The High Cost of Free Parking

DONALD SHOUP
All transportation systems have three basic elements:

<table>
<thead>
<tr>
<th>Vehicles</th>
<th>Rights of way</th>
<th>Terminal capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trains</td>
<td>Tracks</td>
<td>Stations</td>
</tr>
<tr>
<td>Airplanes</td>
<td>Sky</td>
<td>Airports</td>
</tr>
<tr>
<td>Ships</td>
<td>Oceans</td>
<td>Seaports</td>
</tr>
<tr>
<td>Cars</td>
<td>Roads</td>
<td>Parking spaces</td>
</tr>
</tbody>
</table>
Who pays for free parking?

Everyone but the motorist.
Zoning has three basic components

1. Permitted uses, such as residential, commercial and industrial zones
2. Permitted bulk—regulated by floor-area ratios, height limits, setbacks, and open-space requirements
3. Off-street parking requirements
Two Mistakes in Parking Policy

1. Keep curb parking free or cheap
2. Require lots of off-street parking
## A parking requirement sampler

<table>
<thead>
<tr>
<th>Category</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barber shop</td>
<td>2 spaces per barber</td>
</tr>
<tr>
<td>Beauty shop</td>
<td>3 spaces per beautician</td>
</tr>
<tr>
<td>Nunnery</td>
<td>1 space per 10 nuns</td>
</tr>
<tr>
<td>Rectory</td>
<td>3 spaces per 4 clergymen</td>
</tr>
<tr>
<td>Sex novelty shop</td>
<td>3 spaces per 1,000 square feet</td>
</tr>
<tr>
<td>Gas station</td>
<td>1.5 spaces per fuel nozzle</td>
</tr>
<tr>
<td>Swimming pool</td>
<td>1 space per 2,500 gallons</td>
</tr>
<tr>
<td>Mausoleum</td>
<td>10 spaces per maximum number of interments in a one-hour period</td>
</tr>
</tbody>
</table>
FIGURE 1

SELECTED LAND USES WITH MINIMUM PARKING REQUIREMENTS

Accessory Use  Fire or Police Station  Plumbing and Heating Supply
Adult Entertainment  Fraternity or Sorority  Post Office
Airport  Funeral Home or Mortuary  Printing and Publishing
Amusement Center  Furniture Store  Produce Stand
Amusement Park  Gas Station, Full-Serve  Public Assembly Hall
Art Gallery  Gas Station, Self-Serve  Racetrack
Asylum or Sanitarium  Golf Course  Railroad Switching Yard
Athletic Field  Golf Course, Private  Research and Development Facility
Automatic Teller Machine  Golf Course, Par Three  Recreational Vehicle Park
Auction House  Golf Driving Range  Recycling Center
Auditorium  Government Building  Rental of Equipment
Auto Body Shop  Grocery Store  Repair Shop
Auto Parts Store  Group Home  Residential, Houseboat
Auto Rental  Gunsmith  Residential, Multifamily,
Automobile Repair  Gymnasium  One Bedroom
Automobile Sales  Hardware Store  Residential, Multifamily,
Bait Shop  Hazardous Waste Transfer Facility  Two Bedroom
Bank  Headquarters, Corporate  Residential, Multifamily,
Bank, Drive In  Health Club  Three Bedroom
Bar or Tavern  Heliport  Residential, Multifamily,
Barber Shop  Home Occupation  Four Bedroom
Basketball Court  Horse Stable  Residential, Multifamily, Studio
Bed and Breakfast  Hospital  Residential, Single-Family,
Beauty Parlor  Hotel  Townhouse
Bicycle Repair  Indoor Racquet Court  Residential, Single-Family
Billiard Hall  Indoor Soccer Facility  Restaurant
Bingo Parlor  Junkyard  Restaurant, Fast-Food
Boarding House  Kennel  Retail, Outdoor
Bookstore  Landfill  Retail Store
Botanical Garden  Laundromat  Rifle Range
Bowling Alley  Library  Sawmill
Camp  Liquor Store  School, Beauty
Campground  Locksmith  School, Dance
Cartage, Express, and Parcel Delivery  Lumbyard  School, Elementary
Car Wash, Full-Serve  Machinery Sales  School, Junior High
Car Wash, Self-Serve  Manufactured Housing  School, High School
Cemetery  Manufacturing/Industrial  School, Trade
Church or Synagogue  Marina  Self-Service Storage Facility
Club or Lodge  Masonic Hall  Shopping Center
College or University  Mausoleum  Skiing Rink
Community Center  Miniature Golf Course  Slaughterhouse
Consulate and Consular Office  Mining and Mineral Extraction  Stadium
Contractor's Yard  Motorcycle Service and Sales  Stockyard
Convalescent Center or  Movie Theater  Subsidized Housing
Nursing Home  Museum  Swimming Pool
Convenience Store  Newspaper Stand  Taxi Stand
Convent  Night Club  Telecommunications Facility
Correctional Facility  Nursery or Greenhouse  Tennis Club
Crematorium  Office, Dental  Transit Terminal
Dance Hall  Office, Medical  Travel Agency
Day Care Center  Oil Change Shop  Truck Terminal
Diet Clinic  Outdoor Storage  Ultra-Light Flight Park
Dormitory  Outdoor Theater  Utility
Drive-In Facility  Park  Veterinarian
Dry Cleaning  Pawn Shop  Warehouse
Drug and Alcohol Treatment Center  Pet Shop  Wastewater Treatment
Elderly Housing  Pet Cemetery  Zoo
Emergency Medical Services  Photography Studio
Employment Agency
Exterminator

