



CITY OF KIRKLAND

Department of Public Works

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To: City Council

From: Parking Advisory Board, Jack Wherry Chair

Date: February 4, 2010

Subject: STAKEHOLDER PROCESS AND PAB WORK ITEMS

RECOMMENDED ACTION

The Parking Advisory Board (PAB) wishes to update the Council on the recently completed stakeholder process and to receive Council direction on four proposed work items. The work items are based on outcomes from the stakeholder processes plus subsequent discussions by the PAB.

BACKGROUND

Stakeholder meetings

We've had two rounds of Stakeholder meetings. The first was in spring of 2008 and the second was in late fall of 2009. Some of the stakeholders from the first round also participated in the second round but the second group was made up mainly of people who had not participated in the first set of discussions, although they represented the same interests. This brought some fresh thinking while still providing continuity. The stakeholder processes are depicted in Figure 1 on the next page.

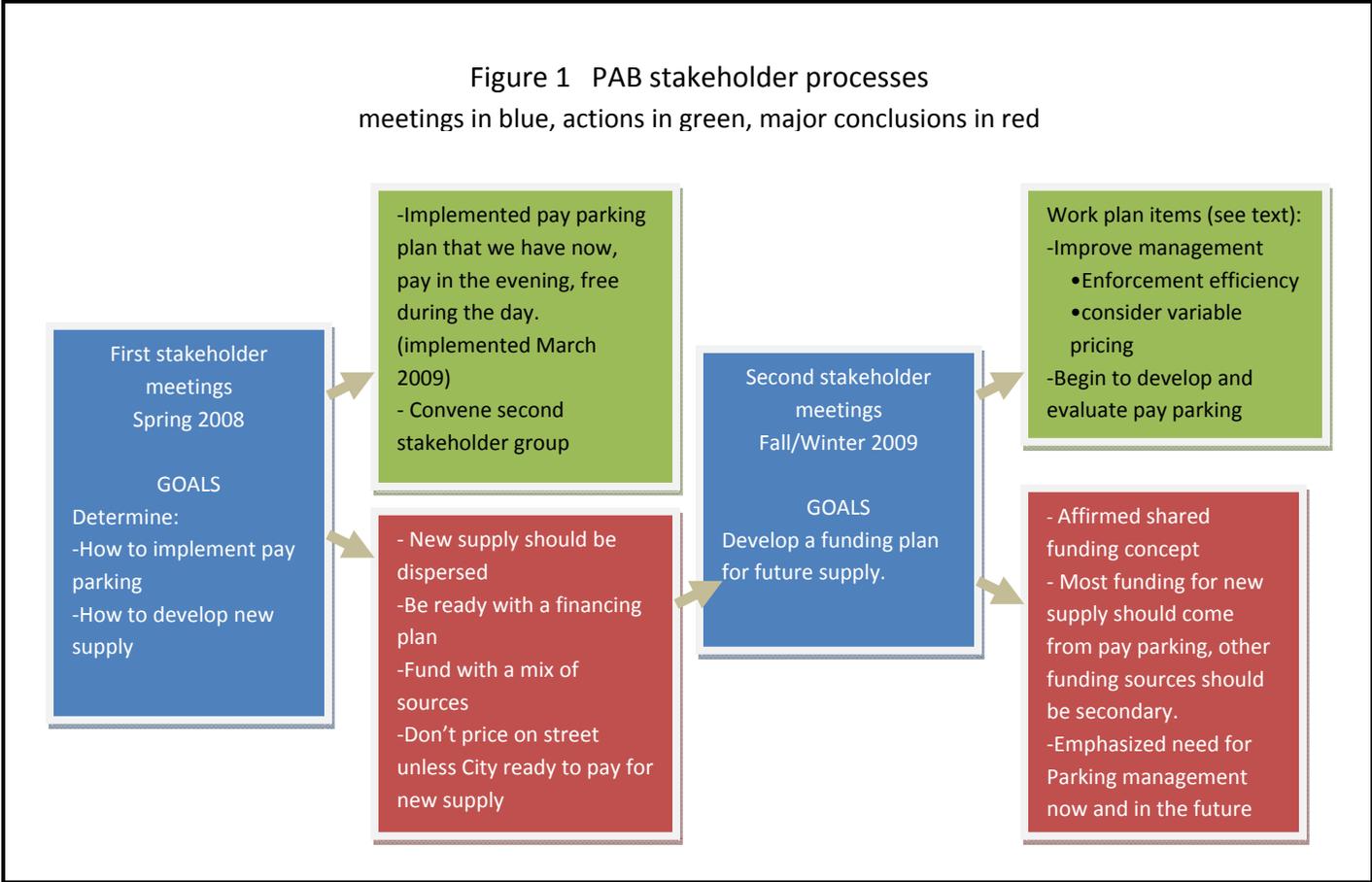
The first stakeholder meetings were held to accomplish two purposes. The first purpose was to develop an implementation strategy for pay parking in the evening at the two City owned lots. The second purpose was to gain insight on how to move forward on securing more parking supply. In March 2009 we implemented pay parking as developed by the stakeholders. As for the issue of new parking supply, in our July 9, 2009 memo to the Council, we stated:

Following Council direction given at the Council/PAB study session in December of 2007 and in February of 2008, the PAB convened a group of downtown stakeholders¹ to help us move forward in the area of pay parking and in securing new parking supply.

