



DOWNTOWN BOISE

Parking Strategic Plan

Appendix K3 –

Parking System Organizational Options

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Parking System Organizational Model Options

As the parking profession has evolved, several very effective parking system organizational models have emerged. Each of these models has its own strengths and weaknesses depending on several factors including the parking system's size, degree of development, programs offered, political landscape, community goals, and other factors.

Parking management best practices from a program organizational perspective, center on the concept of a "vertical integration" of parking functions. This is in contrast to the typical "horizontally fragmented" organizational structures that tend to evolve naturally in many municipal parking organizations across the U.S.

Horizontally fragmented systems are defined by the compartmentalization of parking functions and responsibilities, such as on-street parking, enforcement, and parking structures, among multiple, disparate departments or entities. The police, facilities management, and accounting departments all may play a role, yet no singular entity has responsibility for, perspective on, or understanding of all of the interrelated functional areas that comprise a parking system. In this scenario, there is no overall accountability for parking. Or put another way, parking is everyone's part-time job, but no one's full-time responsibility.

The most effective models utilized in North America are summarized below:

1. **The Consolidated or Vertically Integrated City Department Model:** The consolidated or "vertically integrated" city department model is characterized by a department head with complete responsibility for the management of all parking-related program elements. Primary elements include off-street parking facilities, on-street parking resources, overall program financial performance, parking system planning, and enforcement.
2. **Parking Authority or Commission Model:** In the parking authority model, a detailed management agreement and defined mission and vision guide all aspects of parking operations. In most cases, a small staff led by a president or executive director engage a private parking operator to manage day-to-day operations. This model places all of the major stakeholders at the same table via a parking authority board or commission, which often results in all parties gaining a deeper understanding of the complexities of parking and the often competing interest of various constituent groups. The parking authority often has bonding capacity.
3. **Contract or Business District Model:** In an increasing number of communities around the country, downtown business improvement districts or downtown development authorities have taken over operational responsibility for parking. Parking is governed by a well-defined operating agreement that sets specific expectations and guidelines for the management of parking assets. These contracts or operating agreements are typically reauthorized every three to five years based on whether the defined contract goals were achieved. If reauthorized, it is not uncommon for new goals and program objectives to be set for the next contract period.
4. **Parking District Model:** The parking district model is defined by an overarching goal of creating a comprehensive parking management function under the aegis of

one management entity. In most cases, the parking district’s geographic boundaries and responsibility for district improvements (parking, transportation demand management, clean and safe programs, events/programming, etc.) are managed to by the district to better promote downtown vitality and activation. Parking thus becomes a tool for economic development, place making and other larger district goals.

While there are several variations and hybrids of these models, these are the four primary alternatives commonly seen across the country. Each of these models will be detailed in more depth in the following sections. Yet despite the details, they all have one common factor that contributes to their success: They all address the major problem associated with the “horizontally fragmented” systems that compartmentalize parking functions and responsibilities, so parking is everyone’s part-time job, but no one’s full-time responsibility.

	Consolidated Department	Parking Authority/ Commission	Contract/ Business District	Parking District
Defining Characteristics	All primary parking functions under one functional department	Parking management responsibilities managed by an executive director and a community-based board.	Leverages an existing strong and effective business district or development authority.	Typically has a defined geographic area and may include other funding sources such as special assessments, in-lieu-fees, impact fees, etc.
Organizational Structure	Vertically integrated department within the city structure.	An authority or commission structure created by city council with defined responsibilities and objectives. Typically lead by a community based board of directors and an executive director.	An existing organization that has proven its effectiveness is given responsibility to manage parking via a well-defined management agreement.	A district based board is created to manage parking within a defined area leveraging district-based funds to meet the areas parking and transportation needs. Typically led by an executive director.

