



1. Introduce and pass the proposed ordinance amending the Residential Pay by Phone Program and clarifying that pricing for Residential Pay by Phone areas and metered lots is set by Council resolution (Attachment 3) on the first reading June 14, 2022;
2. Schedule the ordinance for second reading, public hearing, and final approval on June 18, 2022; and
3. Consider a Resolution allowing the Director of Transportation and Environmental Services (T&ES) to establish rates for parking garages and lots and Residential Pay by Phone blocks (Attachment 4).

**BACKGROUND:** Parking in Old Town has been a concern for residents and businesses for many years. Although parking was less of an issue over the last few years as the City was dealing with impacts from the pandemic, parking pressures are returning as more people visit the commercial areas in Old Town and the waterfront. At the March 22, 2022, City Council meeting, the Council discussed potential actions to address these issues which included:

1. Expanding the Residential Pay by Phone area
2. Providing staff with authority to adjust Residential Pay by Phone rates
3. Adjusting parking garage pricing to incentivize use
4. Splitting Residential Permit Parking District 1 into two smaller districts
5. Considering resident-only parking restrictions

Staff informed Council that #1-3 above could be addressed quickly, but items 4 and 5 are more complicated and would involve substantial community engagement and support. Staff proposed to first address items #1-3 and use data, to the best of our ability, to evaluate the impacts of these changes. Should there still be serious parking concerns after the first items are implemented, staff remains open to revisiting #4 and #5 and developing a path forward for Council to consider.

**DISCUSSION:** There are a few ways to shift the behavior to encourage more off-street parking, which would enable residents to find parking near their homes more easily. Most of the behavior shifts are driven by pricing strategies. Decreasing prices in garages and concurrently increasing prices for non-residents to park on residential blocks encourages more people to utilize the off-street facilities. Raising on-street prices also encourage more parking turnover, which makes it easier for residents to find spaces near their homes.

To address City Council's requests and implement changes that will allow for more flexibility in parking management, staff proposes the following changes:

1. Amending City Code Section 5-8-84(c)(2) to remove the geographic limit for the Residential Pay by Phone Program eligibility, allowing this program to expand to other areas.
2. Amending City Code Section 5-8-84(b)(1) to allow for rates on residential Pay by Phone blocks to differ from parking meter rates, allowing for potentially higher rates on residential blocks.
3. Creating a resolution that allows the Director of T&ES or designee to establish rates for specific parking facilities and residential Pay by Phone blocks up to a maximum of \$5 per hour.

***Residential Pay by Phone Program:*** In March 2019, Council approved a Residential Pay by Phone Program that provides residents with the option to request paid parking restrictions for non-residents parking on their block. The program is a resident-driven process, requiring a petition of 50% or more of the properties along an eligible block to agree to install paid parking signage. To be eligible, a block must be adjacent to an existing meter or residential Pay by Phone block, within the Program area, and already posted with residential parking

restrictions.

The Program is only available for blocks in the Program area, which are those east of Washington Street, south of Princess Street, and north of Wolfe Street. To date, 21 blocks in the Program area have petitioned for and been approved for signage. These blocks are primarily south of King Street (see Attachment 4 for a map of approved blocks). Currently, the fee for parking on these blocks is \$1.75 an hour, which is consistent with the cost to park at a meter. Attachment 5 provides occupancy and revenue data about these blocks.

The proposed ordinance eliminates the boundary for the Program and replaces the reference to the parking fee being consistent with the cost at a meter with new language stating the rates will be set in accordance with a council resolution.

The Residential Pay by Phone Program has proven to be an effective parking management tool and staff is supportive of the changes to allow the program to expand to other areas dealing with similar parking issues as the original program boundary. The ability for staff to increase the parking fees on these blocks will allow staff to better manage on-street parking. The goal is to encourage garage use instead of short-term parking on these heavily used residential blocks.

***Incentivizing Garage Usage:*** This concept is consistent with the 2015 Old Town Area Parking Study (OTAPS) Work Group recommendations to encourage better utilization of the garages through pricing changes. Data collected for this study found that many of the garages in Old Town were underutilized in the evenings. Currently, the hourly meter rate for most parking meters is \$1.75 per hour, while the hourly garage rate is \$2.50 per hour. The maximum rate at the garage in the evening (after 5PM) and on the weekend is \$5.00. While these rates are less than the rates at many of the private garages in the area, it is still more expensive than parking at the meters or on nearby residential blocks with 2-hour restrictions. Attachment 5 provides examples of occupancy data for the City garages.

