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final report
parking fee study
wellesley public parking system

wellesley, massachusetts

prepared for
board of selectmen
town of wellesley, massachusetts

mcdonough & scully, inc.

june 1998

McDonough & Scully, Inc.
Consulting Engineers and Planners

June 15, 1998

Ref: 452/441

Mr. R. Arnold Wakelin, Jr.
Executive Director
Board of Selectmen
Wellesley Town Hall
525 Washington Street
Wellesley, MA 02181

Re: Parking Fee Study

Dear Arnold,

Enclosed please find four (4) copies of the Final Report on the Wellesley Parking System Fee Study. Modifications have been made as per the review comments and the additional fee option which maintains the current permit fee for residents.

I will follow up in a separate memorandum information on the parking machines. In addition, I will set up a meeting with Steve to discuss getting the Weston Road Parking Lot project set up for funding, design and construction.

If you have any questions or need to discuss this matter in more detail, please feel free to contact me at (508) 647-0300.

Very truly yours,
MCDONOUGH & SCULLY, INC.

William J. Scully, P.E.
Principal

WJS/dmr

cc: S. Bucuzzo

Final Report

***Parking Fee Study
Wellesley Public Parking System***

June 1998

prepared for

**Board of Selectmen
Town of Wellesley, Massachusetts**

Prepared By

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introduction

Over the past several years, detailed parking studies were conducted in Wellesley Square (February 1996) and in Wellesley Hills (June 1997). A recommendation outlined in the Wellesley Hills Study was to examine the parking fees in detail for possible adjustment. In addition, the Wellesley Square Study discussed the issue related to the usage of the off-street lots, particularly the Tailby Lot, used by a significant non-resident commuter rail demand. The supposition being that given the parking fee and rail fee in combination, non-resident rail patrons found it cost-effective to use Wellesley parking lots leaving fewer spaces available for town residents. It was suggested in the 1996 study that consideration be given altering the all day fees in the commuter lot to remove the effect of lower rail ticket charges and ultimately, to result in more spaces available to residents.

Consequently, this study's purpose is to examine the existing parking fee structure and determine if changes should be implemented to improve the service of the parking system to its users with emphasis on residents of the community. In addition, in evaluating the fee structure, it was important to avoid a reduction in parking system revenue as the funds are used to maintain, operate and improve the system.

Another transportation management and service option presently being pursued by the Town is the development of an in-town transit service which could help relieve the parking congestion experienced in virtually all key Town business districts as well as the major commuter lots. Funding alternatives are being evaluated, and one funding option for this service may be the use of revenues from the parking system.

The following sections describe the existing system revenue characteristics and the evaluation of potential changes.

existing conditions

- **Basic Supply**

The Town of Wellesley currently manages a substantial number of parking spaces including curbside and off-street spaces that are "fee for parking" spaces. Various time regulations (i.e. 2-hour, 4-hour, all day) are also in place. Based on the latest field counts, a total of 967 off-street spaces are under Town control while 1,452 on-street spaces exist. A little more than half of all the spaces are considered short term spaces (4-hours or less). A total of 703 town regulated spaces are long term or all day spaces with 658 of these in off-street lots. The primary all day lots that are typically designed to accommodate the rail station demands include the Talby Lot (Wellesley Square), the Wellesley Hills Railroad lot and the Wellesley Farms Lot. These three facilities account for 474 all day spaces.

- **Existing Fee Structure**

The existing fee structure and policy in Wellesley addresses meters or machines, and permits as well as short vs. long term. The following concisely summarizes the current fee structure

short term spaces - on/off	\$0.25/hour
long term - on/off - 4 hour space	\$0.50 per 4 hours
all day space	\$1.00 per day
permits for all day lots	\$240 per year

A permit program was set up several years ago. As of July 1997, 135 permits had been issued for 1997. Annual maximum permits issued on a first come first serve basis has been set at 200. Permits can be used in all day spaces at not only the three major commuter rail lots, but the Cameron Eaton Court lots, and Lower Fall River Street as well.

- **Existing System Revenue**

The latest fiscal year of revenue data was reviewed to develop a base condition for evaluating impacts resulting from potential fee changes. In total, approximately \$379,320.00 was collected on a system wide basis including curbside meters, off-street lots and permits. Discounting permits, approximately \$342,950.00 was collected via meters and parking machines.

Fees collected from the three major commuter rail lots in fiscal 1997 were approximately \$92,760.00.

