



Date: June 6, 2022

To: Wanda S. Page, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Sean Egan, Transportation Director
Thomas Leathers, Chief Parking Administrator
Subject: Ordinance to Change Civil Penalties for Parking Violations

Executive Summary

This item recommends adoption of an Ordinance to make changes to City Code Sec. 66-370 to reduce and modify the escalation fee rates and implementing payment plans to decrease the financial burden fines and fees place on low-income residents and communities of color as part of the PolicyLink Cities and Counties for Fines and Fees Justice cohort.

Recommendation

To adopt the Ordinance to Change Civil Penalties for Parking Violations to be effective July 1, 2022.

Background

The City last amended the Ordinance to make changes in Civil Penalties for Parking Violations in September 2020. The penalty for most offenses listed in section 20-200(a) was \$5 in 1986; was increased in 1992 to \$10; was increased to \$20 in 2015; and was increased to \$30 in 2020. The City has traditionally designated various time restrictions for its on-street parking spaces in an effort to promote space turnover and provide short-term parking options for visitors. The 2013 and 2018 Downtown Parking Studies concluded that “time limits for on-street parking spaces in the downtown study area were being exceeded by visitors and downtown employees. The on-street parking system should be operated and enforced to encourage high turnover of vehicles, resulting in a lively and business-friendly downtown environment.”

In order for on-street parking regulations to be effective, penalties should consider the price for lawful parking. It is a parking industry best practice that if parking fines are too low, many drivers would prefer to take the chance on receiving a parking ticket rather than pay for a monthly parking permit to park in a parking garage and be required to walk a greater distance to their destinations. Parking regulations are crucial to the daily operation as they serve three distinct functions. First, they enhance public safety by ensuring that city streets stay accessible for all vehicles. Second, they help to balance the competing curb-space needs of the city’s residential and business corridors. Third, parking regulations help municipalities decide how to best manage parking assets while enhancing revenue.

In June 2019, the City of Durham received a grant from PolicyLink to examine its fines and fees and propose reforms to lessen the financial burden placed on our residents, particularly in communities of color. Ten jurisdictions across the country received technical assistance from PolicyLink, Fines and Fees Justice Center, and the Financial Justice Project of the City and County of San Francisco as part of the year-long project.

Issues and Analysis

A team of City employees and community representatives started this work in the Fall with an internal assessment of departmental fines and fees and community engagement about the impact of the City's fines and fees on Durham residents. In the community engagement, parking tickets were the fines most commonly cited as difficult to pay. The most common feedback was that late fees caused an increased financial barrier to paying a parking ticket, Covid-19 had increased the financial stress Downtown workers felt from paying parking fees and/or tickets and some residents felt parking fees and/or tickets were barriers to accessing Downtown. The Office of Performance and Innovation partnered with the Transportation Department's Office of Parking Management to analyze four years of parking citation data (65,000 entries), which researchers at the University of North Carolina's School of Government analyzed to further guide the structure of the proposed reforms. Exhibit D contains the Report of Parking Data Analysis

This analysis revealed the majority of parking citations in Durham are issued to residents who live outside of Durham County. For those residents who are local, citations are equally distributed across all census block groups in Durham, regardless of race, ethnicity or income. Citations that receive late fees or go unpaid, however, are disproportionately issued to residents who live in block groups where residents are predominantly low-income, Black/African-American or Hispanic/Latino. Sixty percent of these citations (2,691) went to residents who lived in block groups with a per capita income under \$35,000. The analysis concluded that fifty-five percent (55%) of parking citations with late fees or that go unpaid are disproportionately issued to residents who live in block groups that were majority Black/African American or Hispanic/Latino.

The City team, over a period of nine months, conducted resident engagement, data analysis, and collaboration between the Office of Performance and Innovation and the Office of Parking Management led to the following initiatives to be implemented during Summer-Fall 2021.

- A pilot to provide Parking assistance to low-income Downtown workers. Accomplished Summer-Fall 2021
- An initiative to provide a week of free daytime parking in downtown City-owned Parking garages. Summer 2021
- Ability-to-pay mechanisms for parking citations for low-income Durham residents. – Targeted implementation date of July 1, 2022.
- Reduced escalation fees for outstanding tickets. Targeted implementation date of July 1, 2022.

The City's parking facilities operate as an enterprise fund. Durham's parking policies should be dynamic to respond to changes in parking supply and demand. The primary purpose of charging a fee for parking convenience is not the collection of revenue, although this is important, but rather to allocate a scarce resource efficiently. Staff conducted a comparative analysis of parking civil penalty fees in Durham with other peer municipalities within North Carolina and found that the City of Durham

Alternatives

1. Change the parking violation escalation schedule and fees pursuant to the PolicyLink recommendations. Recommended.
2. Do not change the Ordinance to Change Civil Penalties for Parking Violations. Not recommended.

Financial Impact

The City's parking facilities operate as an enterprise. The FY 2023 projected parking citation revenues is \$451,748.

Equal Business Opportunity Summary

The Equal Business Opportunity Program is not an issue that is associated with acceptance and implementation of fee changes.

Attachments

- Exhibit A: Proposed Changes to Fee Schedule (Mark-Up Version)
- Exhibit B: Ordinance to Change Civil Penalties for Parking Violations
- Exhibit C: UNC School of Government Report on Parking Data Analysis
- Exhibit D: Peer City Rate Analysis