

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	01/09/12	Open	Information	01/03/12

Subject: Park Pay and Ride Report and Recommendation

## ISSUE

Whether or not to expand the Park Pay and Ride (PPR) Program

## RECOMMENDED ACTION

None, as a result of this action.

## FISCAL IMPACT

Estimated annual revenue of \$70,000 to \$90,000 for the inclusion of three lots at Mather Mills, Sunrise, and Historic Folsom light rail stations. The future station at Franklin is planned to have over 500 stalls and will generate an estimated \$84,000 annually.

## DISCUSSION

Staff has provided a report on the status of the Park Pay and Ride (PPR) Program (Attachment 1).

Staff recommends expanding PPR to include Mather Mills, Sunrise, and Historic Folsom over the next year and a half by adding one station at a time over that period. It is further recommended that the new Franklin Light Rail Station when opened be included as a PPR lot.

As noted in Attachment 1, the current PPR program has no measurable impact on ridership. The program was accepted by riders and has not created unforeseen consequences. Inclusion as pay lots has had minimal impacts on the surrounding neighborhoods.

Staff has worked with representatives from the County of Sacramento, the City of Rancho Cordova, and the City of Folsom and discussed details of the program, potential plans, and impact analysis. Their input has been included in reaching the proposed recommendations.

Under CEQA rules, should the Board direct staff to prepare future additions to the Park Pay and Ride Program, staff will prepare an appropriate statutory exemption under Public Resources Code Section 21080(b)(8), finding the imposition of a fee at these stations is necessary to meet operating expenses and provide funds for capital project necessary to maintain service. As such, the fee is exempt from the CEQA.

In addition, should the Board direct staff to prepare future additions, a Title VI analysis will be accomplished prior to returning to the Board.

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Approved:

Presented:

Final 1/3/12

General Manager/CEO

Chief of Facilities and Business Support Services

## **Park Pay and Ride (PPR) Update**

### **Summary of the Program Implementation**

In 2008, staff sought ways to increase revenue and control costs. One of the initiatives was to explore charging for daily parking at district light rail stations. A study was conducted by Transit Marketing LLC concluding that by charging a \$1 per day to park at a light rail station parking fee, ridership would not be affected on the light rail system. Other transit systems were consulted and all but one of the properties was charging or was planning to add parking fees.

In the summer of 2009, the Board authorized a pilot program at Watt I-80, Watt I-80 West and Roseville Road Light Rail Stations, and those receipts were added to RT's budget projections. The pilot program authorized a \$1 per day parking fee and a monthly pass of \$15. The price point for the monthly fee was based on projected work day furloughs for a number of local agencies. It has since become the media choice for most PPR users.

The three selected pilot lots were prepared for the program including adding parking machines, signs and stall numbers. RT's Marketing department conducted an outreach program at the stations and in the community to alert potential users of the lots of charges. Although there were a few complaints, the implementation went very well and compliance has been very high.

The ordinance, approved by the Board, created a fee structure and hearing process for adjudication of parking citations. 30 plus staff members were trained to write citations. Two staff members were trained to hear and determine initial appeals. Three staff members were trained and certified as hearing officers for the citation program. RT has had few appeals and they have been resolved at the initial step.

At the Board's direction, the program was expanded to include all RT park and ride lots located within the boundaries of the City of Sacramento. By October 1<sup>st</sup> 2010, Meadowview, Florin and the Power Inn Light Rail Stations' lots were added to the program. RT's success with implementation and compliance was duplicated with these additional lots.

### **PPR Program Costs Are Low**

To date, the PPR program has been implemented and maintained by existing staff. RT has been able to recover the costs of the additional vending equipment within three months of including a lot into the PPR program. As a result, all additional revenue funds have added to RT's operating budget.

Revenue projections for the PPR program has been lower than expected. This is in part the result of 90% of PPR lot users purchasing a monthly discounted pass. Staff's original prediction was that only 60% to 75% of the users would purchase a monthly pass. The attractive pricing model has resulted in its success and has added to overall compliance with the PPR program.

Consequently, because of the high number of monthly passes being sold, related enforcement costs have been reduced. In addition, the daily parking pass vending machines on the platforms are not being used as much as expected, reducing costs related to the maintenance of these machines. Overall costs for the PPR program have been negligible for the initial pilot program and expansion.

### **Changes In Ridership Patterns**

The attached "Park Pay and Ride Analysis" details the impact of the program on parking lot use. The patterns seen with the three pilot PPR lots has continued with the additional lots. Throughout the implementations, staff has used Sunrise and Hazel Light Rail Stations as a base line for analysis of lot use. These lots were chosen because they have had no parking changes and are a distance from existing PPR lots. The Sunrise and Hazel lots are comparable in size to those currently within the program.

