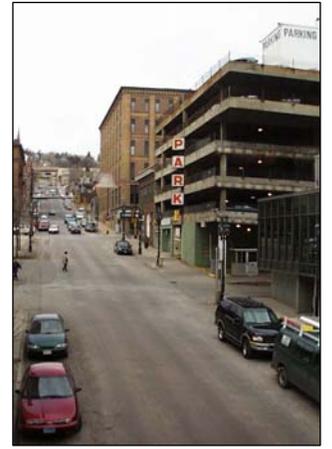


# Downtown Duluth Parking Study

Duluth-Superior  
Metropolitan Interstate Committee  
March 2000



NO PARKING  
DROP OFF  
ZONE  
5 MINUTE  
LIMIT

BEGIN



*Guiding the future of transportation and  
planning for the Twin Ports area*





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*“Guiding the future of transportation and  
planning for the Twin Ports area.”*



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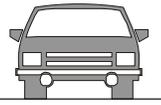
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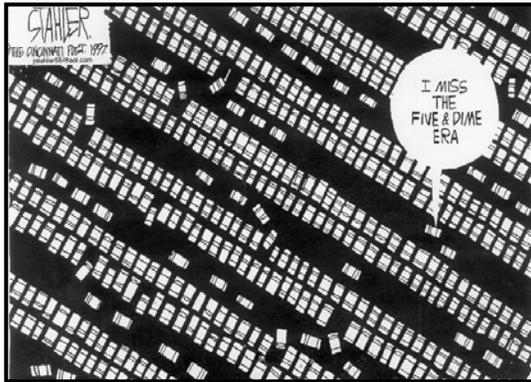




## Parking Policies and Practices

### Introduction

Parking is often the rallying cry for saving downtown, particularly among downtown merchants who see the lack of convenient parking as the motivation for a customer shift to suburban malls. Unfortunately, the decline of downtown America is much more complex than merely supplying the right amount of convenient parking. Furthermore, the lack of parking spaces is not necessarily the singular element of a parking problem. According to John D Edward, author of *The Parking Handbook for Small Communities*, the true impact of parking on commercial revitalization can only be ascertained in an unbiased manner with an objective evaluation of parking operations based upon the collection of factual data.<sup>1</sup> The purpose of the Downtown Duluth Parking Study was to gather the parking data required for conducting such an evaluation.



If the City of Duluth is to have an effective parking program, there needs to be community consensus regarding the goals of the parking policy or parking management system. Parking, whether more or less, should not be the goal. Such a goal could be obtained simply by razing buildings to make room for more parking. However, the goal is not merely more parking, the goal is to create a vibrant city center and an economically healthy community. Accordingly, understanding the uniqueness of downtown environments will help us clarify parking policy objectives.

Because parking is only one piece of the downtown puzzle, it is important to understand the attributes that make downtowns interesting and valuable. The following bulleted items explain these unique characteristics.

### What makes downtown unique?

- Most American downtowns predate the automobile and were primarily designed for the pedestrian. Like many “turn of the century” American cities, Duluth grew dramatically between 1880 through 1920 during the golden age of the streetcar system. Streetcars provided easy access to employment and retail centers allowing people to live further away from noisy, polluted industrial areas. Because existing roads could accommodate streetcars, downtown development remained pedestrian-oriented.
- Downtown land uses are compact, which requires less land, utilities, and other



Picture taken from the Duluth News Tribune Web-site shows a Red Cross shipment of rolled bandages destined for the front lines during the Great War along West First Street in Downtown Duluth.

<sup>1</sup> Edward, John D. *Parking: the Parking Handbook for Small Communities*. National Trust for Historic Preservation and the Institute of Transportation Engineers, 1994, p. ix.



infrastructure, creating an economically efficient environment.

- Generally, downtowns offer a visual experience providing a variety of architectural styles and textures, which blur interior and exterior spaces. Downtown Duluth has an exceptional variety of interesting and unique architectural styles.
- Because downtowns provide a concentration of a wide variety of activities, such as retail services, employment, and government functions, they tend to encourage citizen interaction and promote a sense of community. Downtown streets, which serve as the community's "parade route", is symbolic of downtown as a center of human interaction. It is difficult to imagine Duluth's Christmas of the North Parade being held on Highway 53, the areas current "retail corridor."

Thus, parking needs to be balanced with other downtown attributes in order to maintain its unique environment. Preserving downtown characteristics and enhancing Duluth's city center guided the development of this study. Ultimately, the goal of this plan is to assist in the creation of an economically vital and vibrant downtown, which respects the historical and cultural values of the community.

With this goal in mind, it is important that:

1. Parking does not drive development decisions, but instead, supports them.
2. The qualities of the built environment are respected.
3. Downtown parking strategies support, not supplant, preservation-based revitalization activity; *"Over the long term, downtown buildings are more valuable than downtown lots."*<sup>2</sup>
4. Special emphasis is placed on accommodating and creating a retail-friendly environment.

Therefore, MIC staff recommendations focus on:

1. Effectively using existing parking, keeping in mind that parking is neither free nor cheap.
2. Practical low-cost ways to increase supply and/or performance.
3. Parking regulation, promotion, financing, and management alternatives.
4. Creating a shopper friendly environment.



### **A Brief History of Parking**

Henry Ford's innovation of using assembly lines to produce large quantities of affordable automobiles made owning an automobile part of the American dream. The prosperity of the post World War era and the huge investments in roadway infrastructure encouraged the use of this popular mode of transportation. As a result, private transit providers lessened services and ultimately went out of business. While government acknowledged the need for and became the main provider of public transit, the vast majority of transportation infrastructure improvements came in the form of roads and

highways. Auto manufacturers as well as government policies promoted the automobile as the cornerstone of a strong American economy throughout the post World War II era.

The popularity and ultimately the dominance of auto use as the primary mode of transportation has led to a variety of problems. One of the most obvious impacts of the automobile society has

<sup>2</sup> Ibid. p. 2.



been on the look and shape of communities. Development patterns changed dramatically following World War II, new construction catering to drivers was located on the urban fringe where there was plenty of inexpensive land to provide free parking to customers.

In downtown, where land was already developed and more expensive, space for parking was more difficult to find. As more people began driving downtown and creating traffic congestion, it became “necessary” to expand roadways and add traffic lanes at the cost of eliminating on-street parking and narrowing sidewalks. Instead of maintaining or restoring older buildings, many were demolished to make room for off-street parking. Most new development was constructed on previously undeveloped land along highways on the edge of the city. These inexpensive green-spaces allowed for low-density developments with plenty of free parking, often required by zoning regulations.

With competition from the suburbs, downtown businesses blamed the lack of enough downtown parking as the reason for declining retail and business activity, which precipitated further razing of dilapidated and neglected buildings and construction of surface parking lots and parking ramps in there place. Simply providing more parking has not proved to be downtown’s salvation. In many instances, creating more parking has disrupted and destroyed some of the desirable downtown characteristics.

Past attempts have been made to study, plan, and address downtown parking problems. Summaries of past downtown area parking studies conducted for Duluth are listed below. These efforts have generally focused on a particular area, issue, or strategy related to downtown parking.

**Past Parking Studies:**

- BRW, INC. prepared the *Western CBD Parking Study*, for the City of Duluth in August 1997. The Study Area included 7<sup>th</sup> Ave West (8<sup>th</sup> Ave. West below 2<sup>nd</sup> St. West) to 3<sup>rd</sup> Ave. West and 5<sup>th</sup> Street West to the Arena. This study focused on the area around the Government Center and attempted to address the needs of employee and visitor parking. This study also included a parking space inventory, which is described below.

Parking Space Inventory

Public = on-street 608, off-street 1482, total 2090.  
Private = off-street 944  
Total = on-street 608, off-street 2426, total 3034.

- The *Report on Mayor’s Parking Task Force: Issues, Findings, Recommendations*, was prepared for the City of Duluth’s Office of Business Development in November 1981. The study area included Mesaba Ave to 7<sup>th</sup> Avenue East and 4th Street to the Aerial Lift Bridge. This report also included a parking space inventory, which identified approximately 6,000 total parking spaces. The main focus of this study revolved around supplying free parking for shoppers. A program was developed and implemented which was later discontinued due to cost.

Parking Space Inventory

Private = 2,190 off-street  
Public = 706 off-street, 650 meters on-street, total 1,356  
Total = approximately 6,000



- Richard O. Sielaff, Research Consultant, conducted a Parking Survey for Duluth, Minnesota in April 1985. This project attempted to understand the attitudes of downtown parking users, particularly regarding the two-hour free parking for shoppers recommended by the Mayor's Parking Task Force described above. Overall, 38 percent of respondents rated parking in downtown Duluth as satisfactory, 34 percent indicated it was unsatisfactory, and 28 percent didn't indicate either way. Almost 43 percent of women respondents said they were not satisfied with their personal security in parking areas.
- In 1989, the Metropolitan Interstate Committee (MIC) conducted a Downtown Duluth Parking Study. The study area boundaries included Mesaba Ave. to 3<sup>rd</sup> Avenue East and 3<sup>rd</sup> Street to Aerial Lift Bridge. Also included was the Fitger's Brewery Complex area from 2<sup>nd</sup> street to the Lake East of 4<sup>th</sup> Avenue West. This study examined the supply of public and private parking and inventoried a total of 5,081 parking spaces. The study also surveyed the patterns of parking use by conducting parking occupancy surveys for all public lots. According to the US Census Bureau, employment at this time was approximately 20,000 in Duluth's Central Business District, which included the Hospital District.
- The Metropolitan Interstate Committee in 1992 prepared the *Canal Park Parking Study*. This study focused on the unique characteristics and needs of the Canal Park area, which is home to many tourism attractions and services. The study determined that there were 3,809 parking spaces in Canal Park. This study offered many recommendations for improving parking use to accommodate Canal Park's high seasonal demand.

### **Parking and the Zoning Code**

City zoning laws often dictate the amount of parking required for new developments. However, Minimum-parking requirements have many unintentional consequences and negative impacts, which are important to understand.

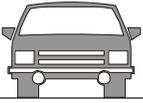
Most cities set minimum parking guidelines by watching their neighbors or by relying on estimates from national sources such as *the Institute of Transportation Engineers' Parking Generation Manual*, as well as guides from the American Planning Association and the National Parking Association. These guidelines tend to be based on surveys from auto-oriented land uses at suburban sites where drivers park for free. These guidelines typically call for designing parking for the 20<sup>th</sup> busiest hour of the year.<sup>3</sup> For example the Miller Hill Mall maintains 4,011 spaces, approximately five spaces for every 1,000 square feet of floor area. Approximately 310 square feet of land area is required for every off-street parking space. As a result, the land required for parking is 1.5 times greater than required for the building, assuming a surface lot and a single story structure.



*Minimum parking requirements result in auto-oriented, low-density development illustrated here with an aerial view of the Miller Hill Mall.*

Minimum parking-requirements are also based on the assumption that parking will be

<sup>3</sup> *Don't Even Think of Parking Here: Are we building too many spaces?*, Lisa Wormer, Planning, June 1997.



provided to users free of charge. Developers, in turn, pass the cost of constructing parking on to tenants in rent who pass the costs on to customers in the form of higher prices for goods. As a result, the user still pays for parking, just indirectly. When parking is not paid directly by the user, individuals are more likely to drive and customers who don't drive still pay the indirect costs.

Fortunately, the City of Duluth does not have minimum parking requirements for downtown and in Canal Park only for hotels, motels and residential uses. Encouraging new development and redevelopment in downtown is often difficult, requiring development to provide parking increases the cost of doing business downtown. Below are excerpts from The City of Duluth's Zoning Code that deals with parking in Downtown and Canal Park.

**Article XVII. C-4 Business Center Commercial District.**

Provision for off street parking is not required in the C-4 business center commercial district. (Ord. No. 7158, 6-9-58, § 14.4.)

**Article XXIV. Downtown Waterfront Mixed Use-Design Review District (DWMX-D)**

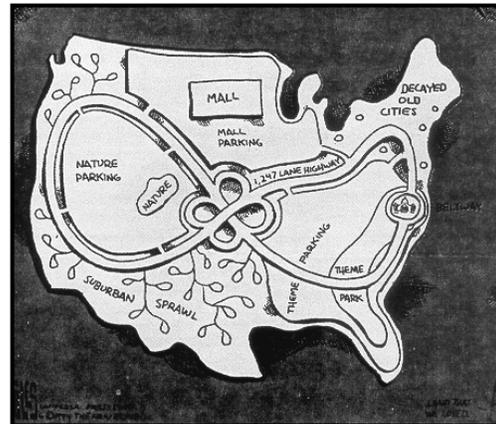
(a) Provision of off street parking is not required in the DWMX-D district, except for hotels and motels and residential developments of over ten dwelling units and in Subdistrict F, in which case the requirements set forth in Article III of this Chapter apply;

(b) All parking lots and parking areas shall be improved with permanent, smooth, hard surface coverings; (Ord. No. 8972, 3-12-90, § 1.)

The negative effects of minimum parking requirements are listed here to provide an understanding of the city's policy on downtown parking, which this study endorses. Minimum parking requirements:

- Distort the market for parking by setting parking supply based on no cost to drivers.
- Increase construction and land costs that are passed on to residents and/or customers regardless of whether they need parking or not.
- Encourage single occupancy driving by subsidizing parking costs.
- Create low-density, auto-oriented development making the use of alternative modes of transportation such as walking, biking, and transit practically impossible.
- Discourage creative and cost-effective parking solutions such as shared parking facilities.

Some cities, recognizing the correlation between parking supply and single-occupancy vehicle traffic, have actually instituted maximum parking requirements to cap the total number of vehicles in their downtown area. Obviously, Downtown Duluth does not have the congestion problems, which warrant such a policy. However, it does illustrate how parking policy relates to a wide range of transportation and planning issues.

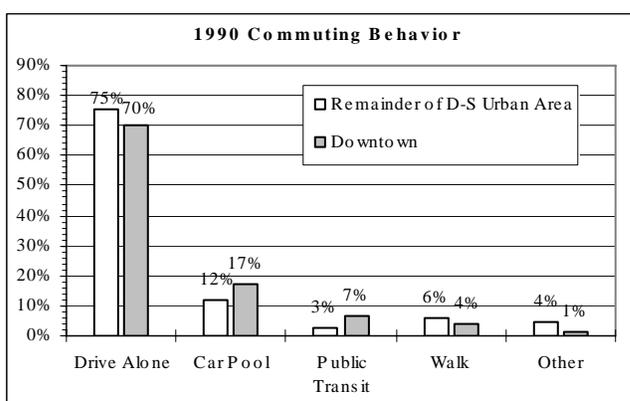




The most obvious drawback for not having minimum parking requirements is that whenever, a new business enters the area, its customers now add to the mix of competitors for parking. Instead of seeing the new business as asset to the overall attractiveness of the area, established businesses may see this as a threat to their customer's ability to access parking and their business. One means of addressing this issue is instead of requiring businesses to provide parking, new businesses could be asked to pay into a parking fund to be used for new facilities as demand warrants and enough funds become available. Another option, and perhaps more desirable, would be to use the proceeds from parking user fees to pay for additional facilities.

### Overview of Downtown Commuter Behaviors

Restrictions on parking and charging users for parking affect commuting behavior. The following graph illustrates the commuting behaviors of employees in the Duluth-Superior Urbanized area compared with employees in the Central Business District. Even though this information is from



Source: U.S. Census Bureau, 1990.

the 1990 Census, it is still relevant today. Several factors affect a person's choice of transportation mode; some of which are unique to downtown environments. Because of the higher densities, more direct transit service, and higher cost and less convenient parking, workers are less likely to drive alone to their downtown work places. The fact that many people have to pay for parking encourages transit use, car-pooling, biking and walking.

In 1990, 17 percent of downtown employees' car-pooled to work and seven percent took public transit.

However, only 12 percent and 3 percent of workers car-pooled and used public transit in the rest of the Duluth-Superior urbanized area, respectively. According to the Duluth Transit Authority's on-board passenger survey, downtown commuters made up 45 percent of all DTA customer trips. Only 25 percent of the Duluth-Superior area workers work downtown (see table below). Despite the high percentage of DTA customers working downtown, seven out of every ten downtown employees drive alone to work. The drive alone rate suggests that 11,360 parking spaces would be needed to accommodate single occupancy vehicles. Of course, not all of these employees require spaces at the same time.

The Transit Vision Plan, which serves as the DTA's long-range planning document, identified downtown employees as the market with the greatest customer potential. Because of the amount of available transit service downtown, the pedestrian-friendly downtown environment, and the added cost and perceived limited amount of convenient parking,

### Employee Transportation Mode by Work Location

	Duluth-Superior		
	Urbanized Area	Downtown Duluth	Percent Downtown
Drive Alone	48,720	11,360	23%
Car Pool	8,761	2,832	32%
Public Transit	2,445	1,091	45%
Walk	3,488	680	19%
Other	2,383	240	10%
<b>Total Workers</b>	<b>65,797</b>	<b>16,203</b>	<b>25%</b>

Source: U.S. Census, 1990.



it is not inconceivable for the DTA to attract a significant percentage of drive alone commuters assuming the right incentives were in place.

It is interesting to note that in 1990 only four percent of downtown employees walked to work whereas, about six percent of the remaining Duluth-Superior Area commuters walked. This low percentage suggests that few downtown employees live near their employment. This is particularly interesting since the Central Hillside Neighborhood has a significant population. This data suggests there may be a spatial mismatch between resident location and employment location. In addition, there may be a shortage of attractive housing for downtown workers. Living closer to employment sites make commuting by transit, bike or walking more feasible.

### **Alternate Transportation Modes**

One of the most cost-effective ways to create more open parking spaces is to encourage commuters and shoppers to use alternative transportation modes. Of course, this is easier said than done, particularly in our auto-oriented culture. However, there are a number of strategies that have been shown to be effective in changing commuter behaviors.

### **Parking Cost**

One way to encourage drivers to use transit, carpool, bike or walk is by charging the true cost of parking facilities. Parking is expensive. Downtown's limited open space and generally higher land values add to this expense, which explains why building parking structures tend to be economically feasible downtown. Construction costs for parking ramps are typically between \$9,000-\$12,000 per parking space. Construction of surface lots are significantly less expensive. According to a Federal Transportation Program Handbook, the cost of surface parking construction in most urban areas is about \$1,000 per space.

Two new Downtown Duluth parking ramps opened this year, the Technology Village Ramp and the Duluth Entertainment and Convention Center (DECC) ramp. The Technology Village Ramp accommodates 605-spaces at a cost of approximately \$7.6 million, which is around \$12,500 per space. The DECC constructed their ramp on an existing surface lot yielding a net gain of 500 additional parking spaces at a cost of \$4.5 million or \$9,000 per new space. The topography and site conditions of a proposed construction site can dramatically alter the cost. A study examining the feasibility of a Canal Park ramp between Canal Park Drive and Lake Avenue South had a price tag of around \$23,000 per additional space.

In addition to construction costs, there are operation and maintenance costs, land costs, and property tax costs. According to the City of Duluth, the Fond-du-Luth Ramp's annual operation and maintenance (O&M) cost is approximately \$175,000, roughly \$540 per space. Annual revenues for the casino ramp are around \$400,000, almost 45 percent of which is needed to cover O&M costs. Land cost and property taxes also add expenses to parking.

In order to increase the understanding of the cost of providing downtown parking, the following analysis of the Technology Village Ramp is provided as an example. The following calculations were generated to determine the revenue needed to pay the cost of the Technology Village Parking Ramp or the "breakeven" point. A high estimate and a low estimate were calculated given that a certain amount of uncertainty exists with any project.

The cost to clear the site and construction cost figures were provided in 1999 from the city of Duluth. The annual loan payment is based on a 30 year amortization with an interest rate of 7.5%. While funds could be in place not requiring a bonding process or other borrowing arrangement, it would still be appropriate to apply a discount rate which calculates the forgone benefits those



funds would have yielded had they not been used for this project. Because the cost of the land was not known, it was not included in this analysis. Operation and Maintenance cost were taken from the Fond du-Luth Casino Ramp. The low estimate used the total O&M costs for the casino ramp and the high estimate used the O&M cost per space. Maintenance costs are likely to be small early in the life of the facility and increase as it reaches the end of its use. The amount of property tax assessed on such a facility was also unknown and therefore was not included.

**Technology Village Parking Ramp Cost/Revenue Estimates**

	<b>Low Estimate</b>	<b>High Estimate</b>
Cost to Clear Site	\$200,000	\$400,000
Construction Cost	\$5,400,000	\$6,200,000
Land Cost	?	?
Total Construction Cost	\$5,600,000	\$7,600,000
Annual Loan Payment	\$451,284	\$531,870
Operation & Maintenance Cost	\$175,000	\$326,700
Property Tax	?	?
Total Annual Cost	\$626,284	\$858,570
Annual Cost Per Space	\$1,035	\$1,419
<b>Breakeven Monthly Income Per Space</b>	<b>\$86.26</b>	<b>\$118.26</b>

*Note: Capital cost amortized over 30 years at 7.5%*

Even with the exclusion of some costs, the breakeven point required for this type of facility is between \$90 to \$120. Currently, most downtown ramps charge around \$50-\$65 per month for contract parking. The cost associated with owning and operating parking ramps is generally not covered entirely by parking user revenues. As a result, most parking is subsidized by either government or private property owners offering less expensive parking to attract tenants to nearby office properties.

The price charged to the parking user affects the demand for parking and charging less than the true cost of creating parking (i.e., subsidizing parking) generates more demand. Likewise, determining the need for parking without consideration of the price paid by users and the cost of providing additional parking would be unwise. If parking spaces were treated like other goods, new parking would not be constructed until those demanding parking would be willing to pay slightly more than the cost of creating additional parking. In a sense, the value of parking could be seen as the cost of creating a new space, in downtown that cost is about \$12,000 or \$120 per month. Therefore, parking spaces should generate over \$120 per month in revenue and demand should exceed supply before constructing more parking structures.

Given the significant financial resources involved, the decision to construct additional parking spaces should not be taken lightly. Because parking facilities are not cheap, alternatives to building more parking needs to be assessed first. By putting a dollar figure to additional parking, a base line cost is set for assessing alternatives. For example, if Canal Park decided that a parking ramp is necessary to add 200 parking spaces in Canal Park, it is essentially determining that an additional parking space is worth \$1,500 per year. For example, if employees were given \$50 per month not to drive or park in Canal Park, the 200 additional parking spaces needed may be produced at a lesser cost than constructing more parking facilities.

This discussion is offered to provide a better understanding of how we determine when and how much parking is needed. Furthermore, the cost of constructing new parking will hopefully illustrate the value of a parking space and focus on changing parking demand as well as parking supply.



## **Employee Parking**

According to a 1990 nationwide transportation survey, 95 percent of respondents reported not paying for parking at work. Free parking represents 89 percent of commuter parking in the country's 17 largest metropolitan areas. Free employee parking is one of the most prevalent employee benefits that invites workers to drive to work alone. Employer-paid parking works at cross-purposes with public policies designed to reduce traffic congestion, energy consumption and air pollution.

Studies suggest that parking policies and pricing are an important factor in the commuter's transportation mode choice. In fact, the typical cost for downtown contract parking in Duluth is roughly twice the cost of fuel consumed during the trip. Fortunately, newly implemented federal policies and tax provisions now make it easier for employers to provide employees with more transportation choices. No longer is there a tax disincentive for employers to offer income in lieu of a parking benefit. What has come to be referred to as "cash out parking" programs have been shown to be successful in lowering the rate of drive alone commuters which open up parking spaces for other users.

## **Commuter Choice**

In part due to recent changes in federal tax policies related to commuter benefits, the Federal Transit Administration (FTA) is promoting Commuter Choice programs. Commuter Choice is the name given to benefits that employers can offer employees to commute to work by methods other than driving alone. Commuter Choice programs can be customized to serve the needs of employers and employees and help promote real choices for commuters, without punishing those who wish to continue to drive alone to work. More information regarding these programs is included in the appendix or by going to <http://www.fta.dot.gov/>.

Highlighted below are reasons why providing realistic transportation alternatives for downtown commuters is a more cost-effective way of increasing the growth potential for Downtown Duluth.

1. Providing Downtown parking facilities are expensive.
  - Land, in general, tends to be more valuable and costly to utilize for vehicle storage.
  - Construction of parking ramps cost approximately \$10,000 to \$12,000 per space (excluding land costs, opportunity costs, and foregone tax revenue generating activities in the case of public owned facilities). In comparison, surface lot construction averages approximately \$1,000 per space, however, require more land area.
2. More single occupancy commuters means more traffic congestion, which traditionally meant eliminating on-street parking to add more through traffic lanes.
3. More traffic leads to less comfortable pedestrian environments (noise, air pollution, increased pedestrian vehicle conflicts at intersections).
4. Because transit must compete for road space with vehicles, increased traffic congestion decreases transit efficiency and reliability.
5. Parking facilities breakup the aesthetic quality and interest of downtown streetscapes and driveways disrupt pedestrian movements making walking between stores less appealing.

Is it realistic that we can get all employees out of their single occupancy vehicles? Of course not; however, by decreasing the automobile impact on downtown by even a small percentage, both private and public resources can be better utilized for the community's benefit.

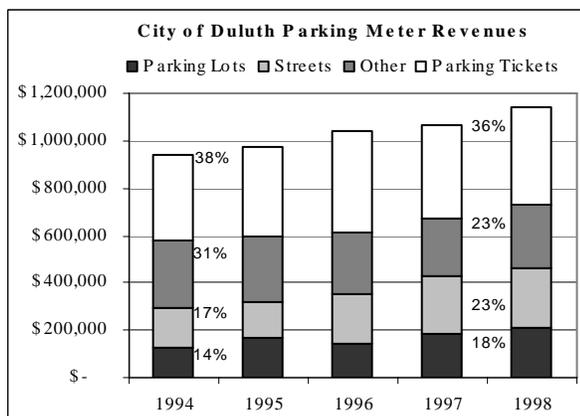
## **Parking Revenues**

Most cities charge for downtown parking use. The following graph shows the amount of revenue generated from Downtown Duluth parking meters. Parking revenues totaled over \$1.1 million in



1998. Approximately \$700,000 came from actual parking fees. However, \$410,000 came from parking tickets, accounting for around 37 percent of total parking revenues.

Not surprisingly, the most convenient and desirable parking generates the most revenue. The table below shows the City's parking revenues by location between 1994 and 1998. Superior Street parking meters west and east of Lake Avenue in 1998 had a per space revenue of \$893 and \$742, respectively. The Phoenix Lot had a 1998 per space revenue of \$843.



### City of Duluth Parking Revenues by Location\*

LOTS	Spaces	1994	1995	1996	1997	1998	Revenue per space
Library	127	\$40,123	\$37,453	\$50,435	\$34,536	\$38,290	\$301
Lot A-(Behind Depot)	105	\$44,430	\$47,907	\$9,029	\$47,149	\$51,052	\$486
Lot B (3-4th W.)	30	\$11,511	\$12,578	\$10,325	\$8,277	\$16,085	\$536
Lot C (2-3rd W.)	67	\$31,904	\$30,365	\$34,598	\$32,672	\$36,082	\$539
Pickwick	24	\$6,266	\$6,008	\$6,581	\$5,188	\$5,308	\$221
Hartley (Fitgers)	10	\$3,633	\$4,367	\$3,681	\$2,855	\$3,012	\$301
Lake Ave (H Lot)	30	\$22,724	\$21,096	\$19,462	\$20,583	\$15,137	\$505
Coney Island	26			\$6,556	\$6,571	\$7,838	\$301
Phoenix Lot	39	\$8,276	\$7,207	\$4,965	\$26,446	\$32,881	\$843
<b>Total Lots</b>	<b>458</b>	<b>\$128,742</b>	<b>\$166,980</b>	<b>\$145,631</b>	<b>\$184,278</b>	<b>\$205,684</b>	<b>\$449</b>
Streets	Spaces	1994	1995	1996	1997	1998	Revenue per space
Michigan St.	74	\$46,715	\$44,524	\$39,537	\$25,361	\$41,269	\$558
Superior St. East of Lake Ave.	71	\$55,203	\$46,419	\$43,482	\$60,083	\$63,379	\$893
Superior St. West of Lake Ave.	122			\$65,887	\$96,724	\$90,473	\$742
First St.	144	\$60,095	\$60,717	\$62,064	\$61,054	\$61,811	\$429
Avenues East of Lake Ave.	104	\$130,449	\$133,086	\$52,871	\$24,101	\$22,370	\$215
Civic Center	51	\$44,492	\$35,410	\$34,103	\$35,206	\$37,502	\$735
Second St.	56	\$15,806	\$13,583	\$13,905	\$11,530	\$12,888	\$230
<b>Total Streets</b>	<b>622</b>	<b>\$352,760</b>	<b>\$333,739</b>	<b>\$311,849</b>	<b>\$314,059</b>	<b>\$329,691</b>	<b>\$530</b>

\* Does not include all city parking locations

### Study Methodology

The first step of this study was to inventory all parking areas within the study zone. The study area boundary is Mesaba Ave. to 3<sup>rd</sup> Avenue East and 5<sup>th</sup> Street to the Aerial Lift Bridge. Also included is the Fitger's Brewery Complex area from Superior Street to the Lake East of 4<sup>th</sup> Avenue West. A map of the study area is located on page 16. All designated parking areas are included in the inventory. The table below summarizes the amount and type of parking identified in the inventory.

The inventory was digitized into a Geographic Information System (GIS), which is a computerized mapping program that has data connected to spatial information. In the second step



staff conducted occupancy surveys of all public parking spaces within the study area. The number of cars parked was counted at each public parking lot and on-street parking area every hour for three weekdays during May 1999. The spring and fall of the year are generally considered “normal activity times of the year. Occupancy surveys were also conducted in August of 1999, as representative of “peak season” parking demand.

After reviewing the occupancy data, staff identified key parking areas that warranted further data gathering. More extensive turnover surveys were performed at these locations. Turnover surveys require the surveyor to write down the vehicle license plate number at individual parking spaces every 30 minutes or one hour, depending on posted time limits and amount of detail desired. This data is used to determine how long vehicles are staying in parking spaces, how many vehicles are using the spaces during the day, and if users are abiding by time limits or plugging parking meters.

A total of 12,700 parking spaces were counted within the study area. Approximately 3,700 parking spaces are available to the general public. On-street parking can accommodate 1,657 vehicles. Another 3,800 stalls, mostly within parking ramps, serve a combination of contract and public parking. Ten percent of all parking in the study area was designated specifically for employee parking. Ten percent was solely for contract parking and another 30 percent was a combination of public and contract.

Staff identified 1,325 parking meters in downtown, which is about 10 percent of all downtown parking spaces. Slightly less than 20 percent of downtown parking spaces are in parking structures (i.e., ramps or garages). However, the new DECC ramp and the Technology Ramp will add 500 and 600 parking spaces, respectively. Detailed data analysis is provided in the Individual Block Summary Section on page 16.

**Parking Effectiveness**

On-street and off-street parking, together comprise the Downtown Duluth parking system. The operations of on-street parking affect off-street parking behaviors and vice versa. Parking management involves the day-to-day functions that strive to make these two systems work effectively. Enforcement, adjudication, collection of fines and fees, signs, marketing, security, and the installation, maintenance and collection of revenues from meters are all part of parking operations. All downtown areas need a parking management system that assesses, maintains and improves the effectiveness of on-street and off-street parking, whether publicly or privately owned. Ultimately, the objective of downtown parking management is to increase the effective parking supply, which can be accomplished using a variety of strategies. The following discussion highlights these parking management strategies.

Parking restrictions include time limits, parking meter rates, drop-off zones and loading zones. The type and combinations of on-street parking restrictions used depends primarily on traffic movement and the width of the street. Greater restrictions are generally required for roadways that are major through routes. With the completion of Interstate-35 and Messaba Avenue most

**Downtown Duluth Parking Inventory**

<b><u>Inventory</u></b>	<b><u>Parking Spaces</u></b>	<b><u>Percent of Total</u></b>
Public	1,946	15%
Public & Contract	3,791	30%
Contract Only	1,236	10%
Customer	1,903	15%
Employee	1,299	10%
On-Street	1,657	13%
Tenant	849	7%
other	26	0%
<b>Total</b>	<b>12,707</b>	<b>100%</b>
<i>Metered</i>	<i>1,325</i>	<i>10%</i>
<i>Ramp Spaces (P/CO)</i>	<i>2,224</i>	<i>18%</i>



Downtown Duluth roadways serve primarily local traffic making utilization of on-street parking easier.

Utilizing roadway space for parking or moving-traffic can be a contentious issue depending on one’s perspective. Traffic engineers tend to be primarily concerned with reducing traffic congestion and improving traffic flow on downtown streets. Whereas, downtown merchants and business owners wish to maximize curbside parking since it’s the most convenient and valuable parking possible. Some sources have estimated the value of an on-street parking space at \$20,000-\$30,000 in annual gross retail sales to adjacent businesses.

### Angle Parking

Of all types of on-street parking, angle parking has the highest incidence of accidents. Studies have shown reductions of 19 to 63 percent in annual accident rates when angle parking has been eliminated, which is why most state department’s of transportation ban angle parking on state routes. Despite the likelihood of higher accident rates, angle parking should not be discounted for several reasons.

While it is true that angle parking is likely create higher accident rates, these accidents tend to be less severe “fender-benders.” The presence of angle parking encourages slower traffic. Because of the traffic-calming effect of angle parking, the street tends to be more pedestrian-friendly, with slow vehicle spends, less noise, and more pedestrian interactions. Converting segments of Superior Street and Canal Park Drive from parallel parking to angle parking has not created any substantial accident problems. Furthermore, it appears that the increase in on-streets spaces created by angle parking is popular among both businesses and customers.

The following conditions should be met if on-street angle parking is to be considered:

1. Street carries primarily local traffic, usually indicated by low traffic counts and operating speeds of 15 to 20 mph. However, switching to angle parking discourages through traffic and higher speeds.
2. Street is not a major through-route; streets less than three to four miles in length are usually not through routes.
3. Street is a through-route, but a nearby parallel street can be used for through traffic instead, allowing the subject street to serve local traffic.
4. Street has sufficient width, 50 to 60 feet, to comfortably accommodate parking maneuvers.
5. Street is geared toward pedestrians, with substantial building density, zero lot line development and a critical mass of retail activity.

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**parking restrictions and policies need to be balanced to help achieve the long-term goal of creating an economically vital and attractive downtown.**

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### Parking Restrictions

If parking restrictions were eliminated, the demand for parking would far outweigh current supply. The most convenient spaces would be filled by downtown workers on a first come first serve basis, in effect preventing customer parking. On the other hand, no one benefits if parking restrictions are so stringent that spaces are underutilized. Therefore, parking restrictions and policies need to be balanced to help achieve the long-term goal of creating an economically vital and attractive downtown. Generally, the optimimum occupancy rate decision makers should aim for is around 80 to 90 percent in order to instill confidence among parking users that they will be able to find available parking that serves their needs.



**Time Limits:** Time restrictions on parking are intended to maximize turnover of the most convenient and therefore, the most valuable parking spaces. Because retail trade and businesses are considered vital components to maintaining a vibrant downtown, it is generally thought that the most convenient parking should be reserved for customers. Studies have shown that the average duration of a shopping or business trip is 90 minutes. Thus, time limits of one or two hours should be sufficient to maximize the use of on-street parking where the goal is to encourage turnover of five or more vehicles per space per day. Even though numerous studies have shown 75 to 80 percent of on-street parking stay for one hour or less, even in areas without time limits, it is often difficult to convince downtown merchants to accept parking limits of less than two hours.



**Parking Meters:** In 1935, Oklahoma City became the first city to install parking meters. By 1947, 900 cities across the country used parking meters. According to some, few modern evils exist as vile as requiring drivers to pay for on-street parking. However, there are several reasons for using meters. Parking meters serve the following purposes.

1. Promote parking turnover.
2. Distribute limited on-street parking time equitably.
3. Provide space for short-term shopper and business clients.
4. Maximize the economic viability of downtown by providing opportunities for more people to park conveniently.
5. Generate revenue, which can be used to offset parking operation, maintenance and enforcement costs.
6. Are more self-enforcing. In general, most people try to abide by time limits imposed by parking meters, which may reduce the amount of personnel required for enforcement.
7. Allow the opportunity to price parking similar to other goods by using market-based principles, which can better optimize supply of and demand for parking facilities.

The popular attitude toward parking meters is that they discourage shoppers, who will then drive to suburban malls instead. Therefore, the logic is that parking downtown must have free parking to successfully compete with suburban malls. As previously discussed, there is no such thing as “free parking” anywhere. The cost of parking at malls, while not charged directly to parking users, are hidden in higher rents or building costs to retailers who pass them on indirectly to customers. Because these developments tend to locate on less expensive green-space land, they are able to create parking more cheaply than downtown businesses. By offering free-parking downtown, operations, maintenance and enforcement costs are likely to be transferred to taxpayers through higher property taxes.

Appropriate parking rates and time limits for on street parking, with the use of modern, well-maintained meters, offer the most cost-effective method of encouraging the desired parking turnover of vehicles. Generally, on street parking rates should be higher than off-street parking rates to encourage the use of off street facilities for long-term parking and preserve on-street spaces for short-term users. Parking rates should also be high enough to cover the operation, maintenance and enforcement costs.

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**Generally, on street parking rates should be higher than off-street parking rates to encourage the use of off street facilities for long-term parking and preserve on-street spaces for short-term users.**

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**Residential area on-street parking:** An issue common to many neighborhoods near downtown or large employment sites is employee parking in residential areas. Because these residential areas



are further away from the employee's destination they tend to be free of charge. Therefore, employees will park on street in these areas and walk the couple of blocks to avoid paying for parking. This practice is common in Duluth's Central Hillside neighborhood.

In other neighborhoods, such as Chester Park, near the University of Minnesota Duluth (UMD), residents petitioned to create a resident parking only zone near UMD. Prior to instituting this zone, UMD students would avoid paying for campus parking by parking in the neighborhoods. The residential parking zone provides, for a minimal fee, residents a permit allowing them to use on-street parking area. Other parking is not allowed.

A residential-only parking program was once discussed for the Central Hillside and was apparently rejected. The Central Hillside neighborhood has generally more rental units and thus, more transitional residents, which may make implementation more difficult. In addition, residents may not feel the benefits of more on-street parking worth inconvenience of dealing with residential permits.

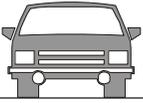
In the case of UMD's nearby neighborhoods, there was no benefit having UMD students and employees parking in front of their homes. As a result much of the on-street parking is now unused while the impetus was put on UMD to create more off-street parking at a significant cost. While this may be acceptable to all parties involved. There may be another option that may be more cost-effective and more beneficial.

By allowing non-residents to pay to use on-street parking in a residential parking zone, generated revenues could be targeted toward neighborhood improvements. The benefits of such a program would be numerous. First, some parking users, currently paying nothing, would discontinue parking in the area and either change transportation modes or park in other pay lots. Second, those who decide pay to park would still be charged less than other, more convenient pay lots. Third, the neighborhood could use revenues for neighborhood improvements such as parks, sidewalks, plantings, etc. and have more available on-street parking.

Even though the charge for this parking would have to be less than more convenient parking, even a fee of one dollar per day could yield an annual-revenue of \$240, or roughly half of the property tax of a modest single-family home. The collection of such a fee could be somewhat problematic. Meters could be used although they require additional costs for purchase and installation or permits could be sold, which would prohibit casual parking users.

#### **Utilization of existing off-street parking areas**

A number of downtown activities rarely require parking areas during weekdays or normal peak demand times. Activities at churches, civic centers, auditoriums, theaters, and others have peak use during atypical working hours. These facilities should be encouraged to share parking with nearby facilities. Furthermore, surface parking lots located behind downtown commercial buildings are often chaotically and inefficiently arranged. Combining several small lots into one larger lot is one way to increase the parking supply. Creating more efficient parking designs is another way of increasing additional spaces.



