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September 14, 2020

Michael Stankovich  
Director of Public Works  
500 Primrose Street  
Haverhill, MA 01830

Subject: Updated Paid Parking Program Recommendations

Dear Mr. Stankovich:

As requested, I have completed a review of the three consultant evaluations of Haverhill's Paid Parking Program undertaken since its 2012 inception. Key recommendations resulting from these evaluations (but never acted upon) have been updated based on current program needs and market conditions.

The attached report includes a brief historical summary of the development, implementation, past evaluations, major changes and recommended changes to the paid parking program. It concludes with a list of updated recommendations for the City's consideration to make the parking program more consistent, reliable, user-friendly, convenient, self-sustaining, and effective at balancing use of all parking assets within a 5-minute walk of the riverfront.

Sincerely,



John M. Burke

## **10-Year History of Paid Parking Program in Haverhill**

The City's return to paid parking after a nearly 50-year hiatus began with a comprehensive downtown parking study initiated in 2010. As a result of the study, which included significant public outreach, paid parking was implemented in 2012. The paid parking program was systematically evaluated by parking consultants three times since then - at the end of the 2012, 2014 and 2017 paid parking seasons. Recommendations resulting from the three paid parking program evaluations were "data-driven", based on robust data collection that included:

- Parking occupancy counts
- Permit-user rates
- Duration-of-stay counts
- Customer surveys
- Time-limit compliance rates
- Comparison fee, fine and citation rates
- Financial performance data.

A brief historical summary of program development, evaluation, and modification - including recommendations never acted on, are provided below.

### **Haverhill Downtown Parking Study (2010-2011)**

In 2010, as the new Haverhill Intermodal Parking Facility was being completed, the City hired Nelson\Nygaard, a Boston consulting firm, to conduct a downtown parking study. The study would assist the City in determining how best to manage its on- and off-street parking system, which at the time was free. Along with the new parking facility coming online, a quickly growing, downtown, residential population was spurring new restaurants, retail stores, and increased parking demand. The general public perception was that there was a lack of available parking in certain areas of the downtown during peak periods of demand.

#### *Parking Program Guiding Principles Established*

Through a series of stakeholder interviews and focus groups, a set of guiding principles for the Haverhill Parking System were developed to guide the study and future program.

1. provide convenient parking for customers and clients
2. make the parking system user-friendly
3. establish permitted parking for resident and employee populations
4. adapt parking regulations by downtown zone
5. protect publicly available parking from commuter pressures
6. return any excess parking funds to downtown improvements

#### *Downtown Parking Study Recommendations*

Through a formal study process completed in Summer 2011, the consultant determined that the existing free, time-limit-based parking management system was ineffective at creating reliable parking availability in high-demand areas of the commercial district. They recommended introducing pricing on streets surrounding the new parking garage to

increase parking availability and incentivize use of the garage, which they believed might otherwise be empty. They also recommended establishing a new parking lot permit system.

Parking rates and regulations for the streets and lots around the Haverhill Intermodal Parking Facility were recommended as follows:

- On-street time limits: eliminate 2-hr. limits in favor of hourly parking rates increasing the longer one parks in a space
- Meter rate: \$0.50/hour increasing the longer one parks in a space
- Parking permit rate: \$20 to \$25/month
- Paid Parking Hours of Operation: On-Street from 10 a.m. to 8 p.m.  
Off-Street from 10 a.m. to 10 p.m.

### **City Approves and Implements Paid Parking Program with Modifications (2011-12)**

In September 2011, the City Council approved paid parking downtown on weekdays with free parking Saturdays and Sundays. However, the consultant's recommended parking rates and regulations were subsequently modified by the City as shown in red below.

- On-Street time limits: **maintained 2-hour limits**
- Meter rate: \$0.50/hour **(flat rate)**
- Parking permit rate: **reduced to \$15/month**
- Paid Parking Hours of Operation: On-Street from **3 p.m.** to 8 p.m.  
Off-Street from **8 a.m. to 8 p.m.**

The MVRTA opened the \$11M, 315-space, Haverhill Intermodal Parking Facility in November 2011 with a \$4 daily rate and \$80 monthly permit rate. The facility was funded in part by the Federal Transit Administration to expand commuter parking options for the Haverhill MBTA train station across the tracks. Soon after the facility opened, the City hired a parking operator, and in the Summer 2012, implemented paid parking. Parking kiosks were installed on-street in "pay-and-display" mode and off-street in "pay-by-space" mode.

