Implementing Parking Reform in Los Angeles
Policy Briefing Paper

Considering the Benefits and Burdens of Parking Policies

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EXECUTIVE SUMMARY

Parking requirements are city imposed rules that dictate how many parking spaces must be provided by a property owner for a specific land use. Cities often require developers to supply enough parking spaces to meet the peak demand for parking, regardless of price or if the development is located near transit.

California Senate Bill 518, although not signed into law during 2010, sparked debate about parking reform in cities such as Los Angeles.[1] SB 518 would have incentivized California cities to choose from a menu of policy options, including the following: 1) eliminate parking requirements for projects in transit intensive areas; 2) price parking true to cost; and 3) create parking benefit districts.

This policy brief explores the benefits and burdens of the three aforementioned policies, with a focus on how the policies could impact Los Angeles. The intent of this paper is to help policy makers, urban planners, environmental advocates, and community members in Los Angeles better understand the consequences of the city's current parking policies as well as the costs and benefits of potential parking reform measures. This paper concludes that enacting the three aforementioned policies would be a political and financial investment, but could produce significant economic, environmental, and social justice benefits for Angelenos.

Reducing parking requirements in transit intensive areas offers the advantages of: 1) cost savings for consumers and businesses; 2) reduced traffic and air pollution; 3) improved storm water management; and 4) ability to use land in a way that employs more workers and supports pedestrian friendly environments. However, despite these likely benefits, parking requirements are ingrained in city planning and even a modest proposal for reform will require a degree of political courage and transformational thinking.

Smart, market-rate parking rates pose challenges such as resistance from the public, a lack of political support, and implementation costs. However, these burdens could be overcome with smart public outreach and creative public-private partnerships. The advantages of this policy are significant: pollutant reduction, convenience for parkers, and improved oversight for parking departments.

The establishment of parking benefit districts (PBD) can help create public support for market rate parking. A PBD creates a locally-controlled revenue stream, in which the parking revenue raised in a specific area is dedicated to street improvements, public safety, and other investments in that area. Stakeholders may initially be resistant to raising parking rates. However, Pasadena and other cities are illustrations that a PBD can win public support by linking the new revenue to real investments and tangible improvements in the neighborhood.

[1] SB 518 was passed by the California Senate, but not the Assembly in 2010.

INTRODUCTION

Parking requirements are city imposed rules that dictate how many parking spaces must be provided by a property owner for a specific land use. Such requirements, which have crept into many cities' laws over the past 50 to 70 years, have ensured that Americans have an abundant supply of parking today (Smith 1). This abundance of land dedicated to parking has created a maze of asphalt and concrete surfaces in cities throughout the United States (Shoup 103).

In 1937, Douglass Haskell observed in the *Architectural Record* that “Los Angeles appears to the casual view as a series of parking lots interspersed with buildings (Shoup 107). This environment -- dominated by surface parking lots and subterranean garages -- did not evolve independently. Widespread car ownership made parking lots indispensable, and the parking lot, by spreading the city out, made the cars indispensable (Shoup 107).

Today, Los Angeles has the reputation of being an auto-dependent city with some of the worst traffic congestion and traffic-related air pollution in the country. Many urban planners are starting to see parking requirements as a root cause of these problems.

This policy brief explores the benefit and burdens of three parking policies that Los Angeles should consider. Specifically, section 1 explores the costs and benefit of reducing parking requirements in areas of Los Angeles with transit options. Section 2 considers using market rate parking prices to create a 15% vacancy target for curb parking. Finally, section 3 addresses parking benefit districts, which keep parking revenues local. The paper is intended to help policy makers, urban planners, environmental advocates, and community members in the Los Angeles better understand the consequences of the city’s current parking policies as well as the potential costs and benefits of parking reform.

PART I:
REDUCING PARKING REQUIREMENTS IN TRANSIT AREAS

Regardless of price, cities often require developers to supply enough parking spaces to meet the peak demand for free parking (Shoup 200). Not surprisingly, drivers park free for 99% of their trips (Shoup 1). “Free” parking, however, is a misnomer, as parking expert and urban planning professor Dr. Donald Shoup explains in the book *The High Cost of Free Parking*. Parking requirements have both direct and indirect costs.

