



## Parking Benefit Districts, State of Practices in the United States

Parking Benefit Districts (PBD) are geographic areas with boundaries set by local ordinances. They were first championed by University of California, Los Angeles Professor Donald Shoup to utilize parking meter revenue to fund local improvements. These public improvements are intended to attract more visitors, which generates additional parking revenue and fosters continued development.

### Financial Challenges and Indicative Solution

The COVID-19 pandemic put an immediate impact on typical revenue sources for local governments around the United States. State and Federal gas tax revenue, local sales taxes, and property taxes all have dropped due to lockdowns and economic disruptions. PBDs offer a way to help fill funding gaps for local improvements and services.

PBDs support parking operation and maintenance, which can increase local sales tax revenue and reduce traffic congestion. They do not include revenue from parking violations or parking permits, but offer an avenue to make parking work better and support community goals at the same time.

Area residents and businesses are often more receptive to PBDs as they can see revenues reinvested in local neighborhoods. Tourists and visitors typically use the parking meters most, so there is less of an impact on local stakeholders.

### PBDs Across the United States

PBDs were first established in the United States and now are planned or operating in various cities across the Nation, including:

- **Austin, Texas:** The city first tested PBDs in a pilot program run through the U.S. Environmental Protection Agency. So far, PBDs have raised \$1.87 million to help improve streets and sidewalks, and fund improvements to promote walking, bicycling, and public transit.
- **Boulder, Colorado:** Revenues from a PBD were used to fund transit passes for employees, sidewalk and street improvements, a Wi-Fi network, and improvements to a local mall.
- **Brookline Village, Massachusetts:** PBDs were authorized through the Municipal Modernization Act. In addition to parking meter operation and maintenance, funds from the city's PBD can be spent on projects like enhanced winter lighting, flowers and greenery, public art, and improvements for pedestrians and cyclists.



- **Kansas City, Missouri:** PBD funds are used to pay for the maintenance and operation of the district's parking systems. No more than 50 percent of the net revenue goes back to the district. Each of the city's PBDs identifies improvements and is terminated when the improvement is completed.
- **Los Angeles, California:** The city began a PBD pilot program to use revenue for transportation and streetscape improvements.
- **Old Pasadena, California:** Funds from PBDs have been used to revive the city with improved sidewalks and streets. Revenues have helped fund planting trees, installing historic lights, and creating additional parking, maintenance, and safety projects. Over a period of five years, 21 square blocks of PBDs raised \$6.4 million.
- **Pittsburgh, Pennsylvania:** The city enacted a PBD to extend parking meter hours in areas with a bustling nightlife. Revenues are used to improve public safety and services.
- **San Diego, California:** The city used funds from PBDs to finance infrastructure improvements like directional signs, landscaping, and pedestrian improvements in its historic district.
- **Washington, D.C.:** The city participated in a pilot program where funds from a PBD were used to improve bike racks, lighting, street furniture, and trash compactors.

PBDs offer several advantages for urban environments, including helping cities create, manage, and regulate a shared parking supply, plus helping residents and visitors easily find and use parking. In a PBD, parking spaces within a city could be used by employees during normal business hours, but be dedicated to residents at night, efficiently sharing the public parking supply.

### **Using PBDs to Manage Shared Public Parking**

PBDs make it easier to manage a shared pool of public spaces that can include publicly owned parking, private parking leased for public use, or parking made available through shared parking agreements. This can help to lower the costs of parking, and reduce housing costs and lease rates in the designated area. It can also improve the pedestrian experience by enabling more land to be devoted to active, productive uses.

Cities can also improve shared public parking procedures by operating a valet program. This service immediately addresses demand and provides visitor-friendly convenience in high demand areas.

Leasing private parking for public use and compensating property owners for the value of their parking is another way to share public parking. This solution can help address liability and



maintenance issues. Compensation for property owners can be funded through permit programs, development fees, and on-street parking revenues.

When cities offer residents and employees permit programs, they can reduce parking costs and provide greater availability in high-demand areas. Allowing developers to pay a fee per space for access to parking instead of requiring onsite parking is another way to share spaces in high demand areas.

Consolidating parking facilities to increase parking supply without increasing the amount of land needed is an effective way to share public parking in urban environments. Instead of barriers that separate facilities, consolidation allows for additional landscaping, pedestrian connections, signage, and other amenities. Funding can be used to provide financing for parking infrastructure that meets the needs of multiple developments at once, supporting routine maintenance and new infrastructure when necessary.

### **Increasing User Convenience in PBDs**

Another major benefit of enacting PBDs in cities is the ability to centralize and coordinate parking information and marketing. Integrating signage or wayfinding like smart kiosks can help erase negative perceptions about finding parking. Locating available parking on signs and handouts or through a parking website or app can help enhance visitor convenience and experience. Using web-based technology can also increase efficiency as enhanced tracking and communication capabilities can provide updates in real time, plus allow users to make contactless payments and updates to parking from mobile devices.

### **Regulating Parking in PBDs**

When PBDs are established, cities can easily monitor use across an entire district. This allows cities to identify site-specific issues and quickly respond with needed parking policies. Coordinating tiered time limits and pricing can also help cities manage supply, encouraging parking in underutilized areas by increasing prices in locations of high demand. Cities also have an opportunity to provide parking ambassadors who can encourage enforcement of regulations by informing, educating, and assisting visitors as needed.

### **Sources:**

[Parking Benefit Districts Around the U.S.](#)

[Can Parking Benefit Districts Step In as Revenue Sources Dry Up?](#)

[15 Ways Parking Districts Can Help Kansas City Park Smarter](#)

[Establishment of a Parking Benefit District in Brookline Village](#)

[Parking Benefit District – The Transferability of a Measure to Reduce Car Dependency to a European Context](#)