Table 3-3. Parking Requirements for the Afterlife

<table>
<thead>
<tr>
<th>Parking spaces required for funeral parlors</th>
<th>Number of cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 per 100 sq. ft.</td>
<td>3</td>
</tr>
<tr>
<td>1 per 200 sq. ft.</td>
<td>1</td>
</tr>
<tr>
<td>1 per 250 sq. ft.</td>
<td>1</td>
</tr>
<tr>
<td>1 per 100 sq. ft. + 1 per dwelling unit</td>
<td>1</td>
</tr>
<tr>
<td>1 per 100 sq. ft. or 1 per 6 seats</td>
<td>1</td>
</tr>
<tr>
<td>1 per 5 seats or 1 per 35 sq. ft. seating area, + 1 per 400 sq. ft. other areas</td>
<td>1</td>
</tr>
<tr>
<td>1 per 3 seats</td>
<td>1</td>
</tr>
<tr>
<td>1 per 4 seats</td>
<td>1</td>
</tr>
<tr>
<td>5 + 1 per 5 seats in largest chapel</td>
<td>1</td>
</tr>
<tr>
<td>1 per 6 seats in chapel</td>
<td>1</td>
</tr>
<tr>
<td>1 per 3 seats + 1 per funeral vehicle</td>
<td>1</td>
</tr>
<tr>
<td>1 per 4 seats + 1 per funeral vehicle + 1 per employee</td>
<td>1</td>
</tr>
<tr>
<td>1 per 5 seats + 1 per funeral vehicle + 1 per dwelling unit</td>
<td>1</td>
</tr>
<tr>
<td>1 per 25 sq. ft. of parlor area</td>
<td>1</td>
</tr>
<tr>
<td>1 per 50 sq. ft. of parlor area</td>
<td>4</td>
</tr>
<tr>
<td>3 per parlor</td>
<td>2</td>
</tr>
<tr>
<td>4 per parlor</td>
<td>1</td>
</tr>
<tr>
<td>5 per parlor</td>
<td>3</td>
</tr>
<tr>
<td>15 + 5 per parlor over 3 parlors</td>
<td>1</td>
</tr>
<tr>
<td>5 per parlor or 1 per 4 seats</td>
<td>1</td>
</tr>
<tr>
<td>5 per parlor + 1 per funeral vehicle</td>
<td>2</td>
</tr>
<tr>
<td>8 per parlor + 1 per funeral vehicle</td>
<td>9</td>
</tr>
<tr>
<td>10 per parlor + 1 per funeral vehicle</td>
<td>4</td>
</tr>
<tr>
<td>5 per parlor + 1 per funeral vehicle + 1 per family on premises</td>
<td>1</td>
</tr>
<tr>
<td>5 minimum</td>
<td>1</td>
</tr>
<tr>
<td>30 minimum</td>
<td>1</td>
</tr>
<tr>
<td>1 per 4 persons of design capacity</td>
<td>1</td>
</tr>
<tr>
<td>No specific requirements</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>66</strong></td>
</tr>
</tbody>
</table>

