Parking Meter Program Briefing

**Background**
August 9, 2012 City Council adopted the concept of Parking Modernization which entailed a three-pronged approach:
- Technology & Rates
- Expansion
- Legislation

Metered parking is a tool for making efficient use of curb space to create a functioning market for convenient parking. In the current market, the most convenient spaces cost less than less convenient spaces. To date, over 4,000 smart meters have been installed and are accepting credit cards, coins and mobile payments.

**The City of Sacramento Selected Parking Assets Report**
In 2008, Walker Parking Consultants were hired to assess the Parking Services operation for efficiency and best practices. In 2014, Walker published a 61-page document outlining the implementation of these best practices to support the current and future development of Sacramento parking supply.

**Dynamic Pricing Goals & Objectives**
- The purpose of dynamic pricing is to encourage parkers to use the parking garages as a less expensive, long-term option.
- The meters should be used as a short-term parking option to increase turnover to achieve 85% occupancy
- Customers have the option to manually feed the meter or use Parkmobile to extend time

**Stakeholder Meetings**
Since February 2015, parking staff has met with the Executive Board and various business associations, residents, Executive Office members to outline the proposals and discussion items that staff wish to present at the November 10th City Council meeting.

**Parking staff plan to request the following items for approval by the City Council:**
- Meter rate increase from $1.25 per hour to $1.75 per hour
- SPOTzone Pilot programs on select meters in Old Sacramento and the Handle District (see details below)
**Proposed Dynamic Pricing Model - SPOTzone (Special Parking Over Time)**

- The consumer has the flexibility to extend a parking session beyond the posted time limit by purchasing additional time either manually at the meter or via mobile app. A tiered pricing structure will be implemented in an effort to increase availability, support businesses and reduce congestion.

  - The following example is for a 2-hour posted time limit:
    - **Hour 1 & 2** - Tier 1 – Market Rate ($1.75 per Hour)
    - **Hour 3** - Tier 2 – Cost of City Parking Facility per hour rate ($3.00)
    - **Each Hour Thereafter** - Tier 3 – 25% premium of Tier 2 ($3.75)

![Dynamic Pricing Table]

- **Pilot Area 1**, SPOTzone on 10 parking meters on the north side of J Street between 2nd & Firehouse Alley in Old Sacramento for **30 days**.
- **Pilot Area 2**, SPOTzone on 13 meters located near 18th and L Streets in the Handle District for **30 days**.

**SPOTzone - Event Pricing Model**

The consumer has the flexibility to extend a parking session beyond the posted time limit by purchasing additional time either manually at the meter or via mobile app. A tiered pricing structure will be implemented. Tier 2 pricing will be a flat rate amount for those who choose to stay to attend the event. This model also allows short-term parking to support businesses.

![Dynamic Pricing Table - Event]

**SPOTzone Costs:**

Sensor retrofit kits are available for $300 each. The full cost to retrofit 4,000 parking meters is **$1.2M**. Funding is available by forgoing the purchase of 1,500 additional parking meters and using the existing financing monies available. Meter revenue is expected to increase by 10% to 25% with the implementation of this technology.
**Discussion Items:** The following are concerns that staff will bring to the attention of City Council on November 10th to place under discussion. These are not proposals that will require approval by the Council at that meeting.

**Extending Parking Restriction Hours:**

**Current Parking Restriction Parameters**
General areas: 8:00 a.m. to 6:00 p.m., except Sundays and holidays.  
Old Sacramento: 10:00 a.m. to 8:00 p.m., 7 days  
Wells Fargo Pavilion Area: 8:00 a.m. – 10:00 p.m., 7 days

**Restriction Hours for Discussion:**
General areas: 8:00 a.m. to 2:00 a.m., 7 days  
Old Sacramento: 8:00 a.m. to 2:00 a.m., 7 days  
Wells Fargo Pavilion Area: 8:00 a.m. – 2:00 a.m., 7 days

**Free Holiday Parking**
The City offers modified parking hours on weekdays that are free after 4:30 p.m. and free all day on weekends starting the day after Thanksgiving through December 25th in downtown, midtown and Old Sacramento. It is recommended that this program is discontinued or modified in event zones.

**Unrestricted Parking Spaces:**
Currently there are 6,544 parking spaces within the Central City that have no parking restrictions. Each parking space within the central City shall have controls on them. Controlled parking could include time zones or parking meters.