The process of engaging stakeholders to enlarge the perspective of the PAB resulted in two recommendations: 1) do not price on-street parking until there is a firm commitment to construct new supply, and 2) partner with a developer rather than build a dedicated parking facility. *This second recommendation calls for a commitment on the part of the city to be ready to partner by preparing a financing plan so that a developer is not delayed by the City.* Such a financing plan will likely involve a mix of: 1) expanding pay parking, 2) assessing nearby benefited properties/businesses by means of a Parking Benefit District, and 3) general revenue. ... Stakeholders will be reconvened to develop an efficient and equitable financing plan to increase parking supply.

¹ Stakeholders included representatives from Downtown Commercial Property owners, KDA, Chamber, Restaurant operators, Gallery owners, Salon and Spa operators, Park Board, Downtown Condo Owners and Moss Bay Neighborhood Association

As mentioned above, we have completed this second round of discussion with stakeholders. Our main goal was to engage stakeholders in a discussion of three sources of financing outlined in our July memo



excerpted above. The stakeholder report is included as Attachment 1. It says that parking revenue should be the primary source of funding for new supply, with general revenue and a parking benefit district making up the difference. The amount of parking revenue depends on how parking is managed downtown. The stakeholder process has reinforced the need for a thorough re-examination of the parking management in downtown.

The stakeholder group considered an addition of around 125 stalls, a reasonable amount to be added to the current supply of about 1200 public stalls –approximately 600 of which are on street.

Some of the stakeholders questioned the conclusions developed in the first stakeholder process. Namely, they expressed a desire to build a dedicated parking facility instead of partnering with a developer (s) to build a dedicated floor (s) of public parking. They cited the economic recession and the City's zoning limitations; there will not be any opportunities to partner with a developer, like at the Antique Mall site, in the near future.

While considering development of a contingency financing plan to hold ready to partner with developers, stakeholders examined the usual three sources of funding; parking revenue, general revenue, and a benefit district. Stakeholders noted that a benefit district was used in 1980 to acquire and prepare the Lake & Central lot for parking. Subsequently, the City built the library garage using general revenue. Stakeholders feel revenue from pay parking should be the primary source of funding for the next additions to parking supply in downtown, but until there is a more experience with pay parking and a reliable parking revenue stream, all three sources might be needed to fund supply.

The stakeholders also emphasized a need for better parking management. This included parking rates that are variable perhaps by season, time of day, and unusual demands such as special events. They felt that regardless of whether or not new supply was secured, better parking management would be helpful.

PAB Work items

This section of the memo describes potential work items on which the PAB would like to focus its actions in the upcoming months. Most of the items are based in part on our work with the stakeholder groups however they are not limited to what the stakeholders recommended. The work items have been shaped by PAB discussion and our interpretation of logical next steps. We offer these work plan items for Council reaction and comment.

1. Building on the stakeholder's emphasis on parking management, the first item involves acquisition of new technology to increase the efficiency of parking enforcement. We propose the City acquire GPS-based license plate scanning equipment that eliminates the need to chalk tires. The new equipment tracks the duration of vehicles parked at the same location or within the same zone, which not only identifies overtime parkers, it identifies those that move to avoid detection. This will speed up the enforcement process and thereby increase efficiency and effectiveness of parking enforcement. The initial new equipment will cost on the order of \$60,000. One of the benefits of this new technology is that it could radically simplify how Park Smart, our employee parking program, is managed. The PAB would develop a structure for how the new equipment should be used, propose a reorganization of Park Smart and help with outreach to the public.
2. The second item stems from the second stakeholder group's recommendation to consider variable pricing. Parking demand downtown varies by time of day, season and weather. There is little reason to price parking when there is ample space. But when there is a strong demand for parking we need to manage it by pricing it. An important goal for measuring performance of pay parking is occupancy. Ideally, close to 85% of stalls would be occupied

Developing a variable pricing program will be a learning process. The first step will be to price the leased lot at the Antique Mall site from 9 AM to 9 PM to gain experience with daytime pricing and market response. A possible second step could be to operate city lots (Lake & Central, Lakeshore Plaza, and Antique Mall) for special events and charge a flat rate with no time limit. Thirdly, we would like to consider seasonal or summer peak demands that might increase the current hourly rate of \$1. The pay stations are equipped to change rates within the same day, for example if morning demands are not as high as evening demands.