Critical Elements	The common and critical element of all these options is the “vertical integration” of all aspects of parking management under a single operational entity (compared to the typical municipal fragmentation of various functions such as: enforcement, operations, on-street, off-street, finance/accounting, planning, etc.) Managing all program components in a comprehensive and integrated manner allows for improved synergies, policy coordination and enhanced program performance organized around a holistic program vision and mission.			
Primary Advantages	City retains maximum control and is generally easiest to achieve politically.	Provides a degree of separation from politics. Engages key stakeholders in a meaningful way. Put everyone in the same boat, rowing in the same direction.	Leverages strong and existing agencies that have a vested interest in seeing parking and transportation issues effectively addressed.	Creates a geographically based entity that is focused on leveraging district-based revenues to create specific district-based solutions.
Primary Disadvantages	Parking may not be a core competency and may require new investments in staff and resources. City remains the focus of parking related concerns which can lead to undesirable political issues	Requires some relinquishment of control by the City. However, if this is not a core competency of the City this may be a good thing. Can create “yet another board” that already invested community members may not have the bandwidth to accept.	Requires some relinquishment of control by the City. It is important that the BID or DDA critically assess its capacity to take on this complex venture and that their board is fully informed and on-board. Can lead to taking the agency “off-mission” if not done well.	Addresses only a limited area and therefore may have limited resources.
Example	City of Fort Collins, CO	Downtown Toledo Parking Authority, Missoula Parking Commission	Ann Arbor DDA, Capital City Development Corporation – Boise, ID	Boulder Downtown and University Hill Management District

Alternative Organizational Options

In addition to these primary organizational models several newer variations have emerged in recent years. These are described in more detail in the larger parking organizational options document and include: The “Professional Services Model, the “Parking Management Collaborative Model” and the “Eco-District Model”.

- The “Professional Services Model” is a leaner City department type option that outsources most functions but elevates the functions that do remain to more of a professional services level focused on the essential administrative services such as overall program management, contract administration, special projects, accounting and auditing, etc.
- For communities that never made investments in off-street parking facilities (opting to let the private sector provide these investments, and therefore do not have the ability to influence the off-street parking market in traditional ways), an interesting alternative is a model called the “Parking Management Collaborative Model”. The collaborative model is aimed at developing what is essentially a “parking management program overlay” of privately owned parking assets to establish a well-coordinated user-friendly parking system marketed as a cohesive public parking program. While the approach requires only a small, highly effective staff, an executive-caliber program director is essential for the strategy to succeed. The support of major parking property owners is also vital. The Collaborative functions like a parking management firm for the private assets and receives a management fee in exchange for its services. Most revenues remain with the asset owners, but the result is what looks and feels like a public parking system that is more easily understood and legible to community visitors.
- For communities that have decided to promote environmental sustainability as a primary goal, the “EcoDistrict” Model integrates sustainability as a defining element of the parking and transportation organizational framework. The EcoDistrict model recognizes that parking management can advance community-scale sustainability performance goals through strategies including energy and water management, use of alternative modes of transportation (e.g., bicycles and pedestrians), and development of trip reduction and car-sharing programs. Parking revenue can also be invested in a variety of sustainability initiatives, such as the use of permeable pavement and other low-impact development techniques in municipal parking lots.

Operational Model Options

While every parking program operates a little differently, most can be categorized into one of three primary approaches for operating parking programs:

1. **Self-Operation:** The organization the parking program itself. For example, a downtown parking authority could hire the necessary staff to internally operate the parking system.
2. **Outsourced Management Contract:** A private parking management firm is hired to handle day-to-day operations and maintenance through a management contract. Through the management contract, the private parking management firm is paid a fixed management fee and/or a percentage of gross revenues and is reimbursed by the owner for all costs incurred in the operation.
3. **Outsourced Concession Agreement:** A parking management firm is hired to assume full responsibility for all aspects of the operation, including expenses, and the

parking management firm pays the owner a guaranteed amount and/or a percentage of gross revenues (or a combination).

	Self Operation	Outsourced Management Contract	Outsourced Concession Agreement
Basic Idea (Defining Characteristics)	In-house management of parking assets	Management contract approach to providing parking management expertise (City retains a fairly high level of control)	Concession style approach to providing parking management expertise (City retains less control – more hands off approach)
Primary Advantages	Highest level of control, however it requires more city investment. All parking revenues remain with the City.	Some loss of control, however can be an effective way to improve operations if parking management is not a core city competency.	Lowest level of City control. This option is generally utilized a specific facilities such as airports or convention centers.
Primary Disadvantages	Require a true commitment in terms of staff hiring, training and development. Requires significant investment in facilities management and maintenance. All parking revenues remain with the City.	Still requires some City staff to oversee contract, facilities and provide overall program management. A management fee must be paid. In some cases performance incentives are used to reward parking management firms for achieving defined performance metrics.	Requires less City staff and program oversight (vendor responsible for all expenses). Concession payments typically higher than management agreement. City receives set percentage of net revenues or some other agreed upon formula.
Example	Missoula Parking Commission	City of Oakland, CA	San Francisco Airport

In general, most parking programs utilize the self-management or management agreement operating methodologies or some hybrid of the two.