Memorandum

DATE September 25, 2009

TO Members of the Transportation and Environment Committee:
Linda L. Koop (Chair), Sheffie Kadane (Vice Chair), Jerry Allen, Carolyn R.
Davis, Tennell Atkins, Angela Hunt, Pauline Medrano, Delia Jasso and Ron
Natinsky, Vonciel Jones Hill

SUBJECT Valet Parking

Attached is the “Valet Parking Service License for Use of Public Right-of-Way”
briefing that will be presented to you on September 29, 2009.

Please contact me if you need additional information.

Jill Jordan, P.E.
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
Ryan S. Evans, First Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest Turner, Assistant City Manager
David Cook, Chief Financial Officer
Jeanne Chipperfield, Director, Budget and Management Services
Edward Scott, Director, Controller’s Office
Helena Stevens-Thompson, Assistant to the City Manager – Council Office
Rick Galceran, P.E., Director, Public Works and Transportation
Theresa O’Donnell, Director, Development Services
Valet Parking Service
License for Use of Public Right-of-Way

Transportation and Environment Committee Briefing
Prepared by
Parking Management Program
Public Works and Transportation
September 29, 2009
Purpose of Briefing

- In late 2008, staff applied requirements from the Development Code to the review of the location of valet parking
- Parking Management assigned a Parking Enforcement Officer to focus on valet services
- The valet industry raised some concerns about the changes, so the Council asked staff to meet with business and industry representatives to review the process
- This briefing will present issues that the Valet Task Force has identified for Committee discussion
Business Community and Valet Industry Goals

- Return to a simplified approach to licensing valet services consistent with other Texas cities:
  - Require only written authorization or contracts to use remote parking lots
  - Provide rigorous review and enforcement of parking space location to ensure spaces are not committed to another use

- Allow paid valet services to use required parking consistent with other Texas cities

- Update valet license ordinance to enhance control over the quality of valet service – consider adopting a requirement for an operating authority for valet service
Current City Code

- Dallas City Code only licenses valet services operating on (1) public right-of-way or (2) using the public right-of-way for maneuvering vehicles
  - Chapter 43 – Streets and Sidewalks
  - Article VI – License for the Use of Public Right-of-Way
  - Division 3 – Valet Parking Services

- Valet parking service means a business, or any part of a business, which provides a driver to operate a person’s vehicle to and from a parking location so that the person and any passengers in the vehicle may unload and load at their immediate destination (Section 43-126.3)
Department Responsibility

- Parking Management Program in Public Works and Transportation administers and enforces the Valet Parking Services division of the Code
- Responsibility will shift to the Dallas Police Department on 10/1/2009
- PWT coordinates with other departments on application review; most notably, Building Inspection
Advantages and Disadvantages of Valet Parking Services

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience for the business customer - don’t have to spend time looking for a parking space</td>
<td>Fees may be charged or tips may be expected</td>
</tr>
<tr>
<td>Reduced distance to business for disabled customer</td>
<td>Some parking patrons do not like to use valet parking (paid or complementary) which may make it harder for them to find a parking space</td>
</tr>
<tr>
<td>More efficient use of available parking spaces – packed parking</td>
<td>Prime parking spaces are lost near the entrance to a business for loading and unloading</td>
</tr>
<tr>
<td>Less need for construction of additional parking spaces</td>
<td></td>
</tr>
<tr>
<td>Better security – attendant oversight</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less/More off-site parking on nearby streets</td>
</tr>
</tbody>
</table>
## City Issued Valet Licenses
(107 total licenses issued – see attached map)

<table>
<thead>
<tr>
<th>Business</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant/Bar/Club</td>
<td>84</td>
<td>79%</td>
</tr>
<tr>
<td>Theater</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Hotel</td>
<td>9</td>
<td>8%</td>
</tr>
<tr>
<td>Office/Medical/Residential</td>
<td>12</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Council District</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Jasso)</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>2 (Medrano)</td>
<td>28</td>
<td>26%</td>
</tr>
<tr>
<td>12 (Natinsky)</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>13 (Margolin)</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>14 (Hunt)</td>
<td>75</td>
<td>70%</td>
</tr>
</tbody>
</table>
# City Procedures Regarding Location of Valet Parking Spaces

<table>
<thead>
<tr>
<th></th>
<th>Prior to 2006</th>
<th>2006 to 2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed required parking to be used for paid valet services</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Allowed required parking to be used for complimentary valet services</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Use of remote parking needed written permission only</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Use of remote parking subject to Certificate of Occupancy, Residential Adjacency Reviews, Special Parking Agreements</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Location of Off-Street Parking for Valet Parking Services

- The application for a valet parking service license must contain the location of off-street parking to be used in connection with the valet parking service and a signed agreement or other documentation showing that the applicant has a legal right to park vehicles at that location (Section 43-126.5(e)(5))
Interrelationship between Valet Parking Services and the Development Code