Based on experience with variable pricing, the PAB would develop a recommendation on pricing on-street parking and charging for parking in the Library Garage. We see problems with giving parking away on street and in the Library Garage. Free on-street parking leads to cruising, which adds to traffic congestion and free parking in the Library Garage does not generate revenue that could be used to improve maintenance and security. The lack of maintenance and security in the garage deters some potential users.

3. The third item is based in the second stakeholders recommendation to use pay parking as the major revenue stream for funding new parking supply. We believe that gauging the ability of pay parking to generate revenue and demonstrating the willingness of the city to implement pay parking, will be necessary to gain support from downtown property owners to invest their money to fund a portion of new parking supply.

To begin with, we would like to explore linking of pay parking revenue with other downtown improvements, including projects that would improve sidewalks, lighting or other elements to make downtown more livable. This is an idea that has been used successfully elsewhere in the US and which is supported by parking experts like Donald Shoup. Attachment 2 is an article by Dr. Shoup which describes parking management techniques used in the City of Pasadena California. It says stakeholders should have a large say in parking management and in budgeting revenue generated for downtown improvements. This would involve earmarking parking revenue, after operating and maintenance costs, both for new parking supply and/or downtown improvements. For example, parking revenue could be used first to fund updates to, and better maintenance of, the library garage. Remaining revenue could then be used for funding of downtown improvements. If an opportunity for more supply became available, the revenue stream could be directed to funding more supply.

4. The final work item involves parking requirements for new buildings. The PAB would like to study parking requirements to see if they can be reduced so that appropriate development can be made more financially feasible, but without adding to the parking problem. Shared parking and mixed-use development reduces the need for parking, but the current parking requirements are based on suburban single-use sites without street parking. The PAB would develop draft recommendations and consult with the Planning Commission and Council.

Taken together, these four work items will result in a coordinated and thorough re-examination of parking management in downtown Kirkland. The Parking Advisory Board looks forward to your consideration and critique of our ideas.

ATTACHMENT 1

Parking Stakeholder's Report

December 2009

City of Kirkland Parking Advisory Board

This document consists of three sections, each section describing funding from one of the major funding categories, Public Funding, Pay Parking Revenue and Property owner's (benefit district) funding. Each section was written by one of the participants in the group that discussed that funding source.

Section 1 Parking Benefit District Group

Joe Castleberry, Ken Dueker, Andy Loos, Bonny McLeod, Jeremy McMahan,

The stakeholders explored assessment methods by which properties that receive special benefit due to walking distance proximity share in the cost of providing new parking supply. They started by examining the way the cost of the parking lot at Lake & Central was allocating among benefited properties in 1980, and then discussed ways in which to improve upon that method.

In 1980 cost was allocated by the share of land area. This was modified to reduce the share by one half for properties farther than 400 feet, and reduced by the amount of land area devoted to parking. This was equitable in 1980 when most buildings in downtown were one story and most parking was surface. But today land area would not be an equitable method for allocating costs among benefited properties.

Consequently, an alternative method was examined that employed share of assessed value. Assessed value is a better proxy for income potential of properties. Instead of an abrupt reduction at 400 feet a gradual distance gradient was employed to reduce the rate of assessment by distance. Then the assessed value was reduced by the value of surface and structured parking spaces. Scenarios were examined that showed the amounts of assessment for typical properties, that showed parcels in the range of \$1M of assessed value at a distance of 500 feet would be levied 1% of the cost of new parking that might be assigned to a parking benefit district. For example, if \$1M were to be the amount to be raised from a parking benefit district, the share for a property assessed at \$1M would be about \$4000, or \$300 per year, based on bonds at 5% over 20 years.

Although this method seemed more equitable to the stakeholders, there were suggestions to modify the approach to assess more heavily land uses that require more parking, and to factor out residential portions of properties. Stakeholders concluded that refinements may be needed to insure that the method to allocate cost among property owners is equitable.

In addition, the amount or share of cost of providing new supply assigned to a benefit district depends on the location. A location such as Lake & Central is in the heart of the commercial district and warrants a larger share from downtown properties than does a location at the periphery of downtown, such as beneath Lee Johnson Field or as part of a city hall expansion.

Section 2 Pay Parking Group:

Georgie Kilrain, Lakeshore Gallery
Rob Brown, Portsmouth
Mike Nelson, Frontier Bank
Joel Ostroff, Property Owner
Jennifer Lindsay, PAB
Tami White, City
Jack Wherry, PAB

Pay Parking Option for \$1,000,000 toward 100 additional parking spaces from a Private/Public joint venture.

After a lot of discussion the group decided that a plan utilizing a larger number of pay parking spaces resulting in a significantly lower hourly cost per space would make pay parking much more attractive, fair and likely to succeed.

A discussion of who should pay was then taken up. It was noted that shoppers do not like to pay for parking and that restaurant and bar customers were less affected, but not entirely immune to pay parking. Employee parking was very sensitive to pay parking and often resulted in increased street parking.

