

# City of Newton, Massachusetts

# Department of Planning and Development 1000 Commonwealth Avenue Newton, Massachusetts 02459

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Barney S. Heath Director

#### MEMORANDUM

DATE: May 11, 2014

TO: Councilor Susan Albright, Chairman

Members of the Zoning and Planning Committee

FROM: Barney S. Heath, Director of Planning and Development

James Freas, Deputy Director of Planning and Development

Nicole Freedman, Director of Transportation Planning

Rachel Nadkarni, Long Range Planner

**Zoning Amendment for Shared Parking Pilot Program** RE: #186-18

> **DIRECTOR OF PLANNING** requesting amendments to Chapter 30, Newton Zoning Ordinance, to allow for a Shared Parking Pilot Program as an accessory use in

commercial districts.

**MEETING DATE:** May 14, 2018

CC: Ouida Young, City Solicitor

Jonah Temple, Assistant City Solicitor

John Lojek, Commissioner of Inspectional Services

This memo serves as a follow-up to the Shared Parking Memo and presentation we provided to ZAP at the March 26, 2018 meeting. This memo provides answers to questions that were posed at the meeting and includes documentation of the planned pilot program and draft zoning amendment text.

At this meeting, we request that the Committee discuss setting a June 25<sup>th</sup> Public Hearing, which is the last available public hearing before summer break. There is a planned discussion on this item again on June 11th, but due to noticing timeline, a decision is needed sooner.

This memo provides draft documents that will be used in the pilot including:

- Draft zoning amendment text
- Two draft maps of pilot areas
- Draft Property Owner Application & Information Sheet
- **Draft Parking Owner Annual Survey**
- **Draft Parking Space Customer Annual Survey**



# Question 1: How is the Zoning Amendment set up?

Please review Attachment A, the draft zoning amendment. The Shared Parking Pilot is set up as an accessory use, and the zoning ordinance requires participation in the pilot program in order to share parking. The section added is set with an expiration date – 3 years from the date of adoption by the City Council, with annual discussions regarding implementation at the end of year 1 and year 2.

## Question 2: How does the program address property owners versus service provider "apps"?

Property owners will be responsible for making the application to the City of Newton regardless of whether they rent spaces directly to the public or use a third-party service provider "app." Based on the application, the City will confirm eligibility into the program and authorize property owners to then enter into shared parking arrangements.

The City will not be a party to any relationships between property owners and service providers or the relationships between property owners and drivers parking at their facilities.

# Question 3: What exactly are these service provider "apps"?

There are now "apps" provided by shared parking service providers, like Spot (parkeasier.com) and SpotHero (spothero.com) that are dedicated exclusively to managing shared parking. Like AirBnB does for lodging, these apps create a marketplace to connect property owners that have underutilized parking spaces with people that are looking for parking. Staff sees many benefits to these services, but in some instances, a property owner may be able to meet all of our requirements for shared parking service without a third-party provider.

#### The app allows owners to:

- Make their extra spaces available on a marketplace
- Set rental times and dates
- Receive and track payment for parking

## The app allows drivers to:

- Search for their destination and compare parking options
- Pay directly from their mobile device or computer
- Reserve a spot at their choice facility

# Question 4: Where would the pilot be operational?

As this is a pilot, with the intention of learning, we believe the best way to understand demand will be to allow the pilot to roll out citywide. We hypothesize that rentals will occur in areas with higher parking challenges, such as West Newton or Newton Centre, but believe there is an opportunity to identify other needs by allowing the pilot to be citywide.

# Two maps are attached:

• All of the business, mixed-use, and manufacturing zones in the city – this is the proposed citywide roll-out area

Select villages with reported parking challenges – please note, this includes some civic use properties
that are adjacent to, but not in, commercial zones and have large, and sometimes underutilized,
parking supplies relative to the village.

# Question 5: Who makes decisions as to which property owners can rent out space?

The Commissioner of Inspectional Services, with input from the Director of Planning makes final decisions as to whether a property owner can rent out spaces for public use. The Commissioner will be able to review an application provided by the property owner. Please see attached Property Owner Application for more information (See Attachment B).

## Question 6: Are businesses ready to jump in?

Nationally, shared parking app service providers are used to working with all types of owners and tenants. They have relationships with local and national retailers such as pharmacies, banks, supermarkets, and hotels. We have been reaching out to Newton property owners with identified larger supplies of parking. So far those we have reached are interested in the concept but want to review the details. There are several with whom we are still in the process of connecting to the correct staff person.