Source: Planning Advisory Service (1971, 36).
A L L  U S E S

a
abattoir (see slaughterhouse)
accessory dwelling unit
administrative office (see office uses)
adult use
adult use, adult arcade
adult use, adult cabaret
adult use, adult motion picture theater
adult use, adult theater
adult use, book store
adult use, entertainment facility
adult use, massage parlor (see also massage establishment)
adult use, sex novelty shop
advertising agency (see also office uses)
agricultural use, unless otherwise specified
(see also farm uses)
agricultural processing plant (see also industrial uses)
agricultural-related industry (see also agricultural use, unless otherwise specified)
agricultural sales and service use (see also farm supply store; feed store)
aircraft charter service
airport (see also airport terminal)
airport hangar
airport, local/private use
airport terminal (see also airport; transportation terminal)
ambulance service
amphitheater (see also stadium)
amusement enterprise (see also recreation facility uses)
amusement enterprise, indoor
amusement enterprise, outdoor
amusement park
amusement park, children's
amusement park, water
ancillary use (see accessory use)
animal boarding facility
animal breeder establishment
animal grooming salon
animal hospital
animal sales establishment (see pet shop)
animal shelter
animal training facility
antique shop (see also second-hand store)
apartment (see dwelling, apartment uses)
apartment hotel (see extended-stay hotel)
appliance store (see clothing store)
appliance and equipment repair establishment (see also equipment uses)
appliance sales establishment
aquaculture use
arboretum (see also botanical gardens; community garden)
arcade, amusement (see also amusement enterprise uses)
archery range (see also rifle range; shooting range)
arena (see stadium)
armory
art gallery (see also cultural uses)
art school (see educational facilities, school for the arts)
art supplies store
artwork workshop (see also live-work studio)
artist studio (see also artisan workshop; live-work studio)
asphalt manufacturing facility (see also industrial use, heavy)
assembly hall (see also auditorium; civic center)
asisted living (see also nursing facilities, assisted living)
assisted living (see also senior living)
atmospheric gymnastics facility (see also community health center)
athletic field (see also ball field; grandstands; recreation facility uses)
auction, automobile
auction house
auditorium (see also assembly hall; civic center)
automated teller machine (ATM)
automated teller machine (ATM), exterior
automobile sales and service establishment
automobile dealership (see also motor vehicle sales establishment)
automobile graveyard (see automobile salvage yard; junk yard)
automobile impound facility (see also towing service)
automobile laundry (see car wash uses)
automobile service establishment
automobile service establishment, tire store and
automobile service station (see also gas station)
automobile sales establishment
automobile salvage yard (see also junk yard)
automobile service station (see also gas station)
b
bar (see also retail use, unless otherwise specified)
bakery
bakery, wholesale
ball field (see also athletic field; grandstands; recreation facility uses)
ballroom (see also banquet hall; dance hall)
bank (see also accessory banking; automated teller machine (ATM); credit union)
bank, drive-thru only (see also drive-thru use, unless otherwise specified)
bank with drive-thru (see also drive-thru use, unless otherwise specified)
bank, without drive-thru
bar (see also beer garden; bottle club; brew pub; night club)
barber shop (see also beauty shop; personal services establishment)
baseball field (see baseball field)
basketball court
bat house (see concrete production plant)
bathroom (see also health spa; sauna bath)
bathing cages facility
beach, commercial
beach, community
beauty shop (see also barber shop; personal services establishment)
beauty school (see also educational facility; trade school)
bed and breakfast inn (see also tourist home)
beer garden (see also outdoor seating area)
bicycle rental and repair shop
bicycle repair shop
bicycle sales shop
billionaire (see pool hall)
big box retail establishment (see also department store; shopping center uses)
bingo hall
blood donor center
blueprinting shop (see also copy shop; printing and publishing facility)
boarding house (see also lodging house; rooming house)
Off-street parking requirements waste resources in two ways