It was pointed out that without a plan that included integrated management of street as well as pay lots there would be little incentive for parkers to utilize pay parking except as a last resort. A plan should include all downtown lots to be pay and street parking should be managed to produce adequate turnover for the benefit of the downtown business. Lots should be priced at a level that would lead to about an 85-90% utilization rate.

The group then tackled the problem of slow periods in the downtown. During late fall, the winter months, and early spring there is plenty of parking, yet during the late spring and summer as well as during events finding parking can be quite difficult. Parking is plentiful most days until late morning. The solution to this seems to be variable pricing. The cost to park would change by time and season. During the slow months the price could be lower or even free. The same for morning parking. The challenge is to make this understandable to the users. The very reason we change from half pay all day to pay only 5-9pm was to simplify the process and make it easier to understand.

Through the use of Parking Stations additional incentives could be created by retailers paying for parking for customers that make purchases. With variable pay parking this benefit would be only needed during the high demand time of the year when parking is hard to find.

The group then took up the pricing question. It was felt that \$1.00 per hour was a good starting point. With the use of proper monitoring this price could be adjusted if necessary.

Each table was asked to come up with an estimate of what the chances were that their plan would be able to achieve a cash flow level that would fund \$1,000,000 over a 20 year period

toward the creation of 100 new parking spaces now. The group felt that there was a 7 out of 10 chance of success based on a utilization rate of 5 hrs per day per at \$1.00 per hr and a 40% utilization rate.

Section 3 Public funding group: Chris Dotson, Vince Isaacson, Michael Olson, Dave Godfrey

We looked at two types of financing, voted and Councilmanic or non-voted. The group felt that getting the Council to commit general funds to support new debt for downtown parking was highly unlikely and so we spent most of our time discussing voted debt. However, we did feel that the current payments on the library garage were a possible source of funding from the general fund that was worth pursuing. These payments are about \$400,000 a year and would become available when the current bonds are retired in 2014. Interestingly, this amount would be adequate to finance about \$5.5 million dollars at 4% for 20 years. Therefore even a portion of the current funding would be adequate to fund \$1,000,000.

The Finance Department supplied us with a formula for computing the property tax necessary to raise a given amount of money. In order to finance \$1,000,000 over 20 years at 4%, an annual tax of about 51¢ per \$100,000 of assessed value would be necessary.

The group felt that this small amount would be an advantage to city funding, but also felt there were several major political and logistical hurdles to overcome. These included questions around timing; if a developer were ready to begin work, the City could not commit until a successful vote were taken, and this would not occur until a November general election. On the other hand, it would be difficult to consider a ballot measure unless a specific development opportunity were identified. The fact that any tax increase is viewed negatively by many is also a difficulty that would require a strong and unified "yes" campaign in response. Downtown businesses and property owners would have to spearhead such a campaign. The group thought that the overall likelihood of obtaining city funding was 3 on a 1 to 10 scale.

