

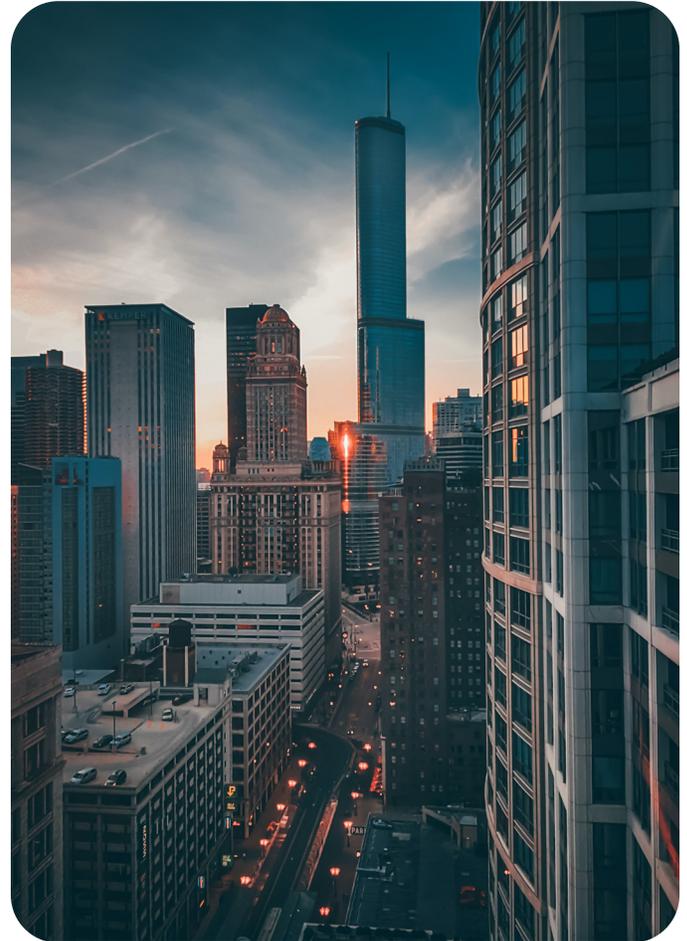
Industry Report:

Using Parking and Mobility Data to Recover Lost Revenue

The impact the pandemic has had on city revenue streams has stretched budgets incredibly thin, causing city leaders to reprioritize important initiatives. At the end of 2020, the National League of Cities released a [report](#) that showed average revenues across 900 surveyed cities declined by 21%, while expenditures increased 17%. The budget gap created in 2020: about \$90 billion. So where will cities look to recover lost revenue?

