



Dogs Parking Spark Cat Fights

An Argument for Going Easy on Parkers & How Parking Makes Your City Work

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PIE 2010

Chicago



What?

- Stormy Weather
- Everything's Connected
- Motivators and Hygiene Factors
- Business, BIA and Other Political Drivers
- Can You Measure it?
- Advocating for a Parking Authority
- As in Hockey, Goals Matter
- Bad Hygiene = Bad for Business = Bad for City
- Ideas for a Great Experience
- Wrap up



Stormy Weather

- Recession bites deep
- Merchants struggling
- City Struggling
- Pressure to Produce Additional Revenue
 - Higher parking fees
 - More aggressive enforcement
 - New fines for obscure enforcement reasons
- Sounds challenging!

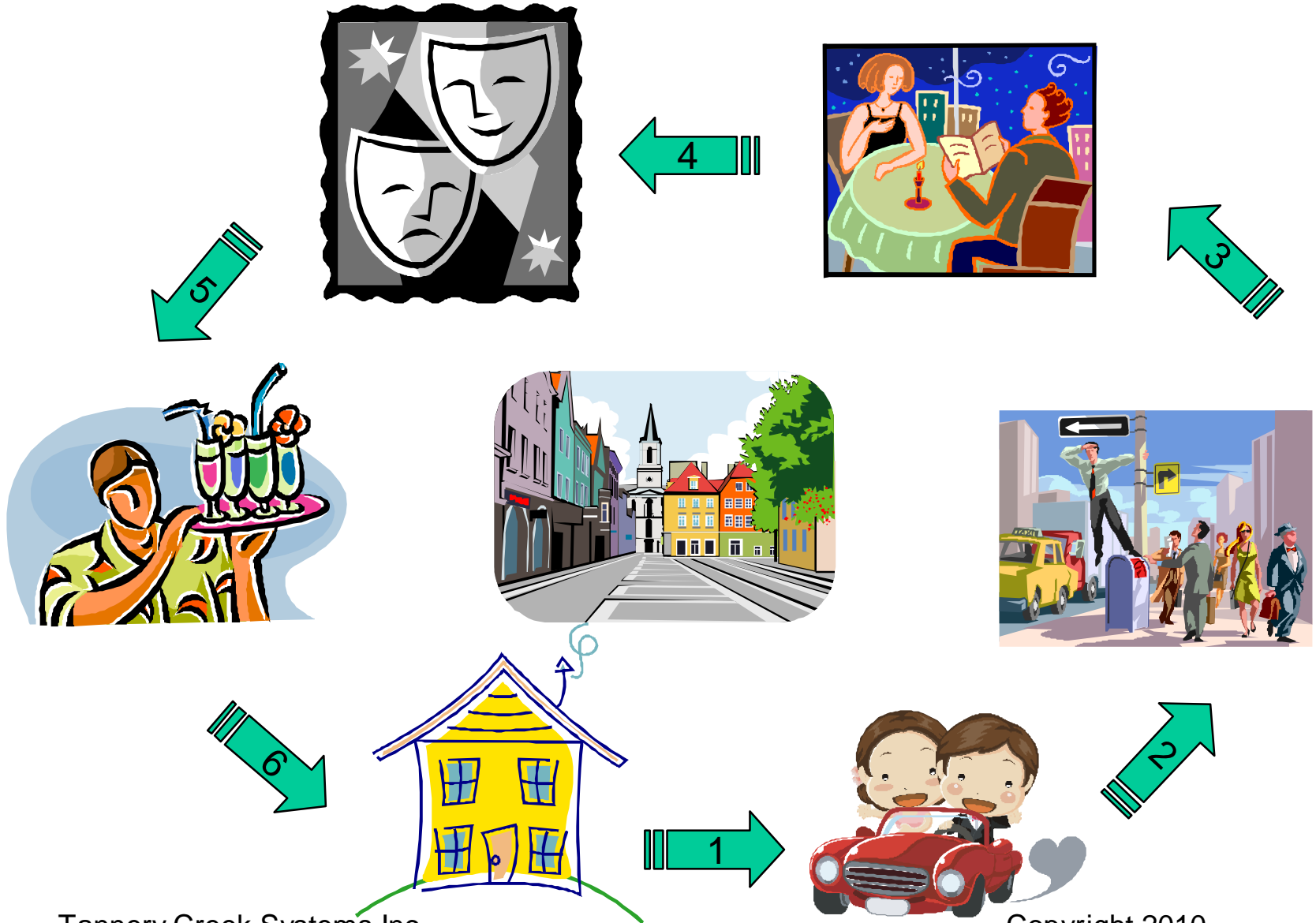


Everything's Connected

- Parking is part of a economic ecosystem
- Not stand alone
- Parking management ideally fits within city's goals
- So how do you
 - define goals
 - define and implement a plan
 - measure success



