Parking Management Strategies for Vibrant Business Districts

miOttawa
Where You Belong

Ottawa County Planning and Performance Improvement Department

Spring 2021

Introduction

Parking remains a prominent feature in our daily lives. We drive to work, we drive to the grocery store, we drive to the doctor's office. For most people, buying a gallon of milk entails grabbing the car keys, driving fifteen minutes in traffic, and parking in an often-unfilled parking lot. While our land use regulations have created environments where driving is a mandatory daily activity, many communities are revisiting these requirements as consumer and lifestyle preferences change in the twenty-first century.

Understanding that successful business districts cater to people first instead of cars, communities across the country are viewing the role of parking through a new lens. While online retail brings a universe of shopping options to anyone with an internet connection, the importance of place and proximity remains invaluable in attracting shoppers. With a resurgence in downtown districts and a broader desire to develop mixed-use areas where people "live, shop, and play", the status quo of abundant and free parking often conflicts with the recipe for vibrant business environments. In this sense, parking policy plays a central role in the vitality of our neighborhoods and business districts.

E-Commerce is changing our shopping habits...

Should our land use regulations change in response?

Parking Management: The Missing Ingredient

Parking discussions typically revolve around supply. There is seemingly never enough parking spaces in high-demand areas, and under existing parking regulations the answer is to always build more of them. Through minimum parking requirements, zoning ordinances establish how many parking spaces a business must construct. While rooted in sound intentions, these requirements raise construction and maintenance costs for businesses and create spread out environments that make car ownership necessary.
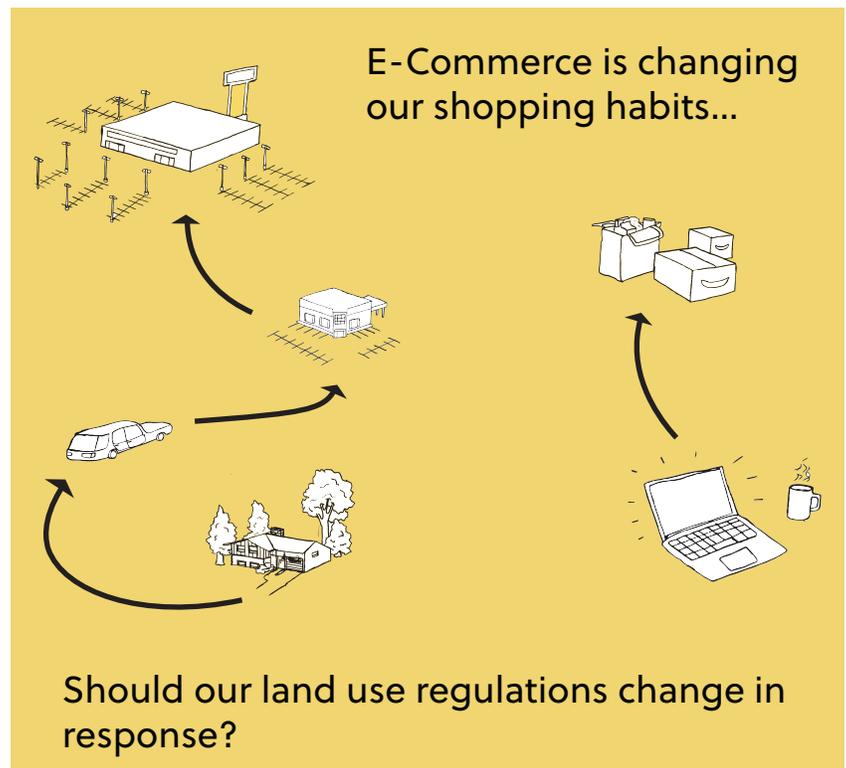
These parking requirements often lead to our community's most valuable real estate being used for storing cars instead of more productive land uses such as businesses and housing. While our current development pattern pits people and parking in a competition for space, introducing parking management strategies can better utilize existing parking resources, freeing space for people-oriented land uses.

Parking management represents a paradigm shift in addressing parking needs in our communities. Recognizing that the continued expansion of free and abundant parking is neither feasible nor preferable in desirable business districts, parking management seeks to maximize existing parking through shared parking, parking meters, and innovative methods such as pick-up and drop-off lanes. By looking at parking through a lens that focuses on "quality" instead of "quantity", these strategies ensure parking spaces are efficiently utilized and offers the highest value to the community.