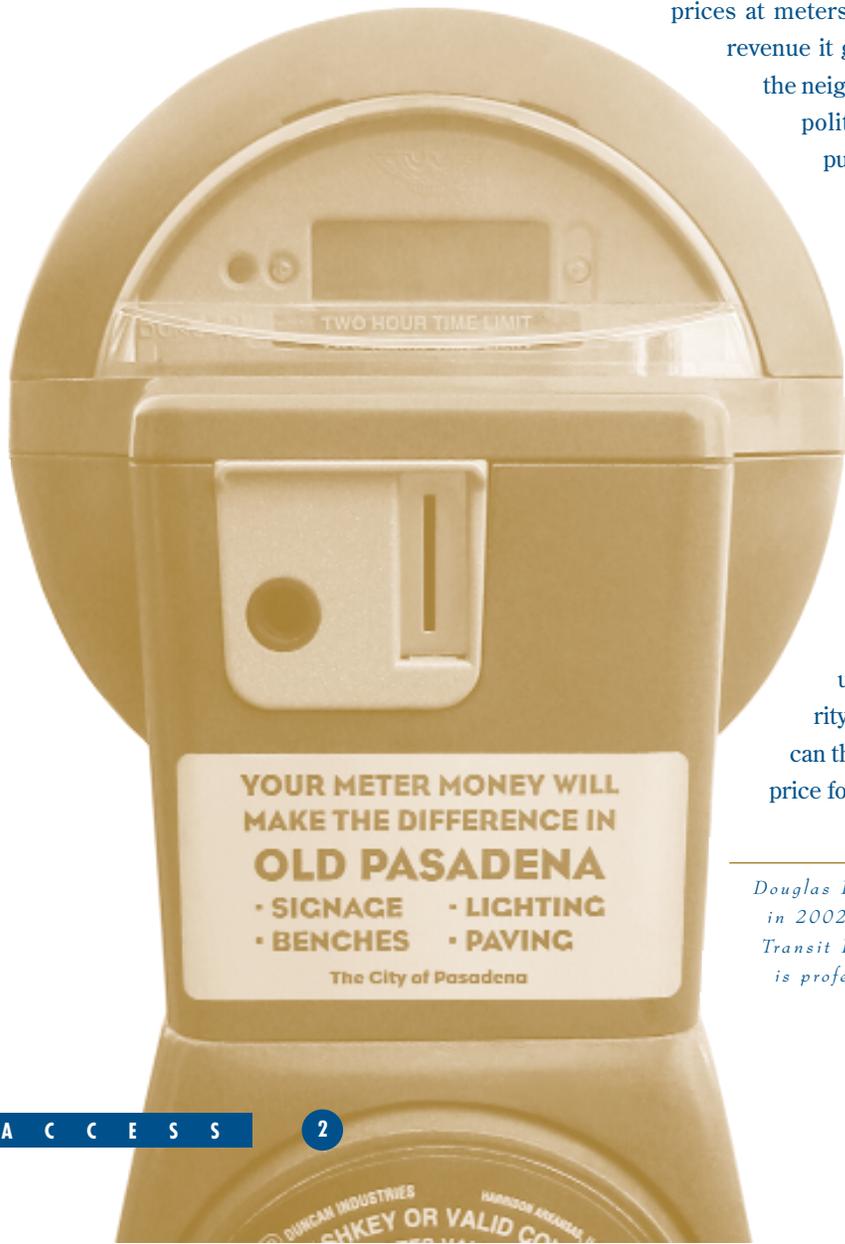
TURNING SMALL CHANGE INTO BIG CHANGES

BY DOUGLAS KOLOZSVARI AND DONALD SHOUP

THE MONEY YOU PUT INTO a parking meter seems to vanish into thin air. No one knows where the money goes, and everyone would rather park free, so politicians find it easier to require ample off-street parking than to charge market prices at meters. But if each neighborhood could keep all the parking revenue it generates, a powerful new constituency would emerge—the neighborhoods that receive the revenue. Cities can change the politics of parking if they earmark parking revenue for public improvements in the metered neighborhoods.

Consider an older business district where few stores have off-street parking, and vacant curb spaces are hard to find. Cruising for curb parking congests the streets, and everyone complains about a parking shortage. Parking meters would create a few curb vacancies, and these vacancies would attract customers willing to pay for parking if they don't have to spend time hunting for it. Nevertheless, merchants fear that charging for parking would keep some customers away. Suppose in this case the city promises to use all the district's meter revenue to pay for public amenities that can attract customers, such as cleaning the sidewalks, planting street trees, putting overhead utility wires underground, improving store facades, and ensuring security. Using curb parking revenue to improve the metered area can therefore create a strong local interest in charging the right price for curb parking.

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RIGHT PRICES

The right price for curb parking is the lowest price that keeps a few spaces available to allow convenient access. If no curb spaces are available, reducing their price cannot attract more customers, just as reducing the price of anything else in short supply cannot increase its sales. A below-market price for curb parking simply leads to cruising and congestion. The goal of pricing is to produce a few vacant spaces so that drivers can find places to park near their destinations. Having a few parking spaces vacant is like having inventory in a store, and everyone understands that customers avoid stores that never have what they want in stock. The city should reduce the price of curb parking if there are too many vacancies (the inventory is excessive), and increase it if there are too few (the shelves are bare).

Underpricing curb parking cannot increase the number of cars parked at the curb because it cannot increase the number of spaces available. What underpricing can do, however, and what it *does* do, is create a parking shortage that keeps potential customers away. If it takes only five minutes to drive somewhere else, why spend fifteen cruising for parking? Short-term parkers are less sensitive to the price of parking than to the time it takes to find a vacant space. Therefore, charging enough to create a few curb vacancies can attract customers who would rather pay for parking than not be able to find it. And spending the meter revenue for public improvements can attract even more customers.

We can examine the effects of this charge-and-spend policy because Pasadena, California, charges market prices for curb parking and returns all of the meter revenue to the business districts that generate it. An evaluation of Pasadena's program shows it can help revitalize older business districts by improving their parking, transportation, and public infrastructure.

OLD PASADENA

Pasadena's downtown declined between 1930 and 1980, but it has since been revived as "Old Pasadena," one of Southern California's most popular shopping and entertainment destinations. Dedicating parking meter revenue to finance public improvements in the area has played a major part in this revival.

Old Pasadena was the original commercial core of the city, and in the early 20th century it was an elegant shopping district. In 1929, Pasadena widened its main thoroughfare, Colorado Boulevard, by 28 feet, and this required moving the building facades on each side of the street back 14 feet. Owners removed the front 14 feet of their buildings, and most constructed new facades in the popular Spanish Colonial Revival or Art Deco styles. However, a few owners put back the original facades (an early example of historic preservation). The result is a handsome circa-1929 streetscape that is now the center of Old Pasadena.