### **Paid Parking Program Evaluated after 1st Year of Operation (2012)**

Nelson-Nygaard conducted a program review of the inaugural 2012 paid parking season comparing on- and off-street parking occupancy rates to those collected in 2010. They concluded that parking pricing was working by creating more availability in prime off-street parking locations and incentivizing parkers to better use free, peripheral parking areas. However, they noted that pricing was set too low and hours of operation were inconsistent. They recommended the following adjustments to program hours & pricing:

- make on-street and off-street paid parking hours consistent
- don't start paid parking until it is needed (10 a.m.)
- increase \$15/month permit rate to \$30/month to address an "overbuy" of permits
- increase \$0.50/hour rate during high demand periods and at high-demand locations

None of these recommended changes were enacted.

### **Paid Parking Program Review (2014)**

In 2014, the City requested I conduct a formal review of the paid parking program in coordination with City staff and the Parking Commission. The program review included a customer survey, parking rate study, and supply & demand analysis with findings and recommendations. As a result of the program review, the City:

- √ bid the management and operation of the paid parking system to improve services and lower operating costs (LAZ Parking awarded contract)
- √ eliminated painted parking stalls on-street to increase parking supply
- √ upgraded its parking enforcement technology (through Kelly & Ryan Systems)
- √ implemented a mobile payment system to allow people to pay for and extend their parking sessions remotely by phone (Passport was awarded the contract)

However, the City never acted on recommended parking regulatory and supply-side changes that included:

- establish consistent on-street and off-street paid parking hours Mondays through Saturdays, 10 a.m. to 8 p.m.
- increase the meter rate to \$1.00/hour to increase parking availability, turnover, and revenue needed to cover operational and capital equipment replacement costs
- upgrade inconsistent and confusing regulatory and directional signage
- expand free parking on Bailey Blvd. by converting more parallel parking to angle
- expand permit parking by expanding the Haverhill Place parking lot adjacent to the Haverhill Police Station

### **Paid Parking Program Review/Update (2017)**

With several building redevelopment projects underway, the City requested I review the performance of the paid parking program and update recommended improvements, strategies, and measures to:

- improve operational efficiency, system performance, and customer service
- better accommodate pending new developments
- achieve more balanced use of the on- and off-street parking system

The updated analysis found that parking occupancy rates, particularly in the Washington Street corridor and Washington Street lots, had increased markedly since 2014. The number of off-street parking permits issued had also increased leaving a shortage of permit spaces in several lots. However, there was still plenty of available parking a short walk from Washington St. in the MVRTA Garage, Goecke Deck, and on free, unregulated streets such as Bailey Blvd. and Walnut Street.

The final report reiterated the need to enact the regulatory changes recommended in 2014 (listed above). It also included recommended management and policy actions to better

balance the use of high-demand spaces within the Washington Street Corridor and under-utilized spaces a short walk away. Some of the key recommendations were as follows:

- begin to shift employee permit parking from high-demand retail area lots in the Washington & Merrimack St. corridors to the lower-demand MVRTA Garage, Goecke Deck, MBTA Lot and free/unregulated streets within a 5-minute walk of the riverfront
- expand metered parking on 2-hour time-limited streets, as warranted by demand
- replace the City's 40+ parking kiosks approaching the end of their useful life
- replace permit hangtags w/virtual permits where your license plate is your permit
- promote/accommodate valet parking and merchant validated parking

However, the study recommendations were never acted on by the City Council for lack of quorum. Several councilors had to recuse themselves from voting due to potential conflicts of interest related to owning downtown properties, businesses, etc.

### **Update to Parking Program Recommendations that were Never Implemented**

It is now 2020, nearly nine (9) years since paid parking was implemented, and there have been no adjustments to the hourly parking rate, paid parking hours, meter zones or time limits despite recommendations from two separate parking consultants in 2012, 2014, and 2017. The parking payment kiosks are now 9 years old, well beyond their 7-year useful life, and in need of replacement.

It is typical for parking rates and regulations to be adjusted soon after program roll-out to address any fluctuations in demand unanticipated in program development, any changes in market conditions, and to cover operational and capital replacement costs. It should then be regularly reviewed and adjusted as needed thereafter.