Shared Parking

Under the current development process, each business must construct a specific number of parking spaces as determined by the zoning ordinance. While predicated on the notion of satisfying "peak demand", each business must accommodate for this independently, not accounting for existing parking resources on neighboring parcels. One way to reduce these redundancies is to implement shared parking practices allowing businesses to pool their parking resources together.

This is most commonly achieved in a simple contract between businessowners. If allowed by the municipality, businesses can enter into an agreement to share their parking lots, potentially creating room for in-fill development or simply replacing asphalt with appealing landscaping. This is most effective between land uses that differ in hours of operation, such as churches that feature a Sunday morning crowd or laundromats primarily busy on weeknights. By overlapping parking needs, shared parking practices maximize existing parking spaces, creating opportunities for housing or new businesses within the area.


The parking needs of a church (yellow) and a supermarket (green) differ. What if they shared parking so land could be used for other purposes?

Demand-Based Parking Meters

The notion of paying for parking seems unconventional and foreign; when we expect 200 square feet of parking space on both sides of our trips we view parking as an entitlement and not an asset subject to market forces. Transit riders are expected to pay a fare for service, yet on-street and municipal parking is provided free of charge even though public funds pay for their paving and maintenance. This disconnect between parking and its true cost results in parking scarcity in high demand areas and increased congestion as motorists "circle the block" searching for available spaces. Free parking also encourages prime parking spaces to be occupied for longer periods of time, prohibiting other motorists who wish to park and shop in nearby local businesses.

In better addressing these parking shortages, implementing modern demand-based parking meters allows communities to better manage existing parking spaces while gathering funds that can be used to improve and revitalize the business district. The most common method of doing this is creating a Parking Benefit District, or an area where parking revenues are invested directly into sidewalks, lighting, tree plantings, and streetscape improvements within the district.

Parking Revenue
Collected from parking meters

$$$
Is used to fund

District Improvements
- Planting trees
- Sidewalk improvements
- Outdoor seating
- Cleaning and maintenance
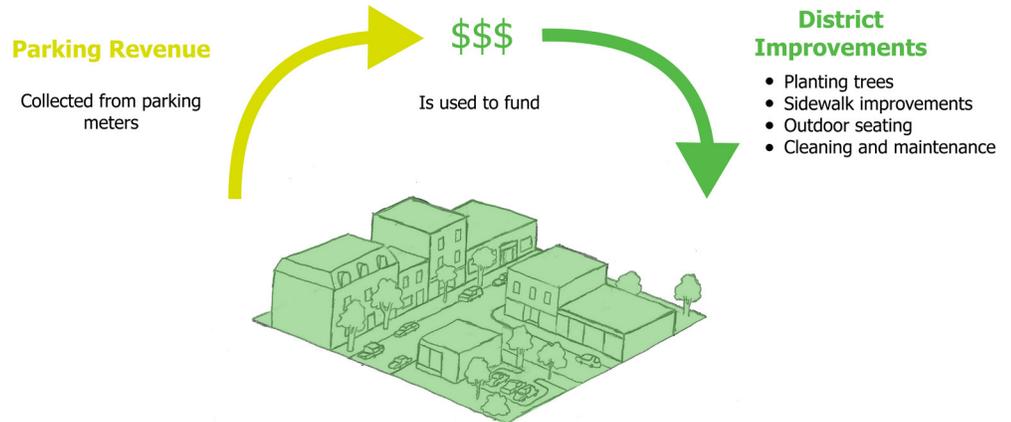
Many of Michigan's most vibrant and successful downtowns have implemented parking meter solutions, such as in Rochester, Traverse City, and Grosse Pointe Park. These business districts are a testament to how an area's desirability and sense of place are most important in attracting customers.

Rochester — Following a parking study completed in 2013, Rochester revised its parking payment structure and implemented new parking meters that accept credit cards. By increasing the parking rate to $1.00/hour from 8:00am to 6:00pm, Rochester would receive an additional $508,000 per year which could be used for downtown capital improvements[1]. While the COVID-19 pandemic decreased demand in 2020, downtown Rochester boasts over 350 businesses and hosts numerous annual festivals.

