

**CITY OF BIRMINGHAM**  
**ADVISORY PARKING COMMITTEE**  
CITY COMMISSION ROOM  
151 MARTIN ST., BIRMINGHAM, MI  
(248) 530-1850  
REGULAR MEETING AGENDA  
WEDNESDAY, OCTOBER 26, 2016, 7:30 A.M

1. RECOGNITION OF GUESTS
2. APPROVAL OF MINUTES, MEETING OF SEPT.  
21, 2016
3. PARKING METER PURCHASE
4. PARKING SYSTEM RATE REVIEW
5. BSD HOLIDAY PROMOTION
6. CONSTRUCTION UPDATE
7. MONTHLY FINANCIAL REPORTS
8. MEETING OPEN FOR MATTERS NOT ON THE  
AGENDA
9. INFORMATION ONLY: MISCELLANEOUS  
ARTICLES
10. NEXT MEETING: NOVEMBER 16, 2016



Park St. Parking Structure

Persons with disabilities that may require assistance for effective participation in this public meeting should contact the City Clerk's Office at the number (248) 530-1880, or (248) 644-5115 (for the hearing impaired) at least one day before the meeting to request help in mobility, visual, hearing, or other assistance.

Las personas con incapacidad que requieren algún tipo de ayuda para la participación en esta sesión pública deben ponerse en contacto con la oficina del escribano de la ciudad en el número (248) 530-1800 o al (248) 644-5115 (para las personas con incapacidad auditiva) por lo menos un día antes de la reunión para solicitar ayuda a la movilidad, visual, auditiva, o de otras asistencias. (Title VI of the Civil Rights Act of 1964).

City of Birmingham  
ADVISORY PARKING COMMITTEE  
REGULAR MEETING

Birmingham City Hall Commission Room  
151 Martin, Birmingham, Michigan  
Wednesday, September 21, 2016

**MINUTES**

These are the minutes for the Advisory Parking Committee ("APC") regular meeting held on Wednesday, September 21, 2016. The meeting was called to order at 7:30 a.m. by Chairman Lex Kuhne.

**Present:** Chairman Lex Kuhne  
Gayle Champagne  
Anne Honhart  
Steven Kalczynski  
Al Vaitas

**Absent:** Lisa Krueger  
Judith Paskewicz  
Vice-Chairperson Susan Peabody

**BSD:** John Heiney

**SP+ Parking:** Sara Burton  
Jason O'Dell

**Administration:** Austin Fletcher, Asst. City Engineer  
Paul O'Meara, City Engineer  
Carole Salutes, Recording Secretary

RECOGNITION OF GUESTS (none)

MINUTES OF REGULAR MEETING OF AUGUST 17, 2016

**Motion by Ms. Champagne**  
**Seconded by Mr. Kalczynski to approve the Minutes of the APC Meeting of August 17, 2016 as presented.**

**Motion carried, 5-0.**

**VOICE VOTE:**

Yeas: Champagne, Kalczynski, Honhart, Kuhne, Vaitas

Nays: None

Absent: Krueger, Paskewicz, Peabody

**TRAFFIC CONTROL UPGRADES - PHASE 2**

Mr. O'Meara advised that as discussed last month, Phase I of the system-wide traffic control equipment upgrade was implemented at the Chester St. Structure in April of this year. They have since determined that moving forward with a credit card in and out only is not recommended. Not being able to pull a ticket when arriving at the entrance causes consternation for many people. Further, people feel uncomfortable using their credit cards if they will only be parking under two hours for free. With that in mind, installation of traffic control equipment by Skidata that provides tickets but does not take cash is recommended for the other four garages. Customers will be able to either use their credit card or pull a ticket to enter the garage. At the exit a credit or debit card is used to pay.

The additional cost to the system will be about \$182,000 to install the ticket feature in the remaining four structures. There will also be ongoing additional cost to the system to supply tickets in the machines system-wide. Information will be provided at the entrances encouraging longer term parkers to identify themselves with their credit or PINless debit card. Doing so will simplify the exit transaction process. It will also reduce the number of tickets being used each day.

Given ongoing negative reaction to the cashless and ticketless system in place at Chester St., staff has also asked Skidata for a price to retrofit the equipment at Chester St. so that all five garages will operate in the same way.

Mr. O'Dell noted it is not very often that someone does not have a credit card. Parking System debit cards will be on sale by the City. He added that the tickets will cost the City between \$12,000 and \$13,000 per year.

**Motion by Dr. Vaitas**

**Seconded by Mr. Kalczynski to recommend that the City Commission authorize the installation of the Skidata brand traffic control equipment at the four remaining parking structures using equipment that will not take cash, but will offer traditional tickets as a customer identification system. Further, to recommend that the new equipment at the Chester St. Structure be modified to offer customers the option of being identified with tickets instead of the current card only identification system.**

**Motion carried, 5-0.**

**VOICE VOTE:**

Yeas: Vaitas, Kalczynski, Champagne, Henke, Honhart

Nays: None

Absent: Krueger, Paskewicz, Peabody

**PARK ST. STRUCTURE VALET PARKING PROPOSAL**

Mr. O'Meara recalled at the August APC meeting, the committee declined on moving forward with a proposal for a valet assist operation on the roof of the Park St. Parking Structure. The high cost made it unattractive at this time.

After that meeting, staff reviewed its options. SP+ corporate management determined that the local union contract does not speak to the valet position being used; therefore, a different wage can be established. Doing so reduces operating costs.

Further, it appears that there is a basis to reduce the number of hours that the valet staff would be needed. As the summer has progressed, it has become apparent that valet assist is not needed at this structure, or even at the N. Old Woodward Ave. Structure during the months of July and August. Further, valet assist is not being used most Mondays or Fridays.

With the above in mind, SP+ has submitted a new proposal to offer a valet assist operation on the roof of the Park St. Parking Structure. The hours will be approximately 9 a.m. to 6 p.m. Tuesday through Thursday, at an annual cost of \$46,317. If it is found that more hours are needed due to higher demand on the other days of the week, that could be modified as needed.

Operating a valet assist will give the City the option of parking another 50 vehicles in the building, greatly reducing the chance of the structure filling completely. Staff feels this is a worthwhile expense in order to provide the level of service expected in downtown Birmingham.

Mr. O'Dell advised the closest they have come to recently filling Park St. at this point is 25 spaces available; however that could change. Mr. Kalczynski received confirmation this cost was not bid out and he thought that would make sense for something so competitive. Discussion followed that it is more congruent to have the same company operate both garages. Mr. O'Meara said he does not know how the City could get a much cheaper rate. Mr. O'Dell noted



the valet service will be flexible and only used when it is needed, or added to when it is necessary.

**Motion by Ms. Champagne**

**Seconded by Dr. Vaitas that the Advisory Parking Committee recommends that the City Commission approve the SP+ proposal to operate a valet service on Tuesdays through Thursdays at the Park St. Parking Structure roof level wherein:**

- 1. Three valet service staff provided by SP+ will be stationed at the entrance to the roof level from approximately 9 a.m. to 6 p.m.**
- 2. As the lower levels near capacity, all vehicles looking to park on the roof would be required to valet their vehicle, at no additional cost to the customer.**
- 3. The cost to the Auto Parking System is estimated at \$46,317 annually.**
- 4. Valet service hours will be subject to change based on actual need.**

**Motion carried, 5-0.**

**VOICE VOTE:**

Yeas: Champagne, Vaitas, Honhart, Kalczynski, Kuhne

Nays: None

Absent: Krueger, Paskewicz, Peabody

**AUTHORIZED MONTHLY PERMITS**

**35001 WOODWARD AVE. TEMPORARY PARKING LOT**

Mr. O'Meara reported that in May of this year, the City Commission authorized the sale of 40 monthly permits to the public, using a mirror hang tag system like Parking Lot #6. The permits are sold in three month periods at \$65 per month each. Now that the summer season is over, a survey was conducted this week to measure usage. A new permit period started on September 1, and as of this point, seven of the previous permit holders have not come in to pay for a renewal. If they do not renew by next week, their permits will be offered to others from the Park St. Structure waiting list.

Recent survey results show that the highest number of spaces being used was 27. Given the continued lack of usage, and the desire to make this lot as beneficial as possible, staff now recommends an increase in the authorized number of permits for sale by 15, for a total of 55. If 55 permits are sold, there will be some days when the lot fills. On those days, permit holders can be directed to use the Park St. Structure instead for that day only. While this higher number may result in filling the lot some days, staff feels it is better to have the lot operate closer to capacity than to continue the current underutilization.

Permits will continue to be offered at \$65 pending a change in the monthly permit rate at Park St. If that rate is changed, the rate at this lot should be increased similarly. People from the Park St. waiting list will be contacted first for this opportunity.

**Motion by Ms. Honhart**

**Seconded by Mr. Kalczynski to recommend to the City Commission that the number of authorized permits available for sale at the temporary parking lot being operated at 35001 Woodward Ave. be increased by 15 for a total of 55.**

**Motion carried, 5-0.**

**VOICE VOTE:**

Yeas: Honhart, Kalczynski, Champagne, Honhart, Vaitas

Nays: None

Absent: Krueger, Paskewicz, Peabody

**CONSTRUCTION UPDATE**

Mr. O'Meara advised the replacement of all the lights to LED in the Park St. Structure is underway now. The exit signs have been replaced and the lights in the stair towers are now being replaced with fluorescent. The main lights for the ceiling on each deck will soon be shipped. The energy saving projection will be about \$20,0000 per year.

**MONTHLY FINANCIAL REPORTS**

Mr. O'Dell noted the increased revenue is reflecting their increased daily rate.

**MEETING OPEN FOR MATTERS NOT ON THE AGENDA**

In response to Mr. Kalczynski, Mr. O'Meara said he has heard nothing new about the vacant lot on the SE corner of Maple and Woodward Ave.

**NEXT REGULARLY SCHEDULED MEETING**

October 19, 2016

ADJOURNMENT

No further business being evident, the chairman adjourned the meeting at 8:28 a.m.

Respectfully submitted,

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Paul O'Meara  
City Engineer



## MEMORANDUM

Engineering Dept.

**DATE:** October 20, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** Purchase of New Parking Meters

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At the June Advisory Parking Committee (APC) meeting, members of the Police Dept. attended the regular meeting to share information about the newest available parking meter technology. Information was shared about various new systems that are available, including:

- Individual parking meters that allow payment by credit, debit, Parkmobile, or coins.
- Pay stations that operate for several parking spaces, using identification systems such as pay-by-space, pay-and-display, and license plate recognition (zoned parking).

The Police Dept. suggested that upgrading to individual multi-function meters would be the best approach for Birmingham. The APC agreed, and recommended that a test area be set up for the two systems offering the best package at this time. The City Commission agreed to the test, which was implemented the first week of August for Martin St. between Henrietta St. and Pierce St. IPS brand meters were installed on the north side of the street, while CivicSmart meters were installed on the south side.

At the August regular meeting, salesmen from both meter vendors attended the meeting and were given time to review the benefits of their product. It was not expected that any decision would be made at that time, since the test area had only been in operation a few weeks, and more information would be gathered in the coming days.

Also at the August meeting, the Police Dept. indicated that they were conducting a more thorough study of the parking by zone application now used in Detroit. A more complete report is now included in this meeting agenda. After further analysis and fact finding, the Police Dept. continues to suggest that this system using license plate recognition and pay station installations is not the right direction for Birmingham.

The trial period ended at the end of August, and regular coin only meters are back in place on Martin St. The attached report from the Police Dept. provides a review of the results of the trial period, as well as a recommendation that the City proceed with the CivicSmart Liberty meters at this time. The CivicSmart meters appear to provide the best package for a simple transition to multi-function meters both for the public, as well as the staff. The meters will provide the customer with the current methods of payment, as well as the ability to use PINless debit or credit cards.

## INCREASED REVENUES

The trial demonstrated that revenues went up when the new meters were installed. Revenue increases are realized with these meters for several reasons:

- Offering more methods of payment results in more transactions, as fewer customers will park and find they are unable to pay.
- When paying with cards, the tendency of the customer is to pay for the highest amount of time allowed, to help avoid getting a violation.
- When the customer leaves, the vehicle sensor identifies that the vehicle has left, and the unused time on the meter is then reset so as to not benefit the next customer.

While actual revenue increases are difficult to predict until they are in service for a long time, using the experience of the data from the trial period, as well as information from national studies suggests that a 45% increase in revenue can be realized. (This change does not reflect the rate increases being contemplated for the future.)

## INCREASED COSTS

As was identified with the Police Dept. report in June, there are new ongoing costs that will have to be paid if meters of this sort are installed. Costs include internet connection fees, maintenance fees, and credit card transaction fees. If the City were to completely convert its current stock of 1,277 meters, the above fees are estimated to have an annual cost of \$274,682 over a five year period. This number does not include the per transaction credit card processing fee that will also be charged. That item is discussed below. As the meters age, it is expected that the warranty and repair costs will go up. Currently, the parking meter operation is by far the lowest cost part of the parking system. Revenues vs. costs for fiscal year 2014/15 can be summarized as follows:

Total Revenues:	\$1,290,000
Total Expenses:	\$ 128,000
Net Revenues:	\$1,170,000

Staff is currently reviewing the feasibility of charging a transaction fee for credit card use to the customer if they elect to pay using this feature. Currently, Parkmobile customers are charged a 43¢ transaction fee each time they use this application. There has been little negative comment about having to pay the fee, as the public seems to understand that having a third party handle this transaction results in fees that are difficult to pass along to the customer when the overall charge is so low. Although the final cost of the convenience fee will be subject to negotiation with the ultimately selected credit card processor, it is expected that the total fee per transaction will be about the same as the Parkmobile convenience fee. While staff is recommending that this fee be passed on to the customer, it should be noted that if it is not, there will be a definite need to increase the base parking meter rates, just to ensure that the parking meter operation remains solvent. Once actual costs are known, if possible, it is recommended that a set cost per transaction (regardless of amount being spent) be charged, and advertised as such on each individual parking meter offering this payment option. Further, it is hoped that the transaction fee will be the same as that charged to Parkmobile customers.

## IMPLEMENTATION

The majority of the current parking meter mechanisms are nearing the end of their service lives, and need to be replaced within the next five years. The existing meters are still being manufactured, and could be replaced with the same features. However, with the newer technologies and features that are now available in this area, staff felt that it was important to review what is available, and consider what is best for Birmingham in the long term. Secondly, as discussed in the next agenda item, the parking system's rate structure is out of balance. A rate increase for the most desirable parking spaces is appropriate to ensure that all of the system's resources are being utilized to their best extent. Raising rates further at the meter, without offering other payment options, may prove difficult. If the APC and the City Commission agree with this direction, staff recommends that once a decision is made to move to a new meter technology, the entire system should be changed at one time (rather than phased).

If the Advisory Parking Committee passes the recommendation below to move forward on this purchase, it is expected that the City Commission will review this item relatively soon after. An order can then be placed to the manufacturer. Since it will take several weeks to manufacture the number of meters involved, conversion will likely take place during the winter months, as the weather allows. It is anticipated that the purchase of 1,277 parking meters and vehicle detection sensors will cost approximately \$790,000, which was not budgeted. Even so, current parking system revenues will be able to accommodate this cost. Based on the additional revenues anticipated, as well as the need to replace the aging parking meter stock, staff feels that this cost will be justified and paid back in less than two years.

### SUGGESTED RECOMMENDATION:

The Advisory Parking Committee recommends that the City Commission approve the purchase of 1,277 CivicSmart Liberty parking meters, to be installed at all existing metered parking spaces throughout the Central Business District. Further, to recommend that the credit card processing fees to be incurred with these meters be passed on to the customer at a flat, publicized rate per transaction.

**DATE:** October 21, 2016

**TO:** Advisory Parking Committee

**FROM:** Mark H. Clemence, Chief of Police

**SUBJECT:** Single Space "Smart" Meters – 30 Day Trial Report (REVISED)

Our current system for curbed and surface lot parking includes 1,262 mechanical (coin only) single space parking meters. Of the existing 1,262 parking meters, 817 spaces currently have a rate of \$1.00 per hour, and 445 spots are priced at \$.50 per hour.

An assessment of our existing parking meters confirmed that of the 1,262 installed meters, 989 of those units were manufactured prior to 2011. Our POM Inc. representative advised us in July of 2016 that mechanisms with a manufacture date prior to 2011 are now classified as obsolete, as repair parts are no longer available for those devices. According to the results of our meter analysis, 78% of our existing installed mechanisms are over five years old and therefore fall into the status of obsolescence. 18% (221) of our meters are over ten years old.

#### PARKING METER REVENUE SUMMARY:

DESCRIPTION	2014-15 ACTUAL	2015-16 ACTUAL
PARKMOBILE	109,800	147,450
LOT 6 – N. OLD WOODWARD	48,820	51,440
LOT 7 – SHAIN PARK	62,680	58,530
LOT 9 – PARK ST.	4,010	3,040
CURB	1,126,850	1,061,740
TOTAL *	1,352,160	1,322,200

\* Note: revenues from Lot 6 permits, valet parking meter bags, and contractor/vendor parking meter bags are not included in this table.

From August 1 – August 30, 2016 a 30 day trial of single space smart meters was conducted on Martin Street between Henrietta and Pierce. Mechanisms manufactured by two competing vendors were selected by the Advisory Parking Committee for the trial – the IPS Group M5 meter and the CivicSmart (formerly known as Duncan Industries) Liberty meter. Both meters feature coin and credit card payment options.

IPS GROUP M5



CIVICSMART LIBERTY



For the 30 day trial, (15) IPS M5 meter mechanisms were installed on the existing meter poles on the north side of Martin between Pierce and Henrietta. (16) CivicSmart Liberty mechanisms were installed on the south side of Martin between Pierce and Henrietta. The north side of Martin had only (15) meters due to the Townhouse Bistro's outdoor dining patio utilizing one parking space.

### **SMART METER AND VEHICLE DETECTION SENSOR TECHNOLOGY**

With smart meter technology, parking mechanism faults are instantly reported via management system support software – jammed meters and dead batteries can be repaired or replaced promptly, resulting in less downtime per meter space providing potential for increased revenues due to fewer broken meters. Units run on solar or harvested energy power and are easily programmed for rate and time limit changes. Internet based meter management for repairs, audits, space monitoring, maintenance logs, inventory, etc. is greatly enhanced over administration of traditional parking meter mechanisms such as our existing system. A number of these features were validated during the trial period.

