

SFMTA Municipal Transportation Agency

# Demand-responsive parking pricing policies

On-street parking meters and off-street lots

December 5, 2017

# Context, goals and strategies

## Vision and goals

Effective parking management is central to the San Francisco Municipal Transportation Agency's (SFMTA) 2013-2018 Strategic Plan. Goal 2 of the Strategic Plan—"Make transit, walking, bicycling, taxi, ridesharing and carsharing the preferred means of travel"—contains Objective 2.4: "Improve parking utilization and manage parking demand."

In keeping with that Agency objective, the SFMTA's vision and related goals for parking in San Francisco include:

- <u>Make it easy to find parking</u> Use parking prices to manage demand for parking and thereby achieve a minimum level of parking availability.
- <u>By achieving minimum level of parking availability, help achieve SFMTA's other goals</u> Making it easy for drivers to quickly find an available parking space will improve safety, Muni performance, and customer experience while reducing double parking, circling, emissions, and parking-related congestion.
- <u>Use parking prices to encourage the use of transit, walking, and biking</u> Managing demand for parking will provide an incentive for people to use means other than driving.
- <u>Provide a clear, simple, and respectful customer experience</u> Improve customer service, experience, and convenience when using the SFMTA's parking system.
- <u>Transparent process</u> Have a transparent, consistent, rules-based, and data-driven approach for setting parking rates.

### **Overall approach and strategies**

To manage demand for paid parking to achieve various goals, the SFMTA uses the following approach and strategies:

- <u>Demand-responsive pricing</u> SFMTA uses data for parking occupancy to find the lowest rate possible to achieve a minimum level of availability.
- <u>Operational hours are split into distinct rate periods or time bands</u> Parking demand changes by day
  of week and time of day. To better match prices with demand over time, the SFMTA adjusts prices
  with some degree of granularity by time. Time bands are consistent throughout the city and between
  general metered spaces meters and in garages so that drivers can readily compare rates, which helps
  prices be more effective.
- <u>Location</u> In a city as dynamic and dense as San Francisco, parking demand also changes not just by time and day but also block to block.
- <u>Consistency</u> The SFMTA wants its approach to parking management to be consistent and as easy to understand as possible. Where this goal is in tension with the desire to match prices to demand (e.g., where prices may vary from one block to the next), the SFMTA has opted for consistency and transparency in the process for setting rates.

#### SUSTAINABLE STREETS Parking

# On-street parking pricing policies

# When pricing is used

The SFMTA uses prices at on-street parking spaces to manage parking demand in commercial and mixed use areas when and where parking demand is high and/or when places of business are open. Currently:

- Most SFMTA parking meters in the city operate Monday through Saturday, from 7am to 6pm or 9am to 6pm.
- Meters in Fisherman's Wharf operate every day, from 7am to 7pm
- Meters near AT&T Park operate until 10pm Monday through Saturday, and on Sundays during special events at the ballpark.
- Meters in areas administered by the Port of San Francisco (mostly along the Embarcadero) are operational every day from 7am to 10pm or 11pm.

## How pricing will vary - block by block, time of day, and weekday v. weekend

To better match prices with how demand changes over time, the SFMTA adjusts prices by time of day and day of week (eg, weekday versus weekend). While more granular or dynamic approaches to varying prices are possible, this demand-responsive approach strikes a good balance with the competing demand of making prices easy to understand and easy to communicate at a parking meter. The rate periods are as consistent as possible across meters, lots and garages, which increases ease of use for drivers when parking in different parts of the City.

#### Rates will be adjusted on a block-by-block basis

Price changes at meters are made on a per-block basis. A block includes both sides of the street. On most streets and blocks in San Francisco, demand is fairly consistent between one side of the block (a blockface) and the other. Changing prices on a block-by-block helps to redistribute parking demand within a neighborhood to better achieve availability targets and therefore the larger parking management goals.

#### Time of day

To vary rates by time of day, the SFMTA divides the day into rate periods or time bands based on both demand data and the desire to have a consistent approach throughout the City. SFMTA staff may adjust the time bands from time to time to better manage parking demand.

