



EXECUTIVE DECISION DOCUMENT

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| GENERAL MANAGER APPROVAL: | | DocuSigned by: <i>Michael Jones</i> 47000790F2D7463... | | GENERAL MANAGER ACTION REQ'D: | |
| DATE: 5/22/2023 | | 5/31/2023 | | BOARD INITIATED ITEM: No | |
| Originator/Prepared by: Ryan Greene-Roesel Dept: Customer Dev & Station Access DocuSigned by: <i>Ryan Greene-Roesel</i> 31775ED2B5944A2... Signature/Date: 5/30/2023 | | General Counsel DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8... 5/30/2023 [] | | Controller/Treasurer DocuSigned by: <i>Chris Gan</i> EE11C8CEEEA04FD... 5/31/2023 [] | |
| | | District Secretary | | BARC DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5... 5/31/2023 [] | |

Adoption of a New Parking Pricing Policy

PURPOSE: To obtain BART Board approval of a new BART Parking Pricing Policy.

DISCUSSION:

Background

BART's existing parking policy, adopted in 2013, allows parking prices to vary based on demand within an allowed range for each parking product: Daily Fee (\$1-\$3/day); Single Day Reserved (\$4-\$6/day); Airport Long Term (\$5-\$7/day); and Monthly (\$63-\$105/month). The Single Day and Airport Long Term reserved products were recently merged into "Single/multi-day" reserved parking, to simplify rider's choices.

All stations reached the \$3 demand-based Daily Fee ceiling by 2015 except North Concord/Martinez (\$2.50/day), South Hayward (\$2.00/day) and West Oakland (\$10.50/day plus tax). West Oakland was treated as an exception and has no cap. During the COVID-19 pandemic, parking prices were frozen at their pre-pandemic levels.

Rationale for Updating the Policy

Staff are proposing to update the parking policy for several reasons. The existing \$1/day parking price floor is out of sync with prevailing parking prices in the Bay Area and among peer transit agencies. The \$3/day price ceiling also needs revision to ensure effective parking management at stations that fill, especially those where parking is downsized as part of transit-oriented developments (TOD). A higher parking price ceiling will incentivize use of alternative access modes at these stations so that the limited parking is prioritized for those



who need it most. Finally, the existing policy does not allow charging for parking on weekends or in the afternoons. This could negatively impact TOD stations where BART's free parking could be consumed by local visitors or shoppers, reducing availability for BART riders.

Updating the policy will help address BART's parking operating cost deficit. BART budgeted about \$31M on parking operations this fiscal year to fund activities such as policing, facility maintenance, parking management, and revenue collections, compared to about \$14M in expected parking revenue. To improve safety and security throughout the BART system, including in parking areas, the District recently significantly expanded staffing and budgets for progressive policing. The new parking policy will support BART's financial stability and defray the costs of these investments.

Policy Proposal

Staff are proposing a new parking policy, detailed in Attachment A, that updates the allowed price ranges for BART's parking products and allows inflation adjustment of the range over time within limits studied under Title VI. The proposal also expands the hours during which parking is charged to include afternoons and weekends if a certain occupancy threshold is met. Parking charges may only be expanded to these time periods after the District has implemented technology necessary to allow price variations by time of day or day of week. Attachment B calls out in underline and red the changes from the version of Attachment A that was previously distributed to the Board.

On May 25, 2023, a public hearing was held at a regularly scheduled meeting of the Board to consider changes to the parking policy. At the same meeting, the Board approved the Parking Policy Title VI Analysis, which found that implementation of the parking policy would not have a disparate impact on minority parkers but may potentially create a disproportionate burden on low-income parkers, and recommended initially capping the Daily Fee parking price at \$6.30 rather than \$8.00 as originally proposed. Attachment A reflects this recommendation. Additionally, staff recommends that the Board consider expanding the existing Clipper START transit fare discount from 20 to 50 percent, as proposed in the FY24/25 Preliminary Budget Memorandum, to reduce low income riders' overall cost of using BART. Staff will evaluate the effectiveness of these efforts to support low income riders and will share updates with the Board.