1. Directly, by increasing the land and capital devoted to parking
2. Indirectly, by increasing automobile use and urban sprawl.
A Great Planning Disaster

- Skew travel choices
- Distort urban form
- Degrade urban design
- Raise housing costs
- Impede reuse of older buildings
- Limit homeownership
- Damage the urban economy
- Harm the environment
How much does free parking cost?

The total subsidy for off-street parking in 2002 was between $127 billion and $374 billion. This subsidy amounted to between 1.2 and 3.6 percent of total national income. In 2002, the federal government spent $231 billion for Medicare, and $349 billion for national defense.
A long habit of not thinking a thing wrong gives it a superficial appearance of being right.

Thomas Paine
“The information needed to understand the problem depends upon one’s idea for solving it. . . . The problem can’t be defined until the solution has been found.”

Mel Webber
Redwood City parking ordinance

To accomplish the goal of managing the supply of parking and to make it reasonably available when and where needed, a target occupancy rate of eighty-five percent (85%) is hereby established.

The Parking Manager shall survey the average occupancy for each parking area in the Downtown Meter Zone that has parking meters. Based on the survey results, the Parking Manager shall adjust the rates up or down in twenty-five cent ($0.25) intervals to seek to achieve the target occupancy rate.

Revenues generated from on-street and off-street parking within the Downtown Meter Zone boundaries shall be accounted for separately from other City funds and may be used only . . . within or for the benefit of the Downtown Core Meter Zone.
Figure 12-1. The Market Price of Curb Parking

This graph illustrates the relationship between the price of curb parking and the curb space occupancy rate. The demand curves, labeled D1, D2, and D3, show how the price of curb parking changes at different levels of occupancy. The supply curve, labeled SUPPLY (fixed), indicates the fixed supply of curb parking spaces.

- **D1** represents the highest demand curve, indicating a higher price for curb parking at lower occupancy rates.
- **D2** and **D3** show lower demand, with **D3** being the lowest, indicating a lower price for curb parking at higher occupancy rates.

The price points, labeled P1, P2, and P3, correspond to specific occupancy rates on the x-axis:
- **P1** at 0% occupancy rate, indicating a high price.
- **P2** at 70% occupancy rate, indicating a moderate price.
- **P3** at 90% occupancy rate, indicating a low price.

The graph helps understand how the market price of curb parking is affected by the availability of curb space.
Performance-based prices

Performance-based prices adjust over time to maintain a few vacant spaces. The goal is to keep about 85 percent of the parking spaces occupied all the time. About one curb space is vacant on each side of each block so that everyone can see that convenient parking is available everywhere.
PRICES OF CURB AND OFF-STREET PARKING
IN SOUTHERN CALIFORNIA
(for parking one hour at noon on a weekday)
FIGURE 13-2
PRICES OF CURB AND OFF-STREET PARKING
(for parking one hour at noon at city hall on a weekday)
Cruising for underpriced curb parking

Suppose you want to park for 1 hour.
Curb parking is 50¢ an hour.
Off-street parking is $2 an hour.
How long would you be willing to cruise for curb parking rather than pay the higher price for off-street parking?
<table>
<thead>
<tr>
<th>Year</th>
<th>City</th>
<th>Share of traffic cruising (percent)</th>
<th>Average search time (minutes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927</td>
<td>Detroit (1)</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>Detroit (2)</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>1933</td>
<td>Washington</td>
<td>17%</td>
<td>8.0</td>
</tr>
<tr>
<td>1960</td>
<td>New Haven</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>London (1)</td>
<td>6.1</td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>London (2)</td>
<td>3.5</td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>London (3)</td>
<td>3.6</td>
<td></td>
</tr>
<tr>
<td>1977</td>
<td>Freiburg</td>
<td>74%</td>
<td>6.0</td>
</tr>
<tr>
<td>1984</td>
<td>Jerusalem</td>
<td>9.0</td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>Cambridge</td>
<td>30%</td>
<td>11.5</td>
</tr>
<tr>
<td>1993</td>
<td>Cape Town</td>
<td>12.2</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>New York (1)</td>
<td>8%</td>
<td>7.9</td>
</tr>
<tr>
<td>1993</td>
<td>New York (2)</td>
<td>10.2</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>New York (3)</td>
<td>13.9</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>San Francisco</td>
<td>6.5</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>Sydney</td>
<td>6.5</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td>30%</td>
<td>8.1</td>
</tr>
</tbody>
</table>
From the Report: "A Plan to Relieve Traffic Congestion in the Portage Park Retail Shopping Center." A Survey by City of Chicago, Chicago Motor Club, Chicago Surface Lines, April 1939