- **Existing System Parking Costs**

There are costs associated with providing a public parking system. These are sometimes forgotten, particularly when the costs are spread across various departments

who have different responsibilities. Costs generally relate to:

- administrative
- maintenance
- enforcement
- utilities
- insurance
- equipment

In Wellesley, the parking system involves the Board of Selectmen, the Police Department, the Department of Public Works, the Treasury Department and Parking Clerk. Some of the duties such as collecting meter revenues are contracted out.

A review of fiscal year 1997 expenses related to the traffic and parking department show costs were \$256,791.00. Eliminating the \$63,061.00 for general traffic engineering services leaves parking related costs of \$193,730.00. This equates to approximately \$80.00 per "fee" space as a operating cost. In addition, these figures do not include any major capital expenditures for the system which are also funded through parking revenues. For example, a fiscal year 1999 request for \$66,000 was made to cover costs of enforcement equipment, new parking fee machines, lighting and access improvements.

overview of district parking conditions

During the past year, detailed parking studies have been conducted in both Wellesley Square and Wellesley Hills, two of the Town's major business districts. In addition, information on usage characteristics have also been obtained in the rail commuter lots including those in the above two districts as well as Wellesley Farms Station. The following paragraphs briefly provide an overview of the parking conditions in these areas. The current conditions provide a basis for modifying the fee structure.

- **Wellesley Square**

This is the largest business district in the community with more than 1,100 public parking spaces. In general, it is a compact area with the off-street lots located to serve the entire district. The Tailby Lot is the largest lot with 224 spaces used primarily by commuter rail patrons. Surveys conducted in the fall of 1995 indicated that most convenient parking spaces in the Square were occupied most of the day. The Tailby Lot's average occupancy over the course of the day was 93%. Other lots serving the all day parker such as portions of Railroad Lot (at the time) and the Cameron Lot were also highly utilized.

The result of the parking study and subsequent analysis of the long term spaces also showed substantial use by non-resident parkers. For example, 67% of the parkers using the Tailby Lot had vehicles registered in communities other than Wellesley. The Wellesley Square Parking Study identified a possible reason for the high proportion of non-resident commuter parkers was the relative transit fees. As one moves west of Wellesley, the train tickets become more expensive. With parking fees being equal and capacity at a premium, it's natural for the rail patron to search for parking where the overall cost (parking plus train fee) would be least. Consequently, a number of parkers are from Framingham, Natick and Sherborn. A problem this creates is more competition for parking spaces and ultimately fewer available for Wellesley residents. Increasing the parking fee to eliminate the advantage will tend to reduce non-resident demand and create more space available for the resident.

- **Wellesley Hills**

This linear corridor in the eastern section of town was also studied for parking needs. While the most critical subsection of the Hills is found on the eastern side, the Railroad Lot is essentially fully occupied early in the morning and remains essentially at capacity. Observations indicate the 49% of the parkers on the Railroad Lot are from towns other than Wellesley.

Although the Hills Railroad Lot is relatively small, almost half the spaces are not being used by residents. The only other public lot in the Hills is the Eaton Court Lot which has a small portion of its supply designated as short term spaces. Overall, the western section

of the Hills with the exception of the Railroad Lot does not experience a noticeable parking supply problem. It should be noted that the western section of the Hills also contains several very large private, restricted lots that help minimize the need for public supply in this area.

- **Commuter Lots**

The major commuter lots include the Tailby Lot, the Hills Railroad Lot and the Wellesley Farms Lot. Table 1 summarizes the use as observed over the past two years.

TABLE 1
SUMMARY OF EXISTING COMMUTER
RAIL LOT PARKING CHARACTERISTICS

<u>Lot</u>	<u>Supply</u>	<u>Peak Use</u>	<u>Average Day Use</u>	<u>Observed Permits</u>	<u>Observed Non-Wellesley</u>
Tailby	224	100%	93%	15	67%
Hills RR	51	100%	96%	5	49%
Farms RR	<u>199</u>	100%	99%	<u>20</u>	51%
	474			40	

As can be seen, these three major lots serving commuter rail patrons essentially operate at capacity. While it is believed that a latent demand exists, a short term effect of increasing the parking fees will be to reduce the parking demand. Over time, new parkers will be attracted to the lot.

Another observation was the relatively low number of permits being purchased by commuters. Only 8 to 10% of the parkers in these facilities had permits. A total of 40 permits were observed on one day in the fall of 1997. A total of 135 permits had been issued as a July 1997. In addition to commuters, employees in the town can purchase permits as well.

