Mary Catherine Snyder
SDOT, Pay by Phone Authorization, ORD
June 11, 2012
Version # 4

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117509

AN ORDINANCE relating to the Traffic Code; allowing payment for parking in City public rights-of-way by mobile device; authorizing the Director of Transportation to enter into contracts and to set convenience fees to be charged for pay by mobile device services; amending Sections 11.14.425, 11.76.005, 11.76.010 and 11.76.015 of the Seattle Municipal Code; and adding a new Section 11.16.127.

WHEREAS, in 2004 the City of Seattle Department of Transportation started a program to replace single-space meters with parking pay station kiosks to provide improved parking management, customer service, streetscape enhancement, and revenue benefits and since April 2004 has installed over 2,200 pay station machines controlling approximately 13,250 paid parking spaces; and

WHEREAS, technology exists to allow people to pay for on-street parking with their mobile phones to offer improved customer service and better parking management services;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 11.14.425, last amended by Ordinance 121388, is amended as follows:

11.14.425 - Parking payment device.

"Parking payment device" means any device used to aid in management and control of the parking of vehicles on City streets or other rights of way, including parking meters and pay stations.

A. "Parking meter" means any mechanical or electronic device placed or erected adjacent to a parking space, which ((~~, after deposit of specified coinage)) -~~ requires payment for use of the space and ((~~and activation of the time where required measures the period of time that~~

~~occupancy of such parking space is allowed, and which~~)) indicates ((~~, electronically or mechanically,~~)) when the lawful parking period ((~~has expired~~)) will expire.

B. "Parking pay station" means any mechanical or electronic device, except a parking meter, placed or erected on City streets and other parking areas under the jurisdiction of Seattle Transportation for the purpose of managing and controlling the use of parking spaces and requiring payment for such use ((~~either by deposit of money or use of a credit or other payment card~~)). The term includes both "pay and display" types of pay stations, which dispense a proof of payment receipt to be displayed on the vehicle except when payment is made by mobile device, and "pay by space" types of pay stations, which electronically measure the lawful parking period and its expiration for specific parking spaces, without issuing a receipt for display on the vehicle.

Section 2. A new Section 11.16.127 is added to Chapter 11.16 of the Seattle Municipal Code as follows:

11.16.127 Director of Transportation—Contracts for mobile device parking fee payments and services; convenience fee.

The Director of Transportation is authorized to prepare specifications for and to execute one or more contracts from time to time for the provision of services to allow persons to make valid payments by mobile devices as provided in Chapter 11.76 for parking areas regulated by parking payment devices. The Director of Transportation is authorized to determine and set forth in each contract a convenience fee in a reasonable amount to compensate the contractor for such service, which shall be added to the payment due.

Section 3. Section 11.76.005 of the Seattle Municipal Code, last amended by Ordinance 121954, is amended as follows:

SMC 11.76.005 Proper display of proof of payment receipt.

It is unlawful to park or permit to be parked any vehicle in a space controlled by a "pay and display" parking pay station without properly displaying ((~~proof of payment~~)) a receipt issued from a pay station controlling the space in the manner as described in this section, unless valid payment has been made by mobile device.

For parallel parking on one- and two-way streets, proper display of proof of payment requires affixing the receipt dispensed by the parking pay station inside the vehicle to the front seat's side window nearest the curb in such a manner that the expiration time and date are readily visible from the exterior. For front-and rear-end angle parking, proper display of proof of payment means affixing the receipt to the interior of the side window next to the driver's seat of the vehicle in such a manner that the expiration time and date are readily visible from the exterior. For motorcycles, receipts shall be affixed on the headlight cover. No more than one receipt shall be displayed.

Section 4. Section 11.76.010 of the Seattle Municipal Code, last amended by Ordinance 121388, is amended as follows:

11.76.010 - Parking meters—Payment and time limit.