The high direct costs of parking are revealed by in-lieu parking fees, which developers can choose to pay to a city to avoid supplying the required amount of parking. The city then uses these funds to provide public parking in lieu of the developer. In 2002 the average in-lieu fee in U.S. cities was $16,146 per parking space. In Southern California, developers paid $12,500 to the City of Hermosa Beach and $22,678 to the City of Beverly Hills per parking space (Shoup 239).

These costs are collectivized and indirectly passed down to consumers and residents. As Dr. Shoup describes, “initially the developer pays for the required parking, but soon the tenants do, and then their customers, and so on, until the cost of parking has diffused everywhere in the economy” (Shoup 2). According to Mark Deluchi of the University of California, Davis, in 1990 to 1991 the subsidy for off-street parking was between $76 billion and $233 billion a year ─ about the size of the nation’s Medicare budget (Shoup 207, 218).

Furthermore, these costs are often unnecessary because the supply of parking frequently goes underused. Numerous studies conducted throughout the U.S. suggest that the minimum parking requirements in many zoning ordinances are excessive because they are based on peak demand for free parking (Shoup 83). City planners commonly use the *Parking Generation* report published by the Institute of Transportation Engineers (ITE) as a common source of information on parking demand, but ITE’s parking generation rates are intended to measure the peak demand for free parking at suburban sites without public transit (Shoup 81). Market demand for parking at a coffee shop located in a suburban strip mall may be quite different from a coffee shop adjacent to a subway station. Yet current parking requirements often do not differentiate.

Consequently, the dominant land use surrounding suburban rail stations is parking (Cervero 1). Upon departing from a train, riders are met with expansive parking lots that spread to nearby transit oriented developments (TODs). Planning professionals hope that TODs leverage and support nearby transit and thereby lead to transit ridership gains (Cervero 1). However, requirements mandating excessive parking have undermined this goal by accommodating automobile drivers at the expense of non-drivers.

For example, recently bike and pedestrian advocates have criticized the W Hotel and Residences at Hollywood Boulevard and Vine Street as being a TOD with excessive amounts of

parking (Newton 2010).[2] The W is housed on 4.6 acres of Los Angeles Metro land. Despite having a subway station for the red line embedded in its plaza and proximity to six Metro bus lines, the development offers two levels of parking or 1,322 parking spaces (Box 2010).

Reducing parking requirements in specific areas – those with plentiful transit options – offers the following advantages: 1) reduced costs and more flexibility, 2) reduced traffic and air pollution, 3) improved storm water management and 4) ability to use land in a way that employs more workers, yields higher revenue, and creates pedestrian and transit friendly environments, Yet, like all real reform, change will be politically difficult.

Benefits of Reducing Parking Requirements in Transit Intensive Areas

1) Reduced Costs for Consumers and Businesses

Everyone could benefit from parking reform because currently the high cost of parking is hidden in the price of housing and in other goods and services that we all pay for. By eliminating minimum parking requirements in transit intensive areas – letting the market decide how much parking to provide – business owners in these areas can make informed decisions about how many spaces are needed for their customers, thereby saving money that they can pass onto their customers in the form of lower prices for goods and services.

This modest proposal would not impact every area, but could provide more options in the areas where people have access to transportation alternatives – such as transit, biking, walking, ridesharing, or carpooling. People who wanted to avoid the hidden costs of parking could do so more easily. If someone is loath to spend time in a transit and pedestrian oriented area, they can choose to patronize sprawling strip malls. However, many transit and pedestrian friendly areas ─ like downtown San Francisco and Portland ─ are highly desirable areas to live, work, and play. And both of these cities do not have minimum parking requirements in their downtowns and surrounding areas (Weinberger et al. 2010). By eliminating minimum parking requirements in transit intensive areas, Angelenos will have more ability to choose their travel mode and cost.

2) Reduced Traffic, Air Pollution, and Greenhouse Gas Emissions while Supporting and Leveraging Transit Investments

We can reduce both traffic congestion and air pollution if cities let the market decide when to provide less parking. People are not incentivized to take transit to an area if they know there is abundant free parking. Minimum parking requirements skew travel choices toward cars and away from public transit, cycling, and walking – which would create a more sustainable Los Angeles region. Eliminating parking requirements can support and leverage investments in public transit, while at the same time reducing vehicle congestion and air pollution.