## General Recommendations

The following recommendations are general parking policies designed to improve the downtown environment.

1. **Comprehensive Parking System Program:** Develop and implement a comprehensive Parking System Program to address the following issues.
2. **Parking Enforcement:** Increase enforcement using guidelines for best practices. This study did not analyze the policies and procedures of the City of Duluth's parking enforcement. However, enforcement is critical to any parking program and should be increased to include enforcing time limits in addition to parking meters. An organized and judicious enforcement program treats everyone fairly and is perceived by the public as an effective approach to the allocation of the area's parking supply. *Enforcing parking regulations occasionally is worse than not enforcing them at all because it catches people unaware and gives them the impression that parking enforcement is unpredictable, arbitrary and capricious*<sup>4</sup>
3. **Parking Inventory:** Continue to update parking inventory as warranted and conduct occupancy surveys every three to five years. Use turnover surveys when occupancy rates are consistently above effective supply.
4. **Market Parking Information:** Provide parking information via the Internet, maps, etc. Increase directional and signage to large parking areas. Include information such as time limits and cost. Advances in technology have made providing more detailed and current data to drivers easier.
5. **Parking Revenues:** Revenues generated from parking fees and fines should cover operations, maintenance and enforcement costs and additional parking facilities when warranted.
6. **Parking Fees:** On-street fees should be higher than nearby off-street fees. Raise on-street parking fees at high occupancy locations or decrease long-term off-street parking fees. People are willing to walk further if the path is pleasant, safe and interesting.
7. **Parking Meters:** Convert older meters to digital display meters that are easier to change time limits and pricing when necessary. Investigate the feasibility of installing meters that use "smart card" technology.
8. **Shared Parking:** Identify land uses with activity times that are compatible for shared parking. Encourage and promote shared parking facilities. For example, Canal Park still requires minimum parking requirements for hotels and motels, as a result, an oversupply exists much of the time when public spaces are relatively full. There may be an opportunity to price these lots for public use and still ensure that hotel patrons have adequate parking accommodations.
9. **Alternative to single occupancy driving:** Work with employers to promote real transportation alternatives for commuters through Commuter Choice programs previously described, such as changing from free or subsidized parking benefit to a paid transportation benefit.



*New technologies make it easier to provide current and detailed parking information.*

<sup>4</sup> Edward, John D. *Parking: the Parking Handbook for Small Communities*. National Trust for Historic Preservation and the Institute of Transportation Engineers, 1994, p. 41.

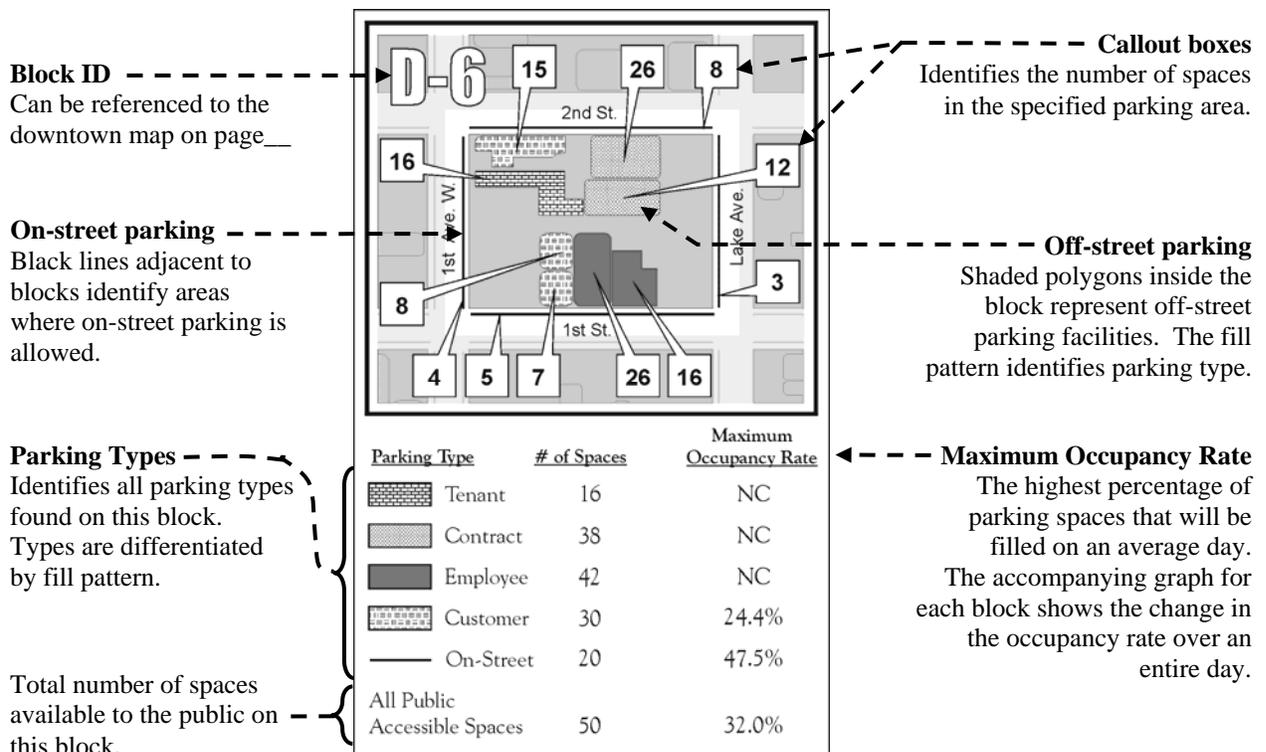


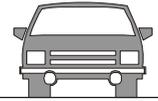
## Individual Block Summaries

Parking in the downtown area is affected by multiple factors that draw people to park in certain areas more than others. Likewise, individual blocks of the downtown have unique characteristics that dictate how parking is utilized. Each block throughout the downtown area has varying amounts of available parking with differing levels of demand. Examining the levels of demand along with factors such as price to park, availability, and location give an excellent picture of how a block currently functions within the larger puzzle of downtown parking, as well as ideas on how to better utilize the parking available in a particular area.

Each block is summarized by calculating the total amount of tenant, contract, employee, customer, and public spaces available; and the maximum occupancy rate of these spaces. Maps of blocks identify all available parking areas and their maximum capacity. The maximum occupancy rate is defined as the highest percentage of spaces filled on any given day between the times of 7 a.m. and 6 p.m. Lots that are restricted from general public use were not counted (NC). Each block has a corresponding graph depicting the daily occupancy rates for public accessible lots. The graphs also indicate the effective-capacity rate, which means that parking lots, for all practical purposes, are full. Effective capacity is generally defined as between 85 percent and 95 percent occupancy. This study defines effective capacity as 90 percent occupied.

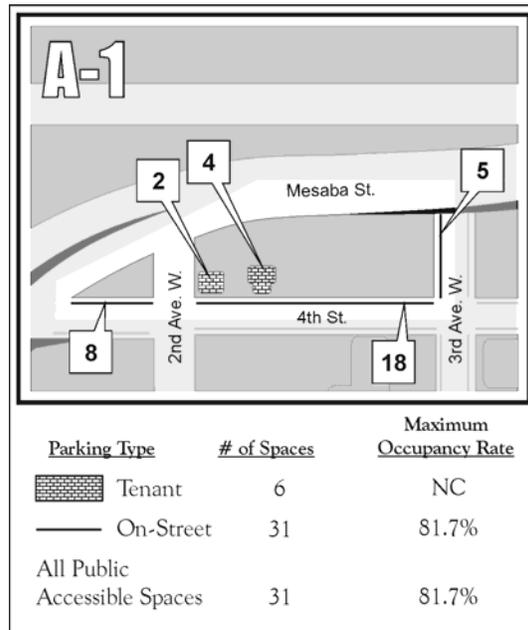
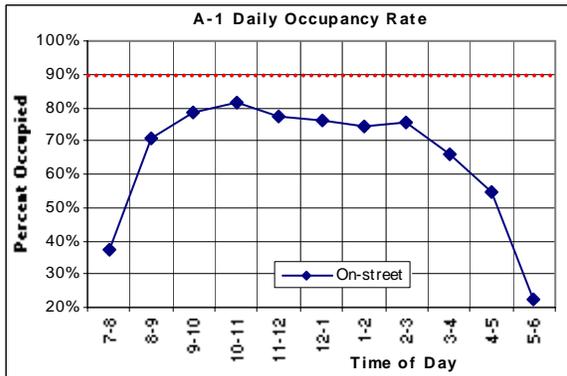
### How to read the Individual Block Maps





**Row “A” (Between 4<sup>th</sup> & 5<sup>th</sup> Streets from Mesaba Ave. to 3<sup>rd</sup> Ave. E.)**

The “A” row is unique from the other rows within our study in that it is primarily used for residential purposes. On-street parking is always free of charge in this row and is probably used as much by nearby residences as by downtown commuters.



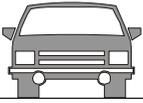
**A-1:** Block A-1 is completely residential with almost exclusively on-street parking. According to the U.S. Census Bureau, 24 people lived on this block in 1990. Two small tenant lots do provide a minimal amount of off-street spaces for certain residents. Availability of free on-street parking is greatly dependent on the time of day.

An examination of the A-1 graph shows that there is nearly a 30% increase in parking usage during the normal workday.

As with all of the blocks we examined in row “A,” the availability of on-street parking during the workday could become a major concern. If the downtown demand for parking rises, the free on-street spaces that are already seeing a great deal of use will most likely be filled throughout the workday. These spaces should be available for the adjacent residents. Future action may be needed to ensure that some spaces are available throughout the day for residents.

One possible solution could be the introduction of long-term meters into this area. Residents could be given a permit to park for free in this area, while commuters would be required to pay a nominal fee for using the space. Any fee imposed for parking in this area should be less than closer on-street metered spaces. The lower cost would still make these spaces attractive to many downtown commuters, while also helping to keep some parking available for residents.

A second option would be to implement a neighborhood permit parking only zone whereby residents would be given permits to park for free while commuters would be allowed to purchase permits for around \$15 to \$20 per month. A \$20 fee would reflect a cost of about a dollar per workday during any given month. Revenues from either option could be funneled back into the neighborhood to be used for a variety of improvements.



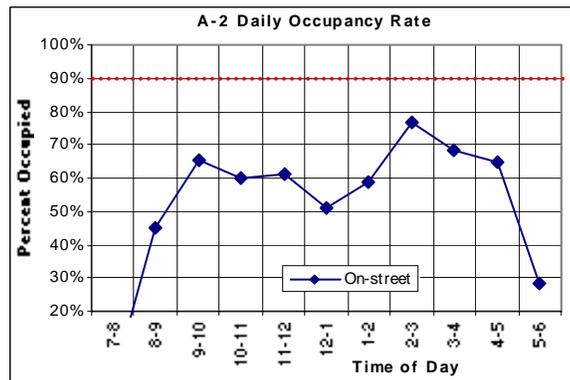
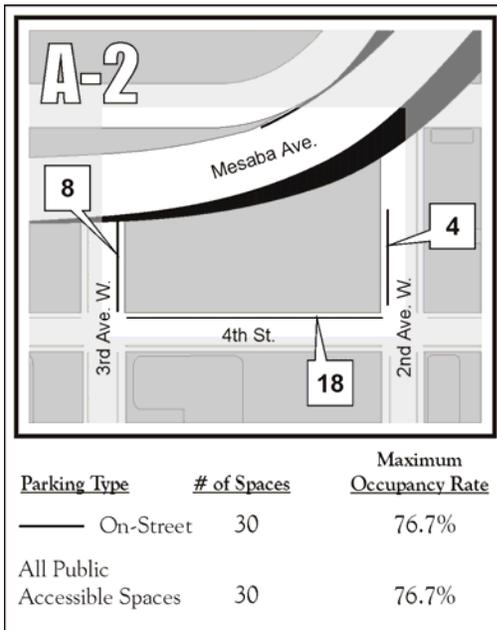
Parking Spaces in front of commercial properties should be designated with one or two hour time limits depending on the needs of customers.

**Major Concerns:**

- On-street space availability during the workday due to downtown employee use.

**Recommendations:**

- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



**A-2:** This block is unique in that it only offers on-street parking. As this is a residential area, parking here should be prioritized for those living in the adjacent homes. However, in 1990 only 18 people lived on this block. At the present time, the average occupancy rate is only 53%, meaning that there are

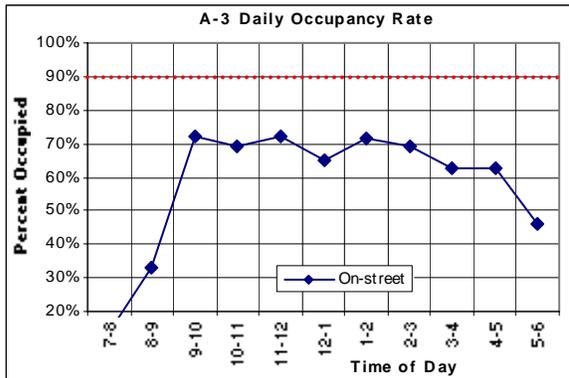
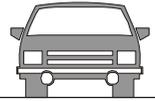
generally an adequate number of spaces available throughout the day. However, an increase in the demand for downtown parking could adversely effect the ability of residents here to park during the day.

**Major Concerns:**

- On-street space availability during the workday due to downtown employee use.

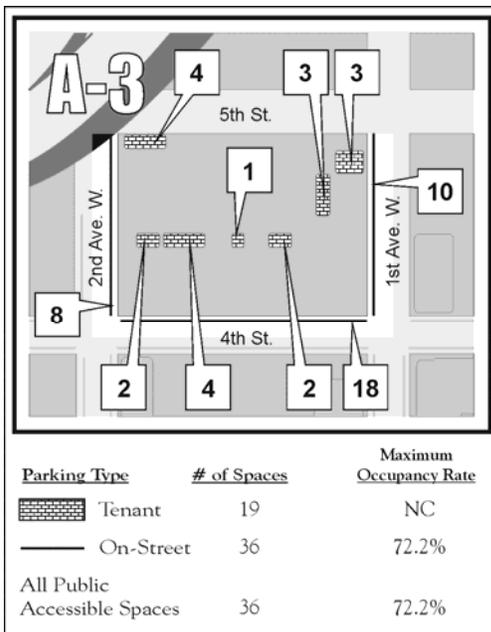
**Recommendations:**

- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



**A-3:** This block has various off-street parking places for the residents in the neighborhood. However, the 1990 census identified 136 people living on this block. The person per tenant parking space ratio calculates to one tenant parking space for every seven people.

As the graph indicates, the occupancy rate throughout the day hovers at around 70%, or about 10 open on-street spaces. Our counts and actual observations show that these open spaces are generally along the upper portions of the avenues. The 18 on-street parking spaces along 4<sup>th</sup> Street had occupancies around 80 percent during the day.



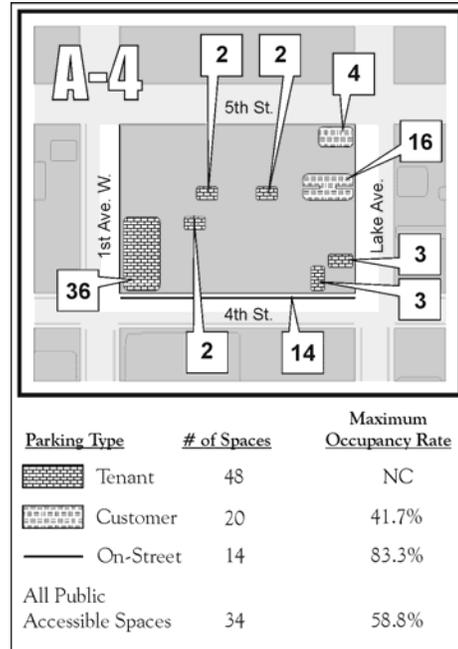
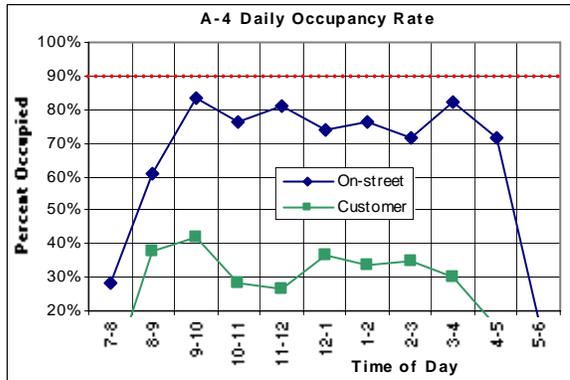
It should be noted that the eight available spaces along 2<sup>nd</sup> Avenue West are only accessible from Mesaba Avenue, as this street is a one-way down the hill. For those not coming from the top of the hill, the most direct access to these spaces would be the 7<sup>th</sup> Street connection to Mesaba via Lake Avenue. The difficult access to these spaces thereby limits their use to downtown commuters or residents coming from the top of the hill. With these limited access spaces in mind, the average occupancy rate of this block could be estimated to be somewhat higher; better reflecting the on-street occupancy rates of the adjacent blocks in row “A.”

**Major Concerns:**

- On-street space availability during the workday due to downtown employee use.

**Recommendations:**

- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



**A-4:** Blocks A-4 and A-5 are the only blocks above 4<sup>th</sup> Street that have parking spaces allocated for anything but tenant and on-street usage. The First Witness Child Abuse Center has plenty of parking (20 spaces) so its location has no effect on available on-street parking. A narrow Lake Avenue does not offer any on-street parking. Even though the graph shows on-street parking to be under effective capacity, this only reflects an average of two open spaces throughout the day. Any factor increasing the demand for parking by only one space per hour will raise on-street usage over the effective capacity of 90%.

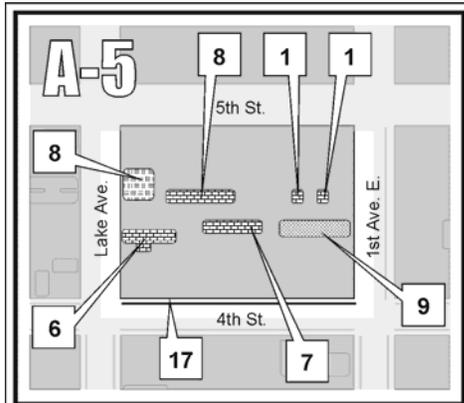
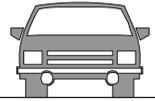
Block A-4 had a population of 61 people in 1990. Assuming that the current population is similar, there appears to be plenty of residential parking available.

**Major Concerns:**

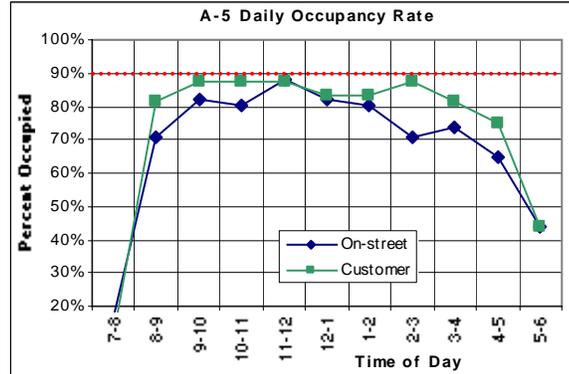
- Customer spaces (First Witness Child Abuse Center) are underutilized throughout the day.

**Recommendations:**

- There may be opportunities to contract out some of these spaces to nearby commuters or residents that could in turn generate revenue for First Witness Child Abuse Center.
- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



Parking Type	# of Spaces	Maximum Occupancy Rate
Tenant	23	NC
Contract	9	NC
Customer	8	87.5%
On-Street	17	88.2%
All Public Accessible Spaces	25	88.0%



**A-5:** This block contains the only designated contract parking above 4<sup>th</sup> St. in our parking study. The Duluth Community Health Center’s customer lot is the only other off-street parking available that isn’t reserved for tenants. One hundred people lived on this block in 1990.

All of the public parking spaces on this block are heavily utilized throughout the day. Any increase in demand in this area will easily escalate the parking

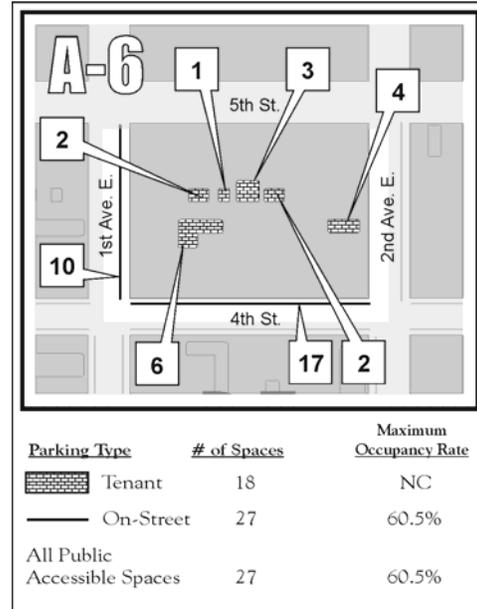
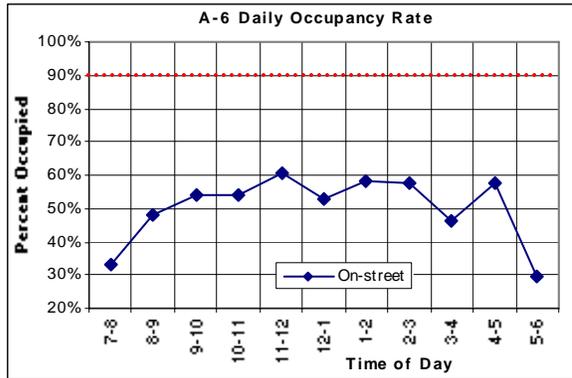
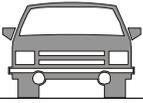
demand to exceed the effective capacity. This block is yet another example of how parking is being used above 4<sup>th</sup> street by nearby employees.

**Major Concerns:**

- On-street space availability during the workday due to downtown employee use.
- The eight customer spaces at The Duluth Community Health Center are approaching effective capacity. Lake Avenue along this block does not provide on-street parking. However, across the street the First Witness Child Abuse Center’s lot is underutilized.

**Recommendations:**

- There may be an opportunity for The Duluth Community Health Center to use spaces at the First Witness Child Abuse Center.
- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



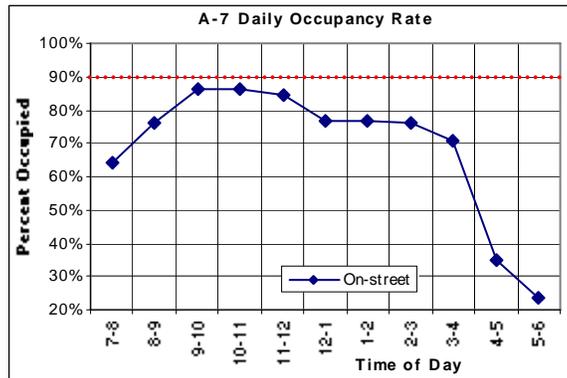
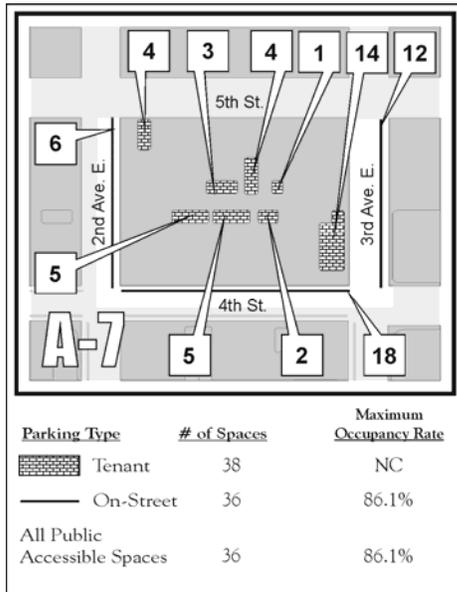
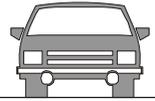
**A-6:** This parking primarily serves nearby residents of whom there were 93 in 1990. Because this area is not particularly close to either the hospital area or the downtown employment centers, there is less demand for on-street parking during the workday. However, there are still increased parking rates during the workday suggesting that there are commuters or customers who use this area. Most of the unused spaces throughout the day are along 1<sup>st</sup> Avenue East since it is less convenient than the spaces along 4<sup>th</sup> street. Fourth Street had occupancies between 65 and 70 percent throughout most of the day, whereas occupancies on First Avenue East were around 35 and 40 percent.

**Major Concerns:**

- Old Downtown development (Technology Village, etc.) may increase the demand for these spaces.

**Recommendations:**

- Ensure on-street parking is available for residential and local business needs.
- Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.



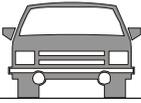
**A-7:** The public parking on this block sees very heavy use during the workday because of its close proximity to St. Mary’s Hospital. Only five to six spaces of the 36 on-street spaces are generally available during the day. An increase in demand would easily put the on-street spaces above effective capacity. As early morning workers filter home in the late afternoon, the on-street parking availability increases dramatically. This is another example of where commuter parking is affecting the ability of residents to use spaces closest to their homes. However, 38 tenant spaces were identified and in 1990, there were 46 residents living on this block.

**Major Concerns:**

- On-street space availability during the workday due to employee parking.

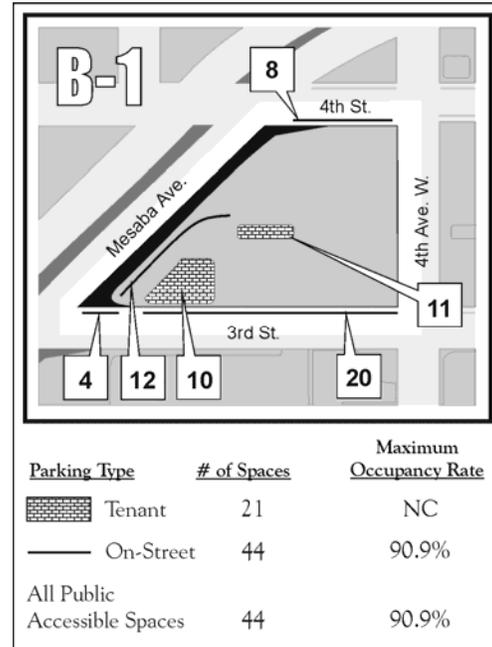
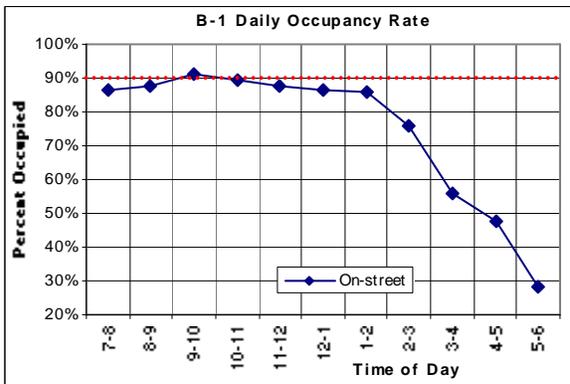
**Recommendations:**

- Ensure on-street parking is available for residential and local business needs.
- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.
- Spaces adjacent to commercial properties should be designated with short or mid-term time limits to meet customer needs.



### **Row “B” (Between 3<sup>rd</sup> & 4<sup>th</sup> Streets from Mesaba Ave. to 3<sup>rd</sup> Ave. E.)**

The “B” row has more mixed land uses than in row “A”, but homes and apartments are still the main structures found here. All on-street parking is free-of-charge and because row “B” is closer in proximity to Downtown employment there is an even greater demand for these parking spaces during the workday.



**B-1:** Two small tenant lots are the only guaranteed parking spots for the 44 residents (1990 census) living on this Block. On-street parking is heavily used during the day indicating that downtown employees are likely using these spaces. This area is particularly attractive since parking here is free and is directly across from a skyway access point. The high number of people using spaces early in the day is most likely a reflection of nearby government center activities. The on-street parking spaces are well used throughout the morning and into the early afternoon. These spaces begin to empty out between 2:00 and 3:00 p.m. It appears that employees whose workday begins and ends earlier than the traditional workday are primarily using these spaces.

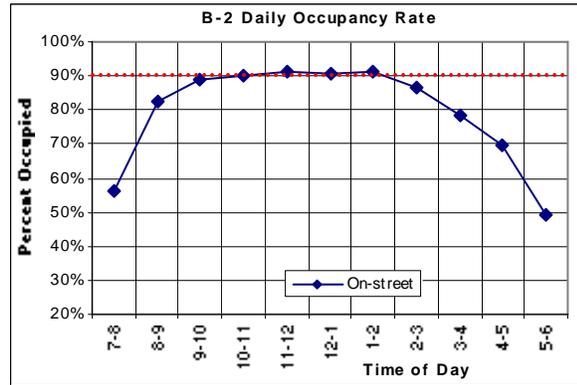
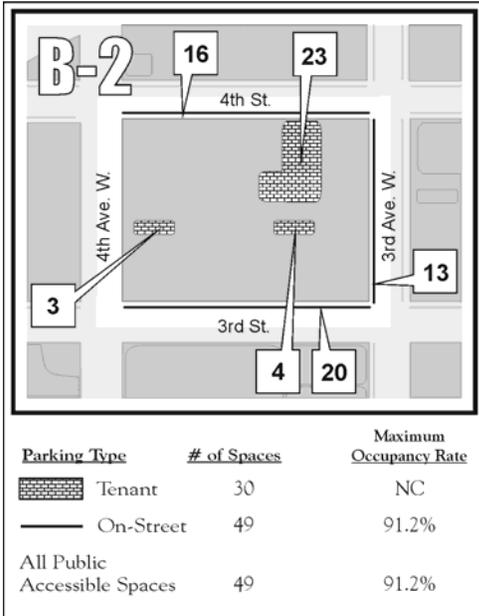
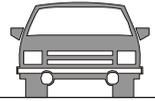
The low occupancy numbers at the end of the workday indicate that adjacent residents are not having difficulty parking in this area. Those going to work between the hours of 7 a.m. – 8 a.m. were able to park there the previous day and spaces are open when they return after an average workday.

#### **Major Concerns:**

- On-street parking should be available for residential and local business needs. Downtown employees appear to dominate on-street parking which reaches effective capacity throughout the workday.

#### **Recommendations:**

- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



**B-2:** This block offers 30 off-street parking tenant spaces to its 63 residents (1990 Census). On-street availability is limited due to downtown employee parking until late afternoon as shown in the B-2 graph. Even along 4<sup>th</sup> Street on-street parking reaches effective capacity throughout much of the day.

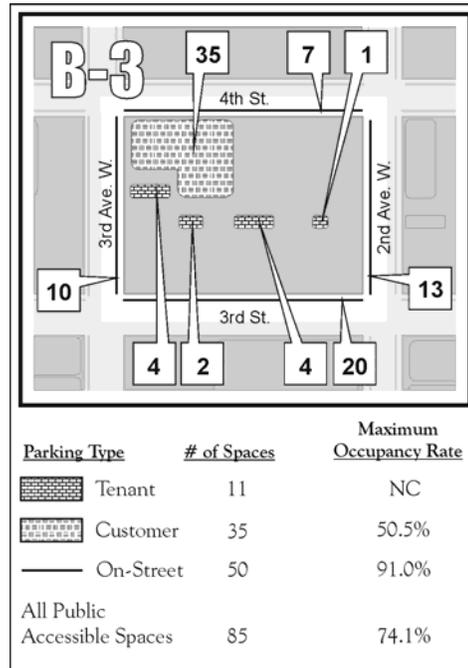
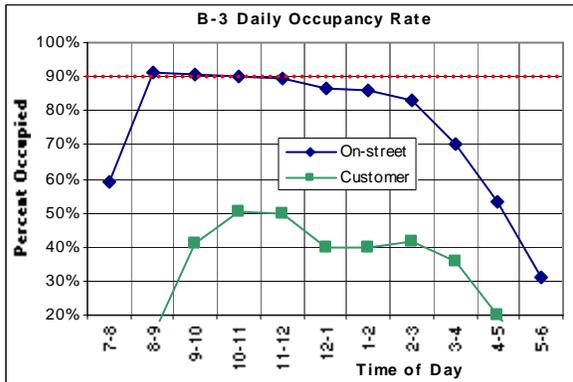
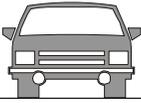
Finding available spaces during the workday is very difficult as the occupancy rate during most of the day is at or above effective capacity. Because of the absence of meters and the close proximity to downtown this area provides very attractive parking for downtown commuters.

**Major Concerns:**

- On-street parking should be available for residential and local business needs. Downtown employees appear to dominate on-street parking which reaches effective capacity throughout the workday.

**Recommendations:**

- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



**B-3:** Once again, the graph reveals that on-street spaces are consistently full throughout much of the day. The occupancy indicates that downtown commuters make up most of the use. Similar to other free parking areas above 3<sup>rd</sup> street, the absence of meters and the proximity to downtown make these spaces attractive to downtown workers. The fact that spaces in this area are at or near effective capacity for a majority of the day show the correlation between the distance from a destination and the accompanying increase in demand. Free spaces only one block away above 4<sup>th</sup> street see a similar daily use pattern but with less occupancy.

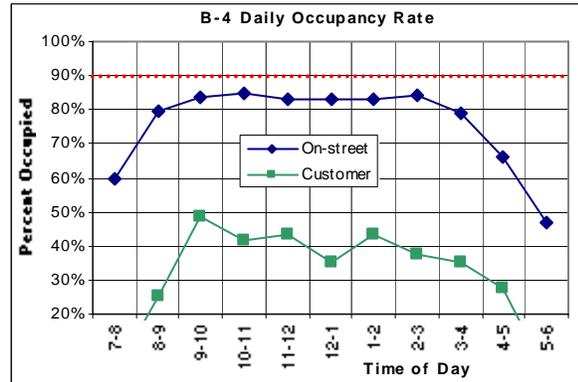
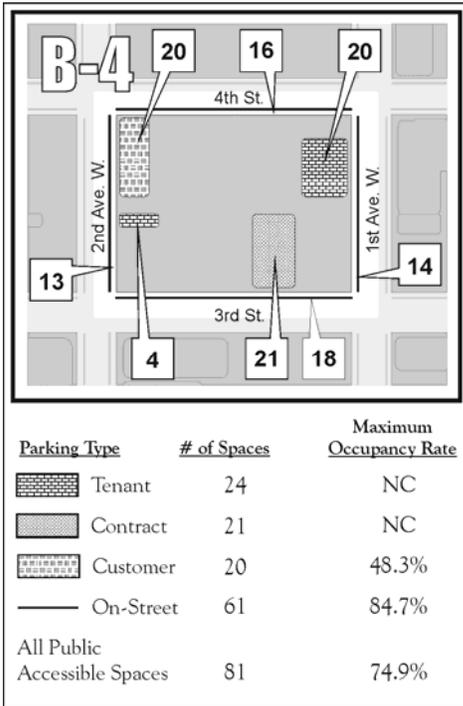
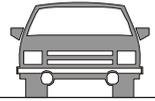
In 1990, this block had a population of 147 residents. Only 11 tenant spaces were identified, translating to approximately one tenant space per 15 residents. The low number of spaces for residents may indicate a need to maintain on-street parking for residential use. However, one unique aspect on this block is the large off-street lot belonging to the Damiano Center. This lot provides a great deal of off-street parking that is underutilized for a majority of the day. The Center may want to consider how much parking they need during the day and contract out the remaining spaces to downtown employees or nearby residents. In doing so, the Center would benefit by generating additional revenues.

**Major Concerns:**

- Damiano Center parking lot is underutilized throughout much of the day.
- On-street parking should be available for residential and local business needs. Downtown employees appear to dominate on-street parking which reaches effective capacity throughout the workday.

**Recommendations:**

- The Damiano Center should consider contract parking for unused parking spaces.
- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



**B-4:** One customer lot belonging to the Center for American Indian Resources, a contract lot off of 3<sup>rd</sup> Street, and a large tenant lot comprise the majority of off-street parking found on this block. This block has on-street parking available on each side. The on-street spaces have the same daily usage pattern as those on the surrounding blocks in that they are heavily used throughout the day and only become available at the end of the workday. Although somewhat less used than

B-3, occupancy rates are still near effective capacity throughout the day. It is interesting to note that the occupancy rates along all sides of this block are about the same.

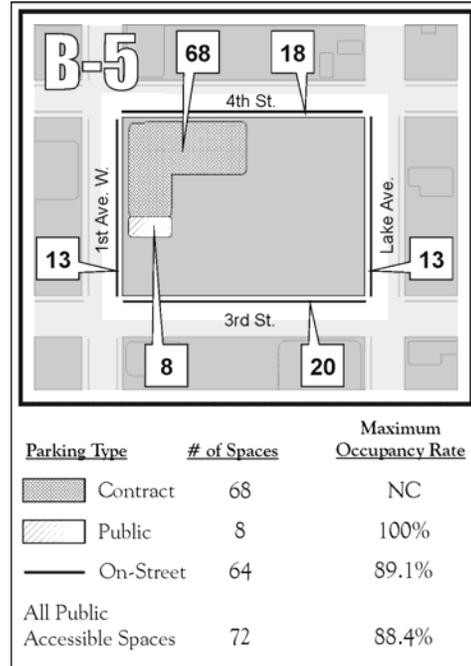
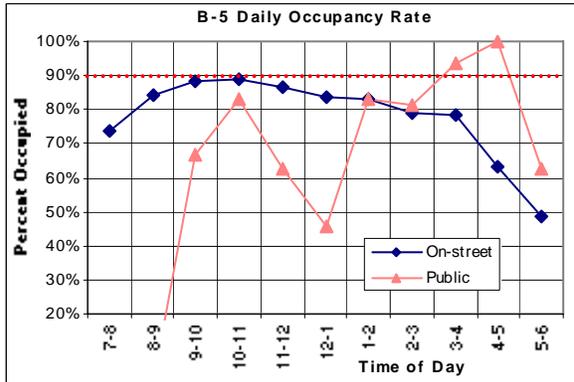
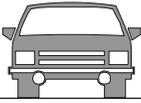
Approximately 80 residents lived on this block in 1990. If the current population remains around this number, there is about one tenant parking space for every three residents. In addition, there appears to be a surplus of spaces at the Center for American Indian Resources, which could be contracted out to downtown employees or nearby residents.

**Major Concerns:**

- On-street parking should be available for residential and local business needs. Downtown employees appear to dominate on-street parking which reaches effective capacity throughout the workday.

**Recommendations:**

- The Center for American Indian Resources should consider contract parking for unused parking spaces.
- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



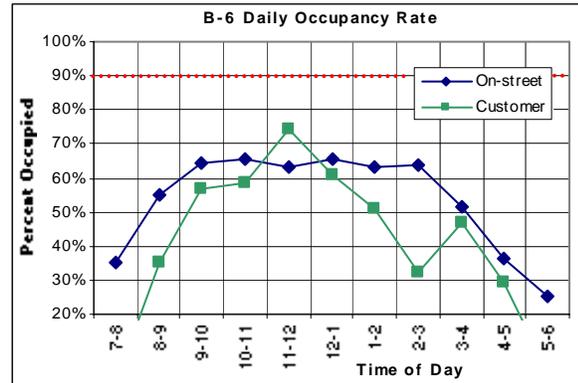
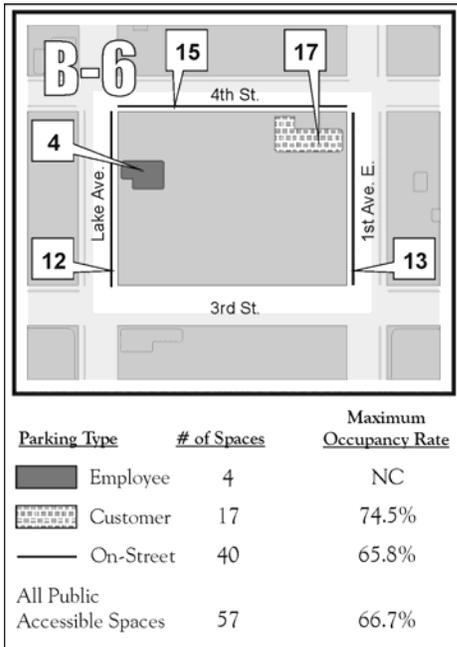
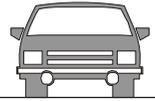
**B-5:** Parking on this block is characterized by its high number of free spaces both on street and off. The eight off-street public spaces have a time limit of three hours and are in place to serve visitors to the Washington Center. This block has 68 on-street parking spaces on all sides and is again most heavily used throughout a typical workday (8a.m. – 5 p.m.). However, on-street spaces are also likely to be serving a significant number of Washington Center residents as well. On-street usage is near effective capacity throughout the day and has the potential to increase with the completion of the Technology Village and the redevelopment of nearby buildings. Employees of the Technology Village who do not want to pay for parking will likely compete for spaces along this block as they are some of the closest free spaces near the development. Since our study began, ten spaces in the contract lot were converted to three-hour public spaces. Our counts do not reflect these new public spaces.

