



Program of Market-Based Pricing for Parking at Largo Town Center Morgan Blvd. Stations: Staff Report and Recommendations

Board Budget Committee

June 9, 2005



Market-Based Pricing for Parking at Largo Town Center and Morgan Blvd. Stations



Purpose

- To review Staff Report and Recommendations
- To request that costs and revenues for this program become a part of the FY06 Board Approved Budget
- To request that the Board of Directors approve a change in the Tariff

Market-Based Pricing for Parking at Largo Town Center and Morgan Blvd. Stations



Background: Proposed Program

- Staff was requested to provide a plan to initiate market based pricing at Largo Town Center and Morgan Blvd. Station parking for events at Fed Ex Field
- The plan charges a Non-Metro Rider Fee for parking patrons exiting Largo Town Center or Morgan Blvd. Station during specified event times
 - Non-Metro Riders will be charged a market based parking fee (currently \$25.00)
 - Metro Riders will pay \$0.00 on weekends and the normal parking fee on weekdays (currently \$3.50).

Market-Based Pricing for Parking at Largo Town Center and Morgan Blvd. Stations



Background: Staff Report and Recommendations

- Public hearing held on April 27, 2005, two speakers offered public comment

Summary of Public Comment:

- Both speakers endorsed the proposal

Market-Based Pricing for Parking at Largo Town Center and Morgan Blvd. Stations



Budget implications to FY06 budget (Based on 10 events)

Estimated revenue.....	\$337,500
<u>Estimate expenses</u>	<u>\$177,000</u>
Estimated net income/(subsidy).....	\$160,500

Market-Based Pricing for Parking at Largo Town Center and Morgan Blvd. Stations



Staff Recommends that the Committee forward to the Board of Directors the following:

- That the proposed Non-Metro Rider parking fee at Largo Town Center and Morgan Blvd. Stations for events at Fed Ex Field be adopted.
- That the resolution to change the Tariff be approved
- That income and expenses for this program be included in the proposed FY06 Budget

(The first Redskins Home Game is on Friday, August 19, 2005)

Appendix



PRESENTED AND ADOPTED:

SUBJECT: Proposed Non-Metro Riders Parking Fee at Largo Town Center and Morgan Blvd. Stations

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, Resolution #86-39 adopted on July 24, 1986, established the basis and parking fees for Non-Metro Users at three stations: Twinbrook, White Flint and New Carrollton Stations; and

WHEREAS, There is concern that attendees of FedEx Field events will fill the parking facilities at Largo Town Center and Morgan Blvd. Metrorail stations, thereby inconveniencing Metrorail patrons who wish to park at those stations; and

WHEREAS, WMATA proposes to expand its Non-Metrorail Rider Parking Fee program to Largo Town Center and Morgan Blvd. stations and to initiate a market-based parking fee during events at FedEx Field for patrons who do not utilize the rail system but park in these two facilities during events; and

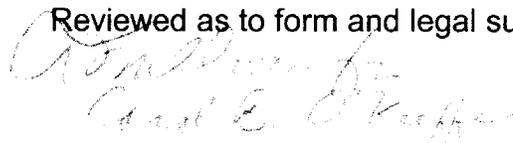
WHEREAS, WMATA held a public hearing in Prince George's County, Maryland on April 27, 2005, to receive public comment on the proposal; now, therefore be it

RESOLVED, That the Board of Directors directs the General Manager and Chief Executive Officer to implement this program in FY 2006, and approves the modification of the tariff as set forth in the Attachment A; and be it further

RESOLVED, That \$337,500 in additional revenues and \$177,000 in additional expenses be included in the FY06 operating budget; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

Attachment A

- Charge Non-Metrorail Riders a market-based parking fee reflecting commercial rates during Fed Ex Field events, currently \$25.00, for all parking patrons exiting Largo Town Center or Morgan Blvd. station three hours prior to event start and two hours after event conclusion:

- 1) "Metrorail rider" will be defined as any customer whose SmarTrip® card records a rail trip of at least one station within two hours prior to exiting a parking facility.

Metrorail riders using the system under these parameters will pay \$0.00 on weekends and the normal parking fee on weekdays. The current weekday parking rate at WMATA parking facilities in Prince George's County, Maryland is \$3.50 (base \$2.75 and surcharge \$.75).

- 2) "Non-Metrorail rider" will be defined as any customer whose SmarTrip® card does not record a rail trip of at least one station within two hours prior to exiting a parking facility.

Non-Metrorail riders will be charged a market-based fee, currently \$25.00, when exiting Largo Town Center or Morgan Blvd. station during the period beginning three hours prior to an event at FedEx Field and ending two hours after each event conclusion.

- 3) Metrorail riders who do not use SmarTrip® for rail travel will be considered to be non-Metrorail riders for the purpose of this change.

