



MEMORANDUM

Date: July 14, 2016
To: City Council Sustainability and Transportation Committee members
From: Christopher Persons, CEO
Subject: Parking Benefit District – SLI 100-2-A-1

Summary

In adopting the 2016 City of Seattle Budget, the City Council approved Statement of Legislative Intent (SLI) 100-2-A-1 asking the Seattle Department of Transportation (SDOT) to work with Capitol Hill Housing (CHH) to recommend a path for piloting a Parking Benefit District in the Capitol Hill EcoDistrict.

Capitol Hill Housing (CHH) believes a parking benefit district pilot would support the City’s performance pricing model and provide revenue for addressing transportation inequities in the Capitol Hill neighborhood. We urge SDOT to work with CHH and other community stakeholders in the Capitol Hill EcoDistrict to move forward with developing a parking benefit district pilot as recommended by the SLI and the Housing Affordability and Livability Agenda Committee.

CHH is a logical partner for this effort. We are a partner to the City in promoting shared sustainability goals within the Capitol Hill EcoDistrict in the categories of equity, environment and culture. As a public corporation chartered by the City of Seattle under Seattle Municipal Code 3.110.050, we also are entrusted with recommending to the Mayor and Council public expenditures that maximize the public interest within the Capitol Hill neighborhood.

Background

Capitol Hill Housing

Capitol Hill Housing (CHH) is a Public Development Authority established under RCW 35.21.730 with powers specified under Seattle Municipal Code (SMC) 3.110.050, which include but are not limited to the power to:

- Contract for lease, and accept transfers, gifts or loans of funds or property from the United States, the state, the City, including property acquired by any such governmental unit through the exercise of its power of eminent domain and from corporations, associations, individuals or any other source and to comply with the terms and conditions thereof;
- Manage, on behalf of the City, any property acquired by the City through gift, purchase, construction, lease, assignment, default or exercise of the City's power of eminent domain;
- Recommend to the Mayor and City Council appropriate public improvements and expenditures in areas of the City in which a public corporation by its charter has a particular responsibility;
- Recommend to the Mayor and City Council any property which if committed or transferred to the public corporation would materially advance the public purpose for which the public corporation was chartered;

- Initiate, carry out and complete such improvements of benefit to the public as the Mayor and City Council may by ordinance assign;
- Recommend to the Mayor and City Council such tax, financing and security measures as the public corporation may deem appropriate to maximizing the public interest in any area in which a public corporation, by its charter, has a particular responsibility.

Capitol Hill EcoDistrict

The Capitol Hill EcoDistrict (EcoDistrict) is a community development initiative of Capitol Hill Housing recognized by the City Council and Mayor of Seattle “as a framework and agent for advancing City sustainability goals within the EcoDistrict boundaries.”

Under Resolution 31562, “City departments are encouraged to recognize the Capitol Hill EcoDistrict and its intersection with departmental work including, but not limited to, the Office of Sustainability and Environment (OSE), the Department of Neighborhoods (DoN), the Office of Arts and Culture (OAC), the Office of Economic Development (OED), the Office of Housing (OH), the Department of Parks and Recreation (Parks), the Department of Planning and Development, Seattle City Light (City Light), the Seattle Department of Transportation (SDOT), and Seattle Public Utilities (SPU).”

Capitol Hill Housing has long partnered with OH on the construction and operation of affordable housing throughout the City of Seattle and has received Community Development Block Grant funding through Only in Seattle (OIS) to support local business districts. Some OIS funds were utilized to pilot innovative programs in the EcoDistrict to improve pedestrian access within neighborhood rights of way. Since 2013, CHH has successfully partnered with City departments in these and other innovative EcoDistrict projects outlined in table 1.

Project	Collaborating Department(s)	Description
EcoDistrict Index	OSE	Development of neighborhood-scale sustainability performance metrics
Pedestrian Street Pilot	SDOT, OED, SPD	Temporary closures of Pike Street 3 nights in August 2015
District Shared Parking Pilot	SDOT	Development of policy recommendations and new technology solutions to encourage shared parking
Affordable Housing Transit Pass Pilot	SDOT	Testing of affordable housing as a mechanism for delivering discounted transit passes, starting with 122 low income households in 3 buildings on Capitol Hill
Dumpster Removal	SPU, SDOT	Removal where possible of dumpsters from the right of way
Community Solar Pilot	City Light	Development of a community solar project on an affordable housing property.

All EcoDistrict initiatives, including the ones undertaken in partnership with the City, are analyzed through a race and social justice lens that is based on the City-wide Race and Social Justice Initiative. Our work with the City on a parking benefit district pilot would be analyzed with this lens both during its inception and in the final evaluation of the pilot’s success.

