Downtown Retail Core Parking Market Analysis

Parking occupancy rates in a downtown area change dynamically and are a reasonable measure for economic activity transacted there. Office vacancies change more slowly, as does retail store vacancy while retail sales and hotel occupancies are more closely aligned with parking occupancies.

There are over 9,600 parking spaces in the retail core, defined by PDC to mean the area located between SW Washington to SW Salmon and SW 2nd to SW 12th Streets, but only one quarter of those spaces (2,467 spaces) are in SmartPark structures, owned by the City, and most attractive to shoppers because of their uniform consistent pricing and lower rates.

There are three public parking garages run by SmartPark, within the downtown retail core. Parking occupancy in these three garages can be used as a proxy for retail activity in the area, as these serve Pioneer Place and other shops in the area.

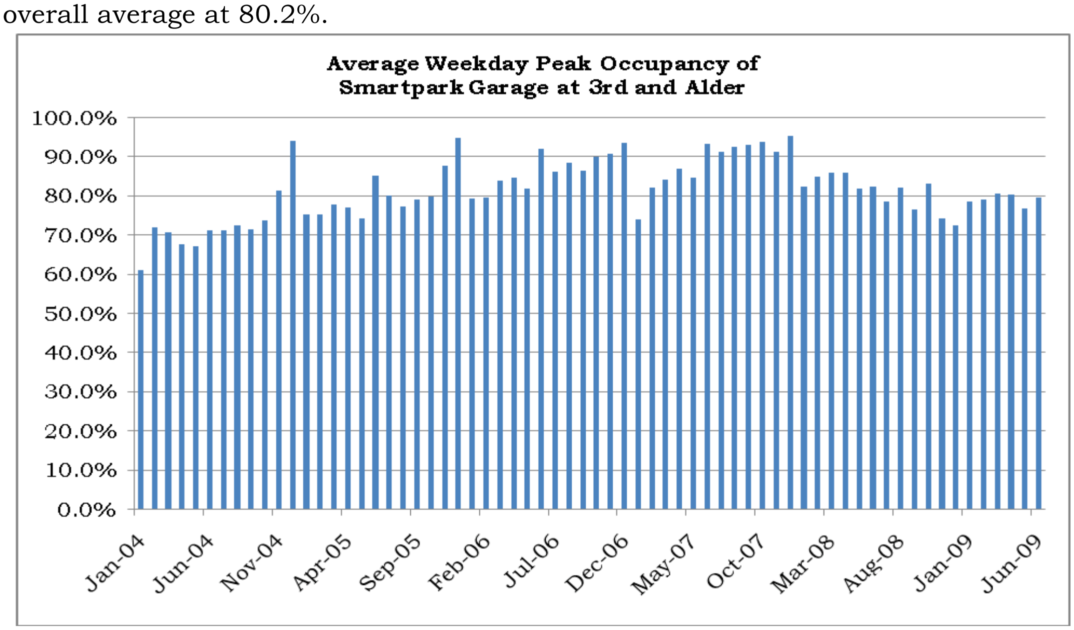
A Central City Parking Analysis conducted by Kittelson and Associates in November of 2008 for the Portland Office of Transportation, found that parking garages typically experience peak occupancy during the midday, from 1:00 - 2:00 p.m., and that most were operating near capacity. Kittelson reports that "[t]he data collection for this study was conducted in May and June 2008 and was scheduled to avoid the Portland Rose Festival and other major events."

On-street parking experiences peak occupancy during the midday but its largest peak is in the evening, probably due to the fact that on street parking is free after 7:00 p.m.

The following graphs show the monthly average weekday peak occupancy levels in the three SmartPark downtown retail core garages since January of 2004.