# Question 7: Will sales tax need to be collected? Will this have impact on property taxes?

We are working with the Assessing Department regarding property tax implications of the pilot. The preliminary review suggests that sales tax is required, and property taxes may be affected. Typically, a long-term parking lease is assessed, and staff will continue to work with Assessing as they develop an income-based approach to value for properties participating in the pilot. It is our understanding that there would be a property tax based on the income brought in by shared parking on a non-profit property as well.

# Question 8: How would you enforce the program?

As noted in the Information Sheet, the City may remove a property from the pilot for the following reasons:

- Finding by the Commissioner of Inspectional Services, with input from the Director of Planning, that customers or employees are being displaced in favor of shared parking.
- Persistently uncooperative responses to concerns raised by parkers or neighbors.
- Finding by the Commissioner of Inspectional Services, with input from the Director of Planning and Development, that the property is operating outside of the requirements of the pilot program guidance.
- The pilot program expires, or the pilot program is cancelled by the City Council.

The City is requiring property owners to submit quarterly data on parking in their spaces, which can be used to support any findings, as needed.

# Question 9: How will you collect data and assess the success or failure of the program?

By participating in the pilot, property owners are required to submit utilization data to the City in quarterly reports, respond to an annual survey, and distribute our annual survey for parkers. We will review this information, as well as monitor any feedback and complaints we receive. Most importantly, we set up the pilot so that we can adjust the rules to incorporate feedback throughout the three years, ensuring the best possible outcome for Newton. Please see draft surveys, to be filled out by property owners and parkers in Attachments D and E.

# Question 10: What happens when the pilot ends?

We anticipate that when the pilot ends in three years, we will have learned enough about shared parking to incorporate it into the City's zoning ordinance as a routine matter and the pilot will not need to continue. Lessons learned throughout the pilot can be used to inform zoning updates on parking.

# **Attachments**

**Attachment A:** Draft Zoning Text Amendment

Attachment B: Draft Maps of Shared Parking Pilot Areas

Attachment C: Draft Application and Info Sheet
Attachment D: Draft Survey for Property Owners

**Attachment E:** Draft Survey for Parkers

# 6.7. Accessory Uses

# 6.7.7 Accessory Shared-Parking - A NEW SECTION -

A. Defined. Accessory Shared-Parking is the use of accessory parking stalls, authorized under the Accessory-Shared-Parking Pilot for shared use in off-peak times. Accessory Shared-Parking is an allowed accessory use only when the owner or operator of the parking stalls has been approved as a participant in the Pilot and the stalls so identified and approved are utilized in strict accordance with the requirements, terms and conditions of the Pilot to be issued by the Director of Planning and Development.

B. Accessory-Shared Parking Pilot. The Accessory-Shared-Parking Pilot is intended to optimize existing parking resources in village centers by making underutilized private parking available to the public in select commercial areas.

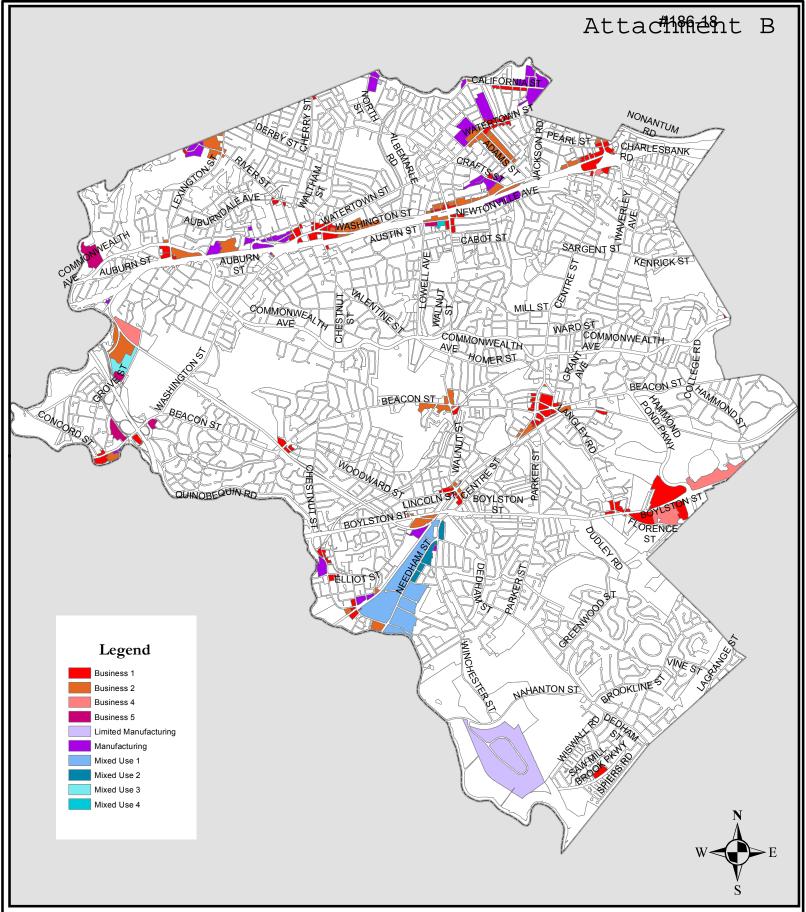
#### C. Standards.