Vehicle detection sensors provided by both IPS and CivicSmart were also evaluated during the 30 day trial period. The trial demonstrated that sensors indeed provided meter revenue increases when installed in conjunction with new smart meters. Wireless vehicle detection sensors provide real-time data with over 99% accuracy to detect vehicle occupancy in a specific space. This provides for heightened efficiency and productivity of metered parking operations. Also, the sensors provide reset options for metered spaces after a vehicle moves from its designated space – increasing revenues as unused time cannot be transferred to the next vehicle using the space. (Vehicle A pulls out of space, sensor resets meter to zero minutes, Vehicle B cannot use prior vehicle's unused time and must pay for parking). Vehicle sensors also can be used to prevent meter feeding – no extension of time limits past maximum are authorized. Also, sensors can integrate with wayfinding mobile phone apps used by motorists to find desired parking spaces. The IPS Group vehicle detection sensors are built into the dome of the M5 meter. The CivicSmart sensors are mounted to the top of meter pole below the parking meter housing.

In summary, the 30 day trial was very successful in allowing staff to evaluate the two different systems that were installed. A 19.42% increase in parking meter revenues was realized from use of smart parking meters and sensors during the trial period. For the three weeks prior to the start of the trial, weekly revenues in this block averaged \$1,362.30. For the last three weeks of the trial (first week omitted due to installation and vendor presence) weekly revenues averaged \$1,626.92 in the trial block for an average increase of \$264.62 per week. The extended use of parking meter bags for a utility project at two spaces on the south (CivicSmart) side for over a week had an adverse effect on revenues and therefore reduced the amount of increase that could have been realized. The revenue increase is attributed to credit card use and vehicle detection sensors zeroing out time which was resold to the next parking customer.

The following criteria were evaluated during the 30 day trial period:

### **INSTALLATION & SYSTEM IMPLEMENTATION**

On August 1, IPS arrived with meters programmed for the wrong side of the street. Two installers from IPS were on site with no other representatives present to assist in correction of miscommunicated deployment. After significant delay, IPS techs installed a meter on the north side of Martin Street, as opposed to the south side that was originally assigned to IPS. The first installed IPS Meter was too tall for most parking customers to be able to read, as the IPS M5 installations for the trial also included lower housings, whereas the CivicSmart units replaced the existing mechanisms only. IPS techs were advised that the first installed meter was too tall for customers to be able to read the display and use the meter. Further, techs were advised that the only apparent option would be for IPS to shorten the



meter poles to allow for the M5 trial to continue. As the steel poles are also full of concrete, IPS techs were advised that cutting poles would not be an easy task. Additionally, IPS was advised that should they not be the successful vendor upon completion of the trial, installation of replacement poles (at IPS expense) may be required to revert the original housing/mechanism heights to a proper usable position. The first IPS meter was installed after 4:00 p.m.

CivicSmart adapted to the south side of the block in an efficient and professional manner. A team of two vice presidents, an operations manager, an engineer, and two technicians resulted in an excellent installation process which was very well coordinated. All meters were up and running in no time, and the sensors were installed in a similar manner. All CivicSmart staff returned the following day to continue checking accuracy of meter and sensor operations.

ADVANTAGE: CIVICSMART

### **CUSTOMER SERVICE PROVIDED BY VENDORS**

CivicSmart provided custom printed meter decals for the (16) CivicSmart spaces. These decals were printed in Birmingham Green and included time limit, meter operation instructions, and advertised the (4) accepted credit card payment options (MC, Visa, AMEX, Discover). CivicSmart responded very quickly when asked to customize financial reports to meet the needs of the police department. CivicSmart also made changes regarding vehicle detection sensor activity in a minimal amount of time whereas IPS took over a week to complete the task. Most impressively, CivicSmart maintained a total commitment to the 30 day trial period. Each week CivicSmart sent a variety of representatives – vice presidents, sales associates, engineers, and technical support staff to monitor the functionality of the parking meters and sensors. The CivicSmart representatives traveled from Arizona, California, Illinois and Wisconsin which demonstrated strong devotion to the project.

ADVANTAGE: CIVICSMART

### **MANAGEMENT REPORTING SYSTEMS**

The CivicSmart PEMS (Parking Enterprise Management System) is more user friendly and easier to negotiate than the reporting system offered by IPS Group. While both management systems seem satisfactory, the CivicSmart PEMS is preferred and included a very convenient dashboard application that was used for daily financial and maintenance reporting throughout the trial.

ADVANTAGE: CIVICSMART

### **PARKMOBILE INTERFACE**

Parkmobile (PM) is currently available at all parking meters in the City. The growth of Parkmobile continues, with the following recent revenue increases noted:

Fiscal year 2014-15 PM revenues up 59.09% (\$40,693 increase) as compared to 2013-14.

Fiscal year 2015-16 PM revenue projections up 36.58% (\$40,170 increase) compared to 2014-15.

Parkmobile usage during the three months prior to the 30 day trial in this zone (Martin between Henrietta and Pierce) averaged 609 transactions per month (638 in May, 564 in June, 625 in July).

Our current parking meters are coin only with Parkmobile enabled at all spaces for a payment option. The CivicSmart and IPS meters are both Parkmobile compatible. When parking customers use

Parkmobile pay by phone app for parking, fees charged by Parkmobile range from \$.30-\$.43 for each transaction (amounts vary based upon membership type). The city pays no fees for Parkmobile use and receives 12 monthly direct deposits and one annual revenue sharing check which averages around \$3,000.00 per year (3% of Parkmobile transactions).

The CivicSmart parking meters provided an excellent interface to the Parkmobile system. Parkmobile payments were successfully pushed to the meter mechanism so that both customers and enforcement personnel could see the payment status on the meter. This interface is provided at no charge by CivicSmart. IPS could not push Parkmobile payments to the meter during the 30 day trial and indicated that there would be a \$.10 per transaction fee charged to the City should IPS become the successful vendor and that option was selected. Additionally, there was no integrated Parkmobile report available with the IPS system during the trial whereas the CivicSmart PEMS financial summary reports reveal that 11% of parking customers utilized Parkmobile as a payment option throughout the course of the 30 day trial. This data was not available from IPS Group, as only coin and credit card payments were differentiated in the IPS reports.

ADVANTAGE: CIVICSMART

### **INTEROPERABILITY WITH PARKING ENFORCEMENT HANDHELD COMPUTERS**

In addition to system integration with Parkmobile and BS&A financial software, compatibility with the handheld computers used by parking enforcement assistants is a critical requirement for the police department. The 2016-17 fiscal year budget includes funding for the replacement of our existing Duncan AutoCite handhelds used by parking enforcement staff. Smart meter, sensor, and handheld purchases must be jointly evaluated so that all aspects of the parking system are mutually compatible and cost effective for the City. During the 30 day trial, representatives from CivicSmart demonstrated the proposed N5Print handheld budgeted for the current fiscal year. This device provides an excellent interface to allow parking officers to easily determine which spaces are occupied / expired and any other desired enforcement information. The N5Print handhelds also provide auto chalk (electronic time zone enforcement) functionality. The proposed enforcement computers provide a daily history by license plate (either manually entered by officer or photographed using the built in license plate recognition (LPR) reader on the handheld). The new handhelds could also be used to computerize our existing database of residential parking permits. As the proposed N5Print handhelds would run on our existing Duncan AutoIssue software, this is a very cost effective solution and there are no worries about compatibility with the city's financial processing system (BS&A). IPS Group did not offer parking enforcement computer systems or equipment prior to the trial but have recently indicated that an a citation app is in development.

ADVANTAGE: CIVICSMART

### **AESTHETIC DESIGN/STREETSCAPE**

As the CivicSmart Liberty meters fit securely into our existing housings, it is a very cost effective and efficient device that offers not only expedited installations but also does not alter the existing design of streetscape elements. The IPS M5 meter currently does not fit into our existing housings which means that either a customized mounting bracket or different lower housing unit is required in order to utilize this meter. As the brackets were not available for the trial period, IPS had to shorten all of the meter posts located in their trial area, resulting in significant aesthetic changes. Other design concerns regarding IPS meters noted during the trial period were detected in the City of Royal Oak where significant peeling was noticed on a large number of meters. The entire top portion of several IPS housings were found to be flaking as the exterior skin is coming off the Royal Oak meters. The IPS

meters installed in Birmingham during the 30 day trial immediately began to exhibit problems including rust in multiple locations on the majority of the meters. The rust was apparent near the door and at other locations on the IPS meters.

ADVANTAGE: CIVICSMART

### **PARKING CUSTOMER EXPERIENCES AND COMMENTS:**

Public feedback for the smart meter usage was encouraged throughout the 30 day trial period. Comment cards were placed at several offices in city hall to promote smart meter customers to comment on their experiences using the meters. Social, print, and electronic media were utilized to advertise the test period and to encourage customer use and feedback. Thirty-nine comment cards were turned in. Twenty-nine customers checked the "I LOVE THIS METER" box – 11 in favor of the IPS and 12 in favor of the CivicSmart, with the following comments noted:

"I prefer paying using the app - but the meter wasn't clearly marked" – CS user  
"I use Parkmobile and prefer not to use the app" – CS user  
"Use Parkmobile – best way to pay for parking" – IPS user  
"I used coins it only gave me time when I used quarters. Didn't give me time for nickels or dimes" – CS user  
"I put in \$.60 then the meter read no coins. Then I had to use a credit card for a min. of \$1.00 for 2 hrs. I only needed 10 min." – CS user  
"We do not need to buy new meters - waste of \$500,000, existing ones are fine – IPS user  
"I don't like meters" – no meter brand specified (black ink)  
"I don't like meters" – no meter brand specified (blue ink)  
"I tried both coins and a credit card and neither worked" – CS user  
"Need designated H/cap spots" – CS user  
"I put in 2 dimes & a nickel – it only gave me 3 minutes  
"Didn't work! Takes dimes though..." – CS and IPS user  
"Coins are being taken but not giving time" – IPS user  
"Keep Parkmobile!" – user hated IPS loved CS and paid PM at CS  
"Please keep coin payment as option on city meters. Most citizens I know (different age groups) want to keep a coin payment option."

ADVANTAGE: 52% CIVICSMART / 48% IPS

### **METER DESIGN AND FUNCTIONALITY**

The CivicSmart Liberty meter offers several advantages including Parkmobile interface and proven compatibility with BS&A (the city's financial software). The meter has a high resolution LCD display and color coded payment buttons for convenience and overall ease of use. The Liberty is ADA compliant. The device fits securely into our existing housings and provides for coin, credit, debit, and pay by phone transactions. The Liberty meters connect wirelessly to the included Parking Enterprise Management System (PEMS) for maintenance and reporting. CivicSmart will soon offer a Lexan parking meter dome that will magnify the LCD display. The IPS M5 meter has a larger display that provides for better viewing of the expiration indicator and is preferred by the majority of parking enforcement assistants for easier detection of expired meters, but that benefit may come at the cost of battery consumption requiring significant continuing expenditures for replacements.

ADVANTAGE: DRAW

### **COLLECTIONS/MAINTENANCE/REPAIR OPERATIONS**

The CivicSmart crew did an excellent job of initial training for maintenance and repair operations. CivicSmart collections were unchanged from usual procedures as the meters were installed in the existing housings. IPS had significant delays in arranging training for parking meter maintenance staff. The IPS meter collections took a lot longer to complete due to the lower housings that were used during the trial. Meter collection staff reports that collection times on Martin Street were 3 minutes for the

(16) CivicSmart meters and 20 minutes for the (15) IPS meters. The difference is in sealed can vs. open can / coin chute design. The coin cans in the IPS housings required a much longer amount of time for collections. Meter technicians also frequently noticed coins lodged in the IPS parking meter housing door and also coins that had fallen inside the meter and landed at the bottom of the mechanism instead of routing through to the coin can.

It should be noted that the City of Rochester has been using IPS meters for over two years and their maintenance employee is scheduled to travel to California in September for additional required training due to ongoing maintenance issues. This is of great concern as we employ two part time employees to collect, maintain, and repair meters and need these operations to be very efficiently completed. Chief Schettenhelm of Rochester PD stated that IPS customer service and maintenance has been intermittent due to changes with IPS personnel servicing their community.

ADVANTAGE: CIVICSMART

### **SENSOR TECHNOLOGY**

CivicSmart sensors operate using radar technology. Essentially, an electronic fingerprint of a parked vehicle is generated and used to differentiate vehicles between parking sessions. The IPS Group sensors were not activated until August 15, and therefore the data was limited for comparison purposes including calculating increased revenues associated with resale of vacated parking spaces.

ADVANTAGE: CIVICSMART

### **PRICE**

#### **CIVICSMART LIBERTY COSTS:**

Capital Outlay Liberty Meters	$\$355.50 \times 1,262 \text{ meters} = \$448,641.00$
Capital Outlay CivicSmart Vehicle Detection Sensors	$\$261.00 \times 1,262 \text{ spaces} = \$329,382.00$
Capital Outlay Total	$\$778,023.00$

Annual Fees (Maintenance): includes CivicSmart PEMS management system *	
	$\$4.95 \text{ per meter per month} \times 1,262 \text{ meters}$
	$\$6,246.90 \text{ per month}$
	$\$74,962.80 \text{ per year}$
	$\$374,814.00 \text{ (5 year meter fees total cost)}$

Annual Fees (Sensors):	
	$\$2.70 \text{ per sensor per month} \times 1,262 \text{ meters}$
	$\$3,407.40 \text{ per month}$
	$\$40,888.80 \text{ per year}$
	$\$204,444.00 \text{ (5 year sensor fees total cost)}$

5 YEAR TOTAL COST CIVICSMART = \$1,357,281.00

#### **IPS M5 COSTS:**

Capital Outlay IPS M5 Meters	$\$455.00 \times 1,262 \text{ meters} = \$574,210.00$
Capital Outlay IPS Sensors	$\$250.00 \times 1,262 \text{ spaces} = \$315,500.00$
Capital Outlay Total	$\$889,710.00$

Annual Fees (Maintenance): includes IPS data management system \*

\$8.00 per meter per month x 1,262 meters  
 \$10,096 per month  
 \$121,152.00 per year  
 \$605,760 (5 year meter fees total cost)

Annual Fees (Sensors)

\$3.50 per sensor per month x 1,262 meters  
 \$4,417.00 per month  
 \$53,004.00 per year  
 \$265,020.00 (5 year sensor fees total cost)

5 YEAR TOTAL COST IPS GROUP = \$1,760,490.00

ITEM	METER PURCHASE PRICE PER	METER PURCHASE PRICE TOTAL	SENSOR PURCHASE PRICE TOTAL	ANNUAL MAINT FEES METERS	ANNUAL MAINT FEES SENSORS	TOTAL ANNUAL MAINT COST	MAINT COSTS 5 YR TOTAL	TOTAL 5 YR COST
<b>CAPITAL OUTLAY METERS:</b>								
IPS GROUP *	\$455.00	\$574,210.00	\$315,500.00	\$121,152.00	\$53,004.00	\$174,156.00	\$870,780.00	\$1,760,490.00
CIVICSMART	\$355.50	\$448,641.00	\$329,382.00	\$74,962.80	\$40,888.80	\$115,851.60	\$579,258.00	\$1,357,281.00
COST DIFFERENCE	\$113.50 EACH	\$125,569.00	(\$13,882.00) / YR	\$46,189.20 / YR	\$12,115.20 / 5 YRS	\$58,304.40 / 5 YR		\$403,209.00
<b>CAPITAL OUTLAY SENSORS:</b>								
IPS SENSOR COST	\$250.00	\$315,500.00				\$315,500.00		
CIVICSMT SENSOR COST	\$261.00	\$329,382.00				\$329,382.00		
<b>MAINTENANCE:</b>	<b>MONTHLY FEES PRICE PER</b>	<b>MONTHLY FEE TOTAL</b>		<b>ANNUAL FEES TOTAL COST</b>				
IPS GROUP MAINT FEES	\$8.00	\$10,096.00		\$121,152.00 / YR		\$605,760.00 5 YRS		
CIVICSMART MAINT FEES	\$4.95	\$6,246.90		\$74,962.80 / YR		\$374,814.00 5 YRS		
IPS SENSOR FEES	\$3.50/MO	\$4,417.00 / MO		\$53,004.00 / YR		\$265,020.00		
CIVICSMT SENSOR FEES	\$2.70/MO	\$3,407.40 / MO		\$40,888.80 / YR		\$204,444.00		

\* Original IPS maintenance charges were quoted at \$5.75 per month (plus \$.13 per transaction fee) per meter and adjusted by IPS on 09/08/16 to \$8.00 per month per meter (plus \$.06 per transaction fee) for final quote based on 30 day trial results.

#### ADVANTAGE: CIVICSMART

It should be noted that the above estimates do not include the purchase of spare mechanisms. Acquisition of spares (3% of total spaces) would also be recommended at time of purchase.

This project was not identified for the 2016-17 or 2017-18 fiscal year budgets, but the costs could be offset by credit card fees being paid by parking customers, meter rate increases, and revenue increases

associated with credit card usage and vehicle detection sensors. During the 30 day trial the average per transaction amounts at CivicSmart meters were \$.71 for coin, \$1.45 credit card, and \$1.39 Parkmobile. Proceeding with the purchase of smart meters without either passing the credit card fees to the customer or implementing a parking meter rate increase would adversely affect the Automobile Parking System fund.

### **CREDIT CARD FEES AND REVENUE INCREASES**

Smart meter credit card transaction fees vary by vendor. CivicSmart charges \$.06 per transaction, and IPS charges \$.13 per transaction. On September 8, IPS emailed final pricing which increased the monthly maintenance fees to \$8.00 per meter and reduced the credit card per transaction fees to \$.06 each. These per transaction charges are referred to as gateway fees and do not include credit card merchant processing fees. City staff has had several meetings with BankCard Services, a local credit card processing company which is independently operated and not affiliated with either IPS Group or CivicSmart. Mr. Mickael Gibrael, Vice president of Operations for BankCard Services has offered to act as the merchant of record for credit card processing should the City elect to implement smart meters. Credit card transactions at the new smart meters could be handled in similar fashion to the current Parkmobile system, whereby credit card fees are absorbed by the parking customer as opposed to the city paying those fees. The credit card parking rates would not exceed those charged by Parkmobile (average fee \$.43 per transaction). City Attorney Tim Currier stated that credit card transactions could be paid by the parking customer. Smart meter credit card payment revenue sharing is an additional option, similar to our Parkmobile agreement.

Based upon an evaluation of our current parking meter rates and after analyzing the CivicSmart (CS) meter and sensor data from the 30 day trial, CS Vice President Jeff Rock projected a return on investment (ROI) with credit cards amounting to a revenue increase of \$478,649 per year. Mr. Rock also estimates additional revenues associated with sensor use (resold time) in the amount of \$41,784. Increased citation revenues in the amount of \$86,462 are also projected as the capture rate should increase as vehicle detection sensors utilized in conjunction with new handheld enforcement computers could electronically locate violators and streamline enforcement activity. These revenue projections are based upon existing parking meter rates. Total increased parking revenues for credit card, sensors, and increased citations are projected by CivicSmart at \$606,895 for the first year.