Passenger vehicles are the single-largest source of greenhouse gases in California.[3] In addition, automobiles and light trucks account for 50 percent of air pollution. The American Lung Association's *State of the Air 2010* reported that metropolitan Los Angeles remains the smoggiest area in the U.S. while on a statewide level, 90 percent of Californians breathe unhealthy air.[4] Analysts identified nearly 30,000 hospital admissions and emergency room visits in California that could have been avoided in 2005 and 2006 if national air quality standards had been met, with resulting savings of about $193 million (Romley et al. 2010). Because public insurers such as Medicare and Medi-Cal paid most of the pollution-related health care bill, taxpayers have a lot to gain from cleaner air.

3) Improved Storm Water Management

Parking is not only a poor use of the land, but environmentally harmful. Paving a surface with asphalt makes it impervious to water absorption, increasing storm water runoff and contaminants, (Davis et al. 255). This in turn increases both flood risks and pollution. Storm water runoff is the number one source of pollution in California's waterways. Additionally, the impervious nature of parking lots causes increased erosion and siltation, less groundwater recharge, and soil instability (Jackson 2010).

4) Ability to use Land for Uses that Employ more Workers, Yield Higher Revenues, and Create Pedestrian and Transit-friendly Environments

Eliminating minimum parking requirements in transit intensive areas means that these communities can dedicate less land and money to cars and more space to land uses that employ more workers, yield higher revenues, and support pedestrian and transit friendly spaces. While these sound like obvious advantages, less obvious is why it is so hard to build for pedestrian and transit friendly, mixed-use, and small business oriented districts. An examination of minimum parking requirements sheds some light on this conundrum.

Josef Bray-Ali, who until recently worked for a small real estate development company in Los Angeles, provides a good example of the opportunity costs of minimum parking requirements (Bray-Ali 2010). His firm wanted to build a mixed-use office and residential building on Colorado Boulevard in the Los Angeles community of Eagle Rock. The lot was small – about 7,000 square feet. However, due to parking requirements, his firm would have had to build an extra level and reconfigure the other levels, turning a $200,000 construction project into a $1.2 million "fiasco" (Bray-Ali 2010). According to Bray-Ali, the parking requirements killed the project, which was precisely the sort of infill development that politicians and neighbors wanted to make the

[3] Office of the Governor. September 1, 2008. http://gov.ca.gov/fact-sheet/10707/.

[4] American Lung Association. "State of the Air: 2010." April, 2010. http://www.stateoftheair.org/

area more pedestrian friendly and economically vibrant: modest height, mixed-use, with room for small local businesses to thrive.[5]

Burdens Associated with Reducing Parking Requirements in Transit Intensive Areas

1) Fear of "Driving" Away Business

Providing parking is extremely costly for developers. Yet some developers and their lenders fear that providing less parking would discourage potential buyers or renters from patronizing their businesses. This fear may spur developers to provide more parking than is required, even if parking requirements in transit intensive areas were reduced or eliminated.

2) Culture Ingrained by Abundant Parking

Reducing the actual amount of parking in transit intensive areas would require not just policy change, but a culture shift in the real estate development industry. This is not impossible. Profit oriented developers could become more comfortable with providing less parking, given that they could save money by doing so. Realtors are already starting to market the transit accessibility of properties, highlighting proximity to public transit, bike facilities, and walkability. It would also take a cultural shift for consumers to realize the cost savings associated with lowering parking requirements and unbundling the cost of parking from all other costs.

[5] *Ibid.*

PART II: CREATION OF 15% VACANCY RATE FOR CURB PARKING

Basic economics tells us that demand is high when something is underpriced or free. Consequently, when curb parking is not priced at its true cost, a shortage of parking often occurs. Given the choice between paying for market-rate parking in a lot compared to underpriced, non-market rate curb parking, drivers strongly prefer curb parking because of its low cost. If drivers find a curb space, they will be reluctant to leave these spaces (Shoup 19). Therefore, other drivers find it harder to locate a curb space, and cruise the streets while they search.

The average cruising time varies by location and time of day. However, even a small search time per car can generate a surprising amount of congestion and air pollution. Over the course of a year, an average block with 33 curb spots generates 60,000 vehicle miles traveled (VMT), or more than two trips around the earth (Shoup 291). Cruising poses many external costs, such as congestion and pollution, wasted fuel and an increased likelihood for traffic accidents (Shoup 291).

