

**SUMMARY and FISCAL NOTE\***

| <b>Department:</b>                   | <b>Dept. Contact:</b> | <b>CBO Contact:</b> |
|--------------------------------------|-----------------------|---------------------|
| Seattle Department of Transportation | Mike Estey            | Aaron Blumenthal    |

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the Seattle Department of Transportation; amending Section 11.16.121 of the Seattle Municipal Code to set new limits on parking rates at parking payment devices.

**Summary and Background of the Legislation:** The Seattle Municipal Code (SMC) establishes purposes for on-street paid parking rate-setting and since 2010, has provided direction to the Seattle Department of Transportation (SDOT) on adjusting parking rates with a minimum and maximum hourly rate range. SDOT proposes to update the SMC language regarding the minimum and maximum rates for two primary purposes: 1) to ensure basic program cost recovery, and 2) to maintain the ability to effectively carry out SMC direction to adjust rates so that 1-2 parking spaces are available on each block to provide reliable customer curb access. SDOT does not adjust paid parking rates to generate revenue, but rather to carry out the SMC direction to provide reliable curb access. The legislation revises the minimum hourly rate from \$0.50 to \$1.00, and the maximum hourly rate from \$5.00 to \$8.00.

This legislation will allow greater flexibility and conformity with parking policy and legal requirements. Currently, SDOT is adjusting rates three times per year. Parking data show that many areas of the City are likely to soon hit the rate cap. When we are not able to adjust rates beyond the current maximum, we cannot meet City goals of maintaining adequate parking turnover for business access, as stated in the SMC. In addition, raising the minimum would bring our rates more in line with other (Northwest or peer-sized) comparable cities locally and around the country.

Net new parking revenues from these changes are directed to SDOT for the purposes of maintaining and administering the on-street paid parking program and other transportation purposes in the 2024 Proposed Budget. Costs associated with implementing this change are estimated at \$144,000 and are also included in the Proposed Budget, and they will be included in future budget legislation.

**2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**      \_\_\_ Yes   X   No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**      \_\_\_ Yes   X   No

| Appropriation change (\$):     | General Fund \$         |             | Other \$               |      |
|--------------------------------|-------------------------|-------------|------------------------|------|
|                                | 2024                    | 2025        | 2024                   | 2025 |
|                                | 0                       | 0           | 0                      | 0    |
| Estimated revenue change (\$): | Revenue to General Fund |             | Revenue to Other Funds |      |
|                                | 2024                    | 2025        | 2024                   | 2025 |
|                                | \$2,400,000             | \$3,800,000 | 0                      | 0    |
| Positions affected:            | No. of Positions        |             | Total FTE Change       |      |
|                                | 2024                    | 2025        | 2024                   | 2025 |
|                                | 0                       | 0           | 0                      | 0    |

**Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

Yes, for these rate adjustments, the impact to SDOT costs is expected to be on the credit card fees paid (at an estimated 6% of revenues). Therefore, SDOT costs are estimated as both one-time and on-going costs. These are non-discretionary paid parking program costs.

The revenue estimates for 2024 are a partial year because of installation of the rate changes expected in March 2024. In future years, the revenues are expected to be about \$3,800,000 in 2025 and beyond from these changes made with the legislation.

**Are there financial costs or other impacts of *not* implementing the legislation?**

Yes, in the case of the minimum hourly rate, a small but important number of transactions will continue to happen at amounts below SDOT’s per transaction cost to operate the paid parking system. The hourly \$0.50 is below what most Washington state cities with paid parking charge, as well as major cities around the United States.

For the maximum hourly rate change, the increase in the allowed adjustment will provide SDOT flexibility to meet these same SMC rate-setting direction, where rates are set so that 1 to 2 spaces are open and available throughout the day and to support transit and demand management modes.

**3.a. Appropriations**

This legislation adds, changes, or deletes appropriations.

**3.b. Revenues/Reimbursements**

This legislation adds, changes, or deletes revenues reimbursements.

**Anticipated Revenue/Reimbursement Resulting from This Legislation:**

| <b>Fund Name and Number</b> | <b>Dept</b> | <b>Revenue Source</b> | <b>2024 Revenue</b> | <b>2025 Estimated Revenue</b> |
|-----------------------------|-------------|-----------------------|---------------------|-------------------------------|
| General Fund – 00100        | SDOT        | Paid Parking Revenue  | \$2,400,000         | \$3,800,000                   |
| <b>TOTAL</b>                |             |                       | <b>\$2,400,000</b>  | <b>\$3,800,000</b>            |

**4. OTHER IMPLICATIONS**

- a. Does this legislation affect any departments besides the originating department?**  
No.
- b. Is a public hearing required for this legislation?**  
No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- d. Does this legislation affect a piece of property?**  
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

The recommended changes could lead to people paying more for on-street parking if they choose to drive and park in the paid areas where rates change with this legislation. RSJI considerations for these changes could develop in several ways:

1 – Thriving BIPOC businesses depend on reliable customer access. In paid parking areas, these businesses may see *benefits* as SDOT better meets parking availability goals so that their customers can more reliably find nearby street parking.

2 – Owning, operating, and relying on the private vehicle to access Seattle’s densest business districts is not the most cost-effective travel option, no matter the hourly parking rate. Parking fees are one of the least costly factors in owning and operating a private vehicle, after fuel and insurance. Providing low-cost on-street parking is not the equivalent of providing equitable and affordable transportation options. Pricing the curb appropriately however, for reliable access has numerous safety and climate benefits, as well as signals the importance of ensuring access to affordable mobility and transportation options. SDOT continues to expand options to our neighborhood business districts by transit, bicycle, walking, and shared micromobility.

3 – In terms of Language Access, SDOT publishes in multiple language the “Can I Park Here” Brochure, which explains parking rules including those for paid parking, and provides SDOT and SPD parking contact info.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

This change could lead to decreased carbon emissions. Free or reduced parking charges have been found in numerous transportation studies to be leading determinants for why people choose to drive. SDOT's paid parking program uses a data-driven metric to regularly adjust parking rates to ensure 1-2 open parking spaces throughout the day. This process leads to less circling for parking, with reductions in emissions and congestion. Pricing itself, particularly at higher rates, may encourage people to switch modes to transit, bicycling or shared micromobility, thereby also decreasing emissions. The Curbside Management team has also seen the opposite situation with free parking on Sundays in Seattle business districts, where streets are very full of parked vehicles with others circling for parking or idling waiting for an open spot.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

This legislation enacts a new maximum and minimum street parking rate in the SMC, thereby providing a more permanent change for on-going paid parking management, with the resultant climate benefits noted above.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

Seattle Municipal Code Section 11.16.121 directs SDOT to use the performance goal of keeping 1-2 parking spaces open and available when setting on-street paid parking rates. This performance goal is the basis of the legislative request to change the rates in SMC 11.16.121, particularly the maximum rate.