After business hours, passenger and loading zones convert to free parking zones, which prevent turnover of parking spaces. Consideration to add and enforce meters at these locations afterhours will increase the parking supply.
SPOTzone PARKING CONCEPT

SPOTzone 3+ hours
Special Parking over Time
No Maximum stay rate increases after 3 hours
See Meter for details

SPOTzone 2+ hours
Special Parking over Time
No Maximum stay rate increases after 2 hours
See Meter for details

SPOTzone 1+ hours
Special Parking over Time
No Maximum stay rate increases after 1 hour
See Meter for details
WHAT IS PARKING IMPROVEMENT PLANNING?

To ease traffic congestion and make the parking experience easier, the City of Sacramento is in the process of modernizing parking services. The City is already in the process of upgrading technologies to make paying for parking much more convenient. In early 2014, the City installed 4,300 solar-operated, single-space meters that accept multiple forms of payment. This includes the ability to pay for parking using a mobile device, such as a smartphone or tablet, with the Parkmobile app.

The City is currently conducting research before bringing a proposal of parking improvements to City Council for consideration. The proposal is a subset of recommended items outlined in a 2013 report by Walker Consulting entitled “City of Sacramento: Market, Financial and Condition Assessment of Parking Assets.” This research is a continuation of the City’s ongoing modernization efforts that it has been implementing for the past two years. In 2012, City Council adopted the concept of “parking modernization,” including the implementation of technology, rate changes, and expansion to better manage supply and demand, promote turnover, and simply make parking more convenient.

WHY CONSIDER CHANGES TO THE PARKING PROGRAM IN THE CENTRAL CITY?

As Sacramento continues to evolve, the City needs to improve the current flow of traffic to accommodate the smart growth it desires. The proposed parking changes will better manage supply and demand during a time of increased activity with new developments, the arena construction, and the City’s commitment to the Mayor’s 10,000 new housing unit initiative. This effort is about preparing the Central City to undertake a renaissance.

WHAT ARE THE INITIAL CHANGES BEING PROPOSED?

The City is currently conducting research before bringing a proposal of parking improvements to Council for consideration. As part of the proposal, the City will be asking Council for approval on two items: a pilot study on a newly developed program called SPOTZone (Special Parking Over Time), and an increase in the parking meter rate from $1.25 to $1.75.

**SPOTZone**

The City of Sacramento is evaluating various Demand Parking Management pricing models citywide to effectively manage parking turnover, which adds value and convenience to users. The Parking Services Division proposes to conduct a pilot study on a newly developed program called SPOTZone (Special Parking Over Time). The program offers drivers the option of extending their metered parking session beyond the posted limit. Pricing for additional time will be determined by a tiered-rate structure (Tier 1, Tier 2, and Tier 3).

- Tier 1 pricing will be the regular meter rate, up to the posted time limit; and
- Tiers 2 and 3 pricing will consist of premium rates, should the driver choose to remain parked at that meter beyond the posted time.
The program structure is intended to increase the availability of on-street parking spaces to support residents and businesses in the midtown and downtown area, and is also intended to reduce traffic congestion in the city. The goal of the SPOTZone pilot study is to properly assess the effectiveness of the pricing model. The results will be used as guidelines to determine if SPOTZone will provide a balance in the parking supply between the needs of businesses, residents, and visitors.

The SPOTZone pilot project will be conducted on selected parking meters in Old Sacramento, and in the Handle District at 18th and L Streets. All meters in the SPOTZone pilot areas will be equipped with sensors to identify when vehicles have left the parking spots.

**Meter Rate Increase**

The City has not increased parking meter rates since 2008. In the last decade, the City has installed parking meters that accept credit cards, which is an enormous convenience to customers. An increase in the parking meter rate from $1.25 to $1.75 is recommended to help offset credit card fees; operating costs such as communication fees; and equipment maintenance costs, which are continually escalating. To require credit card users to pay an extra amount to cover only the credit card transaction fees will not alleviate the on-going expenses associated with transactions, such as communication fees, operations and equipment maintenance.

Additionally, the current meter rate does not support the turnover needed to provide available parking to businesses, visitors, and residents. Common industry practice is to conduct comprehensive rate surveys of meter rates every five to ten years to ensure parking turnover is consistent with cities of similar population and growth. An increase to $1.75 per hour in Sacramento will still be less than the average $2 meter rate among similarly sized cities in California.