- 1. The Pilot will be administered by the Director of Planning and Development, in consultation with the Commissioner of Inspectional Services. The Director of Planning and Development shall prepare and issue rules/guidelines, not inconsistent with the provisions of this Chapter, that clarify the criteria and requirements for participation in the Pilot and set forth the terms and conditions that will apply to approved participants. A copy of these guidelines shall be posted on the City website.
- Participation in the Pilot shall be limited to accessory parking located in a Business, Mixed Use, or Manufacturing Districts. Accessory parking to residential uses are not eligible. Parking stalls already shared pursuant to a non-accessory parking agreement are not eligible.
- 3. The owners of properties participating in the Accessory-Shared-Parking Pilot shall be responsible for ensuring that the use of their existing parking stalls will not render any required parking stalls unavailable to the persons whom the stalls are designed to serve in accordance with Sec. 5.1.3.E.

## D. Process.

- An application for participation shall be on such form and shall provide such information as the Director of Planning and Development and the Commissioner of Inspectional Services may reasonably require.
- All accessory-shared-parking spaces must receive review and written approval by the Commissioner of Inspectional Services, with the advice of the Director of Planning, prior to participating in the Pilot Program to confirm that all applicable criteria and requirements have been met.

- 3. The Commissioner of Inspectional Services shall have the right to revoke or cancel an approval for participation in the Pilot if the parking is not being utilized in accordance with the requirements, terms, and conditions of the Pilot.
- E. Applicability. The provisions of this Sec. 6.7.7 are not intended to conflict or be inconsistent with any other provisions of this Chapter. All applicable provisions of this Chapter shall still apply to participants in the Pilot.
- F. Reevaluation. The Director of Planning shall conduct an annual reevaluation of the Pilot and its guidelines. Such reevaluation shall include a report provided to the City Council reviewing participation activity and statistics.
- G. Expiration. This provision shall expire three (3) years from the date of adoption on XXX XX, 2021.



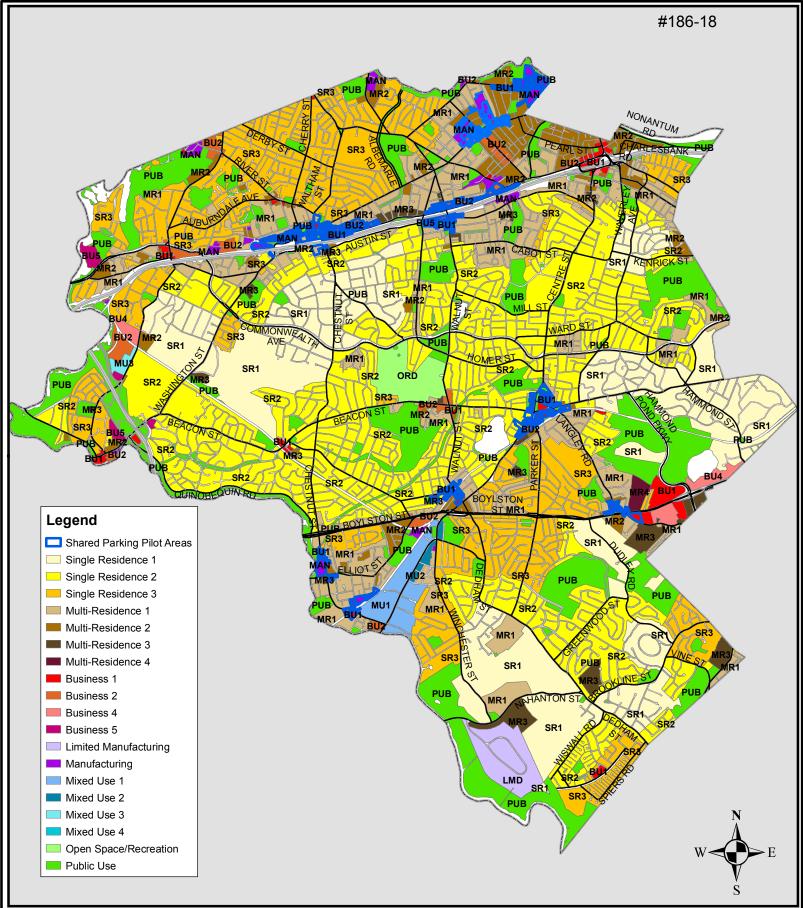
# Shared Parking in Business and Mixed-Use Districts

