Richard Pedowitz
CEN Parking Rates 2013 ORD
October 11, 2012
Version #3

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to Seattle Center parking charges; amending Seattle Municipal Code Subsection 17.19.010.B to eliminate the distinction between event and nonevent charges and authorizing the Seattle Center Director to establish charges for daily parking based upon minimum and maximum rates.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Effective January 1, 2013, subsection 17.19.010.B of the Seattle Municipal Code, last amended by Ordinance 123473, is amended as follows:

17.19.010 Seattle Center parking charges

A. Authorization to Establish Charges. The Seattle Center Director may establish, by rules adopted pursuant to Chapter 3.02 of the Seattle Municipal Code, Regular and Special charges for the use of parking facilities operated by the Seattle Center Department whether or not located within the bounds of the Seattle Center as defined by Ordinance 90160. All parking charges shall be inclusive of any taxes.

B. Regular Charges. The Regular Seattle Center parking charges (“Regular Parking”) shall be composed of ((~~three~~)) two types of charges: ((~~Nonevent charges, Event charges~~,)) Daily charges and Monthly charges. Regular Parking charges shall apply to all vehicles (including vehicles displaying disabled permits) unless the vehicle qualifies for a Special Parking charge pursuant to this Section 17.19.010 or rules adopted under this Section 17.19.010. The Regular Parking charge shall be prorated commensurate with the size and number of parking space(s) required by vehicles, such as motorcycles, mopeds, buses, and other over- or undersized vehicles.

1. ((~~Nonevent:~~))Daily Parking. ((~~Nonevent~~))Daily charges shall be ((~~in effect during times and in parking locations when parking demand is low as~~)) determined by the

Director with consideration for demand and shall not be less than $1 for the first hour of parking nor greater than ((~~$15~~)) $30 for any ten hour period.

((~~2. Event: Regular Event charges shall be in effect during times and in parking locations when parking demand is high as determined by the Director and shall not be less than $3 for the first hour of parking nor greater than$30 for any ten hour period.~~))

((~~3~~))2. Monthly Parking. Monthly Parking charges shall be not less than $30 nor greater than $140 for a Monthly Parking permit valid on a space available basis. The Monthly Parking charge may be prorated when a Monthly Parking permit is purchased for only a portion of a month, in accordance with rules adopted under this ((~~section~~))Section 17.19.010.

* * *

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2012, and signed by me in open session in authentication of its passage this _____ day of _____, 2012.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2012.

_____

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2012.

_____

Monica Martinez Simmons, City Clerk

(Seal)

2013 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Center	Tom Israel 684-7298	Greg Shiring 386-4085

Legislation Title:
AN ORDINANCE relating to Seattle Center parking charges; amending Seattle Municipal Code Subsection 17.19.010.B to eliminate the distinction between event and nonevent charges and authorizing the Seattle Center Director to establish charges for daily parking based upon minimum and maximum rates.

Summary of the Legislation:
This legislation eliminates the nonevent and event parking rate designations at Seattle Center and establishes a floor of $1 for the first hour and a ceiling of $30 for daily parking. The floor is consistent with the current minimum for nonevent daily parking and $30 is consistent with the current ceiling for event daily parking. By keeping the current floor and ceiling, but doing away with event/nonevent designation, the Department will have more flexibility to respond to market factors and maximize parking revenue.

Background:
Seattle Center owns and operates four parking facilities, including Mercer Street Garage, First Avenue North Garage, Fifth Avenue North Garage, and the Theater Commons surface lot. Together, these facilities generate approximately 13% of Seattle Center's revenue, or more than $4 million annually. While the Department currently recognizes several different categories of parking revenues, daily and monthly parking fees account for nearly 80% of total parking revenue. This legislation would not change the minimum or maximum amount Seattle Center could charge for any daily or monthly parking.

Daily parking revenue comes from visitors using Center's parking facilities and making payments either to an on-site attendant or to self-serve payment kiosks. Daily parking rates are set with regard to market forces (competition, affordability, demand management) and parking management strategies (convenient parking for patrons attending events at various Seattle Center facilities, etc.)

Seattle Center competes for daily parking dollars in an extremely competitive environment, with many other parking lots in the area vying for the same daily parking revenue associated with Seattle Center events. The parking environment around Seattle Center is also changing rapidly, with many surface lots being replaced with residential and commercial structures. The resultant loss of parking stalls puts an upward pressure on all parking rates in the neighborhood, for both daily and monthly programs.

In 2012, Seattle Center raised its regular daily parking rate to $10 for any 10 hour period. In 2013, the Center plans to increase this rate to $12. The Department is also proposing to establish a floor of $1 for the first hour and a ceiling of $30 for daily parking. The floor is consistent with

the current minimum for nonevent daily parking and $30 is consistent with the current ceiling for event daily parking. Maintaining the current floor and ceiling while eliminating the distinction between event and nonevent categories for daily parking will allow Seattle Center greater flexibility to adjust its parking rates, compete with private parking lot operators, and maximize its revenue.

Seattle Center has had numerous categories of parking over the years. The distinction between event and nonevent was made to guide pricing decisions. When there is an event and demand is higher, rates would increase. Given the number of events at Seattle Center, the mere presence of an event may not be reason enough to increase rates. Smaller events may not have a large enough attendance to demand a price increase over the base rate. Continuing to make the distinction between event and nonevent days is no longer relevant as Seattle Center moves to manage its parking inventory with the goal of maximizing revenues.

Please check one of the following**:**

____ This legislation does not have any financial implications.

__x__ This legislation has financial implications.

Summary of Changes to Revenue Generated Specifically from this Legislation:

	Revenue Source	2013 Proposed	2014 Endorsed
Total Fees and Charges Resulting From Passage of This Ordinance		0	0

Revenue Change Notes:

Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:

Fund Name and Number	Revenue Source	Total 2013 Revenue	Total 2014 Revenue
11410 Seattle Center Fund	Parking Revenue	4,443,000.00	4,445,000.00
TOTAL		4,443,000.00	4,445,000.00

Total Revenue Notes:

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
Allowing the Department greater flexibility in determining parking rates may result in

increased parking rates. This could lead to an increase in the cost of visiting Seattle Center. This also may result in a minor increase to the City's parking tax receipts. However, the Department is competing against numerous private parking lots so rates must stay reasonable or else visitors will choose to park elsewhere.

b) **What is the financial cost of not implementing the legislation?**
Not implementing this legislation would limit Center's ability to make further adjustments to proposed parking rates over the 2013-2014 biennium. It will be more difficult to maximize parking revenues without this flexibility, which could lead to a shortfall in parking revenues.

c) **Does this legislation affect any departments besides the originating department?**
No.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** Not implementing the legislation would limit Seattle Center's pricing flexibility, thereby putting it at a competitive disadvantage against its private lot competitors.

e) **Is a public hearing required for this legislation?** No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.

g) **Does this legislation affect a piece of property?** No.

h) **Other Issues:** None.

List attachments to the fiscal note below:
No attachments.