In consideration of recommendations from previous program evaluations, current market conditions, and the Parking Program's Guiding Principles, the following actions are recommended to make the parking program more consistent, understandable, reliable, convenient, user-friendly, financially self-sustaining, and effective at balancing the use of parking assets within a 5-minute walk of the riverfront:

1. **Establish consistent on- and off-street paid parking hours: 10 am to 8 pm (M - Sat)** to eliminate customer confusion; increase use of available parking in the Goecke Deck, MVRTA garage and free parking areas; and increase parking availability and turnover on-street, especially during the congested weekday lunchtime and Saturday peak periods.

Currently, the City does not charge for parking on its busiest day (Saturday) - when pricing to better regulate and manage the use of its parking supply is most needed. Similarly, on-street parking is free until 3 p.m. weekdays - right through the busy lunchtime period when it can be extremely difficult to find an available on-street parking space in the Washington Street Corridor.

Conversely, the City charges in its parking lots as early as 8 a.m., even though there is plenty of parking availability in the lots and on-street until about 10 a.m. – making pricing unnecessary during this period.

2. **Establish consistent on- and off-street parking payment methods** to eliminate customer confusion; increase customer convenience; reduce operational costs; increase revenues; and improve enforcement efficiency. Currently, on- and off-street parking payments are handled differently. Off-street parking is "pay-by-space" and on-street parking is "pay-and-display." "Pay-by-space" requires a customer parked in a lot to enter the space number painted on their parking stall at the kiosk. "Pay-and-display" requires a customer parked on-street to walk to a kiosk to pay and then return to their car to place the parking receipt on their dashboard before walking to their ultimate destination.

The parking industry is rapidly moving toward "pay-by-plate" wherein the customer, whether on-street or off-street, simply inputs their parking plate into the kiosk and goes on their way. With "pay-by-plate" the City no longer needs to paint numbers on every parking lot stall or lose revenue when those numbers become covered by snow or fade. "Pay-by-plate" also makes parking enforcement much easier because all paid parking sessions, whether by kiosk payment, pay-by-phone or permit, can be checked in real-time through the enforcement officer's electronic handheld ticket writer or by license plate recognition (LPR) cameras, if desired in the future. "Pay-by-plate" also allows the City to move to "virtual permits" (see recommendation below).

3. **Replace outdated permit hangtag system with online "virtual" permits**  
The City no longer needs to absorb the cost of printing and administering parking permit hangtags to customers. Permits can be applied for and purchased directly from the City's parking website or through Passport. The customer's license plate is the permit. The list of permit holder license plates is automatically loaded and updated daily to the enforcement officer's handheld units so that they can determine in real-time whether the parker is a permit holder, paid at a kiosk, or paid via pay-by-phone. This recommendation will eliminate the problem of hangtags dropping from rear view mirrors, increase customer convenience, and reduce costs. It will also eliminate the problem of customer's forgetting to hang permits from their rearview mirrors and using expired hangtags.
4. **Standardize and upgrade directional/informational, regulatory & parking lot entry signage** to eliminate customer confusion and better brand municipal parking lots and decks. Many of the municipal parking lots are located behind buildings making them difficult for the infrequent visitor to find and/or discern from other private lots. Better directional and lot-entry signage is needed that clearly denotes parking regulations. There is also a need to better sign 2-hour time zones and the MVRTA garage.
5. **Replace the City's 40+ parking kiosks that are at the end of their useful life**  
The City's Digital Luke II parking kiosks are now approaching 9 years old - two years beyond their 7-year useful life. The service reliability of these kiosks was found to be degrading. Many of the kiosk's major electronic and powering components had begun

failing, increasing maintenance costs and reducing equipment reliability and customer confidence.

These kiosks need to be replaced expeditiously in the lots and on-street. Double-headed meters, which would be more expensive from a capital and operating standpoint, but arguably more convenient to the user, are a viable on-street alternative to kiosks, if desired. However, the lots should continue to be controlled by parking kiosks since a single kiosk can efficiently control 50 or more parking spaces.