**Major Concerns:**

- On-street parking should be available for residential and local business needs. Downtown employees appear to dominate on-street parking which reaches effective capacity throughout the workday. Competition for on-street parking is likely to increase with the completion of the Technology Village and redevelopment of adjacent buildings.

**Recommendations:**

- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



**B-6:** This block is home to the Central Hillside Community Center and its’ accompanying park. An off street lot on 4<sup>th</sup> Street serves people visiting the park and community center, while a small lot off of Lake Avenue is reserved for public employees. On-street parking is available on all sides of the block except along 3<sup>rd</sup> Street. It should be noted that on-street usage during the day is less than many of the surrounding

blocks. However, both Lake Avenue and 1<sup>st</sup> Avenue East had occupancy rates throughout most of the day of around 80 percent. Whereas, 4<sup>th</sup> Street had occupancy rates substantially lower around 35 percent. This may be due to the block being in between the two major downtown employment centers; the area surrounding the Government Center and the Hospital area. If this is the case, the opening of the Technology Center will probably increase competition for free on-street spaces around this block.

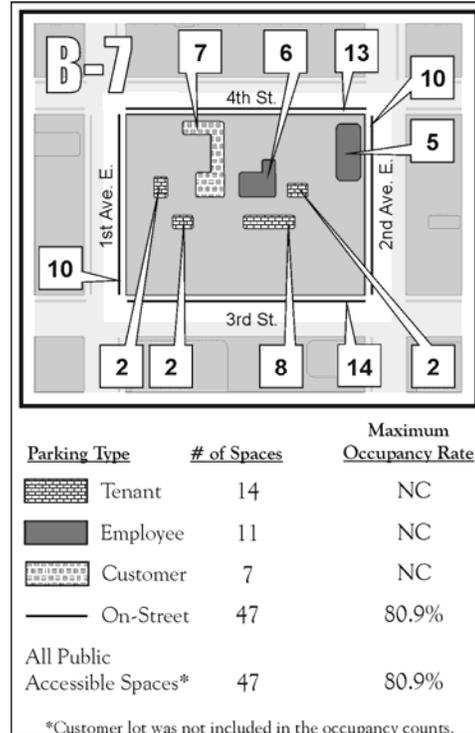
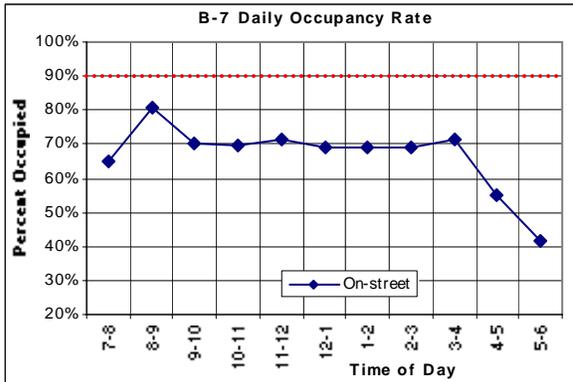
On-Street parking is permitted along 3<sup>rd</sup> Street on both the east and west sides of this block. The rationale for prohibiting on-street parking on this block is unclear; it may have been related to the proximity to Old Central Administration Building. However, the high use of on-street parking along 3<sup>rd</sup> Street and the avenues between 3<sup>rd</sup> St. and 4<sup>th</sup> Street suggest that on-street parking along 3<sup>rd</sup> Street on Block “B-6” should be permitted.

**Major Concerns:**

- Competition for on-street parking is likely to increase with the completion of the Technology Village and redevelopment of adjacent buildings.

**Recommendations:**

- Permit on-street parking along 3<sup>rd</sup> Street on the north side between Lake Avenue and 1<sup>st</sup> Avenue East.
- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.



**B-7:** This block is primarily residential in nature. According to the US Census Bureau, 69 people lived on this block in 1990. There are a few businesses located including Hemlock Garage, ISD 709, and Northern States Waterproofing. The Hemlock Garage lot was not included in our counts as these spaces were used by their customers to store their soon-to-be-fixed cars.

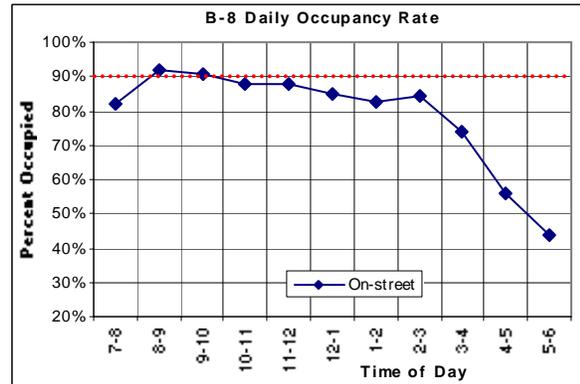
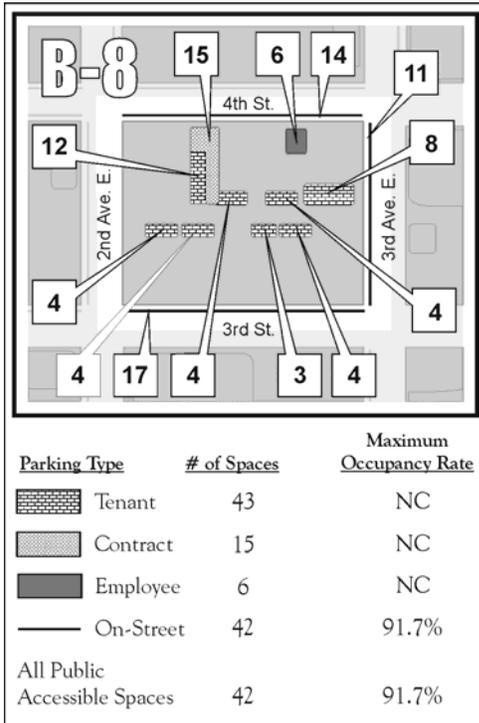
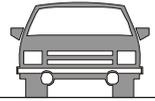
On street parking remains fairly constant throughout the day with no current or foreseeable problems on the horizon with the exception of 3<sup>rd</sup> Street. Fourth Street, 1<sup>st</sup> Avenue East and 2<sup>nd</sup> Avenue East have occupancies well below the effective capacity. Third Street in contrast, has an average occupancy rate of 87 percent between 7:00 a.m. and 5:00 p.m.

**Major Concerns:**

- High occupancy rate along 3<sup>rd</sup> Street.

**Recommendations:**

- Introduction of long-term meters (\$.025/2hour) with resident exemptions along 3<sup>rd</sup> Street only, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.
- Ensure customer access by instituting appropriate time limits for on-street parking in front of businesses.



**B-8:** This block is predominantly residential with a 1990 population of 122 people. This block has 43 off street parking spaces for tenants, which is approximately one space for every three people. Even though there is relatively sufficient tenant parking, on-street parking for residential use appears limited.

Despite the hospital’s construction of a large parking ramp in 1997, just one block east of Block “B-8”, many employees still prefer to use the nearby free on-

street parking. On street parking is free and is within close proximity to the St.Mary’s/Duluth Clinic Health Sytem. Consequently, these spaces are attractive to hospital area employees. The near capacity counts at the seven o’clock hour suggest early hour shifts required of hospital workers. The correlation between the distance to the destination and use is clear when we compare this block to “B-7”. Being just one block closer to the hospital, “B-8” sees nearly 20% more parking use throughout the day than “B-7.”

**Major Concerns:**

- Hospital employees appear to dominate on-street parking which reaches effective capacity during the day.

**Recommendations:**

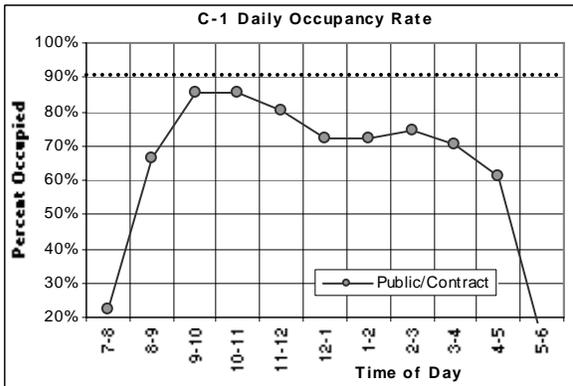
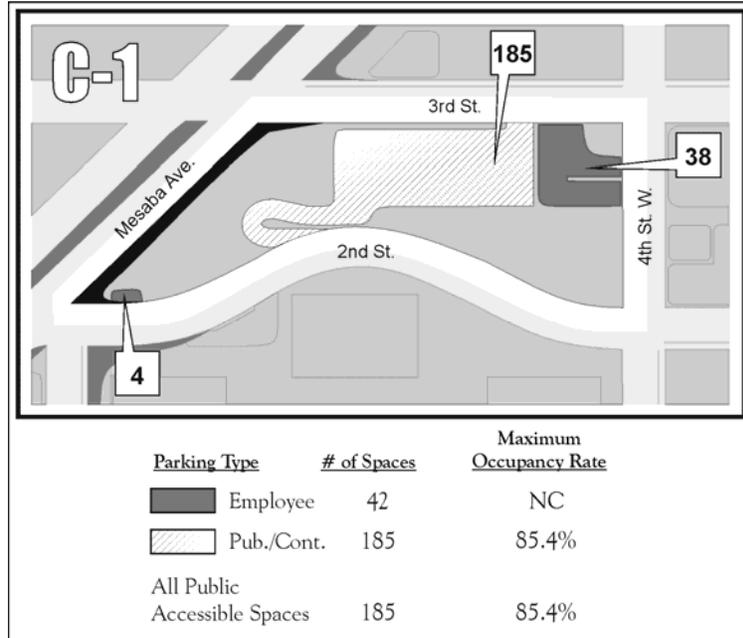
- Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.
- Work with St. Mary’s/Duluth Clinic Health System to promote employee commuting alternatives such as “cash-out” parking, transit benefits, etc.



**Row “C” (Between 2<sup>nd</sup> & 3<sup>rd</sup> Streets from Mesaba Ave. to 3<sup>rd</sup> Ave. E.)**

The “C” row marks the transition from residential buildings (along 3<sup>rd</sup> street) to the commercial part of downtown (along 2<sup>nd</sup> street). This row has a great deal of parking that serves both the immediate area and the greater downtown.

“C-1” is the location of the St. Louis County ramp, which provides 185 public and contract parking spaces. The ramp consists of 185-metered spaces and 55 reserved spaces. The daily parking use pattern is similar to the on-street parking found on 3<sup>rd</sup> street in that the early morning sees very heavy use and spaces become available toward mid to late afternoon. An employee lot provides 38 spaces for St. Louis County workers and another small area serves vehicles for the County Sheriff’s Department.

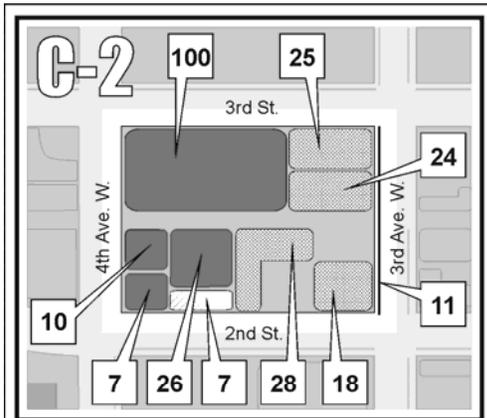
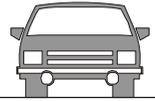


**Major Concerns:**

- Subsidized County Employee Parking

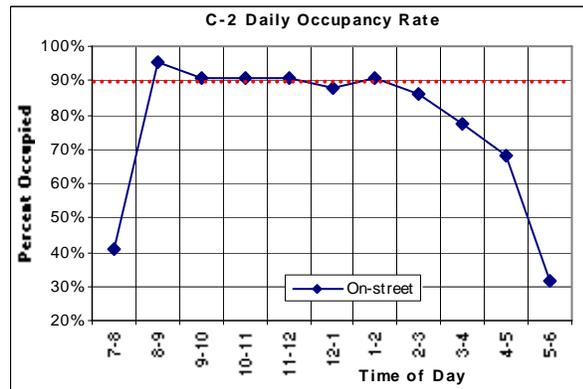
**Recommendations:**

- Promote employee-commuting alternatives such as “cash-out” parking, transit benefits, etc. for St. Louis County employees.



Parking Type	# of Spaces	Maximum Occupancy Rate
Contract	95	NC
Employee	143	NC
Public	7	NC
On-Street	11	95.5%
All Public Accessible Spaces*	11	95.5%

\*Public lot was not included in the occupancy counts.



**C-2:** This is the only block in the study area devoted almost entirely to parking. Only two buildings remain; the vacant Lincoln Hotel and the Fortune Building, which appears to house one business on the first story with the remaining stories being used for storage or vacant. Over one half of the parking available is reserved for St. Louis County employees. The remaining spaces, aside from the seven off-street meters, are contracted out to various downtown employees.

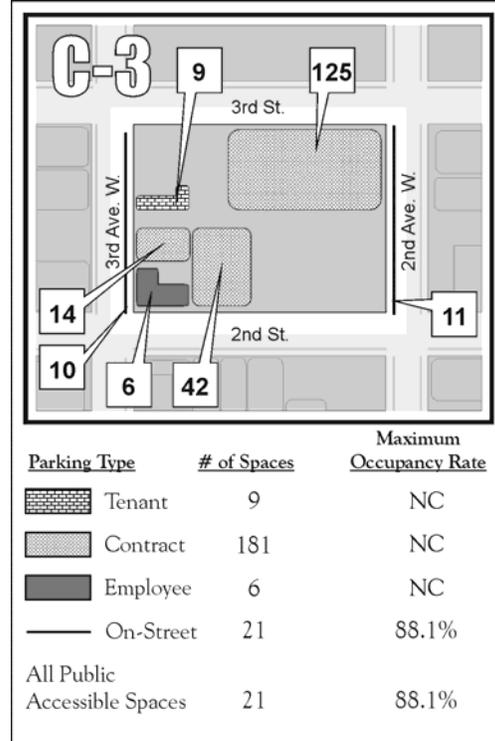
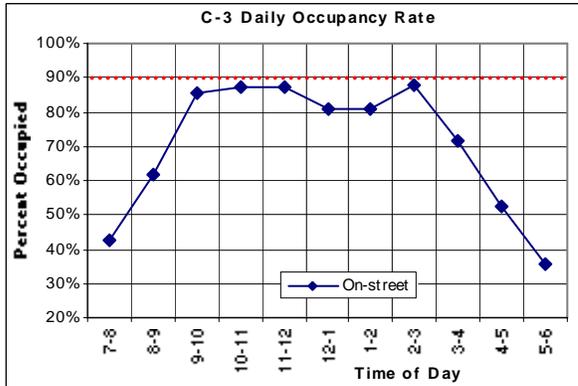
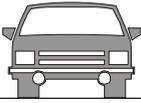
Eleven 12-hour meters along 3<sup>rd</sup> Avenue West cost 25 cents per hour. These on-street spaces are occupied throughout the workday. Despite the fact that free parking is one block away, these spaces fill up rapidly at the beginning of the workday and remain at or above effective capacity until mid to late afternoon, illustrating some people’s willingness to pay for convenient parking. The high use of the 12-hour meters suggests there may be a need for more of this type of parking.

**Major Concerns:**

- 3<sup>rd</sup> Avenue West on-street meters are filled throughout the workday.
- Of the 245 surface parking lot spaces, only seven are available to the public, 58 percent are reserved for St. Louis County Employees, and 39 percent are contract spaces.
- This block has tremendous potential for new development. Surface parking should be viewed as an appropriate temporary use for such property until a more beneficial use comes to fruition.

**Recommendations:**

- Increase parking meter rate **OR** decrease time limit to 2-hours.
- Convert employee spaces to public 12-hour (\$0.25/Hour) meters.
- Promote employee transportation alternatives such as “cash-out” parking, transit benefits, etc. for St. Louis County employees and discourage subsidized parking.



“C-3” is another block where a great deal of land area is used for surface parking lots. Most of the spaces are contracted out to downtown employees with small amounts of tenant and employee spaces also available. Parking spaces for downtown commuters dominate the landscape of both block “C-2” and “C-3.” The government center, the St. Louis County building, US West, and the Mesaba building each house a significant number of workers all of which are within about a one-block walk from each of these blocks. These employment centers combined with a number of surrounding businesses explain the demand for parking in this area.

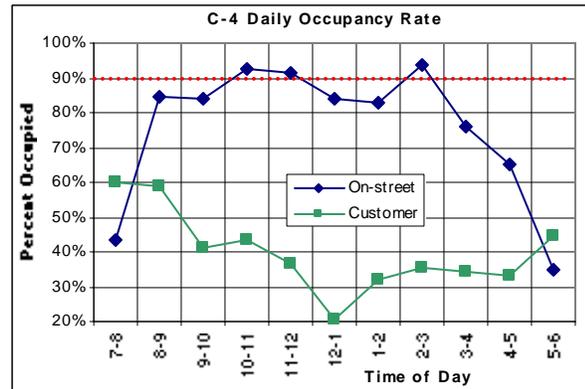
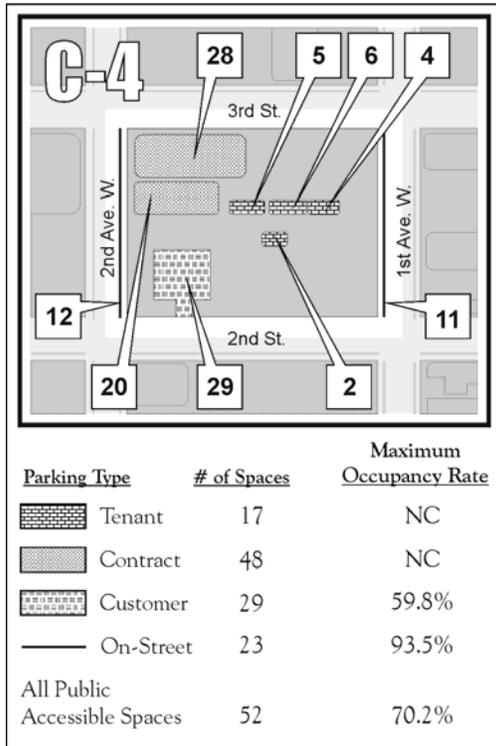
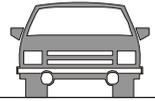
The on-street spaces are limited to twelve-hour meters (\$0.25/Hour) along 2<sup>nd</sup> Avenue West and 3<sup>rd</sup> Avenue West and are well utilized throughout the day. Effective capacity is often exceeded on 3<sup>rd</sup> Avenue West, whereas, 2<sup>nd</sup> Avenue West had an average of two open spaces throughout the day. Surface lots dominate this blocks land use and several dilapidated buildings appear to sit vacant on the upper northwest corner of this block, which suggests an opportunity for new development on this block. The Arrowhead Place building occupies the southeast corner of this block.

**Major Concerns:**

- None

**Recommendations:**

- None



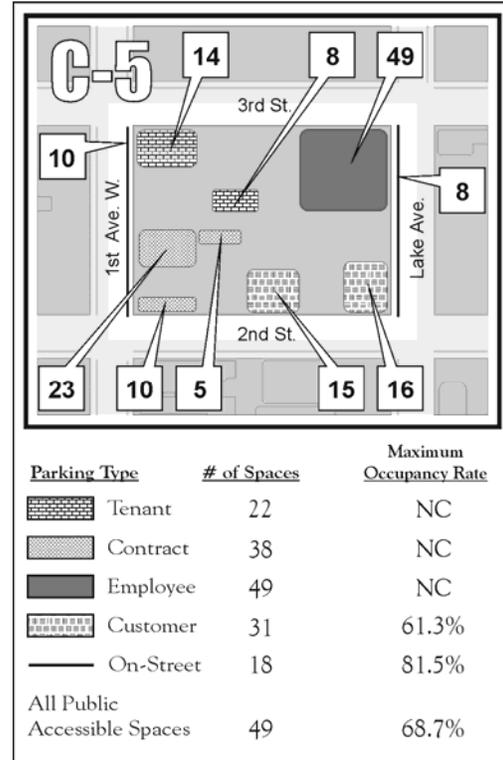
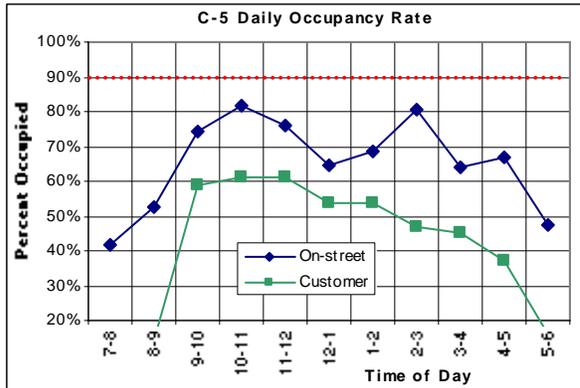
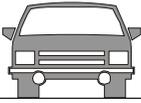
**C-4:** The 2<sup>nd</sup> Street side of this block consists of businesses (Best Western & Carnegie Building) whereas the 3<sup>rd</sup> Street side is residential use. Two contract lots and on-street parking along the avenues are available for downtown commuters, while 29 spaces are available to customers of the Best Western, and 17 tenant spaces exist for the approximately 80 residents (1990). Twelve-hour meters (\$0.25/hour) are in place along 2<sup>nd</sup> Avenue West and 1<sup>st</sup> Avenue West from 2<sup>nd</sup> Street to the alley; the remaining spaces from the alley to 3<sup>rd</sup> Street are free of charge.

**Major Concerns:**

- None

**Recommendations:**

- Install 12-hour parking meters (\$0.25/ 2-Hour) along 1<sup>st</sup> Avenue West between the alley and 3<sup>rd</sup> Street with exemptions for those with residential permits.



**C-5:** This block contains a mix of land uses with an empty commercial building and the newly constructed Duluth Teacher’s Credit Union bordering 2<sup>nd</sup> street, and residences along 3<sup>rd</sup> street. Fifty-four people lived on this block in 1990. Off-street parking occupies a significant portion of this blocks land area. The 49 employee spaces serve Independent School District (ISD) 709’s Central Administration Building on the other side of Lake Avenue. The Duluth Teacher’s Credit Union constructed 31 parking spaces for customers and employees. The avenues are equipped with 12 hr meters (\$0.25/hour), however, 1<sup>st</sup> Avenue West meters are only in place from 2<sup>nd</sup> Street to the alley.

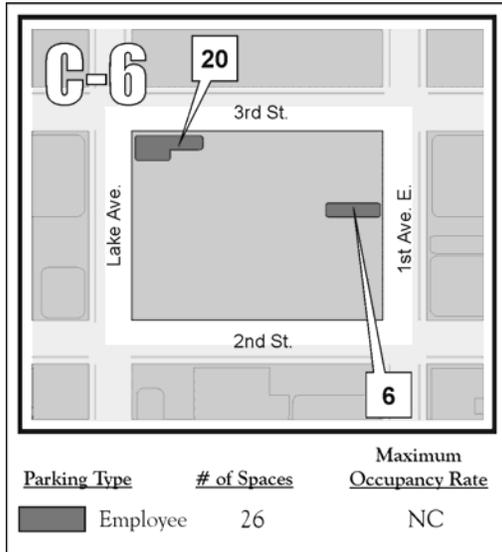
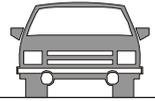
The Credit Union’s parking lots were never full during our survey. The on-street spaces on this block experience less usage than previous blocks. The nearest major employment center is ISD 709’s Central Administration Building, which appears to accommodate most of the parking demand with designated employee off-street parking. The completion of the Technology Village in 2000 will likely lead to higher use of these spaces.

**Major Concerns:**

- Use of on-street parking may increase as the Technology Center and nearby redevelopment are completed.

**Recommendations:**

- Install 12-hour parking meters (\$0.25/2-Hour) along 1<sup>st</sup> Avenue West between the alley and 3<sup>rd</sup> Street with exemptions for those with residential permits.



**C-6:** This block is dominated by the historic Old Central High School block which now serves as ISD 709’s Central Administration Building and Unity High, an alternative high school. Only a minimal number of parking spaces for the disabled, visitors and employees are available. There is no on-street parking allowed around this block.

**Major Concerns:**

- Use of on-street parking may increase as the Technology Center and nearby redevelopment are completed.

**Recommendations:**

- There is enough width on Lake Avenue and 1<sup>st</sup> Avenue East to allow on-street metered parking adjacent to this block.

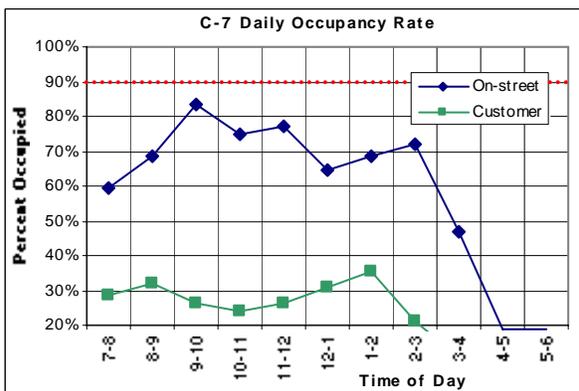
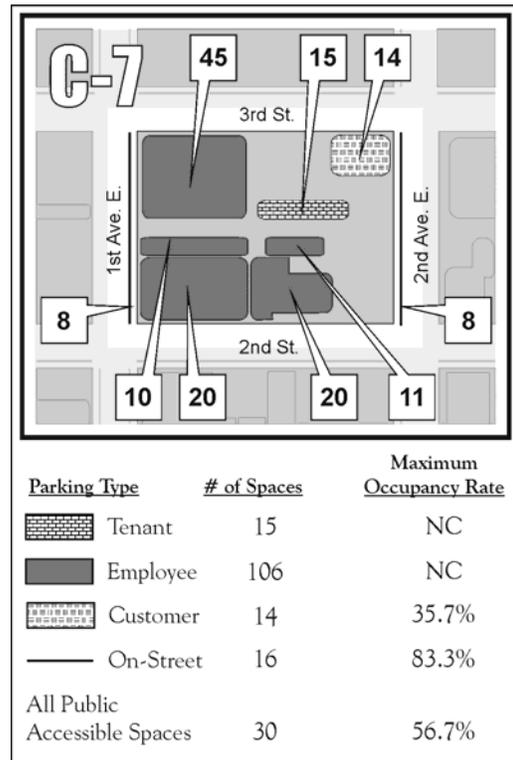
**C-7:** Surface lots are the dominant land use on this block. Employee parking for the Independent School District 709 and Service Printers control much of the off street parking for this block. These lots explain why the on-street spaces are not greatly effected by such a large downtown employment center. Crawford Funerals also owns two lots on opposing corners. On street parking only runs along the avenues with a 12-hour limit on 1<sup>st</sup> Ave. East, but is free along 2<sup>nd</sup> Avenue East. In 1990 57 people called this block home.

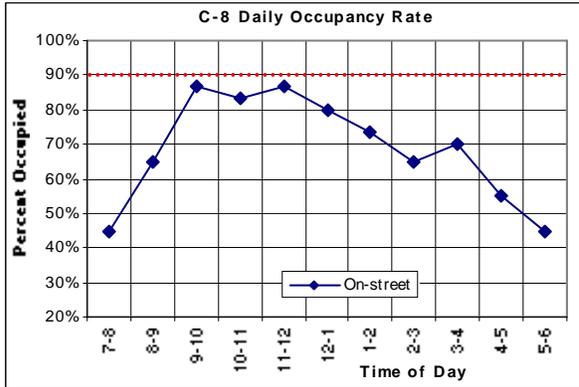
**Major Concerns:**

- On-street parking use may increase due to Technology Center development.

**Recommendations:**

- Encourage ISD 709 to implement employee parking demand strategies.





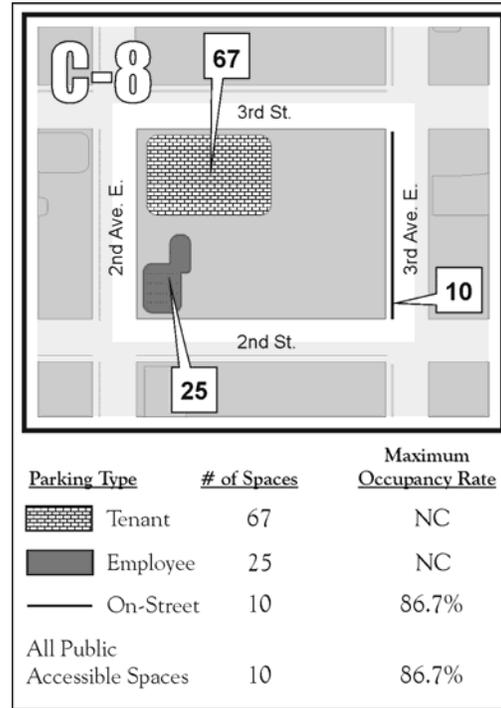
**C-8:** Off street parking on this block is limited to employee parking for Gold cross ambulances and tenant parking for the Tri-Towers apartments. The only on street parking available is along 3<sup>rd</sup> Avenue East and carries a two-hour time limit on half its length.

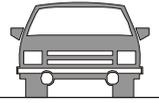
**Major Concerns:**

- None

**Recommendations:**

- None



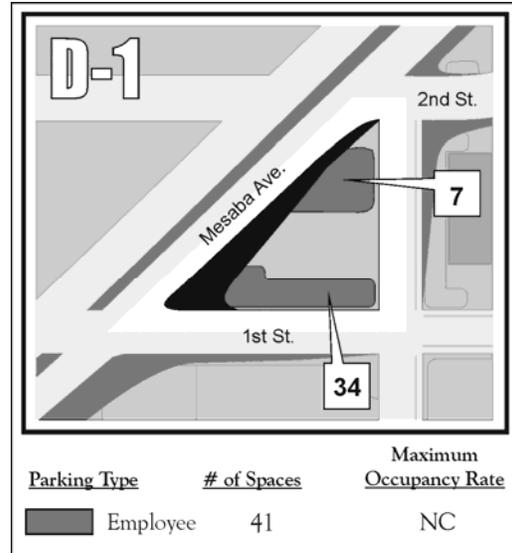




**“D” Row (Between 1<sup>st</sup> & 2<sup>nd</sup> Streets from Mesaba Ave. W. to 3<sup>rd</sup> Ave. E.)**

Second Street is the defining boundary between the downtown residential and downtown businesses. 2nd Street and 1st Street, both one-way streets, border Row “D”. A few residential buildings still exist along 2<sup>nd</sup> street, but businesses are the predominant land use. Parking spaces in this area are in high demand given the amount of employment generated in Row’s “D”, “E”, and “F”.

**D-1:** The Duluth Fire Department’s Station #1 is located on this block. All parking in this area is reserved for fire station employees and related department activities. No on-street parking exists directly adjacent to this block. Twelve-hour meters (\$0.25/hour) exist on the eastside of 6<sup>th</sup> Avenue West. Only about 1,110 vehicles use this road on an average day. The road width is 46 feet, which is adequate to accommodate two 13 foot through lanes and two 10 foot parking lanes.



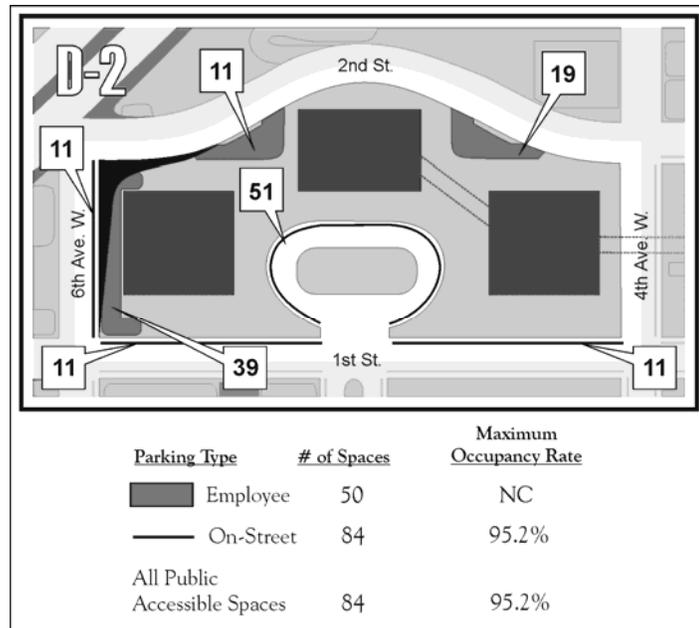
**Major Concerns:**

- Demand for Government Center Parking.

**Recommendations:**

- The city should consider installing 12-hour meters (\$0.25/hour) on the west side of 6<sup>th</sup> Avenue West pending comment from the Fire Department. Only about five spaces would be created due to the large driveway areas.

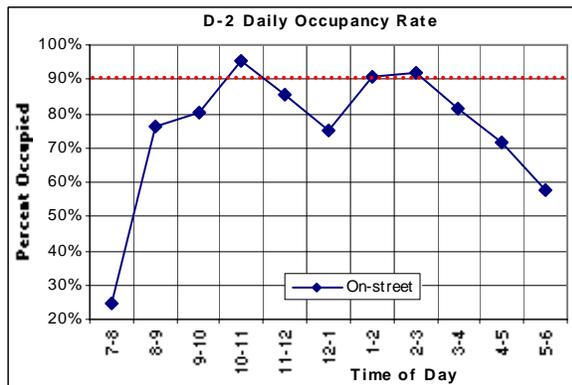
**D-2:** The Government Center incorporates two employee-only lots, one “tax-exempt”/permit lot (19 spaces) and plenty on-street parking. On street parking, in and around this block are metered with varying time limits and prices. As described in the Block “D-1” discussion, 6<sup>th</sup> Avenue West provides long-term parking with 12-hour meters (\$0.25/Hour). These meters exceeded effective capacity six hours out of an average day. Eleven Two-hour meters are in place along 1<sup>st</sup> Street between 5<sup>th</sup> Avenue West and 6<sup>th</sup> Avenue West at a cost of \$0.25/half-hour. The





two-hour meters were near capacity throughout the day.

The Second Street meters between 4<sup>th</sup> Avenue West and 5<sup>th</sup> Avenue West are limited to a one-hour time limit at a rate of 25 cents per half-hour. These spaces were also well used during the day often exceeding effective capacity. These spaces were all occupied during 6 hours of the eleven surveyed. High occupancy along 2<sup>nd</sup> Street and the block south of City Hall prompted Staff to conduct a Turnover survey to determine how often these spaces were opening up for use by other occupants. A staff member returned to each parking space exactly every half-hour and recorded the license plate number of the vehicle individual parking spaces between 8:00 a.m. and 5:00 p.m. on a particular weekday. The turnover rate is determined by the occupancy of parking spaces and the length of time the spaces are used.



This survey revealed that 56 vehicles parked in these spaces at a rate of 4.8 vehicles per space for an eight-hour day. Of the 56 vehicles that parked in these spaces, almost 70 percent left before the hour time limit expired. Another 12 percent vacated their spaces within a period of one to one and one-half hours. However, seven individuals occupied spaces between two and three and one half-hours and five people occupied the one-hour spaces for four or more hours.

Parking along 5<sup>th</sup> Avenue West “circle” contains a mix of one-hour, 30-minute, and 15-minute meters. These meters are strategically placed to accommodate the needs of those accessing the government buildings. Five 15-minute meters are directly adjacent to the Federal Building, which includes the downtown branch of the Post Office. Eight 30-minute spaces are located directly in front of the St. Louis County Courthouse, which houses many of the licensing types of activities required by citizens. The remaining spaces have one-hour time limits. Most of this area is designed for diagonal parking, which provides easy access. Only 12 of the spaces require parallel parking.

Parking within the Government Center Circle (5<sup>th</sup> Avenue West) reached its peak occupancy during the 10:00 hour at 92 percent. The 1:00 and 2:00 hours had occupancies of 88 percent and 86 percent, respectively. During the rest of the business day parking was well utilized although, there were more than adequate spaces available.

**Major Concerns:**

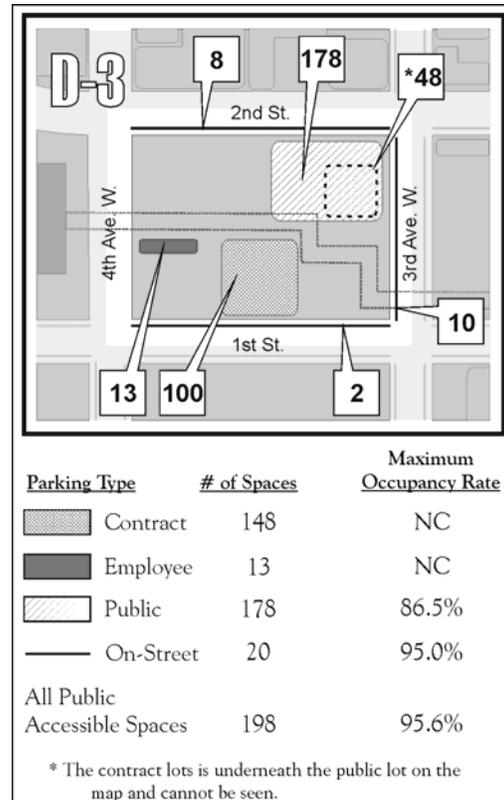
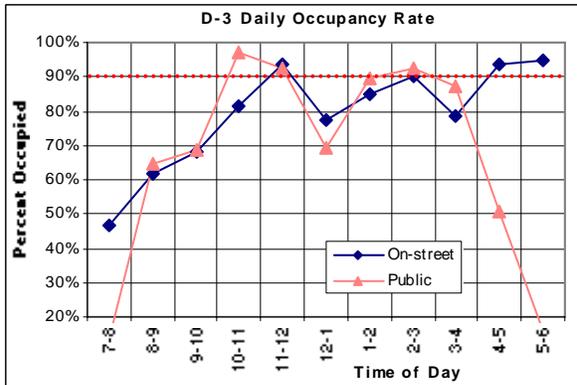
- High occupancy and low turnover on metered parking along 2<sup>nd</sup> street.
- May be a need for more two-hour parking.

**Recommendations:**

- Education and enforcement of time limits to discourage meter plugging. Better signage is needed to direct users to parking that meets their needs (i.e., spaces with adequate time limits).



- It may be necessary to reserve some parking for vehicles being used for government activities. All remaining employee spaces should be metered for general public use.
- Government employers should consider implementing employee parking demand strategies, which promote commuting options.



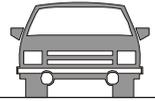
**D-3:** This block offers many options for contract and public parking spaces alike. The Pioneer Garage on 1<sup>st</sup> street is a unique indoor contract lot that is accessed from 1<sup>st</sup> Street. Thirteen employee spaces are locate in the alley just of 4<sup>th</sup> Avenue West. On-street spaces along 4<sup>th</sup> Avenue West are unique in that these eight spaces are reserved for police.

The Government Services Center Ramp provides 178 public spaces that serve the many nearby destinations. The ramp exceeded effective capacity several times during the day as noted by the graph. Forty-eight additional reserve/contract spaces are located on the bottom level of the Government Services Ramp, which can only be accessed through the alley.