**WILL METER FUNDS BE USED TO FINANCE THE GOLDEN 1 CENTER?**

**No, meter funds will not be used to fund the Golden 1 Center.** Sacramento City Code section 10.40.130 requires that meter funds be used for the proper regulation and control of traffic upon the public streets; to provide for public vehicular off-street parking facilities; to cover the cost of the supervision, inspection, installation, maintenance, control and use of the parking spaces; and regulating parking of vehicles in the parking meter zones. Therefore, by Sacramento City Code, parking meter revenue cannot be used to finance the Golden 1 Center.

To date, meter revenue has only been applied to expenses such as traffic control, labor, services, supplies, inspection, installation, maintenance of parking spaces, and administrative costs. The additional meter revenues generated from any meter rate increase will be applied pursuant to the Sacramento City Code.

Of the City's estimated $8 million to $20 million annual payment due on the Golden 1 Center bonds, about $6 million will come from the Parking Enterprise Fund, which consists of revenues from off-street parking such as parking lots and garages. None will come from parking meter revenues. The remainder of the funding will come from lease payments and property taxes made by the Sacramento Kings.
HOW WILL EVENT PRICING WORK ON THE METERS?

Staff is also researching Special Event pricing that will set on-street meters to a flat-rate price during specific times and hours to accommodate events. For those who choose to park only short-term, they may park and pay the current meter rate up to the posted time limit. If they plan to remain at the meter longer, payment of the Special Event flat rate will be required. The event pricing start and end times will vary according to the event.

There will be event zones posted that reflect Event A, Event B or Event C. Meters in closest proximity to the event epicenter will be considered the Event A zone and will be at the higher flat rate than event zones B and C. Meters in the Event C zone will be the lowest of the three event zones. At this time, the proposal is to have each event zone span three city blocks with Event A being three city blocks immediately surrounding the event epicenter.

See this graphic for a view of the footprint of the future Golden 1 Center and the blocks of parking within walking distance of the arena. The outline shows the same radius of the parking lot at the current Sleep Train Arena in Natomas. [link]

For those who choose to park only short-term, they may park and pay the current meter rate up to the posted time limit. If they plan to remain at the meter longer, payment of the Special Event flat rate will be required.

For example, there is an evening event and pricing in Event A is set from 4-9 p.m. for a flat rate of $15. There is a SPOTZone meter space located in Event A that is marked “2+”. A short-term parker may park at that meter and pay the regular hourly meter rate for up to 2 hours. However, if that parker chooses to stay past two hours, an additional payment to reach up to the $15 flat rate will be required. This additional payment must be done directly at the meter or via Parkmobile prior to meter expiring at the second hour.

WHAT DOES EXTENSION OF PARKING ENFORCEMENT HOURS MEAN?

Extension of parking enforcement hours relates to extending the length of time a restriction is placed on a parking space or area. At the present time, most areas in the Central City have restrictions suspended after 6 p.m. This means that after 6 p.m., most meters do not require payment, vehicles may park in residential permit areas without a permit and time limits are not enforced. The City is still conducting outreach and vetting ideas to make parking more convenient for its residents, visitors, and businesses. The details regarding extending the length of restricted hours on meters, time-regulated spaces and residential permit areas from 6 p.m. – 2 a.m. are still up for discussion and are not part of the two requests that Parking staff plan to bring to City Council.

Longer restriction hours for these zones allows for better access to on-street parking supporting businesses and residents in the Central City. Free on-street parking creates an inequity when drivers park long-term at metered and unregulated spaces. Turnover may be achieved by encouraging long-term parkers to use off-street parking options, resulting in an increase of available on-street parking spaces for short-term parkers or residents in residential permit areas. This will also help improve traffic control and reduce traffic congestion in impacted areas of the city.

Extending restricted hours on meters, time-regulated spaces and residential permit areas past 6 p.m. is not a new concept in Sacramento. Currently, in Old Sacramento, 247 meters are enforced up until 8 p.m. The streets surrounding the Wells Fargo Pavilion also have 12 meters and time zones enforced until 10 p.m. to support events in that area. In addition, there are various neighborhoods throughout the Central City, especially near hospitals, with 24-hour parking restrictions allowing only residential permit parking.