The City currently owns and operates four parking garages (Market Square, Courthouse, North Union Street and Thompson's Alley) and four surface lots (Cameron/St. Asaph, South Henry, 900 block of King Street and the Union Station lot), which account for approximately 900 spaces. In addition to the garages and lots, the City also manages hundreds of metered parking spaces in Old Town, and 21 blocks participating in the Residential Pay By Phone Program. Ideally, the pricing for all these parking options should be coordinated to disincentive parking in the residential areas, discourage long-term parking on the metered blocks, and incentivize people to use the off-street parking options.

The proposed resolution would authorize the Director of T&ES or designee to implement changes to the parking rates/structure for City garages and lots, and Residential Pay by Phone blocks. On-street meters are not included in this resolution since the direction from Council was to allow flexibility in the garages and Residential Pay by Phone blocks and staff believes parking behavior can be altered with changes to these areas. Under this resolution, the Director could increase these rates up to a maximum of \$5 per hour. Some potential pricing changes that could be considered include:

- Using different parking rates at different times of day, or on different days of the week, based on high and low utilization (e.g. lower rates at the Courthouse garage in the evenings and weekends to encourage usage).
- Changing the hourly rate at garages to be less than the hourly rate at the meter (\$1.75).
- Providing reduced rates in the evening and/or on weekends when the garages are typically, not as full.
- Charging different rates for different garages

- Charging higher rates at specific Residential Pay by Phone blocks to encourage parking on metered blocks or in the garages

Staff will use data to determine appropriate changes, analyze the effectiveness of these changes, and adjust the rates as needed. As outlined in the resolution, staff will inform the Traffic and Parking Board prior to pricing changes going into effect and will update the Board annually about the impact of these changes. While staff does not intend to shift to the \$5 per hour maximum rate immediately, allowing flexibility of prices will enable staff to evaluate the impact of pricing changes to determine the right balance of on- and off-street pricing and quickly make changes as needed.

Staff will ensure information about the pricing changes is provided to the public to help inform their parking choices. Staff will work with the civic associations and other city partners, including Visit Alexandria and the Chamber of Commerce, to share information about changes to pricing. In addition, staff will explore opportunities for online information to be shared through third-party parking websites and applications.

The Traffic and Parking Board considered the City Code amendment and resolution at their meeting on May 23, 2022, and voted unanimously to recommend the Council approve these items. Many of the speakers supported the changes to the Residential Pay by Phone Program but felt more needed to be done and the City should advance the Resident Only parking concept. Representatives from Old Town Civic association opposed the removal of the Residential Pay by Phone boundary since they felt it had not been successful in preserving residential parking. The Board provided a letter with additional recommendations to City Council which is provided in Attachment 6.

**FISCAL IMPACT:** The revenue generated for Residential Pay by Phone blocks depends largely on the location. For the four-month period from January to April 2022, on average, a block generated \$4,000. The busiest block (100 block of Cameron Street) generated \$13,000 during this time period, which is higher than many metered blocks. Allowing the Program to expand to other blocks could generate an additional \$60,000 per year, assuming 5 new blocks are added each year and the average revenue is collected.

The fiscal impact of increasing the rates for the Residential Pay by Phone blocks is more difficult to assess. The primary purpose of increasing the rates is to encourage people to use off-street parking. Theoretically, there could be a decline in revenue for the Program, but an increase in revenue collected at the garages. Staff will use data for these blocks and garages to assess fiscal and occupancy impacts of any changes during the FY 2024 budget process.

Similarly, the fiscal impact for adjusting garage and lot rates is also difficult to estimate. Staff will be using data to determine where pricing changes make sense. By lowering rates, this could encourage better utilization and increase occupancy and revenue at garages and lots that have capacity. Again, staff will use data available from garages to assess whether these changes are effective in changing parking behavior or if further changes are required.

#### **ATTACHMENTS:**

Attachment 1 - Ordinance Cover

Attachment 2 - Ordinance

Attachment 3 - Resolution

Attachment 4 - Map of Residential Pay by Phone blocks

Attachment 5 - Examples of Parking Occupancy and Revenue Data

Attachment 6 - Traffic & Parking Board Letter

Attachment 7 - Presentation

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