Both the Sunrise and Hazel park and ride lots have experienced a reduction in use from -9.8% to -33.2% over the last two years, with an average reduction of use of approximately -19.1%. This change is not unlike the reduction seen at PPR lots where the reduction has been from -19.0 to -28.5%. The average reduction being -22.4% at PPR lots.

While use has been reduced at the PPR lots, we noted increases in the use of adjacent stations. This indicates that riders are still using the system, but may be boarding at a different location. Adding the changes at the adjacent lots to adjust for deflection, we see a change from -3.2% to -18.7% with an average decrease of -12.9%. The increase at the adjacent non-pay park and ride lots has increased an averaged of 58.5%. This behavior change is the key to understanding the impacts of the PPR Program.

The increased use of park and ride lots adjacent to PPR lots suggests a ridership neutral impact (or slightly ridership positive impact) of the PPR program. Conversely, staff would expect a loss in riders without the adjacent non-pay park and ride lots. This parking displacement suggests that it could be beneficial to manage the PPR program to encourage use of the park and ride lots based upon usage and capacity.

## **Future Expansion of the Program Outside of the City of Sacramento**

The RT Board directed staff to meet with staff from the County of Sacramento, City of Rancho Cordova and City of Folsom prior to the inclusion of additional lots into the program. RT staff met with each agency staff on multiple occasions.

Details of the PPR program were shared including the statistics regarding impacts and site plans for each park and ride lot with a focus on those within their jurisdiction. The work included identifying impacts at each of the stations, a list of optional approaches and the expected outcomes.

Staffs from the County of Sacramento and the City of Rancho Cordova were supportive of the PPR program with some concerns about minimizing neighborhood impacts. As previously noted, RT staff remains concerned about implementing at every lot based upon staff's analysis that indicates deflection between the PPR lots to the park and ride lots.

Staff from the City of Folsom does not want to have PPR lots at Glenn (187 spaces) and Iron Point (227 spaces) Light Rail Stations. Unlike other district park and ride lots, these two lots are owned by the City of Folsom. The small lot (98 spaces) at Historic Folsom Light Rail Station is owned by RT. The Iron Point Light Rail Station Park and Ride is a particular problem for the City staff because these lots are full on most weekdays by 7:00 AM. As a result, riders are allegedly parking their vehicles in the outlet stores parking lot near the Iron Point Light Rail Station. Folsom staff is concerned that the PPR program may create further concerns at these stations.

RT staff has suggested that a potential solution could be to relocate parking use to the Hazel Light Rail Station. This lot has a capacity of 432 but currently has an average daily use of only 80 and 110 cars. Making the Iron Point and/or Glen park and ride lots and/or the Sunrise park and ride lots into to PPR lots, based upon our analysis of the existing PPR lots, would shift parking to the Hazel park and ride lot. The Light Rail service difference between Sunrise and Hazel (15 minute v. 30 minute) is a factor that drives riders to park at the Sunrise park and ride lot.

## **Conclusions and Recommendations**

The RT Board has authorized implementation of the PPR program at additional park and ride lots within the City of Sacramento. In light of the data analysis and input from staff of affected agencies, RT staff recommends that the Board revisit their direction.

Staff does not recommend expanding the PPR program to all park and ride lots located within the City of Sacramento at this time. The data reflects that by leaving non-pay lots within the system, deflection may be avoided for those who

do not want to pay the nominal parking fee, yet desire to continue to ride light rail. The data shows quite a few riders deflecting to the free lots from the pay lots (see the attached data sheet). Although it cannot be stated definitively that ridership would be affected if all lots were converted to PPR lots, we believe that caution is warranted.

Instead of a full conversion, staff recommends a slow phased implementation, maintaining non-pay park and ride lots that also minimizes neighborhood impacts. Staff recommends that the Board revisit this issue and determine whether or not to add stations to the program based upon the changing circumstances. Over time, staff would expect the pay for parking model to become prevalent at most stations where conditions are appropriate for charging without harming our neighboring communities and businesses.

Staff recommends, at the next phase of PPR program implementation, to include the Sunrise, Mather Mills, Historic Folsom and the future Franklin park and ride lots. Inclusion of these lots will expand the program in a way that appears to be consistent with the objectives defined by the Board of generating additional revenue from parking but avoiding a loss of ridership. As a result, staff requests that the Board approve the attached Resolution to include these stations in the PPR program.

