



Information Item

Date: March 12, 2024

To: Mayor and City Council
From: Anuj Gupta, Director of Transportation
Subject: Analysis of Impacts of Extended Grace Period at Downtown Parking Structures

Introduction

At its December 12, 2023 meeting, Council directed staff to extend the grace period from 90 minutes free parking to 180 minutes (3 hours) free parking on Friday, December 22 through Sunday, December 24, 2023, at Parking Structures 1, 2, 4, 5, 6, 7, 8, and the Ken Edwards Center. The Main Library is typically 30 minutes free parking, and it was extended to 180 minutes during this timeframe as well. This report analyzes the impacts of the extended grace period at nine of the City's Downtown parking structures during the 2023 holiday season.

Background

With the goal of increasing patronage of businesses in Downtown Santa Monica during the Christmas holiday shopping season, Council extended the parking grace period for the days of December 22, 2023 through December 24, 2023. The Department of Transportation's Parking Division reprogrammed the payment machines at Parking Structures 1, 2, 4, 5, 6, 7, 8, Ken Edwards Center, and Main

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Library so that the first three hours of each parking session were free instead of the typical first 90 minutes free (30 minutes at the Main Library).

To promote the initiative, the following sign was attached to all entry gates at these facilities:



The City's Communications Division promoted the free parking through a press release and the City's social media platforms. Downtown Santa Monica, Inc. promoted the parking as well through social media and an email blast to their mailing list.

A similar campaign was offered from December 10-25, 2020, and the results are summarized in the following case study (<https://www.smarking.com/post/the-significant-cost-of-free-parking-learnings-from-the-city-of-santa-monica>).

Discussion

The revenue, occupancy, and duration for these three days were tracked and analyzed using Smarking, the City's parking data analytics software. The analysis revealed the following for the days of Friday, December 22, 2023 through Sunday, December 24, 2023 (compared with Thursday, December 22, 2022 through Saturday, December 24, 2022) at Parking Structures 1, 2, 4, 5, 6, 7, 8, Ken Edwards Center, and Main Library:

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Revenue Comparison

Parking Revenue December 22-24, 2022	Parking Revenue December 22-24, 2023	Change from 2022 to 2023	% Change from 2022 to 2023
\$76,961	\$51,000	-\$25,961	-33.7%

Occupancy Comparison

Parking Occupancy December 22-24, 2022	Parking Occupancy December 22-24, 2023	Change from 2022 to 2023	% Change from 2022 to 2023
32,335 parkers	31,695 parkers	640 fewer parkers	2.0% fewer parkers

Duration Comparison

Parkers Staying 3 hours or less December 22-24, 2022	Parkers Staying 3 hours or less December 22-24, 2023	Change from 2022 to 2023
82.5%	83.4%	0.9% increase

The occupancy data shown above indicates that the three hours of free parking did not have a significant impact on how many people parked in the downtown area and how long they stayed. The 3-day period in 2023 had 640 less parkers than the same dates in 2022.

The duration data in 2023 reflected a slight increase in people staying 3 hours or less, but only 0.9%. 83.4% of parkers parking for free in 2023 is the reason for the 33.7% loss in revenue of \$25,961 when comparing 2023 to 2022 (as shown in the revenue comparison above).

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Downtown Santa Monica Inc. completed a study showing a 7.3% decrease in foot traffic when comparing 2023 to 2022. Their study concluded that there is no evidence that the 3 hours of free parking contributed to an increase in downtown foot traffic from the three days in 2022 to the three days in 2023.

Based on this analysis, it is apparent that the 3 hours of free parking did not encourage people to visit the downtown parking structures during the 2023 holiday season. Much like the 2020 analysis referenced above, it can be concluded that "Parker behavior may be driven by accessibility to the amenities by the parking facility and less on the benefit of free parking."

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