The area sank into decline during the Depression. After the war the narrow storefronts and lack of parking led many merchants to seek larger retail spaces in more modern surroundings. Old Pasadena became the city's Skid Row, and by the 1970s much of it was slated for redevelopment. Pasadena's Redevelopment Agency demolished >





three historic blocks on Colorado Boulevard to make way for Plaza Pasadena, an enclosed mall with ample free parking whose construction the city assisted with \$41 million in public subsidies. New buildings clad in then-fashionable black glass replaced other historic properties. The resulting “Corporate Pasadena” horrified many citizens, so the city reconsidered its plans for the area. The *Plan for Old Pasadena*, published in 1978, asserted “if the area can be revitalized, building on its special character, it will be unique to the region.” In 1983, Old Pasadena was listed in the National Register of Historic Places. However, despite these planning efforts, commercial revival was slow to come, in part because lack of public investment and the parking shortage were intractable obstacles.

PARKING METERS AND REVENUE RETURN

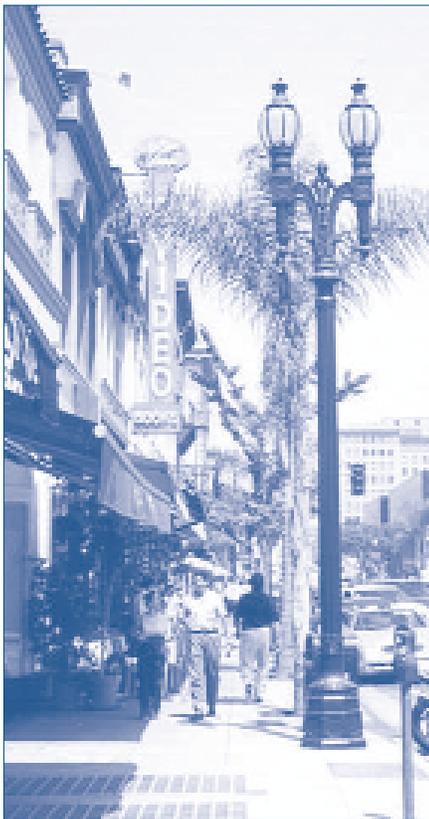
Pasadena devised a creative parking policy that has contributed greatly to Old Pasadena’s revival: it uses Old Pasadena’s parking meter revenue (\$1.2 million in 2001) to finance additional public spending in the area.

Old Pasadena had no parking meters until 1993, and curb parking was restricted only by a two-hour time limit. Customers had difficulty finding places to park because employees took up the most convenient curb spaces, and moved their cars every two hours to avoid citations. The city’s staff proposed installing meters to regulate curb parking, but the merchants and property owners opposed the idea. They feared that paid parking would discourage people from coming to the area at all. Customers and tenants, they assumed, would simply go to shopping centers like Plaza Pasadena that offered free parking. Meter proponents countered that employees rather than customers occupied many curb spaces, and making these spaces available for short-term parking would attract more customers. Any customers who left because they couldn’t park free would also make room for others who were willing to pay if they could find a space, and who would probably spend more money in Old Pasadena if they could find a space.

Debates about the meters dragged on for two years before the city reached a compromise with the merchants and property owners. To defuse opposition, the city offered to spend all the meter revenue on public investments in Old Pasadena. The merchants and property owners quickly agreed to the proposal because they would directly benefit from it. The city also liked it because it wanted to improve Old Pasadena, and the meter revenue would pay for the project.

The desire for public improvements that would attract customers to Old Pasadena soon outweighed fear that paid parking would drive customers away. Businesses and property owners began to see the parking meters in a new light—as a source of revenue. They agreed to an unusually high rate of \$1 an hour for curb parking, and to the unusual policy of operating the meters on Sundays and in the evenings when the area is still busy with visitors. The city also didn’t *lose* anything in the process. Because there had been no parking meters anywhere in the city before, returning the revenue to Old Pasadena didn’t create a loss to the city’s general fund. Indeed, the city gained revenue from overtime fines. Both business and government thus had a stake in the meter money, and so the project went ahead.

Only the blocks with parking meters receive the added services financed by the meter revenue. The city worked with Old Pasadena’s Business Improvement District (BID) to establish the boundaries of the Old Pasadena Parking Meter Zone (PMZ). The



city also established the Old Pasadena PMZ Advisory Board, consisting of business and property owners who recommend parking policies and set spending priorities for the zone's meter revenues. Connecting the meter revenue directly to added public services and keeping it under local control are largely responsible for the parking program's success. "The only reason meters went into Old Pasadena in the first place," said Marilyn Buchanan, chair of the Old Pasadena PMZ, "was because the city agreed all the money would stay in Old Pasadena."

The city installed the parking meters in 1993, and then borrowed \$5 million to finance the "Old Pasadena Streetscape and Alleyways Project," with the meter revenue dedicated to repaying the debt. The bond proceeds paid for street furniture, trees, tree grates, and historic lighting fixtures throughout the area. Dilapidated alleys became safe, functional pedestrian spaces with access to shops and restaurants. To reassure businesses and property owners that the meter revenues stayed in Old Pasadena, the city mounted a marketing campaign to tell shoppers what their meter money was funding.