Several smart meter vendors have stated that our existing parking meter rates of \$.50 and \$1.00 per hour are not conducive to smart meters as the fees associated with credit card transactions and processing are not supported by low parking rates. Passing along credit card fees to parking customers could support maintenance of the existing parking rates and also offset annual maintenance and sensor fees.

Based upon the results of the 30 day trial and considering the various criteria used to evaluate the two systems, the CivicSmart Liberty is the preferred solution for the police department should the City move forward with a purchase of smart meters. Benefits to our existing coin only / Parkmobile credit card payment include availability of real time data reflecting usage, meter repair/collection status, remote management, and automated rate and time limit adjustments. A combination of new CivicSmart meters and new handheld computers would provide parking enforcement assistants with current information regarding the status of expired meters throughout the city. New handhelds could be used to monitor and manage enforcement activity thereby increasing efficiency of parking enforcement operations.

## **CIVICSMART LIBERTY AND SENSOR REFERENCES**

The following information was obtained by staff from telephone conversations with existing CivicSmart Liberty and or sensor users:

Chattanooga, TN Chattanooga Area Regional Transportation Authority (CARTA):

Parking Director Brent Matthews reports that CARTA has 600 Liberty meters installed and an additional 100 on order. CARTA is very happy with them. IPS was not selected as the credit card prices are too high. CARTA also uses Parkmobile and averages 600 PM transactions per day. CARTA pays the credit card processing fees, which turned out to be considerably more than they thought. However, Mr. Matthews stated that his agency has less money to collect due to credit card and PM usage, lower coin processing fees charged by the bank, and also less fees associated with armored car transfer of coins from CARTA office to bank. IPS filed multiple FOIA requests and initiated a lawsuit when that company was not the selected meter vendor. Mr. Matthews stated that CivicSmart resolves issues quickly. Battery issues from 2+ years ago have been corrected and there have been no new issues experienced.

City of El Paso, TX:

Assistant Director of International Bridges Paul Stresow confirmed that 1,590 Liberty meters and 400 vehicle sensors are currently installed with an additional 400 sensors on order. The system was implemented in 2012 and works very well according to Mr. Stresow, who likes the CivicSmart reporting capabilities as the reports are very helpful for maintenance and management staff for troubleshooting and revenue tracking. Currently El Paso has 3 full time maintenance staff (4 authorized) with plans to add a fifth employee to assist with the additional sensor installations as the increased responsibilities may require an extra employee. El Paso conducted a trial between IPS and (formerly) Duncan prior to the system implementation in 2012. The city requested bids and CivicSmart won the award. IPS Group protested the bid award. IPS provided El Paso with negative CivicSmart information regarding a purchase in Laredo. Upon investigation of the IPS claims, El Paso determined that many of the statements were not true. In response to IPS challenging the bid award, the El Paso purchasing department rejected all of the original bids and rebid the project. CivicSmart was again awarded the bid. Mr. Stresow reported that CivicSmart has been good, particularly since the company acquired Duncan. CivicSmart research and development has greatly improved and the customer service provided is also improved. Mr. Stresow was impressed that the CEO of CivicSmart paid a visit to the city of El Paso to make sure that they were happy with the products and delivery of service. El Paso pushes credit card fees to parking customers at a flat rate of \$.35 per transaction.

City of Iowa City, IA:

Operations Supervisor Mark Fay stated that Iowa City has 1,175 Liberty meters installed since 2013. These units were purchased from Duncan Parking Technologies prior to the CivicSmart acquisition of Duncan which occurred in 2015. Iowa City originally experienced growing pains with the Liberty meters compared to the old Duncan products and services. The big problem was batteries were dying out fast and they had to be replaced. The battery issues have since been resolved, as have modem communication issues and company changeover issues experienced after installation. Iowa City conducted a meter trial between IPS and Duncan during which there were coin issues associated with the IPS meters. An aggressive preventative maintenance program has resulted in a drastic change in battery performance as a recharging station is used 2-3 times per year to enhance battery life. Mr. Fay reports that the Liberty meters are satisfactory and he would purchase CivicSmart again.

City of Walnut Creek, CA

Traffic Control Supervisor Karlan Larson reported that Walnut Creek has 1,500 IPS meters and 18 vehicle detection sensors which were installed beginning in April 2010. 110 Liberty meters were installed in 2015. Mr. Larson stated that a former Walnut Creek manager signed a contract with IPS that had a clause referencing that for the duration of the contract only IPS meters could be installed at the 1,500 spaces where the IPS meters were in use. After installation of the IPS meters, exorbitant battery bills became a big problem. The IPS battery bills exceeded \$100,000 per year for replacements, as there is apparently a component in the battery that is in fact not rechargeable. This was demonstrated on a youtube.com "Hack in the Box" security conference video. Mr. Larson stated that there is a perceived "planned obsolescence" regarding the IPS batteries which put Walnut Creek in a "bind mode" during which the city is riding out the existing IPS contract which expires in January 2017. Walnut Creek was able to install the Liberty meters in 2015 for new spaces not included in the 1,500 spaces referenced in the IPS contract. Mr. Larson reports that after January when the IPS contract expires, Walnut Creek will proceed with replacing those units with Liberty meters. Mr. Larson stated that the selling point for the Liberty is that the CivicSmart product does the same work and the batteries are fully rechargeable. He also indicated that he likes the CivicSmart product as it is virtually "bulletproof".





## MEMORANDUM

Police Department

**DATE:** August 29, 2016  
**TO:** Mark Clemence, Chief of Police  
**FROM:** Scott Grewe, Operations Commander  
**SUBJECT:** Zone Parking

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Writer has been asked to prepare a report regarding zone parking in Birmingham. The purpose of this report is to review the advantages and disadvantages of implementing zone parking in the City of Birmingham. Two previous reports reviewed by the Parking Advisory Committee discussed the use of single space meters and multi space pay stations.

Zone parking allows a person to pay for parking within a specific zone. The vehicle has the ability to move, within that zone, as long as time remains on their parking session. Payment for this type of parking can be made at centrally located pay stations using a pay by plate method. Vendors who provide parking systems and municipalities using both standalone meters and pay stations were contacted for review.

### **Vendor input/review**

#### **Civic Smart**

Writer met with Vice President of Enforcement Sales, Jeff Rock. Mr. Rock stated Civic Smart is no longer selling pay stations to be used as pay by space and zone parking. He advised communities that used the pay stations with them had all switched back to standalone meters for four main reasons; convenience for the user, ease of maintenance, ease of enforcement and cost. Mr. Rock did not suggest zone parking for the same issues. Furthermore, he stated zone parking is the most difficult and costly to enforce. License plate recognition (LPR) equipment would be required to check for paid/unpaid vehicles. Mr. Rock estimated the cost of one LPR around \$60,000 to \$100,000.

Mr. Rock expressed concerns over pay stations and gave the following information.

1. Many people don't want to walk to a pay station and prefer the convenience of having a meter in front of their vehicle.
2. If a plate is entered incorrectly at a pay station, they will receive a ticket as the vehicle is not paid for. Administration would have difficulty attempting to confirm payment being the actual plate is not in the system.
3. Pay station outages create a large revenue loss now that multiple spots are affected.
4. Repairs to pay stations often cost well over \$1000 while one brand new meter is around \$400.
5. Pay stations do not show time remaining for a particular spot and should print receipts for the person to have a reference for expiration time. Extra maintenance

of printers in colder climates and refilling paper supply becomes labor intensive and costly.

Mr. Rock expressed that Civic Smart/Duncan got out of the pay station business because it was not effective. He stated communities reported a loss in revenue and eventually returned to standalone meters. He gave Chicago and Los Angeles as examples of cities that removed the majority of their pay stations to go back to meters. Mr. Rock was not aware of any communities in the area that use pay by zone.

### **Traffic and Safety**

Writer spoke with Tom Neff, sales representative for Traffic and Safety. Mr. Neff stated that his company sells the Luke II Multi-space kiosk. He stated they do sell standalone meters but that they don't compare to the Luke II Multi-space. Mr. Neff stated that most of what he has seen is pay by space but believes pay by plate is the way to go. He advised Flint is currently using the pay by zone method and has reduced its parking enforcement staff as a result. Mr. Neff stated one person working in a vehicle with LPR is writing more tickets than three parking enforcement officers did in the past. He estimated the initial cost of one LPR set up to be \$45,000 to \$55,000 for a base set up. For a system that would "auto chalk" vehicles for time zone enforcement would be closer to \$70,000. He believed each additional camera set up would be around \$15,000 to \$20,000.

Mr. Neff stated the Luke II is very reliable and has very little down time. He said most problems are a five minute fix assuming spare parts are available. If not, parts can be overnighted keeping down time to 24 hours or less. He advised after initial set up there is very little maintenance. Mr. Neff stated with fewer units to service with multi-space kiosks the maintenance costs are also reduced. He stated there are fewer machines to empty coins from and maintain reducing labor costs.

### **Integrated Parking Solutions (IPS)**

Writer met with Director of Regional Sales, Randy Lassner. Mr. Lassner stated IPS currently sells pay stations and meters. He advised that pay stations result in lost revenue and advised against them. He showed writer a picture he recently took of an elderly woman with a cane who he observed standing at the pay station for over three minutes. Mr. Lassner stated he observed people waiting in line to pay for their parking and one other that opted not to wait and left, leaving his vehicle parked unpaid.

Mr. Lassner stated he took this picture and showed writer because it displayed several of his concerns regarding pay stations. First, an elderly woman with a cane had to walk a distance to a pay station versus the convenience of a meter in front of her vehicle. Second, a defective pay station or a person having difficulty paying results in others waiting to pay and/or opting not to pay. Lastly, revenue was lost as people chose not to have to wait to use the pay station or did not want to walk the extra distance to a pay station and would rather risk getting a citation.

When asked about zone parking Mr. Lassner expressed the same concerns as Mr. Rock from Civic Smart. He advised the cost of enforcement on top of the other issues already mentioned with pay stations made it impractical. Mr. Lassner also stated the only way to enforce zone parking is with license plate recognition (LPR) equipment. He estimated the cost of one complete installation to be around \$60,000. Mr. Lassner also stated the LPR systems are not

always accurate and estimated they are good about 85% of the time. He stated enforcement is next to impossible if the LPR goes out of service for any reason. Mr. Lassner stated the only community he was aware of that used pay by zone was Detroit.

### **Genetec**

Writer spoke with Shane Farrell, Inside sales for Automotive License Plate Systems, for Genetec. Mr. Farrell stated his company sells LPR systems and stated the University System is best suited for our parking needs. He stated the University System does parking enforcement with permits by license plates. He advised the systems uses mapping software to assign zones and rules for each zone. Mr. Farrell stated their equipment is accurate at least 95% of the time. He stated the system also does a "last chance look up" anytime a hit (unpaid vehicle) is found to check again for payment.

Mr. Farrell stated they system is permit driven. Basically, when time is purchased the vehicle then has a permit in the system to identify it as a paid vehicle for a specified length of time. When that time expires the permit is removed from the system and if the plate is read by their software it will alert the officer that it is an unpaid vehicle.

This system can be used to enforce residential permit zones. In residential zones permitted vehicles can be entered into the database on an annual basis. When an officer drives through a residential zone they will be alerted to vehicles parked in that zone that are not on the permitted list.

Mr. Farrell also advised the system has an "auto-chalk" function which requires an additional camera. The system will alert officers to vehicles that may be in violation of maximum time zones. The officer can use the auto chalk function to take an additional photo to mark the vehicle. This camera takes an enhanced photo of the vehicles wheel and specifically the valve stem. The officer can return to the area after the allotted zone time and if the vehicle is still parked take an additional enhanced photo of the wheel/valve stem for evidence and issue a citation for time limit violation.

Mr. Farrell also advised the system is able to identify Scofflaw vehicles and can also connect to NCIC for stolen vehicles. BOL's (Be On the Lookout) for suspect vehicles, from our agency or others, as well as Amber Alert vehicles can be entered in an attempt to locate suspect vehicles.

Mr. Farrell stated the cost for one vehicle set up with the LPR cameras is approximately \$32,000. If the department decided to add the additional "auto chalk" cameras the total cost is \$40,000 per vehicle. He stated the servers, in car computer and additional software set up with installation is approximately \$17,000. He advised these costs could be reduced using the city's existing servers if available. Genetec also can "host" the department and manage the systems at their location at a cost of \$5,500 per year versus our agency having its own server and set up. This would save the city from spending the \$17,000.

One vehicle with LPR with Auto Chalk	\$40,000
In car computer, server and set up	\$17,000
5yr Advance replacement warranty	<u>\$18,000</u>
<b>Estimated Total (1 Car)</b>	<b>\$75,000</b>

These costs are estimates and can be reduced using existing servers and by using Genetec's in house server for storage. Each additional vehicle set up would be \$40,000 to \$46,000 depending on equipment. Removing the auto chalk functions would reduce each vehicle cost by \$7,500.

### **Municipalities contacted for review**

#### **Ann Arbor**

Writer spoke with Joe Morehouse, Deputy Director of the Downtown Development Authority. Mr. Morehouse stated the city currently has a combination of single space meters and multi-space Luke II kiosks. He stated they are currently in the process of purchasing additional multi-space pay stations to replace existing meters. Mr. Morehouse said all of their pay stations are pay by space and have used existing poles from parking meters to identify space numbers to be used with the pay station. He stated they currently have no zone parking in Ann Arbor.

Mr. Morehouse stated the pay stations have been very reliable and stated they are functioning correctly 99.5% of the time. He also believed there was a 5 to 10% increase in revenue when they switched to the multi-space kiosk due to most people paying for maximum time limits when using their credit cards even though they were leaving earlier. He also mentioned it was easier to collect coins since there are fewer machines and the pay station will tell you when it needs emptying.

Mr. Morehouse did say one problem was short term parking. He believed that most people making quick stops (i.e. grab a cup of coffee) don't pay the pay station due to having to walk to it and the time to make a payment. He stated before they would just drop a quarter in a meter.

#### **Traverse City**

Writer spoke with Nicole Vannest, Parking Administrator for Traverse City. She stated they have added multi-space kiosks in surface lots only. They use the pay by space method and still use single space meters for on street parking. Ms. Vannest stated they have received numerous complaints regarding the multi-space pay stations and have talked about returning to single space meters in surface lots. The biggest complaint was inconvenience. She stated there has been no movement in either direction at this point and believes the city will continue with pay stations for the time being.

Ms. Vannest advised the reason they have transitioned to pay stations was less maintenance and reduced risk of coin theft. She stated the city is beginning to look at smart meters to replace their current single space meters. There has been no talk at this point regarding using multi-space pay stations for on street parking.

Ms. Vannest stated the city does not use zone parking or LPR technology. She pointed out that studies have shown the LPR to only be accurate 95% of the time. She also mentioned the cold weather months with snow covered plates as well as the desire to have the parking enforcement visible and in communication with the public on the sidewalks as reasons not to do zone parking.

### **City of Detroit**

Writer met with Norman White and Satina Maddox, director and assistant director of municipal parking for the City of Detroit. They advised the City of Detroit has been using zone parking for a while and report it has been a success. They stated the city has seen an increase in revenue and a decrease in maintenance cost. The City of Detroit uses the Cale multi-space pay stations.

They have experienced very little down time and advised the system alerts them as well as the service personnel when there is a problem with a pay station. They currently use a LPR system to read license plates and look for unpaid vehicles. They agreed that the LPR system is not always the most accurate. As a result when a parking officer is notified of a vehicle in violation with the LPR they will confirm it with their hand held units before issuing a citation. They have experienced little to no down time with the LPR equipment.

When they need to block an area of parking they use cones/barricades to do so. They are able to post messages on the pay station regarding restricted zones however, the pay station will still allow payment due to the fact you can pay at one location for any parking zone in the city.

One issue they report is when someone parks in a no parking area or handicap area within a zone and pays the pay station. They state they have dealt with angry customers as a result of being able to pay for parking in a restricted area. Since the pay station only records the plate and the zone, it cannot know where one is parked and if it is a prohibited area. The other issue they're currently working on is creating sub-zones. The issue is that some of the zones cover areas that should have different time limits. They stated due to zone parking it is difficult to create smaller zones where one street may have a different time limit than surrounding streets.

Overall the city is happy with zone parking and has no intention of doing anything different at this time.

### **Michigan State University**

Writer spoke with Deputy Director John Prush. Prush stated they currently have the P2 Digital Luke kiosks in several of the parking lots. They use IPS smart meters for their limited on street parking. They have had no issues with their Luke pay stations and advised they have been very reliable.

Prush stated they have installed the Genetec LPR cameras on three vehicles. He stated the installation was approximately one year ago and the system is still not operating as it should. Prush stated for the majority of the time the problem was Genetec's equipment not communicating with the Luke pay station. He stated the representatives did not seem very familiar with their equipment. Prush said the equipment now functions as it should, however they are having internal networking issues and the software is currently only available on their in car computers.

### **Review**

In addition to the above contacts writer also reviewed the reports prepared by SP+ and Ellen DeView of the police department. Writer noted the SP+ report primarily dealt with pay stations and parking using the pay by space method. DeView's report referenced smart meters and

pay stations and ultimately recommended smart meters. Neither report discussed the use of pay stations with zone parking.

After reviewing the SP+ report of pay stations, DeView's report for smart meters, and the research done by writer, the following is writer's observations:

1. The advantages outlined in pages 3 and 4 of the SP+ reports are the same advantages of the smart meters over the existing meters.
  - a. One advantage given by SP+ to support the pay station is it improves the streetscape as one pay station supports a full block of parking and would replace multiple standalone meters.
    - i. SP+ suggests pay by space. In reviewing other agencies using pay by space, most have converted the original meter post into a post with a sign on top identifying each parking spot number for reference when paying at the pay station. Due to this there is no real change in the streetscape except the addition of a pay station.
2. The cost of upgrading to pay stations versus smart meters is approximately \$1,400,000 more per DeView's report (Total 5 yr cost).
  - a. Fewer pay stations reduce the manpower needed for maintenance.
    - i. Currently the city employs two people for meter maintenance, reducing this staff by one would save the city approximately \$30,000 annually.
      1. Over 5 years, \$150,000.
        - a. No significant reduction in personnel cost.
3. Zone parking can improve the streetscape by removing all meters and replacing them with a pay station. No signs are needed to identify a single parking spot as payment is done by plate.
  - a. Three signs per block are used with zone parking. One placed at the pay station to identify its location. And one at each end of the block pointing in the direction of the pay station. All signs not only point to the pay station but also identify the zone you are currently in.
    - i. A block with 16 parking spots now has 8 posts with double meters on each.
      1. Zone Parking, this block would now have 3 signs giving the location of the pay station and identifying the zone number as well as the pay station itself.
4. Zone parking can only be enforced using LPR equipment.
  - a. LPR cameras can be used to enforce residential permit zones as well as on street paid parking.
    - i. Residential permit areas can be mapped as a specific zone. Each license plate given permission to park would be entered in the database as a permitted vehicle in that zone.
      1. The LPR would alert parking enforcement to those vehicles parked in that zone that are not in the database for that area.