SB 518 proposed a 15 percent vacancy rate for curb parking (or 85 percent occupancy). An occupancy rate of 85 percent translates into roughly one open parking space for every seven spaces. Mechanisms for achieving this vacancy rate range from sensor systems that allow for informed rate changes to simple price changes dependent on demand. Regardless of the mechanism, a 15 percent target is key because it: (a) ensures the availability of spaces, thus reducing cruising, and (b) puts a market-determined price on a good most drivers erroneously assume to be public. Public goods are non-rival and non-exclusive, but curb parking is just the opposite ─ drivers rival other drivers for a space and charging for parking is quite easy (Shoup 296).

Benefits of a 15% Vacancy Rate

1) Parking is More Plentiful and Easier to Find

Drivers often add a buffer of time to trips that incorporates possible cruising for parking. Setting pricing to achieve a vacancy target of 15 percent ensures there will be no shortage in parking spaces and drivers will not have to cruise to find a free space (Shoup 297). This makes parking more convenient, and reduces the time cost for drivers. Driver surveys have shown that parking availability is the most critical component of parking. Drivers are willing to pay more for parking during peak periods if they are able to quickly find a space close to their destination (SFMTA 2009).

2) Improved Transportation Efficiency and Reduced Pollution

A target vacancy rate will improve transportation efficiency by reducing the amount of time that drivers cruise for parking. As previously noted, even a small amount of cruise time results in significant congestion delays and pollution. A study conducted by Britain's Road Research Laboratory found that when prices for curb parking were quadrupled from around $0.60/hour to $2.50/hour (in 2002 prices), there was an 83 percent reduction in search time. What once took six minutes, now takes one minute, all thanks to market- determined pricing (Shoup 311).

In addition to saving time for the individual driver, less cruising equates to more livable and sustainable communities. Pricing parking higher at peak hours to achieve a 15 percent vacancy target encourages drivers to economize on driving and parking. People may divert trips to walking, cycling, high-occupancy vehicles, and public transit, which equates to fewer automobiles on the road. Those who choose other transport modes or carpooling will enjoy financial savings and will also pollute less.

3) Improved Management Oversight for the City

Cities are often unaware of parking occupancy levels in real-time. If a city invests in higher technology meters and/or sensors, they will be able to generate data that lets them know the status of every parking space – including data on occupancy, functionality, violations, and turnover. This improves the management of curb parking overall. If a meter breaks, employees can be immediately dispatched to fix it. Instead of spreading personnel all over an area, smart meters allow targeted allocation of enforcement resources when sensors indicate a high concentration of illegally parked cars.

Burdens Associated with a 15% Vacancy Rate

1) Upfront Investment Costs May Be an Initial Deterrent

Rather than addressing the lack of curbside parking, most politicians would rather require off-street parking. However, if cities wish to charge a demand-based rate for curb parking, some investment in technology and oversight will be needed. A wide variety of electronic parking meters that can charge variable prices exist, but many California cities are cash-strapped. Investment in these new technologies can be a financial risk that cites may not be willing or able to bear.

In order to overcome this financial risk, creative public-private partnerships can be pursued. The City of Los Angeles recently made an agreement with IPS Group, a parking and telecommunications firm, to lease 10,000 new coin-and-card parking meters. The city is always guaranteed positive revenue because if the revenue from the parking meters is less than the monthly lease, the city will pay the lower amount (*LA Daily News* 2010). These types of

partnerships would allow a city to provide all the benefits of demand-based parking to its drivers, while also fulfilling its fiduciary responsibilities to its taxpayers.

2) Social Equity Concerns

There is concern associated with potentially pricing out some lower income drivers from parking in certain districts. However, it is important to note that the cycle of auto dependency that our parking policies support is a matter of environmental injustice. Lower income individuals use transit at a higher rate, own their own dependable vehicle at a lower rate, and yet are disproportionately impacted by vehicle-related air pollution compared to higher income individuals (Deka 2004). By supporting pedestrian and transit friendly neighborhoods while decreasing pollution through parking reform, we can help to achieve environmental justice.