**STAFF REPORT AND RECOMMENDATIONS ON
Expansion of the Non-Metrorail rider parking fee program at Largo Town Center
and Morgan Boulevard Metrorail Stations During Events at Fed EX Field
IN PRINCE GEORGE'S COUNTY, MARYLAND
DOCKET NO. B05-3**

I. BACKGROUND

Currently during events at FedEx Field attendees can park without charge on weekends in Metro parking lots, thereby inconveniencing Metrorail patrons. WMATA will incur additional costs to manage parking for these events. Patrons attending events at FedEx Field are charged a market rate to park in facilities adjacent to the stadium. Presently, this rate is \$25 per vehicle. To reduce the opportunity to park without charge, WMATA proposes to charge all parking lot users who do not utilize the rail system within two hours prior to exiting a parking facility a market-rate parking fee to utilize Largo Town Center or Morgan Blvd. Metrorail station parking lots. Patrons utilizing the rail station will be charged the existing parking rate on weekdays and will not be charged on weekends. This fee will be in effect three hours prior to the start of each event until two hours after each event.

II. REVIEW OF PUBLIC HEARING RECORD

The public hearing record consists of the notice of public hearing, the staff statement describing the proposals, transcripts of the proceedings, and written statements submitted for the record.

A. Public Notification

The official notice of the public hearing was published in The Washington Post newspaper pursuant to Article XIII, Section 62©) of the Washington Metropolitan Area Transit Authority compact. In addition, notices were mailed to all public libraries in Prince George's County with the exception of the Oxon Hill branch, which is closed for renovations.

B. Review of Transcript

Public Hearing Number B05-3 was convened at 7:03 P.M. on Wednesday, April 27, 2005, at the Prince George's Sports and Learning Complex. Three (3) persons attended the hearing and two (2) witnesses testified for the record.

C. Additional Material Submitted for the Record

The record for the public hearing was held open for five days to receive additional comments and material from interested parties. No letters or e-mails were received for the record regarding this public hearing.

III. DISCUSSION OF THE PUBLIC HEARING RECORD

On April 27, 2005, a hearing was held to solicit public comment on the proposed Expansion of WMATA's Non-Metrorail rider parking fee program to Largo Town Center and Morgan Blvd. The hearing was chaired by Board Member Charles Deegan, with Board Member Marcell Solomon also present. Three persons were in attendance, of whom two testified for the record. There were no letters or e-mails providing written testimony or any requests for information.

Each person who testified thought that the program to charge a market-based fee of \$25.00 to non-metrorail riders was appropriate. One speaker wanted to see the fee raised to \$40.00 per vehicle and a portion of the additional proceeds be given to a charity in Prince George's County, Maryland. They also had a concern that the station would not be available for transit customers in the area to park at and utilize the rail system during event times.

The other speaker was pleased to see a market based pricing plan and on behalf of the Washington Regional Network for Livable Communities (WRN) and MetroRiders.Org endorsed WMATA parking policies that improve customer service, increase ridership, raise revenues, and promote transit-oriented development.

This speaker commended WMATA for its openness to test this new approach in managing its parking assets near FedEx Field on Redskin's game days. They suggested that staff be able to make regular price adjustments if demand does not meet supply.

Their other comments centered around customers gaming the system to avoid the higher non-metrorail parking fee, the request for permanent information signs about the program, and the desire to at some time allow patrons purchasing parking for this program to be able to purchase parking via a debit or credit card.

The conclusion of this speaker's comments were centered around WMATA adopting other market based pricing options for parking similar to some other proposal brought forth by this group for reserved parking spaces.

IV. STAFF RESPONSE TO THE TESTIMONY

Staff does not believe that the recommendation to charge \$40.00 and give part of the proceeds to a charitable organization in the area is feasible. This fee is 60% over market rate for the area during events at Fed Ex field and we believe would result in very few patrons utilizing these stations. The suggestion also raises legal concerns. This speaker also had concerns that parking spaces that transit riders normally would use would be taken by event attendees. The existing program plan will hold all Kiss and Ride metered and "A" designated spaces for use by transit riders only. This will help ensure that transit riders have some spots available during the time of the event for their use. WMATA will also market pre-trip planning that alerts customers to alternative parking sites in the system for use by our transit patrons.

The request to place informational signs at each site is addressed in the operational plan and will be a part of a comprehensive campaign to market the program to affected customers.

The suggestion to eventually offer direct debit or credit payment for parking is not currently feasible under the cashless SmarTrip® parking program. Currently, SmarTrip® dispensers and "Passes and Fares" vendors allow for debit and credit card sales. WMATA will also post SmarTrip® sales personnel at Largo Town Center and Morgan Blvd. stations to sell SmarTrip® fare media to

customers requiring this product.

Concerns about customers gaming the system are noted and staff have received price quotes from our software provider to make software adjustments that will require customers to travel multiple (defined by WMATA) stations within a two hour period to prevent patrons from circumventing the payment system. WMATA staff will decide if this program can be funded in the current budget cycle.

There was also a suggestion to monitor pricing structures and give staff the ability to alter market based pricing below \$25.00 if spaces are not filling at Largo Town Center and Morgan Blvd. Board Resolution 2005-07 states that WMATA can charge Non-Metrorail Riders market-based parking fee reflecting commercial rates during FedEx Field events. This Resolution would provide the WMATA Board with that authority.

V. RECOMMENDATIONS

After review of the public hearing testimony by WMATA and Prince George's County staffs, it is recommended that the proposed Non-Metrorail Rider Parking Fee program at Largo Town Center and Morgan Blvd Metrorail stations be adopted. Implementation of this program would be on Friday, August 19, 2005, coincident with the first preseason football game at FedEx Field.