**6. Increase the original \$0.50/hour meter rate to at least \$1.25/hour to:**

- cover parking operational & capital replacement costs – the 2014 program review concluded that the \$0.50/hour meter rate was well below the market rate and insufficient to cover credit card transaction and processing fees, vendor data storage, hardware and software fees, power, maintenance, replacement parts, and supply costs – not to mention the cost of replacing the antiquated kiosks. Today hourly meter rates in the nearby cities of Lowell, Salem, and Newburyport have reached \$1.50/hour, three times Haverhill’s current hourly parking rate.
- make the paid parking program self-sufficient – when paid parking was approved by the City in 2011, it was envisioned that it would be self-sustaining with no impact on the General Fund. It was also envisioned that excess parking revenues would be reinvested in downtown parking infrastructure whether that was repair of the Goecke Deck, new lighting, expanded parking, etc. However, with parking rates so far below market, not only can there be no reinvestment in the downtown parking/infrastructure, but the City will be unable to replace the fully depreciated parking kiosks without General Fund or other funding sources.
- increase parking turnover and reduce “car shuffling” in 2-hour meter zones where employees move their cars to the nearest on-street space every two hours to avoid getting a ticket.
- incentivize long-term parkers to use off-street parking
- increase parking availability in high-demand areas and use of low-demand areas

***Optional Rate: Offer all Haverhill residents a parking discount at the meter where residents pay \$1.00/hour and out-of-town residents pay \$1.50/hour.***

The slightly higher out-of-town hourly rate would pay for the citywide resident discount. While purely a policy decision, this type of rate structure is frequently applied in other New England cities and towns. It can be implemented easily through the current Passport pay-by-phone app.

**7. Increase permit parking in paid municipal lots from \$20 to \$30/month**

In the 2012 paid parking evaluation, Nelson-Nygaard recommended the City’s original monthly permit rate be increased to \$30 to address the large number of permits sold in the first year of paid parking and the resulting shortage of permit parking spaces,

particularly in the Washington St. lots. This condition remains today. This recommended monthly permit rate would still be lower than the \$35/month permit rate charged at the MBTA Lot.

***Optional Rate: Offer Haverhill residents who reside or work downtown a discounted monthly permit rate of \$25 where out-of-town residents pay \$35.***

The higher out-of-town monthly permit rate would pay for the discounted permit rate to downtown residents and employees. This type of rate structure is common in other New England cities and towns.

#### **8. Expand 2-Hour metered parking on:**

- Washington Street: Railroad Square to River Street
- Emerson Street: Merrimack Street to Bailey Boulevard
- Locust Street: extend existing meters from Essex Street to Walnut Street
- Park Way: on the backside of the Goecke Deck
- Merrimack Street: from Essex Street to Main Street and the Merrimack Street Lot at the front of the Goecke Deck<sup>1</sup>

All the streets listed, except Merrimack Street, met warrants for parking meters based on extremely low parking availability, turnover, and compliance rates with posted time limits. Merrimack Street will almost certainly meet meter warrants with completion of the “The Heights” project and the opening of a new 3,800 square-foot restaurant at Harbor Place. It is recommended meters be installed there when these projects are completed.

#### **9. Prohibit employee permit holders from parking in the Washington-Wingate Lot**

There are simply not enough lot spaces to accommodate current demand from paying customers, visitors, and permitted downtown residents, business owners, and employees. Of all these noted user groups, it is the employee who is typically the least sensitive to walk distances from their parking space to destination. One of the key reasons cities build parking garages in the first place is to store employee cars within a reasonable walk of the commercial core, thereby freeing-up the most convenient, high-demand, on- and off-street parking spaces for customers and visitors. It simply does not make good economic sense to displace would-be customers and visitors by storing employee cars all day in the City’s most convenient, high-demand spaces - especially when the MVRTA garage is one block from the Washington-Wingate Lot and other parking options are just a short walk away.

Currently, retail customers and visitors are being displaced by permit parkers. They can be seen regularly, circling the lot looking for available spaces that don’t exist. The City also receives regular complaints from downtown resident permit holders that they are unable to find a permit space in the lot when coming home from work or the grocery

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<sup>1</sup>These two locations would likely meet warrants for parking meters with completion of “The Heights” project.



store. By restricting permit-eligible lot spaces to resident permit holders, there will be more parking availability for abutting residents, downtown customers, and visitors<sup>2</sup>.