1.) City of Rochester and McKenna Associates. (2013). *Rochester Michigan Downtown Parking Strategy.*

Traverse City — Although a premier summer destination, Traverse City's growth has made managing downtown parking demand a year-round challenge. While maintaining a parking meter system in high demand areas, investments in public transit and bicycle infrastructure have created favorable alternatives to driving, reducing demand for parking spaces[2]. These factors have contributed to downtown Traverse City's vibrancy and success as a business district.

2.) Michigan Association of Planning (2020). *Parking: Balancing this Key Part of our Communities.* 24(1).

Grosse Pointe Park — Primarily a residential community, Grosse Pointe Park features three distinct business districts located along major arterial roadways. To better manage existing parking spaces, the city implemented a new parking system that allows users to pay via a phone app. The city also implemented a permit parking system for employees that offers municipal parking spaces for a monthly charge. These parking management practices allow the city to invest in capital investments in these corridors, making them more attractive and spurring further development.

Ride-Sharing and Delivery Lanes

Spurred by the COVID-19 pandemic, delivery services such as DoorDash and Shipt along with ride-sharing offerings from Uber and Lyft have created favorable alternatives to driving. With many people using ride-sharing to access restaurants, bars, and event venues, some communities have begun adopting dedicated pick-up/drop-off locations. While these locations replace on-street parking spaces, they can reduce traffic bottlenecks and congestion as cars waiting to pick up and drop off passengers have a specific location to wait. Creating this location also encourages greater pedestrian activity within the business district, encouraging window-shopping and attracting potential customers to visit local businesses.
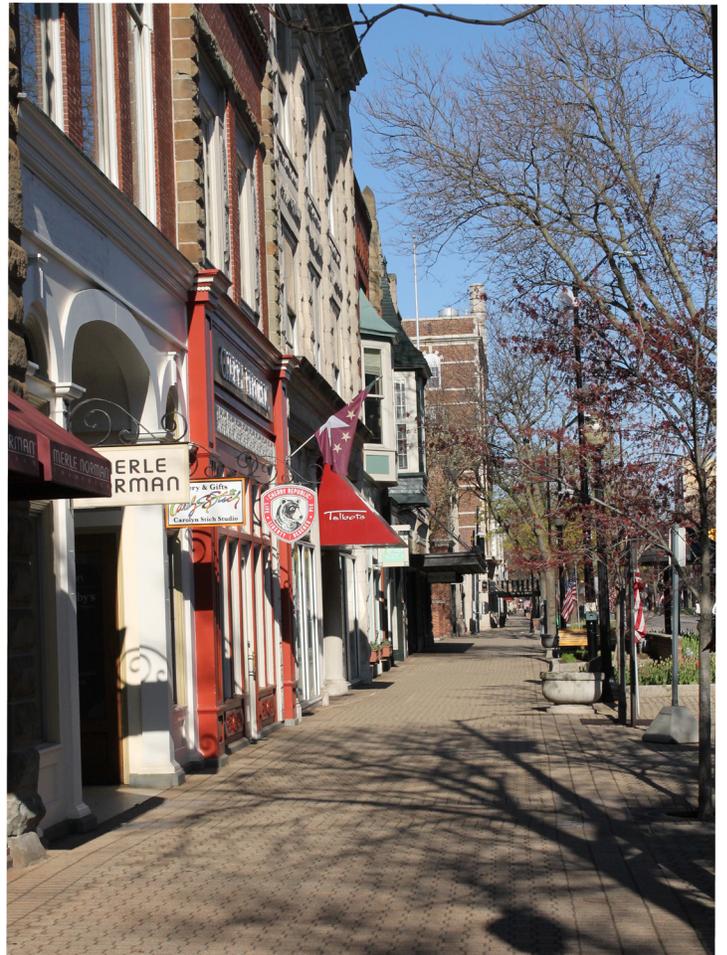
Summary

As shopping and consumer preferences continue to shift away from big box retail and towards online alternatives, the business district as "a place" is increasingly important as customers seek unique environments to spend time and money in. Although parking concerns have guided development over previous decades, the advent of new technologies such as ride-sharing and a growing interest in people-oriented places point to a future where parking is viewed through a new perspective. Focusing on parking management practices can foster vibrant business districts by accommodating people first instead of cars.

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