



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>[Signature]</i>		GENERAL MANAGER ACTION REQ'D: Yes		
DATE: 2-2-13		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Robert Franklin Dept: Customer Access and Accessibility <i>[Signature]</i> Signature/Date: 2/22/13	General Counsel <i>[Signature]</i> 2/22/13 []	Controller/Treasurer <i>[Signature]</i> []	District Secretary <i>[Signature]</i> 02/22/13 []	BARC <i>[Signature]</i> 2-21-13 []
Status: Routed		Date Created: 02/21/2013		

TITLE:

PAID PARKING PROGRAM MODIFICATIONS and FEES

NARRATIVE:

PURPOSE

To obtain BART Board adoption of new systemwide paid parking program modifications and fees.

DISCUSSION

BART operates parking facilities at 33 of its 44 stations. Districtwide, there are about 46,500 spaces that are available to BART riders. BART currently offers its passengers a variety of paid parking programs. These include a daily fee parking charge, which is the amount charged for non-reserved parking spaces on a first-come/first-serve basis. These fees are required between 4:00am and 3:00pm at lots that have a daily fee parking charge. There are also reserved parking programs at BART, where passengers can purchase in advance a reserved permit for either Monthly, Single Day, or Long Term/Airport parking.

There is also a demand-based daily fee parking program for West Bay BART stations, where the fee can vary between \$1 to \$3, based upon the occupancy of the parking facility. All five West Bay stations with parking facilities now charge \$2 for this daily fee. In the East Bay, the daily fee is set at \$1 per day, with the exception of a \$5 daily fee at the West Oakland station. Daily fees are initially implemented at a station once the parking lot is regularly full, as measured in the spring and fall of each year. South Hayward and Richmond stations are scheduled to begin daily fee parking charges in April 2013. The five following stations currently offer free daily parking: Hayward, Concord, North Concord, Glen Park, and Coliseum/Oakland Airport. There is currently no mechanism to adjust the daily fee in the East Bay.

The following table displays the current rules of the paid parking programs at BART:

Current Policies

	Daily Fee	Monthly/Single Day	Long Term/Airport
West Bay	\$1 if > 50% used. \$2 if 50.1%-90% used. \$3 if < 90.1% used.	\$42 monthly/\$3 single day if 0-10%* \$63 monthly/\$4 single day if 10-25%* \$84 monthly/\$4.50 single day if 25-40%* \$105 if 40%*	\$6 per day
East Bay	\$1 if parking lot is full. \$5 at West Oakland.	\$42 monthly/\$3 single day if 0-10%* \$63 monthly/\$4 single day if 10-25%* \$84 monthly/\$4.50 single day if 25%* \$115.50 monthly/\$6 single day at West Oakland	\$5 per day

*: Percentages refer to the amount of monthly permits sold, as a percentage of the total number of spaces at a station.

The total annual operating cost to operate parking at BART is approximately \$21.7 million. This amount includes security, maintenance, lighting, landscaping, and cleaning, but does not include the capital costs for construction and renovation. The amount of revenue collected from the paid parking programs is approximately \$15.6 million annually. The breakdown of these amounts on a daily and per space basis is summarized in the following chart:

	250 Commute Days/year	365 calendar days/year
Daily Cost to Operate one space	\$1.86	\$1.26
Daily Parking Revenue per space	\$1.34	\$0.92

The proposed new policies for paid parking programs would use the daily fee as the basis for the permit fee for Monthly, Single Day, and Long Term/Airport reserved parking. The daily fee would be based on the occupancy of the parking spaces at a station, measured twice each year. If the occupancy exceeds 95% full, the daily fee could be increased by 50¢. If the occupancy is less than 95% full, the daily fee could be decreased by 50¢. Changes would remain in effect for approximately six months. There would be no cap on the daily fee. The calculated additional revenue generated as a result of the new modifications to the paid parking program would only be utilized for station access, station rehabilitation, and station modernization needs. Any change in the daily fee would have a corresponding adjustment to the cost for advanced reserved permits, as detailed in the following table:

Summary of Proposed New Paid Parking Policies

	Daily Fee	Monthly	Single Day	Long Term/Airport
All Parking Spaces	Daily fees could be increased by 50¢ if lot is more than 95% full. Daily fees could be decreased by 50¢ if lot is less than 95% full.	(Daily fee + \$2) x 21**	Daily fee + \$3**	Daily fee + \$4** Or \$6/day in West Bay \$5/day in East Bay, whichever is greater.