2. Tickets would then be issued to vehicles not displaying a guest pass.
  - b. Vendors and municipalities have advised the LPR systems are not always accurate.
    - i. The City of Detroit advised they check every plate identified with the LPR with their hand held device for accuracy.
    - ii. MSU has had the equipment for one year and still has operational issues.
  - c. LPR forces parking enforcement assistants off the sidewalk and into vehicles.
    - i. Parking enforcement officers are a great public relations tool having daily contact with business owners and patrons of the city.
  - d. LPR's create an additional cost to enforce parking.
    - i. The estimated cost to outfit our two parking jeeps with LPR cameras was outlined earlier.
5. The removal of standalone meters and posts for zone parking presents other issues.
- a. Currently meter bags stating "No Parking by order of Police" are placed over meters when parking spots need to be blocked for numerous reasons.
  - b. Signs are also placed on meters to give notice of future restricted parking.
    - i. For instance, the night before major closures, such as Dream Cruise, signs are posted on meters to gain compliance.
  - c. Zone parking would require the use of barricades, cones and barrier tape to block off parking areas when needed.
  - d. Posted signs would have to be put up in areas to give notice of pending closures for special events.
  - e. Time limits assigned to a particular zone can also create problems.
    - i. For example, if a person paid for the maximum time in a zone while at a business they would be restricted from purchasing time near another business if they were still in the same zone.
    - ii. To address this issue very specific smaller zones would be required or extended time zones.

### **Recommendation**

Zone parking (pay by plate) has some advantages. However, the disadvantages are too great at this time, in writer's opinion, to implement zone parking in Birmingham. The inconvenience of walking to a pay station and possibly waiting to pay is a concern for the typical user and people parking with handicap passes. Streetscape can be improved with fewer meter posts but parking spots with barricades, cones and barrier tape to block spaces is unsightly.

Zone parking requires pay stations and LPR equipment that comes at a high cost. The reduced costs in manpower to maintain pay stations and enforce parking are minimal. The LPR equipment that is required for enforcement has great potential. However, at this time it appears LPR systems for parking are not the most reliable as can be seen by the MSU example. Also several vendors, including Genetec, admit the LPR is only about 95% accurate requiring a separate device for verification.

It is writer's recommendation at this time that the City of Birmingham move forward with the purchase of single space SMART meters.



## MEMORANDUM

Engineering Dept.

**DATE:** June 10, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** New Parking Meter Technologies

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As you may know, the City plans to reconstruct Old Woodward Ave. next year between Willits St. and Brown St. Key City staff have been meeting on a regular basis to explore ways in which this signature project can be as innovative and well thought out as possible. One area that was raised was to explore the advisability of switching to a multi-space parking meter system, like some other cities have done. Birmingham employed a multi-space system in 2007 with some meters installed on N. Old Woodward Ave. That system met with poor results, and was subsequently replaced with the more traditional meters.

As a result of these discussions, we asked our Police Dept. (who oversees the parking meter maintenance area) as well as SP+ (our parking structure operations contractor) to give us their perspectives on this question. Their reports are attached. The report from SP+ focused only on multi-space meters, since that was the direction they thought the City wanted.

The Police Dept. looked at the matter both from what is available in multi-space meters, and what is available with individual "smart" meters. Prices that are supplied are based on a conversion of the entire downtown area. Likely, if and when a decision is made to switch to a different parking meter concept, the City will want to try the Old Woodward project area first, and then move forward with other areas at a later date. When reviewing the prices, please consider that the Old Woodward Ave. project area would result in the installation of 133 parking meters, or about 10.6% of our entire parking meter stock.

Both SP+ and members of the Police Dept. will be present on Wednesday to help discuss this issue. We welcome input from the members of the Advisory Parking Committee so that a final recommendation can be prepared in the coming months.





# MEMORANDUM

Police Department

**DATE:** June 10, 2016

**TO:** Mark Clemence, Chief of Police

**FROM:** Ellen DeView, Staff & Services Coordinator

**SUBJECT:** Credit Card Parking Meters

## PROJECT SCOPE:

Per your direction that I research parking meter technologies, I had meetings and discussions with industry leading multi-space pay station and smart parking meter vendors (IPS Group, Mackay Meters, CivicSmart, and Traffic & Safety Systems). Also, I spoke with representatives from several area communities (Rochester, Royal Oak, Ferndale, Grand Rapids, Detroit, East Lansing, and Ann Arbor) regarding their experiences with various parking equipment. Based upon this study, I recommend that should it be decided that new a parking meter payment system is warranted, the best solution for the police department is single space smart parking meters (with optional sensors) as opposed to multi-space pay stations. This report will summarize my research.

## CURRENT PARKING METER SYSTEM:

Our current system for curbed and surface lot parking includes 1,238 mechanical (coin only) single space parking meters. 13 additional new parking meter spaces for the proposed ADA handicap meter project would result in a new total of 1,251 meter spaces.

Parkmobile is currently available at all parking meters in the City. The growth of Parkmobile continues, with the following revenue increases noted:

Fiscal year 2014-15 revenues up 59.09% (\$40,693 increase) as compared to 2013-14.

Fiscal year 2015-16 revenue projections up 36.58% (\$40,170 increase) compared to 2014-15.

## PARKING METER REVENUE SUMMARY:

REVENUE TYPE	2014-15 ACTUAL	2015-16 YTD AS OF 4/28/16	2015-16 YEAR END PROJECTION
PARKMOBILE	109,800	122,970	149,970
LOT 6	48,820	44,710	55,250
LOT 7	62,680	45,150	54,180
LOT 9	4,010	2,620	3,140
CURB METERS *	1,126,850	855,860	1,027,030
TOTAL **	1,352,160	1,071,310	1,289,570

\* Curb meter revenues are projected to decrease by approximately 4.5% in 2015-16 due to construction on North Old Woodward and Maple Roads, and also due to continued increase in Parkmobile usage in lieu of coin payments.

\*\* Note: revenues from Lot 6 permits, valet parking meter bags, and contractor / vendor parking meter bags are not included in this revenue summary.

Of the existing 1,238 parking meters, 840 spaces currently have a rate of \$1.00 per hour, and 398 spots at \$.50 per hour.

### **ADVANTAGES OF MULTI-SPACE / SMART METER TECHNOLOGY:**

With smart meter technology, parking mechanism faults are instantly reported via management system support software – jammed meters and dead batteries can be repaired or replaced instantly resulting in less downtime per meter space providing potential for increased revenues due to fewer broken meters. Units run on solar power and are easily programmed for rate and time limit changes. Internet based meter management for repairs, audits, space monitoring, maintenance logs, inventory, etc. is greatly enhanced over administration of traditional parking meter mechanisms such as our existing system. Vendors promise great revenue increases as motorists tend to purchase maximum allowed time via credit card vs. depositing nickels, dimes, and quarters into parking meters. This credit card driven revenue enhancement would be somewhat negated in Birmingham as 1/3 of our meters have time limits of one hour or less.

### **CIVICSMART (FORMERLY DUNCAN PARKING TECHNOLOGIES)**

Based upon the discussions and research conducted, the CivicSmart / Duncan Liberty single-space offers several advantages including Parkmobile and BS&A compatibility. The meter has a large high resolution LCD display and color coded payment buttons for convenience and overall ease of use. The Liberty is ADA compliant. Jeff Rock, Vice President for CivicSmart, Inc. provided information regarding the CivicSmart / Duncan Liberty single-space credit card meter as the best option for Birmingham. This device would retrofit into our existing housings and provide for coin, credit, debit, and pay by phone including Parkmobile transactions. The Liberty meters connect wirelessly to the included Parking Enterprise Management System (PEMS) for maintenance and reporting. Liberty is available only as a single space meter.

CIVICSMART LIBERTY COSTS: Costs associated with these meters are as follows:

CAPITAL OUTLAY:  $\$395 \times 1,251 \text{ single space} = \$494,145$  INITIAL INVESTMENT

ANNUAL FEES (MAINTENANCE): includes CivicSmart PEMS management system and credit card processing\*

$\$5.50 \text{ per meter per month} \times 1,251 \text{ meters} = \$6,880.50 \text{ per month} = \$82,566 \text{ per year} \times 5 = \$412,830$

\* (additional gateway costs for credit card transactions charged by City's credit card processing company are not included in this monthly charge. An additional \$.06 per credit card transaction fee charged is charged by CivicSmart).

ANNUAL FEES (WARRANTY YEARS 2-4):

YEAR 2 =  $\$37.50 \text{ PER METER} (1,251) = \$49,912.50$

YEARS 3-5 =  $\$45.00 \text{ PER METER PER YEAR} = \$168,885.00$

4 YEAR WARRANTY TOTAL =  $\$218,797.50$

5 YEAR TOTAL COST =  $\$1,125,772.50$  (plus costs for credit card transaction charges)

## **MULTI-SPACE METERS - TRAFFIC AND SAFETY (LUKE II)**

I met with Tom Neff of Traffic and Safety Control Systems, Inc. regarding the LUKE II multi-space pay stations. Tom provided a list of 19 LUKE II customers in the State of Michigan including cities, universities, parks, and private lots. Only four of those cities listed (Ann Arbor, Lansing, Flint, Pontiac) use LUKE II for on street parking, the majority use the multi-space machines in surface lots and at boat docks.

There is a cost of \$8,500 per unit for the LUKE II stations (price includes installation), and monthly fees totaling \$10.00 per unit per month for Parkmobile and Duncan Autocite parking enforcement handheld computer interfaces. Mr. Neff estimates a quantity of 153 LUKE II stations would be needed to service the entire city. The preliminary capital outlay cost estimate for this system is \$1.3 million for pay stations plus additional expenses for signage and wayfinding information for all metered areas throughout the city. Additional costs associated with this solution are \$65.00 per station per month which includes machine to machine (M2M) modem digital connection via wireless carrier and also covers fees for real time credit card processing, maintenance alerts, cash in machine data, and maintenance status using the Digital Iris management system. There are no per transaction fees charged by Traffic and Safety associated with this solution, but credit card processing fees charged by the banking institution would still apply. The Luke II machines are ADA compliant.

While this platform has the highest front end and maintenance costs, benefits include fewer number of units to collect and repair compared to single space meters. Additionally, the solar/cellular designed pay stations are easily movable to alternate locations as there are no cables or power cords required. Drawbacks include downtime when unit(s) are out of order – resulting in revenue losses and frustrated motorists and parkers having to wait in line to use a multi-space meter shared by several spaces in a block. Also, repairs of single space smart meters are completed in a much more rapid fashion – no motherboards or other critical parts located at an out of state manufacturer's location – resulting in potentially lessened downtime.

LUKE II MULTI-SPACE COSTS: Costs associated with these meters are as follows:

CAPITAL OUTLAY:  $\$8,500 \times 153 \text{ multi-space} = \$1,300,500$  INITIAL INVESTMENT

ANNUAL FEES (MAINTENANCE): includes Digital Iris management system, cellular connectivity fees and real time credit card processing with no per transaction fees\*

\$65.00 per pay station per month

$\$65.00 \times 153 = \$9,945$  per month =  $\$119,340$  per year  $\times 5 = \$596,700$

\* (additional gateway costs for credit card transactions charged by City's credit card merchant processing company fees are not included in this monthly charge.

ANNUAL FEES (WARRANTY YEARS 2-4):

\$1,160 PER PAY STATION PER YEAR

$\$1,160 \times 153 = \$177,480 \times 4 \text{ YEARS}$

4 YEAR WARRANTY TOTAL = \$709,920

5 YEAR TOTAL COST = \$2,607,120 (plus costs for credit card merchant processing charges)

## **SMART PARKING METER COST ESTIMATES:**

VENDOR	# METERS	PRICE PER	PURCHASE PRICE	ANNUAL MAINT	5 YR MAINT COST	4 YR EXT WARR	TOTAL 5 YR COST
<b>SINGLE SPACE:</b>							
<b>IPS GROUP</b>	1,251	\$495	\$619,245	\$86,319	\$431,595	\$250,200	<b>\$1,301,040</b>
MACKAY - SINGLE	219	\$550	\$120,450				
MACKAY - DOUBLE	516	\$750	\$387,000				
<b>MACKAY ***</b>	735	SEE ABOVE	\$507,450	\$70,560	\$352,800	\$147,000	<b>\$1,007,250</b>
<b>CIVICSMART</b>	1,251	\$395	494,145	82,566	412,830	\$218,797.50	<b>\$1,125,773</b>
<b>MULTI SPACE (LUKE):</b>							
<b>TRAFFIC &amp; SAFETY</b>	153	\$8,500	\$1,300,500	\$119,340	\$596,700	\$709,920	<b>\$2,607,120</b>

NOTE:

- \* PLUS CREDIT CARD TRANSACTION AND CREDIT CARD MERCHANT PROCESSING FEES
- \*\* PLUS CREDIT CARD MERCHANT PROCESSING FEES (NO INDIVIDUAL CREDIT CARD TRANSACTION FEES)
- \*\*\* MACKAY SMART METERS ARE NOT PARKMOBILE COMPATIBLE

It should be noted that the above estimates for IPS M5, MacKay MKBEACON, or CivicSmart Liberty single space parking meters do not include the purchase of spare mechanisms. Acquisition of spares (5-10% of total spaces) would also be recommended at time of purchase.

**REPORT SUMMARY:** This City's history with experimental parking projects has included reverse angle parking on North Old Woodward, the Parkeon pay and display multi-space debacle on South Old Woodward and Pierce Streets in 2005, and the subsequent Duncan multi-space kiosk installations on North Old Woodward which also met with public loathing. Other cities that experienced negative results with multi-space meters include: Los Angeles, Berkeley (CA), Denver, Evanston, Sacramento, San Francisco, Santa Monica, Atlanta, and the District of Columbia. All of these communities now have single space credit card meters.

Single unit credit card meters are conveniently located for parkers, incorporate easier and cheaper repairs, offer streamlined enforcement tools, and are cheaper to purchase and operate. If one unit is out of service, revenues and enforcement for the adjacent spaces are not affected.

Transitioning from single-space meters to multi-space kiosks would also include significant loss of traffic control flexibility. Currently when very large areas or even single parking meter spaces need to be reserved for valet operations, special events, and construction projects meter bags are a convenient and effective way to prevent vehicles from parking at select spots. With multi-spaces kiosks, reserving spaces would require the use of barricades or traffic cones which are easily moved by parkers not authorized for those locations.

Duncan Parking Technologies (now CivicSmart), once a leader in the multi-space parking business has ceased all sales of multi-space parking solutions due to failures and public preference of single space solutions for on street parking. Single space meters have frequently proven to be more suitable and convenient than multi-space kiosks.

Throughout my many discussions with competing parking equipment vendors, various problems associated with multi-space meters were repeatedly expressed by numerous dealers. Multi-space kiosk drawbacks include:

- Motorists have to walk too far to pay for parking (a particular problem in winter months or during inclement weather)
- Combined with the inherent laziness of most parkers, wayfinding signage and kiosk directions increase motorist frustrations
- If one kiosk is out of service – all spaces in the area remain unpaid or motorists must walk even further to pay for parking
- Sometimes the closest kiosk is across the street, prompting the motorist to cross the road to pay
- Repairs are more expensive than single space meters
- ADA / handicap parking compliancy issues
- Enforcement activity is more complicated
- Motorists frequently forget correct or enter wrong parking space number or license plate number – not conveniently corrected if kiosk is a far distance away
- Complex multi-space meters are not as user friendly and easy to operate as single space meters
- Units cost several thousand dollars each
- Maintenance fees, warranty costs, monthly phone connectivity expenses, and charges for interfaces to other databases (Parkmobile and Autocite enforcement) are pricey
- Single space meter modem monthly fees have reduced significantly in costs to warrant consideration of this type of technology

Should the Advisory Parking Committee and City Commission decide to make changes to our existing on street parking payment options, CivicSmart Duncan Liberty single space credit card meters may be the preferred solution for the police department. Benefits to our existing coin only / Parkmobile credit card payment would include availability of real time data reflecting usage, meter repair/collection status, remote management, and automated rate and time limit adjustments. A combination of new CivicSmart meters and new handheld computers would provide parking enforcement assistants real time information regarding status of expired meters throughout the city. New handhelds could be used to monitor and manage enforcement activity thereby increasing efficiency of parking enforcement operations. As the police department is now at full staff for parking enforcement assistants, greater enforcement activity is planned. A greater presence and increased enforcement in the metered areas of the business district should prompt additional revenues as motorists will be more motivated to pay for parking.

The costs associated with the purchase, maintenance, and warranty for this equipment could be offset by parking meter rate increases recently introduced as a topic for discussion. Based upon an evaluation of our current parking meter rates, Jeff Rock from CivicSmart projected a return on investment (ROI) with credit cards amounting to a revenue increase of \$340,000 per year. Should the rates at the current \$0.50 per hour meters increase to \$1.00 per hour, Mr. Rock projects additional revenue enhancements of \$150,000 per year for a total ROI of \$490,000.00.

An additional opportunity for the city to generate meter revenue increases would be to install pole mounted vehicle sensors in conjunction with new smart meters. Wireless vehicle detection sensors provide real-time data with over 99% accuracy to allow cities to detect vehicle occupancy in a specific space or area. This provides for heightened efficiency and productivity of metered parking operations. Also, the sensors provide reset options for metered spaces after a vehicle moves from its designated space – increasing revenues as unused time cannot be transferred to the next vehicle using the space. (Vehicle A pulls out of space, sensor resets meter to zero minutes, Vehicle B cannot use prior vehicle's unused time including grace period and must pay for parking). Vehicle sensors also prevent meter feeding – no extension of time limits past maximum are authorized. Also, sensors can integrate with wayfinding mobile phone apps used by motorists to find desired parking spaces. Cost for 1,251 vehicle

sensors at \$290 each totals an initial investment of \$362,790. CivicSmart charges a \$3.00 monthly fee per vehicle sensor for an annual total of \$44,316.

Whatever solution is deemed best for the City of Birmingham, these critical factors must be considered – ease of use for the public, system integration with Parkmobile and BS&A financial software, and compatibility with the handheld computers used by parking enforcement assistants. The 2016-17 fiscal year budget includes funding for the replacement of the existing Duncan Autocite handhelds. These projects must be jointly evaluated so that all aspects of the parking system are mutually compatible and cost effective for the City.