- Discovery in 2008 that staff was granting licenses for paid valet services to use required parking prompted a review of procedures.
- Requirement that applicant must have a “legal right” to park vehicles at the designated location introduces a linkage between the Valet Parking Services license process of Chapter 43 and the Development Code.
Development Code Issues

- Required off-street parking must be free
- Commercial parking lot certificate of occupancy is being required for paid valet and remote parking
- Residential adjacency review (RAR) is being required for commercial parking lot certificate of occupancy that meets residential proximity criteria
- Special parking agreement (property deed restriction) is being required for parking spaces that are required for another use
# Valet Permitting Costs

<table>
<thead>
<tr>
<th>Chapter 43 - Valet Parking Services</th>
<th>Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valet license application fee</td>
<td>$25</td>
</tr>
<tr>
<td>Annual valet parking service license fee</td>
<td>$250 to $1000 per parking space</td>
</tr>
<tr>
<td>Annual valet stand fee</td>
<td>$50</td>
</tr>
<tr>
<td>Valet signs and curb markings</td>
<td>$25 per sign or marking</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 51A - Development Code</th>
<th>Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Parking Lot Certificate of Occupancy</td>
<td>$215</td>
</tr>
<tr>
<td>Residential Adjacency Review</td>
<td>$50 plus the cost of remediation</td>
</tr>
<tr>
<td>Parking agreement</td>
<td>$375 for the first 50 parking spaces plus $12.50 for each additional space</td>
</tr>
<tr>
<td>Site plan review</td>
<td>$150</td>
</tr>
</tbody>
</table>
Valet Services and...
Required Off-Street Parking

Definition: Required Off-Street Parking
- Except for the central area district, required off-street parking must be available as free parking or contract parking on other than an hourly or daily fee basis; this does not apply to institutional uses (Section 51A-4.301(a)(8))

For Valet Services:
- Paid valet services cannot use required parking; even if the valet parking uses excess parking spaces in a remote lot, unless the zoning allows for paid parking
- Complementary valet services can use required parking provided that there are no access restrictions to the parking spaces, and signage indicates that the valet services are complimentary and the spaces are available for self-park
Where is Paid Parking Allowed

- **Institutional Uses**
  - Community service center; foster home; child-care facility; halfway house; church; convent or monastery; cemetery or mausoleum; public or private school; college, university, or seminary; library, art gallery, or museum; hospital; and convalescent and nursing homes, hospice care, and related institutions uses

- **Central Area District Zoning**
  - Generally areas downtown

- **Planned Development Districts that specify that paid parking is allowed**
  - Example is PD 193 (Oak Lawn) for nonresidential uses having frontage on a special retail street – parts of Cedar Springs Road, Knox Street, Maple Avenue, McKinney Avenue, and Oak Lawn Avenue
Inconsistent Treatment of Valet Services

- Valet services provided entirely on private property do not require a license from the City – some of these are paid services that use required off-street parking

- Examples:
  - NorthPark Center
  - Hilton Anatole Hotel

- Since valet services on private property are not regulated, they are not required to meet any particular standards (e.g., liability insurance coverage)
<table>
<thead>
<tr>
<th>Regulation</th>
<th>Dallas</th>
<th>Austin</th>
<th>Fort Worth</th>
<th>Houston</th>
<th>San Antonio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations affect valet parking services using the public right-of-way</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Regulations affect valet parking services using only private property</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Requires only written authorization for use of a remote parking lot</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
</tr>
<tr>
<td>Development Code stipulates that required off-street parking must be free</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
Effect of Free Parking

- Requirement for free parking encourages an auto dominated transportation system
- forwardDallas! Plan contemplated more transit oriented development that would encourage alternative travel modes by reducing the amount of parking and allowing pricing
- Recently approved Form-Based zoning moved this direction by allowing paid parking when it is provided as structured parking
- Paid parking allocates more of the cost of using an automobile directly to the user which encourages use of other modes (carpooling, transit, bicycling and walking)
Business Community and Valet Industry Goals

- Return to a simplified approach to licensing valet services consistent with other Texas cities:
  - Require only written authorization or contracts to use remote parking lots
  - Provide rigorous review and enforcement of parking space location to ensure spaces are not committed to another use

- Allow paid valet services to use required parking consistent with other Texas cities

- Update valet license ordinance to enhance control over the quality of valet service – consider adopting a requirement for an operating authority for valet service
Other Potential Code Modifications Regarding Valet

- Consider extension of valet license from 1 to 2 years
- Add provision for a temporary license
- Review valet stand requirements – signage identifying cost of service, complaint hotline, permit information including route and location of valet parking
- Review application and license fees – disparity between level of CBD and non-CBD license fees
- Review and update insurance requirements – needs to be industry specific
- Review company requirements – compliance with federal and state labor and tax laws
- Review valet attendant requirements – background checks, company identification, visibility
Next Steps

- Review Council Committee discussion of valet license requirements
- Complete evaluation of insurance, fees and other potential code amendments
- Hold a public meeting to obtain input from the community, businesses and valet industry about valet license requirements
- Develop final recommendations for review by the Transportation and Environment Committee
Public Works and Transportation Valet Services