A Night on the Town





Circle of City Life

- Who are your parkers?
 - Visitors from uptown in for an evening of fun in the city including dining and theatre
 - Office or merchant workers need to park all day
 - Dad and kids visiting a medical specialist
 - A little old lady visiting her favourite salon
- A city needs all of these people to come back, again and again
- Will they or will they not choose to?



Motivational Model

- Comprised of:
 - Motivational factors
 - Hygiene factors

- Is a useful tool for viewing parking in overall city context

- Motivating Employees: Seminal work originally published in Harvard Business Review 1968 by Frederick Herzberg



Motivating vs. Hygiene Factors

- **Motivating factors** are things that **attract** people downtown
- *The absence of motivating factors will make downtown irrelevant*
- **Hygiene factors** are things that will make downtown pleasant to visit but in themselves do **NOT** attract people downtown
- *Unpleasant hygiene issues will dissuade people from coming downtown*



Motivating Factors

- Entertainment e.g. theatre, music, circus
- Good restaurants and cafes
- Pubs and night clubs
- Business e.g. speciality shops
- Architecturally attractive
- Sports venues
- Employment
- Water front
- Cache (energy, people watching)



Hygiene Factors

- Safe streets
- Clean streets
- Good lighting
- Good parking
- Public washrooms
- No Panhandlers, no crime
- Inviting atmosphere
- Kid friendly
- Generally, pleasant hygiene experience



Would You Go Back?

- You and your spouse have just watched a wonderful play and come out to find your car has been towed....
- You and friends enjoy a fabulous dinner, laughter and good times but when you come out 2 hours and 15 minutes later yellow parking tickets adorn your cars...
- A visitor in town, your car is parked in a snow clearance route. An hour later your car is gone, and 200 bucks gets it back...



Why Does it Matter?

- Cities are social creations
- Act as people magnets
- Are economic engines
- But people need more than just work
- Thriving downtowns create
 - strong community centers
 - Thriving economic hubs
 - Minimize recession impacts



Parking is a Hygiene Factor

- Good parking won't attract people downtown
- BUT a bad parking experience will detract from downtown appeal
- Who suffers?
 - Merchants and entertainers
 - Town cache
 - Tax base
 - Regional strength



Overstated?

- Parking ...and dogs are often touted as the most intractable and contentious issues



- As is crime



Merchants are Economic Engines

- Viable merchants anchor a city's economy
- Most are small businesses
- All are vulnerable to recession and factors that decrease walk-in traffic
- Difference between thriving and foundering can be only a couple of thousand dollars a week



Parking Impact on Merchants

- Street parking typically affects 20% of revenue
- Sometimes more; depends on back lot or garage parking
- Major irritants for parkers affects merchants:
 - Lack of parking (often low vehicle turnover)
 - Cost
 - Ticketing
 - Security
 - Proximity
 - Clarity



Politics

- BIA needs
 - More close proximity parking
 - More turnover
 - Low or no fees
 - No tickets except to scofflaws
 - Don't offend the prospective customer hence
 - Make hygiene issues pleasant



Politics

- City advocates and balances needs for
 - Thriving merchants
 - Money
 - Downtown residents
 - Attractive downtown
 - Arts and entertainment
 - Cache