** : Since the monthly, single day, and long term/airport are a function of the daily fee, the cost for Monthly, Single Day, and Long Term/Airport permits may be raised or lowered in the equivalent of 50¢ daily increments in accordance with changes to the daily fee. Should there be vacancies in the reserved section as a result of a recent increase, the cost for Monthly, Single Day, and Long Term/Airport permits may be decreased, but not below the cost of the daily fee.

Exhibit A in the attached Resolution provides additional details for the proposed modifications.

BART is obligated to ensure that its actions comply with federal and state law prohibiting discrimination in its programs and activities. District staff conducted an analysis to ascertain whether the proposed parking program would have a disparate impact on minority and/or low-income parkers when compared to overall parkers. Based on this analysis, the District staff determined that there would be no such impact on minority or low-income parkers because the parking fees paid by minority and low-income parkers are virtually the same amounts when compared to overall parkers. If modifications to the parking program are adopted that do not contain a cap on the daily fee parking charge, then an additional analysis will have to be performed in 5 years, to ensure that there is still no adverse impact on minority or low-income parkers when compared to overall parkers.

Consistent with BART’s Public Participation Plan to provide meaningful opportunities for under-represented populations to participate in transportation decisions, BART conducted public outreach to receive input on the proposed demand-based parking program. Surveys were available on BART.gov and distributed to community-based organizations (CBOs), governmental leaders, and BART’s Limited English Proficiency (LEP) Advisory Committee. Of the 8,559 surveys received, approximately 46% of the responses indicated they viewed a demand-based parking program favorably (rating excellent, good or fair). 58% of respondents indicated they viewed a demand-based parking program with a price cap favorably.

FISCAL IMPACT

The overall fiscal impact of modifications to the paid parking programs would be additional revenue of approximately \$6 million in the first year, with about \$10 million in additional income in subsequent years. The calculated additional revenue generated as a result of the new modifications to the paid parking program would only be utilized for station access,

rehabilitation, and modernization needs. There would be a \$40,000 annual capital cost for software reconfiguration for the first year of the program. This amount would decrease in subsequent years as parking prices stabilize. There would also be an annual operating cost for signage, passenger notifications, and additional parking validation machines, which would also decrease in subsequent years as parking prices stabilize. These costs to initially and in the future implement the modifications in the paid parking program would be paid for out of the existing annual operating budget of the Customer Access and Accessibility Department.

ALTERNATIVES

Some alternatives include the following:

1. Implement minor changes or do not make any changes to the current paid parking programs.
2. Adopt a demand-based parking program in the East Bay with a \$2 daily fee cap.
3. Adopt a demand-based parking program throughout the district with a \$3 cap.

RECOMMENDATION

Adopt the following motion.

MOTION

Adopt the attached resolution “In the Matter of Adopting New Systemwide Paid Parking Program Modifications and Fees.” (**Two-thirds vote required.**)

**BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO BAY
AREA RAPID TRANSIT DISTRICT**

In the Matter of Adopting
New Systemwide Paid Parking Program
Modifications and Fees _____

Resolution No. _____

WHEREAS, pursuant to Public Utilities Code Section 29038, it is the duty and responsibility of the Board of Directors of the San Francisco Bay Area Rapid Transit District (“District”) to fix the rates and charges for rapid transit service to be furnished by the District; and

WHEREAS, the District’s financial forecasts demonstrate the continued need for increased revenue generation to fund certain operating and capital expense; and

WHEREAS, the Board had requested that the District staff study and make proposals to this Board concerning possible parking rates and charges, including a demand-based parking proposal; and

WHEREAS, the District’s adopted Financial Stability Policy has a combination of strategies that address operating expenses, capital investment, revenues and reserves by supporting passenger revenue increases tied to service costs and system needs; and

WHEREAS, BART is obligated to ensure that its actions comply with federal and state law prohibiting discrimination in its programs and activities; and District staff conducted public participation outreach efforts and conducted an analysis to ascertain whether the proposed parking program would have a disparate impact on minority and/or low-income parkers when compared to overall parkers. Based on this analysis, the District staff determined that there would be no such impact on minority or low-income parkers because the parking fees paid by minority and low-income parkers are virtually the same amounts when compared to overall parkers. If modifications to the parking program are adopted that do not contain a cap on the daily fee parking charge, then an additional analysis will have to be performed in five years, to ensure that there is still no adverse impact on minority or low-income parkers when compared to overall parkers; and