The Government Center Ramp institutes a unique rate policy. The first half-hour costs the user 40 cents and the next half-hour costs an additional 35 cents (on-street spaces cost 25 cents per hour). The next three hours cost 35 cents per hour. The fifth hour through the ninth hour cost one dollar; the maximum daily charge is thus \$6.80. Presumably, this pricing system attempts to discourage commuters while encouraging mid-term (2-4 hour) users.

**Government Services Ramp Pricing**

Hours	Price	Cumulative
0.5	\$0.40	\$0.40
1	\$0.35	\$0.75
2	\$0.35	\$1.10
3	\$0.35	\$1.45
4	\$0.35	\$1.80
5	\$1.00	\$2.80
6	\$1.00	\$3.80
7	\$1.00	\$4.80
8	\$1.00	\$5.80
9	\$1.00	\$6.80
<b>Max</b>		<b>\$6.80</b>



On street parking along 2<sup>nd</sup> Street is metered for two-hours (\$0.25/hour). Third Avenue West and 1<sup>st</sup> Street meters are limited to one-hour use (\$0.25/half-hour). Only two metered spaces are in place along 1<sup>st</sup> street although there is a drop off zone along this road as well. Second street parking is heavily used throughout the day and provides convenient access to the Government Services building. Third Avenue West in comparison usually has spaces available. However, because 3<sup>rd</sup> Avenue West and 1<sup>st</sup> Street are one-way streets, utilizing these on-street spaces are more difficult to access.

**Major Concerns:**

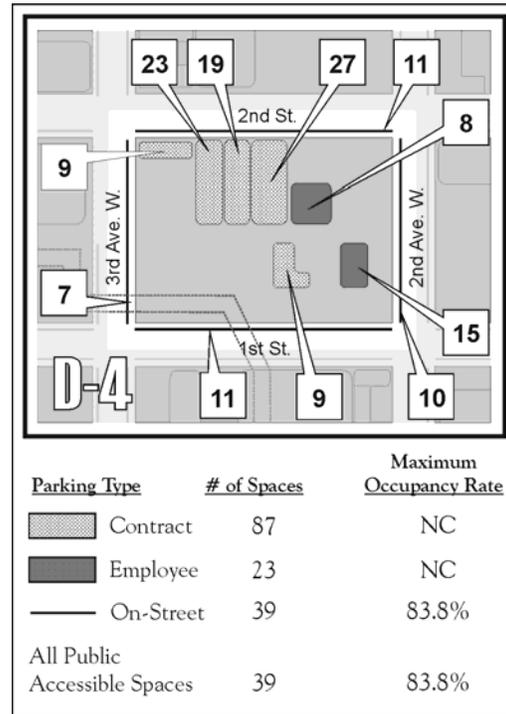
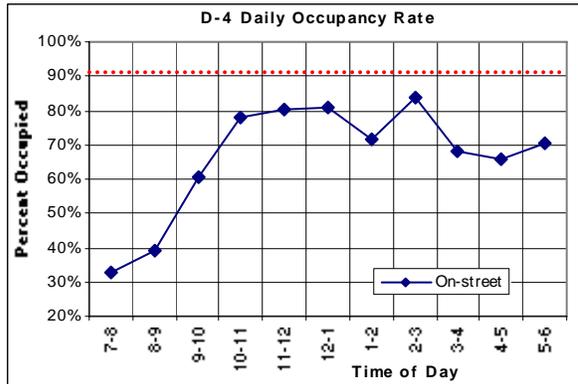
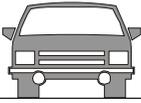
- High occupancy of 2<sup>nd</sup> Street meters.
- Government Services Ramp Pricing discourages short-term parking (1-2 hour) and encourages plugging on-street meters.

**Recommendations:**

- Increase two-hour meter cost to 25 cents per half-hour (i.e., \$0.50/hour).
- Increase the amount of two-hour metered parking spaces across 2<sup>nd</sup> Street on Block “C-2.”
- Improve signage directing long-term public parking to Government Services Ramp.
- Convert reserved/contract parking on bottom level of Government Services Ramp to 2-hour meters (\$0.25/half-hour)
- Government Services Ramp should consider a pricing policy similar to the one listed below.

**Proposed Government Services Ramp Pricing Option**

Hours	Price	Cumulative
0.5	\$0.00	\$0.00
1	\$0.50	\$0.50
2	\$0.50	\$1.00
3	\$0.75	\$1.75
4	\$0.75	\$2.50
5	\$1.00	\$3.50
6	\$1.00	\$4.50
7	\$1.00	\$5.50
8	\$1.00	\$6.50
9	\$1.00	\$7.50
<b>Max</b>		<b>\$7.50</b>



**D-4:** This block has 87 contract spaces and 23 employee spaces available to downtown workers. 39 short-term on-street parking spaces provide customer parking to nearby businesses. On-street parking along 2<sup>nd</sup> Street is metered for two-hour at a cost of 25 cents per hour. These spaces were filled during the 11:00 and 12:00 hours. The 2<sup>nd</sup> Avenue West parking meters from the alley to 2<sup>nd</sup> Street are posted with two-hour time limits at 25 cents per half-hour. The on-street parking meters along the remaining streets bordering this block are designated for one-hour parking at a cost of 25 cents per half-hour. Second Avenue West meters were used throughout the day while almost always having at least two spaces open. Likewise 1<sup>st</sup> street and 3<sup>rd</sup> Avenue West meters were well utilized while still having one or two available spaces during the day.

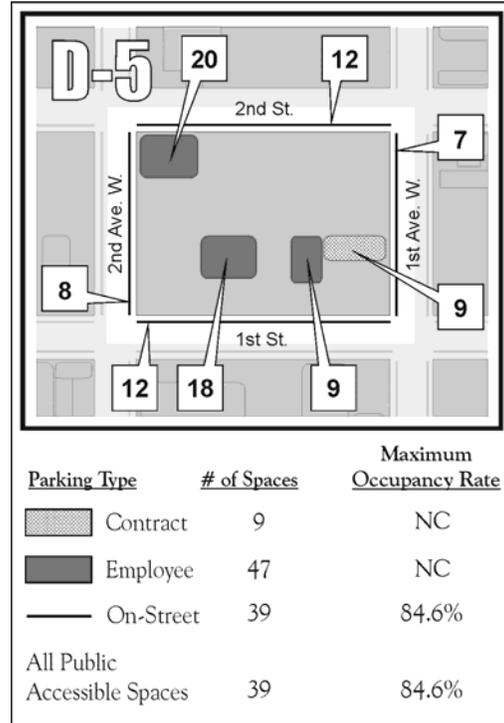
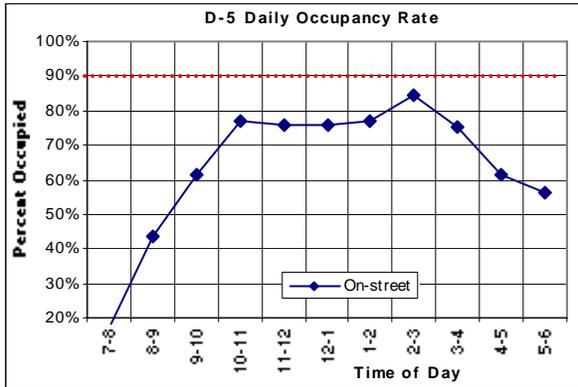
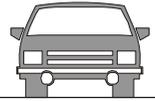
Three contract lots located side-by-side adjacent to 2<sup>nd</sup> Street present an interesting situation whereby different owners, working together, could create more parking through better space management. By combining the three lots and redesigning the parking configuration, the total number of spaces could be increased, which would maximize the revenue potential for the property owners. Once again, the large land area has the potential for higher use development opportunities.

**Major Concerns:**

- None.

**Recommendations:**

- Owners of the Mesaba Building lot and the Salter/Bowman Management group should consider the benefits of combining these parking areas to maximize parking capacity.



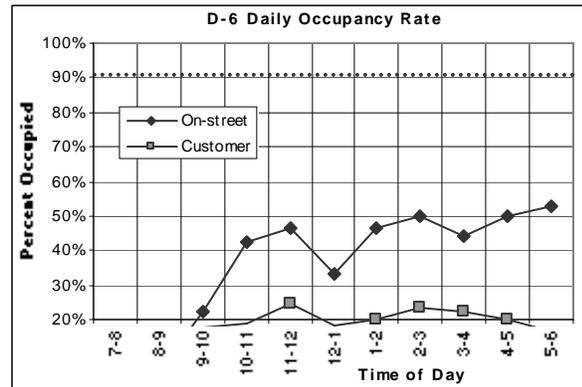
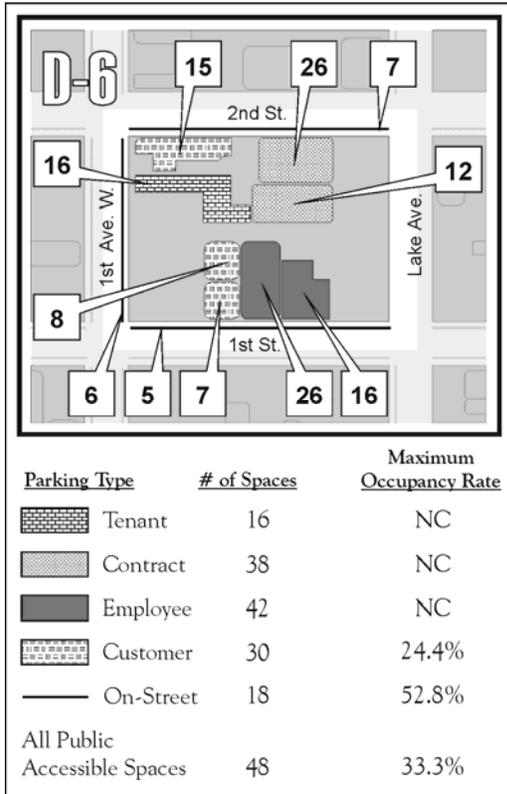
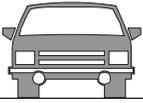
**D-5:** Advanstar Communications have 38 off-street employee-parking spaces on this block; 18 and 20 spaces are divided between the two lots. The European Bakery’s parking (nine spaces) and a small contract lot (nine spaces) account for all of the off-street parking available. Ten two-hour meters (\$0.25/hour) are located along 2<sup>nd</sup> Street. These meters were at or near effective capacity six hours of the days surveyed. The remaining on-street parking meters have one-hour time limits at a cost of 25 cents per half-hour. These spaces were used throughout the day but still had several spaces available.

**Major Concerns:**

- None.

**Recommendations:**

- May want to consider increasing two-hour parking meter rates (\$0.25/40 minutes).
- Advanstar Communications should consider converting employee spaces to contract spaces, providing employees with the choice between the parking space or its cash value equivalent.



**D-6:** This block has a total of 146 parking spaces designated for a variety of uses. The Masonic Temple contracts out a number of spots. Advanstar Communications also has more employee-parking on this block. Fifteen customer spots are also available to serve Arthur’s Men’s Formal Wear shop and the Magic Carpet Mart. The old Duluth Teacher’s Credit Union has 15 spaces. On street parking here is two-hours in length (\$0.25/hour) along 2<sup>nd</sup> Street and one-hour in length (\$0.25/30-minutes) elsewhere. These spaces are underutilized throughout most of the day. However, This area is

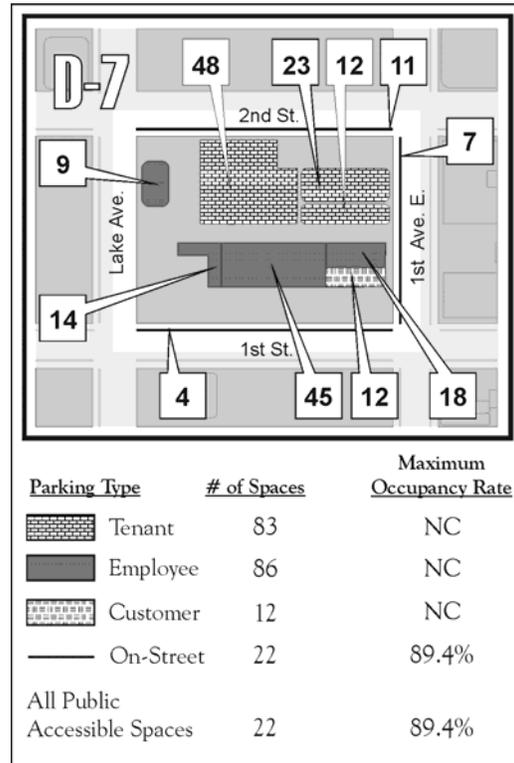
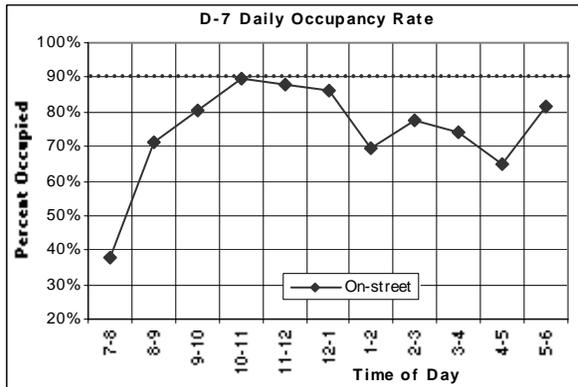
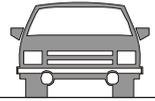
likely to see increased usage with the opening of the Technology Village and nearby redevelopment.

**Major Concerns:**

- The completion of nearby development may substantially increase the demand for short-term parking.

**Recommendations:**

- Advanstar Communications should consider converting employee spaces to contract spaces, providing employees with the choice between the parking space or the cash value equivalent.
- Current Advanstar Communications’ employee parking lot would be a convenient short-term public parking facility (two -hour meters at 25 cents per 30 minutes) if the increase in activity warrants additional short-term parking.



**D-7:** Much of the land area of this block is consumed by off street parking lots. Many of the spaces are reserved for tenants that live along 2<sup>nd</sup> street while the rest belong to various businesses. A total of 181 surface lot parking spaces occupy this block.

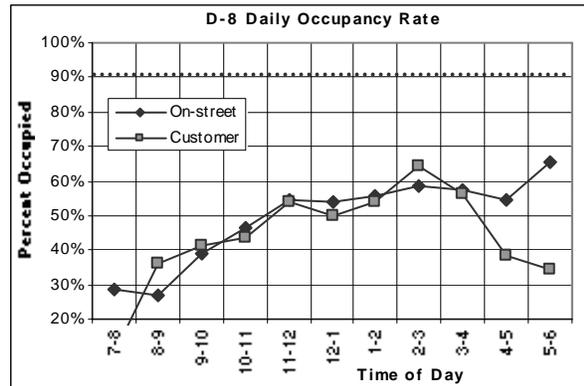
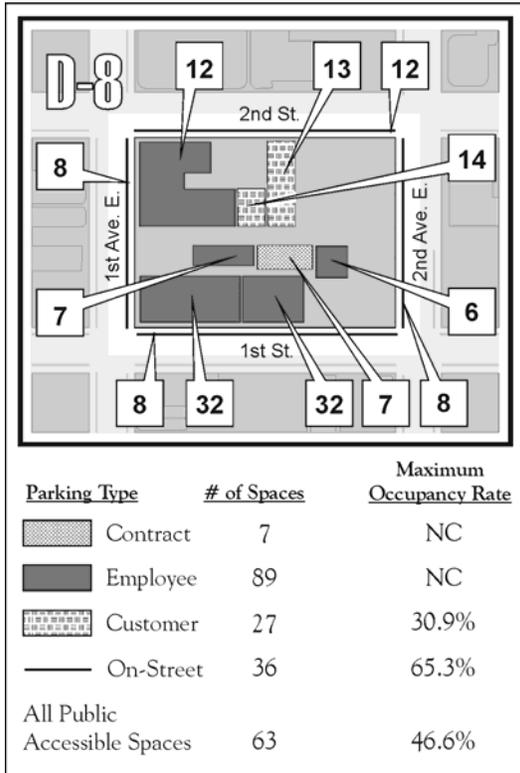
The on-street parking functions like the rest of the “D” row, a two-hour time limit along 2<sup>nd</sup> Street at 25 cents per hour and one-hour in length elsewhere at 25 cents per half-hour. Spaces along 2<sup>nd</sup> Street were full for a couple of hours in the late morning. The 1<sup>st</sup> Avenue East meters had at least two open spaces throughout the day. The meters along 1<sup>st</sup> Street were generally full most of the day. .

**Major Concerns:**

- There may be an increase demand for short-term parking (one and two hour) upon completion of the Technology Center.

**Recommendations:**

- Residential property owners as well as business owners should consider converting tenant and employee parking to contract parking and providing tenants or employees with the choice between the parking space or cheaper rent or its cash value equivalent.



**D-8:** It is not surprising that employee parking generally takes up most off street parking in the downtown area. Eighty-nine employee spaces take up a considerable amount of land area on this block, many of these spaces belong to Advanstar Communications. Providing adequate parking opportunities are important, however, surface parking lots located on valuable downtown property is not necessarily the most advantageous use.

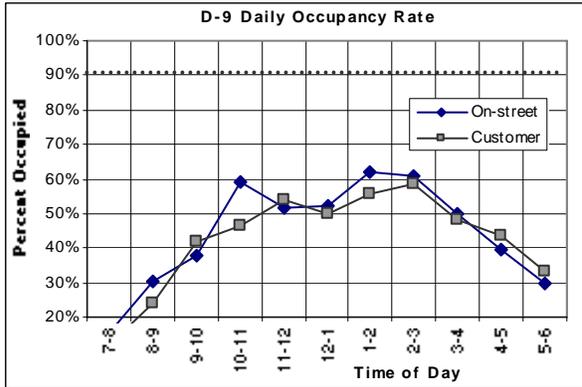
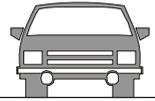
On street parking spaces around this block appears to be adequate and perhaps even underutilized. Second Street meters generally did not exceed 50 percent occupancy. Second Avenue East functions ideally with at least one or two spaces available throughout the day. First Avenue East never had more than four parked vehicles during the three survey days, however, this may change with the completion of the Technology Center.

**Major Concerns:**

- None

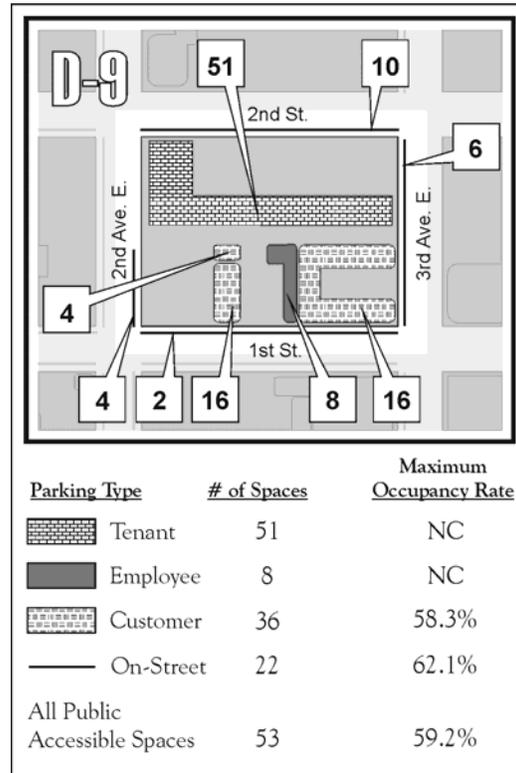
**Recommendations:**

- Advanstar Communications should consider converting employee spaces to contract spaces, providing employees with the choice between the parking space or its cash value equivalent.



**D-9:** A senior residential building abutting 2nd street takes up nearly a large section of this block. The 51 parking spaces serve residents and employees of this facility. Customer parking for various businesses along 1<sup>st</sup> street occupies most of the remaining off street parking area.

A two-hour time limit is imposed on the parking along 2<sup>nd</sup> Street and the upper half of the parking along 3<sup>rd</sup> Avenue East. Two-hour meters govern the lower half of 3<sup>rd</sup> Avenue East. The remaining on street spaces are one-hour meters at a cost of 25 cents per half-hour.



Spaces along 2<sup>nd</sup> Street and 3<sup>rd</sup> Avenue East were well used throughout the day while still having open spaces available. Only two meters are located along this side of 1<sup>st</sup> Street which were occupied much of the day. In contrast, the four spaces along 2<sup>nd</sup> Avenue East were seldom used.

**Major Concerns:**

- None

**Recommendations:**

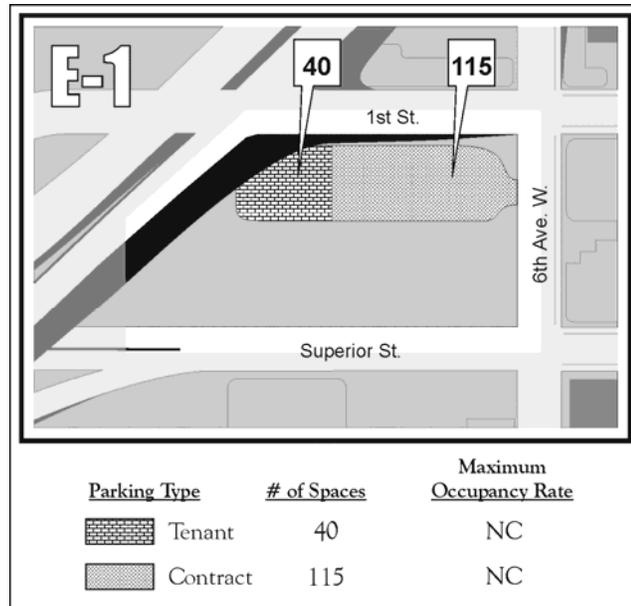
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**“E” Row (Between Superior & 1<sup>st</sup> Streets from Mesaba Ave. W. to 4<sup>th</sup> Ave. E.)**

Row “E” lies north of Superior Street and is predominantly commercial property. This is the heart of downtown likely containing the most valuable property and thus, the highest intensity uses. Therefore, using this area for surface lots are not a cost-effective use of these properties. However, parking is creatively incorporated into available spaces and the construction of parking ramps becomes more economically feasible.

**E-1:** There is no on-street parking allowed around this block, the only parking available is in one large lot shared by the Incline Station and the Lenox Place residence building. Although there is no physical barrier separating the two lots, permits designate who can park in the defined areas. This is an excellent example of two separate businesses working together to optimize the parking availability of each.

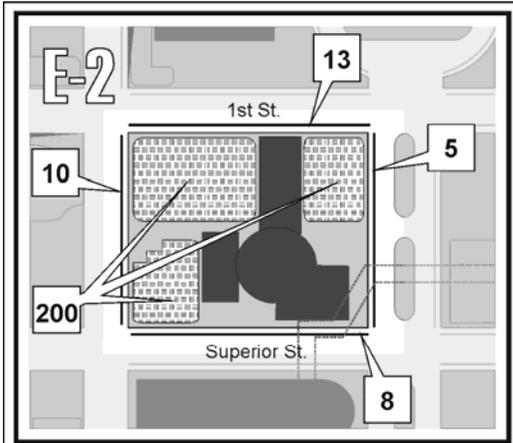
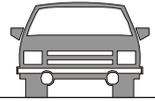


**Major Concerns:**

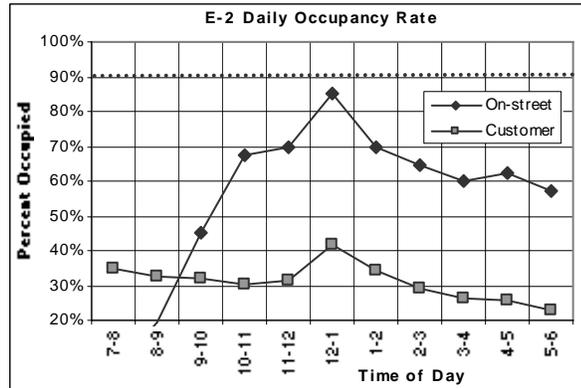
- None

**Recommendations:**

- None



Parking Type	# of Spaces	Maximum Occupancy Rate
Customer	200	41.5%
On-Street	36	85.2%
All Public Accessible Spaces	236	48.2%



**E-2:** This block is comprised solely of the Radisson Hotel and its’ parking facilities. Two hundred spaces supply parking for guests and is generally adequate for the needs of the hotel. The May occupancy counts are somewhat distorted since maintenance on the parking deck limited the parking capacity. However, the August count revealed that parking occupancy did not exceed 60 percent during the day.

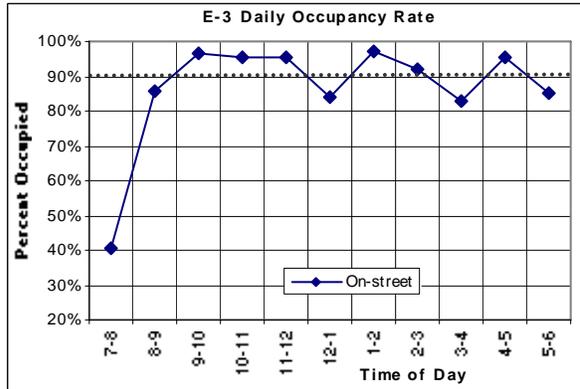
On street spaces were generally available throughout the day. The 13 one-hour meters (\$0.25/half-hour) along First Street were well used while still having a minimum of one or two spaces available throughout the day. The five two-hour meters (\$0.25/half-hour) along 5<sup>th</sup> Avenue West were generally full during the day. The maintenance work on the Radisson parking deck may have forced those who would have parked at the Radisson to park on the street. Superior Street has eight parking one-hour meters (\$0.25/half-hour) along this block, which were well below effective capacity except during the 12:00 and 1:00 hours.

**Major Concerns:**

- None

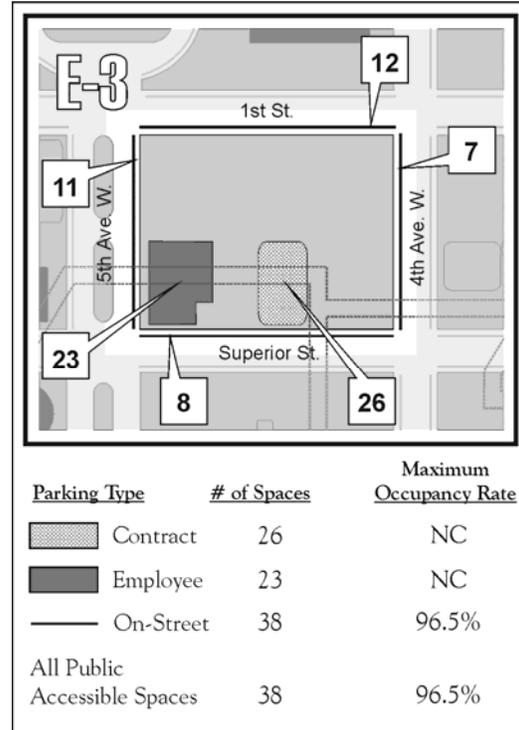
**Recommendations:**

- None



**E-3:** Off street parking here is limited to an alley level contract lot and reserved spaces for the employees of KDLH. A total of 37 on-street spaces surround this block. Two-hour parking meters (\$0.25/30 minutes) are located along 5<sup>th</sup> Avenue West. The remaining on-street parking is metered for one-hour parking at 25 cents per half-hour.

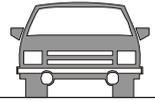
The above graph reveals that this block had exceptionally high occupancy rates during the May surveys. This block is located just south of the Government Center, directly across from Duluth City Hall. Block “E-3” is home to a variety of business activities, such as a telemarketing firm and a restaurant in the Duluth Athletic Club Building, the Duluth News Tribune Building, and the CBS affiliate station KDLH. In addition, First Street provides some of the most convenient parking to City Hall. Because of the high use of these lots and staff observations of people “plugging” meters in this area, it was determined that a turnover survey should be conducted on this block and surrounding public parking spaces.



*“Plugging” or “feeding” meters refers to people who disregard parking time limits by returning to a parking space to pay for additional time on the meter. This practice essentially negates posted parking time limits preventing use of short-term parking by other users. Time limit violations should be enforced as well as meter payment violations.*

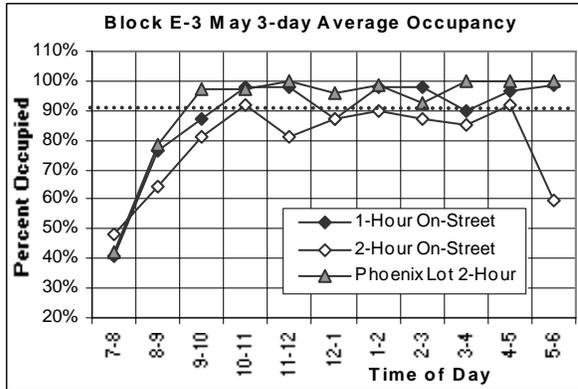
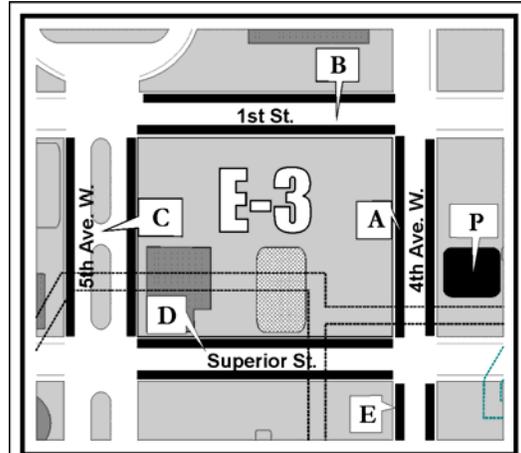
On-street parking exists on both sides of each street around the block “E-3.” The on-street parking with one-hour time limits include area’s TO-1, TO-2, TO-4, and TO-5 shown on the Block E-3 Turnover Survey map on the following page. The area labeled TO-3 allows two-hour parking. All on-street parking is metered with a cost of \$0.25 per half-hour.

The May occupancy surveys found that the one-hour on-street parking areas had a three-day average occupancy rate near or above the effective supply for most of the day. The two-hour on-street spaces (TO-3) located along 5<sup>th</sup> Ave. W. had lower occupancy rates ranging between 80

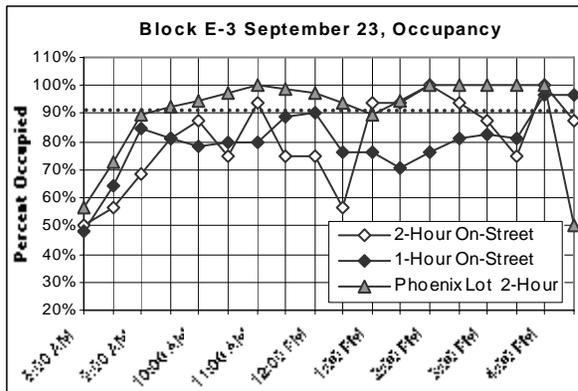


and 90 percent throughout the day. The occupancy surveys were also conducted Tuesday through Thursday, August 10-12, although not all areas were surveyed hourly or for all three days. The August occupancy rates were very similar to the May rates.

**Block “E-3” Turnover Survey Area**



Parking Type	# of Spaces	Maximum Occupancy Rate
Contract	26	NC
Employee	23	NC
On-Street	78	100%
Phoenix Lot	39	100%
All Public Accessible Spaces	117	100%

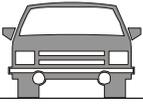


On Thursday, September 23, 1999 a turnover survey was conducted for the areas identified on above map. Turnover surveys were conducted every half-hour for on-street parking and every hour for the Phoenix Lot’s two-hour limit spaces.

The graphs above illustrate the occupancy rates calculated for the May occupancy survey and the September turnover survey. While the Phoenix Lot occupancy is similar to the survey in May, the one-hour on-street occupancy is significantly lower. However, the May results are likely to be more reliable given that an average of several days’ worth of data was gathered.

The graphs above illustrate the occupancy rates calculated for the May occupancy survey and the September turnover survey.

A total of 475 vehicles used the 103 on and off-street parking spaces surrounding this block on the day of the survey. An average of 4.6 vehicles per parking space was used over the eight-hour day. The on-street parking spaces with one-hour time limits had a turnover rate of 4.5 vehicles. The 2-hour spaces had a turnover rate of 2.9 vehicles per space. The Phoenix Lot’s 39 off-street public spaces with a two-hour limit served an average of 3.2 vehicles per space over an eight-hour day. As expected, the two-hour limit parking spaces had lower turnover rates than the one-hour spaces.

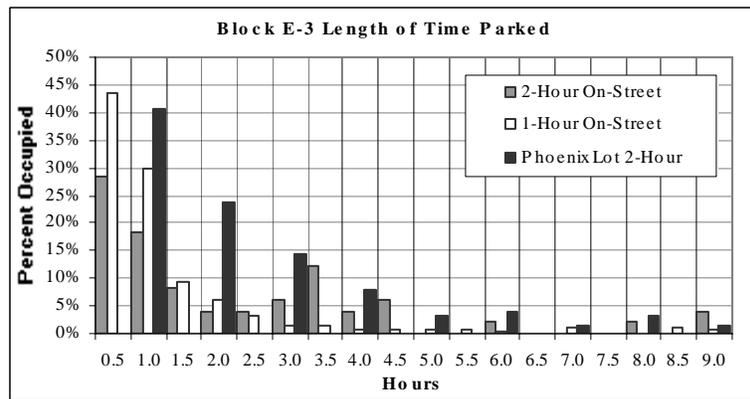


The chart below shows the lengths of time cars were parked in one-hour on-street, two-hour on-street and two-hour off-street parking. Because counts were taken hourly for the Phoenix Lot, estimates were calculated for half-hour data for presentation purposes. The chart shows the percentage of vehicles staying no later than a specified number of hours. According to the turnover survey data, slightly less than 45 percent of vehicles parked in one-hour on-street spaces used those spaces for less than 30 minutes and 73 percent stayed for less than the posted hour time limit. Only 59 percent of those using the two-hour on-street spaces (i.e., 5<sup>th</sup> Ave. W.) stayed less than the posted time limit. Eighteen percent (9 vehicles) of the two-hour on-street spaces were occupied over 2.5-hours and less than 3.5 hours, suggesting there may be part-time employees using those spaces. About 40 percent of the Phoenix Lot users left before the end of the hour. A total of 64 percent stayed less than two-hours, the posted time limit.

**Block E-3 Parking Turnover Table**

Turnover Zone	Parking Spaces	Turnover Rate / day	Total Vehicles
A	19	4.5	91
B	21	4.8	106
C (2-Hour On-Street)	16	2.9	49
D	16	5.6	95
E	8	6.4	54
P (Phoenix Lot)	39	3.3	127
<b>All 1-Hour On-Street</b>	<b>64</b>	<b>4.5</b>	<b>299</b>
<b>Total</b>	<b>103</b>	<b>4.6</b>	<b>473</b>

Source: September 23, 1999 Turnover Survey

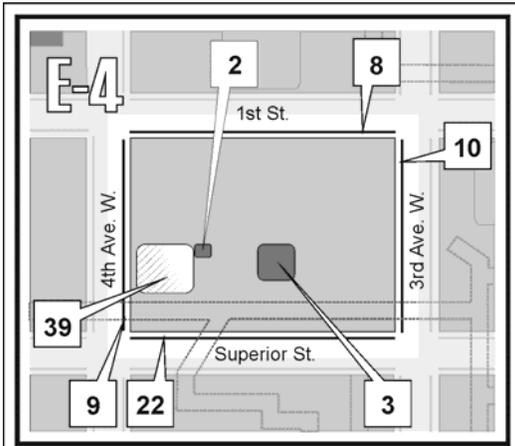
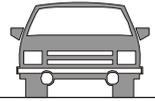


**Major Concerns:**

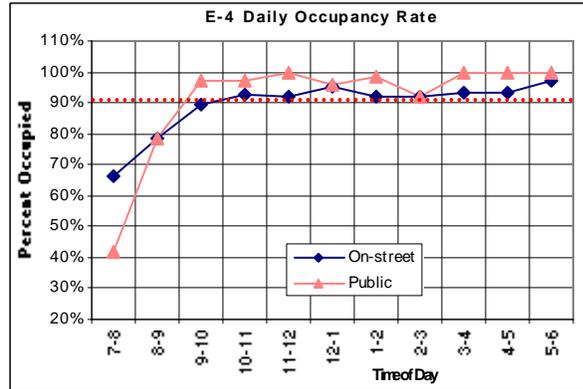
- Utilization of existing parking in this area is high and turnover rates are somewhat low, suggesting a need to take some action to either increase supply or decrease demand for parking in this area.

**Recommendations:**

- Increase enforcement of time limits on one and two-hour metered parking.
- Consider converting the Phoenix Lot from two-hour parking to one-hour parking.
- Increase parking rates for metered spaces (e.g., \$0.25/20-minutes) and/or decrease short-term parking rates in nearby ramps (e.g., first-hour of parking ramp use free).



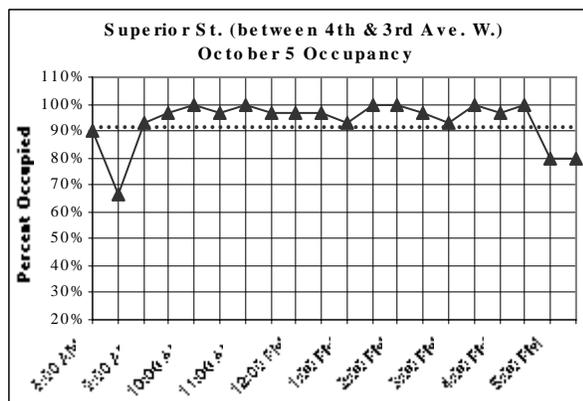
Parking Type	# of Spaces	Maximum Occupancy Rate
Employee	5	NC
Public	39	100.0%
On-Street	49	96.9%
All Public Accessible Spaces	88	98.3%



**E-4:** This block’s public parking gets a tremendous amount of use throughout the day. Numerous retail establishments, the YMCA, and the Holiday Center located one block to the East are high trip-generating activities that create demand for short-term parking. As a result, public parking spaces are generally full throughout the day, often exceeding the effective supply for parking.

Superior Street serves as the main street of downtown Duluth. Most of Duluth’s high-density office space is along this corridor. In addition, retail and commercial businesses comprise much of the street-level activity. Appropriate to its Main Street function, Superior St. is lined with diagonal on-street parking spaces, which maximizes the number of spaces available for short-term parking. Both Superior Street and 3<sup>rd</sup> Ave. W. on-street parking are metered with one-hour time limits. The high occupancy rates along Superior Street in particular suggested the need for a turnover survey of this area.

The turnover survey was conducted for both sides of Superior Street on Tuesday October 5, 1999. Because this area is metered for one-hour, the turnover surveys were conducted every half-hour from 8 a.m. through 5:30 p.m. The graph below shows the occupancy rates of the October 5<sup>th</sup> turnover survey. Once again, these findings show consistently high parking occupancies. A total of 258 vehicles used the 30 parking spaces during the survey day. These spaces had an average turnover of 7.2 vehicles



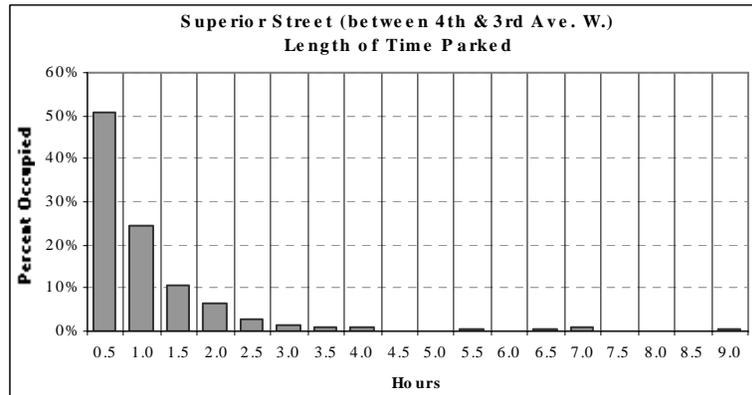
<b>Parking Spaces</b>	<b>30</b>
<b>Turnover rate</b>	<b>7.2</b>
<b>total cars served</b>	<b>258</b>



per space over an eight-hour day, a significant improvement over the turnover rates found on Block “E-3”.