CITY OF NEWTON, MASSACHUSETTS Mayor - Ruthanne Fuller





The information on this map is from the Newton Geographic Information System (GIS). The City of Newton cannot guarantee the accuracy of this information. Each user of this map is responsible for determining its suitability for his or her intended purpose. City departments will not necessarily approve applications based solely on GIS data.



# Shared Parking in Select Village Locations

CITY OF NEWTON, MASSACHUSETTS Mayor - Ruthanne Fuller





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# Shared Parking Pilot Program Information Sheet

### **ABOUT THE PROGRAM**

Have you ever been frustrated to see customers or employees circling for parking when empty spaces seem to abound in private parking areas? In Newton Center, at peak periods when parking seems scarce, our research shows that 43% of all spaces are actually empty, mostly in private lots. Why is this? Currently, Newton's zoning laws restrict members of the public from parking in private lots. Headed out to eat in the evening? Newton's zoning laws would not let you park in the lot next door, even if the business is closed.

Newton's Shared Parking <u>Pilot</u> Program seeks to correct this imbalance by allowing business and property owners to make their private spaces available for customers and area employees to park. Property owners must still ensure that they provide parking for their customers and employees, when they have extra space, but this pilot will allow them to rent spaces to the public.

We at the City believe that increasing the availability of parking to the public, will benefit everyone in Newton. This pilot will help the City test our theory.

If you are a business or property owner and want to participate in the pilot, read on...

## FREQUENTLY ASKED QUESTIONS

- 1. <u>Does my location qualify?</u> You can participate if your parking lot is:
  - a. Zoned for business, mixed use, or manufacturing (B-1, B-2, B-3, B-4, B-5, MU-1, MU-2, MU-3, MU-4, MAN, LM).
  - b. Existed by XXX XX, 2018.
  - c. Not already permitted for use by another property (non-accessory parking agreement).
  - d. Parking spaces for a residence cannot be used.

The City will also confirm eligibility of all applicants.

- 2. What am I agreeing to if I join the pilot? To join the pilot, you agree to:
  - Only rent out spaces when extra space is available. You cannot displace your customers or employees in favor of shared parking (per §5.1.3.E of the Newton Zoning Ordinance)
  - Be available to answer parkers questions and provide basic customer service to parkers
  - Work with the City to address any complaints
  - Provide feedback to the City, if asked, regarding participation in the program
  - Provide quarterly reports with rental statistics
- 3. <u>How do I apply to participate in the pilot</u>? To start, you will submit an application to the City of Newton. Sharing parking without being a participant in the program is a zoning violation. You will need to provide basic information such as location and number of spaces. You will also need to agree to the terms of the pilot. The City will review and send a letter of approval within 10 business days.
- 4. How do I rent spaces to the public? You can provide services directly (find and interact with parkers, accept payments, answer questions) or use a shared parking service. Shared parking service providers, like Spot (parkeasier.com) and SpotHero (spothero.com), are dedicated exclusively to managing shared parking. Like AirBNB does for lodging, these apps create a marketplace for parking lot owners and parkers. They allow you to register your location, set dates and times spaces are available, accept payments, and provide customer service. Parkers use the app to search and pay for parking.

- 5. <u>Do I have to use a Shared Parking App Service?</u> The City has no preference regarding whether you provide shared parking services directly or use a third party shared parking company.
- 6. Once my parking lot is in the program, what's my relationship with the City? All of the shared parking activities are private transactions. The City of Newton's pilot program is a pilot of the legal framework within which one can share parking between properties. The City will not be a party in the relationship between a property owner and a third-party service provider (e.g. app service) nor will the City be a party to the relationships between lot owners and parkers. The City of Newton assumes no liability for properties sharing their parking through this program.
- 7. What services do I need to provide to customers? The City requires you to provide the following whether or not you use a 3<sup>rd</sup> party app or not.
  - Real time customer service whenever you are making spaces available
  - Ability to black-out dates, change or cancel reservations
  - Ability to communicate any changes to parkers in advance of a reservation
- 8. What data do I need to include in the reports to the City? The City will request information such as number of bookings, occupancy rate and average price per reservation. App service providers like SPOT and SpotHero typically provide automated reports with this information.
- 9. <u>How many spaces can I make available?</u> You can make as many spaces available as you want provided that you maintain enough spaces for your customers or employees. The number of spaces you make available likely will vary by time of day or day of the week based on your business' pattern of employee/customer use. The most important thing: you must keep enough spaces available so that you do not displace your customers or employees.