3) Lack of Political Will and Public Understanding May Hinder Implementation

Cities wishing to institute parking reform will likely have to prepare for backlash from drivers and businesses. Drivers will not initially want to pay more for parking and thereby business owners may fear that higher parking prices will drive away customers.

However, a well-crafted messaging campaign could highlight the many benefits of variable rate parking for both individuals and businesses. For example, the fact that more spaces will be available for short-term parkers who visit a business for a quick errand should be a strong selling point for local businesses. It could be argued that a lack of available parking is more of a deterrent to an additional customer than a higher price for parking.

Another key mechanism to build support for market rate parking pricing is the establishment of “parking benefits districts,” in which all the meter revenue is sent to clean the sidewalks, plant streets trees, improve safety, and provide other public services in the neighborhood where the revenue is generated (Shoup 397-398). Parking benefits districts will be discussed in greater detail in Part III.

PART III: PARKING BENEFIT DISTRICTS

SB 518 called for the creation of parking benefits districts (PBDs)[6] as a means by which revenue can be generated to fund improvements "in the district where the revenue was raised."[7] Either a non-profit organization or a community development corporation typically administers this revenue. These funds are used to provide direct improvements to the business district or residential neighborhood. Revenue generated by PBDs is predicated on the idea that curb parking should be priced at a market rate (Shoup 399).

SB 518 proposed PBDs for both residential neighborhoods and business districts to better manage the existing stock of curb parking. The revenue generated from PBDs is meant to reduce demand for parking by providing a dedicated revenue stream directed toward services and programs that incentivize travel modes other than driving.[8] Public transit service improvement and infrastructure aimed at serving pedestrians and bicyclists are specifically mentioned as potential recipients of PBD funds.

The handsome built environment and pedestrian-friendly streets of Old Town Pasadena were made possible by the establishment of a parking benefits district (PDB). The PBD provided a dedicated revenue stream that went directly back to the district in which the parking revenue was raised.

[6] These types of benefit districts can go by a variety of names. Here, we are simply referring to the type of generic benefit district put forth by Sen. Lowenthal in SB 518. Specific policies regarding revenue sharing and hours of meter operation differ as the needs of each community differ.

[7] California State Senate Bill 518 (p. 13, line 15).

[8] California State Senate Bill 518 (p. 13, line 25-30).

Benefits of Establishing Parking Benefits Districts

1) Parking Benefits Districts Create Locally Controlled Revenue

Most municipalities funnel parking meter revenue directly into the city's general fund. These funds may not directly benefit the areas in which parking meters are located. As a result, these areas must bear the costs – increased congestion and auto emissions – of providing on-street parking, while receiving little in return. Local merchants and residents alike blame these negative effects on a lack of parking supply, and lobby cities to construct and require more underpriced parking. This only serves to exacerbate the problem (Shoup 399). But cities can change the politics of parking if they return curb parking revenue to pay for public services in the neighborhood that generates it (Shoup 387). PBDs, therefore, establish a direct relationship between where the parking money is generated and where the money goes and by doing so, build a powerful new constituency for market rate parking prices.

2) Dedicated Funding Stream for the Revitalization of Commercial Districts

Research conducted by Dr. Robin Liggett and Dr. Anastasia Loukaitou-Sideris has shown that an area's aesthetic character has a direct correlation to subjective feelings of safety (Liggett & Loukaitou-Sideris 2003). While this study focused on the form of bus stops in urban areas, the idea that an aesthetically pleasing urban form will promote an increased number of pedestrians is supported by the PBD-funded redevelopment of Old Town Pasadena in the 1990s.

Once a seedy "retail slum", Pasadena's Old Town is now a thriving pedestrian district that is a net revenue generator for the City of Pasadena (Shoup 407). An advisory board composed of local stakeholders used the promise of dedicated funds from the PDB to secure lower interest financing for immediate streetscape improvements (Shoup 406). Street furniture, landscaping, historic preservation, and adaptive reuse of the Pasadena's quaint Old Town were all made possible because of the revenue generated by the Old Pasadena PBD. Alleyways that had fallen into disrepair were converted into pedestrian-only walkways with shops, restaurants, and public art displays (Shoup 405).