**10. Work with the MVRTA to provide more flexible monthly permit options at the parking garage to increase use.** The MVRTA currently only offers an \$80 monthly pass (\$65 for blocks of 5 or more) to the general public for 24/7 access. This one-size-fits- all approach to monthly parking is very limiting considering the different needs of the downtown resident, employee, business owner, and commuter. It is recommended that in addition to this “24/7 Pass” at \$80/month, the MVRTA offer a:

- **“Weekday Employee Pass”** targeted at employees and business owners for weekday access to the garage, Monday – Friday, 6 a.m. to 6 p.m. at, perhaps, \$55/month
- **“Nights & Weekends Resident Pass”** targeted at downtown residents for nights and weekend access to the garage at, perhaps, \$45/month
- **“Premium 24/7 Downtown Pass”** good for 24/7 use of the MVRTA Garage, the Goecke Deck, and certain City lots at, perhaps, \$90/month. This pass would require an interagency agreement between the City and the MVRTA to address administration services and revenue sharing.

This type of monthly pass structure is common in municipal parking garages. It allows the parking garage operator to maximize revenue, occupancy, and shared use of the facility, while at the same time offering the customer multiple locations and price points so they can choose the one that best suits their individual needs. The monthly pass hours and discounted prices suggested above are for discussion purposes only. An actual rate structure would need to be evaluated and agreed-upon based on current and projected garage occupancy and hourly use by the different user groups, and other factors.

The potential restructuring of employee permit pricing in this memo would provide several parking options and price points to downtown employees within a 5-minute walk distance of the riverfront as follows:

- \$55/mo. for a “Weekday Pass” at the 315-space MVRTA garage
- \$35/month for a 24/7 pass at the 159-space MBTA lot
- **\$30 to \$35/month** for 24/7 pass at the 476-space Goecke Deck and key surface lots
- \$ 0/month (free parking) for 24/7 use of 102-spaces on Bailey Boulevard and on other unregulated streets nearby (Walnut St., Orchard St., Locke St., etc.)

#### **11. Expand free parking on Bailey Boulevard (19 new spaces)**

Convert parallel parking spaces to angle spaces on the south side of Bailey Boulevard to add about 19 new parking spaces downtown. The City’s experiment with back-in, angled spaces on the north side of Bailey Boulevard was successful. The same conversion

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<sup>2</sup> The City may want to continue allowing nearby business owners with permits to park in the lot to provide them better access to their businesses during the day.

opportunity is available on the south side of the street west of Haverhill Place. This low-cost improvement requires little more than striping and signs.

**12. Expand permit parking in the expanded Haverhill Place Parking Lot near the Police Station (21 new spaces)**

An adjacent grassed-area on the south-side of the Police Station Lot can be paved and striped to pick up about 21 new parking spaces. The City has already developed design plans for this improvement. Efficiently laid-out surface parking typically costs in the range of \$5,000 to \$7,500/space. This cost is far less expensive than structured parking, which often exceeds \$25,000/space in historic downtown locations.

**13. Assign the Parking Commission responsibility for adjusting the number of permit-only, metered-only, and multi-use parking spaces in City lots**

Parking supply and demand changes with great regularity. In response to these changes, it is necessary to regularly review and adjust the number of posted permit-only, meter-only, and multi-use spaces in each downtown lot. These reviews should be done regularly or as needed. Several communities have tasked their parking committees and commissions with the responsibility to stay on top of developments that impact supply and demand and to maintain a responsive, balanced, off-street parking program. Typically, any Parking Commission adjustments are brought back to the City Council annually in an Omnibus Ordinance.

**14. Implement Valet Parking Program Downtown-** With its growing dining and entertainment district that includes new restaurants opening at Harbor Place and The Heights, downtown Haverhill is ripe for valet parking. If done correctly, valet parking can expand the effective supply of public parking downtown when parking is needed the most: Friday and Saturday night. By parking cars in tandem up to about 50% more vehicles can be parked in a lot by a valet operator than if it were a public self-park lot. Valet also shifts cars that would typically park in a high-demand corridor and moves them to a lower-demand area. Typically, a few on-street metered spaces are “bagged” and taken out of service at valet locations to allow for drop-off/pick-up of restaurant patrons.

Half of the top level of the Goecke Deck, which is extremely under-utilized at night, could be dedicated in the evening to a valet operator. Bailey Boulevard would also be a candidate location, but car stacking would not be an option there. Similarly, a sectioned-off portion of the MBTA Commuter Rail Lot, under a shared lot agreement with the City, could serve restaurants within the Washington Street Corridor interested in valet. As parking demand grows, the Locke Street lot could provide a similar benefit to restaurants located north of Essex Street.