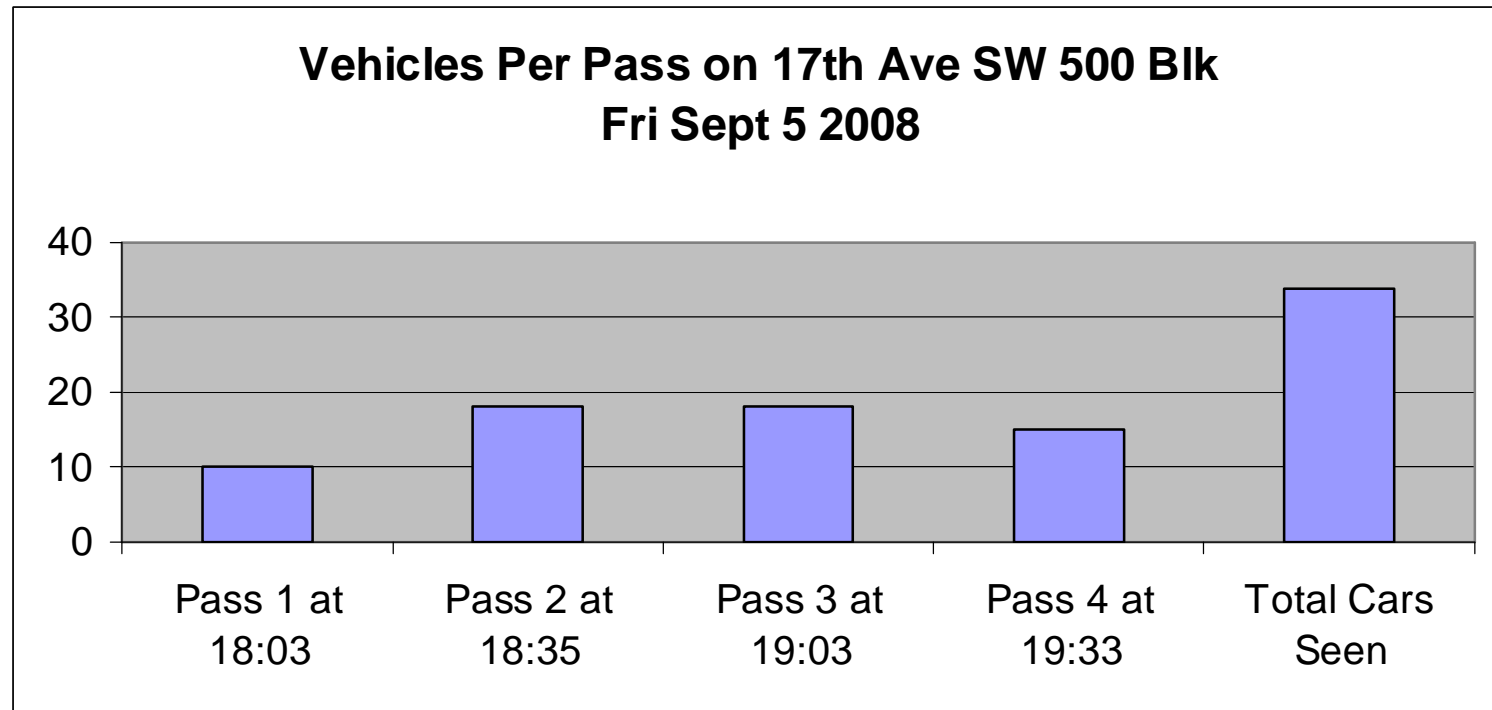


Politics – Goals Matter

- Parking Organization is an integral part of the City
 - Parking goals – do they line up with the City's?
 - Planning – who has input?
 - Implementation – how effective is it?
 - Policy, Permits, Enforcement – Consistent with parking goals?
 - Organization
 - Single or distributed
 - Common goals or at each others throats?
 - Regular review of practises and initiatives
- Everything comes back to your goals



