



Virginia Department of Planning and Budget **Economic Impact Analysis**

6 VAC 40-15 Parking Regulation
Department of Forensic Science
Town Hall Action/Stage: 5954 / 9613
September 2, 2022

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 19. The analysis presented below represents DPB's best estimate of these economic impacts.¹

Summary of the Proposed Amendments to Regulation

The Forensic Science Board (Board) proposes to promulgate a new parking regulation to address parking issues experienced at its facilities.

Background

This action would establish a new parking regulation for the facilities owned by the Department of Forensic Science (DFS). The staff report that DFS has four laboratories, located in Richmond, Roanoke, Manassas, and Norfolk, that receive and process forensic evidence. DFS owns all four buildings, but the nature and ownership of available parking varies at each. All four facilities also have other state and local government offices as tenants, including the applicable regional Office of the Chief Medical Examiner (OCME), which is part of the Virginia Department of Health (VDH). Consequently, DFS effectively serves as a landlord in all four of these locations. All of these facilities receive daily visits from the public, law enforcement, and other individuals who have business with DFS or its tenants.

¹ Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Recently, the Norfolk office has begun experiencing significant difficulties with the availability of parking. In addition to the OCME, another DFS tenant is the Norfolk Public Health Department, which serves as the local office for VDH. DFS reports that its customers (primarily members of law enforcement, but also attorneys and others), as well as its tenants' customers (primarily members of the public, but also members of law enforcement and funeral service providers), have difficulty obtaining parking in the DFS lot. DFS attributes these difficulties to unauthorized use of the lot by residents of a nearby apartment complex, members of the public who use the nearby light-rail station, and individuals who have business with the Children's Hospital of the King's Daughters. In some cases, the unauthorized use involves overnight parking, which takes up the available spaces.

The unauthorized use of DFS parking lots prevents individuals with bona fide business at DFS or its tenant agencies from being able to secure suitable nearby parking during business hours. Because of the competing uses of the parking lot, customers attempting to access DFS or other building tenants may not have anywhere to park, may have to secure parking on their own, and sometimes may walk a long way in order to enter the DFS building. This affects not only access to parking services but the secure transportation of physical evidence. According to DFS, the other parking options are either street parking or a paid lot. Although street parking is free for two hours, it is not close to the building. DFS does not reimburse individuals who must park elsewhere due to lack of available parking at its lot.

In order to solve the parking issues at its locations, the Norfolk facility in particular, the Board proposes to adopt this regulation which would be the legal basis for the facility to tow unauthorized vehicles via a contracted company. The Board believes this measure is necessary so that members of law enforcement delivering physical evidence to DFS laboratories are not vulnerable "on the street" due to having to park further away and thereby having to transport evidence from a greater distance. The Board also believes this would assist other tenants' public access issues to their facilities as well.

Estimated Benefits and Costs

The proposed regulation would allow DFS to post signs at all points of ingress and egress to the parking facilities which would disclose 1) authorized parking only, 2) visitors parking in designated areas, 3) a statement that towing is enforced by the name of the towing company and

the telephone number to call for “location and information concerning return of vehicle.” DFS estimates that twenty signs would be needed at a onetime cost of \$1,500 and that approximately 30 cars would be towed per year at a cost of \$150² per tow to the violator (\$4,500 total per year).

The regulated parking would benefit employees at DFS as well as employees working for DFS tenants in terms of ensuring access to available parking. DFS estimates that each tow avoided would result in a gain of one hour of employee time (30 cases at one hour at \$35 per hour in wages is \$1,050 per year) that they would otherwise spend to find alternate parking and only then start work. DFS adds that the regulation would result in cost avoidance by preventing the agency from having to make additional expenditures to secure additional parking space in the area.

In addition to the towed vehicles, it is likely that the signs would deter unauthorized parking. This would allow customers to park at the DFS facilities and avoid lost time and money in having to locate and pay for parking offsite. DFS estimates approximately 120 customers per year would avoid having to look for alternate parking. DFS calculates the following benefits from the availability of parking for those 120 customers: avoided lost time to customers looking for parking (120 hours at \$20 per hour=\$2,400 per year) and avoided paid parking expenses (120 cases at 2 hours at \$6 per hour=\$1,440 per year).

Furthermore, ensuring available parking for members of law enforcement delivering physical evidence to DFS laboratories would help avoid possible vulnerabilities associated with parking “on the street.” DFS did not estimate the potential benefit to law enforcement, but it appears that an increase in available parking may increase the security and protection of evidence being transported to the facility.

Finally, the towing companies contracted by DFS would receive the towing fees for violators who have their vehicle removed from the lot (\$4,500 total per year).

Businesses and Other Entities Affected

The proposed regulation is for parking at four facilities owned by DFS. This regulation is estimated to result in 30 tows of unauthorized vehicles per year and discourage 120 additional cases of unauthorized parking.

² This is the amount allowed by the City of Norfolk for light tow.

The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.³ An adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined. As noted above, the proposed parking rules would impose towing fees on 30 estimated unauthorized vehicles towed away and encourage 120 cars be parked elsewhere. Thus, an adverse impact on the owners of such vehicles is indicated.

Small Businesses⁴ Affected:⁵

The proposed regulation does not appear to directly adversely affect small businesses as parking violators at the affected facilities are not necessarily small businesses.

Localities⁶ Affected⁷

The proposed regulation applies to four facilities owned by DFS located in Richmond, Roanoke, Manassas, and Norfolk. The Norfolk facility is where the parking issues are most prevalent. However, this regulation does not introduce costs to local governments.

Projected Impact on Employment

The proposed regulation would create demand for labor to tow approximately 30 cars per year and help avoid unproductive employee time that would have been lost otherwise seeking alternate parking.

³ Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance. Statute does not define “adverse impact,” state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation.

⁴ Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

⁵ If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

⁶ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁷ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

Effects on the Use and Value of Private Property

The proposed parking regulation should improve the intended use of DFS facilities by ensuring customers and employees have proper access to parking. Additionally, expected towing revenues should add to the value of the contracted towing company.

No significant impact on real estate development costs is expected.