## Memorandum

To: Paul O'Meara  
From: Catherine Burch; Jay O'Dell  
Date: May 13, 2016  
Subject: On-Street Multi-Space Parking Meters

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It is understood that due to the upcoming street construction on Old Woodward Avenue in Birmingham, Michigan, city officials are contemplating the advantages of implementing an on-street multi-space parking meter program. To assist in this discussion and decision making process, SP+ has compiled the following information on the best practices in the parking industry; the successes of neighboring communities using multi-space parking meters and the advantages of adopting this type of technology using a pay-by-plate method.

Multi-space meters have been on the market for decades. It was in Europe that this technology first gained prominence with a Pay & Display solution (displaying a paid credential on dashboard). North America started seeing this technology appear about 20 years ago and it progressed quickly to include pay-by-space (space number is the credential) and pay-by-plate (license plate is the credential).

Across the nation, the current trend for municipalities that faced the need to replace outdated parking meters is for most to opt for the multi-space meter option. Once city officials weigh the pros and cons of a single space meter vs a multi-space meter, they understand that multi-space meters provide a greater level of operational efficiency and adaptability, making them the stronger choice over the single space alternatives.

Over the last two decades the parking industry has experienced an enormous increase in the level of technology that is used to process and track parking transactions. This technology has not only changed the way people park and pay in parking lots & garages (off-street parking) but also how people park and pay at parking meters on the street (on-street parking).

The multi-space meter has brought three key technologies to on-street parking: computers, solar power, and wireless communication. This allows customers to pay by credit card, municipalities to set complex rate structures, and the meters to communicate wirelessly via a central management system, providing remarkable audit control and maintenance capability.

There are numerous examples of neighboring communities in the Detroit metropolitan area; across the state of Michigan and throughout the United States of municipalities adopting a multi-space meter parking program for on-street parking. Some of the most

recent local examples are in the City of Detroit and the City of Ann Arbor. Each of these cities has fully embraced the multi-space option and has moved to replace most single space meters in their central business districts.

After installing 25 solar-powered pay stations in downtown Ann Arbor in 2009 the city found the multi-space meter concept so popular, that the DDA voted in early 2010 to install another 150 machines over three years. This year, the city has allocated another one million dollars in their 2016-2017 budget to increase the number of machines to cover nearly 90 percent of the entire Ann Arbor metered system. The following was reported in the The Ann Arbor News on March 17<sup>th</sup> 2016: *..in addition to allowing downtown visitors to pay for parking by phone or credit card, the e-park stations offer another potential future benefit.*

*"These machines also interconnect, and in discussions with some of the folks associated with Mcity, they let us know that at least a couple of the car companies are currently looking at ways they may one day use e-park information as part of a car's onboard navigational system," said Downtown Development Authority Executive Director Susan Pollay. "So, not only would your car give you directions, but one day it may also give you directions to an available/open parking space."*



After many years of dealing with a struggling and inadequate on-street parking system, which included both single space and multi-space meter options, the City of Detroit rolled out the ParkDetroit program in the summer of 2015. This change included 500 multi space meters replacing over 3,000 single spaced meters. These machines replaced almost all of the cities out dated single & multi space meters and has been widely accepted and embraced by parking patrons and businesses. During an interview with Crains in July of 2015, Detroit COO Gary Brown said: *"For decades, residents and visitors have all been frustrated by our parking system, and our hard-working parking enforcement officers have usually gotten all the blame, But those days are over, because in the coming weeks,*

*the city of Detroit will be home to the most comprehensive and customer-friendly parking meter system in the entire country."*



To give you an example of how wide-spread the implementation of multi-space meters is locally and across the country here is a partial list of other municipalities that are currently using a multi-space meter option on-street:

➤ City of Pontiac , MI	➤ City of New Westminster, BC	
➤ City of Lansing , MI	➤ City of Richmond, BC	
➤ City of E. Lansing , MI	➤ City of White Rock, BC	
➤ City of Ferndale , MI	➤ City of Ventura, CA	
➤ City of Grosse Point , MI	➤ City of Santa Monica, CA	
➤ Traverse City , MI	➤ City of Riverside, CA	
➤ City of Petoskey , MI	➤ City of Glendale, CA	
➤ City of Grand Haven, MI	➤ City of Newport Beach, CA	
➤ Village of Empire, MI	➤ City of Long Beach, CA	
➤ City of Ludington, MI	➤ City of Sausalito, CA	
➤ City of Flint , MI	➤ City of Miami Beach, FL	
➤ City of Cedar Rapids, IA	➤ City of Tampa, FL	
➤ LexPark (Lexington, KY)	➤ Village of Port Chester, NY	
➤ City of New Orleans, LA	➤ City of White Plains, NY	
➤ City of Duluth, MN	➤ City of Harrisburg, PA	
➤ City of Missoula, MT	➤ City of Houston, TX	
➤ City of Charlotte, NC	➤ City of Lake Geneva, WI	
➤ City of Asbury Park, NJ	➤ City of Milwaukee, WI	
➤ City of Richmond, VA	➤ City of Wisconsin Dells, WI	

It is clear that the current trend for municipalities is to opt for a multi-space meter program and the reason for that lies in the fact that cities across the country are investing in the technology of the 21<sup>st</sup> century. Since the first parking meter was installed in Oklahoma City in 1935, the way people drive; park; communicate and purchase services has changed remarkably. The multi-space meter is a reflection of that change and municipalities that want to provide cutting-edge technology, designed to make parking easier are opting for the multi-space option. There are numerous reasons that support this trend, including:

- Multi-space meters give customers more ways to pay. Multi-space meters can accept coins, bills, credit and debit cards, smart cards & cellphone payments.
- Multi-space meters are reliable & extremely vandal-resistant. In the unlikely event the machine does malfunction, an alarm is automatically sent wirelessly, which advises of the condition, downtime is minimized. In the meantime, customers can simply pay via another form of payment (coin/bill/card, etc.), or they can walk to the next multi-space meter to pay, so there is no loss of revenue.
- Multi-space meters count and report revenue as it's deposited into the machine. This means you know if any money is missing. The reports are real-time and online. An alarm is sent and a report generated advising that the door is open, a

collection is in process, how much was collected, etc.

- Multi-space pay meters provide remarkably accurate and detailed financial reports and statistics.
- Multi-space meters are environmentally friendly – solar-powered, with no need to dig up streets or run power lines.
- Multi-space meters improve the streetscape - there will be far fewer of them on each street since one multi-space meter can manage a full block.
- Multi-space meters maintain the following standards: PCI compliant; UL/CSA approved & ADA compliant.

Once the decision is made to implement a multi-space meter parking program, the city needs to determine which method they wish to use: pay & display (display credential on dash); a pay-by-space (space number is the credential) or pay-by-plate (license plate is the credential). SP+ recommends that the City of Birmingham adopt a pay-by-plate method.

With the pay & display method the customer is inconvenienced with the need to return to their vehicle to display the credential. This is cumbersome and can be a strain during inclement weather; for mothers with children and for the elderly and handicapped. Additionally, the enforcement for this method is restricted to visual recognition of the credential displayed.

With the pay-by-space method the customer is asked to remember their space number; which can lead to confusion. Also, all parking spaces need to be marked with a visible number. In northern climates where marking a space on the cement is not a viable option, space numbers need to be placed on some type of pole. This leads to streetscape “pollution” and is an added expense and maintenance issue.

With the pay-by-plate method customers are asked to note their license plate (most take a cell phone picture for future reference) and enter it into the pay station when paying. While this method does require a heightened level of interaction by the parking patron, the benefits clearly outweigh that concern. It allows patrons to get on their journey more quickly, not having to return to their vehicle to display their credential. Also, it allows for extending their time through a mobile app (ParkMobile) or at any pay station, eliminating the need to return to their original parking meter.

For the manager of the system, the pay-by-plate method provides a vast number of benefits and opportunities for enforcement and data collection. The enforcement system can work with wireless handheld devices and license plate-recognition camera technology (LPR) to verify compliance.

Once a license plate has been entered into the parking system, it becomes a form of identification or barcode to which vehicle activity can be tied during the enforcement process. Parking enforcement officers (PEO) drive patrol vehicles equipped with LPR cameras to scan the plates of parked vehicles at up to 50 scans per minute. Plate

information is passed to a database checking for validity of the parking session, scofflaws, etc.

Should a parking session expire, an alert in real-time is sent to the PEO, who can serve a citation on the spot or use GPS coordinates to dispatch to the nearest officer on foot. The scanned plate, like a barcode, provides instantaneous access to vehicle information independent of visual checks or keystrokes required using the old parking system.

Further, through credit card information and vehicle license plate information, it now becomes possible to provide statistical data to better monitor and manage the utilization of a parking system, as well as better serve merchants and citizens.

Finally, pay-by-plate also enables cities to easily incorporate the latest virtual permit technology and payment options, including pay-by-phone (ParkMobile), where permits and payments are also tied to the vehicle plate number and enforced through a central, real-time database instead of visually looking at a printed receipt or permit.

It will be important for the City of Birmingham to consider that the type of equipment that is selected should be adaptable to future technologies. With payment security changes related to EMV, it is unclear if a single-space meter will be able to provide what's needed to employ the technology that will be required to process credit card payments.

In conclusion, while single space meters have a long history and are still in use in many cities, multi-space meters are proving their worth and are being adopted by many large and small municipalities across the nation. One of the key reasons for this growth is that multi-space meters bring together the features and technology that provide a positive experience for the parking patron and the parking manager, while also delivering a platform that is well suited to the ever growing cloud-based technologies such as pay-by-cellphone and parking reservations.

There are many types of Multi-space meters on the market. For the purposes of this review, SP+ has obtained and enclosed information on three of the leaders in the field: Digital T2 Systems; Cale and Parkeon. The cost of these machines varies between \$7,600 - \$9,300. The City of Birmingham should expect to install one multi-space for approximately 8-10 spaces in a parallel parking environment and 15-20 spaces in an angled parking environment. Annual and monthly costs related to warranties; licensing and communication will also need to be considered and will differ from each manufacturer.

Each of these machines enjoys a level of popularity and is currently in use across the country. SP+ has a great deal of experience with Digital T2 Systems and the Luke II machine and it is our opinion that this machine outperforms the others; however each of the machines quoted is reliable and time tested.

We look forward to discussing our recommendations with you and the Advisory Parking Committee in more detail. Please let us know if you have questions or concerns

02:13

Rate Per Hour: \$2.00

Max. Stay: 4 hours

EXPIRES: 05:58 PM

No. 34 46 7512 00 10 PM



00-20













## MEMORANDUM

Engineering Dept.

**DATE:** October 20, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** Parking System Rate Study

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At the April and May, 2016 meetings, the Advisory Parking Committee (APC) reviewed and studied rate changes for the parking system designed to increase revenues and to encourage larger employers to seriously consider off-site parking options for employees. A package of recommendations were sent to the City Commission. At the meeting of June 6, the City Commission discussed the matter further, and approved the following rate changes:

- Daily rates at all five parking structures were increased to \$2 per hour for a maximum charge of \$10 per day, maintaining the first two hours free feature.
- Free Parking to employers who utilize an off-site parking arrangement with the City to shuttle, valet, or carpool employees into and out of the CBD.
- Changing meter rate for meters on Chester St. from 50¢ to \$1 per hour.
- Authorizing an Evening Only Monthly Permit at all structures, charged at \$20 per month less than a regular permit.

The Commission declined to raise monthly rates at that time as had been recommended, indicating that the rate of increase was potentially not enough, and that this matter should be reviewed in more detail by the APC.

The changes that were authorized were implemented with the new fiscal year, starting July 1.

### OVERVIEW – PARKING SYSTEM RATE STRUCTURE

Attached are two parking system rate flow charts, one for short term visitors (generally customers), and one for long term visitors (generally employees).

Historically, we have attempted to set rates such that:

- Parking on the street at a meter in the prime areas of the CBD is always in high demand. Quick turnover is important to allow more visitors to benefit from these spaces. Setting the rate higher than any other parking is appropriate to encourage use of the parking structures. (Lower rates at meters that are further from the center of the City, or further from most destinations are appropriate given their lower demand.)
- Daily parking rates in the structures should be set to encourage short term visits into the structure at low cost, in an attempt to get this traffic off the street.
- Where space is available, monthly permits should be issued only to employees in the parking assessment district, providing a discount from the daily rate for regular visitors.



Keeping the parking structure open and available to visitors is a higher priority, though, so a cap must be placed on monthly permits based on the daily demand.

As noted above, daily rates in the parking structures were changed recently, but monthly permits and parking meter rates were not. As a result, there is currently an imbalance where the above principles are not always being met. The following memo is split into two parts to address both issues.

#### MONTHLY PERMIT RATES

The following chart lists the recent rates that have been charged for monthly permits, as well as the rates that were recommended by the APC in May of this year:

Parking Facility	Prior to 8-1-14	Effective 8-1-14	Effective 7-1-15	Proposed 7-1-16
Pierce St.	\$55	\$60	\$65	\$70
Park St.	\$45	\$50	\$60	\$70
Peabody St.	\$45	\$55	\$65	\$70
N. Old Woodward Ave.	\$45	\$50	\$55	\$70 <sup>1</sup>
Chester St.	\$30	\$40	\$45	\$50
Lot 6 – Regular Permit	\$50	\$55	\$65	\$70
Lot 6 – Economy Permit	\$30	\$35	\$45	\$50
South Side Permit (Ann St.)	\$40	\$40	\$50	\$60
South Side Permit (S. Old Woodward Ave.)	\$40	\$40	\$25	\$35

As you may recall, demand in the parking structures started increasing significantly in the middle of 2013. Seeing the need to increase revenues for potential future expansion, as well as to direct customers to the areas of lower demand, rates were increased in the summer of 2014 and again in 2015. A third increase, more significant than the others, was planned for 2016 as well, as shown. The increases for 2016 were primarily focused on the north side of the City where demand has increased the most, with smaller increases proposed in the remaining areas.

When the recommendation was discussed by the City Commission, it was noted that with the new daily rates, even the \$70 monthly fee is an excellent value for the full time employee, as the monthly permit will pay for itself after only 7 work days with an average of 20 work days per month. The Commission also felt that compared to other cities, our rates are too low given the current demand.

At the July APC meeting, the above issue was discussed. A new table of possible rate increases was provided for review, as follows:

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<sup>1</sup> In previous rate increases, no change greater than \$10 per month has been implemented. A change of \$15 this one time is recommended at the N. Old Woodward Ave. Structure, given the large jump in demand that has been seen there, and to equalize it to the other three prime parking locations.

Parking Facility	Current Rate	Proposed Plan A	Proposed Plan B	Proposed Plan C
Pierce St.	\$65	\$70	\$75	\$80
Park St.	\$60	\$70	\$75	\$80
Peabody St.	\$65	\$70	\$75	\$80
N. Old Woodward Ave.	\$55	\$70	\$75	\$80
Chester St.	\$45	\$50	\$55	\$60
Lot 6 – Regular Permit	\$65	\$70	\$75	\$80
Lot 6 – Economy Permit	\$45	\$50	\$55	\$60
Ann St. Permit	\$50	\$60	\$60	\$60
S. Old Woodward Ave. Permit	\$25	\$35	\$35	\$35

Comparisons of the various rate schedules, and how they compare to the current rates, was also provided in the form of the following table:

	Proposed Plan A	Proposed Plan B	Proposed Plan C
Average Rate (to Compare to other Cities)	\$61	\$64	\$67
Actual Increase at Parking Structures	\$5 to \$15	\$10 to \$20	\$15 to \$25
% Increase at Parking Structures	7% to 27%	15% to 36%	23% to 45%
Total Increase in Revenue	\$384,000	\$432,000	\$480,000
# of Days Permit is Paid Back at Daily Rate	5 to 7	5.5 to 7.5	6 to 8

Also provided for the APC was a list of current monthly rates charged at other cities in the Midwestern USA. Since every city is different in terms of what it offers, an average of monthly charges was developed for each city, allowing a more direct comparison to what Birmingham charges (referenced in line 1 in the above chart):

MUNICIPALITY	AVERAGE MONTHLY PERMIT
Ann Arbor, MI	\$145
Grand Rapids, MI	\$137
Lansing, MI	\$122
State College, PA	\$90
Kalamazoo, MI	\$89
Evanston, IN	\$85
E. Lansing, MI	\$80
Bloomington, IN	\$54
Grosse Pointe, MI	\$50
Ferndale, MI	\$20

The above chart would put Birmingham between E. Lansing and Bloomington, IN for any of the suggested rate schemes, as shown on the attached bar chart.

Members of the APC have been appointed to the Committee often because they have direct connections to the stakeholders downtown. While there is a desire to do what is best for the Parking System, there was not a majority of members that felt comfortable moving forward with any schedule that increases rates more than what had been suggested previously. While it is understood that the monthly rate increase represents a bargain compared to the daily rate, for those that have been paying the slow but steady increases in these rates over the previous years would be heavily impacted if that rate were to increase a lot faster now. Members of the APC would like to suggest that if the rates are increased as suggested, there is certainly room for more increases in the future, especially if and when the City begins replacing and expanding its oldest parking structures. A suggested recommendation to reflect these points is provided below at the end of this memo.

#### PARKING METER RATE

Attached is a map that reflects the parking meter rates that have been in effect with little adjustment, since late 1996. Parking meters are set at \$1 per hour for the high demand areas of the CBD. The far north and south ends of the Old Woodward Ave. corridor are set at 50¢ per hour. (Meters in the off-street lot adjacent to the front doors of several businesses between 600-800 N. Old Woodward Ave. have more recently been increased to \$1 to encourage turnover.) A small number of meters were also remaining on Chester St. at 50¢. Those have since been increased to \$1 per hour as of this summer.

When the rate increase was first studied in April, staff recommended that the first of more potential changes relative to meter rate changes should be to increase all 50¢ meters to \$1 per hour. There was no suggested rate increase suggested for the \$1 meters, in part because when only coin payments are accepted, it becomes onerous on the customer to have to produce a large number of coins for longer stays. Raising the rates above \$1 per hour would increase the magnitude of this problem. The APC chose not to proceed with a rate increase for most of the 50¢ meters, because it was noted that there is a benefit in the Parking Lot #6 area to have a price differential. (Specifically, there is a high demand for the parking meters in the off-street parking lot located in front of the businesses at 600-800 N. Old Woodward Ave.

Making the meters double the price in this area vs. the meters across the street, or behind the buildings in Parking Lot 6, helps provide a deterrent to long term employees using these spaces. If all meters were the same price, this deterrent would be removed.)