The graph to the right shows the lengths of time cars were parked along this segment of the Superior St. Fifty-percent of all vehicles parked stayed for less than a half-hour.

Almost 80 percent of all vehicles were parked for less than the one-hour posted time limit with almost 90-percent parking less than one and one-half hours. This data suggests that the majority of those parking along Superior are not plugging meters and staying past the posted time limits. While the vast majority of people are using these parking spaces for those short-term trips, it only takes a few people to tie up several valuable parking spaces during the peak customer activity times. For example, on the day of the turnover survey, five people tied up five parking spaces that would have served and additional 32 customers needing short-term parking.



#### Major Concerns:

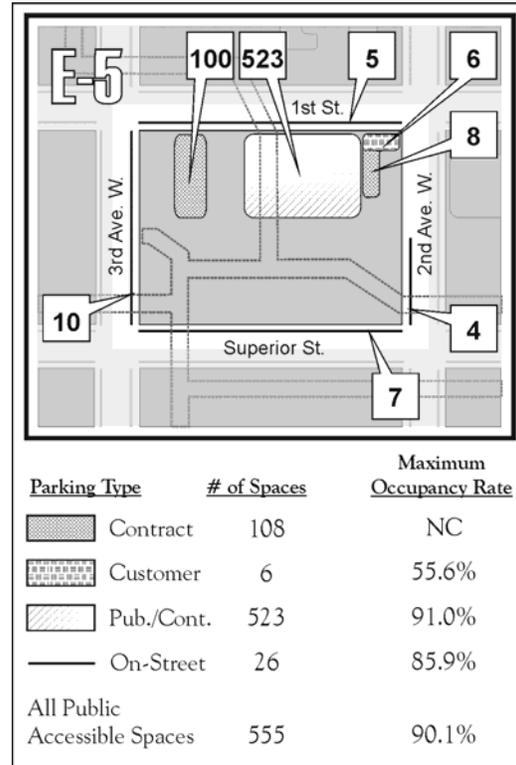
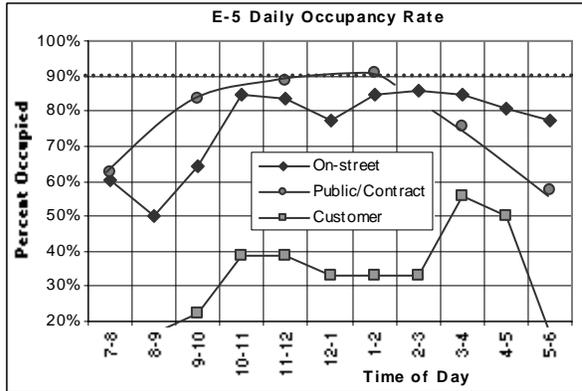
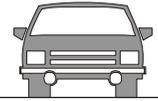
- Short-term parking with good turnover rates are exceeding effective capacity.

#### Recommendations:

- Increase enforcement of time limits on metered parking.
- Designate one or two meters in front of Republic Bank with 15-minute time limit. May want to designate a couple of meters along Superior street with 30-minute time limits.
- Increase parking rates for metered spaces (e.g., \$0.25/20-minutes) and/or decrease short-term parking rates in nearby ramps (e.g., first-hour of parking ramp use free) to maintain occupancy rates of around 80 percent, which is considered to be the “ideal”.
- Increase/enhance directional signs to parking ramps.
- Reserve first level ramp parking for shoppers. This can be accomplished by prohibiting parking in spaces prior to 9:00 a.m.
- Explore increasing short-term on-street diagonal parking wherever possible (e.g., the avenues).



View of 4<sup>th</sup> Avenue West on-street parking from Superior Street.



**E-5:** The Holiday Center ramp is well hidden from the street, but provides 523 parking spaces in the center of downtown. Its central location is one of the main reasons that it is near or above effective capacity throughout much of the workday. However, about 55 percent of these spaces are contract parking serving nearby employees at a cost of \$25 to \$64.50 per month. At \$64.50 a month, commuters are paying \$3.23/day to park assuming 20 working days in a month. Ramp managers are able to estimate how many public spaces are needed and contract out the remaining spaces to ensure an optimal revenue generating facility.

For non-contract users, the first hour of parking in the Holiday center ramp costs \$1.50, which is significantly more expensive than the 50 cents charged for on-street parking. Additional hours cost \$0.75 per hour with a maximum cost of \$6.50 for the day, which, in part, explains the popularity of on-street parking. Not only is on-street parking more convenient, it is also cheaper.

One-hour meters make up most of the available on-street parking and do a good job in regulating the turnover of these spaces. There are a total of 26 on-street spaces around this block, three of which are metered for 15-minute. Two of the 15-minute are on 3<sup>rd</sup> Avenue West near 1<sup>st</sup> street and one is on 2<sup>nd</sup> Avenue West nearest Superior St. Only seven spaces are available along the Superior Street side of this block. The Duluth Transit Authority’s downtown station requires about half the length of this block as the primary transit stop for downtown. Even though specific streets had all spaces full at times, for the most on-street spaces appear to be functioning well.

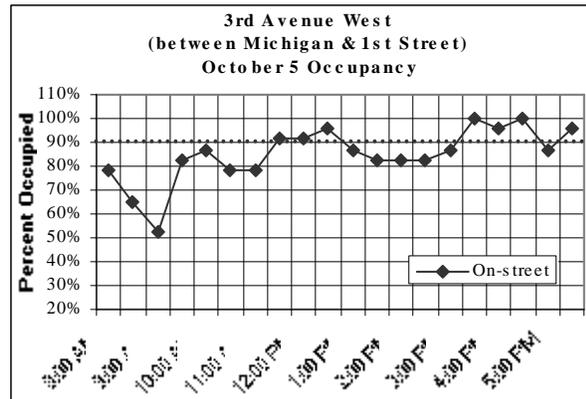
**Holiday Center Ramp Pricing**

Hours	Price	Cumulative
0.5	\$0.75	\$0.75
1	\$0.75	\$1.50
2	\$0.75	\$2.25
3	\$0.75	\$3.00
4	\$0.75	\$3.75
5	\$0.75	\$4.50
6	\$0.75	\$5.25
7	\$0.75	\$6.00
8	\$0.50	\$6.50
<b>Max</b>		<b>\$6.50</b>



Both sides of 3<sup>rd</sup> Avenue West between Michigan Street and 1<sup>st</sup> Street were included in the turnover survey, which is discussed in block “E-4.” The 23 metered parking spaces along this street served a total of 177 vehicles. Third Avenue West had a good turnover rate of 6.5 while having open spaces available throughout much of the day. Because 3<sup>rd</sup> Avenue West is a one-way street, it is more difficult to access these parking spaces. Over 50 percent of those using 3<sup>rd</sup> Avenue West on-street parking were parked for less than 30 minutes.

Another 27 percent were parked over a half-hour but less than the allotted hour time limit. Almost 90 percent of those using these spaces were parked less than 90 minutes.



<b>Parking Spaces</b>	<b>23</b>
<b>Turnover rate</b>	<b>6.5</b>
<b>total cars served</b>	<b>177</b>

**Major Concerns:**

- Holiday Center Ramp is difficult to find.
- Holiday Center Ramp pricing discourages downtown customer parking.

**Recommendations:**

- Convert 15-minute spaces along 3<sup>rd</sup> Avenue West to one-hour meters.
- Convert two one-hour meters in front of Office Depot to 30-minute meters.
- Consider raising meter rates to maintain occupancy rates of around 80 percent. Increase on-street parking rates (e.g., \$0.25/20-minutes).
- Signage directing users to the Holiday Center Ramp needs improvement from Superior Street and 2<sup>nd</sup> Street.
- The following pricing table eliminates the disincentive for short-term customer parking while maintaining the daily maximum parking charge.
- Convert 3<sup>rd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking. Roadway width and ADTS are identified below, **OR**, add diagonal parking with one lane of through traffic.

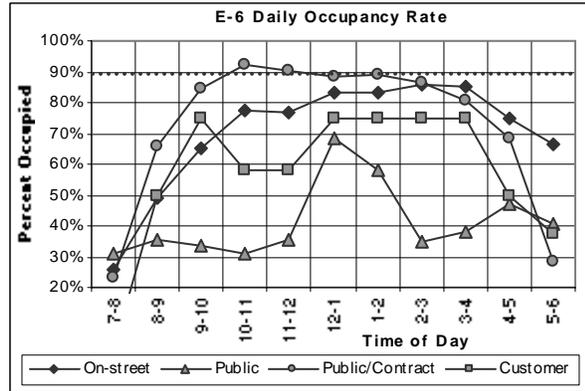
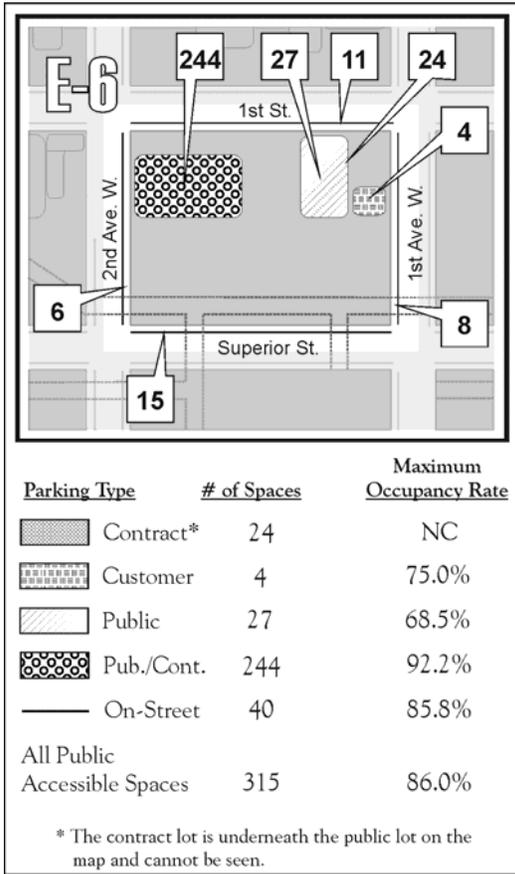
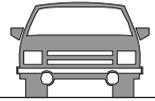
**Proposed Holiday Center Ramp Pricing Option**

Hours	Price	Cumulative
0.5	\$0.00	\$0.00
1	\$0.50	\$0.50
2	\$0.75	\$1.25
3	\$0.75	\$2.00
4	\$0.75	\$2.75
5	\$0.75	\$3.50
6	\$1.00	\$4.50
7	\$1.00	\$5.50
8	\$1.00	\$6.50
Max		<b>\$6.50</b>

**3<sup>rd</sup> Avenue West Data**

From	To	Width	*AADT
Michigan St	Superior St	36	N/A
Superior St	1st St	36	2188
1st St	2nd St Alley	42	3498
2nd St Alley	2nd St	42	3498
2nd St	3rd St	42	1648
3rd St	4th St	42	1162

\*AADT = Annual Average Daily Traffic



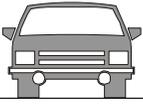
**E-6:** Shopper’s Auto Park is somewhat of a misnomer. From 9 a.m. to 4 p.m., the ramp is at or near effective capacity, which suggests the ramp is primarily serving downtown employees. By the time most retail activities begin, most customers would have to travel to the top of the Shopper’s Auto Park’s six levels to find open spaces, which makes using this ramp an unattractive option for downtown shoppers.

According to Steve LaFlamme, president of Oneida Reality Company that operates several downtown-parking ramps, there is a relatively consistent pattern of public parking in the ramps that allows

them to determine how many spaces they can contract out while ensuring public spaces remain available. Even though the effective-supply was reached on this ramp, the ramp always had parking spaces available.

Contract spaces at the Shopper’s Auto Park Ramp cost \$50/ month (\$2.50/day) for regular spaces and \$55/month (\$2.75/day) for reserve spaces. For non-contract parking users, the first hour costs \$1.50 (75 cents/30-minutes) and \$0.75 for every additional hour with a \$6.00 maximum for the day. However, since this survey was conducted, the pricing for this ramp now has a \$3.00 per day maximum. While this pricing is not beneficial to customer parking less than three hours, it is beneficial for longer-term customers. This pricing policy is particularly beneficial to downtown employees who drive less than 17 days a month, and hopefully encourages commuters to use alternative transportation modes, when driving may be less necessary.

An off-street metered lot of 27 public spaces provide one-hour parking, however, this lot is underutilized for much of the day. The average lunch hour between 12 p.m. and 1 p.m. sees a slight increase in usage, as several small restaurants are located in this area. The rest of the day however, is generally less than half full.



Forty on-street metered spaces surround block “E-6.” Nine of these are designated for 15-minute parking only (\$0.25/15-minutes). Overall, these spaces are well utilized with some spaces usually available. The First Street meters did exceed capacity three of the survey hours. This is particularly significant given that three of the eleven spaces are 15-minute meters. Second Avenue West had a similar use pattern as First Street. First Avenue West generally had at least two or three spaces available during the day. Superior Street’s 15 diagonal parking generally had one to two open spaces throughout the day.

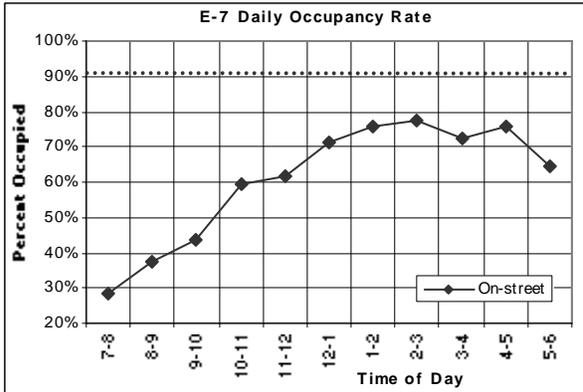
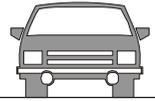
**Major Concerns:**

- Shopper’s Auto Park Ramp appears to serve primarily downtown employees, which causes the ramp to fill up early in the day and remain occupied most of the day. As a result, downtown customers using the ramp likely have to ascend the ramp’s six levels before finding open spaces making this parking unattractive for customer parking.
- Off-street metered lot is currently underutilized.

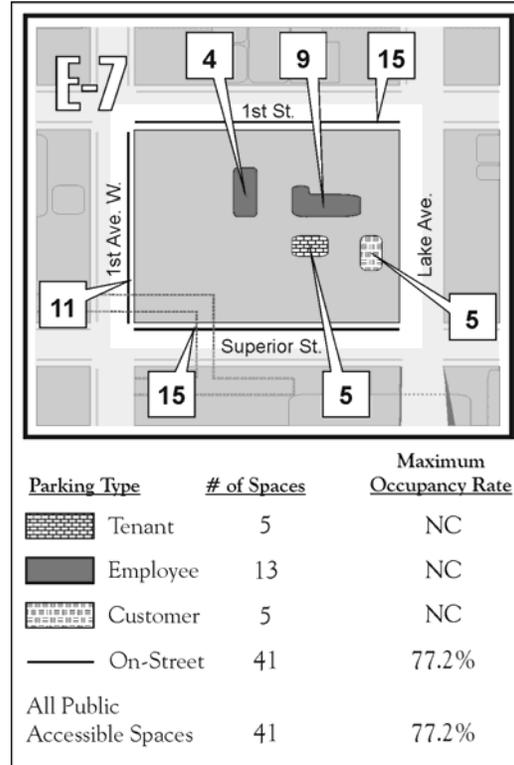
**Recommendations:**

- Encourage other ramps to follow Shopper’s Auto Park’s lead in offering less expensive daily rate, to encourage alternative transportation mode use. Ideally, would like to see low daily rates and eliminate contract parking, which encourages daily driving.
- First level should exclude contract parking or prohibit parking prior to 9:00 a.m. to reserve these spaces for shorter-term customer parking.
- Increase signage to off-street metered parking.
- Reevaluate this lot’s occupancy upon completion of the Technology Center and nearby redevelopment projects. If lot continues to be underutilized, increase time limit from one-hour to two-hour limit at existing price (\$.025/30-minutes).
- Convert both 15-minute meters on 1<sup>st</sup> Avenue East to 30-minute time limits **OR** convert one 15-minute meter to one-hour.





**E-7:** Buildings occupy this block, many which are historically significant. As a result, there are only few miscellaneous off-street parking spaces accessible from the alley. However, there are 41 on-street parking spaces. Nine of these spaces are designated with 15-minute time limits (\$0.25/15-minutes), the remaining spaces have one-hour limits (\$0.25/30-minutes).



Currently, on-street parking along this section of First Street has relatively low occupancy. However, The redevelopment of the building located on the corner of First Street and Lake Avenue is likely to increase the demand for short-term parking. This project will also likely promote redevelopment of the neighboring structure to the West, which is currently vacant. As redevelopment continues in this part of downtown, demand for short-term parking spaces are likely to increase.

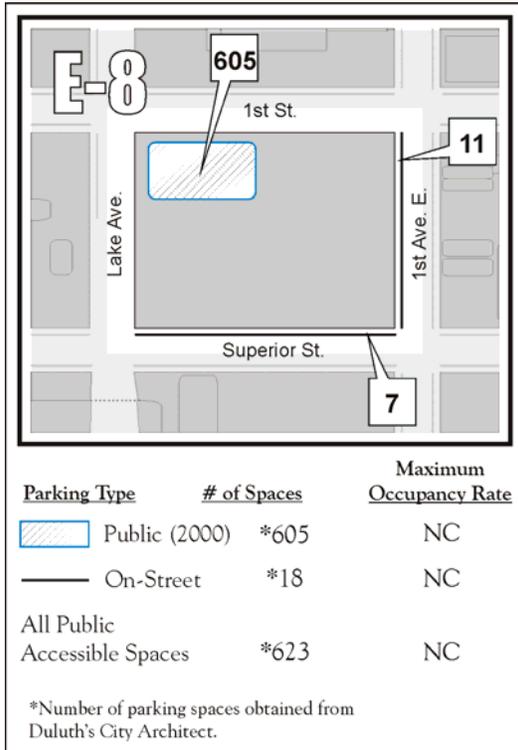
Superior Street parking adjacent to this block is at or near effective capacity most of the day. These metered spaces serve the several businesses that front the north side of Superior Street. The 11 metered spaces along First Avenue West have generally had several available spaces throughout the day. Within the last couple of years, parking along Lake Avenue was removed to provide an additional through lane for traffic accessing the Interstate.

**Major Concerns:**

- New developments on this block and nearby are likely to increase the demand for short-term parking.

**Recommendations:**

- None.



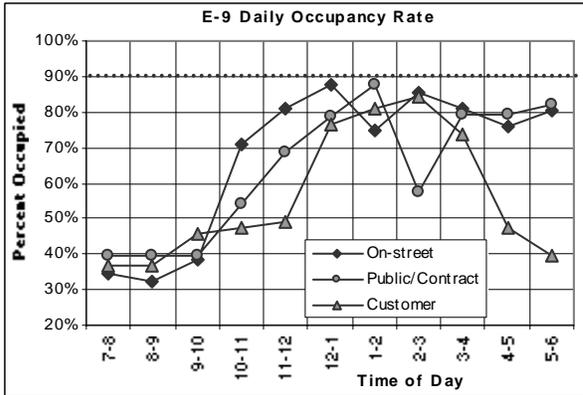
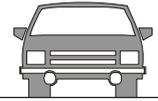
**E-8:** At the time of this study, most of this block was under construction. Technology Center was being built along Superior Street and the adjoining parking ramp was being constructed on the northwest corner of this block. As a result, no parking was allowed anywhere on this block. Once completed however, this block will house a new parking ramp providing over six hundred spaces. In addition, diagonal parking will be allowed along Superior Street, and parallel parking will be returned to 1<sup>st</sup> Avenue East. Parking spaces that once existed along 1<sup>st</sup> street will no longer be available to make room for traffic accessing the new ramp along 1<sup>st</sup> street. Retail activities including a restaurant are anticipated on the street level of the Technology Center along Superior Street. These new activities are likely to fuel the demand for convenient short-term parking in this area.

**Major Concerns:**

- New retail and employment activities will likely increase the demand for convenient short-term parking.
- This area receives excellent transit service and is near the Lakewalk bike trail. One of the best ways to open up parking spaces it to encourage employees, customers, etc. to use alternative transportation whenever possible.

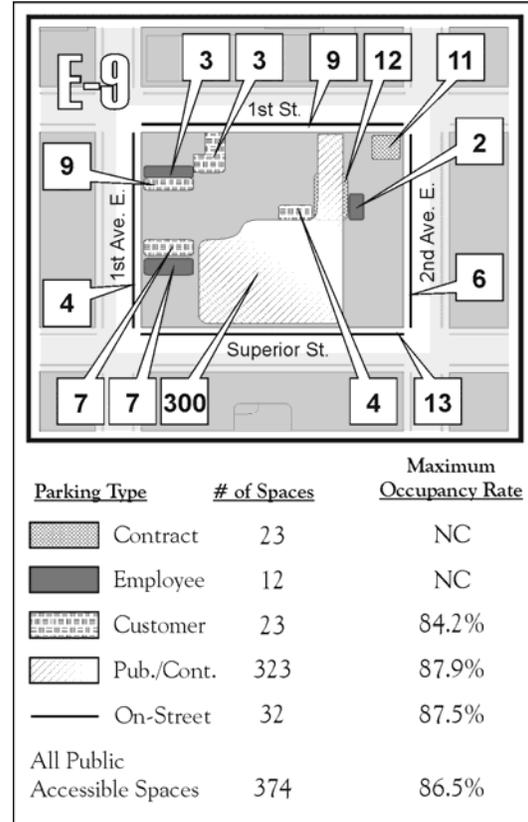
**Recommendations:**

- Technology Center Ramp should be priced to encourage short-term, customer parking. Long-term parking users should be charged the true cost of providing parking.
- If employees are offered free parking as a benefit, they should be given choice between the parking space or its' cash value (i.e., "cash-out parking").



**E-9:** With entrances on both Superior and 1<sup>st</sup> street, the Fond-du-Luth Casino ramp provides 323 parking spaces serving the adjacent casino and the area known as “Old Downtown.” The casino ramp occupancy increases steadily throughout the morning, and decreases after peaking during the lunch hours. By mid afternoon the occupancy once again increases to effective capacity.

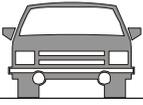
Unlike many of the other parking ramps the Fond-du-Luth Parking ramp is owned and operated by the City of Duluth. About 275 contract spaces are sold for \$37 per month leaving only about 50 spaces remaining for the public. For non-contract ramp users, the cost to park is \$0.35 per 30 minutes with a maximum of \$7.00 for the day. Once again on-street spaces offer more convenient and less expensive parking for short-term customers.



The pattern of use for the casino ramp is significantly different from other downtown ramps. It appears that those using contract spaces are not working typical workday hours, which is understandable if casino employees are the primary purchasers of contract spaces. Casino workers are probably more likely to be part-time employees and/or work evenings. These working conditions would explain the atypical ramp usage patterns. However, the times that the maximum number of employees are working are also the times when the casino is serving the highest number of customers. According to the City of Duluth, the ramp is likely to be full on Friday nights between 5:00 p.m. and 11:00 p.m.

Miscellaneous off-street spaces are available for customers of the Coney Island Restaurant and employees of various business located in the area. Customer parking occupancy increases substantially during the noon hour and doesn't decline until the 4:00 hour.

There are a total of 32 on-street metered spaces outlining this block. Meter time limits vary. There are five 15-minute meters, four of which are on 2<sup>nd</sup> Avenue East and one on 1<sup>st</sup> Avenue East. There are two 30-minute meters along 1<sup>st</sup> Street. The remaining meters have one-hour time limits.



Overall, on-street parking spaces were well utilized during most of the business day with some open spaces generally available. However, parking along 2<sup>nd</sup> Avenue East and Superior Street tended to have higher occupancies that was at or near effective capacity at times. On-street parking usage is similar to the Fond-du-Luth Casino Ramp usage. Once again, it is less expensive to park on-street than it is to park in the ramp.

**Major Concerns:**

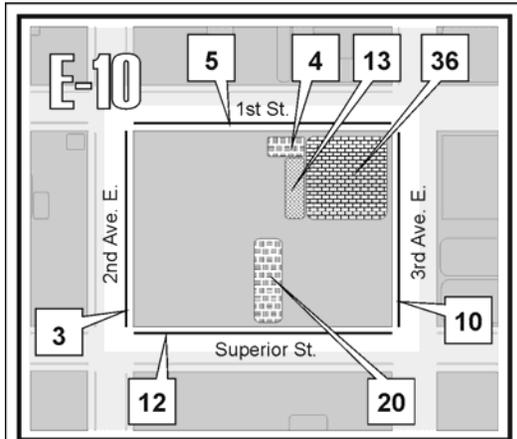
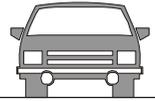
- Fon-du-Luth customers may be tying up on-street parking spaces, perhaps even plugging meters.
- Technology Center and nearby redevelopment will likely increase demand for Casino Ramp contract spaces given that the \$37/month contract space price tag is significantly lower than other downtown ramp costs.

**Recommendations:**

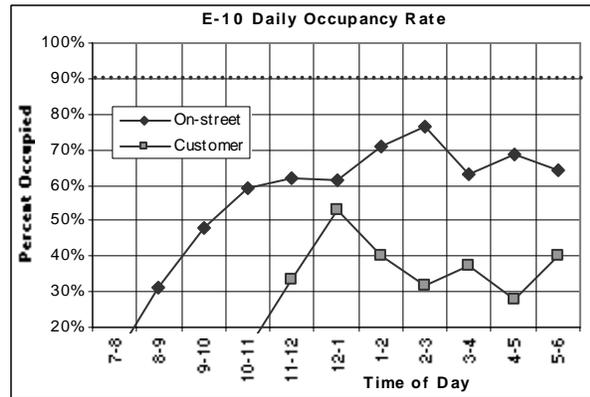
- Increase enforcement of meter time limits.
- Decrease ramp price for short-term parking to encourage customer use. Make the first half-hour free. Charge \$0.25 for additional 30-minute increments. Reserve first level of ramp for non-contract use.
- Increase directional signage to ramp on Superior Street and First Street.
- The parking impact of the Technology Center and nearby redevelopment is uncertain. A “wait and see” approach is probably most prudent at this time as related to assessing the casino ramp pricing and contract parking. Options may include phasing out contract parking OR raise cost of contract parking.



*City of Duluth owns and operates the Fond du Luth Casino Parking Ramp on Superior Street.*



Parking Type	# of Spaces	Maximum Occupancy Rate
Tenant	36	NC
Contract	13	NC
Customer	24	52.8%
On-Street	30	76.7%
All Public Accessible Spaces	54	57.7%



**E-10:** Graysolon Plaza tenant parking occupies the northeast corner of this block. The Graysolon Plaza tenant lot was observed as being generally utilized throughout the day, although it was not included in the occupancy survey. The Chinese Garden’s 20-space customer lot is accessible from Superior Street. As one would expect this lot was busiest during the lunch hour, although it generally never more than half full during the day. Because the occupancy survey was not conducted during the evening, it is uncertain how busy this lot is during

the dinner hours.

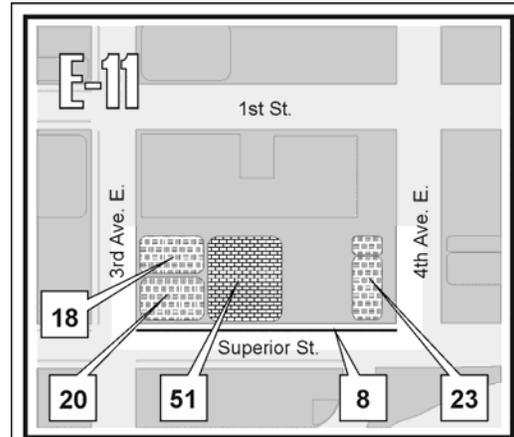
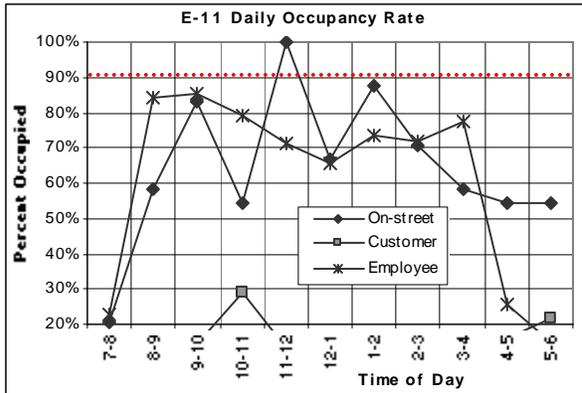
There are a total of 30 metered spaces on this block. Six spaces are metered for 15-minute parking, three on 1<sup>st</sup> Street, and one each on 2<sup>nd</sup> Avenue East, 3<sup>rd</sup> Avenue East and Superior Street. There are also two 30-minute spaces on Superior Street in front of the Graysolon Plaza. On street spaces see moderate use during the day with increased usage in the afternoon hours. Several businesses front Superior Street, including the Northshore Theatre. The availability of on-street parking on Superior Street and 3<sup>rd</sup> Avenue East appear to be adequate. However, the three spaces on 2<sup>nd</sup> Avenue East are generally full during the day. In addition, several of the businesses along this street are oriented toward evening activities.

**Major Concerns:**

- Chinese Lot is underutilized throughout most of the day.
- Occupancy during the evening, particularly during the weekends, may be limited.

**Recommendations:**

- There appears to be an opportunity for the Chinese Garden to share or contract out unused parking.
- The Graysolon Plaza tenant parking lot would be a convenient and unobtrusive site for a parking structure when and if demand warrants.



Parking Type	# of Spaces	Maximum Occupancy Rate
Tenant	51	NC
Employee	38	85.1%
Customer	23	29.0%
On-Street	8	100%
All Public Accessible Spaces	31	35.5%

**E-11:** Off street parking takes up a substantial portion of land area of this block. Only the area south of the alley was included in our study (from Superior street to the center alley). Of these lots, the most notable are the two employee lots owned by St. Lukes Hospital accessed from 3<sup>rd</sup> Avenue East. As the chart shows, employees utilize these lots during the day. By 5:00 p.m. these lots are mostly empty. An agreement between St. Lukes and the Norshore Theater allows patrons of the theater to use these parking spaces in the evening when they would otherwise be vacant. Because these two business activities require parking at different time of the day, parking facility use is maximized. This shared parking arrangement is an excellent example of the benefits of mixed land use development.

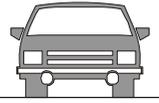
There are only 12 metered parking spaces along Superior Street; all of which have one-hour time limits. These parking spaces show dramatic fluctuations in occupancy, which is in part because only twelve spaces are included in the average. This block is home to a small Mexican restaurant, a small Asian food grocery, a medical equipment company and motel.

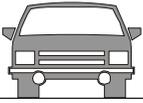
**Major Concerns:**

- Surface parking makes up a large portion of this blocks land area, making this block ripe for new development opportunities.

**Recommendations:**

- The St. Lukes Hospital parking lots on the corner of Superior Street and 3<sup>rd</sup> Avenue East would be ideal public parking space serving the east side of old downtown.

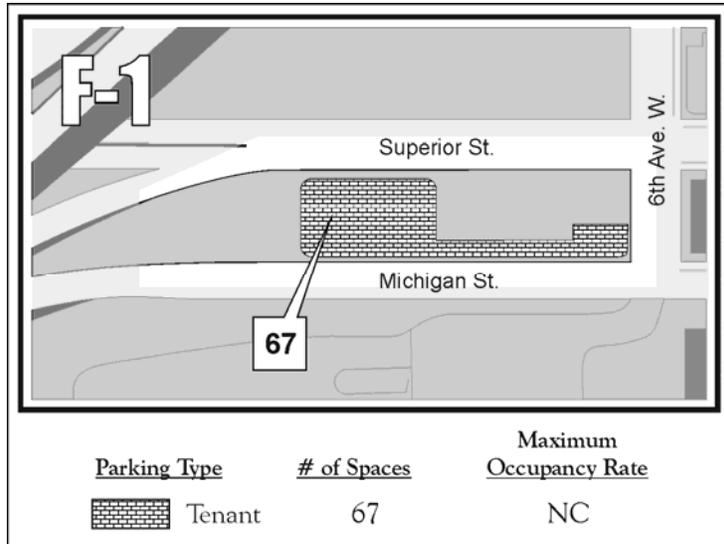




**“F” Row (Between Michigan & Superior Streets from Mesaba Ave. W. to 8<sup>th</sup> Ave. E.)**

The “F” row lies on the lakeside of Superior Street and is comprised of many large buildings whose storefronts face Superior Street. Parking along Superior Street is a mixture of parallel and diagonal parking. Most of the Superior Street meters have one-hour time limits at a cost of 25 cents for 30-minutes. These blocks are actually about the size of half a normal block. In fact, Michigan Street serves somewhat like an alley providing loading access for trucks delivering to buildings with Superior Street addresses. Much of the Michigan Street curbside is designated as “loading zones” while metered spots on the lakeside of the street have one hour parking meters.

**F-1:** The Gateway Tower residence building is the only structure on this block and all spaces found here are for tenant and guest parking. Gateway tower offers senior community living. Therefore, the parking lot provides 12 handicapped spaces. Because this lot is not open to the public it was not included in the occupancy survey. However, if it was determined that this lot was being underutilized, these lots would be close enough to downtown employment centers to provide convenient contract parking.

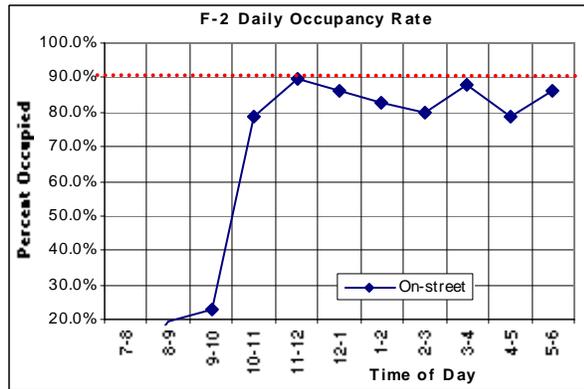
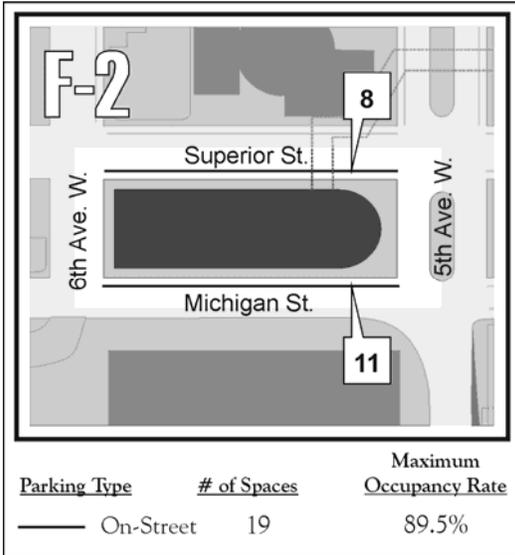
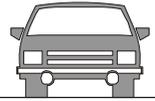


**Major Concerns:**

- None

**Recommendations:**

- None



**F-2:** The Duluth Public Library occupies this block and there is no dedicated off street parking available. There are eight metered spaces along Superior Street. These spaces were full most of the time the library was open, which is not surprising

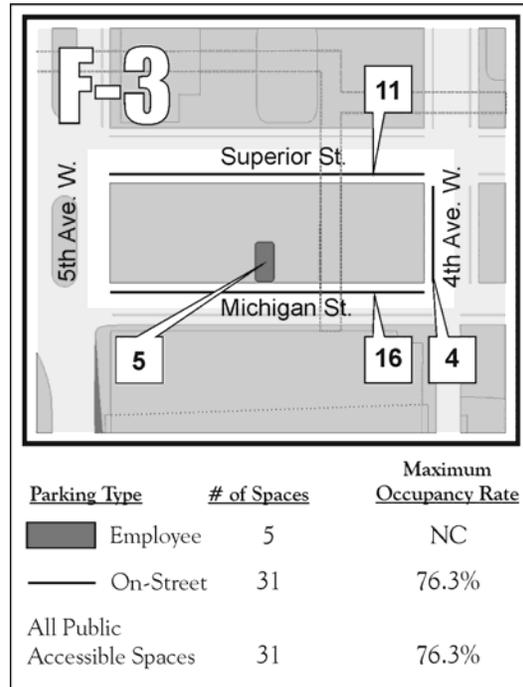
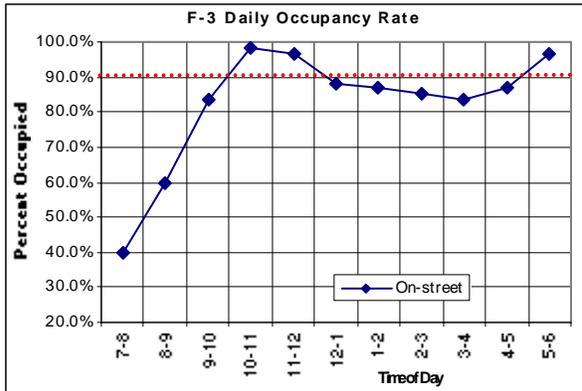
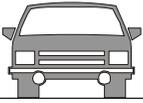
given that these spaces are very convenient for library users. Eleven two-hour meters are adjacent to Michigan Street. These spaces generally had one or two open spaces available. Temporary book drop-off spaces are available along Michigan Street along with the twelve-metered one-hour spaces.

**Major Concerns:**

- Superior Street metered parking consistently full.

**Recommendations:**

- Convert two of the Superior Street meters from one-hour to 30-minute parking.



**F-3:** The Republic Bank’s five employee spaces make up all off street parking on this block. Superior Street has ten on-street metered parking spaces with one-hour time limits. This parking is well utilized throughout the day starting at 8:00 a.m. Four one-hour metered spaces are located along 4<sup>th</sup> Avenue West. These spaces were full most of the day. There are six meters along Michigan Street. Two are metered for 15-minute parking and the four remaining spaces are limited to one-hour parking. These spaces were filled throughout most of the day.

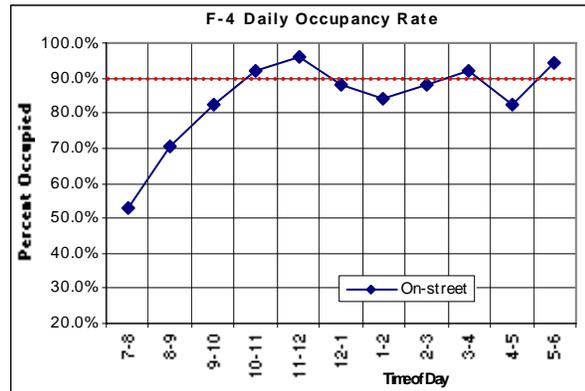
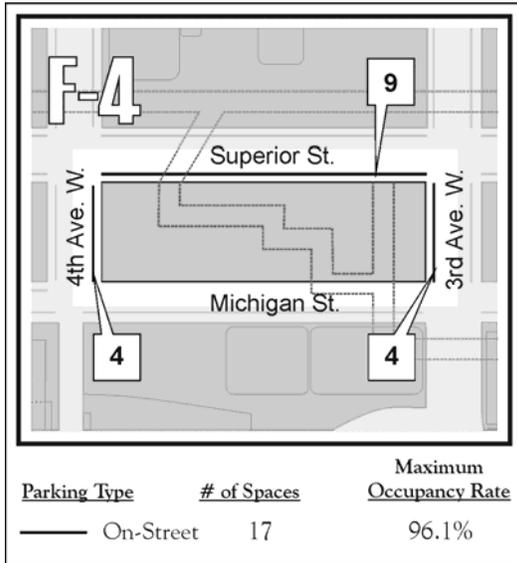
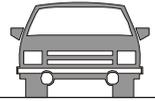
Because of the high occupancy rates on Superior Street and 4<sup>th</sup> Avenue West, these spaces were included in the parking turnover survey described in the Block “E-3” discussion. Both sides of Superior Street between 5<sup>th</sup> Avenue West and 4<sup>th</sup> Avenue West had a turnover rate of 5.6 vehicles per space for the eight-hour workday. This section of Superior Street had fairly good turnover and about 70 percent of those using these parking spaces were parked for less than one hour. However, 18 percent parked longer than one-hour 30 minutes. Fourth Avenue West from Michigan Street to 1<sup>st</sup> Street had a turnover rate of 6.4 vehicles per space with over 22 percent parked for over one-hour and 30 minutes. The number of vehicles parked longer than allotted time limit indicates people plugging meters. However, the good turnover rates and high occupancy rates indicates that there is a high demand for these spaces and vast majority of spaces are serving short-term customers.