A. No person shall park a vehicle in any parking space upon a street alongside of ((~~and next to~~)) which a parking meter has been installed, during the restricted and regulated time

applicable to the parking meter, unless: (1) a coin or coins of United States currency of the appropriate denominations as indicated in the legend on the meter ((~~shall have~~)) has been deposited therein, or ((~~shall have~~)) has been previously deposited therein for an unexpired interval of time, and the meter has been placed in operation; or (2) valid payment has been made by mobile device; or (3) valid payment has been made using a parking payment device and a valid pay and display receipt has been displayed in accordance with Section 11.76.005.

B. No person shall permit a vehicle within his control to be parked in any parking meter space during the restricted and regulated time applicable to that meter space while the parking meter for such space indicates by signal that the lawful parking time in such space has expired, unless valid payment has been made in accordance with subsection 11.76.010.A.

C. This section shall not apply to the act of parking or the necessary time which is required to comply with subsection 11.76.010.A ((~~deposit immediately thereafter a coin or coins in such meter~~)) or to the parking of certified carpool vehicles in accordance with the provisions of Section 11.23.410.

Section 5. Subsection 11.76.015 of the Seattle Municipal Code, last amended by Ordinance 123001, is amended as follows:

11.76.015 Parking violations at parking payment devices.

A. No person shall stop, stand, or park, or permit a vehicle within his control to be parked in any parking meter space while the parking meter for such space displays the words "Violation," "Expired," or the international symbol for "No Parking,"

or otherwise indicates that the meter is out of order provided that this section does not apply to a vehicle properly

displaying an unexpired valid proof of payment receipt issued by a parking pay station <u>or where valid payment has been made by mobile device</u>.

B. No person shall stop, stand or permit a vehicle within his control to be parked in any parking space controlled by a "pay and display" parking pay station without displaying on the vehicle an unexpired proof of payment receipt issued by a parking pay station or<u>, if payment is made by mobile device, without payment properly made and recorded in accordance with the</u>

requirements for such payments as approved by the Director of Transportation pursuant to any vendor contract for mobile device payment services.

C. No person shall stop, stand or permit a vehicle within his control to be parked in any parking space controlled by a "pay by space" parking pay station beyond the amount of time purchased for that space.

D. It is unlawful to park or permit to be parked any vehicle in a space controlled by a ((~~"pay by space"~~)) parking pay station without payment properly recorded as described by the instructions posted on the parking payment device.

E. The prohibitions in this section shall not apply to the act of parking or to the necessary time required to activate the time on the parking meter or to obtain a parking pay station receipt, or as indicated by signposting, to the parking of a vehicle in a restricted parking zone in accordance with the provisions of 11.16.315, or to the parking of certified carpool vehicles in accordance with the provisions of Section 11.23.410.

F. The prohibitions in this section shall not apply on Sundays and parking holidays.

G. Any payment made by mobile device is not valid if issued for a different area than the one containing the occupied space or with different parking time limits than that applicable to the occupied space.

Section 6. 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)

Form revised: December 6, 2011

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Department of Transportation	Mary Catherine Snyder 684-8110	Steve Barham 733-9084

Legislation Title: AN ORDINANCE relating to the Traffic Code; allowing payment for parking in City public rights-of-way by mobile device; authorizing the Director of Transportation to enter into contracts and to set convenience fees to be charged for pay by mobile device services; amending Sections 11.14.425, 11.76.005, 11.76.010 and 11.76.015 of the Seattle Municipal Code; and adding a new Section 11.16.127.

Summary of the Legislation:
This legislation amends several sections of the Seattle Municipal Code Title 11 to allow for the acceptance and enforcement of on-street parking fee payments through mobile devices and cleans up out-of-date language related to payment at parking meters and pay stations. Specific changes to Section 11.76.015 make payments made by mobile device non-transferrable to areas or parking time limits other than the one for which the payment is issued. This restriction is needed to enforce payments made by mobile device. New Section 11.16.127 authorizes the Seattle Department of Transportation (SDOT) to execute one or more contracts for services from a pay-by-phone vendor. The contract will specify a mobile device payment transaction fee to be charged by the selected vendor.