- **Summary of Review**

While the parking system as a whole tends to generate surplus revenue, there is a high proportion of non-Wellesley parkers using the major commuter lots. This has created a problem in that they are Town owned lots and being at capacity with large proportions of non-residents, are not tending to meet all of the demand generated by Wellesley residents. As such, the adjustment in the parking fee as suggested in the Wellesley Square Parking Study has merit. The next section discusses alternative changes to the parking fees.

The remaining options were developed with different levels of impact to Wellesley residents, employees in the Town and visitors. This resulted in either lower permit fee rates for these selected groups versus the rail commuter to simply applying the fee increases to only the three major commuter rail lots.

Other than the first option, having multiple types of permits and different fees will increase the complexity of the administration of permits to a degree in general. It will likely result in some increase in administration costs.

However, in considering the advantages/disadvantages; the objectives of the fee increase; and the desire to maintain viable business districts; Option 4 combined with a reduced resident fee meets the objectives. Under this option, several business district lots and all day street meters are unaffected which benefits employees and employers. The last option (Option 5) meets the major objective of eliminating the non-resident advantage and has the least negative impact at this time on residents or business community.

The "No Change" option, while a possibility, does not move towards achieving the objectives, particularly the utilization characteristics of the commuter rail lots. In addition, this option obviously will not affect revenue.

- **Potential Revenue Impact of Preferred Option**

Modifying the rates at the commuter rail lots will impact system revenues. Clearly, one would not impose changes in the fee structure to result in lower revenues. Therefore, an analysis was completed to estimate the change in system revenues if Option 4 or Option 5 are implemented.

Based on actual utilization characteristics and an understanding of the resident/non-resident make up of each commuter rail lot, and a review of literature, several assumptions were made in estimating the revenue. These assumptions were as follows

- the overall daily use of the commuter rail lots would reduce by 5%,
- the proportion of non-resident parkers using the lots would decrease by 10%,
- the same proportion of non-resident permits would occur with the fee change,
- twenty percent (20%) of residents purchase permits under Option 4 and 30% under Option 5,
- use 240 days of parking for calculations
- assume all parkers purchase either ticket or permit, and
- analysis does not specifically take into account latent demand or future growth in demand which would generally increase demand and revenue.

Table 3 and 4 summarize the revenue calculations.

TABLE 3
PROJECTED REVENUES UNDER
ALL DAY FEE CHANGE FOR COMMUTER RAIL LOTS (OPTION 4)

<u>Facility</u>	<u># of spaces</u>	<u>% residents parkers</u>	<u>% non-res parkers</u>	<u>estimated permits</u>	<u>proj daily use</u>	<u>projected revenue</u>
Tailby	224	40%	60%	23	88%	\$92,464
Hills	51	57%	43%	6	91%	\$21,631
Farms	199	49%	51%	24	94%	<u>\$87,287</u>
					total:	\$201,381

As can be seen in the Table, the change in fees with the assumptions used in developing the revenue forecasts result in slightly more than \$200,000 for these three parking lots. This represents an increase by 117% over the revenue collected at these facilities during the 1997 fiscal year. If compliance with the fee regulations is not adhered to, then revenues will be lower.

TABLE 4
PROJECTED REVENUES UNDER
ALL DAY FEE CHANGE FOR COMMUTER RAIL LOTS (OPTION 5)

<u>Facility</u>	<u># of spaces</u>	<u>% residents parkers</u>	<u>% non-res parkers</u>	<u>estimated permits</u>	<u>proj daily use</u>	<u>projected revenue</u>
Tailby	224	40%	60%	31	88%	\$88,660
Hills	51	57%	43%	9	91%	\$20,140
Farms	199	49%	51%	34	94%	<u>\$82,920</u>
					total:	\$191,720

conclusions

The previous sections have discussed some of the parking issues faced by the Town and the options to alter the parking fees. A review of the overall fee structure indicates that short term rates at meters continues to be adequate, comparable to many area communities and should be maintained at this time.

With respect to the long term parking fee, it is recommended that the commuter rail parking fees be increased at the three major parking facilities. This should reduce the amount of non-resident parking demand occurring in the three commuter lots, thus creating additional supply for the residents. The preferred option (Option 5) retains a lower permit fee for Wellesley residents. At this time, there does not appear to be a need to increase the permit fee for residents either due to covering system expenses or demand management purposes. As a result of the change in fees, there will be an increase in overall system revenue which can be used to continue funding operations, improvements to the parking system and other transportation investments.