FIGURE 4—Observed Routes of Cruising Vehicles
PARKING SPOT for sale. West 79th Street, Manhattan. Must vacate this Sat. A.M. Box 927.

Halley's Parking Place. Appears every 76 years.
Cruising in Westwood Village
Suppose you want to park in Westwood Village for 1 hour

Curb parking is 50¢ an hour.
Off-street parking is $4.50 an hour.
How long would you be willing to cruise for curb parking rather than pay the higher price for off-street parking?
PUBLIC AUTO PARK

$1.50 First 20 Min. $2.00
Ea. 20 Min. $8.90 Maximum

$4.00 Flat rate After 5 pm

(Plus 10% City Parking Tax)

VALET PARKING SERVICE
(800) 794-PARK
TABLE 14-1
SEARCH TIME FOR CURB PARKING IN WESTWOOD VILLAGE

<table>
<thead>
<tr>
<th>Hour</th>
<th>Price of curb parking</th>
<th>Search time (minutes)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Acapulco Restaurant</td>
</tr>
<tr>
<td>4pm-5pm</td>
<td>$0.50</td>
<td>6.6</td>
</tr>
<tr>
<td>5pm-6pm</td>
<td>$0.50</td>
<td>7.6</td>
</tr>
<tr>
<td>6pm-7pm</td>
<td>$0.00</td>
<td>8.7</td>
</tr>
<tr>
<td>7pm-8pm</td>
<td>$0.00</td>
<td>8.3</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td>7.8</td>
</tr>
</tbody>
</table>