Background:

The 2012 Adopted Budget includes funding to begin implementation of a pay-by-phone program. A pay-by-phone payment system offers key customer service enhancements for users of the City's on-street parking system. The 2011 Seattle Performance-Based Parking Pricing Study recommended this new payment option to enhance Seattle's parking customer service. SDOT's Parking Sounding Board, consisting of downtown and neighborhood business stakeholders, strongly supports the project.

SDOT is working closely with the Seattle Police Department Parking Enforcement (SPD) to implement the program by Fall 2012. The City will contract with a vendor to provide these services for the city. The vendor's costs will be solely supported through a convenience fee charged on each pay-by-phone transaction on top of the parking fees paid to the City.

____ **This legislation does not have any financial implications.**

__X__ **This legislation has financial implications.**

Funding to implement the pay-by-phone program in 2012 is included in the 2012 Adopted Budget. If the legislation is adopted and the pay-by-phone program is implemented, the 2013 Proposed Budget will include cost and revenue adjustments, if

necessary, to continue the program.

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
Yes, if the legislation is adopted and a pay-by-phone program is implemented, a reduction in the City's citation revenue could occur due to additional time required for parking enforcement officers to access the enforcement database in the field and to determine which vehicles are in violation. Parking Enforcement could mitigate these impacts through upgrades to handheld equipment and/or adjustments in deployment operations.

Additionally, because a pay-by-phone program creates convenience for parking payment and extension of minutes up to the allowable limits, there could be an increase in paid-parking compliance and use. An increase in compliance could result in an increase in paid-parking revenues as well as a further reduction in citation revenues.

If the pay-by-phone program is implemented, the estimated financial impact will be defined and any adjustments to continue the program, if necessary, will be included in the 2013 Proposed Budget. In the long term, the magnitude of the impacts described above could grow if the pay-by-phone user adoption rate increases.

b) **What is the financial cost of not implementing the legislation?**
If the legislation is not implemented, the City will not be able to implement a pay-by-phone program. There are no financial costs other than the initial costs that have been expended in 2012.

c) **Does this legislation affect any departments besides the originating department?**
In the development of the pay-by-phone program, SDOT has worked with the Seattle Police Department Parking Enforcement, the Department of Finance and Administrative Services, and the Seattle Municipal Court.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None. Without this legislation, a pay-by-phone program cannot be implemented.

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.

City of Seattle
Office of the Mayor

June 18, 2012

Honorable Sally J. Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am transmitting the attached proposed Council Bill that amends the Seattle Municipal Code to support the implementation of the Pay by Phone Project for Seattle's on-street paid parking system. This legislation allows on-street parking fee payment by mobile device and cleans up out-of-date language related to payment at parking meters and pay stations. It also authorizes SDOT to execute a contract for a pay by phone vendor and set a user transaction fee for vendor cost recovery.

Many North American and European cities offer the option for parkers to pay for their on-street parking with their mobile devices. One of 10 key recommendations from the 2011 Seattle Performance-Based Parking Pricing Study was to implement this new payment option to enhance Seattle's parking customer service. SDOT's Parking Sounding Board, made up of downtown and neighborhood business stakeholders, strongly supports the project. The Seattle Department of Transportation (SDOT) and the Seattle Police Department (SPD) are working closely together to begin implementing the project by this Fall.

The Pay by Phone project helps SDOT and SPD create a more positive parking experience as customers can more easily pay for parking. The project augments SDOT's performance-based parking program to use a data-driven rate-setting approach to ensure available spaces in business districts. Thank you for your consideration of this legislation. Should you have questions, please contact SDOT's Mary Catherine Snyder at 206-684-8110.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4749

Tel (206) 684-4000
Fax (206) 684-5360
TDD (206) 615-0476
mike.mcginn@seattle.gov