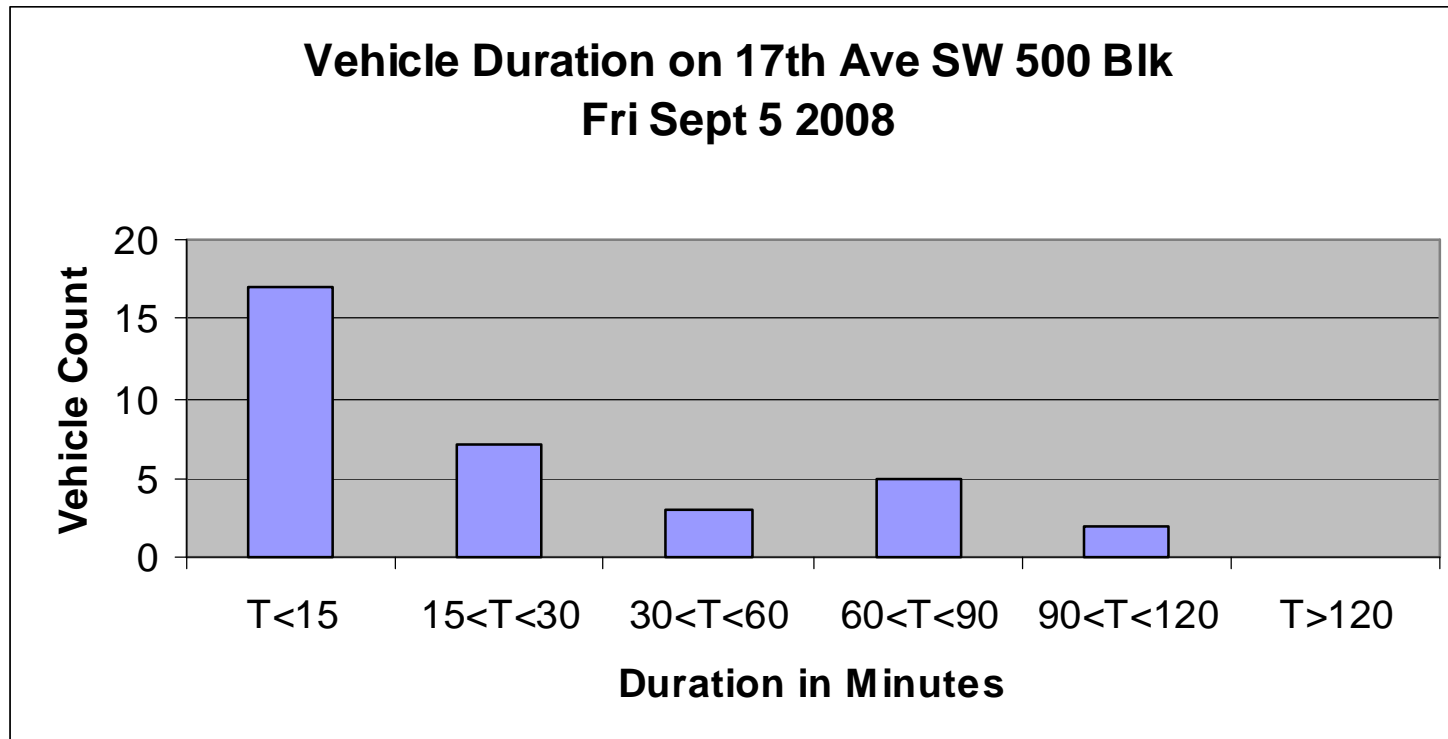
Politics and Measurement



- Measure your parking – you may be surprised!
- Here merchants on 500 block were convinced parkers staying over 2 hours
- What do you think?



Politics and Measurement



- In fact majority stayed under 30 minutes.
- Here merchants and politicians convinced parkers staying over 2 hours
- Overstaying just not true!



Advocating for One Entity

- Ideally a single entity can most effectively deal with conflicting demands
- Total ownership of challenges and effective trade off of cost benefit
- Parking responsibilities distributed over different organizations often leads to conflict
- Directly impacts parking goals, implementation and stakeholders (e.g. merchants)



Example 1: Parking Spaces

- Consider a city with 2000 parking spaces
- Uses parking meters
- Revenue per parking spot is \$2 per hour
- Average utilization is 50% thru day
- Hence value to city is \$16,000 per day or about \$4,000,000 per year
- Nice revenue!



Example 1: The Conflict

- But what would the BIA wish to see?
 - No fees
 - More parking
 - More turnover
 - How to do that? Is it worth it?
- What would the city like to see?
 - Viable businesses
 - More money
 - Attractive downtown (but needs money)



Example 1: A Shortfall

- Suppose no parking fees.
 - Direct cost to city \$4M
 - Does additional revenue to merchants increase by \$8M, \$12M?
 - How does city get some of this money to pay for enforcement
 - Is increase in revenue for merchants taxable and make up for revenue loss?




















Example 1: Enforcement Solution?