Note: Cruising times are the average of 10 observations at each site during each hour.
The price of curb parking was 50 cents per hour before 6pm, and free after 6pm.
The price of off-street parking was $1 per hour before 6pm, and $2 per entry after 6pm.
<table>
<thead>
<tr>
<th>Hour</th>
<th>Average search time per meter (minutes)</th>
<th>Parking turnover per meter (cars)</th>
<th>Search time per meter (minutes)</th>
<th>Total search time (hours)</th>
<th>Cruising distance per parking (VMT)</th>
<th>Cruising distance per meter (VMT)</th>
<th>Total cruising distance (VMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8am-9am</td>
<td>0.0</td>
<td>1.9</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>9am-10am</td>
<td>0.0</td>
<td>2.3</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>10am-11am</td>
<td>0.9</td>
<td>1.2</td>
<td>1.1</td>
<td>8</td>
<td>0.2</td>
<td>0.2</td>
<td>113</td>
</tr>
<tr>
<td>11am-noon</td>
<td>2.0</td>
<td>2.1</td>
<td>4.2</td>
<td>33</td>
<td>0.3</td>
<td>0.6</td>
<td>296</td>
</tr>
<tr>
<td>noon-1pm</td>
<td>4.4</td>
<td>1.5</td>
<td>6.6</td>
<td>52</td>
<td>0.6</td>
<td>0.9</td>
<td>423</td>
</tr>
<tr>
<td>1pm-2pm</td>
<td>3.5</td>
<td>1.8</td>
<td>6.3</td>
<td>49</td>
<td>0.4</td>
<td>0.7</td>
<td>338</td>
</tr>
<tr>
<td>2pm-3pm</td>
<td>4.1</td>
<td>1.4</td>
<td>5.7</td>
<td>45</td>
<td>0.5</td>
<td>0.7</td>
<td>329</td>
</tr>
<tr>
<td>3pm-4pm</td>
<td>3.4</td>
<td>1.0</td>
<td>3.4</td>
<td>27</td>
<td>0.5</td>
<td>0.5</td>
<td>235</td>
</tr>
<tr>
<td>4pm-5pm</td>
<td>6.2</td>
<td>1.2</td>
<td>7.4</td>
<td>58</td>
<td>0.9</td>
<td>1.1</td>
<td>508</td>
</tr>
<tr>
<td>5pm-6pm</td>
<td>7.7</td>
<td>1.3</td>
<td>10.0</td>
<td>78</td>
<td>1.2</td>
<td>1.6</td>
<td>733</td>
</tr>
<tr>
<td>6pm-7pm</td>
<td>9.4</td>
<td>0.3</td>
<td>2.8</td>
<td>22</td>
<td>1.4</td>
<td>0.4</td>
<td>197</td>
</tr>
<tr>
<td>7pm-8pm</td>
<td>9.7</td>
<td>0.7</td>
<td>6.8</td>
<td>53</td>
<td>1.4</td>
<td>1.0</td>
<td>461</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>3.3</strong></td>
<td><strong>1.4</strong></td>
<td><strong>4.5</strong></td>
<td><strong>35</strong></td>
<td><strong>0.5</strong></td>
<td><strong>0.6</strong></td>
<td><strong>303</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>--</td>
<td>17</td>
<td>54</td>
<td>426</td>
<td>--</td>
<td>7.7</td>
<td><strong>3,633</strong></td>
</tr>
</tbody>
</table>
Figure 14-2
Curb Space Occupancy Rates and Search Times
Figure 14-3
Curb Space Occupancy Rates and Share of Traffic Cruising
Cruising creates excess vehicle travel

1. It takes 3 minutes to find a curb space, and the turnover rate is 10 cars per space per day.

2. Cruising 3 minutes for parking at a curb space 10 times a day creates 30 vehicle-minutes of travel per curb space per day.

3. Cruising for 30 minutes at 10 miles an hour creates 5 VMT per curb space per day.

4. Cruising 5 VMT a day for 500 spaces creates 2,500 VMT per day.

5. Cruising 2,500 VMT a day for 365 days creates 912,500 VMT per year.
How far is 912,500 VMT?

• 36 trips around the earth (25,000 miles)
• 2 round trips to the moon (239,000 miles)
• At 10 miles an hour, it would take one person 10 years, 24 hours a day, to drive 912,500 miles.
Right-priced curb parking

1 of 8 curb spaces vacant

No cruising

Average search time = 0

Underpriced curb parking

All curb spaces occupied

Cruising for parking

Average search time = 3.3 minutes
Turning Small Change into Big Changes
1978 Plan for Old Pasadena

“The area’s been going downhill for years.”
“It’s a bunch of dirty old buildings.”
“It’s filthy.”
“It’s Pasadena’s sick child.”
“The area is unsafe.”
Old Pasadena Now
Parking Problems in Old Pasadena

- Employees and shop owners parked at the curb
- Merchants opposed meters because they feared customers would stay away
- Pasadena had no money to pay for public infrastructure in Old Pasadena
Three Reforms in Parking Policy

1. Charge the right price for curb parking.
   The lowest price that will leave one or two vacant spaces on each block—performance-based pricing

2. Return the meter revenue to the neighborhoods that generate it.
   Revenue return will make performance-based prices for curb parking politically popular.

3. Reduce or remove off-street parking requirements. Do not require additional parking when a building’s use changes.
   Freedom from parking requirements will allow higher density and new uses for old buildings.
Parking meters with revenue return

- City of Pasadena offered to return all parking meter revenue to Old Pasadena
- Merchants and property owners immediately agreed to install meters
- 690 meters operate until midnight, and on Sunday
- Meters yield $1.2 million a year for Old Pasadena’s 15 blocks, about $80,000 per block.
“The only reason meters went into Old Pasadena in the first place was because the city agreed all the money would stay in Old Pasadena. We’ve come a long way. This might seem silly to some people, but if not for our parking meters, it’s hard to imagine that we’d have the kind of success we’re enjoying. They’ve made a huge difference. At first it was a struggle to get people to agree with the meters. But when we figured out that the money would stay here, that the money would be used to improve the amenities, it was an easy sell.”