Drivers are now encouraged to park once and conduct all their business on foot or bike rather than traveling by car from destination to destination. The development of a streetscape that creates this incentive is directly attributable to the institution of a PBD in the area. Although the goals of the PBD were not explicitly aimed at curbing auto emissions and congestion, the result is the same –a reduction in the net number of trips generated within the boundaries of the PBD.

3) Residential PBDs Fund Neighborhood Improvements

Parking benefit districts can be adapted to suit the needs of residential neighborhoods, especially those that are adjacent to regional job centers or busy commercial districts. While

commercial PBDs rely on smart metering technology to charge the right price for curb parking, residential PBDs depend on the sale of commuter parking permits to fund localized improvements. Residential PBDs create a constituency that is supportive of innovative parking management systems. Residents who vote to protect their PBD will continue to enjoy benefits, such as the timely repair of broken sidewalks and the installation of attractive new landscaping, while adjacent neighborhoods will not (Shoup 437-438). Likeminded resident groups could also opt to retrofit their neighborhoods with more sustainable streetscaping, such as drought-tolerant foliage and bioswales, using the revenue generated by the residential PBD.

Burdens Associated with Establishing Parking Benefit Districts

1) Stakeholder Resistance to Raising Parking Rates

As with the adoption of any new system, there may be certain stakeholders who will initially oppose the implementation of PBDs. Local merchants may balk at the idea of raising the price for curb parking, especially if they believe a scarcity of cheap curb parking is to blame for the lack of customer circulation in their business district. However, as was the case in Old Town Pasadena, the idea of a new revenue stream dedicated to improving the area in question tends to quickly win over any reluctant business owners. Parking benefit districts are often quite popular with local stakeholders once it is understood how much they stand to gain.

Drivers will also be resistant to higher curb parking prices. No one wants to pay more if they can get the same experience elsewhere. However, a PBD can help to improve the shopping experience – via investing parking revenue into streetscape amenities and other benefits for shoppers – and therefore actually attract customers. The political sell can be made by making the connection between those curb prices and the improved shopping experience. For instance, A PBD authority in San Diego was quite successful in this regard by making sure that every parking meter in the PBD was labeled with a sticker that reminded drivers that their spare change was responsible for the big changes in the area. It should also be noted that drivers who chose to park in PBDs tend to have traveled from outside the PBD boundaries. Consequently, their influence on the decision to adopt a PBD is often quite small (Shoup 437-438).

2) Concerns About Inequitable Distribution of Funds

Concerns about the equitable distribution of funds from areas outside of the PBD may also arise. For example, it could be argued that the parking benefit district has allowed one area to prosper at the expense of other commercial districts in the city. This was the case in Old Town Pasadena. After the enactment of a PDB, Old Town quickly became the dominant commercial district in the City of Pasadena, while the sales tax revenue generated by other commercial districts declined. Policymakers would do well to make the process by which a PBD is established clear and easily navigable so that neighboring commercial districts and/or residential neighborhoods could establish their own parking benefit district.

CONCLUSION AND RECOMMENDATIONS

In the aggregate, the benefits of parking reform would likely far outweigh the costs, producing myriad environmental and economic benefits for Los Angeles. See Appendix B for a summary of the benefits and burdens of the reforms analyzed in this report. Collectively, these measures would provide Los Angeles with the opportunity to move beyond “a series of parking lots interspersed with buildings” (Shoup 107).

Eliminating minimum parking requirements in transit intensive areas is in the interest of a diverse range of Angelenos. Allowing businesses to provide parking only when it makes economic sense would decrease the cost of development/redevelopment and historic preservation in transit intensive areas. This would help to focus regional development in these areas, which tend to be in urban and relatively dense areas – and away from outlying areas, thereby reducing sprawl, utilizing our existing transit infrastructure, and creating the conditions that make transit, cycling, and walking more viable.