As the area attracted more pedestrian traffic, the sidewalks needed more maintenance. This would have posed a problem when Old Pasadena relied on the city for cleaning and maintenance, but now the BID has meter money to pay for the added services. The BID has arranged for daily sweeping of the streets and sidewalks, trash collection, removal of decals from street fixtures, and steam cleaning of Colorado Boulevard's sidewalks twice a month. Dedicating the parking meter revenue to Old Pasadena has thus created a "virtuous cycle" of continuing improvements. The meter revenue pays for public improvements, the public improvements attract more visitors who pay for curb parking, and more meter revenue is then available to pay for more public improvements.

Old Pasadena's 690 parking meters yielded \$1.2 million *net* parking revenue (after all collection costs) to fund additional public services in FY 2001. The revenue thus amounts to \$1,712 per meter per year. The first claim on this revenue is the annual debt service of \$448,000 that goes to repay the \$5 million borrowed to improve the sidewalks and alleys. Of the remaining revenue, \$694,000 was spent to increase public services in Old Pasadena, above the level provided in other commercial areas. The city provides some of these services directly; for example, the Police Department provides additional foot patrols, and two horseback officers on weekend evenings, at a cost of \$248,000. The parking enforcement officers who monitor the meters until well into the night further increase security, at no additional charge. The city also allocated \$426,000 of meter revenue for added sidewalk and street maintenance and for marketing (maps, brochures, and advertisements in local newspapers). Drivers who park in Old Pasadena finance all these public services, at no cost to the businesses, property owners, or taxpayers.

Old Pasadena has done well in comparison with the rest of Pasadena. Its sales tax revenue increased rapidly after parking meters were installed in 1993, and is now higher than in the other retail districts in the city. Old Pasadena's sales tax revenues quickly exceeded those of Plaza Pasadena, the nearby shopping mall that had free parking. With great fanfare, Plaza Pasadena was demolished in 2001 to make way for a new development—with storefronts that resemble the ones in Old Pasadena.

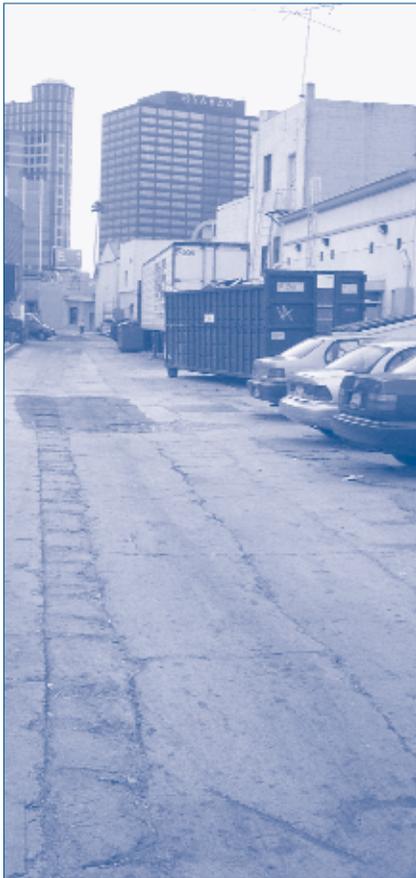
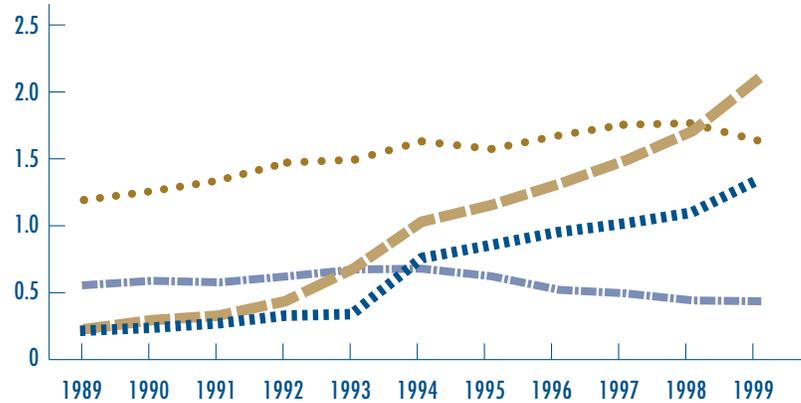
Would Old Pasadena be better off today with dirty sidewalks, dilapidated alleys, no street trees or historic street lights, and less security, but with free curb parking? Clearly, no. Old Pasadena is now a place where everyone wants to be, rather than merely another place where everyone can park free. ➤



Pasadena retail sales-tax revenue

- Old Pasadena
- ⋯ Playhouse District
- ▒ Plaza Pasadena
- South Lake

SALES TAX REVENUE
(in millions of dollars)



Westwood Village

A TALE OF TWO BUSINESS DISTRICTS' PARKING POLICIES

To see how parking policies affect urban outcomes, we can compare Old Pasadena with Westwood Village, a business district in Los Angeles that was once as popular as Old Pasadena is now. In 1980, anyone who predicted that Old Pasadena would soon become hip and Westwood would fade would have been judged insane. However, since then the Village has declined as Old Pasadena thrived. Why?