**Major Concerns:**

- Meter plugging.

**Recommendations:**

- Increase time limit enforcement.



**F-4:** Only on-street parking is available on this block and is fairly heavily used during the day. This block probably sees the highest concentration of downtown office activity, housing Duluth’s tallest building. Superior Street has nine one-hour

parking meters, all but one of which is diagonal parking. Four parallel parking spaces exist on 4<sup>th</sup> Avenue West and 3<sup>rd</sup> Avenue West. A turnover survey for Superior Street parking was conducted and is described in the discussion of Block “E-4.” The 30 parking spaces on both sides of Superior Street had a parking turnover rate of 7.4 vehicles per space serving a total of 258 vehicles throughout the day. A parking turnover survey was also conducted for the four spaces along 3<sup>rd</sup> Avenue West, which is described in the discussion of Block “E-5.”

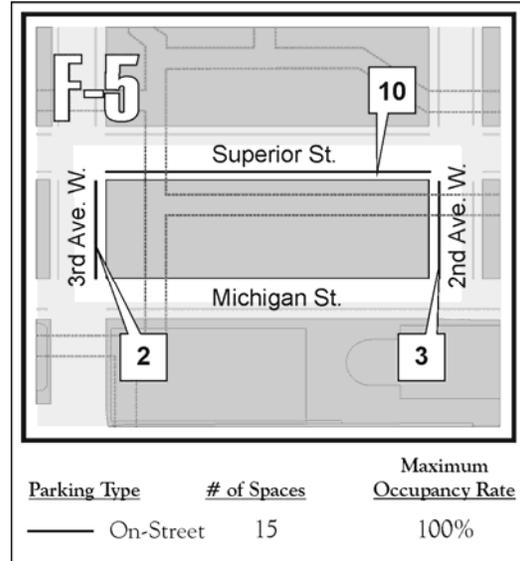
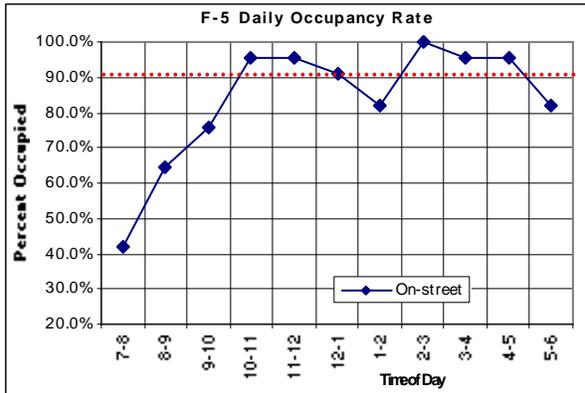
Street level activity along this side of Superior Street includes Republic Bank, the Breadboard Diner, and the Medical Arts Pharmacy. Because these types of businesses tend to generate short customer trips, it may be desirable to increase the number of 15 and/or 30-minute metered spaces in front of these businesses. From the turnover survey, it was discovered that over half of those using these spaces during the day were parked for less than 30-minutes.

**Major Concerns:**

- High occupancy rates

**Recommendations:**

- Convert one meter in front of Republic Bank to 15-minute time limit.
- Convert one meter in front of the Medical Arts Pharmacy to 15-minute time limit.
- Convert 3<sup>rd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking. Roadway width and ADTS are identified below, **OR**, add diagonal parking with one lane of through traffic, **OR** reconstruct to provide diagonal parking.

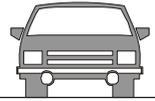


**F-5:** Again, the only available parking on this block is the on street parking along Superior Street and the avenues. This block is home to, among other, Norwest Bank, Nicks Restaurant, and Ace Hardware store. In addition, the Duluth Transit Authority (DTA) operates its Transit Center East on this side of Superior Street. On the north side of Superior Street is the Holiday Center and future home to Office Depot. Because of the transit activities, most of the on-street spaces along both sides of Superior Street are reserved for buses. Still there are nine diagonal parking spaces on Superior Street, all of which are posted with one-hour time limits. As the graph above indicates these spaces begin to fill up during the late morning and remain fairly full throughout the day.

A total of 15 spaces occupy both sides of Superior Street between 3<sup>rd</sup> Avenue West and 2<sup>nd</sup> Avenue West. A parking turnover survey was also conducted for these parking spaces. The survey yielded a turnover rate of 8 vehicles per space for the day. This turnover rate was the highest of the turnover surveys conducted. Over 60 percent of the vehicles using these parking spaces were parked for less than 30-minutes and almost 85 percent were parked less than one-hour, which is also highest percentage of short term parking of those streets surveyed.

While conducting the occupancy and turnover surveys, staff observed that many of 15-minute metered spaces along the avenues were generally not being used. In general, the on-street parking along the avenues tended to be less utilized than Superior Street parking, which is likely due to these spaces being less convenient to Superior Street storefronts. Therefore, it would seem to make more





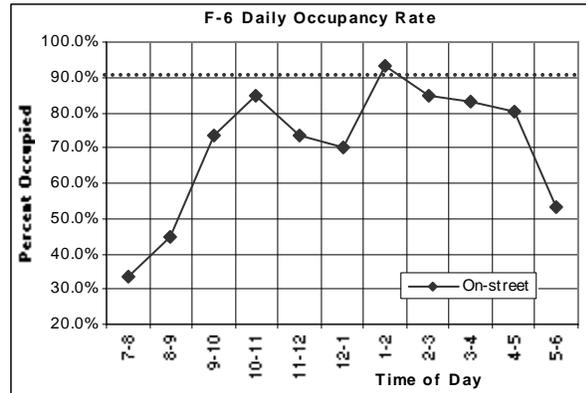
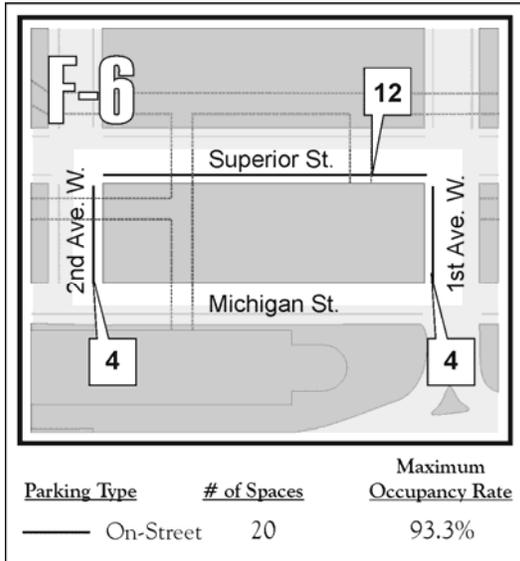
sense to place 15-minute and 30-minute parking meters along Superior Street instead of on the Avenues.

**Major Concerns:**

- None.

**Recommendations:**

- Convert two one-hour meters on Superior Street in front of Norwest Bank to 15-minute meters.
  - Convert two one-hour meters on Superior Street in front of Western Bank to 30-minute meters.
  - Convert 2<sup>nd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking and Michigan Street parking ramps **OR**, add diagonal parking with one lane of through traffic, **OR** reconstruct to provide diagonal parking.
- 
-



**F-6:** As with many of the blocks in-between Superior Street and Michigan Street, there is no off street parking on this block. The on-street spaces are well utilized with usually plenty of spaces available on Superior Street or the Avenues.

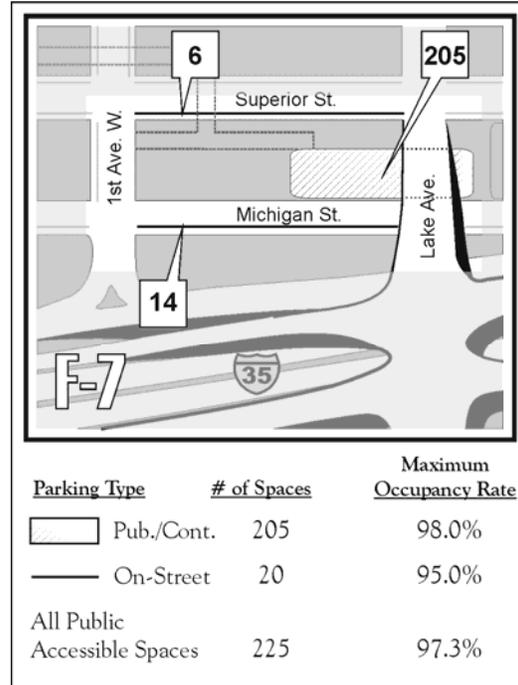
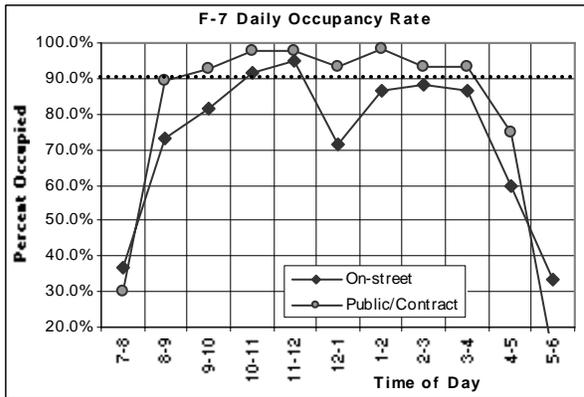
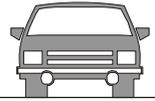
Second Avenue West is a one-way street with traffic moving down the hill. Michigan Street is a one-way street with traffic traveling eastward. First Avenue West is also one-way with vehicles traveling up the hillside. One way roads make accessing on-street parking much more difficult. Both 2<sup>nd</sup> Avenue West and 1<sup>st</sup> Avenue West have relatively low daily average daily traffic (ADT) counts with 1,400 and 2,800, respectively. Superior Street, in comparison has an average of 14,000 vehicles per day. First Avenue West has a road width of 44 feet with a 66 foot right-of-way. Second Avenue West has a road width of 40 feet and a right-of-way of 66 feet.

**Major Concerns:**

- None

**Recommendations:**

- None



**F-7:** This block contains the only large off street parking structure between Superior and Michigan Street. The Minnesota Power ramp is accessible only from Michigan Street, a one-way road. Lake Avenue is actually above the parking structure. In addition, an outside plaza area level with Superior Street serves as the roof of the parking ramp. This parking ramp is perhaps the least visually obtrusive parking in the city.

The 205 spaces within the Minnesota Power ramp are heavily used right through the workday. Effective capacity is reached before 9 a.m. and very few spaces are available until around 5 p.m. or later. Reserved contract spaces make up a significant portion of parking in the Minnesota Power Ramp, which means that the public cannot use these spaces when these spaces are not in use. From the occupancy rates we see that commuters are the primary customers of this ramp.

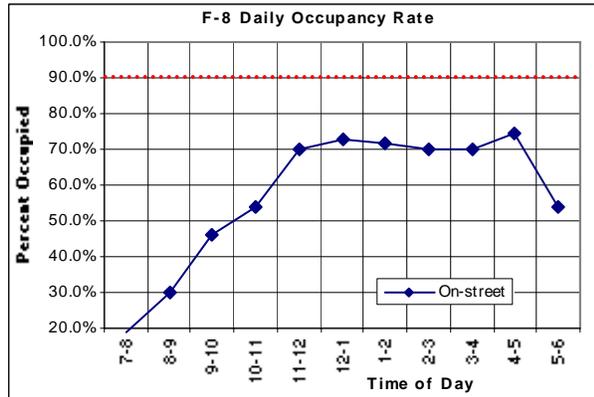
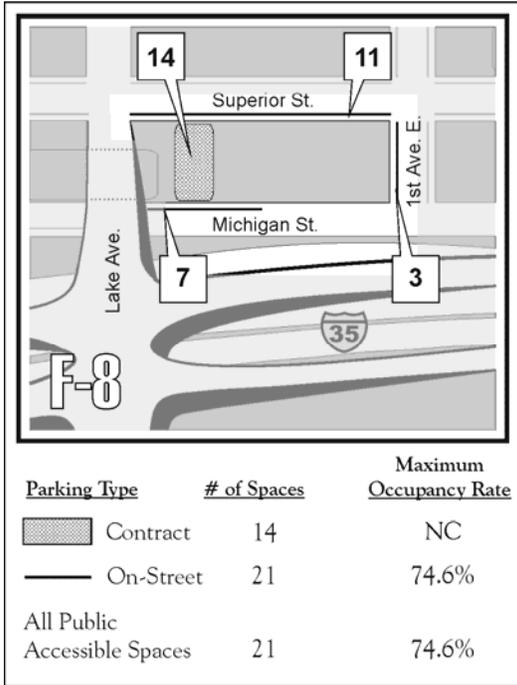
On street spaces were well utilized throughout the day. There are five spaces along Superior Street that are metered for one-hour (\$0.25/30-minutes) and one with a 15-minute time limit (\$0.25/15-minutes). Fourteen two-hour meters are located along the south side of Michigan Street. These spaces were well used throughout the day. Although a turnover survey was not conducted for these spaces, staff observed many of the same vehicles parked throughout the day.

**Major Concerns:**

- The Minnesota Power Ramp provides excellent centrally located parking to downtown and Canal Park visitors. In fact, a stairway from the ramp area provides easy access to the corner of Lake Avenue and Superior Street as well as the walkway to the sculpture garden.

**Recommendations:**

- Increase directional signage to the Minnesota Power Parking Ramp. Eliminate reserved parking spaces in ramp so that the public can use these spaces when not in use by contract parking. Decrease the number of contract spaces to ensure public parking is available.
- Increase time limit enforcement of on-street parking.



**F-8:** The parking lot that is now used for contract parking is the result of the demolition of the Strand Theater building adjacent to the Electric Fetus. The property was originally acquired to be the new site of a building for LHB, Inc. However, this construction has yet to materialize. Because of the hill slope, this lot is only accessible from Michigan Street.

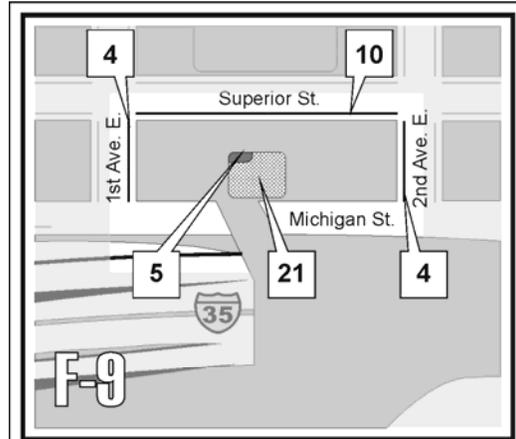
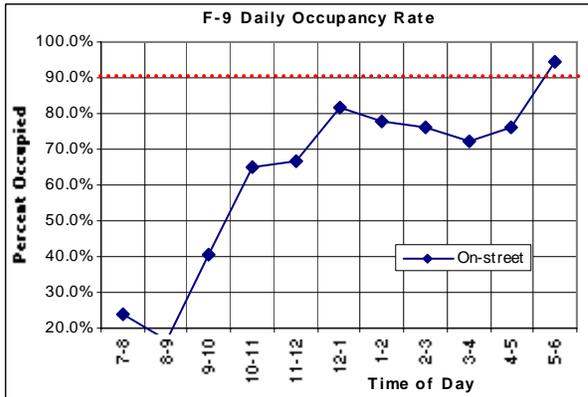
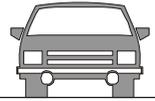
Eleven parallel on-street parking spaces with one-hour meters (\$0.25/30-minutes) line Superior Street. Three spaces with the same restrictions are on 1<sup>st</sup> Avenue East. Michigan Street has seven two-hour metered spaces at a cost of 25 cents for 30 minutes. All of these spaces are used throughout the day with generally several open spaces.

**Major Concerns:**

- Technology Center Activity across Superior Street will likely increase the demand for short-term parking.

**Recommendations:**

- None.



**F-9:** The contract lot on this block is actually underneath the Muffler Clinic location on Superior street and incorporates five spaces for their employees. On street parking is adequate during the day. Directly across Superior Street from this block is the Fond-du-Luth Casino and parking ramp, which may explain the upward swing in on-street parking in the late afternoon.

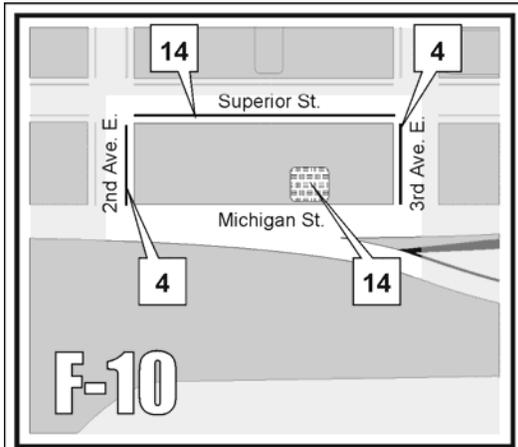
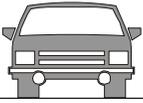
Parking Type	# of Spaces	Maximum Occupancy Rate
Contract	21	NC
Employee	5	NC
On-Street	18	94.4%
All Public Accessible Spaces	18	94.4%

**Major Concerns:**

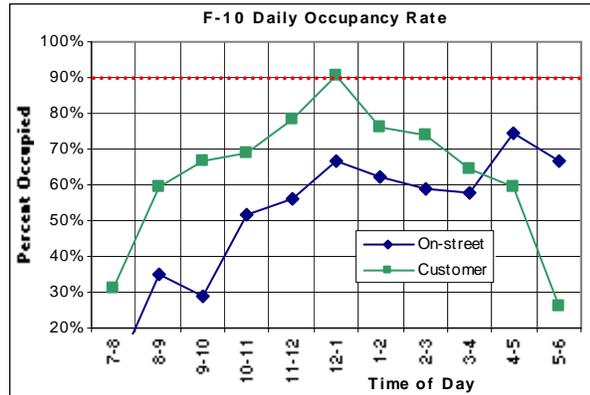
- None.

**Recommendations:**

- None.



Parking Type	# of Spaces	Maximum Occupancy Rate
Customer	14	90.5%
On-Street	22	74.2%
All Public Accessible Spaces	36	75.9%



**F-10:** The customer lot on this block is shared by two businesses: the Perry Framing Company and Lake Superior X-ray (LSX). Between employees and customers, this lot stays fairly full during the day and would easily reach capacity with a small rush of customers. The on street parking here is used throughout the day, with increased usage as the day wears on. Still, there

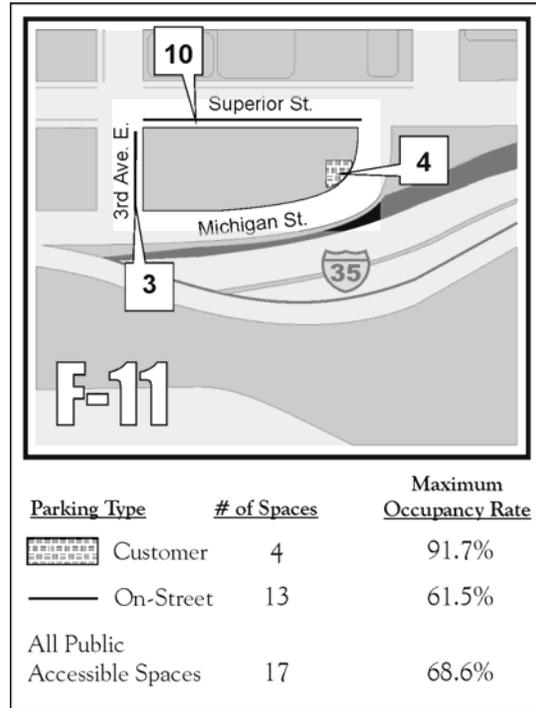
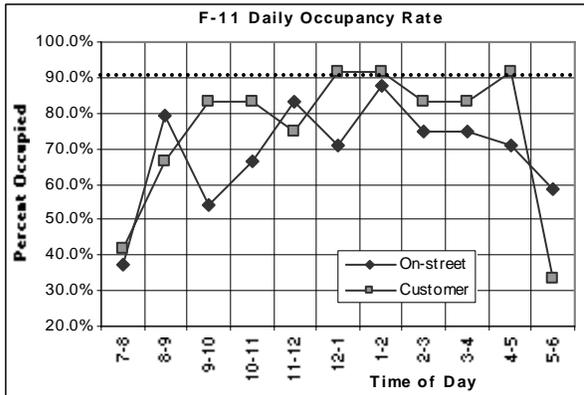
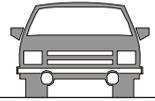
are plenty of open spaces throughout the day. The Fond-du-Luth Casino, the Norshore Theater, and nearby bars and restaurants attract more people later in the afternoon and evening. The building on the corner of Superior Street and 3<sup>rd</sup> Avenue East, formally the home of television station KBJR, the local NBC affiliate, was vacated after fire. Since then, the building has been renovated and may generate a demand for short-term parking.

**Major Concerns:**

- None.

**Recommendations:**

- None.



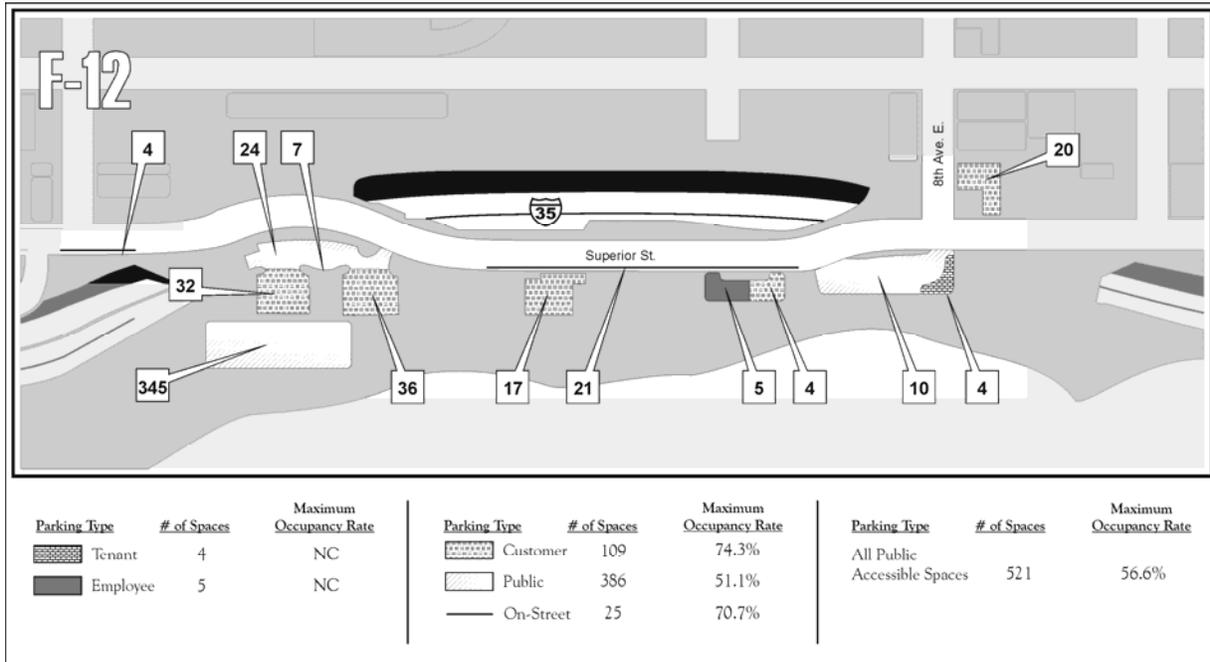
**F-11:** The First Oriental Grocery of Duluth, the Hacienda Del Sol, and a variety shop present the only quick stop destinations within this area. On-street parking has adequate parking opportunities with one-hour meters (\$0.25/30 minutes). Employees and customers use the small customer lot belonging to the National Equipment Company throughout the day.

**Major Concerns:**

- None.

**Recommendations:**

- None.

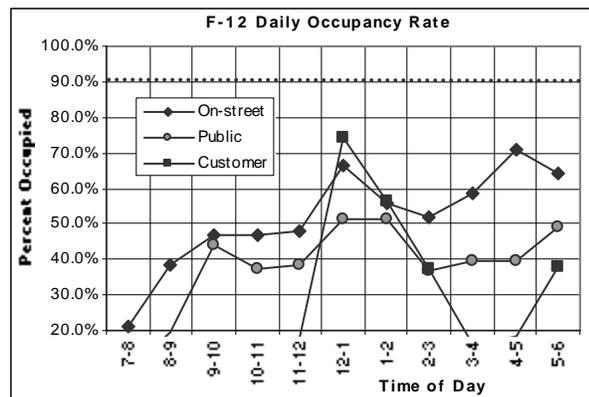


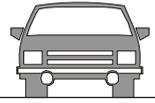
**F-12:** Third Avenue East to 8<sup>th</sup> Avenue East along Superior Street could be referred to as the Fitgers Brewery Complex Area. Aligned along this segment of road are many tourist-oriented shops and restaurants. Activity centers around the Fitger’s Brewery Complex, which houses a hotel, several restaurants, clothing, and specialty stores. Unlike most of downtown, this area is dominated by retail activity. Because this area is along the shore of Lake Superior and is accessible to the Lakewalk, it is a very popular tourist and visitor destination. Even though this area is particularly busy during the summer months, the restaurants and bars attract people on the weekends and evenings throughout the year.

The most prominent parking area is the Fitger’s Ramp. Generally, during the weekdays until 4:00 p.m. parking in the ramp is free of charge. Weekends and weekdays after 4:00 p.m. cost \$0.75 for the first hour and \$0.50 for each additional hour to park in the ramp. However, when the ramp is staffed may vary during the year.

Occupancy surveys conducted in May showed that the ramp was seldom over 50 percent full during the weekdays. Even during the middle of August with no charge for use, the ramp did not reach 70 percent occupancy during the weekday.

Two other public metered lots provide parking to both the Fitger’s complex and the other nearby shops and businesses. These lots generally had open spaces throughout the day, although they did tend to fill up over the lunch hour.





The 21 parking spaces along Superior Street are metered for two-hour parking at \$0.25/hour. On-street parking was available throughout the May weekdays. Even though occupancy increased during August, generally there were still two or three on-street spaces available during the weekdays. The price and time limit of these meters appears to be sufficient during most of the year. During the weekdays there is a financial incentive to use the Parking Ramp instead of on-street parking. However, the public needs to be informed when parking is free prior to approaching the ramp gate.

A substantial number of customer parking spaces are available in this area. The Pickwick Restaurant, Fitger's Inn, Sir Benedict's Bar & Tavern, and Emerald realty all provide dedicated spaces for their patrons. The Pickwick controls 68 Of the 109 customer spaces. As the graph shows, most of these spaces are used only during the lunch hour at which time almost 85 percent of these spaces were occupied.

This area's activities have the greatest demand for parking during the summer months and during evenings and weekends, the parking needs are unique. While it is important to accommodate parking for these peak times of the year, it does not make sense to provide so much parking that these resources sit empty most of the time.

### **Major Concerns:**

- Once again, it is important to ensure that the most convenient parking is reserved for short-term parking.
- Fitger's Parking Ramp is underutilized during weekdays.

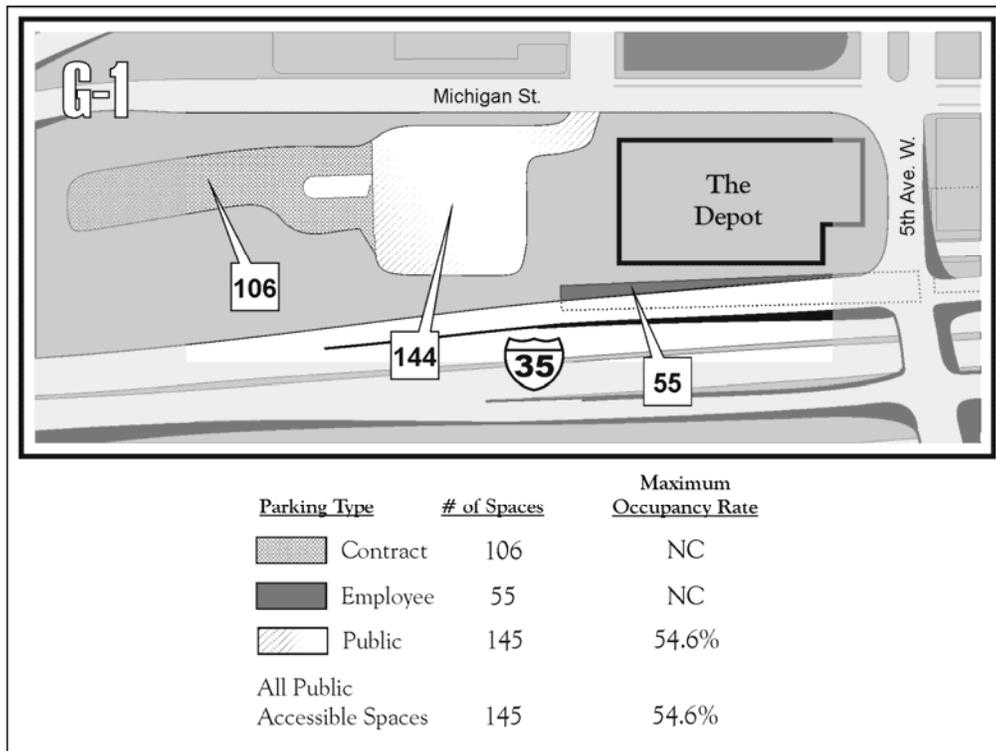
### **Recommendations:**

- Because of the parking demand created during the evening and weekends, the city should give serious consideration to enforcing metered parking during the weekends in conjunction with retail hours and until 9:00 p.m. similar to meters near the Fond-du-Luth Casino.

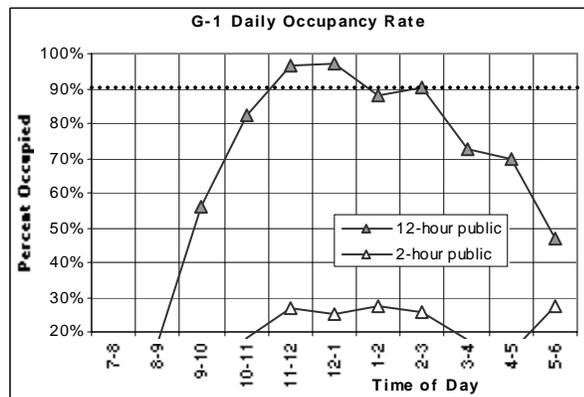


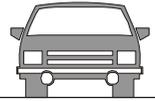
**“G” Row (Between I-35 & Michigan Street from Mesaba Ave. W. to 3<sup>rd</sup> Ave. E.)**

Michigan Street borders Row “G” to the north and Interstate 35 to the south between Mesaba Avenue and 1<sup>st</sup> Avenue West. This area has a great deal of off-street parking lots and ramps serving downtown commuters that are accessible from Michigan Street. Michigan Street is a one-way street serving almost like an alley for buildings facing Superior Street. This newly reconstructed street generally has metered parking on the south side and loading zones on the north side with only one through traffic lane.



**G-1:** The parking lot adjacent to the Depot and diagonally across from the Duluth Public Library incorporates a unique blend of short and long-term public parking spaces. The lot is actually a parking deck built on the slope of the hill. The largest lot consisting of 144 metered spaces with 65 12-hour meters and 62 two-hour meters. Both the long and short-term meters cost \$0.25/hour. The entire lot is generally only 55 percent occupied during the weekday. However, the 12-hour meters reach and exceed effective capacity during





the day, whereas, the 2-hour meters appear to be underutilized much of the day. Weekend parking, except for special events, are likely to have lower overall occupancies.

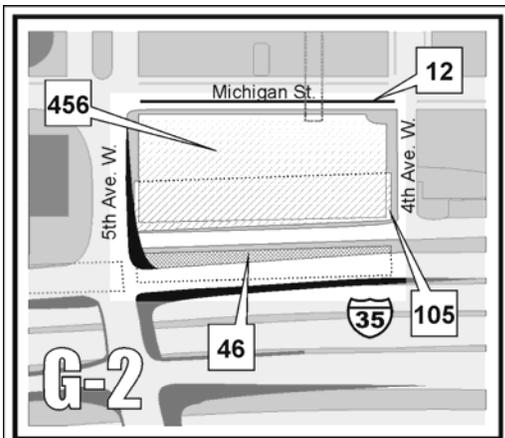
There are 106 contract-parking spaces on this block owned and operated by the City of Duluth. Fifty-three are located under the public parking deck (\$29/month) and another 53 contract spaces to the west of the parking deck (\$32/month).

### Major Concerns:

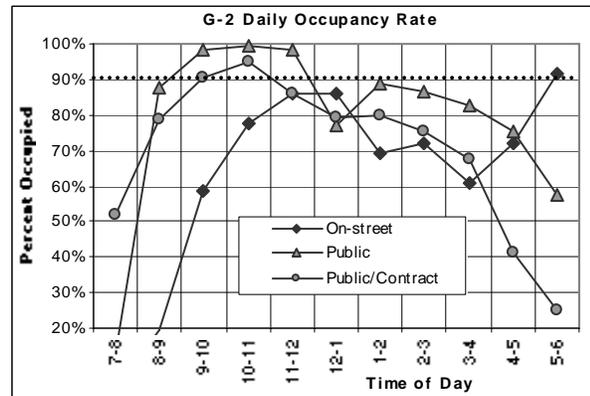
- Underutilized two-hour metered parking.
- Contract parking encourages commuters to drive everyday. The more often they drive to work, the more value they receive from contract spaces. Converting to metered parking promotes using alternative transportation when possible.

### Recommendations:

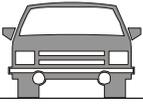
- Convert 30 two-hour metered spaces to 12-hour metered spaces.
- Phase-out contract spaces and replace with 12-hour meters (\$0.25/90-minutes). Assuming an average of 20 workdays a month, the current cost of contract parking is \$1.45/day for the surface lot and \$1.60/ day for the lot under the parking deck. At \$0.25 per 90 minutes of parking time, it would cost \$1.50 for nine hours of parking. New meter technologies may allow smart card or other more convenient payment methods.



Parking Type	# of Spaces	Maximum Occupancy Rate
Contract	46	NC
Public	105	99.4%
Pub./Cont.	456	94.8%
On-Street	12	91.7%
All Public Accessible Spaces	573	95.3%



**G-2:** This block is entirely dedicated to parking with over 600 spaces. What is more impressive is that each facility is over or very near effective capacity at some point in the day. This block does provide some of the most convenient parking to downtown’s most concentrated office buildings. In addition, these spaces have easy access to Interstate 35 via 5<sup>th</sup> Avenue West. However, signage directing newcomers to these parking areas are lacking.



The Fourth Avenue West Auto Park was recently renovated and offers a direct connection to the skyway system. This ramp has a total of 456 spaces and charges \$57.50 per month for contract parking, which is approximately \$2.90 per workday. The general public pays \$0.75 for the first 30-minutes of parking, \$0.75 for the second 30-minutes, and \$0.75 for each additional hour up to a maximum of \$6.00 for the day. Once again, such a pricing scheme discourages short and mid-term parking users from using ramps when parking on the street only costs 25 cents for 30-minutes. Still, the occupancy chart above suggests that commuters are not solely occupying ramp space. A significant portion of this ramp's parking appears to be two to four hour parking users.

Other public parking includes a heavily used public lot underneath the 4<sup>th</sup> Avenue West ramp. There are 30 two-hour meters and 75 12-hour meters charging \$0.25/hour. During the morning hours, the 12-hour meters were full, and for a couple hours in the afternoon, they surpassed effective capacity. The two-hour meters surpassed effective capacity for three hours in the morning and were well used the entire day. On street spaces here have one-hour meters charging \$0.25/30-minutes. These spaces are well used throughout the day while generally having one or two spaces available.

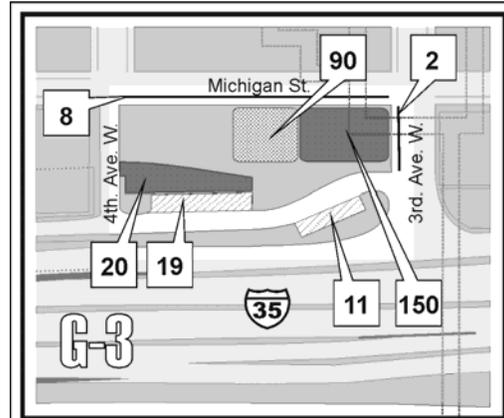
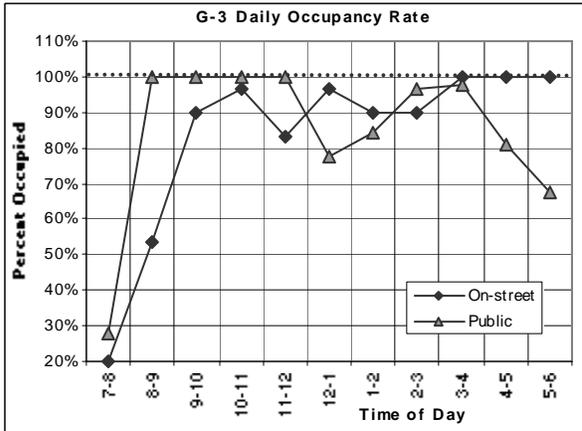
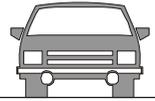
**Major Concerns:**

- Fourth Avenue West Auto Park pricing policy discourages short and mid-term customer parking.
- 12-hour meters and the 2-hour meters under 4<sup>th</sup> Avenue West Auto Park are generally full during the morning hours.

**Recommendations:**

- Increase directional signage to 4<sup>th</sup> Avenue West Auto Park and public meters from Interstate 35 northbound and southbound ramp and Superior Street.
- Eliminate pricing disincentives for short and mid-term parking customers.
- Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
- Increase cost of two-hour meters in off-street public lot from \$0.25/hour to \$0.25/40-minutes.





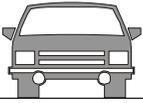
**G-3:** This block has 170 parking spaces dedicated to employees, 150 of which are in the parking garage of the building that is home to the Fingerhut. The Medical Arts Annex provides another 90 contract parking spaces, while another lot behind the Duluth Plumbing Supply Building holds another 20 contract spaces. Two public lots offer 30 12-hour metered parking spaces off the I-35 frontage road. These lots, which charge \$0.25 per hour, were full from 8:00 a.m. till the noon hour. The afternoon occupancy exceeded effective capacity two-hours during the afternoon. Michigan Street and 3<sup>rd</sup> Avenue West have 12 and three one-hour meters at a cost of \$0.25 for 30-minutes. The on-street spaces along Michigan Street were generally full while there were usually open spaces along 3<sup>rd</sup> Avenue West.