To illustrate, currently most meters in the City operate on a 9am to 6pm schedule, though some meters operate on a 7am to 6pm schedule. Meters in Fisherman's Wharf operate every day from 7am to 7pm. Meters with end times of 6pm or 7pm are split into the following rate periods:



#### 3pm-close

Meters near AT&T Park operate Monday-Saturday from 9am to 10pm, and on special-event Sundays. Most meters in Port of San Francisco jurisdiction (generally along the Embarcadero) operate every day from 7am to 11pm, while some operate until 10pm. Rate periods at meters near AT&T Park and Port meters are:

Open-Noon	
Noon-3pm	
3pm-6pm	
6pm-close	
	_

Off-street, metered parking lots have varying operating hours relative to nearby on-street parking. Consequently, additional metering time-bands will be utilized as follows:

Open-Noon
Noon-3pm
3pm-6pm
6pm-close

The first and last time bands are designed to accommodate variation in metering start and end times at individual lots.

If drivers arrive at a meter during one rate period but leave during another, they must pay the correct hourly rates for each rate period in which they park. Thus, a driver who arrives at a meter at 11:30am and wishes to park until 1pm must pay for 30 minutes at the 9am-Noon rate, and 60 minutes at Noon-3pm rate.

#### Weekday v. weekend

SFMTA staff also vary parking rates by day of week to better manage demand. Because parking demand on weekend days differs significantly from weekday parking demand, SFMTA currently uses different demand-responsive pricing on weekdays than on weekends. If parking demand data merits, SFMTA staff may adjust how days of the week are grouped together to help pricing be more effective (e.g., if in some areas parking demand on Fridays is more similar to Saturday than it is to other weekdays, SFMTA may adjust pricing on Fridays and Saturdays together).

#### **On-street metered parking and metered lots**

The SFMTA adjusts rates at metered parking gradually and periodically based on demand. The minimum rate that may be charged is \$0.50 per hour, while the maximum is \$8 per hour. These minimum and maximum rates are adjusted going forward to account for inflation and cost of living increases.

#### SUSTAINABLE STREETS Parking

Rates at commercial loading (yellow and red) meters, short-term parking (green) meters, and tour bus meters are adjusted using occupancy at general metered parking spaces.<sup>1</sup> Changes to the rates are made no more often than once per four weeks.

In order to achieve the goal of at least one available parking space per block or lot, meter rates are adjusted with the goal of maintaining no more than 80% occupancy on any given block or lot. Rates are adjusted using the following formula:

- When occupancy is 80 percent or above, the hourly rate is raised by \$0.25.
- When occupancy is 60 percent or above but below 80 percent, the hourly rate is not changed.
- When occupancy is below 60 percent, the hourly rate is lowered by \$0.25.

If new parking meters are added, the starting rates at those new meters will be based on the rate of the nearest metered block.

# **Special event pricing**

The SFMTA may use special event rates at on-street spaces in areas near large, well-publicized events that generate significant short-term increases in the demand for parking. Examples of special events include baseball games, concerts, conventions, major parades and street festivals, entertainment/cultural shows, exhibitions, and other similar events. In these designated special event areas, meter rates may be up to \$18 per hour during, or up to four hours prior to, special events.

SFMTA staff determines rates for particular events based on the parking demand the event is expected to generate. Special event rates may vary rates by block or larger geographic areas, which can make it easier to communicate those special rates to customers and reduce circling for parking during events.

Meter screens inform users of that day's rate schedule, including special event rates, and the SFMTA posts special event areas and rates on its website as far in advance as possible.

# Metered motorcycle pricing

The SFMTA uses demand-responsive pricing for metered motorcycle parking in order to achieve availability targets using the same block-by-block, day-of-week, and time-of-day basis. The minimum and maximum rates to be charged at motorcycle meters are one-fifth of the minimum and maximum rates set for car meters.

The SFMTA uses the following formulas to determine price changes at motorcycle spaces:

- When occupancy is 80 percent or above, the hourly rate is raised by \$0.10.
- When occupancy is 60 or above but below 80 percent, the hourly rate is not changed.
- When occupancy is below 60 percent, the hourly rate is lowered by \$0.10.

<sup>&</sup>lt;sup>1</sup> The SFMTA may in the future adjust prices at commercial loading meters, short-term metered parking, and tour bus meters separately from the prices for general metered parking, as technology permits. **SUSTAINABLE STREETS** Parking

SFMTA may change rates at motorcycle meters no more frequently than every four weeks, but in practice the SFMTA adjusts these rates less frequently.

If new motorcycle meters are added, the starting rates at those new meters will be based on the rate of the nearest pod of motorcycle spaces.