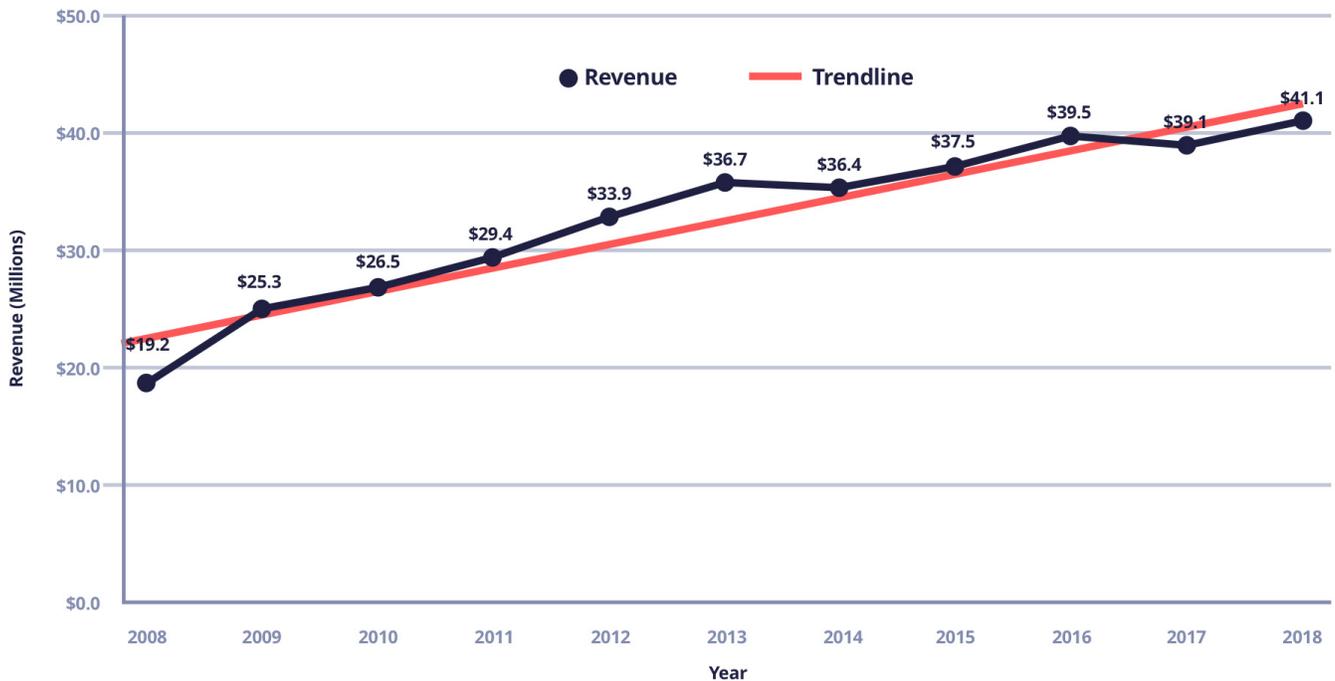
One sector of local government that is sometimes overlooked as a revenue generator is parking and mobility management. Cities could decide to simply raise fees for parking and citations to quickly boost revenue; however, similar to raising fees or taxes on other public services, increasing prices puts the burden on the communities and only addresses the problem, not the symptom. The core challenge for most parking operations is a lack of digital infrastructure, which makes it difficult for cities to adapt during times of financial hardship. By implementing digital solutions to better govern parking, enforcement and mobility, cities will recover from revenue shortfalls in the near-term, while also establishing a more modern management system that is truly future-proof.

Digital solutions eliminate manual processes, saving time and money. For parking and enforcement, this means offering [contactless payment options](#) and using modern technology like [license plate recognition](#) to enforce compliance faster. The results from implementing these types of solutions can lead to [significant increases in revenue](#) and reductions in operating costs.



The adoption of digital payments is growing rapidly. A recent [report](#), estimates that the mobile payments industry will grow to \$2.4 trillion this year, a 24% increase from last year. The report forecasts that the market will grow to \$3.5 trillion in value by 2023. Mobile pay sessions for parking are typically 25% to 50% larger than meter sessions as parkers are more likely to extend their time remotely from their phone and pay higher fees for the sake of convenience.

Figure 1: Parking revenue of a large, west coast city after implementing dynamic pricing (2008-2018)



With the proper digital infrastructure in place, cities can also leverage data insights to help them match price with demand to [manage their curbspace more holistically](#). Dynamic and progressive pricing models can be used to adjust parking rates based on location and time, creating more turnover to alleviate congestion while generating more revenue in high-demand areas. These same pricing models can be used to monetize urban curbsides by charging other modes of transportation, such as [micro-mobility](#) operators or delivery vehicles, creating new revenue streams for cities.

Now is the time for cities to take action to recover revenue, and investing in [digital solutions](#) for parking and mobility management is a perfect place to start. The revenue generated from more efficient parking management practices could be the tool used to [invest in initiatives and policy changes](#) that were paused due to the pandemic, such as affordable housing, public transit projects or the numerous social equity issues that cities face. Furthermore, the data and insights these digital solutions can capture could play a crucial role in helping city leaders make strategic decisions that impact congestion and traffic flow, sustainability, accessibility and general livability for the communities they serve.



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