**Major Concerns:**

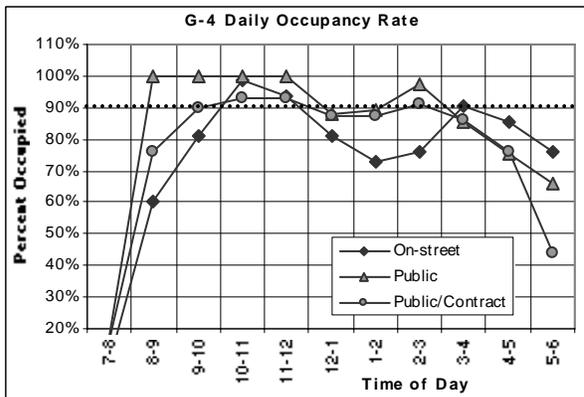
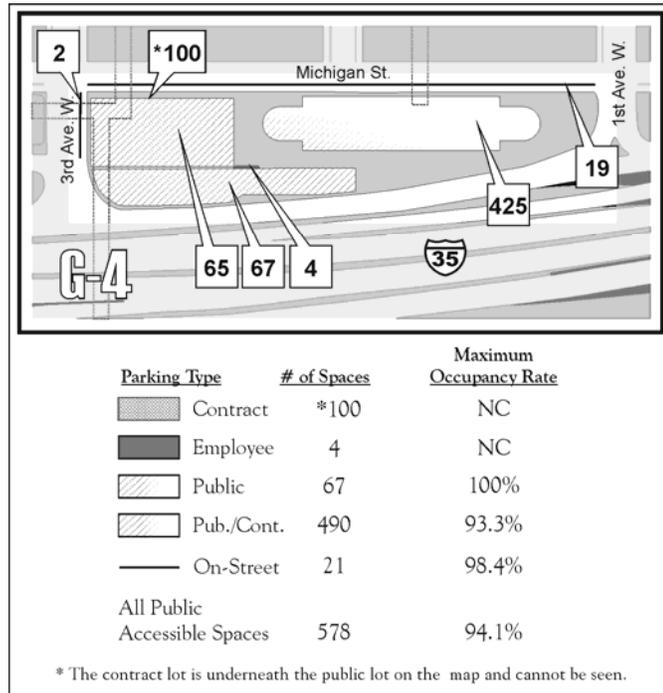
- The public lots with 12 hour meters were always full during the morning and above effective capacity for some of the afternoon. This may be because these lots are in close proximity to Fingerhut, which employs a significant number of part-time workers.

**Recommendations:**

- Designate four metered spaces closest to 4<sup>th</sup> Avenue West as two-hour metered parking.
- Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
- Increase cost of two-hour meters in off-street public lot from \$0.25/hour to \$0.25/40-minutes.



**G-4:** This block has two parking ramps: the Norwest Auto Ramp on the corner of Michigan Street and 3<sup>rd</sup> Avenue West, and the US Bank Auto Ramp to the east. The street level of the Norwest Auto Ramp has a drive through bank, an ATM lane and spaces for reserved parking. The Norwest bank Ramp has about 100 contract only parking stalls on the lower level, which is accessible from the south side of the ramp at a cost of \$64.50 per month. There are only about 60 spaces available to the general public in this ramp, which were generally well utilized throughout the day although never reached effective capacity. The general public spaces cost \$0.75 for the first 2 half-hours and \$0.75 for each additional hour with a daily maximum of \$6.00.



The 425 spaces in the US Bank Parking Ramp were at or above effective capacity between 9:00 a.m. and 3:00 p.m., suggesting a high percentage of contract parking, which costs \$56.44 per month. The “basement” level of this ramp was designated for contract parking, although the remainder of the parking stalls were on a first come first serve basis for contract and general public parking.

Similar to the off-street metered spaces on block “G-3”, this block’s 67 twelve-hour metered spaces appear to be heavily used by commuters. By 8 a.m., these lots are full; there is a lull over the lunch hour and an increase in the afternoon. Once again, the morning activity may be due to part-time employee parking. The 12-hour parking meters are a value at \$2.25 for a nine-hour day compared with a \$6.00 ramp fee. Particularly for part-time employees, paying \$1.00 for four-hours is obviously more attractive than paying \$3.75 for the same four-hours in the parking ramp. It is interesting that it is more cost-effective for a part-time employee working four-hours a day, 20 weekdays a month to pay \$57.50 for contract parking in a ramp (\$2.90/day) than to pay by the hour (\$3.75/day). It is little wonder that these 12-hour meters are full most of the day.



Michigan Street and 3<sup>rd</sup> Avenue West have 23 on-street one-hour metered parking spaces at a cost of \$0.25/30-minutes. There was consistently a minimum of two or three parking spaces available along these streets during the workday. Eighty to 90-percent occupancy is generally considered ideal for on-street parking. This occupancy rate means that spaces are being used while ensuring some open spaces for newcomers.

**Major Concerns:**

- The public lots with 12-hour meters were always full during the morning and above effective capacity for some of the afternoon.

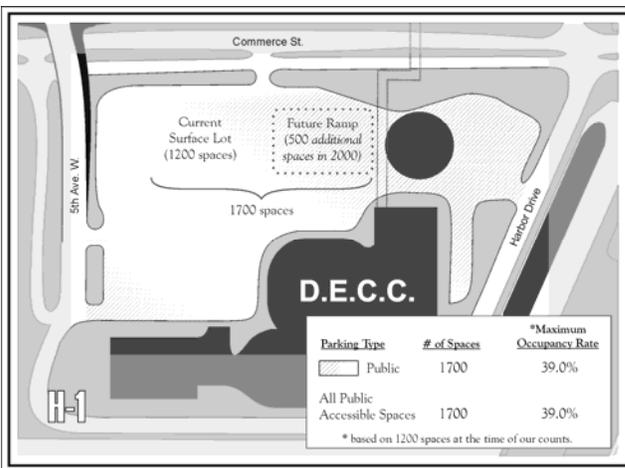
**Recommendations:**

- Parking ramps should alter pricing to eliminate disincentives for short, mid-term, and non-contract parking.
  - US Bank Parking Ramp should consider designating Michigan Street Level parking stalls for customer parking (e.g., no-parking prior to 9:00 a.m.)
  - Designate a small portion of off-street 12-hour metered spaces closest to 3<sup>rd</sup> Avenue West as two-hour metered parking at a cost of \$0.25/40-minutes.
  - Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
  - Eliminating one-way designation on 3<sup>rd</sup> Avenue West and 2<sup>nd</sup> Avenue West from the I-35 frontage road to Superior Street would make accessing on-street parking and the Norwest and US Bank parking ramps simpler and increase accessibility to Norwest drive through bank and ATM.
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### **“H” Row (Canal Park & the D.E.C.C.)**

The “H” row includes the Duluth Entertainment and Convention Center (DECC) and the Canal Park District. This area has developed dramatically over the last decade as the city’s premiere tourism destination. Canal Park, once a center of shipping and industrial activity is now home to the maritime museum, many restaurants, specialty shops, and hotels. The area’s attractiveness has, in large part, been spurred by the construction of the Lakewalk, which is bike and pedestrian trail and park that runs adjacent to the Lakeshore and Harbor around Canal Park up the Shore of Lake Superior to 26<sup>th</sup> Avenue East. Not surprisingly, this area is a popular destination for summertime activity. As a result, the seasonal demand for parking has become an increasing topic of conversation. With plans for the development of the Bayfront area just west of the DECC area, the issue of parking will continue to be debated.

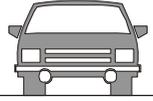


**H-2:** The Duluth Entertainment and Convention Center (DECC) has unique parking needs. The DECC hosts a variety of conferences and other activities that require parking during the day. The DECC is currently in the process of expanding its facilities to be able to accommodate a larger conference market. As part of this expansion, the DECC will open a newly constructed parking ramp that will add an additional 500 parking stalls.

Because the DECC events from day to day vary dramatically, it is difficult to assess what would be considered

“typical” parking use. An occupancy count conducted in August indicated an occupancy that did not exceed 55 percent. According to DECC officials, the DECC parking lot exceeds capacity about 20 to 25 times during the year. However, the new spaces should more than accommodate these parking users. The DECC’s peak parking demand almost always occurs during the evening and weekends when events are scheduled. At these times, ramps located on the north side of Interstate 35 sit empty. The Norwest Ramp has convenient access to the skywalk to the DECC and several other ramps are within one block of the skywalk. Furthermore, these ramps do not charge in the evening.

The DECC charges \$36 per month for contract parking and \$3.00 per day for the general public parking. By pricing DECC parking for the day, regardless of how long customers are parked, discourages short and mid-term parking use. Because much of the parking in Canal park is free or significantly cheaper, there is little or no incentive to use the DECC parking lot, which is underutilized most of the time. Furthermore, customers going to the Omnimax Theater, which is located with the DECC parking lot, are required to pay \$3.00 for parking, even though a typical Omnimax movie lasts less than an hour.



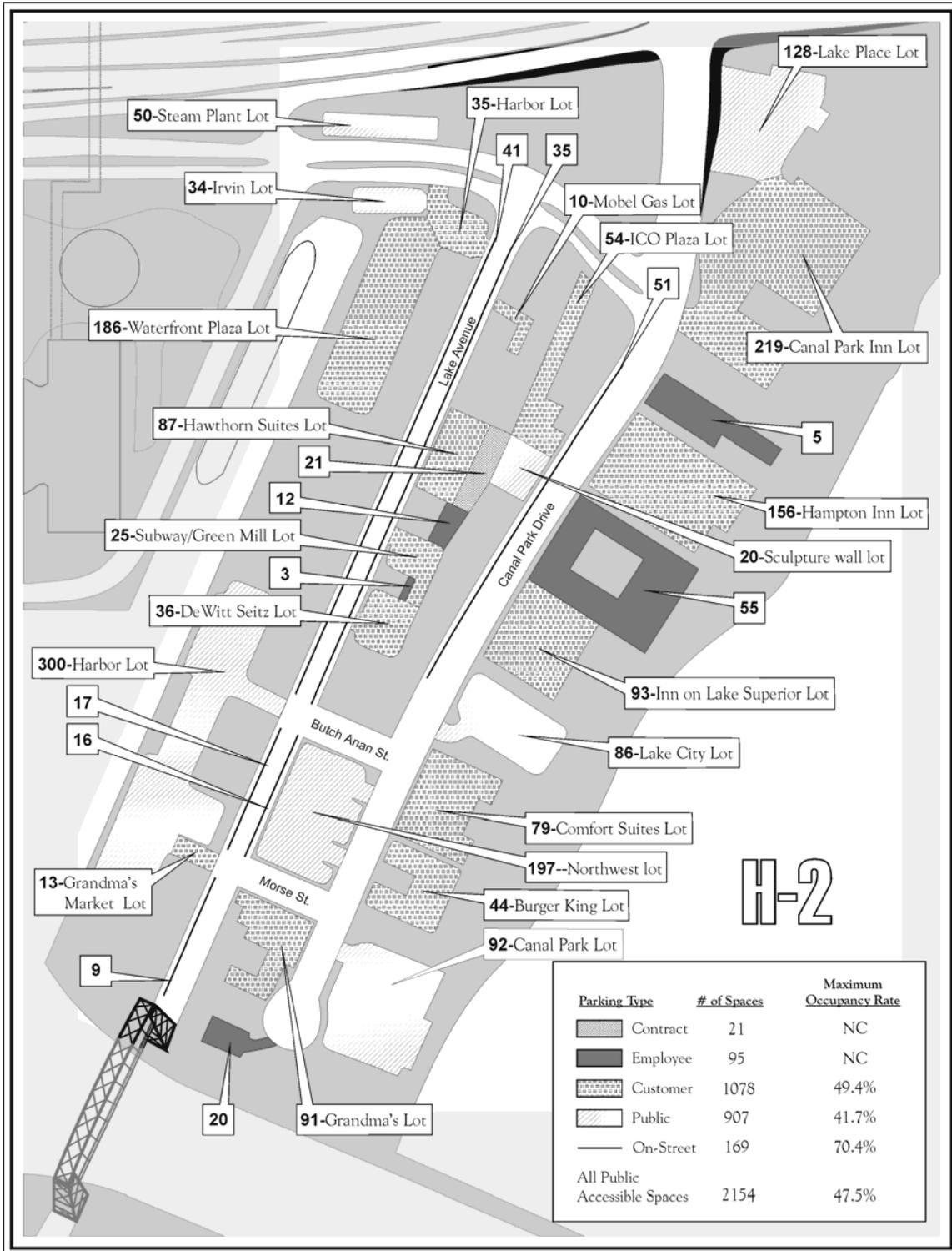
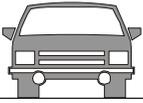
In addition to the new DECC Parking Ramp, a new building housing the Lake Superior Aquarium is being constructed to the west of 5<sup>th</sup> Avenue West. The Lake Superior Aquarium will be constructing a surface parking facility for their visitors and employees. The Aquarium is tentatively planning to charge the same as the DECC parking facility.

**Major Concerns:**

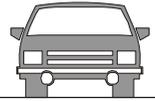
- Pricing of the DECC's parking facilities discourages short and mid-term parking customers.
- The DECC parking facility is underutilized most of the time.
- The large surface lot occupies a large amount of valuable land area.

**Recommendations:**

- The DECC should price by the hour during non-even times to encourage use of underutilized parking spaces during the day, particularly during the summer months. Event pricing could remain in place.
  - The Lake Superior Aquarium and the DECC should cooperate to share parking facilities to maximize usage of existing facilities.
  - Improved directional signage on I-35, 5<sup>th</sup> Avenue West, and Lake Avenue/Canal Park Drive to DECC parking lot.
  - Direct large vehicle parking to DECC Parking Lot.
  - Electronic signs visible from the interstate could direct parking users to free downtown ramp parking in the evenings and weekends for events when DECC facilities are full. Improved signage to DECC, once people are out of their cars are also needed.
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H-2

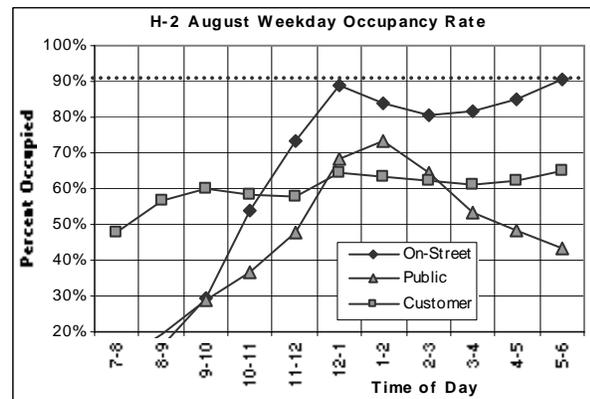
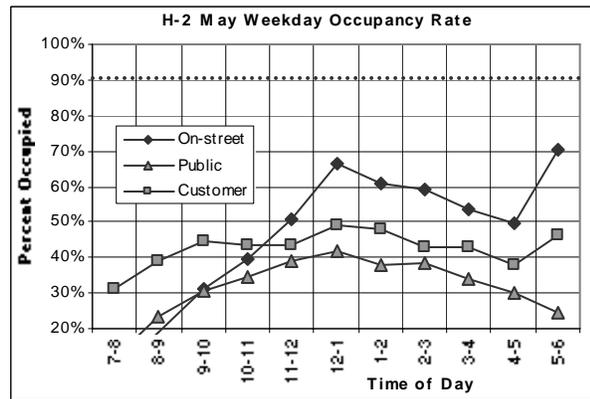


**H-2:** The last decade has seen dramatic changes in Canal Park. The area, once home to deteriorating warehouses, metal scrap-yards, and a handful of small manufacturing businesses has been transformed into Duluth’s most prominent tourism destination. The development of the Lakewalk Park and the Canal Park Museum along with the installation of tree lined brick roadways, wide sidewalks, and sculptures, make Canal Park a popular destination for tourists and residents alike. Besides public spaces, Canal Park also offers shopping, restaurants and hotels that provide services to visitors throughout the year. However, Canal Park’s busiest season is the summer months of July and August. Because demand for parking in Canal Park is so seasonally driven, occupancy survey were conducted for three weekdays in both May and August.

Canal Park currently has over 2,000 parking spaces. Of these parking spaces, about half is customer parking, most of which belong to the hotels. The other half is public parking, including 170 on-street spaces and 900 off-street spaces. There are slightly less than 100 dedicated employee spaces and 21 contract spaces. The limited amount of employee only parking is positive in that spaces are available to everyone and may encourage alternative transportation by employees. However, it is important to calculate in employee use of public parking spaces.

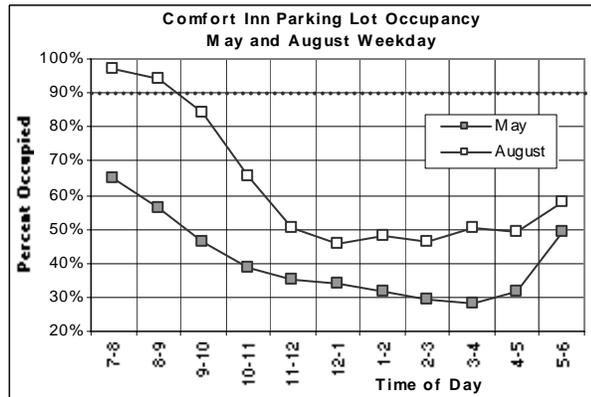
Canal Park overall had more than enough parking to accommodate demand in May. In fact, at this time of year there is a substantial amount of vacant spaces. Even on-street parking, which generally offers the most convenient spaces to shops and restaurants do not fill up completely. In August, the parking picture changes dramatically, on-street parking reaches effective capacity to accommodate the lunch crowd during the noon hour, decreases slightly in the afternoon, and reaches 90 percent occupancy again as dinnertime approaches. Off-street public parking in May never exceeded 40 percent occupancy, whereas, in August off-street public parking peak occupancy was over 70 percent. Even though overall occupancy indicates plenty of available parking. The open parking areas tend to be further away from the most popular destinations.

As noted, dedicated customer-parking accounts for about half of the total parking spaces, 820 of which belong to Canal Park’s five hotels. The Canal Park Inn’s 219-space lot never was more than 30 percent full during the May surveys. Even in August, peak-parking occupancy was only about 66 percent. Similarly, the Hampton Inn’s 156-space lot had a peak-occupancy of 43

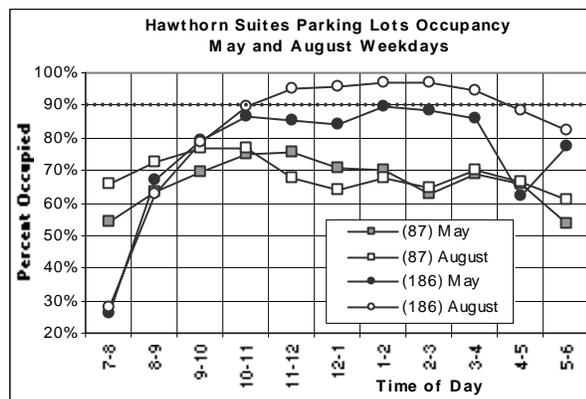




percent in May and about 70 percent in August. The 93 spaces at the Inn on the Lake were 52 percent full in May and 85 percent full in August. The Comfort Inn had a peak-occupancy of 65 percent in May and 97 percent in August. The Comfort Inn is unique in that it has 79 dedicated customer spaces and has spaces available for customer use in the adjacent city-owned public parking lot. These types of shared parking arrangements are beneficial for both the public and business, particularly in the case of the Canal Park hotels which generally have decreasing parking occupancies during the middle of the day when the general public's demand for parking is greatest. The Comfort Inn's parking use pattern is illustrated on the chart to the right.



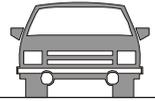
The Hawthorne Suites have two parking lots, one holds 186 vehicles and the other holds 87 vehicles. The smaller of the two had a May and August peak occupancy of 76 percent and 77 percent, respectively. The 186-space lot reached effective capacity in May and exceeded effective capacity in August. Parking usage patterns for these lots are significantly different than the other hotel parking lots. Unlike the majority of Canal Park hotels, the Hawthorne Suites had mid-day peak parking occupancies, suggesting that a significant proportion of these spaces are being used by employees.



Obviously, hotels are likely to be busiest during the weekends. However, we find that a large number of hotel parking spaces often remain vacant throughout most of the day, even in the middle of August at the height of the tourist season. Perhaps there are opportunities for these businesses to work together so that these empty spaces can be better utilized to serve Canal Park customers.

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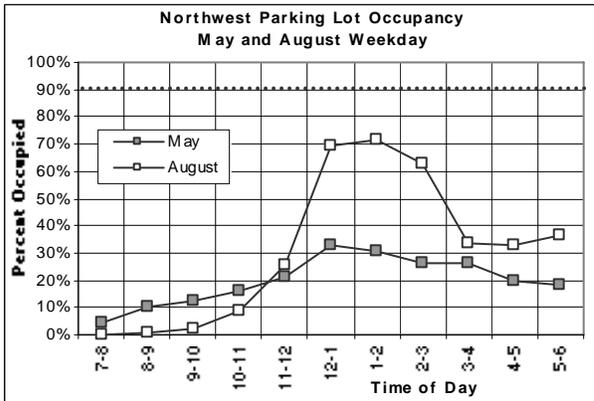
About half of the total number of Canal Park parking spaces are available to the general public. There is enough on-street parking to accommodate approximately 170 vehicles and enough off-street public parking for another 900 cars. In the off-season, parking in all of these lots is free. Furthermore, there are no time limits on parking between October 15<sup>th</sup> and May 15<sup>th</sup>. The only exception to this rule is the 20-stall parking lot behind the Sculpture Wall on Canal Park Drive, which has a 3-hour time limit year round. Between May 15<sup>th</sup> and October 15<sup>th</sup>, on-street parking has a two-hour maximum time limit. Time limits and summer pricing policies for public parking facilities are identified on the following map.



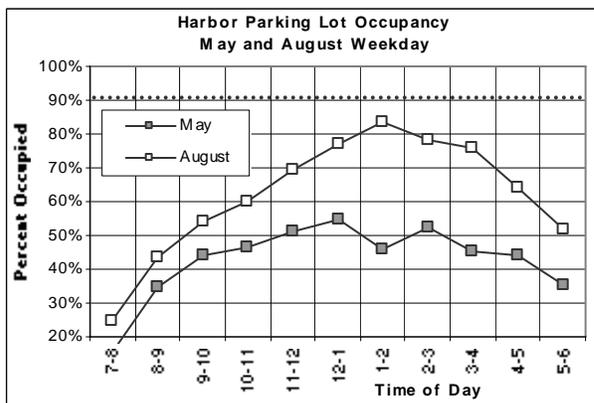
Public parking during the weekdays, even during the peak of tourism season is available in Canal Park. However, individual lots and on-street parking use varies depending on parking location. The Lake Place Lot, located near the Canal Park Inn and Endion Station Visitors Center is always free, although between may and October there is a three-hour time limit. This parking lot had a May and August peak-hour occupancy of 47 percent and 55 percent, respectively.

The 128 parking spaces of the Lake City Lot is located between The Inn on the Lake and the Comfort Inn and is owned by the city. This parking facility charges \$0.25 per hour between May and October with a maximum time limit of 12 hours. The Lake City Lot had May and August peak-hour occupancy of 22 percent and 55 percent respectively.

The Canal Park Lot has an electronic gate and costs \$0.75 to enter the lot and has a two-hour time limit. This parking area has around 90 stalls and is also owned by the city. The Canal Park Lot was less than 20 percent full in May. However, this lot had a peak-hour occupancy of 80 percent in August.



The Northwest Lot provides about 200 parking spaces and is privately owned. The lot charges \$0.25 for 30-minutes of parking for up to 12-hours. The peak-hour occupancy of this lot was only 33 percent in May. In August during the peak-hour the lot was 72 percent full. Given the central location of these parking spaces, it is surprising that this lot was not utilized more.



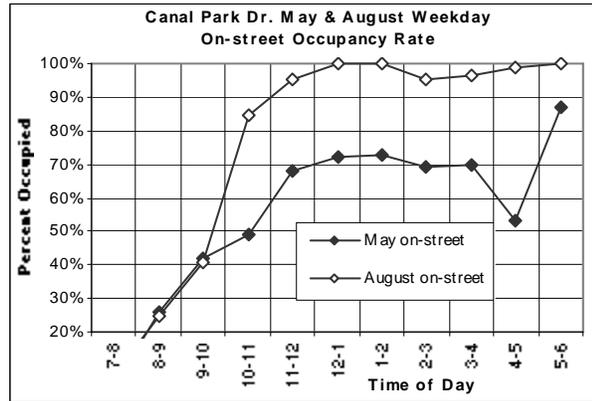
Three hundred spaces are provided in the Harbor Lot, which is located behind Grandma’s Sports Garden and the Paulucci Building. This lot is a little over half full during the May weekday peak-hour. During August weekdays, this lot had a peak-hour occupancy of 84 percent. According to the chart below, this lot appears to see a significant percentage of commuter use.

The Irvin Lot is a 34-space parking area near the Red Lobster restaurant, which is owned by the city. The lot is always free-of-charge with a three-hour maximum time limit. This lot was well used most of the day during the May surveys. August occupancies were similar with occupancies between 70 and 80 percent throughout the day.

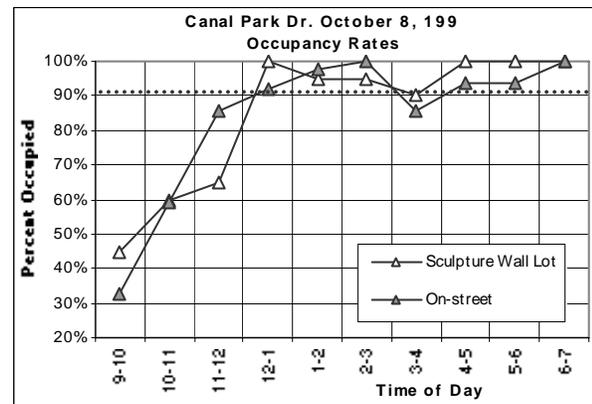


The Steam Plant Lot located across Railroad Street from the Red Lobster is also free of charge with a three-hour maximum time limit. This lot's 50 parking spaces had a peak-hour occupancy of 40 percent in May and 70 percent in August

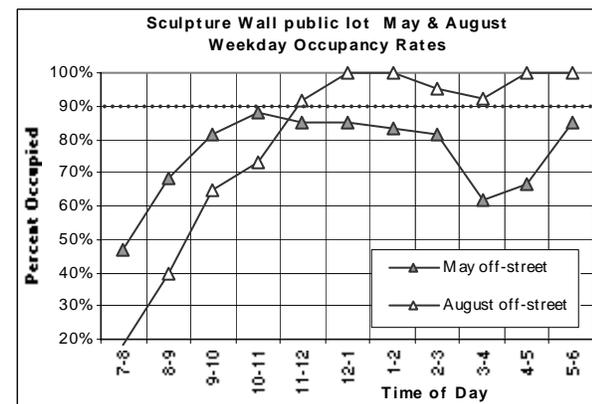
In 1998, Canal Park Drive on-street parking was redesigned to create diagonal parking on the West Side of the street. The East side of the street changed from allowing parallel parking to no parking. The redesign, while not creating more parking spaces does allow better access to businesses on the East Side of Canal Park Drive and creates slightly more area for the horse-drawn carriages operating in the summer months.



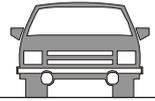
On-street parking along Canal Park Drive and Lake Avenue are well used throughout the day. Not surprisingly, these spaces offer some of the most convenient parking for nearby shops and restaurants. Lake Avenue in particular has seen a substantial increase in restaurant generated parking demand.



Due to the high level of usage seen by these on street spaces, it was decided that a turnover study be conducted in this area as well. Lake Avenue does not have designated parking stalls, which make conducting a turnover survey too difficult. Therefore, the spaces along Canal Park Drive were the focus of the turnover survey. In addition, the heavily used public Sculpture Wall Lot was also included. Once again, it is important to understand that turnover counts are merely a snap shot in time, looking specifically at one particular day of the year. Parking use is a behavior that is constantly changing based on a wide variety of variables. As such, caution should be exercised when considering this or similar data.



Canal Park drive has 49 on street parking spaces and 20 public off-street spaces in the Sculpture Wall Parking Lot. There is a two-hour time limit for on street parking from May 15 to October 15



and a three-hour time limit for off-street facilities throughout the year. The turnover survey was conducted hourly between 9:00 a.m. and 7:00 p.m. on Friday October 8, 1999.

The graphs to the right show both the May and August occupancy rates for Canal Park Drive on-street parking and the public Sculpture Wall Lot. The month of May is generally considered as the “typical” or average time of year best for data analysis purposes. However, this may not be the case with Canal Park’s parking situation.

Because the turnover count was conducted on a Friday in early October, it is likely that the high occupancy rates are the result of continued tourism activities. Many Canal Park Hotels and other businesses have noted tourism activity continuing beyond the traditional summer months through September and October.

As indicated by the graph to the right, both on-street and off-street parking in October surpassed the effective parking supply of 90 percent occupancy at the noon hour. Parking occupancy remained above the effective parking supply throughout most of the afternoon. In contrast, the three-day average occupancy was below 90 percent most of the time for both on and off-street spaces. However, on-street parking in May still had over 80 percent occupancy throughout most of the day.

The table below summarizes the turnover rates for the Canal Park Drive Parking facilities. A total of 310 vehicles used the 69 on and off-street parking spaces along Canal Park Drive on the day of the survey. An average of 4 vehicles per parking space was used over an eight-hour day. The on-street parking spaces, which have a two-hour time limit, had a turnover rate of 4.3

**Canal Park Drive Parking Turnover**

	Parking Spaces	Turnover Rate	Total Cars
On-Street	49	4.3	237
Sculpture Wall Lot	20	3.2	73
Total	69	4.0	310

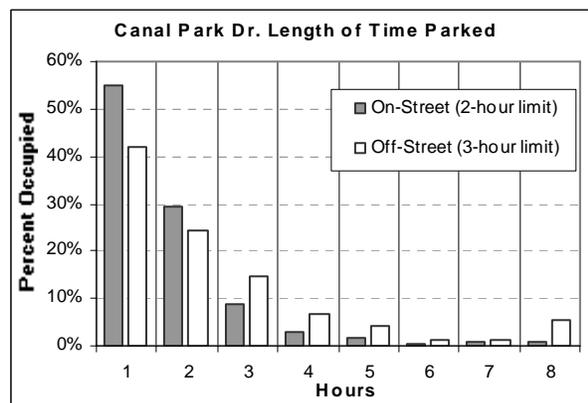
Source: October 8, 1999 parking turnover survey

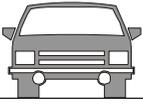
vehicles. The 20 off-street public spaces provided by the city, which has a three-hour parking limit had a turnover rate of 3.2 vehicles.

The chart below illustrates the maximum amount of time vehicles used Canal Park Drive parking during the turnover survey. Because counts were taken

hourly, the exact time a vehicle was parked could not be determined. However, it was possible to determine the number of vehicles parked no more than the identified number of hours.

Of the 310 total vehicles parked, more than half (165) were parked for less than an hour. Only 31 of the 73 vehicles using the off-street parking left within one hour. A total of 84 percent of on-street vehicles were parked for less than two hours; the posted time limit. Twenty-two percent of those parking in the





off-street stayed between one and two hours with 81 percent of all vehicles parking less than three hours, which is the posted time limit.

While a vast majority of those parking along Canal Park Drive are there less than the posted time limit, some individuals tie up the space for most of the day. Thirteen people used off-street spaces for longer than four hours; four individuals were parked over seven hours. Fifteen individuals parked over three hours using on-street parking. Four hours and over is generally considered as long-term parking.

Vehicles tying up parking space are not a big concern when there is surplus of empty spaces. However, when there is a limited parking supply, and an obvious demand for short-term parking, one vehicle may literally keep several customers away. Individuals desiring quick, in and out, access to businesses, are less likely to take the time to walk from a distant parking lot.

There is significant utilization of existing parking in this area most notably during the summer months. On-street parking provides the most convenient parking to businesses along the street and strategies should be implemented which encourage increased turnover rates, suggesting a need to take some action to either increase supply or decrease demand for parking in this area. Several options exist to accomplish this goal.

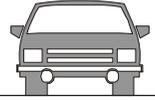
An often-overheard complaint about the Canal Park area is the lack of adequate parking. However, occupancy surveys performed by ARDC staff in May and August of 1999 show that while some lots and on-street parking are often full, plenty of spaces are available in several less convenient parking areas. Only during the lunch hour in August did both on-street spaces and off-street public spaces reach effective capacity.

#### **Major Concerns:**

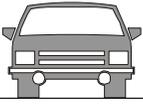
- Perception of not enough convenient parking.
- Most convenient on-street parking is not priced to encourage turnover or short-term parking.
- Surface parking lots are using a large portion of developable land area.

#### **Recommendations:**

- Better utilization of less convenient parking. In order to encourage the use of underutilized parking, incentives need to be in place. As discussed earlier, pricing and time limits can serve this purpose. However, other strategies may also exist, such as incentives to encourage employees to park in less convenient lots.
- Increase enforcement of time limits.
- Two-hour parking meters should be installed (\$0.25/30-minutes) for on-street parking along Canal Park Drive and Lake Ave. S. Revenues generated from parking could go into funding a future parking structure or other Canal Park area improvements. Off-street/long-term parking areas should offer short-term parking prices that are less than on-street metered parking. **OR** At a minimum, two-hour time limits should be imposed for on-street parking year round and enforced through the dinner hour (8:00 p.m.)
- Sculpture Wall Lot should be two-hour metered parking (\$0.25/30-minutes) **OR** two-hour time-limit.



- A significant percentage of hotel parking lots are vacant throughout much of the day. A strategy for utilizing these empty spaces could be developed that would allow the public to park for a fee, benefiting the public and the hotels.
- The Lake City Lot and the Canal Park Lot are located on valuable lakeside property owned by the city. If the popularity of this area continues, the Canal Park Lot may be needed to provide additional park area. The Lake City Lot is also a valuable property. A surface parking lot is probably not the most beneficial use of this property.
- The Harbor Lot should consider going to an hourly rate structure. At \$0.25/hour, an eight-hour day would still yield \$2.00 for the day. In addition, short and mid-term customers would not be discouraged from using this lot.
- Dewitt Seitz Market Place Lot should consider allowing 2-hour meters to be installed at a cost of \$0.25/30-minutes to ensure available spaces for short-term customers and encourage use of Northwest Lot and other less convenient parking areas.
- Canal Park appears to have further growth possibilities. However, surface parking lots take up large areas of land. Additional development will likely make a parking ramp desirable. Currently, occupancy counts indicate that several less convenient parking areas are underutilized.
- Increased Port Town Trolley service may encourage more people to park further away and use transit to get to and around the Canal Park and downtown areas. This service should also market to downtown employees and may require 15-minute headways to provide the necessary convenience to attract riders.



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## Conclusion

Through this study, MIC staff has taken several steps toward providing information to improve decision-making related to Downtown Duluth's parking situation. The ultimate goal of this study is to generate parking recommendations, which will aid in creating a vibrant city center and an economically healthy community. First, staff completed a comprehensive parking inventory and created a Geographic Information System database to allow for easy updating of this inventory. Second, staff conducted occupancy surveys for all public accessible parking facilities. Third, turnover surveys were conducted for several high-demand parking areas. Next, a parking-use analysis was conducted for each city block within the study area. Finally, recommendations were developed to increase the effectiveness and efficiency of existing parking facilities.

### **Does Downtown Duluth need more parking?**

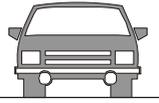
This is the question most public officials want to know. However, a simple yes or no answer would understate the complexity of downtown parking issues. In a very general sense, Downtown Duluth has more parking spaces than most cities this size. There is a high demand for the most convenient and desirable parking spaces although there is still plenty of vacant parking spaces on the fringe of downtown. The Duluth Entertainment and Convention Center lots generally have plenty of vacant spaces during typical workdays.

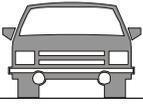
Parking use is only one factor for determining the need for additional parking. Other factors include occupancy, type of use, price, occupancy of nearby parking facilities, the cost of creating additional parking, and the cost of providing alternative transportation mode incentives. Downtowns generally have higher densities, higher land costs and less open spaces that increase the cost of providing parking. These downtown characteristics also make transit use, carpooling, biking and walking more viable forms of transportation.

Because it costs significantly more to provide downtown parking than suburban parking, portions of these costs are usually shifted to the parking user. Even though users pay some of the cost of parking, the true cost is often partially subsidized by private or public entities. Pricing and financial incentives that discourage drive alone commuters can be an effective and efficient tool for creating more available parking. Likewise, time limits are another way to ensure more utilization of the most desirable parking spaces such as on-street parking.

On-street parking provides convenient and inexpensive short-term customer parking. The use of angle parking has helped to maximize the number of on-street spaces available. Because on-street parking is significantly less expensive than parking ramps, short and mid term customers are discouraged from using ramps.

This study addresses site-specific and general parking policy recommendations. The extensive data gathering efforts used for this study provided the facts used in developing the site-specific recommendations. An extensive review of parking policy literature aided in the development of the general parking recommendations. Most of the data used for this study was obtained in the spring and summer of 1999, however, it is still valid today. Even with two new parking ramps being opened this year, the issues addressed in this study will be relevant for many years. Hopefully, this study will provide insight into the issues of downtown parking and help the City of Duluth maintain a vibrant and economically viable downtown.





This list includes all of the detailed recommendations from the Individual Block Summaries section. Please refer back to this section for a detailed description of the block and the reasoning behind the recommendation.

### **Row A:**

- (A1, A2, A3, A4, A5, A6, A7) Ensure on-street parking is available for residential and local business needs.
- (A1, A2, A3, A4, A5, A6) Institute a Residential Parking District, which allows commuters to buy permits at a competitive rate to park within district.
- (A7 only) Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.

### **Row B:**

- (B1, B2, B3, B4, B5, B6, B7, B8) Introduction of long-term meters (\$.025/2hour) with resident exemptions, or institute a Residential Parking District which allows commuters to buy permits at a competitive rate to park within district.
- (B3 only) The Damiano Center should consider contract parking for unused parking spaces.
- (B4 only) The Center for American Indian Resources should consider contract parking for unused parking spaces.
- (B6 only) Permit on-street parking along 3<sup>rd</sup> Street between on the north side between Lake Avenue and 1<sup>st</sup> Avenue East.
- (B7 only) Ensure customer access by instituting appropriate time limits for on-street parking in front of businesses.
- (B8 only) Work with major employer St. Mary's/Duluth Clinic Health System to promote employee commuting alternatives such as "cash-out" parking, transit benefits, etc. (i.e. parking demand strategies)

### **Row C:**

- (C1, C2) Work with major employer St. Louis County employees to promote employee commuting alternatives such as "cash-out" parking, transit benefits, etc. (i.e. parking demand strategies)
- (C2 only) Increase parking meter rate OR decrease time limit to 2-hours.
- (C2 only) Install \_\_\_-hour parking meters (\$0.25/Hour) along 4<sup>th</sup> Avenue West between 2<sup>nd</sup> Street and 3<sup>rd</sup> Street OR convert employee spaces to public 12-hour (\$0.25/Hour) meters.
- (C4, C5) Install 12-hour parking meters (\$0.25/ 2-Hour) along 1<sup>st</sup> Avenue West between the alley and 3<sup>rd</sup> Street with exemptions for those with residential permits.
- (C6 only) There is enough width on Lake Avenue and 1<sup>st</sup> Avenue East to allow on-street metered parking adjacent to this block
- (C7 only) Work with major employer ISD 709 to promote employee commuting alternatives such as "cash-out" parking, transit benefits, etc. (i.e. parking demand strategies)

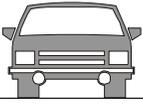


### ***Row D:***

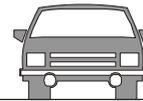
- (D1 only) The city should consider installing 12-hour meters (\$0.25/hour) on the west side of 6<sup>th</sup> Avenue West pending comment from the Fire Department. Only about five spaces would be created due to the large driveway areas.
- (D2 only) Work with major employer ISD 709 to promote employee commuting alternatives such as “cash-out” parking, transit benefits, etc. (i.e. parking demand strategies) Education and enforcement of time limits to discourage meter plugging. Better signage is needed to direct users to parking that meets their needs (i.e., spaces with adequate time limits).
- (D2 only) It may be necessary to reserve some parking for vehicles being used for government activities. All remaining employee spaces should be metered for general public use.
- (D2 only) Work with major employer Government employers to promote employee commuting alternatives such as “cash-out” parking, transit benefits, etc. (i.e. parking demand strategies)
- (D3 only) Increase two-hour meter cost to 25 cents per half-hour (i.e., \$0.50/hour).
- (D3 only) Increase the amount of two-hour metered parking spaces across 2<sup>nd</sup> Street on Block “C-2.”
- (D3 only) Improve signage directing long-term public parking to Government Services Ramp.
- (D3 only) Convert reserved/contract parking on bottom level of Government Services Ramp to 2-hour meters (\$0.25/half-hour)
- (D3 only) New Ramp Pricing: Government Services Ramp should consider a pricing policy similar to the one listed below.
- (D4 only) Owners of the Mesaba Building lot and the Salter/Bowman Management group should consider the benefits of combining these parking areas to maximize parking capacity.
- (D5 only) May want to consider increasing two-hour parking meter rates (\$0.25/40 minutes).
- (D5, D6, D8) Advanstar Communications should consider converting employee spaces to contract spaces, providing employees with the choice between the parking space or its cash value equivalent.
- (D6 only) Current Advanstar Communications’ employee parking lot would be a convenient short-term public parking facility (two -hour meters at 25 cents per 30 minutes) if the increase in activity warrants additional short-term parking.
- (D7 only) Residential property owners as well as business owners should consider converting tenant and employee parking to contract parking and providing tenants or employees with the choice between the parking space or cheaper rent or its cash value equivalent.