EXAMPLE: Your restaurant has a big lunchtime and evening rush, Wednesday through Sunday. You know that consistently the back row of spaces in your lot are empty before you open at 11am each day and throughout the day Monday and Tuesday. So, you list your back row spaces for shared use all day Monday and Tuesday and from 7am – 11am the rest of the week, keeping the rest open for customers and employees.

- 10. Can I charge for parking? Yes, you choose the rate you would like to charge.
- 11. What does it mean that this is a *Pilot* program? The City is piloting this program to determine if shared parking works for property owners, the public and neighboring properties. Throughout the three-year pilot period the City may adjust rules or regulations as knowledge is gained. Modifications to the Shared Parking Pilot Program will be announced on the program website and sent via email to all participating property owners at least 30 days prior to a rule change going into effect.
- 12. What will the City do if a lot owner does not follow the rules? The City may remove a property from the pilot for the following reasons:
  - Finding by the Commissioner of Inspectional Services, with input from the Director of Planning, that customers or employees are being displaced in favor of shared parking.
  - Persistently uncooperative responses to concerns raised by parkers or neighbors.
  - Finding by the Commissioner of Inspectional Services, with input from the Director of Planning and Development and that the property is operating outside of the requirements of the pilot program guidance.
  - The pilot program expires, or the pilot program is cancelled by the City Council.

# Shared Parking Pilot Program - Application to Participate in Pilot

Property Information	
Owner Name	Owner Email
Owner Phone (cell)	Owner Phone (Other)
Property Address	
Property Uses (Check all that apply)	☐ Retail ☐ Office ☐ House of worship ☐ Other
Parking Lot Information	
Total Number of Spaces Standard Spaces	Accessible Spaces
Describe periods of high and low utilization	(weekdays, weekends, times of day, etc.):
HighUtilization	
LowUtilization	
Please provide an aerial image, as possible, <b>Rental Information</b> Will you rent spaces directly or use a 3 <sup>rd</sup> par	on the back page  rty app? □ Direct □3 <sup>rd</sup> Party App ()
	he spaces (weekdays, weekends, times of day, etc.):
Terms	
☐ To not displace customers or em☐ To manage customer service int☐ To collaborate with the City to a	·
I understand that:  • This is a pilot program, and rules ch	hanges may occur as the City learns from implementation. minate after 3-years or following interim year evaluations.
Signature	Date

Insert aerial image of parking spaces

MATERIALS FOR APPLICANT PROPERTY OWNERS

(survey distributed online)

# Shared Parking Pilot Program *Annual Owner Questionnaire*

Contact Information					
Owner Name	Owner Email				
Owner Phone (cell)	Owner Phone (Other)				
Property Address					
Do you want to continue in the Shared Parking Pilot Program? □ Yes □ No. If no, please explain:					
What is working well with the program?					
What feedback have you received about	t the program from parkers, customers, tenants or neighbors?				
What improvements would you like to s	ee?				
Is there anything else you would like to t	tell us?				

(Survey distributed online. Promoted by property owners and 3<sup>rd</sup> party apps as possible)

# Shared Parking Pilot Program Annual Parker Questionnaire

How often do you use	shared parking?					
□ D	aily	☐ Annually				
□ w	/eekly	□ Never				
	lonthly					
In what time intervals d	o you rent the spaces?					
□н	ourly					
□ D	aily					
	Ionthly/annually					
Do you always use the s	ame space, or different spaces?					
☐ Same space						
	Iultiple spaces					
Why do you use the shared parking instead of parking in public spaces? (Check all that apply)						
□ Le	☐ Less Expensive — It costs less than other parking options					
	☐ More convenient – It is easier to get to/from destination					
	ess Hassle –I don't have to worry					
	1ore certainty – I know in advanc	e I have a space. I neve	r need to look for parking			
	could never find a space before.					
When you use shared	parking, where are you typic	ally going? (check all	that apply)			
	opping	, 808. (000	□ MBTA			
	staurants		□ Other			
L WC	лк					
What is working well	with the program?					
What improvements would you like to see?						