WHEREAS, BART has conducted outreach to the public, to ensure under-represented populations’ input on the proposed demand-based parking program, as documented in the memo report by District staff; and

WHEREAS, a public hearing has been held at a special meeting of the Board to consider modifications to the paid parking program on February 14, 2013; and

WHEREAS, the recommended modifications are set forth in the attached Exhibit A entitled “New Systemwide Paid Parking Program Modifications and Fees”; and

WHEREAS, the calculated additional revenue generated as a result of the new modifications to the paid parking program would only be utilized for station access, rehabilitation, and modernization needs; and

NOW, THEREFORE, the Board hereby makes the following findings:

- (1) After careful study of staff recommendations, public comment, and due deliberations, the Board determines, as required by Public Utilities Code Section 29038, that the fees and charges for service, as modified by this Resolution, are reasonable; and that insofar as practicable, these rates and charges are calculated to result in revenue which will:
 - (a) Pay for certain operating expenses of the District; and
 - (b) Provide repairs, maintenance and depreciation of works owned and operated by the District;
- (2) After careful study of staff recommendations, public comment, and due deliberations, the Board also determines, as required by the California Environmental Quality Act, Section 21080 (b)(8), that the rates and charges for service, as modified by this Resolution and as set forth in Exhibit A, are for the purposes of:
 - (a) Meeting operating expenses such as employee wage rates and fringe benefits,
 - (b) Purchasing or leasing certain supplies, equipment or materials; and
 - (c) Obtaining funds for certain capital projects, necessary to maintain service within existing service areas.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District that:

- (1) The General Manager is authorized to implement a parking fee program including rates and charges for BART service as set forth in Exhibit A.
- (2) The rates and charges for BART service implemented as set forth in Exhibit A are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines, 14 Cal. Code Regs. § 15273 and that Notices of Exemption shall be filed in the four affected counties.

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**EXHIBIT A: NEW SYSTEMWIDE PAID PARKING PROGRAMS
MODIFICATIONS AND FEES**

Parking facility utilization will be based on the daily fee section and will be measured twice each year, in the spring and in the fall. Utilization will be determined at 10am, and must meet the criteria described below for three or more days a week for two consecutive weeks. If the occupancy of a station’s daily fee section exceeds 95% full, then daily fees at that station could be increased by 50¢. If the occupancy of the daily fee spaces is less than 95% during the evaluation period, then the fees could be decreased by 50¢. There would be a corresponding adjustment in the price for Monthly, Single Day, Long Term/Airport advanced permits, as described in the following chart. The fees would remain in effect for six months. Customers would be given 30 days notice of any change in fees.

Summary of Proposed Policies

	Daily Fee	Monthly	Single Day	Long Term/Airport
All Parking Spaces	Daily fees could be increased by 50¢ if lot is more than 95% full. Daily fees could be decreased by 50¢ if lot is less than 95% full.	(Daily fee + \$2) x 21*	Daily fee + \$3*	\$6/day for West Bay \$5/day for East Bay Or Daily fee + \$4*, whichever is greater.

*: Since the Monthly, Single Day, and Long Term/Airport permit fees are a function of the daily fee, the cost for the permit may be raised or lowered in the equivalent of 50¢ daily increments in accordance with changes to the daily fee. Should there be vacancies in the reserved section as a result of a recent increase, the cost for Monthly, Single Day, and Long Term/Airport permits may be decreased, but not below the cost of the daily fee. If permit prices are lowered, the new Monthly and Long Term/Airport permit fees would remain in effect for six months. For lowered Single Day permit fees, they would also remain in effect for six months, with the exception of Friday permit sales, which would be based upon demand and could be lowered for periods of time less than six months. (i.e.: there are times when there are reserved sections that do not fill up on Fridays at certain stations for certain periods of the year.)

The percentage of spaces in parking lots dedicated to Monthly, Single Day and Long Term/Airport advanced reserved permits would not exceed 40% of the total station parking inventory at any one station. The maximum number of spaces allocated for monthly reserved permits at any one station would not exceed 25% of the station’s total parking inventory.

There would be a minimum daily fee of \$1 once stations have begun charging daily parking fees.

If the new formula produces a change in the monthly reserved fee, it would be implemented as follows:

- If the current price of the monthly reserved permit exceeds the new fee from the proposed formula, then the current price would remain in effect for 2 years.
- If the monthly price of the new formula were greater than the current monthly reserved fee, then the new price would go up in increments of \$10.50 per month for each six month period, until the monthly reserved price equals the price determined by the formula, to provide an easier transition for monthly parkers.