When meter payments, time regulations and residential permit requirements end each night, it does not mean that Parking Enforcement Officers are no longer on duty. There are still other parking-related issues that require attention throughout the night. Therefore, extending restricted hours on meters, time zones and residential permits in those areas that do not currently have them will not require additional expenses as officers are already on duty.
HOW WILL I PAY FOR THE METER IF PAYMENTS ARE REQUIRED PAST 6 P.M.?

Presently, parking meters do not require payment past 6 p.m., with the exception of meters in Old Sacramento and on select locations near the Wells Fargo Pavilion, where clubs, restaurants and entertainment venues exist. In those areas, payments are usually done either at the meter or by using Parkmobile, which can be accessed by calling (916) 722-7275 or downloading the free app from www.parkmobile.com onto a mobile device. Similar to paying for a meter during the day, the amount of time needed to park is determined by the parker and payment for that time is made in advance. On occasions when parkers need to stay a little longer than expected, additional payments may be made at the meter or remotely through Parkmobile as long as the stay does not violate the posted time restriction.

WHY ARE RESIDENTIAL PERMIT ZONES NOT RESTRICTED TO RESIDENTS ONLY AFTER A CERTAIN TIME OF EVENING?

The determination of where residential permit zones are designated and the particular times of permit enforcement are made through a series of resident petitions, traffic studies, voting by affected property owners and finally approval by the Sacramento City Council if the votes are in favor of the proposed restrictions. If you wish to have more residential parking permit requirements for your area, please visit www.sacpark.org and choose “Parking Permits” from menu on the left side of the screen, then click on “Residential Parking Permit Program” to learn more about how to start the process.

WHEN WILL ONLINE SERVICES FOR RESIDENTIAL PERMITS BE AVAILABLE?

Residential permits consist of three types of permits:

- Vehicle Permits (sticker)
- Visitor Permits (placard)
- Temporary Permits (placard)

Parking Services is currently working with a third-party vendor to develop an online portal to either register or print out Temporary Permits that are valid for 24 hours per permit. This will offer residents the flexibility to have guests visit at any time, with a maximum number of passes assigned to each household. It has not yet been determined what the maximum number will be limited to and whether this limit will be assessed by month or by year. All these factors depend on the capability of the online system offered by the vendor. The idea is to allow residents to have an online account to allow them to register the license plates of their guest vehicles to avoid the necessity of displaying a permit. This will also provide easier enforcement utilizing the existing License Plate Recognition (LPR) technology for guest vehicles or residents with new vehicles that do not have license plates available, residents have the option to print out a paper permit to display on the vehicle dashboard. Printed permits will expire 24 hours from the time they are ordered online.

The focus of this new feature will be only on Temporary Permits at this time as residents have expressed a greater need for this flexibility. If successful, then additional features such as the ability to renew Vehicle permits and Visitor permits online will be added. The goal for renewals is to allow residents to scan documents such as DMV registrations and proof of residency online and then choose to have the permits mailed or picked up in the Revenue Division at will call.
CAN PARKING ENFORCEMENT BE SUSPENDED TO ACCOMMODATE LARGE GATHERINGS OR SOCIAL EVENTS?

Yes, residents can contact Parking Services to request parking enforcement be suspended to accommodate large gatherings or social events. To avoid the need to visit the Revenue Division to acquire numerous Temporary Permits, residents should make requests no later than 48 hours in advance. Residents are required to notify their affected neighbors that enforcement will be suspended.

Requests to suspend enforcement for gatherings or events may be called in to the Sacramento City 311 at (916) 264-2011. Agents are available 24 hours a day, 7 days per week. Requests may also be emailed to: ParkingCSR@cityofsacramento.org. Please include in the request:

- Full name of resident
- Address where gathering or event will take place
- Reason for gathering or event
- Start and end time of the event, or the block of time suspension is needed to accommodate when guests arrive and leave
- Date of event
- Contact phone number

Requests are not approved until the resident is notified by the Parking Services Division on the status of the request. Repeated requests for gatherings that occur on a regular basis (i.e. weekly club meetings, nightly study groups) require Temporary Permits if parking is needed during enforcement hours. Suspension of enforcement is intended to accommodate social gatherings and events that do not occur on a regular basis.

HOW CAN WE STAY UPDATED ON THE PROGRESS OF THESE PROPOSALS?

Please visit www.sacpark.org for updates on the Parking Improvement Planning effort.