Housing Affordability and Livability Agenda

In 2014, the Mayor of Seattle empaneled the 28-member Housing Affordability and Livability Agenda Steering (HALA) Committee comprised of private developers and builders, affordable housing and social justice advocates and smart growth experts to deliver a set of recommendations to the Mayor and Council “that:

- Prioritize strategies that have the most powerful and lasting impact on solving the affordable housing crisis
- Prioritize strategies that create housing opportunities for people least served by the housing market
- Prioritize strategic actions that can be implemented within 3 years
- Advance the City’s Race and Social Justice Initiative
- Are data driven and responsive to targets of estimated housing needs as identified by reliable data sources
- Are informed by public input from a diverse range of viewpoints
- Reflect a collective approach that shares responsibility for achieving housing affordability across our community including for-profit and nonprofit developers, the public sector, philanthropic institutions, and employers.
- Are a deliberate combination of policies and programs for which the individual merits and impacts have been weighed and balanced together in a holistic approach to addressing the City’s housing needs.”¹

In July 2015, the HALA Committee delivered 65 recommendations to the Mayor and Council under four areas of emphasis: more resources for affordable housing, more housing, more supports for communities, and more innovation. “Most importantly, perhaps, innovation is required to ensure that the rich cultural fabric and heritage of the city – and the families and communities that embody this diversity – will continue to be able to make Seattle their home.”²

The HALA Committee recommended a parking benefit district pilot to improve Seattle’s on-street parking system. Last fall, CHH approached the city with an offer to support the City in piloting a parking benefit district in the Capitol Hill EcoDistrict. The high parking occupancy within Capitol Hill’s commercial corridors, CHH success delivering innovative projects in collaboration with SDOT, and with the powers conferred on CHH by SMC 3.110.050 (E, F, H) make CHH a logical partner for implementing a parking benefit district pilot.

Performance Based Pricing Model

In its 2011 *Performance Based Parking Pricing Study*, SDOT identifies the following parking program goals: “provide better access, a more vibrant business climate, and greater customer satisfaction.”³ The City’s specific goals of performance-based pricing in Seattle is “meeting the target occupancy of one to two on-street spaces available, on average, per blockface throughout the day.”

Seattle has since adopted a performance based parking approach defined by using parking occupancy data to define and cluster sub-areas with higher demand, and then pricing those high demand areas accordingly. This approach “lets the data decide” the boundaries and pricing. CHH supports this

¹ <http://murray.seattle.gov/housing/housing-affordability-livability-committee/#sthash.UPHS7ht0.dpuf>

² http://murray.seattle.gov/wp-content/uploads/2015/07/HALA_Report_2015.pdf

³ http://www.seattle.gov/transportation/parking/docs/SDOT_PbPP_ExecSumm_fin.pdf

approach and recommends fuller application of this approach across the City and specifically in Capitol Hill.

In early discussions with City staff about a parking benefit district pilot, CHH recommended extending meters past 8pm because the City's parking data shows parking to be heaviest in Capitol Hill's commercial corridors between 8pm and 11pm.

A parking benefit district pilot offers a means for building the political will to extend metered hours to meet SDOT's performance based parking criteria and overarching parking program goals. Also, only considering revenues collected during hours outside of SDOT's current meter hours would insure that funds committed to other neighborhoods from the general fund would remain unaffected by the pilot.

Distributional Equity Concerns

Equity is a core value of CHH and the EcoDistrict, and we share the City's commitment to the Race and Social Justice Initiative. Careful attention should be taken, both in the development and implementation of a parking benefit district pilot, to address equity concerns. In the organization of a governance body for the district, membership should include representation of low-income residents and workers and other historically marginalized communities, including but not limited to people of color and LGBTQ people.

In forming the district, guidance should be built into the decision-making process for spending the additional parking fees. One suggestion is to build in funding to reduced-price transit passes for low-income residents and the lower wage earners working in the vicinity of the extended meters. This would serve the interests of low income people and promote greater transit use. Another suggestion is to use parking fees to develop a program for safe rides home for late night shifts when transit service is limited, a program that would have a strong nexus with the extended late night parking meter hours.

Moving Forward

In support of parking benefit districts, Donald Shoup writes: "The real obstacles to market prices for curb parking are political, not technical, and the political acceptability of pricing curb parking depends on a politically acceptable distribution of the revenue."⁴ It's our understanding from interviews with HALA Committee members that a parking benefit district pilot was prioritized for the model's potential to address fears of parking spillover from new housing developments and provide political acceptability of pricing curb parking where parking is not currently metered.

In SDOT's recent response to SLI 100-2-A-1, the department clarifies that a parking benefit district could be structured to meet state requirements both in terms of spending money on "transportation purposes" and also in preventing public funds used for private benefit or specific businesses. SDOT also confirmed that many business districts, include all three parking districts on Capitol Hill, have occupancy rates after 8pm that would warrant paid parking based on SDOT's data driven approach. These results are promising.

CHH remains eager to partner in a pilot and have begun to garner support within the Capitol Hill Community. In May 2016, we featured the parking benefit district pilot at CHH's annual community forum where 150 participants learned about parking benefit districts and were encouraged to think creatively about how revenue could help address local transportation needs. In June, we invited Alan

⁴ <http://www.sonomatlc.org/Parking/PBDs/Shoup-PBD.htm>

Durning from the Sightline Institute to speak at the EcoDistrict Steering Committee meeting to give neighborhood leaders greater insight to the benefits of parking benefit districts and why the HALA Committee included a pilot among its priorities. The response to the parking benefit district pilot at both of these public meetings was overwhelmingly positive. CHH also has found support among several key property and business owners operating in the area where we recommend extending meter hours.

CHH urges the City to continue its exploration of a parking benefit district pilot within the EcoDistrict.