Except for their parking policies, Westwood Village and Old Pasadena are similar. Both are about the same size, both are historic areas, both have design review boards, and both have BIDS. Westwood Village also has a few advantages that Old Pasadena lacks. It is surrounded by extremely high-income neighborhoods (Bel Air, Holmby Hills, and Westwood) and is located between UCLA and the high-rise corridor of Wilshire Boulevard, which are both sources of many potential customers. Old Pasadena, by contrast, is surrounded by moderate-income housing and low-rise office buildings. Tellingly, although Westwood Village has about the same number of parking spaces as Old Pasadena, merchants typically blame a parking shortage for the Village's decline. In Old Pasadena, parking is no longer a big issue. A study in 2001 found that the average curb-space occupancy rate in Old Pasadena was 83 percent, which is about the ideal rate to assure available space for shoppers. The meter revenue has financed substantial public investment in sidewalk and alley improvements that attract visitors to the stores, restaurants, and movie theaters. Because all the meter revenue stays in Old Pasadena, the merchants and property owners understand that paid parking helps business.

In contrast, Westwood's curb parking is underpriced and overcrowded. A 1994 parking study found that the curb-space occupancy rate was 96 percent during peak hours, making it necessary for visitors to search for vacant spaces. The city nevertheless reduced



Westwood Village

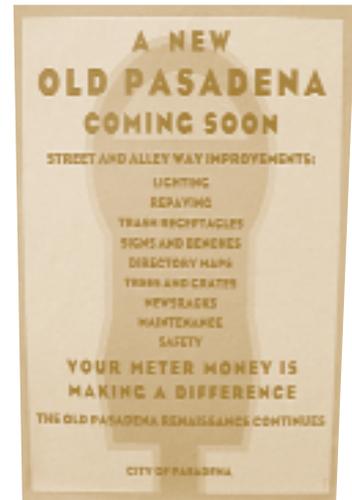
and leave other areas trapped in a slump. If Westwood Village had always charged market prices for curb parking and had spent the revenue on public services, it probably would have retained its original luster rather than fallen into a long economic decline. If Old Pasadena had kept curb parking free and not spent \$1.2 million a year on public services, it probably would still be struggling. The exactly opposite parking policies in Westwood Village and Old Pasadena have surely helped determine their different fates. As the signs on Old Pasadena's parking meters say, "Your meter money makes a difference."

CONCLUSION

Charging market prices for curb parking and returning the meter revenue for public improvements have helped pave the way for Old Pasadena's renaissance. The meter revenue has paid to improve the streetscape and to convert alleys into pleasant walkways with shops and restaurants. The additional public spending makes the area safer, cleaner, and more attractive for both customers and businesses. These public improvements have increased private investment, property values, and sales tax revenues. Old Pasadena has pulled itself up by its parking meters. ♦

meter rates from \$1 to 50¢ an hour in 1994, in response to merchants' and property owners' argument that cheaper curb parking would stimulate business. Off-street parking in any of the nineteen private lots or garages in Westwood costs at least \$2 for the first hour, so drivers have an incentive to hunt for cheaper curb parking. The result is a shortage of curb spaces, and underuse of the off-street ones. The 1994 study found that only 68 percent of the Village's 3,900 off-street parking spaces were occupied at the peak daytime hour (2 p.m.). Nevertheless, the shortage of curb spaces (which are only 14 percent of the total parking supply) creates the illusion of an overall parking shortage. In contrast to Old Pasadena, Westwood's sidewalks and alleys are crumbling because there is no source of revenue for repairing them—the meter revenue disappears into the city's general fund.

The Old Pasadena/Westwood Village comparison suggests that parking policies can help some areas rebound,



FURTHER READING

Douglas Kolozsvari. *Parking: The Way to Revitalization. A Case Study on Innovative Parking Practices in Old Pasadena.* Comprehensive project submitted for the Master of Arts in Urban Planning, UCLA, 2002.

Donald Shoup, "Cashing in on Curb Parking," *Access*, no. 4, Spring 1994, pp. 20–26.

Donald Shoup, "An Opportunity to Reduce Minimum Parking Requirements," *Journal of the American Planning Association*, vol. 61, no. 1, Winter 1995, pp. 14–28.

Donald Shoup, "Buying Time at the Curb," in *The Half-Life of Policy Rationales: How New Technology Affects Old Policy Issues*, Fred Foldvary and Daniel Klein, eds. (New York: New York University Press, 2003).

Donald Shoup, "The Ideal Source of Local Public Revenue," *Regional Science and Urban Economics*, forthcoming.

Donald Shoup, *The High Cost of Free Parking*. (Chicago: The Planners Press of the American Planning Association, forthcoming.)