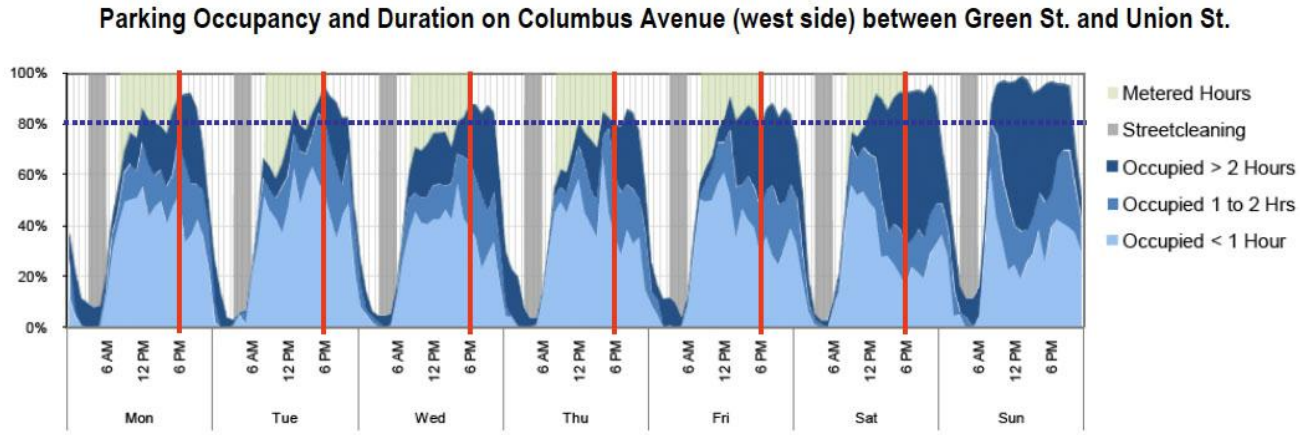
Moreover, this is what Americans want. A national survey of 1,000 adults by the National Association of Realtors found that that 61 percent of Americans agree that new home construction should be limited in outlying areas and encouraged in very urban areas; 81 percent want to redevelop older areas rather than building new ones; 83 percent support “building communities where people can walk places and use their cars less,” and 88 percent support more public transportation (National Association of Realtors). Eliminating minimum parking requirements for projects in transit intensive areas could help to achieve all of these stated preferences.

The benefits of implementing variable rate pricing to achieve a 15 percent vacancy target for curb parking would also outweigh the burdens of implementing this policy. The burdens of user education, political will, and implementation cost can be overcome with smart public outreach and creative public-private partnerships. The advantages of this policy are: pollutant reduction, convenience for parkers, and improved oversight for parking departments. Furthermore, 10 to 12 percent of Los Angeles’ 40,000 parking meters are not operational. Since these meters must be replaced, the City should take the opportunity to upgrade to variable pricing meters because of the benefits. Instead of broken parking meters, weak oversight, congestion, and pollution, the City of Los Angeles can implement the 15 percent vacancy concept and reap the numerous benefits.

To overcome the political hurdles associated with parking reform, parking benefit districts should be established to create a direct link between parking revenue and community investments. The locally-controlled revenue streams of a PBD give local governments the assurance of a dedicated source of funding, which has become increasingly important as State and Federal funding has significantly waned.

APPENDICES

Appendix A



Note: Study conducted during summer 2007 by the San Francisco County Transportation Authority. Parking meter limit is 2 hours when meters are operating (9:00am to 6:00pm).

Appendix B: Summary Table of Benefits and Burdens of Proposed Changes in Parking Policy

Proposed Policy	Key Benefits	Likely Burdens
Reduction in Minimum Parking Requirements for Transit Intensive Areas	1. Cost savings for consumers and businesses 2. Reduced traffic and air pollution 3. Improved storm water management 4. Ability to use land in a way that supports pedestrian friendly environments	1. Fear of "driving away" local business 2. Necessity of a cultural shift away from expectation of abundant free parking
Institution of 15% Vacancy Rate for Curb Parking	1. Parking Becomes Easier to Find 2. Improved Transportation Efficiency & Reduced Pollution 3. Improved Management Oversight for the City	1. Upfront Investment Costs May Be an Initial Deterrent 2. Concerns Over "Regressive Taxation" and Social Equity Must Be Addressed 3. Lack of Political Will or Public Understanding May Hinder Implementation
Creation of Parking Benefit Districts (PBD's)	1. Generation of Locally Controlled Revenue 2. Dedicated Funding Stream for Commercial Districts 3. Residential PBD's Can be Used to Fund Neighborhood Sustainability Improvements	1. Stakeholder Resistance to Raising Parking Rates 2. Concerns About Inequitable Distribution of Funds

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