

# “the latest steps in the planned parking death spiral” (50)

The Bethlehem Gadfly Parking, Serious Issues October 19, 2018

*(50th in a series of posts on parking)*

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Dear City Clerk and City of Bethlehem Councilors:

I will be unable to attend tonight's city council meeting. Please add my comments to the appropriate courtesy of the floor, and/or include them in the minutes of the meeting if possible.

## **Parking**

The current ordinances' proposed increasing parking penalties are the latest steps in the planned parking death spiral undertaken by the city government under the current mayor, as part of the city's last half-century pattern of destroying its historic foundations to accommodate cars. This incredibly costly and destructive plan over the years has its most obnoxious manifestations in the white elephant parking deck construction in key areas of the city, most recently in the million-dollar a year madness of the New Street Garage. The plan to add another white elephant parking garage on Polk street—an area with more parking in a 4-block radius than probably any other area of the city can only be called doubling down on an already bad bet.

I recently attended both the Parking Authority hearing and the Public Safety Committee meeting on the Authority proposals.

I support the recommendation of the Public Safety Committee to reject the proposed ordinances authorizing increases in parking penalties, which are another example of the accelerating death spiral of low-demand high-priced parking. I hope you will join the committee majority in returning this proposal to the parking authority with a mandate to develop a better plan for the city's parking future.

Increased parking fines are another attempt to raise the cost for parkers, as they are intended to increase revenue for the parking authority, but, as the consultant and the authority director acknowledged, higher fines might not mean more fine revenue, but perhaps raise more revenue by deterring scofflaw behavior and theoretically realizing more payment of fees.

However, any monopolist, like the Parking Authority, can only extract so much premium from its customers, even state-enforced monopolies (that rely on fees and not taxes), as they must compete with other parking and, as the local merchants make clear, with other businesses that have lower parking costs. In fact, even if the city could charge money for every parking space in town, it would be exploiting the lack of short term choices for parkers, but it could not control the longer term choices of property owners and business customers about where to locate and shop (potentially out of the too-costly city—as the local merchants fear).

Any point-source of parking is a design/location (geographic) subsidy to property owners and businesses and residents near the parking garage or lot site. That subsidy decreases with distance from that point source. Such point-source parking, especially when authorized, funded, and managed by the city on behalf of its citizens and taxpayers, is inescapably political. (As I have noted in past comments to council, everyone in town would like to have a reserved parking space in front of their property managed and paid for, or at least subsidized, by the city.) Publicly sponsored parking facilities are giveaways of taxpayer money and borrowing authority to favored (close-by) property owners and a long-term burden that shows up in higher taxes and higher interest rates on city-issued debt.

Street parking, on the other hand, already managed as part of right-of-way maintenance, offers lower-cost, more distributed, city-sponsored benefits, as each adjacent property has a city-maintained space and other spaces up and down the block, each serving slightly different locations, as drivers seek to park at the closest free space.

The parking death spiral is typically caused by building too-costly parking facilities in areas where demand isn't great enough to make parkers pay the high cost. Discussed by citizens in proposals for borrowing and capital projects, like the New Street Garage, which was projected to lose a million dollars a year, because of its high costs and low revenue projections, the death spiral is now reaching the next stage with the increases in meter rates and the current proposed increases in fines. These increased fees probably won't significantly increase revenues due to elasticity of demand, and the likely revenue increase from street parking fees and fines will, by effectively raising parking costs, reduce parking usage, offsetting the price increases. Further price increases will likely increase flight from the city money pits to suburbs, merchants with free parking, and away from now-more-costly street meter parking. The

eventual result could be default on parking authority bonds, dumping them in the city's lap, or tax increases to make up for the losses of the overbuilt and underused costly parking system.

A much more prudent alternative to feeding the death spiral is to treat parkers like customers and make their visit pleasant and inexpensive and take advantage of location values of all existing properties, and to use fees and fines to regulate parking, and encourage turnover in high-demand areas, and to cut prices (but probably raise revenues) in areas of low demand where blocks of meters sit empty due to insufficient demand at the already excessive (now-increasing) price.

Above all, emphasize efficient use of already existing parking, which can be managed intelligently, not to say artfully, to maximize parking convenience and revenue while avoiding long-term capital commitments in an uncertain urban transportation world. Make money with existing street spaces by charging the right prices based on demand.

With good parking MANAGEMENT, the city can minimize parking investment costs, enforcement costs, and maximize convenience for drivers and non-drivers and the use of existing parking assets like street parking. Free meters for first half-hour, low costs for short term parking with turnover, cheaper rates at less convenient but useful spaces for longer term workday parking, and many others, and many other possible variations can optimize the uses of existing cheap spaces and meet demand with a fraction of the risk.

While the city government's dream that it can raise revenues from someone other than voters, e.g., from out-of-town customers and visitors, has obvious political appeal, it is harder to please the voters if the city businesses and neighborhoods are languishing because they suffer from high-cost, low-convenience parking.

Please reject the Parking Authority's plan to unleash a plague of tickets, fees and fines on everyone but the beneficiaries of the authority's unwise parking investments, and insist that they rethink their proposals to move Bethlehem toward a 21st century transportation system.

Sincerely,  
Al Wurth