S.W. 3rd and Alder

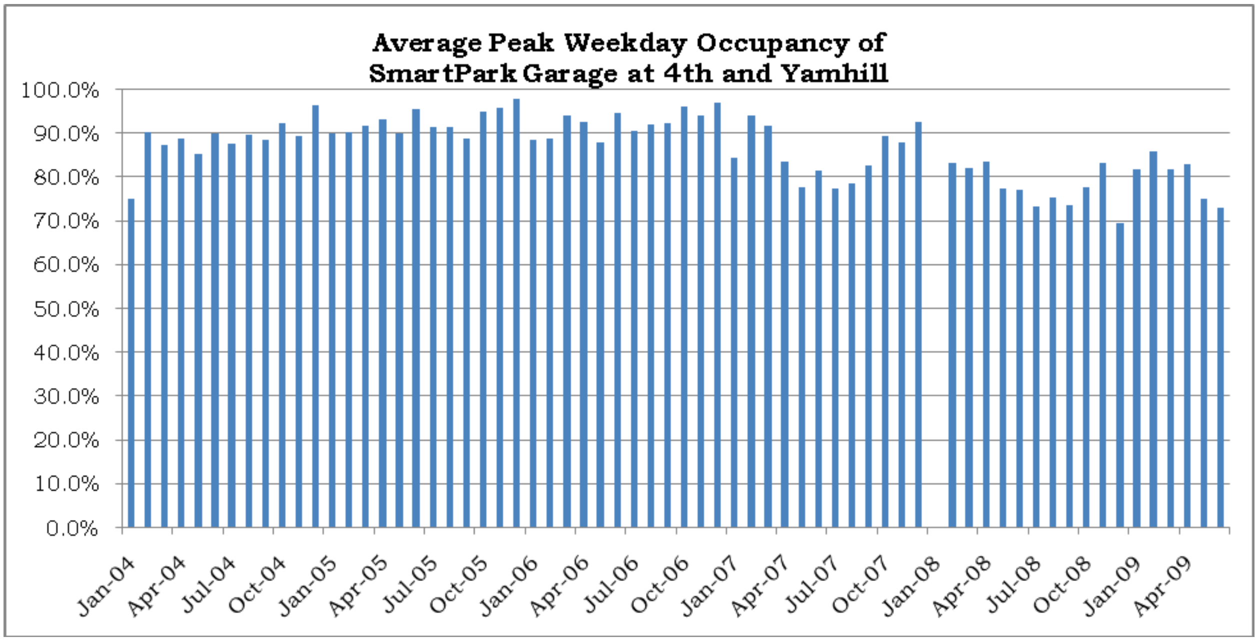
The garage at S.W. 3rd and Alder has 839 available spaces at a rate of $1.50/weekday hour, $4 weekday evening maximum, and $5 weekend evening maximum (effective July 13, 2009). The peak in December, 2007 reached 95.2% average weekday occupancy, compared to December, 2008 which saw an average peak occupancy of only 72.4%. The five-year average of peak occupancies from January 2004 to June 2009 is 81.4%. The average from January 2004 to December 2007 was 81.9%, while the average from January 2008 to June 2009 remained close to the overall average at 80.2%.



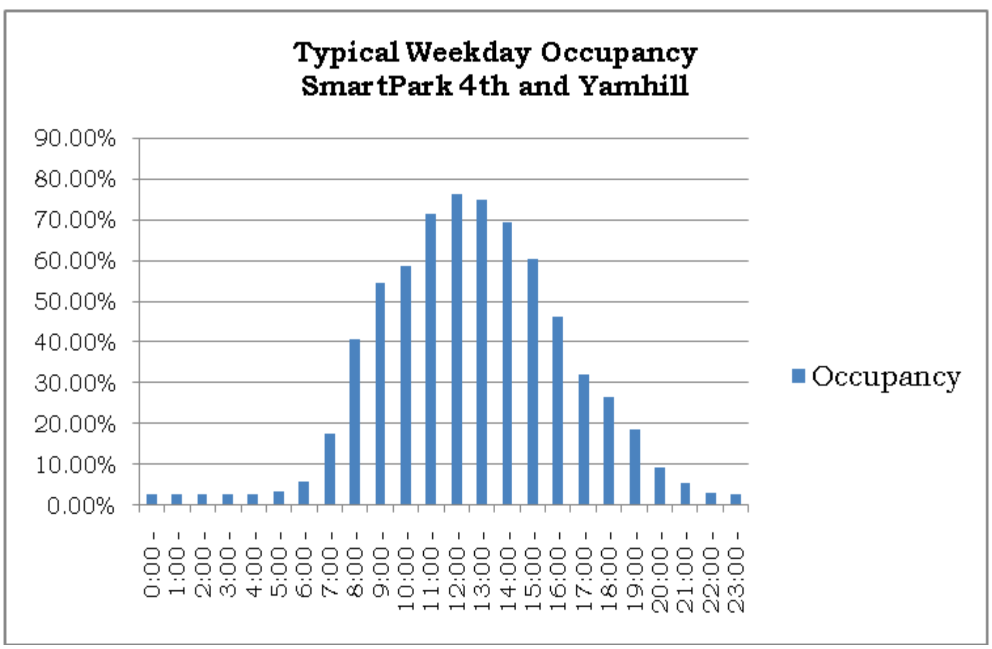
Source: SmartPark monthly occupancy reports