- Rigorous overtime parking instead?
 - This city issues 100 parking tickets per day
 - Average cost is \$20
 - Revenue = \$2000 (per day)
 - Yearly revenue = \$500,000
 - Far cry from \$4M
 - Aggressive enforcement is bad hygiene
- Bottom Line: aggressive enforcement and high fees deters clients and decreases merchant revenue



Parking Tradeoffs on City Revenue and BIA (Merchants)

Factors influencing downtown parking	City Rev short term	BIA	City Viability (long term)
Higher Parking Fees			
Block Face Marking			
Paid 1 st Ticket instead of warning			
Escalating Tickets			
Meter Feeding	Neutral		
Good PEO's			



Parking Mission/Goals

- Examples of Long Term Goals
 - Maximize public benefit and value of parking
 - In particular facilitate local business and other stakeholders (e.g. increasing parking spaces)
 - Make parking fair (e.g. clear signage)
 - Minimize parking disincentives
 - Facilitate community standards
 - Parking as a pleasant experience



Implementing Objectives

- Identify Stakeholders
 - Business Improvement Association (BIA)
 - Elected councillors
 - Legal (prosecution)
 - Ideally, parking public
 - Residents
 - Equipment suppliers
 - Engineering
 - Accounting and financial
 - Engineering and city planning
 - Parking Enforcement



Hygiene Impacts

- Evaluate new or current initiatives
- E.g. New paid parking initiative
 - Pay by space
 - Pay by plate and cell phone
 - Evaluate over a 5 year horizon
 - Will it make parking more or less satisfying?
 - Ask parkers, stakeholders, other city's experiences
- Parking Enforcement Officers
 - Professional, courteous, flexible – looks good
 - Overzealous, grouchy and rigid – sounds bad



Ideas to Minimize Unpleasant Parking Experiences

- High parking fees are a dissuasion
 - Lower parking fees but to compensate...
 - Will businesses cough up, e.g. pay a fee on all parking spaces within 50 feet of their shop
 - Pay proportional to vehicle length
 - E.g. short cars pay 25% less
 - Average cars pay standard rate
 - Long/large vehicles pay 25% more
 - Use parking studies to create dynamic pricing model
- Add more parking spaces: mark parking zones by block face typically increases parked cars 10% and revenue by 10%



Minimizing Unpleasant Hygiene

- Confusing signs are unfair
 - Cause uncertainty
 - Reduce likelihood of parking
 - Often result in hefty fines to honest people
 - Hence simplify signage
- Review parking zones
 - Simplify parking zones
 - Often adds more parking



Minimizing Unpleasant Hygiene

- Getting a ticket is very irritating
 - An expensive ticket is a strong disincentive to come downtown
- 90 to 95% of people typically don't reoffend
- So why not use a warning for the first ticket?
- Escalating fines will recover some of the money lost when warnings issued
- Technology can also help recover more than lost revenue



Financial Impact of Warnings

First Ticket (Warning?)	\$10	10,000	\$100,000
2 nd ticket	\$25	1000	\$25,000
3 rd ticket	\$35	800	\$28,000
4 th and subsequent	\$50	1200	\$60,000
Totals		13,000	\$213,000



Impact of Warnings

- Total Revenue if First Ticket is paid = \$213,000
- If city decides on first ticket is a warning (no charge) then reduction in revenue is \$100,000
- However, merchants will see more retained customers
- Our experience is 95% of people do not reoffend after receiving warning
- These same people will come back and shop
- The question is: what % of the 10,000 people won't return?



Loss of Customers

- A small percentage of customers who are ticketed will be annoyed enough not to return, perhaps 10%, or 1000 visitors
- Customers typically spend \$50 a visit, let's assume 3 visits over the year
- About \$150,000 is lost to merchants, city makes \$100,000 for a net loss of \$50k
- Cost to business is high for ticketing everyone.
- Note that workers will come back, discretionary customers will not



The 3:1:10 Rule

- Very happy customers tell 3 people of their great experience
- Moderately happy customers tell no one
- Very unhappy customers tell at least 10 people how unhappy they are
- Bottom line: Make parking pleasant





Wrapping Up

- Do city goals align with parking stakeholders?
- Consider parking as hygiene and
- Consider your parkers as customers
- Consider each aspect of parking program in this light: “Do parkers/customers leave happy or unhappy?”
- Good parking practises underpin dynamic and successful cities in good times....and in bad.



New Green Enforcement Technology





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