibit fees exceeding program costs
- Temporarily grandfathering rates for existing residential users may be necessary for public acceptance of broader market pricing



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# Parking Pricing Opportunities Checklist

- Parking meter prices may be set to meet performance goals
- No locality (except CA cities subjected to the limited state law) mandates parking cash out
- Communities are struggling with residential on-street parking competition and are sometimes deploying parking pricing to address it
- Creative parking pricing strategies are being deployed, but the most innovative practices are not well known and are rarely replicated

*FHWA has completed eleven parking pricing and management regional workshops focusing especially on SFpark and Right Size Parking successes*



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# Somewhat Newer FHWA Value Pricing Parking Projects and Results

- Flexible multimodal commute benefits and daily parking pricing replacing annual university parking permits (MIT and U.C. Berkeley)
- Developing new types of markets for parking pricing (Seattle park & ride, and Lake Tahoe tourist parking)
- Applying “asset-lite” but still information-rich approaches to performance parking (DC Penn Quarter pilot)
- Testing new strategies to influence daily parking demand (reverse “second price” daily parking auction with U.C. Berkeley parking permit holders; never-implemented Stanford program incentives to shift from close-in to more distant parking on highest-demand days)



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