Given the fundamental goal that the rate at parking meters should be higher than the rate in the structures, the current rate schedule needs adjustment. If the City proceeds with replacing its parking meters as recommended, the opportunity to increase rates at all meters becomes available. Customers that do not have a Parkmobile account will now have a payment option other than coins.

Following is a list of current parking meter rates at various cities, as assembled courtesy of the Police Dept.:

CITY	RATE 1	RATE 2	RATE 3	RATE 4	HOURS OF OPERATION
BIRMINGHAM	\$1.00	\$.50			9AM-9PM MON-SAT
ROCHESTER	\$1.00				9AM-9PM MON-SAT
ROYAL OAK	\$1.00 STREETS	LOTS .50 DAY / .75 NIGHT HI USE ZONE AFTER 5PM	\$.50 FARMER'S MKT		11AM-11PM MON-SAT
FERNDAL	.50				10AM-9PM MON-SAT
MT. CLEMENS	\$.75 STREETS	\$.50 LOTS			
ANN ARBOR	\$2.40	\$1.60	\$0.80		8AM-6PM MON-SAT
DETROIT	\$2.00	\$1.50	\$1.00		7AM-10PM MON-SAT
TRAVERSE CITY	\$1.00	\$.60 AT HOUR METERS			8AM-6PM MON-SAT
GRAND RAPIDS	\$1.75 CBD	\$2.25 ELECTRIC VEHICLE STATION	\$1.25 OUT .75 WAY OUT		8AM-5PM MON-FRI
LANSING	\$1.25	\$1.00	\$.65	\$.50	8AM-5PM MON-FRI
EAST LANSING	\$.75	UNLESS OTHERWISE NOTED			8AM-3AM MON-SAT

At this time, staff is suggesting a rate increase for meters throughout the Central Business District, as the new smart meters are installed. The suggested rate increase, based on what other cities are doing in the area, would be to increase all meters that are currently 50¢ per hour to \$1, and those that are \$1 to \$1.50. Such rates would make Birmingham compare well to other cities such as Detroit, Ann Arbor, and Grand Rapids, but higher than other cities in the immediate area where demand is not as great, such as Rochester, Royal Oak, and Ferndale. A rate increase structured as such would:

- Discourage long term use of meters, encouraging those that plan to stay longer to move into a parking structure.
- Providing an appropriate pricing structure that reflects the high value of parking on the street.
- Continue to reflect that parking is in highest demand in front of busy retail areas, while those that want to park further away from the core don't have as many options, and should not have to pay as much.

- Increase revenues by approximately \$700,000 annually, based on current income levels, adjusted for decreased demand (but not reflecting the increases projected by purchase of smart meters).

Following are two suggested recommendations. The first pertains to the monthly rate increase, while the second suggests a rate increase at the parking meters.

#### SUGGESTED RECOMMENDATION A (MONTHLY PERMIT RATE INCREASE):

WHEREAS, demand for parking in the parking structures has increased substantially over the past three years, particularly from all day employees, and

WHEREAS, both the N. Old Woodward Ave. and Park St. Parking Structures are filling often, forcing the City to consider and activate various means to provide short term alternate parking opportunities as well as preparing plans for long term expansion of the system, and

WHEREAS, the demand for monthly parking permits at all five structures is much greater than can be satisfied given the current capacities available, and

WHEREAS, the parking system has implemented two annual rate increases for monthly permits both in 2014 and 2015, and

WHEREAS, the members of the Advisory Parking Committee represent various interests in the Central Business District, and understand that all businesses need to be able to budget upcoming expenses in a reasonable manner, and

WHEREAS, the daily rate increase implemented in July for the parking structures is already impacting the budget of many of the same businesses that pay for employee parking in both forms (monthly and daily), and

WHEREAS, the monthly rate schedule suggested for this year reflects an appropriate amount as compared to other Midwestern mid-sized cities,

THEREFORE, the Advisory Parking Committee recommends that the monthly rate schedule suggested for this year be approved by the Commission, which represents an increase of 7% to 27% over what is currently being charged, as it will already represent a substantial impact on the budgets of downtown businesses, and further, can be increased again in 2017 as appropriate, as follows:

Pierce St.	\$70
Park St.	\$70
Peabody St.	\$70
N. Old Woodward Ave.	\$70
Chester St.	\$50
Parking Lot 6 – Regular	\$70
Parking Lot 6 – Economy	\$50
South Side (Ann St.)	\$60
South Side (S. Old Woodward Ave.)	\$35

SUGGESTED RECOMMENDATION B (PARKING METER RATE INCREASE):

The Advisory Parking Committee passed a recommendation approving the conversion of all Central Business District parking meters to smart parking meters. If and when that conversion takes place, the Advisory Parking Committee also recommends the following to the City Commission:

WHEREAS, the majority of the parking meters in downtown Birmingham have had the same rate structure since 1996, and

WHEREAS, other cities experiencing our level of demand now charge higher rates at their parking meters, and

WHEREAS, the rate being charged at the meters actually provides a lower cost per hour in some locations than what is charged in the parking structures, and

WHEREAS, the City has postponed an increase at the parking meters above \$1 per hour while offering coin only parking meters due to the large number of coins that motorists would have to carry for longer term stays at the meters,

THEREFORE, now that the City is moving to offer both credit and PINless debit card payment features at its meters, as the new meters are installed, staff is directed to increase the current \$1 per hour parking meters to \$1.50 per hour, and to increase the current 50¢ per hour meters to \$1 per hour.

# Short Term Visitors

```
graph TD; A[Short Term Visitors] --> B[Meters<br/>On Street and Lots]; A --> C[Parking Structure<br/>First 2 Hours Free]; B --> D[Central<br/>Now: $1.00/Hr<br/>Rec: $1.50/Hr]; B --> E[Outer Limits<br/>Now: $0.50/Hr<br/>Rec: $1.00/Hr]; C --> F[Parking Structure<br/>Hourly Rates<br/>Less than 2 hours: Free<br/>Less than 3 hours: $2<br/>Less than 4 hours: $4<br/>Less than 5 hours: $6<br/>Less than 6 hours: $8];
```

## Meters

On Street and Lots

### Central

Now: \$1.00/Hr

Rec: \$1.50/Hr

### Outer Limits

Now: \$0.50/Hr

Rec: \$1.00/Hr

## Parking Structure

First 2 Hours Free

## Parking Structure

### Hourly Rates

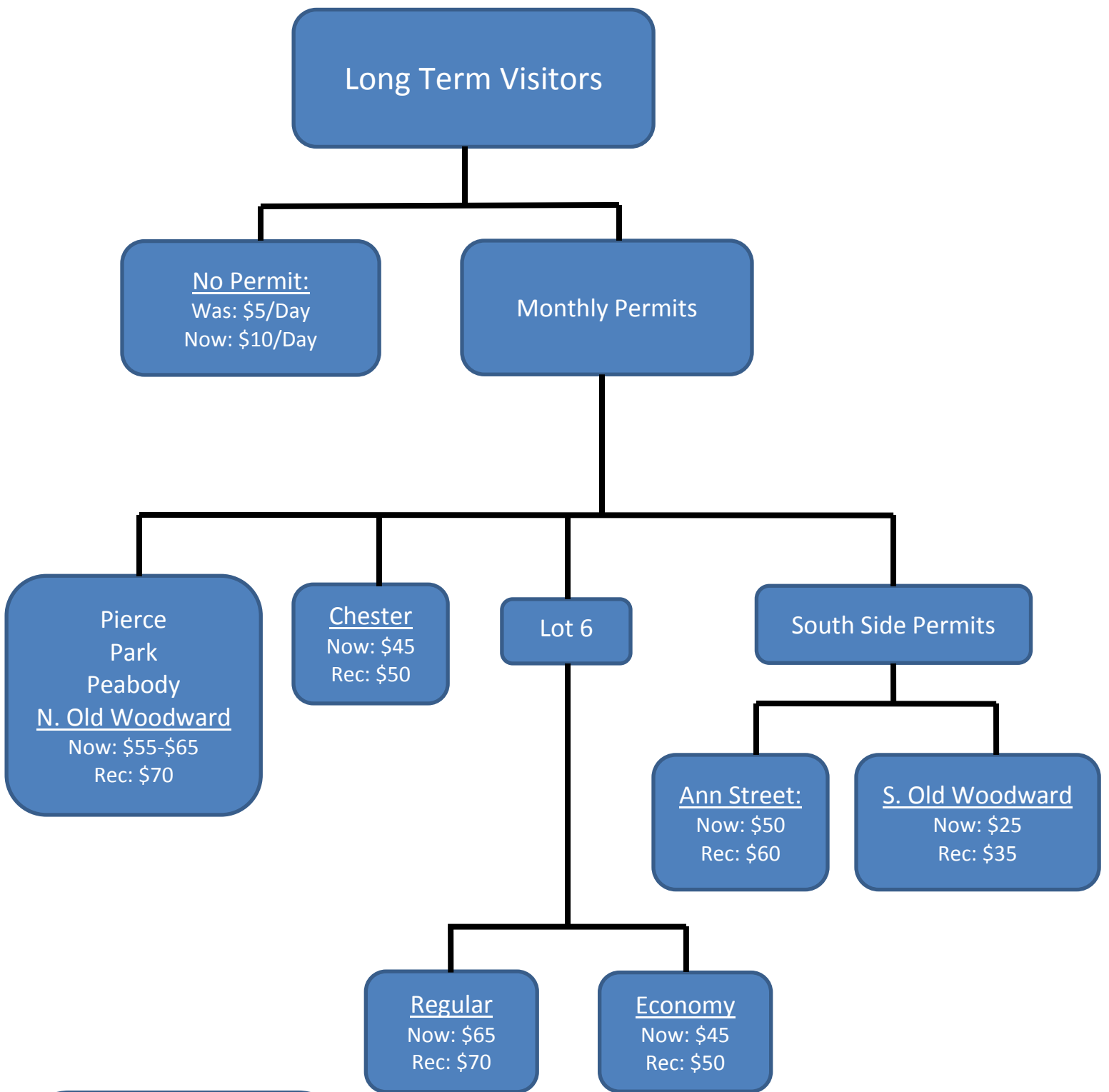
Less than 2 hours: Free

Less than 3 hours: \$2

Less than 4 hours: \$4

Less than 5 hours: \$6

Less than 6 hours: \$8



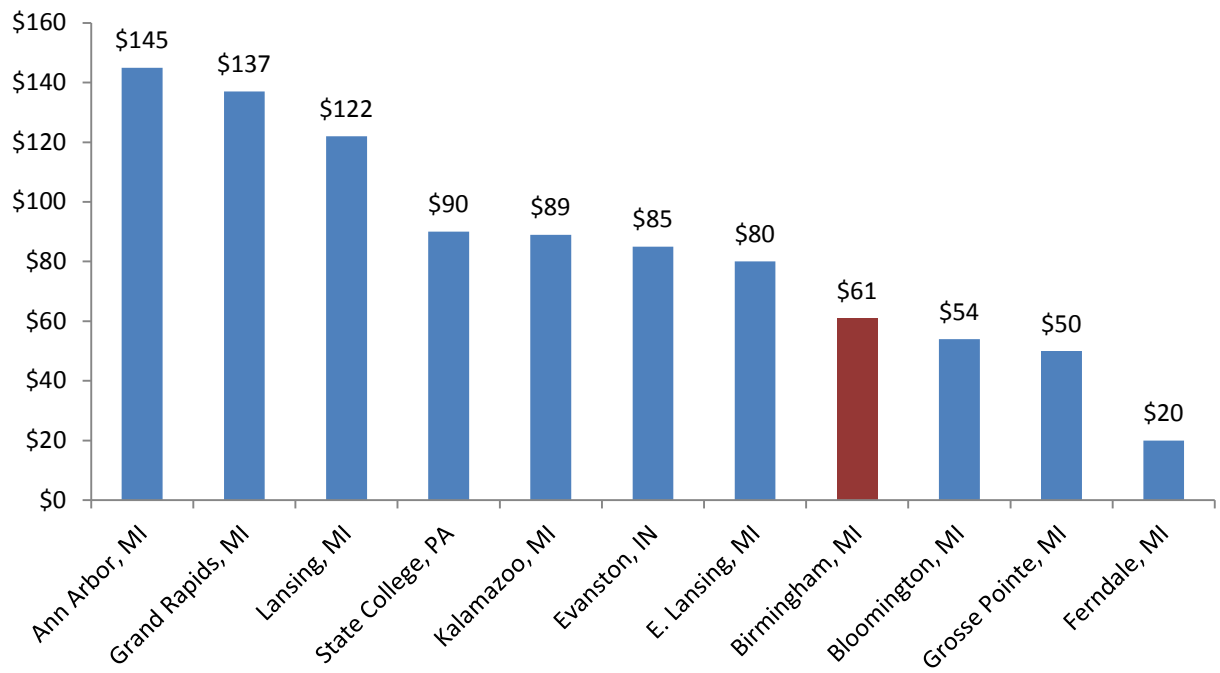
### Parking Structure

#### Hourly Rates

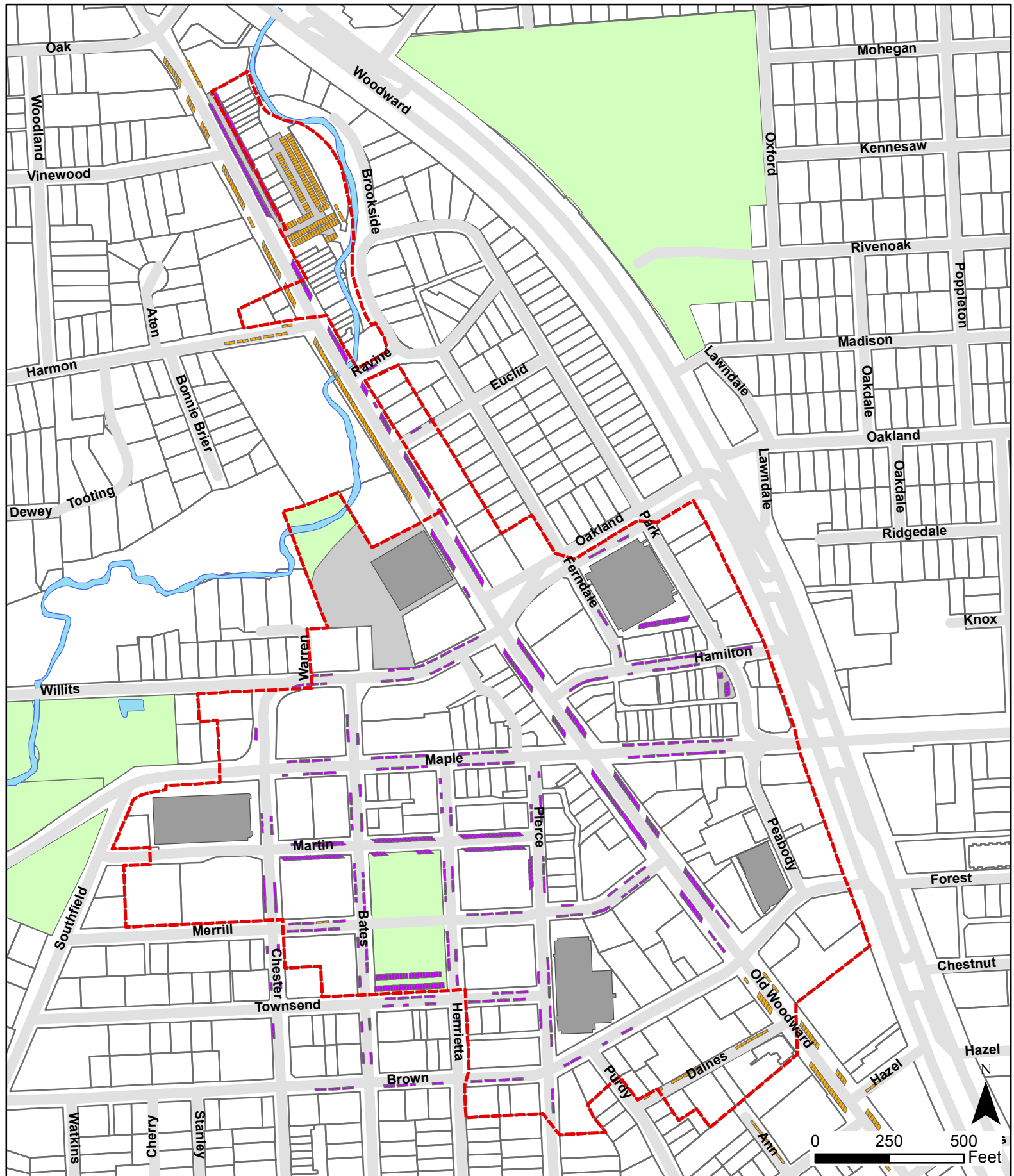
Less than 2 hours: Free  
Less than 3 hours: \$2  
Less than 4 hours: \$4  
Less than 5 hours: \$6  
Less than 6 hours: \$8  
More than 6 hours: \$10





## Average Monthly Parking Permit Cost



# City of Birmingham Downtown Parking Rates



 \$1.00 Per Hour

 \$0.50 Per Hour



## MEMORANDUM

Engineering Dept.

**DATE:** May 12, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** Parking System Rates

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### OVERVIEW

Last month, a comprehensive package of rate changes were presented to the Advisory Parking Committee for review. The suggested changes were presented from the perspective that:

1. Demand from employees is forcing the system to operate without sufficient capacity for shoppers and visitors that arrive later in the day. Creating an incentive to move employees to less desirable parking locations would help the business community.
2. Compared to what is being charged in the private parking facilities, the rates being charged are less than what people are willing to pay.
3. Revenue increases would help the parking system prepare itself for large expenditures in the future, as the need to enlarge and/or replace parking structures grows.

The parking committee was not prepared to endorse the rate changes. Two general themes came from the meeting:

1. Requiring large blocks of employees to park their cars off site outside the downtown area is not looked upon favorably. Changing the rates as suggested will not change their behaviors, but it will hurt the smaller businesses that also need to pay these higher rates. Rather than changing rates, the APC and the Birmingham Shopping District (BSD) should begin discussions to consider changing the zoning ordinance that allows the current building expansions without creating new private parking spaces.
2. If the rate structure is going to be restructured, the rate of increase for the shorter time periods (3 to 7 hours) should be priced more aggressively too, so that shorter term employees have to pay more.

To that end, the following is offered:

1. Some discussions have occurred with members of the BSD on this matter. More discussions are planned, but there is nothing concrete to report as of yet. It should be noted that if the APC pursues this goal of changing the zoning ordinance, that is a long term issue that will not be resolved quickly.
2. SP+ staff put together some figures that are attached relative to various daily rate pricing schemes that could be employed, and how they affect revenue. More dialogue is provided below.

