



# PAYING THE

**Municipalities develop creative strategies to help fleets avoid tickets and keep traffic moving.**

**By Duke Hanson**

**W**HETHER YOU LIVE IN, WORK IN, OR JUST VISIT dense urban centers, it is likely that you've had to run the on-street gauntlet of double-parked delivery vehicles. Certainly, the Federal Highway Administration (FHWA) has noticed, as that agency attributes a significant amount of city gridlock to restrictions on freight movement, including a lack of adequate parking space for these types of vehicles. It has been estimated that delivery trucks parked curbside in downtown areas cause 947,000 hours of vehicle delay annually.

PHOTOS BY DUKE HANSON

We know trucks operated by FedEx, UPS, the U.S. Postal Service, and others are essential to urban commerce; businesses and commercial establishments depend on the delivery of goods and services. And with the rise of Internet shopping, courier and delivery services are more important to urban commerce than ever.

Given the dependency on their services, operators of large and small commercial vehicle fleets are important stakeholders in the parking community. And, as with all stakeholders, policies and mechanisms must be put in place to support their interests. For example, some

first three months of 2013, FedEx amassed \$1.8 million worth of NYC parking violations. Similarly, UPS reports that it pays NYC more than \$1 million in parking fines each quarter.

For large package and freight shipping companies, the dollars spent paying parking tickets are just another operating cost, but that cost is significant. As referenced in *Crain's New York Business* in May, "The cost to businesses is steep, but the windfall for the city is huge: an expected \$550 million this year from parking violations, compared with \$197 million from parking meters." In



cities have urged delivery fleets to shift their deliveries to off-peak times. Restricting on-street parking meter use to delivery vehicles only during periods of low demand is another strategy that has been well-received by this constituency. Regardless of the measures put in place, it is safe to assume that delivery vehicles will continue to park in an illegal manner—double parked, in crosswalks, in front of fire hydrants, etc.—and continue to get parking tickets in mass quantities.

### Doing Business

In New York City (NYC), 20 to 30 percent of the approximately 10 million parking tickets write each year are issued to commercial/delivery companies. During the

most cases, the larger fleet operators consider this a cost of doing business—a cost that is surely passed along to their customers.

Usually, the operator of a cited delivery vehicle does not own it, meaning that if a citation is received during the course of business, the driver is not legally responsible for payment—the vehicle owner is. However, the vehicle owner may never know a citation was issued. With these conditions in place, it's critical that a city's on-street parking management program have a working relationship with the owners of vehicle fleets to provide a systematic, fair process for ensuring these citations are paid. To accomplish this, many large-city parking management agencies have established fleet programs





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for companies that operate a large number of vehicles to track and pay for the tickets issued to their fleets on an individual, ticket-by-ticket basis. One of the benefits to the fleet operators is that they can pay citations on a monthly basis in response to invoices that itemize each ticket assigned to each vehicle in the fleet.

### **Municipal Programs**

The fleet program established by the Los Angeles Department of Transportation's (LADOT) Office of Parking Management comprises more than 250 fleet companies (including rental car agencies), with more than 1.2 million fleet or rental vehicles enrolled. To ensure there is adequate organizational focus, LADOT's Parking Violations Bureau staff includes a collections manager and collections analyst who have responsibility for fleet program administration.

While not as large as New York or Los Angeles, the City of New Haven, Conn., has a significant population of vehicle fleets, including that of Yale University, which is a prominent local constituent. The New Haven Department of Finance, which is responsible for citation processing-related services, relies on its parking management information system to administer its fleet program and help fleet operators better manage the citations they receive. This fleet management system module

tracks all events pertaining to fleet account activation/termination, plate additions/terminations, and invoice generations. Noticing and invoicing for citations issued to vehicles in the program are consolidated to increase efficiency, reduce program noticing costs, and provide participants with a simplified method for responding to the citations. And more importantly, when payments are not received in a timely manner, sanctions can be imposed for noncompliance, including termination from the fleet program. When that happens, the system automatically reinstates all normal sanctions and enforcement actions (i.e., booting, towing, registration hold, etc.) for the vehicles in that fleet.

Ideally, a fleet management system also should provide authorized fleet operators with credential-based secure online access to their own accounts to relieve city staff of ongoing administrative tasks such as:

- Updating account contact information.
- Adding plates, with activation dates, belonging to the fleet account.
- Terminating plates, with termination dates, belonging to the fleet account.
- Updating plate information.
- Viewing and printing current invoices.

Cities thrive when their transportation systems support user-supplier relationships, such as the in-





terdependency between businesses and those that deliver their goods and services. Clearly, delivery vehicle drivers often have little choice but to violate parking regulations as they make their rounds. So many cities, with help from their systems and services providers, have instituted programs and business rules to accommodate a group of stakeholders that is the lifeblood of a thriving business community.

While some will contend that these accommodations undermine enforcement and violate sound parking, transportation mobility, and sustainability principles, more comprehensive congestion and mobility management strategies have yet to emerge. Seattle's Department of Transportation (SDOT) is currently evaluating new strategies for managing downtown commercial vehicle load zones (CVLZs). Through a pilot program funded by a grant from the FHWA, SDOT will assess the merits and effectiveness using technology and pricing strategies for the more efficient use of downtown CVLZs. While measures such as this are in the incubator, it is safe to assume that in the near term delivery vehicles will continue to park in an illegal manner and will continue to get parking tickets in mass quantities. Parking administrators in municipalities with pockets of urban density can look to their peers in New York City, Los Angeles, New Haven, and other municipalities for strategies that address the needs of this important parking stakeholder and optimize parking citation revenue.



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