S.W. 4th and Yamhill

The garage at S.W. 4th and Yamhill shows higher average peak weekday occupancy. It has 650 available spaces. It achieved a 97.1% peak occupancy level in December of 2006. The overall five-year average from January of 2004 to June, 2009 was 86.8%. The average from January 2004 to December of 2007 was 89.7%. The average from January 2008 to June 2009 has dropped to 78.7%. The parking fee is $1.50/hour, $4/weekday hour (after the first four hours), $4 weekday hourly maximum, and a weekend hourly maximum of $5/hour).



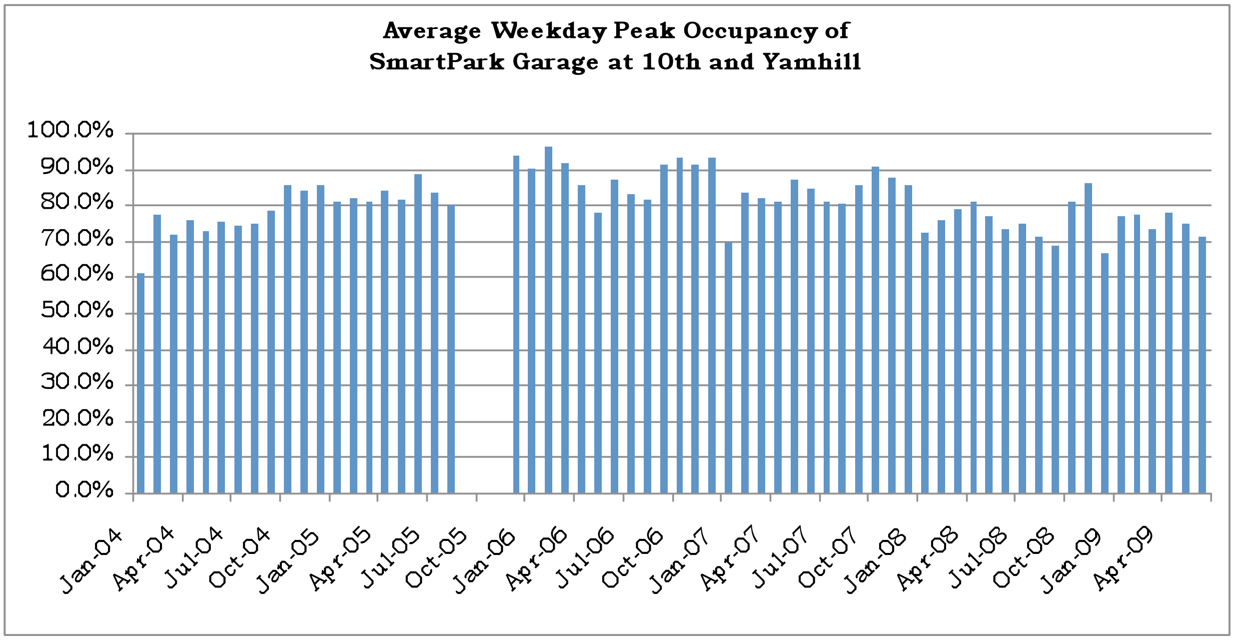
Source: SmartPark monthly occupancy reports
***Data unavailable January 2008.*



Source: SmartPark, Entry/Exit Report, Thursday, June 25, 2009.

S.W. 10th and Yamhill

The SmartPark parking structure at S.W. 10th and Yamhill has 794 available spaces. The average peak occupancy from January 2004 to December 2007 was 83.1%. The five-year average from January 2004 to June 2009 was 81.0%. The average from January 2008 to June 2009 was 75.7%, showing a drop in activity since the beginning of 2008. Parking fees are $1.50 per weekday hour and a $4 weekday evening maximum.



***Data unavailable September through December 2005.*
Source: SmartPark monthly occupancy report