# Exhibit 4: Variable Rate Parking (44)

The Bethlehem Gadfly Gadfly's posts, Parking, Serious Issues October 15, 2018 (44th in a series of posts on parking)

There is considerable clamor for examination of Variable Rate Parking. \* (Dynamic pricing? Differential pricing? Variable rates? Gadfly didn't know there were so many options. Cool. See below for a taste of what VRP would mean. \*)

Several speakers at the Sept. 20 public meeting championed it.

The Mayor requested the BPA to consider it in the future.

At the City Council Public Safety committee meeting Oct. 10, two of the committee voting members vigorously promoted it, two committee non-members present affirmed its possible value, and the fifth Council member asked questions about it.

Variable Rate Parking is in the air! And deservedly so, Gadfly believes. But will it ever get seriously talked about here?
One wonders.

Mark Post #26 Exhibit 4.

In the funny (I hope!) "Hear Ye" part of Post #26, Gadfly was making a serious (I hope!) point. The Mayor listened to alternate viewpoints at the Sept 20 meeting and, for instance, in his approval letter to BPA on the meter rate increase he requested (ordered?) BPA to consider it (before or after a study?) in the future (vague). That sounds so soft to me. And in light of the "independence" of BPA, Gadfly wonders if this official acknowledgment of the validity of VRP for study has any power at all over BPA.

Here's what Gadfly was looking for in the Post #26 spoof: the Mayor ordering BPA to come back in a month with a plan about how they were going to approach studying VRP, get approval for their plan, then set a deadline – say 6 months — by which they would return with detailed results of their study.

Now, since the BPA is "independent," maybe the Mayor can't do that. Gadfly doesn't know.

But that would be the right plan of action going forward.

And the BPA could volunteer to adopt it. Or something similar. To meet the spirit of interest in and enthusiasm about VRP that surrounds them. How 'bout dem apples? Now BPA had a chance at the Oct. 10 meeting to make some voluntary move to meet the Mayor's request and the evident clamor of interest in studying VRP.

It seems universally agreed that BPA has the technology already in place – meters capable of handling variable, dynamic, differential pricing. No problem, no extra expense there.

But BPA/Desman demurred, citing lack of data points, and time involved to set up such a program.

Excuses.

Gadfly thinks it's important that the VRP option be seriously studied (that doesn't mean it will turn out to be a good idea – objective study) and doesn't feel assured that it will be.

Regardless of industry trends,\* Mayoral nudging, and significant urging by serious residents.

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# \*From Contemporary Approaches to Parking Pricing: A Primer

#### Variable Rates

Parking rates should be allowed to vary across a variety of dimensions. One dimension should be geographical, as some areas of a city will have greater parking demand than others. Rates should also vary by time of day, which is already a common practice as meter rates are typically in effect only during daytime hours and overnight parking is free. A few cities, New York City and San Francisco being notable examples, have implemented differential parking rates that vary by time of day based on changes in parking demand. New York City implemented variable parking rates in two pilot neighborhoods. In one neighborhood the peak rate is charged between 12:00 p.m. and 7:00 p.m. and in the other neighborhood the peak rate is charged between 6:00 p.m. and 10:00 p.m. As in most meter applications, overnight parking is still free, leaving three distinct price regimes throughout the day. Rates should also vary across days of the week, as some areas will have higher demand on weekdays than weekends and vice versa. They should also vary across time more generally: as inflation erodes prices and as areas gain or decline in popularity, meter rates should fluctuate to reflect these realities.

A somewhat controversial approach is to vary prices in real-time, which the District of Columbia is proposing to pilot for some on-street commercial vehicle parking. This approach is analogous to a travel lane that is priced to ensure a particular travel time. As parking utilization on a given block increases, the price escalates from a base price. The practice is more controversial with respect to parking as there is a value-driven belief among most city leaders that people should have a reasonable a priori expectation of prices. Also, it may be counterproductive to keep the price low for people who arrived during a period of high availability. That outcome would encourage people to arrive early and stay for longer periods.

### **From Fortune Magazine**

## "Uber-Style Variable Pricing Could be Coming to a Parking Spot Near You"

We're just starting to get used to the idea that getting an Uber is more expensive at 10 p.m. on a Friday, and that the price of our Amazon basket can change at any time. But what if the same kind of dynamic pricing were applied to the cost of parking spaces? It sounds irksome, but it could help cities reach the holy grail of reduced traffic and commute times.

Wired reports that all of San Francisco's city-owned parking meters will be switched to dynamic pricing if the City Council approves a proposal next week from the city's transit authority. Each day would have three time 'bands,' and prices on the internet-connected meters would be adjusted according to demand at a particular time and location. San Francisco would be the first major American city to use such a system, and it could provide a model for other cities. That's because parking influences traffic, and San Francisco has some of the worst traffic in the country.