3. The Ad Hoc Parking Development Committee held their first meeting focused on finance on April 27. Long term cash flow projections were provided for both the current rate structure, and for the rate structure that was recommended in our April 15 memo. Increasing the rates as suggested makes a significant improvement on improving the cash available to help finance a large parking structure project. Serious discussions about the revenue that can be generated from a special assessment district are scheduled for this coming week (May 16). Since the City has only assessed for new parking spaces being created (not the replacement of existing spaces within a new building, which is being contemplated), revenues to be generated through special assessments may not be significant. If the City continues to move in the direction committing to a large construction project, (currently being projected at \$26 to \$28 million, even after the sale of land), a rate increase is likely a part of the equation.

With the above in mind, information has been provided below relative to various hourly rate pricing schemes. Secondly, a new idea is also being offered relative to making the package more desirable for evening employees. The system could offer an evening only monthly permit for those that arrive after 4 PM, as long as they regularly leave the building after their shift (no overnight parking). Information is provided below on that as well.

#### HOURLY RATES

The rate package presented last month suggested that the hourly rate structure would only be modified for long term parkers (7+ hours). The suggestion was focused on the following thought process:

1. The long term employee that arrives early in the workday are the ones that we hope to discourage parking in the structures. Many vehicles (over 14,000 per month) park for more than 6 hours a day now. This number is growing as monthly permits become increasingly scarce. These people are paying a lot of money per month to park, and if the increase is significant, it may cause behaviors to modify. Those visitors or employees that park for shorter shifts do not pay as much overall, and are less likely to change their behaviors.
2. As daily traffic has increased, so has the volume of cars that fall under the "2 hours free" category. There are a significant number of people that take time during their day to move their car out and back into the garage to reduce their total cost of parking for the day. If we raise the rates much for the middle range people (3 to 6 hours), this behavior is clearly going to pick up.
3. Rate increases do have a negative impact on those that use the system. If there are groups of people that remain unaffected by the change, that reduces the number of people that are negatively impacted.

Attached is a table that demonstrates the amount of money that the system earns if various rate structures are used. The following are some notes on the various alternatives:

**Current Rates** – This table represents the current rate structure for all but the Pierce St. Structure. (Therefore, the net revenue shown is smaller than what is currently being realized.) This rate structure has been in place since 1997 (almost 20 years).

**Pierce St. Rate** – This is the rate structure that was recommended in our April 15 memo. Implementing this rate structure at all five facilities has the benefit of only impacting the long term parkers. At Pierce St., long term parkers are already paying this rate, so there would be no change for them. As described in the previous memo, revenues are predicted to increase about \$500,000 per year, which is about \$42,000 per month.

**Alternate Rate Schedules A, B, and C** – These schedules represent increasing the rate more aggressively, with B and C including a 3 hours free provision (instead of 2). Clearly, these rates would impact those employees that work shorter shifts (and likely earn less money). Staff does not recommend this. We assume that these employees would be less likely to have any other choice than to pay these rates, or they may be more likely to move their car in and out of the structure more often. Having a big change in cost between 3 and 4 hours will encourage people to try to manipulate the system with unwanted behaviors. This negative behavior causes more traffic in the streets and the structures, and results in a less pleasant work environment for those that feel that they have to do this.

**Alternate Rate Schedule D** – If the Committee is inclined to be more aggressive than what was first suggested, we recommend a more gradual increase by going to a rate that increases at the rate of \$2 per hour. Even this smaller change results in revenues about double what they are today. This change would impact every daily parker in the system.

With the idea that a revenue increase should not be too extreme at any one time, staff continues to recommend that all five structures charge the same rate, specifically the one labeled as the “Pierce St. Rate.”

#### EVENING ONLY MONTHLY PERMIT

Reviewing usage patterns, there are currently about 100 monthly permit holders (system-wide) that routinely enter their parking structure after 4 pm to work an evening shift. The parking system could offer an evening only monthly permit that would work the same as a regular monthly permit, except that they could only enter the structure every day after 4 PM. Further, they would have to agree to not leave their car overnight (which would then cause more traffic burden the next morning). The evening permit would not be as desirable, so it would have to be sold at a discount. We are recommending a \$10 discount from the regular price. Offering such a permit would reduce revenues, to an extent that is difficult to predict. It would provide the following benefits to the system's users:

1. Those paying for a monthly permit that are in the structure primarily in the evening could save \$10 per month.
2. Removing the estimated 100 permits from the current monthly permit holders would allow a new 100 customers (system-wide) to purchase a monthly permit. Since some parkers have been waiting over 2 years for a permit, that would bring an end to a long wait. (Selling more permits could potentially increase the number of vehicles in a structure, unless they are parking in the same structure now anyway, paying the daily rate. If enacted with the recommendation to reduce the number of permits at N. Old Woodward Ave. and Park St., they would potentially be able to move to a different structure instead.)

3. Current evening employees that cannot get a permit would now be able to purchase one, as the system should be able to supply many more permits than there is currently needed. Again this would reduce revenues, but would improve customer satisfaction.
4. Offering monthly permits would hopefully encourage evening employees on a tight budget to purchase a permit, rather than attempt to keep their costs down by driving out and then back into the structure during their shift.

Based on the above new thoughts, the recommendation from the April meeting is repeated below, and now includes the provision for an evening only monthly permit.

#### SUGGESTED RECOMMENDATION:

The Advisory Parking Committee recommends that the City Commission approve the following changes to reflect the current value of parking, and to help position the Auto Parking System Fund for future expected parking system capacity improvements:

1. Effective July 1, 2016, to change the daily parking rate at the Park St., Peabody St., N. Old Woodward Ave., and Chester St. Structures to match the rate currently in effect at the Pierce St. Parking Structure, wherein parking will be charged as follows:

Time	Pierce St. Rate
Less than 2 hours	Free
Less than 3 hours	\$1
Less than 4 hours	\$2
Less than 5 hours	\$3
Less than 6 hours	\$4
Less than 7 hours	\$5
Less than 8 hours	\$7.50
More than 8 hours	\$10

The above applies to charges applied prior to 10 PM every evening. Charges after 10 PM will have a maximum value of \$5.

2. Effective July 1, 2016, to increase the monthly parking permit rate at the majority of the parking facilities, as follows:

Parking Facility	Existing	Proposed 7-1-16
Pierce St.	\$65	\$70
Park St.	\$60	\$70
Peabody St.	\$65	\$70
N. Old Woodward Ave.	\$55	\$70
Chester St.	\$45	\$50
Lot 6 – Regular Permit	\$65	\$70
Lot 6 – Economy Permit	\$45	\$50
South Side Permit (Ann St.)	\$50	\$50
South Side Permit (S. Old Woodward Ave.)	\$25	\$25

3. To offer off-site parking to employers within the Central Business District at no cost to the employer, provided the employer finances the cost of transportation through their selected means, such as carpooling, shuttle, or valet, and as documented by separate agreement, with a maximum total value (for all employers) of \$30,000 per year.
4. To lower the authorized number of monthly permits at the following parking structures, as follows:

Parking Structure	Current Authorized Permits	Recommended Auth. Permits
Park St.	815	750
N. Old Woodward Ave.	900	800

5. To increase all parking meters currently set at 50¢ per hour to \$1 per hour, making the entire City uniform at \$1 per hour.
6. To offer Evening Only Monthly Permits at all five parking structures, allowing unlimited parking to permit holders after 4 PM every day, at a rate discounted by \$10 per month over the regular monthly permit rate.

### Current Rates

Time	Current Rates	Transactions	Net	Ticket percentage
Under 2 hours	Free	41162	\$0.00	0.509664079
2-3 Hours	\$1	12446	\$10,260.00	0.154105221
3-4 hours	\$2	6330	\$10,937.00	0.078377475
4-5 hours	\$3	3617	\$9,332.00	0.04478536
5-6 hours	\$4	2431	\$8,839.00	0.030100417
6 or more	\$5	14777	\$53,678.00	0.182967448
Totals		80763	\$93,046.00	\$1.15

### Pierce Rate

Time	Current Rates	Transactions	Net	Ticket percentage
Under 2 hours	Free	41162	\$0.00	0.509664079
2-3 Hours	\$1	12446	\$12,446.00	0.154105221
3-4 hours	\$2	6330	\$12,660.00	0.078377475
4-5 hours	\$3	3617	\$10,851.00	0.04478536
5-6 hours	\$4	2431	\$9,724.00	0.030100417
6-7 hours	\$5	2188	\$10,940.00	0.027091614
7-8 hours	\$7.50	2486	\$18,645.00	0.030781422
8 or more	\$10	8432	\$84,320.00	0.104404245
after 10pm	\$5	1671	\$8,355.00	0.020690168
Totals		80763	\$167,941.00	\$2.08

### Alternate Rate schedule A

Time	Current Rates	Transactions	Net	Ticket percentage
Under 2 hours	Free	41162	\$0.00	0.509664079
2-3 Hours	\$3	12446	\$37,338.00	0.154105221
3-4 hours	\$5	6330	\$31,650.00	0.078377475
4-5 hours	\$7	3617	\$25,319.00	0.04478536
5 or more	\$10	15537	\$155,370.00	0.192377698
after 10pm	\$5	1671	\$8,355.00	0.020690168
Totals		80763	\$258,032.00	\$3.19



### Alternate Rate schedule B

Time	Current Rates	Transactions	Net	Ticket percentage
Under 3 hours	Free	53608	\$0.00	0.6637693
3-4 Hours	\$5	6330	\$31,650.00	0.078377475
4-5 hours	\$6	3617	\$21,702.00	0.04478536
5-6 hours	\$7	2431	\$17,017.00	0.030100417
6-7 hours	\$8	2188	\$17,504.00	0.027091614
7-8 hours	\$9	2486	\$22,374.00	0.030781422
over 8 hours	\$10	8432	\$84,320.00	0.104404245
after 10pm	\$5	1671	\$8,355.00	0.020690168
Totals		80763	\$202,922.00	\$2.51

### Alternate C ( Very estimated )

Time	Current Rates	Transactions	Net	Ticket percentage
Under 3 hours	Free	#REF!	\$0.00	#REF!
3-4 Hours	\$5	4748	\$23,740.00	#REF!
4-5 hours	\$7	2712	\$18,984.00	#REF!
over 5 hours	\$10	14929	\$149,290.00	#REF!
In after 5 pm	\$5	4766	\$23,830.00	#REF!
Totals		#REF!	\$215,844.00	#REF!

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### Alternate Rate schedule D

Time	Current Rates	Transactions	Net	Ticket percentage
Under 2 hours	Free	41162	\$0.00	0.509664079
2-3 Hours	\$2	12446	\$24,892.00	0.154105221
3-4 hours	\$4	6330	\$25,320.00	0.078377475
4-5 hours	\$6	3617	\$21,702.00	0.04478536
5-6 hours	\$8	2431	\$19,448.00	0.030100417
6-7 hours	\$10	2188	\$21,880.00	0.027091614
7-8 hours	\$10	2486	\$24,860.00	0.030781422
8 or more	\$10	8432	\$84,320.00	0.104404245
after 10pm	\$5	1671	\$8,355.00	0.020690168
Totals		80763	\$230,777.00	\$2.86

City of Birmingham, Michigan  
Automobile Parking System Fund  
Projected Cash Flow Analysis

Projected Cash Flow Current Revenue Stream

CITY OF BIRMINGHAM  
AUTOMOBILE PARKING SYSTEM FUND  
CASH FLOW PROJECTION

	ACTUAL 2014-2015	PROJECTED 2015-2016	PROJECTED 2016-2017	PROJECTED 2017-2018	PROJECTED 2018-2019	PROJECTED 2019-2020	PROJECTED 2020-2021	PROJECTED 2021-2022	PROJECTED 2022-2023	PROJECTED 2023-2024	PROJECTED 2024-2025	PROJECTED 2025-2026
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>												
CASH RECEIVED FROM CUSTOMERS	\$4,709,912	\$5,263,480	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330	\$5,252,330
CASH RECEIVED FROM FEDERAL GRANT	-	-	-	-	-	-	-	-	-	-	-	-
CASH PAYMENT TO SUPPLIER/CONTRACTORS FOR GOODS & SERVICES	(435,348)	(597,780)	(536,570)	(534,760)	(570,394)	(581,802)	(593,438)	(605,307)	(617,413)	(629,761)	(642,357)	(655,204)
CASH PAYMENT TO CENTRAL PARKING SYSTEM CONTRACTOR	(1,439,861)	(1,470,000)	(1,700,000)	(1,600,000)	(1,640,574)	(1,695,193)	(1,751,721)	(1,810,228)	(1,870,789)	(1,933,478)	(1,998,377)	(2,065,567)
CASH PAYMENT TO CITY EMPLOYEES FOR SERVICES	(436,518)	(402,360)	(453,471)	(465,597)	(475,695)	(486,035)	(496,623)	(507,466)	(518,571)	(529,946)	(541,599)	(553,538)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>2,398,185</b>	<b>2,793,340</b>	<b>2,562,289</b>	<b>2,651,974</b>	<b>2,565,666</b>	<b>2,489,300</b>	<b>2,410,548</b>	<b>2,329,329</b>	<b>2,245,557</b>	<b>2,159,144</b>	<b>2,069,997</b>	<b>1,978,021</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>												
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(1,443,676)	(1,566,090)	(1,802,000)	(940,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(1,443,676)</b>	<b>(1,566,090)</b>	<b>(1,802,000)</b>	<b>(940,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>	<b>(1,200,000)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>												
INTEREST AND DIVIDENDS ON INVESTMENTS	44,410	56,670	76,430	100,490	127,800	174,900	195,890	215,820	273,740	294,990	359,840	381,760
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>44,410</b>	<b>56,670</b>	<b>76,430</b>	<b>100,490</b>	<b>127,800</b>	<b>174,900</b>	<b>195,890</b>	<b>215,820</b>	<b>273,740</b>	<b>294,990</b>	<b>359,840</b>	<b>381,760</b>
<b>NET INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>	<b>998,919</b>	<b>1,283,920</b>	<b>836,719</b>	<b>1,812,464</b>	<b>1,493,466</b>	<b>1,464,200</b>	<b>1,406,438</b>	<b>1,345,149</b>	<b>1,319,297</b>	<b>1,254,134</b>	<b>1,229,837</b>	<b>1,159,781</b>
CASH AND INVESTMENTS AT BEGINNING OF YEAR	5,516,138	6,515,057	7,798,977	8,635,696	10,448,160	11,941,626	13,405,826	14,812,264	16,157,413	17,476,711	18,730,845	19,960,682
<b>CASH AND INVESTMENTS AT END OF YEAR</b>	<b>\$6,515,057</b>	<b>\$7,798,977</b>	<b>\$8,635,696</b>	<b>\$10,448,160</b>	<b>\$11,941,626</b>	<b>\$13,405,826</b>	<b>\$14,812,264</b>	<b>\$16,157,413</b>	<b>\$17,476,711</b>	<b>\$18,730,845</b>	<b>\$19,960,682</b>	<b>\$21,120,463</b>

City of Birmingham, Michigan  
Automobile Parking System Fund  
Projected Cash Flow Analysis

Projected Cash Flow with (5) Revenue Proposals

CITY OF BIRMINGHAM  
AUTOMOBILE PARKING SYSTEM FUND  
CASH FLOW PROJECTION

	ACTUAL 2014-2015	PROJECTED 2015-2016	PROJECTED 2016-2017	PROJECTED 2017-2018	PROJECTED 2018-2019	PROJECTED 2019-2020	PROJECTED 2020-2021	PROJECTED 2021-2022	PROJECTED 2022-2023	PROJECTED 2023-2024	PROJECTED 2024-2025	PROJECTED 2025-2026
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>												
CASH RECEIVED FROM CUSTOMERS	\$4,709,912	\$5,263,480	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925	\$6,245,925
CASH RECEIVED FROM FEDERAL GRANT	-	-	-	-	-	-	-	-	-	-	-	-
CASH PAYMENT TO SUPPLIER/CONTRACTORS FOR GOODS & SERVICES	(435,348)	(597,780)	(536,570)	(534,760)	(570,394)	(581,802)	(593,438)	(605,307)	(617,413)	(629,761)	(642,357)	(655,204)
CASH PAYMENT TO CENTRAL PARKING SYSTEM CONTRACTOR	(1,439,861)	(1,470,000)	(1,700,000)	(1,600,000)	(1,640,574)	(1,695,193)	(1,751,721)	(1,810,228)	(1,870,789)	(1,933,478)	(1,998,377)	(2,065,567)
CASH PAYMENT TO CITY EMPLOYEES FOR SERVICES	(436,518)	(402,360)	(453,471)	(465,597)	(475,695)	(486,035)	(496,623)	(507,466)	(518,571)	(529,946)	(541,599)	(553,538)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,398,185	2,793,340	3,555,884	3,645,569	3,559,261	3,482,895	3,404,143	3,322,924	3,239,152	3,152,739	3,063,592	2,971,616
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>												
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(1,443,676)	(1,566,090)	(1,802,000)	(940,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(1,443,676)	(1,566,090)	(1,802,000)	(940,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>												
INTEREST AND DIVIDENDS ON INVESTMENTS	44,410	56,670	76,430	100,490	150,890	214,020	246,590	278,290	360,550	396,160	492,150	531,390
NET CASH PROVIDED BY INVESTING ACTIVITIES	44,410	56,670	76,430	100,490	150,890	214,020	246,590	278,290	360,550	396,160	492,150	531,390
<b>NET INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>	<b>998,919</b>	<b>1,283,920</b>	<b>1,830,314</b>	<b>2,806,059</b>	<b>2,510,151</b>	<b>2,496,915</b>	<b>2,450,733</b>	<b>2,401,214</b>	<b>2,399,702</b>	<b>2,348,899</b>	<b>2,355,742</b>	<b>2,303,006</b>
CASH AND INVESTMENTS AT BEGINNING OF YEAR	5,516,138	6,515,057	7,798,977	9,629,291	12,435,350	14,945,501	17,442,416	19,893,149	22,294,363	24,694,066	27,042,965	29,398,707
<b>CASH AND INVESTMENTS AT END OF YEAR</b>	<b>\$6,515,057</b>	<b>\$7,798,977</b>	<b>\$9,629,291</b>	<b>\$12,435,350</b>	<b>\$14,945,501</b>	<b>\$17,442,416</b>	<b>\$19,893,149</b>	<b>\$22,294,363</b>	<b>\$24,694,066</b>	<b>\$27,042,965</b>	<b>\$29,398,707</b>	<b>\$31,701,713</b>

For the shuttle and valet operations, again using the 50 vehicles scenario, a cost of \$17 per month per vehicle would apply (to the City). A separate payment from the employer to the service company would then also apply for the service, at whatever rate the employer can negotiate.