Marilyn Buchanan, Chair, Old Pasadena Parking Meter Zone Advisory Board
“This place, it’s perfect, really. They’ve kept the buildings and the streets well. That makes it so attractive. People are walking around because they like the way it looks and feels. It’s something you just don’t see in Los Angeles. As a driver, I don’t mind paying more for what you have here. I tell you what: For this, I will pay.”

Shopper interviewed by *Los Angeles Times*
A NEW OLD PASADENA COMING SOON

STREET AND ALLEY WAY IMPROVEMENTS:
LIGHTING
REPAVING
TRASH RECEPTACLES
SIGNS AND BENCHES
DIRECTORY MAPS
TREES AND CRATES
NEWSRACKS
MAINTENANCE
SAFETY

YOUR METER MONEY IS MAKING A DIFFERENCE

THE OLD PASADENA RENAISSANCE CONTINUES

CITY OF PASADENA
Redwood City parking ordinance

To accomplish the goal of managing the supply of parking and to make it reasonably available when and where needed, a target occupancy rate of eighty-five percent (85%) is hereby established.

The Parking Manager shall survey the average occupancy for each parking area in the Downtown Meter Zone that has parking meters. Based on the survey results, the Parking Manager shall adjust the rates up or down in twenty-five cent ($0.25) intervals to seek to achieve the target occupancy rate.

Revenues generated from on-street and off-street parking within the Downtown Meter Zone boundaries shall be accounted for separately from other City funds and may be used only within or for the benefit of the Downtown Core Meter Zone.
Parking occupancy sensors
What about cities that already have parking meters? They won’t want to offer the existing meter revenue to BIDs.
Parking Increment Finance

1. The City continues to receive the current meter revenue.
2. The City splits any *increases* in meter revenue with the Business Improvement District.
3. The revenue stream creates a local incentive to increase the number of meters, the meter rates, the hours of meter operation, and enforcement.
4. Both the BID and the City get new revenue
Benefits of right-priced curb parking

Traffic congestion
Air pollution
Energy conservation
Sustainable transportation
Economic development
Jobs
Global warming
First Future

1. Change nothing.
2. Keep curb parking free or cheap.
3. Require ample off-street parking.
LUCKILY, THERE'S AN AFFORDABLE ALTERNATIVE.

Chevrolet Cavalier VL Sedan

$12,998 OR $178/MO

$1,000 TOWARDS YOUR DOWN PAYMENT

Features:
- 5-speed manual transmission
- 3.2L DOHC 16V ECOTEC engine
- Single point fuel injection
- 5-speed manual transmission
- Tilt steering wheel
- Air conditioning

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gmcanada.com 1-800-LM-DRIY

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Second Future

1. Charge performance-based prices for curb parking.
2. Use the revenue to improve neighborhoods.
3. Remove off-street parking requirements.
Parking Benefit Districts

1. Performance-based prices will improve curb parking.
2. The parking revenue will pay for neighborhood public improvements.
3. The neighborhood public improvements increase the desire to charge for curb parking.
Effects of building job-adjacent housing on former parking lots

Increase housing supply
Reduce time spent commuting
Reduce spending on cars and fuel
Reduce traffic congestion and air pollution
Maybe even slow down climate change
Underpriced curb parking

All curb spaces occupied

Cruising for parking

Average search time = 3.3 minutes

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Right-priced curb parking

1 of 8 curb spaces vacant

No cruising

Average search time = 0
A long habit of not thinking a thing wrong gives it a superficial appearance of being right, and raises at first a formidable outcry in defense of custom. But the tumult soon subsides. Time makes more converts than reason.

Thomas Paine, *Common Sense*
The High Cost of Free Parking

DONALD SHOUP