### ***Row E:***

- (E3, E4) Increase enforcement of time limits on metered parking.
- (E3 only) Consider converting the Phoenix Lot from two-hour parking to one-hour parking.
- (E3, E4) Increase parking rates for metered spaces (e.g., \$0.25/20-minutes) and/or decrease short-term parking rates in nearby ramps (e.g., first-hour of parking ramp use free).
- (E4 only) Designated one or two meters in front of Republic Bank with 15-minute time limit. May want to designated a couple of meters along Superior street with 30-minute time limits.



- (E4 only) Increase/enhance directional signs to parking ramps.
- (E4 only) Reserve first level ramp parking for shoppers. This can be accomplished by prohibiting parking in spaces prior to 9:00 a.m.
- (E3 only) Explore increasing short-term on-street diagonal parking wherever possible (e.g., the avenues).
- (E5 only) Convert 15-minute spaces along 3<sup>rd</sup> Avenue West to one-hour meters.
- (E5 only) Convert two one-hour meters in front of Office Depot to 30-minute meters.
- (E5 only) Consider raising meter rates to maintain occupancy rates of around 80 percent. Increase on-street parking rates (e.g., \$0.25/20-minutes).
- (E5 only) Signage directing users to the Holiday Center Ramp needs improvement from Superior Street and 2<sup>nd</sup> Street.
- (E5 only) The following pricing table eliminates the disincentive for short-term customer parking while maintaining the daily maximum parking charge.
- (E5 only) (?) Convert 3<sup>rd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking. Roadway width and ADTS are identified below, OR, add diagonal parking with one lane of through traffic.
- (E6 only) Encourage other ramps to follow Shopper's Auto Park's lead in offering less expensive daily rate, to encourage alternative transportation mode use. Ideally, would like to see low daily rates and eliminate contract parking, which encourages daily driving.
- (E6 only) First level should exclude contract parking or prohibit parking prior to 9:00 a.m. to reserve these spaces for shorter-term customer parking.
- (E6 only) Increase signage to off-street metered parking.
- (E6 only) Reevaluate this lot's occupancy upon completion of the Technology Center and nearby redevelopment projects. If lot continues to be underutilized, increase time limit from one-hour to two-hour limit at existing price (\$0.25/30-minutes).
- (E6 only) Convert both 15-minute meters on 1<sup>st</sup> Avenue East to 30-minute time limits OR convert one 15-minute meter to one-hour.
- (E8 only) Technology Center Ramp should be priced to encourage short-term, customer parking. Long-term parking users should be charged the true cost of providing parking.
- (E8 only) If employees are offered free parking as a benefit, they should be given choice between the parking space or its' cash value (i.e., "cash-out parking").
- (E9 only) Increase enforcement of meter time limits.
- (E9 only) Decrease ramp price for short-term parking to encourage customer use. Make the first half-hour free. Charge \$0.25 for additional 30-minute increments. Reserve first level of ramp for non-contract use.
- (E9 only) Increase directional signage to ramp on Superior Street and First Street.
- (E9 only) The parking impact of the Technology Center and nearby redevelopment is uncertain. A "wait and see" approach is probably most prudent at this time as related to assessing the casino ramp pricing and contract parking. Options may include phasing out contract parking OR raise cost of contract parking.
- (E10 only) There appears to be an opportunity to for the Chinese Garden to share or contract out unused parking.
- (E10 only) The Graysolon Plaza tenant parking lot would be a convenient and unobtrusive site for a parking structure when and if demand warrants.



- (E11 only) The St. Lukes Hospital parking lots on the corner of Superior Street and 3<sup>rd</sup> Avenue East would be ideal public parking space serving the east side of old downtown.

### ***Row F:***

- (F2 only) Convert two of the Superior Street meters from one-hour to 30-minute parking.
- (F3 only) Increase time limit enforcement.
- (F4 only) Convert one meter in front of Republic Bank to 15-minute time limit.
- (F4 only) Convert one meter in front of the Medical Arts Pharmacy to 15-minute time limit.
- (F4, F5) Convert 3<sup>rd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking. Roadway width and ADTS are identified below, OR, add diagonal parking with one lane of through traffic, OR reconstruct to provide diagonal parking.
- (F5 only) Convert two one-hour meters on Superior Street in front of Norwest Bank to 15-minute meters.
- (F5 only) Convert two one-hour meters on Superior Street in front of Western Bank to 30-minute meters.
- (F5, F6) Convert 2<sup>nd</sup> Avenue West from a one-way to a two-way street to provide easier access to on-street parking. Roadway width and ADTS are identified below, OR, add diagonal parking with one lane of through traffic, OR reconstruct to provide diagonal parking.
- (F7 only) Increase directional signage to the Minnesota Power Parking Ramp. Eliminate reserved parking spaces in ramp so that the public can use these spaces when not in use by contract parking. Decrease the number of contract spaces to ensure public parking is available.
- (F7 only) Increase time limit enforcement of on-street parking.
- (F12 only) Because of the parking demand created during the evening and weekends, the city should give serious consideration to enforcing metered parking during the weekends in conjunction with retail hours and until 9:00 p.m. similar to meters near the Fond-du-Luth Casino.

### ***Row G:***

- (G1 only) Convert 30 two-hour metered spaces to 12-hour metered spaces.
- (G1 only) Phase-out contract spaces and replace with 12-hour meters (\$0.25/90-minutes). Assuming a 20 workdays a month, the current cost of contract parking is \$1.45/day for the surface lot and \$1.60/day for the lot under the parking deck. At \$0.25 per 90 minutes of parking time it would cost \$1.50 for nine hours of parking. New meter technologies may allow smart card or other more convenient payment methods.
- (G2 only) Increase directional signage to 4<sup>th</sup> Avenue West Auto Park and public meters from Interstate 35 northbound and southbound ramp and Superior Street.
- (G2 only) Eliminate pricing disincentives for short and mid-term parking customers.
- (G2 only) Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
- (G2 only) Increase cost of two-hour meters in off-street public lot from \$0.25/hour to \$0.25/40-minutes.



- (G3 only) Designate four metered spaces closest to 4<sup>th</sup> Avenue West as two hour metered parking
- (G3 only) Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
- (G3 only) Increase cost of two-hour meters in off-street public lot from \$0.25/hour to \$0.25/40-minutes.
- (G4 only) Parking ramps should alter pricing to eliminate disincentives for short, mid-term and non-contract parking.
- (G4 only) US Bank Parking Ramp should consider designating Michigan Street Level parking stalls for customer parking (e.g., no-parking prior to 9:00 a.m.)
- (G4 only) Designate a small portion of off-street 12-hour metered spaces closest to 3<sup>rd</sup> Avenue West as two hour metered parking at a cost of \$0.25/40-minutes
- (G4 only) Increase cost of 12-hour meters in off-street public lot from \$0.25/hour to \$0.25/50-minutes.
- (G4,F4, F5, E5) Eliminating one-way designation on 3<sup>rd</sup> Avenue West and 2<sup>nd</sup> Avenue West from the I-35 frontage road to Superior Street would make accessing on-street parking and the Norwest and US Bank parking ramps simpler and increase accessibility to Norwest drive through bank and ATM.

### **Row H:**

- (H1 only) The DECC should price by the hour during non-event times to encourage use of underutilized parking spaces during the day, particularly during the summer months. Event pricing could remain in place.
- (H1 only) The Lake Superior Aquarium and the DECC should cooperate to share parking facilities to maximize usage of existing facilities.
- (H1 only) Improved directional signage on I-35, 5<sup>th</sup> Avenue West, and Lake Avenue/Canal Park Drive to DECC parking lot.
- (H1 only) Direct large vehicle parking to DECC Parking Lot
- (H1 only) Electronic signs visible from the interstate could direct parking users to free downtown ramp parking in the evenings and weekends for events when DECC facilities are full. Improved signage to DECC, once people are out of there cars are also needed.
- (H2 only) Better utilization of less convenient parking. In order to encourage the use of underutilized parking, incentives need to be in place. As discussed earlier **pricing** and time limits can serve this purpose. However, other strategies may also exist, such as incentives to encourage employees to park in less convenient lots.
- (H2 only) Increase enforcement of time limits.
- (H2 only) Two-hour parking meters should be installed (\$0.25/30-minute) for on-street parking along Canal Park Drive and Lake Ave. S. Revenues generated from parking could go into funding a future parking structure of other Canal Park area improvements. Off-street/long-term parking areas should offer short-term parking prices that are less than on-street metered parking. **OR** At a minimum, two-hour time limit should be imposed for on-street parking year round and enforced through the dinner hour (8:00 p.m.).
- (H2 only) Sculpture Wall Lot should be two-hour metered parking (\$0.25/30-minutes) **OR** two-hour time-limit.



- (H2 only) A significant percentage of hotel parking lots are vacant throughout much of the day. A strategy for utilizing these empty spaces could be developed that would allow the public to park for a fee, benefiting the public and the hotels.
- (H2 only) The Lake City Lot and the Canal Park Lot are located on valuable lakeside property owned by the city. If the popularity of this area continues, the Canal Park Lot may be needed to provide additional park area. The Lake City Lot is also a valuable property. A surface parking lot is probably not the most beneficial use of this property.
- (H2 only) The Harbor Lot should consider going to an hourly rate structure. At \$0.25/hour and eight hour day would still yield \$2.00 for the day. In addition, short and mid-term customers would not be discouraged from using this lot.
- (H2 only) Dewitt Seitz Market Place Lot should consider allowing 2-hour meters to be installed at a cost of \$0.25/30-minutes to ensure available spaces for short-term customers and encourage use of Northwest Lot and other less convenient parking areas.
- (H2 only) Canal Park appears to have further growth possibilities. However, surface parking lots take up large areas of land. Additional development will likely make a parking ramp desirable. Currently, occupancy counts indicate that several less convenient parking areas are underutilized.
- (H2 only) Increased Port Town Trolley service may encourage more people to park further away and use transit to get to and around the Canal Park and downtown areas. This service should also market to downtown employees and may require 15-minute headways to provide the necessary convenience to attract riders.



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## APPENDIX

### Duluth Parking Study

**Objective:** *To identify the current supply and demand for downtown parking in order to assess the efficiency of current usage and the effectiveness of parking policies.*

#### Work Activities:

#### **Task 1: Research information to give a comprehensive view of the current downtown parking availability (i.e., supply inventory).**

- Inventory: Identification of spaces
  - Update data concerning parking facility name, location, and number of spaces available in downtown.
  - For lots/ramps—determine the number of contract parking spots / publicly available spots / privately owned spots / etc.
    - Number of public spots open daily?
    - Number of contract spaces sold? Available?
    - Number of handicapped spaces available? Usage?
  - Identify on-street parking areas and record rules governing the spaces
    - diagonal
    - parallel
  - Create a base-map of study area that identifies the location of ramps, lots, etc.
  - Identify local, state and federal policies that affect parking supply and/or demand.
- Parking Demand: Usage of current facilities.
- Benefits and costs of parking
  - Record pricing for using spaces (including time frames when charges are incurred and \$/hour)
  - Revenues generated by parking facilities.
  - Operating costs for ramps and lots (determine cost/day to maintain individual spots).
  - Estimate Parking infrastructure and opportunity costs
  - Enforcement of parking violations (revenue and costs)

#### **Hospital District Parking Issues:**

Midwest Property's, Inc. is the company in charge of managing the Hospital District Parking Ramps. Mike Sailstad, Parking Manager, 720-2497

#### **Task 2: Identify excesses and deficiencies in the current downtown parking system.**

- *Compare pre-defined zones within our study area*
  - Determine from survey data which areas of town are receiving the highest demand for parking.
  - Determine what times of the day receive the greatest demand for parking in each zone.
  - Determine what factors are contributing to the demand in a given zone.



- Assess local, state and federal policies as they relate to downtown parking issues.

**Task 3: Analyze parking patterns that effect other modes of transportation in downtown Duluth.**

- Determine if and/or how parking effects pedestrian movements.
  - Any large lots impeding the movement of pedestrians to retail or other establishments
  - Any on-street parking blocking pedestrian visibility of on-coming traffic
- Determine if parking is effecting bicycle movement
- Does on-street parking impede the movement of bicycles on the roadway.
- Could different on-street parking options increase safety and/or enhance the environment for bicycles.

**Task 4: Identify any parking related changes that would enhance the downtown Duluth environment.**

- Provide recommendations that effectively and efficiently utilize existing parking facilities in order to enhance downtown.
- Develop strategies to deal with future parking needs for future development.
- Identify what could be done to make the current system more effective
  - Standardized signs to identify all lots and ramps offering public parking
  - Changes in city codes to improve the downtown parking environment
  - Creation of parking in strategic areas.

**Timeline: March—December 1999**

**Budget: 39,500**



# Commuter Choice

America's Way to Work

Commuter Choice programs permit employers to offer employees a tax-free benefit to commute to work by methods other than driving alone, due to recent changes in the Internal Revenue Code.

## Getting Started with *Commuter Choice*—*America's Way to Work* A Checklist

This *Commuter Choice* Toolbox will make it easier for you to establish a Commuter Choice Program at your organization. Everything you will need to get started is in the toolbox. What's in it for you? You will be able to offer your employees a value-added benefit and take a tax-write-off. You'll also have more productive employees with higher morale.

- **Partner with your Transit Agency** – Get the facts about how you can customize a *Commuter Choice* program that meets your needs. Your local transit agency can assist you in creating a program that is just right for your organization.
- **Partner with your Union** -- Discuss and negotiate plans to provide a new benefit for your employees.
- **Consult Tax Counsel** – Obtain specific guidance on any matters related to Federal, state, and local tax law.
- **Survey Your Employees** - Using the enclosed survey forms, find out how much your employees spend to commute. This will help you to set your benefit level.
- **Announce the Benefit** - Include an article in your company newsletter explaining the program.
- **Obtain Authorization** - Survey your employees, find out how much they need, and get their certification or authorization to withhold salary.
- **Modify Salary Accounts** - For pre-tax approach only, adjust their taxable income by the amount of the benefit selected.
- **Update Personnel Manual** - Include *Commuter Choice* benefits as part of your employee package of benefits.
- **Withhold Salary** - For pre-tax approach only, at the beginning of each month's pay period, an amount equal to the monthly benefit.
- **Purchase and Distribute Benefits** - Purchase either vouchers or transit passes from the transit operator and distribute them to your employees monthly, regardless of who funds the benefit.
- **Prepare Modified W-2 Statement** - For the pre-tax approach only, at end of the year, employees' W-2 statements should reflect a lower taxable salary.
- **Celebrate your Employees' Participation** – During National Try Transit Week (annually held the first full week after Labor Day), partner with your local transit authority to acknowledge your *Commuter Choice* employees.



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## Employer Questions & Answers

### **What is the *Commuter Choice* Program?**

*Commuter Choice* refers to recent changes in the Internal Revenue Code [(26 USC 132(f)] which permit employers to offer employees a tax-free benefit to commute to work by methods other than driving alone.

### **Why is there a *Commuter Choice* Program?**

The *Commuter Choice* Program provides incentives for employees to choose public transit or vanpools. The program addresses many important quality of life issues. The hidden burden of excessive automobile use shows up in taxes for road and highway construction and repair as well as traffic enforcement. Traffic congestion contributes to stress, road rage and lost time. We all pay the price for excessive auto use. By lowering the number of single occupant automobiles on the roads, we conserve energy. We regain productive time now spent on congested roadways. The air is cleaner. We all benefit from a healthier, more pleasant environment.

Supporting your employees with *Commuter Choice* boosts morale. It makes you more attractive as an employer competing for highly skilled workers in a competitive economy. Commuting to work is more affordable for everyone. It is a critical link for workers who are making the monumental transition from welfare to work. By establishing *Commuter Choice* in your organization, you are helping your employees do the right thing. It's good for business. It's good for the environment. It's good for all of us.

### **How will *Commuter Choice* affect my bottom line?**

*Increased productivity.* Your employees will arrive ready to work. They won't be bringing with them the frustration and trauma associated with traffic congestion and road rage or the tardiness associated with unforeseen traffic tie-ups.

*Tax savings.* Not only will your employees save federal income and payroll taxes, so will you. Your net pay out also will be reduced for FICA, Federal Unemployment tax and Federal income tax. In some areas, state income tax pay out will also be reduced. And that's good for business!

*Competitive edge.* Baby boomers and Generation Xers are redefining the way America thinks about work. They choose socially responsible companies that are committed to the environment. They want benefits that support their lifestyles. When asked if your company is environmentally friendly and socially responsible, with *Commuter Choice*, you will be able to answer "yes."

### **Will *Commuter Choice* cost me more money?**

Not necessarily. There are several ways in which your employees may receive a transit or vanpool benefit. The most attractive option to employees is for the company to cover the



full cost of the transit benefit. Some companies offer the *Commuter Choice* benefit as a low-cost salary or wage enhancement. You may decide to do the same. You also may elect to provide a partially subsidized benefit in addition to your employees' current salary. The benefit would be free of all payroll and income taxes to your employees, and you would deduct the cost from your business income taxes.

A second option is to offer *Commuter Choice* as a "pre-tax" benefit. You may permit your employees to have up to \$65 per month taken out of their current monthly pay, towards the actual cost of commuting on transit or in vanpools before taxes are applied. They would save federal income and payroll taxes on the amount of the benefit selected. Up to \$780 a year of their wages or salary would be treated as a tax-free benefit rather than as taxable income. And, in 2002, the amount eligible to be treated as a tax-free benefit will go up to \$100 per month or up to \$1,200 a year. Their W-2 forms would reflect a reduction equal to the amount of the benefit. Many employers prefer this option because the employee pays the cost. Your share of FICA and unemployment taxes are also reduced. IRS requirements must be followed to ensure that transit benefits remain tax-free. Its great for employees and it saves you money.

Third, you may share the cost of commuting with your employees. You may elect to pay for a portion of the tax-free transit benefit and allow your employees to pay the balance of the costs by having their share taken out of their salary before taxes. At the present time, the total maximum amount eligible as a tax-free benefit is \$65 per month of actual costs, even when you share the costs.

This *Commuter Choice Toolbox* makes it easy and convenient for you to establish and administer program that meets the IRS requirements for tax-free transportation benefits. Also, many transit agencies have *Commuter Choice* programs in place to make it even easier. See the *Voucher and Pass Programs Directory*.

### **Can I simply reimburse my employees for their commuting expenses?**

In areas where vouchers that can be exchanged for transit media or vanpool services are not readily available, you may reimburse your employees for the cost of transit. See IRS rules governing section 132(f) benefits for a definition of "readily available." In most cases, you must either provide vouchers or direct transit media (such as, bus passes, tokens, farecards, etc.) instead of cash reimbursement to your employees. In areas where such vouchers or passes do not exist or where the transit provider does not accept vouchers or passes, you may reimburse your employees for their transit and vanpool costs up to the \$65 limit, using either corporate funds or pretaxed employee salaries, or a combination of both as discussed above.

### **If I already provide a parking benefit,, can it be converted to a transit or vanpool benefit?**

Yes. Many employers provide free or subsidized parking for employees, making it more economical for the employee to commute by automobile. The goal of *Commuter Choice*



is to make it as economical for employees to use mass transit. You may establish a parking "*cash out*" program. Your employees may forego parking and cash out the value of the parking benefit. The value of the parking benefit will be subject to taxes. However, if up to \$65 of the value is converted to *Commuter Choice* transit or eligible vanpool benefits, the amount converted will not be subject to taxes.

There is no real cost to you, if you are leasing parking spaces for your employees. You simply transfer your cost for the parking space to a direct payment to your employees. Should the employee decide to accept the cash value rather than a tax-free *Commuter Choice* transit or vanpool benefit, the amount is treated as additional compensation and they also incur payroll and income taxes. If the cash out value is greater than \$65, then your employees could accept a tax-free *Commuter Choice* transit or vanpool benefit and receive the balance in taxable salary. Your tax burden will still be lower because you only incur payroll taxes on the cash value provided. For example, if you provide a free parking space valued at \$135 and you are willing to convert some portion of your costs into additional compensation for your employee, s/he could take up to \$65 per month in employer-sponsored, tax-free transit benefits. Only the remaining \$70 would be taxable. S/he could also use that \$70 to cover any remaining commuting costs not covered by the \$65. If the employee wanted to accept the full \$135 as salary, it would be taxable but could be used for other commuting alternatives that are not considered qualified transportation fringe benefits, such as walking, bicycling, carpooling, or roller blading to work. First, however, you would want to adjust the value of the parking benefit downward to adjust for additional payroll taxes which will be required.

### **Do all vanpools qualify for this benefit?**

No. A vanpool, or "commuter highway vehicle" must have a seating capacity of at least 6 six adults (not including the driver) and at least 80% of the mileage use must be for purposes of transporting employees in connection with travel between their homes and places of employment. For these commuting trips, the number of employees transported must be at least one-half of the adult seating capacity of the vehicle, excluding the driver.

### **Can I give my employees both a transit and vanpool benefit??**

Yes. However, the maximum tax-free amount is \$65 per month. This same limit applies whether these benefits are provided separately or in combination with one another. For example, you could give an employee a \$40 vanpool benefit and a \$25 transit pass for a monthly total of \$65, but not a \$50 vanpool benefit and a \$30 transit pass, since the total of \$80 would exceed the tax-free limit of \$65. Any amount over \$65 would not be tax-free.

### **Does the \$65 limit increase over time?**

Yes. With changes in the cost of living, the tax-free amount could increase each year. And, in January 2002, the eligible tax-free amount will be increased automatically to \$100 per month. If any increases occur before that time, IRS will announce them. If your



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company is paying the cost, the decision to increase your benefit rests with you. If your employees are participating in a pre-tax *Commuter Choice* benefit program or a combination program, you may permit them to increase their benefit up to the \$100 monthly limit.

**Where can I obtain further information?**

On the FTA website, see [Commuter Choice](#) for further guidance. Also contact your local transit agency to determine if they have a program to sell transit vouchers or passes to employers for distribution to employees. Access to the home pages of more than 100 transit agencies can be found at this Web site under [LINKS](#). You may also find the name of your transit agency at the American Public Transit Association website [<http://www.apta.com/govt/legis/passcont.htm>].

If you have any questions regarding the *Commuter Choice* Program, please contact:  
Commuter Choice

Office of Policy Development, TBP-10  
Federal Transit Administration  
400 Seventh Street, SW, Room 9310  
Washington, DC 20590  
Tel: (202)-366-1698  
Fax: (202) 366-7116  
E-mail: [[william.menczer@fta.dot.gov](mailto:william.menczer@fta.dot.gov)]



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## Employee Questions & Answers

### **What is the "Commuter Choice Program?"**

*Commuter Choice* refers to recent changes in the Internal Revenue Code 26 USC 132(f) which permits your employer to offer you a tax-free benefit to commute to work by methods other than driving alone.

### **Why is there a *Commuter Choice* Program?**

Excessive automobile use takes a toll on the environment. *Commuter Choice* offers employees a *tax-free* fringe benefit to commute on public transit or in vanpools. The goal of *Commuter Choice* is to make it as economical for employees to use mass transit as it is to drive. Reducing the number of cars on the road improves air quality, reduces traffic congestion, conserves energy, and saves wear and tear on roadways.

### **Can I receive the benefit in addition to or instead of salary?**

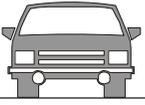
Yes. There are several ways in which you may receive a transit or vanpool benefit. First, your employer may elect to provide you the benefit in addition to your current salary. The benefit would be free of all payroll and federal income taxes to you. Your employer will have to decide whether to offer this benefit in addition to your income.

Second, your employer *may* permit you to exchange some of your pre-tax salary up to \$65 per month to pay towards the actual cost of commuting on transit or in vanpools. You would not pay federal income or payroll taxes on the amount of the benefit. Up to \$780 a year of your wages or salary would be treated as a tax-free benefit rather than as taxable income. And, in 2002, the amount eligible to be treated as a tax-free benefit will go up to \$100 per month or up to \$1,200 a year. Your W-2 would reflect a reduction equal to the amount of the benefit. This option is known as the "pre-tax" benefit. Many employers prefer this option because the employee pays the cost. You still save on your payroll and federal income taxes. This helps you to travel smarter and stretch your budget at the same time.

Third, your employer may share the cost of commuting with you. Your employer may elect to pay for a portion of your tax-free transit benefit and allow you to pay a portion of the costs by having your share taken out of your paycheck before taxes. At the present time, the total maximum amount eligible as a tax-free benefit is \$65 per month of actual costs, even when you share the costs.

### **Can I simply pay my own commuting costs and ask my employer to reimburse me?**

In areas where vouchers that can be exchanged for transit media or vanpool services are readily available, your employer may *not* reimburse you for the cost of transit. See IRS rules governing section 132(f) benefits for a definition of "readily available." In most cases, your employer must either provide to you vouchers or direct transit media (such as



bus passes, tokens, farecards, etc.) instead of cash reimbursement. In areas where such vouchers do not exist or where the transit provider does not accept vouchers, your employer may reimburse you for your transit and vanpool costs up to the \$65 limit, using either corporate funds or your pre-taxed salary, or a combination of both as discussed above. See the *Voucher and Pass Program Directory* for voucher and pass programs in your area.

### **If I receive a parking benefit, can I convert it into a transit or vanpool benefit?**

Yes. If your employer is currently providing parking benefits, and you and some of your co-workers would like the option of converting that benefit to cover your costs for transit and vanpools, your employer may offer you the option to "cash out" the parking benefits. For example, if you receive a free parking space valued at \$135 and your employer is willing to convert some portion of his or her costs into additional compensation for you, you could take up to \$65 per month in employer-sponsored, tax-free transit benefits. Only the remaining \$70 would be taxable. You could also use that \$70 to cover any remaining commuting costs not covered by the \$65. You could accept the full \$135, which would be taxable but could be used for other commuting alternatives. Although such costs do not qualify as "tax-free" commuting expenses, some people choose to use the additional income for expenses related to alternative commuting, such as walking shoes, bicycles, fees, fuel and auto maintenance for carpools and roller blades.

Cash out works best in situations where employers acquire parking through third party arrangements. Since such employers are already making a cash outlay to cover the cost of the parking, it is easy to convert the expense to additional compensation for employees. If your employer does not pay out funds for your parking space, this option is less likely to be offered by your employer.

### **What vanpools qualify for this benefit?**

A vanpool, or "commuter highway vehicle" must have a seating capacity of at least 6 adults (not including the driver) and at least 80% of the mileage use must be for purposes of transporting employees in connection with travel between their homes and places of employment. For these commuting trips, the number of employees transported must be at least one-half of the adult seating capacity of the vehicle, excluding the driver.

### **Can I receive both a transit and vanpool benefit?**

Yes. However, the maximum tax-free amount is \$65 per month. This same limit applies whether these benefits are provided separately or in combination with one another. For example, you could receive a \$40 vanpool benefit and a \$25 transit pass for a monthly total of \$65, but could not receive a \$50 vanpool benefit and a \$30 transit pass, since the total of \$80 would exceed the tax-free limit of \$65. Any amount over \$65 would not be tax-free.



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### Does the \$65 limit increase over time?

Yes. With annual changes in the cost of living, the tax-free amount could increase. In January 2002, the eligible tax-free amount will increase automatically to \$100 per month. If any increases occur before that time, IRS will announce them. If your employer is paying the cost, the decision to increase your benefit rests with the employer. If you are participating in a pre-tax benefit program or a combination program, your employer may permit you to increase your benefit to cover actual costs up to the \$100 monthly limit.

### Where can I obtain further information?

On the FTA website, see [Commuter Choice](#) for further guidance. Check with your employer's human resources office to see if your employer is already providing a transit or vanpool benefit. If not, then contact your local transit agency to determine if they have a program to sell transit vouchers or passes to employers for distribution to employees. Access to the home pages of more than 100 transit agencies can be found under [LINKS](#). You may also find the name of your transit agency at the American Public Transit Association website [<http://www.apta.com/govt/legis/passcont.htm>].

## Program Options Brochure

Great News! Now commuters have a real choice about how to get to work. Recent changes to the Internal Revenue Code make it easier for companies to offer public transportation benefits to their employees. U.S. employers spend \$36 billion annually on employee parking.<sup>1</sup> It is the most common commute benefit offered to employees and the most common fringe benefit of any kind. Nearly all those eligible for free parking drive to work alone and that is the problem.

Driving to work alone contributes more air pollution, wastes energy and causes traffic congestion. These are some of the hidden costs that do not figure into the "free parking" equation. This country's tremendous investment in public transportation is not being fully used and that is a luxury that America cannot afford. To get more cars off the roads and commuters into efficient travel arrangements, the cost of commuting on public transportation is a "tax-free" employment benefit.

## Commuter Choice = Tax Free

### The Commuter Choice Benefit

It's called *Commuter Choice* because it gives employees an attractive alternative to driving to work alone – a real choice. Presently, an employer may give up to \$65 a month or up to \$780 a year, in actual eligible transportation costs *tax-free* to an employee. Participating employers lower their FICA and Federal income tax costs. In many areas, state and city income taxes are reduced as well. The maximum *tax-free* benefit may



increase each year based on increases in the cost of living. The Internal Revenue Service\* will announce any annual increase in the eligible *tax-free* amount. In 2002, the maximum *tax-free* benefit allowed will automatically increase to cover actual costs up to \$100 per month or up to \$1,200 per year. *Commuter Choice* may be used on public transit buses, trains, ferries and vanpools.

Not every employer can afford to pay for the full transportation benefit so the *Commuter Choice* has built-in flexibility. Take a look at the options.

## A Program for Every Budget

### Employer Paid Benefit Option

Increasingly, employers, as a matter of company policy, are offering the full transit benefit to employees. Some employers do so to reward workers for their contributions and accomplishments. Others see it as an investment. When employers offer the benefit, it boosts employee morale and that can translate into more satisfied customers. When employers pick up the tab for their employees, the *Commuter Choice* transit benefit is equivalent to a low cost salary or wage enhancement. If the same amount were to be given as a pay increase, it would cost your organization more in FICA. That's not all. Your employees would pay more in income taxes.

The chart below shows how the public transportation benefit stacks up against a cash salary increase. Actual savings and tax avoidance will vary based on the employee's income tax bracket and actual Federal and state income tax rates:

Private Employer costs	Transportation Benefit	Salary Increase	Difference
<b>Annual Benefit Amount</b>	<b>\$780.00</b>	<b>\$780.00</b>	<b>-0-</b>
Employee FICA Paid @7.65%	-0-	(\$59.67)	(\$59.67)
Fed Income Taxes Paid @ 28%	-0-	(\$234.00)	(\$234.00)
State Income Tax Paid @ 6%	-0-	(\$46.80)	(\$46.80)
<b>Value to Employee</b>	<b>+\$780</b>	<b>+\$439.53</b>	<b>-\$340.47</b>

You do the math. If your employees were to receive an equivalent cash salary raise of \$780 per year instead of the *tax-free* transit benefit, they would actually end up paying for it, reducing the value of the benefit by more than 50%. It would take almost \$1,300 in taxable salary to yield \$780 after taxes. As an employer, you would avoid the costs of the matching FICA. If you are a not-for-profit organization, you may not realize any tax savings, but you gain the upper hand attracting and retaining employees in a competitive



labor market. When you consider the overall value to your employees, it may cost you more not to provide *Commuter Choice*.

### **Employee-Paid Pre-tax Benefit Option**

Okay. You are just learning about *Commuter Choice* and your budget is already set for the year. You cannot cover the cost of the benefit this year. You may be asking yourself if there is a way to broker this opportunity for your employees. You bet there is! Consider the Employee-Paid Pre-tax Benefit program. Many smaller companies choose this option. By establishing a pre-tax deduction program, you permit your employees to exchange part of their gross income for an employer-provided transit or vanpool pass. Since your employees fund the benefit, they save Federal payroll and income taxes. The amount of the pre-tax deduction is no longer treated or reported as taxable salary. In many areas, this deduction may also be free of state or city income tax.

This special transportation pre-tax benefit program is exempt from complex use restrictions common to cafeteria plans and flexible spending accounts (FSA). These "qualified transportation fringe benefits" are excluded from cafeteria plans under section 125 of the Internal Revenue Code (Title 26). The company will not have to write a plan document or obtain IRS approval. So there is less paperwork. There are no irrevocable elections or forms. A pre-tax program can be started any time of the year, or enrollment can be limited to certain times of the year.

While there is a great deal of flexibility in creating a pre-tax transit benefit program, it is advisable to consult with tax counsel to determine how your program may affect ceiling or cap limitations on employee-directed tax deferred retirement accounts, such as 401(k) plans.

### **Fare Share Benefit Option**

The third option is for the employer and employee to share the costs. That's why this approach is called the *Fare Share* Commuter Choice Benefit. The employer could subsidize a part of the \$65 benefit and allow your employees the option to fund the balance from pre-tax income. The employer's contribution will be in addition to salary or wages. Employers purchase the passes or vouchers, using the contributions from employer funds and employee salaries, and then distribute them to the employees.

The best way for your employees to stretch the value of the amount they are paying, is to arrange for the funds to be taken out of their paychecks before taxes are applied, as a pre-tax benefit. For example, an employer could provide any employee who elects to participate in the program a transit pass worth \$35 in addition to his/her regular salary.

The employees could use pre-tax income that is exchanged for a pass for \$30, for a total monthly benefit of \$65. The company receives an equivalent deduction from business income taxes for the \$35 expense, while employees save on Federal payroll and income taxes on the \$30. The company would also save on payroll taxes for the \$30.



## Cash Reimbursement Restrictions

Cash Reimbursement for transit expenses is permitted in very limited circumstances. These tax incentives are intended to boost transit ridership, so cash reimbursement for commuting expense is discouraged. In fact, the only time an employer can reimburse employees for cash outlay for transit is in areas where vouchers or bus/rail passes, tokens, farecards, tickets, etc. are not "readily available" to be exchanged for transit or vanpool services. See IRS rules governing section 132(f) benefits for a definition of "readily available." In most cases, the employer must provide vouchers or bus/rail passes, tokens, farecards, tickets, etc., instead of cash reimbursement.

For purposes of illustration, if the employee commutes on Transit Agency A and the agency *only* accepts cash payments, cash reimbursement up to the \$65 limit would be permitted. The reimbursement may be made from corporate funds or pre-tax employee salaries, or a combination of both.

## What's Covered?

### Buses, Trains Ferries and . . .

Vanpools. Also referred to as "Commuter Highway Vehicles" under IRS rules, vanpools are defined as any highway vehicle that has seating capacity of at least six adults excluding the driver and meets two requirements for mileage use. At least 80 percent of the vehicle mileage use must be reasonably expected to be (1) for transporting employees in connection with travel between their residences and their place of employment, and (2) on trips during which the number of employees transported for commuting is, on average, at least one-half of the adult seating capacity excluding the driver.

The designated employee "prime member" (often the driver or the person assigned the parking space) who travels in a vanpool and uses commercial parking is eligible for the parking benefit (up to \$175 per month). At the same time, the prime member is eligible to receive the vanpool benefit (up to \$65 per month). All other employees commuting in a vanpool who are not the "prime member" are only eligible for the vanpool benefit and not the parking benefit. Only one person can receive the parking benefit.

### The Parking Connection

Those who have to drive to make a connection to public transportation may be eligible for the parking connection benefit. In recent years, residential growth and expansion has occurred away from the downtown urban areas, making it difficult to rely solely on mass transit. *Commuter Choice* makes it possible for commuters to enjoy *tax-free* incentives for driving when the automobile is a part of the commute trip and mass transit is used for the remainder of the trip. For instance, the eligible parking benefit may be up to \$175 per month to pay for parking at a location from which employees commute by public transportation, such as a park-and-ride lot, transit station or facility, or vanpool staging area. Employers can pay for the benefit and receive an equivalent deduction from business income taxes. Your employees will receive the benefit completely free of all Federal payroll and income taxes up to the \$175 limit.



Eligible parking costs may be provided as a direct benefit, a pre-tax deduction, or as a shared expense. The same tax savings, reduced payroll costs and program flexibility apply to eligible parking expenses.

## But We Provide Parking

### Cash out and Convert

Many employers provide free or subsidized parking for employees, making it more economical for the employee to commute by automobile. The goal of *Commuter Choice* is to make it as economical for employees to use mass transit. If you only provide parking and your employees want to take advantage of public transportation and other alternatives, establishing a parking "cash out" program may be the appropriate choice. Your employees may forego parking and cash out the value of the parking benefit. The value of the parking benefit will be subject to taxes. However, if up to \$65 of the value is converted to *Commuter Choice* transit or eligible vanpool benefits, the amount converted will not be subject to taxes.

There is no real cost to employers, if they are leasing parking spaces for employees. They may simply transfer the cost for the parking space to a direct payment to employees. Should an employee decide to accept the cash value rather than a *tax-free Commuter Choice* transit or vanpool benefit, the amount is treated as additional compensation and s/he also would incur payroll and income taxes. If the cash out value is greater than \$65, employees could accept a *tax-free Commuter Choice* transit or vanpool benefit and receive the balance in taxable salary. The employer will have to pay payroll taxes on the taxable portion of the cash out benefit provided. To offset that cost, simply lower the cash out amount by your share of the payroll taxes as follows:

Cost of Parking Space	<b>\$150</b>
Payroll Taxes	<b><u>(12)</u></b>
Cash out Offer	<b>\$138</b>

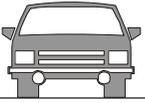
The employee could apply the additional compensation towards costs associated with commuting modes that are not considered qualified transportation fringe benefits, such as walking, bicycling, carpooling, or rollerblading to work.

Cash out provides an incentive for you employees to try other commuting alternatives. The tax status of employees who continue receiving the parking benefit would not be affected.

**2 + 2 = More**

### The Bottom Line

*Commuter Choice* makes sense. It is a great way to provide employees with a cost-effective, value-added benefit. The changes in the Internal Revenue Code allow your



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company the greatest flexibility to create a program that works for you and your employees. Remember, satisfied employees means satisfied customers. Commuter Choice . . . It works for business. It works for the economy. It works for the environment. It works for the country.

So what are you waiting for? Contact your local transit provider today to find out how you can take full advantage of the *tax-free Commuter Choice* transportation benefit. These options can provide real savings to your company and your employees.