The proposed parking policy update is exempt from review under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(a)(8) and the CEQA Guidelines Section 152723(a), which state that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies which the agency finds are for the purpose of (a) meeting operating expenses, (b) purchasing or leasing supplies, equipment or materials, (c) meeting financial reserve needs and requirements, or (d) obtaining funds for

capital projects, necessary to maintain service within an existing service area.

FISCAL IMPACT:

The parking policy update will increase parking revenue gradually over time. Minimal new revenue is expected for the first few years of implementation because prices will initially not change significantly at most stations. By FY28, additional revenue per year is estimated at \$3-\$6M. The amount of new revenue depends on ridership growth, parking utilization, and the timing of parking removals related to TOD projects.

Implementation of parking pricing on afternoons and weekends will require expenditures including new signage at affected stations, additional enforcement, and an investment in variable pricing technology. These costs are expected to eventually be covered by the additional revenues collected from implementation of evening and afternoon pricing.

ALTERNATIVES:

1. Do not adopt the Parking Pricing Policy described in Attachment A. This would result in lower parking revenue, a larger parking operations and maintenance deficit, and reduced availability of parking for BART riders at stations with high parking demand.

RECOMMENDATION:

Adopt the following motion.

MOTION:

Adopt the attached resolution “In the matter of adopting a new Parking Pricing Policy.” **(Two-thirds vote required).**

Attachment A: San Francisco Bay Area Rapid Transit District – Parking Pricing Policy

1) Objective

BART sets parking rates to effectively manage demand and improve parking availability while ensuring financial stability.

2) Parking Rates

Rates are set by parking product, by station, within an allowed range based on demand.

| | | Allowed Range (2023)* | |
|------------------------------|--|-----------------------|----------------------|
| Parking Product ¹ | Definition | Floor | Ceiling ² |
| Daily Fee | Purchase daily on a first come, first served basis | \$3/day | \$6.30/day |
| Single/Multi-day | Purchase in advance, one or more days at a time | \$4/day | \$11/day |
| Monthly | Purchase on a monthly basis | \$84/month | \$220/month |

*Rates do not include taxes which may be assessed by local governments.

3) Rate Adjustments: the following rate adjustments are permitted within the allowed range:

- A. Rates may increase by up to 30 percent at a time no more frequently than every six months, and may be lowered at any time.
- B. Parking rates may increase if occupancy or sales is higher than 90 percent and may be lowered if below 70 percent.
- C. Rates for monthly and single/multi-day reserved parking will be at least 20 percent higher per day than for Daily Fee parking, to reflect the additional benefits offered by these products.
- D. Rates may be discounted within the established ranges during periods of lower demand (such as by time of day, day of week, or time of year).
- E. Beginning on January 1, 2025, each time transit fares are adjusted for inflation, the floor and ceiling of the allowed parking price range may be adjusted by the same percentage, not to exceed \$8/day, \$11/day, and \$220/month for Daily Fee, Single/Multi-Day, and Monthly parking, respectively.
- F. Rates may be rounded to the nearest ten cents.

Additionally:

- G. Factors such as the presence of waitlists, fill times, and sales or occupancy trends may be considered when deciding whether to raise or lower rates.
- H. Rates may be discounted up to 50% below the allowed range for promotional purposes.

4) Time periods when fees are in effect

Parking fees may be charged Monday through Friday up until 3 PM at all stations. The hours may be extended until 6 PM, and the days extended to include Saturdays or Sundays, at a given station if occupancy during these periods exceeds³ 90 percent.

¹ The Daily Fee price range also applies to non-BART and carpool parking. The single/multi-day reserved price range also applies to advanced-reserved EV parking.

² There is no ceiling on parking prices at the West Oakland Station.

³ Or is forecast to exceed, upon implementation of new parking configurations (e.g. transit-oriented development).

**Attachment B: Markup of Attachment A showing changes from version presented on 4/27/23
shown in underline and red**

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