While the feasibility of these programs may have seemed low in the past, as demand for parking continues to rise, we expect these programs to look more attractive. The current option of parking in a parking structure and paying \$5 per day can be brought down with these options, and hopefully will become more attractive. As employee demand makes the parking structures busier, the demand can also have negative consequences on customer parking as well. We will work to encourage these programs actually being used, in an effort to keep the parking structures open and available for shopper and customer traffic.



## MEMORANDUM

Engineering Dept.

**DATE:** April 15, 2016  
**TO:** Advisory Parking Committee  
**FROM:** Paul T. O'Meara, City Engineer  
**SUBJECT:** Parking System Rates

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### PROBLEM

The Birmingham parking structures has long been operated with the premise that spaces need to be made available in each parking structure at all times for customer (shopper) traffic. While customers would generally prefer to park at a street meter, once these become full, it is imperative that the nearest parking structure be open and ready to serve them. In the past, this was easy to achieve simply by limiting the number of monthly parking permits sold in each structure, based on the supply and demand.

With the large increase in office occupancy seen since 2013, demand on the parking structures is greater than can be accommodated. Monthly permits are sold out in all five structures, with the shortest current wait time being about a year at Chester St. (People have been known to wait over three years to get into Peabody St.) Since there are many more employees than available monthly permits, a large number of employees elect to park in the parking structure all day, and pay the daily rate. (Many of the larger employers are covering this cost, and paying the parking system through validations.)

As you know, through the efforts of the Manager's office, off site parking options have been made available at three local churches. A promotional sheet was put together (discussed previously, and attached again to this report) encouraging large employers to take advantage of this option. During talks with these employers, it has become evident that it is important that they keep their staff happy. As a result, parking off site is not considered an attractive option, particularly if it is almost or as costly as just parking in the structure.

A new large influx of employees started working in downtown Birmingham in late January. The impact this has made can be demonstrated on the attached "Garage Full" lists. We are now in a position where all five parking structures are often filling for a period of time during the middle of the day (peak time). Considering that this is historically the lowest demand time of year, and considering all five parking structures are fully open (without construction underway), we have a situation that must be remedied. It is important to the overall dynamics of the downtown to have a healthy retail/restaurant sector in place. If the customers of these establishments come to town and cannot find a parking place, it will begin impacting their bottom line.

## SOLUTION

In order to keep the parking structures open and accessible to customers, the number of employee vehicles within need to be reduced. The following options are offered for your consideration (presented in order of expected impact):

1. **Increase the Parking Structure Daily Rate**
2. **Increase the Parking Structure Monthly Permit Rate**
3. **Reduce the Cost of Parking Vehicles Outside Downtown**
4. **Reduce the Authorized Number of Monthly Parking Permits**

Finally, due to the above changes, it is appropriate to review the rate at the parking meters. Detail of this topic can be found below, and is listed as a fifth recommended change to complete this report:

5. **Increase lower cost parking meters so that all meters charge the rate of \$1 per hour.**

More detail of each option is provided below:

1. Increase the Parking Structure Daily Rate

The last system-wide change to the daily rates in the parking structures came in 1996 (almost twenty years ago) with the implementation of the "First Two Hours Free" campaign. Given its longevity, it can be considered a major success. The rate structure remains unchanged in four of the five structures. About ten years ago, the rate was modified at the Pierce St. Structure, when demand in that area was resulting in a large number of daily rate employees. In an effort to move these people into the other, less desirable structures, the daily rate was increased, and it remains that way today. Below are the rates currently in place:

Time	Standard Daily Rate	Pierce St. Rate <sup>1</sup>
Less than 2 hours	Free	Free
Less than 3 hours	\$1	\$1
Less than 4 hours	\$2	\$2
Less than 5 hours	\$3	\$3
Less than 6 hours	\$4	\$4
Less than 7 hours	\$5	\$5
Less than 8 hours	\$5	\$7.50
More than 8 hours	\$5	\$10

The recent increase in demand can largely be traced to an increase in full time employees parking all day long. The larger employers are typically paying the cost of parking for their

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<sup>1</sup> The maximum rate drops back to \$5 for those that leave after 10 PM. This provision was implemented to help late evening employees since parking demand is much lower at that time of night.

employees, in the form of validation charges. The "Pierce St." modified rate structure has three benefits:

1. The change in rates does not impact the customer or short term visitor.
2. The change in rates results in a large increase to those who stay all day. The increase can be significant particularly if an employer is covering the costs for many employees.
3. The additional revenue can be saved for future parking space construction, as well as the cost of the initiative noted below.

It is recommended that the Pierce St. rate structure be extended to the other four parking structures, so that employees are given a stronger financial incentive to look to alternate means of parking.

Given current (as of the last few weeks) usage patterns, it is estimated that approximately \$500,000 additional annual revenue would result from this change. (If the reaction to the rate increase results in substantial behavior changes, this number would go down.)

The only costs for implementation would be to update the rate signs posted at each vehicle entrance in the four other structures, as well as reprogramming the traffic control system equipment. Total costs are estimated to be about \$1,000.

## 2. Increase the Parking Structure Monthly Permit Rate

The following rate structure lists what the rates have been over the past three years, as well as a suggested increase to be implemented on July 1. The rate changes in the recent past have been predicated on the fact that:

1. Monthly permits represent a commodity that is in high demand that is under priced.
2. Revenues in excess of expenditures can be saved in the Parking System Fund and used later toward the cost of constructing new parking spaces.

Historically, the south side of downtown was in highest demand for permits, and the rate structure reflects that. However, demand is now strong everywhere. Even Chester St. Structure is filling at least once, if not more, each week. With this in mind, increases are recommended more toward equalizing costs between the different facilities, with the exception of the following:

Chester St. – While the Chester St. Structure is now filling more frequently, it is still recognized that for a lot of employees, this is not the facility of their choice. Many people parking here must walk further to their destination than they would if they could park closer. For that reason, staff recommends that the price at Chester, while increasing, should remain below the others.

Lot 6 Economy Permit – All of the Lot 6 area is now in high demand during the peak hour. However, we think an incentive for those willing to park in the least desirable parking metered spaces continues to be appropriate.



South Side Permit (Ann St. & S. Old Woodward Ave.) – Sales of permits in this area remains below demand. Particularly at the S. Old Woodward Ave. location, sales are very low. Staff feels that having this option available for those that are sensitive to cost is a good thing. No increases are suggested here.

Parking Facility	Prior to 8-1-14	Effective 8-1-14	Effective 7-1-15	Proposed 7-1-16
Pierce St.	\$55	\$60	\$65	\$70
Park St.	\$45	\$50	\$60	\$70
Peabody St.	\$45	\$55	\$65	\$70
N. Old Woodward Ave.	\$45	\$50	\$55	\$70 <sup>2</sup>
Chester St.	\$30	\$40	\$45	\$50
Lot 6 – Regular Permit	\$50	\$55	\$65	\$70
Lot 6 – Economy Permit	\$30	\$35	\$45	\$50
South Side Permit (Ann St.)	\$40	\$40	\$50	\$50
South Side Permit (S. Old Woodward Ave.)	\$40	\$40	\$25	\$25

The increase in revenues over the course of the fiscal year, should these rates be implemented, is estimated at almost \$400,000 per year. The cost of implementation will be a small amount of programming changes.

### 3. Reduce the Cost of Parking Vehicles Outside Downtown

Tentative agreements have been made with three churches within or adjacent to Birmingham:

1. First United Methodist Church (1669 W. Maple Rd.)
2. Ascension of Christ Lutheran Church (16935 W. 14 Mile Rd., Beverly Hills)
3. Our Shepherd Lutheran Church (2225 E. 14 Mile Rd.)

All three have offered similar opportunities. For discussion purposes, the first one will be used as an example. If desired, an employer could begin renting 50 of these spaces through the City at the cost of \$10,000 per year (\$833.33 per month, which translates to a cost of \$16.67 per vehicle per month). The rental fee has been considered a “pass through” cost wherein the City would charge the same amount for the rental fee, since the City has to pay rent to the landowner. The employer must also sustain the transportation costs inherent in this off site program, be it via carpooling, shuttle, or valet.

Staff is suggesting that it is important for these off site spaces to be used. Doing so will benefit customers having access to the parking spaces these vehicles would be using downtown, which helps the viability of the businesses they are patronizing. In order to incentivize the use of these spaces, it is recommended that the Parking System be responsible for this rental cost. Then the employers’ only cost would be the transportation costs (carpool, shuttle, or valet). Given the current availability of these spaces, the cost to the City will be less than \$30,000

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<sup>2</sup> In previous rate increases, no change greater than \$10 per month has been implemented. A change of \$15 this one time is recommended at the N. Old Woodward Ave. Structure, given the large jump in demand that has been seen there, and to equalize it to the other three prime parking locations.

annually. Given the current revenues of the Parking System, we feel that this cost can be easily sustained.

4. Reduce the Authorized Number of Monthly Parking Permits

Each parking structure has an authorized number of monthly permits that may be sold. The number is based on past experience, keeping the number as high as practical, but low enough that the parking structure does not fill to capacity except during extreme demand periods that should only happen a small number of times per year.

Based on the attached "Garage Full" list, the recent change in demand in the area of the N. Old Woodward Ave. and Park St. Structures has resulted in these facilities filling almost five times per week during the peak hour.

As can be seen on the attached monthly demand summary, some of the parking structures are authorized to sell more monthly permits than there are spaces within. These numbers worked in the past because only about 60% of the monthly permit holders are actually present at one time during the peak hour. This, coupled with relatively low daily demand, allowed the oversell factor to work. While the oversell at Park St. is minimal (less than 1%), it is significant at N. Old Woodward Ave. (21%). Perhaps not coincidentally, the Park St. Parking Structure is not filling quite as often as N. Old Woodward Ave. The amount of reduction recommended is less at Park St., accordingly. The suggested changes are shown below:

Parking Structure	Current Authorized Permits	Recommended Auth. Permits
Park St.	815	750
N. Old Woodward Ave.	900	800

Lowering the number of permits sold has historically been voluntary, through attrition. Turnover for monthly permits is relatively low, given their current demand and value. Recent experience has shown that lowering the authorized number of permits in this environment will not result in much change. It may take two to three years to accomplish. However, given the current environment, it is not appropriate to be filling the structure with too many permits. Converting future permit sales to daily traffic will then encourage more vehicles to participate in the off-site parking options.

5. Increase lower cost parking meters so that all meters charge the rate of \$1 per hour.

Currently, the majority of the City's meters charge for parking at the rate of \$1 per hour, as they have since 1996. However, about 30% of the meters, mostly on the far north and south sides of the district, charge at 50¢ per hour. A map of the meter rates as they currently exist is attached for reference. Some of these meters are close to a parking structure, while others are located far away. Most are being used more now than they were at the time the decision was made to make them less expensive.

If one chooses to park at a 50¢ meter for the majority of the work day, and the new rates go into effect, it is actually cheaper than parking in the structures. This goes against the philosophy that meters are prime parking, and that the rate paid should reflect their demand.

Changing the rate would involve renting a programming device from the parking meter vendor, and installing new labels on the affected meters. Parts and labor for this effort should cost less than \$2,000 as a one time expense. Revenues are roughly estimated to increase by \$260,000 annually.

A suggested recommendation encompassing all four parts of this package is provided below:

#### SUGGESTED RECOMMENDATION:

The Advisory Parking Committee recommends that the City Commission approve the following changes to reflect current value, and in order to encourage the use of the off-site parking spaces currently available at three local churches:

1. Effective July 1, 2016, to change the daily parking rate at the Park St., Peabody St., N. Old Woodward Ave., and Chester St. Structures to match the rate currently in effect at the Pierce St. Parking Structure, wherein parking will be charged as follows:

Time	Pierce St. Rate
Less than 2 hours	Free
Less than 3 hours	\$1
Less than 4 hours	\$2
Less than 5 hours	\$3
Less than 6 hours	\$4
Less than 7 hours	\$5
Less than 8 hours	\$7.50
More than 8 hours	\$10

The above applies to charges applied prior to 10 PM every evening. Charges after 10 PM will have a maximum value of \$5.

2. Effective July 1, 2016, to increase the monthly parking permit rate at the majority of the parking facilities, as follows:

Parking Facility	Existing	Proposed 7-1-16
Pierce St.	\$65	\$70
Park St.	\$60	\$70
Peabody St.	\$65	\$70
N. Old Woodward Ave.	\$55	\$70
Chester St.	\$45	\$50
Lot 6 – Regular Permit	\$65	\$70
Lot 6 – Economy Permit	\$45	\$50
South Side Permit (Ann St.)	\$50	\$50
South Side Permit (S. Old Woodward Ave.)	\$25	\$25

3. To offer off-site parking to employers within the Central Business District at no cost to the employer, provided the employer finances the cost of transportation through their

selected means, such as carpooling, shuttle, or valet, and as documented by separate agreement, with a maximum total value (for all employers) of \$30,000 per year.

4. To lower the authorized number of monthly permits at the following parking structures, as follows:

Parking Structure	Current Authorized Permits	Recommended Auth. Permits
Park St.	815	750
N. Old Woodward Ave.	900	800

5. To increase all parking meters currently set at 50¢ per hour to \$1 per hour, making the entire City uniform at \$1 per hour.

# February

<b>Garage</b>	<b>Time</b>	<b>How long</b>	<b>Date</b>	<b>- Physical Count</b>
Woodward	1015a	5hrs	2/1/2016	0
Park	11a	4hrs	2/1/2016	25
Peabody	12	2hrs	2/1/2016	30
Pierce	12	2hrs	2/1/2016	60
Chester	12	2hrs	2/1/2016	54
Woodward	11a	4hrs	2/2/2016	8
Park	12	4hrs	2/2/2016	15
Peabody	12	2hrs	2/2/2016	20
Pierce	1p	1hr	2/2/2016	30
Woodward	11	4hrs	2/3/2016	20
Park	11	3hrs	2/3/2016	15
Pierce	12	2hrs	2/3/2016	50
Peabody	12	2hrs	2/3/2016	22
Chester	12	2hrs	2/3/2016	35
Park	1015a	4hrs	2/4/2016	15
Woodward	11a	4hrs	2/4/2016	12
Pierce	1230p	1hr	2/4/2016	54
Peabody	1p	1hr	2/4/2016	15
Chester	1p	1hr	2/4/2016	22
Park	1030a	4hrs	2/5/2016	5
Woodward	11a	4hrs	2/5/2016	35
Pierce	1145a	2hrs	2/5/2016	64
Peabody	12	1.5hrs	2/5/2016	43
Park	945a	4hrs	2/8/2016	0
Woodward	11a	3hrs	2/8/2016	54
Pierce	12p	1hr	2/8/2016	78
Peabody	1230p	1hr	2/8/2016	25
Park	955a	4hrs	2/9/2016	0
Woodward	1035a	3hrs	2/9/2016	11
Pierce	12p	1hr	2/9/2016	89
Peabody	12p	1hr	2/9/2016	45
				We stopped this daily as more spaces seemed to be open. We do spot check weekly
Park	1030a	3hrs	2/10/2016	
Woodward	11a	3hrs	2/10/2016	

[illegible]



## MEMORANDUM

Engineering Dept.

**DATE:** January 14, 2016  
**TO:** Advisory Parking Committee  
**FROM:** Paul T. O'Meara, City Engineer  
**SUBJECT:** Off Site Parking Options

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As you know, monthly parking permit demand has grown significantly beyond what the parking system can support, resulting in a large waiting list at all five parking structures. Attached under another agenda item in this package are the most recent materials from the Ad Hoc Parking Development Committee's most recent meeting. (A verbal update of that meeting will be provided at the meeting.) The Development Committee represents the long term solution to this issue.

To provide a more immediate response, last May the Advisory Parking Committee was updated on initiatives the City Manager's office was pursuing, including possibly renting existing church parking lots for alternative parking areas. At that time, a program of carpooling was suggested as a means to get four employees to group together, parking three cars at the remote lot, and one at the Chester St. Structure. While no one has used the carpooling option to date, it is still considered a viable option. In the past several months, two other options have surfaced as possible ways to address this problem:

**Shuttle** – After reviewing the feasibility with a private company, it is possible that a large employer could hire a company to provide a shuttle from a remote parking lot to the specific downtown office of the company paying for the service. It is possible that more than one company could work together to make this more affordable.

**Valet** – The City also reviewed the feasibility of a private company being hired by a large employer to run a valet service. The valet would have more staff at the beginning and end of the day, and take individual cars from the employer's office to the remote parking lot.

The attached flyer has been prepared, and will now be available in the SP+ Parking office. If staff gets questions or comments about the lack of parking from large employers, they will have this sheet available to hand out to those that may be interested in other options. The options are arranged from the lowest cost (carpooling) to the highest (valet). The cost structure for carpooling would be completely between the employer and the City. The City's costs that would need to be covered would include the church parking lot rental (negotiated at \$10,000 per year per lot, ranging in size from 45 to 70 cars), and the cost of one monthly permit (for the benefit of four employees). For example, if 50 vehicles are involved, the rental fee for the lot would be covered at a cost of \$17 per month per vehicle, and the cost of one parking permit at Chester St. would be \$45 (for each group of 4 employees).

For the shuttle and valet operations, again using the 50 vehicles scenario, a cost of \$17 per month per vehicle would apply (to the City). A separate payment from the employer to the service company would then also apply for the service, at whatever rate the employer can negotiate.

While the feasibility of these programs may have seemed low in the past, as demand for parking continues to rise, we expect these programs to look more attractive. The current option of parking in a parking structure and paying \$5 per day can be brought down with these options, and hopefully will become more attractive. As employee demand makes the parking structures busier, the demand can also have negative consequences on customer parking as well. We will work to encourage these programs actually being used, in an effort to keep the parking structures open and available for shopper and customer traffic.



# Birmingham Parking System Offers Additional Parking Opportunities

The City of Birmingham has the opportunity to offer approximately 200 parking spaces at off-site facilities in and around the City to companies on the waiting list for monthly parking permits willing to explore creative solutions. Any of these solutions will enable your staff to avoid the daily parking rate, and will offer a reduced monthly permit cost.

While the City is conducting its due diligence in examining long-term parking facility improvements, these interim opportunities are being offered to expand current parking capacity and address current demands. Three sites have agreed to participate, including the First United Methodist Church at 1589 W. Maple Road, Our Shepherd Lutheran Church at 2225 E. 14 Mile Road, and Ascension of Christ Lutheran Church at 16935 W. 14 Mile Road in Beverly Hills. The opportunity to utilize these spaces can be accomplished in three alternative forms.



## Carpooling –

A parking lot would be made available for employee carpooling, and monthly parking permits in the Chester St. Structure would be issued to a select number of companies that choose to participate.

## Parking Shuttle –

An exclusive shuttle service would be provided to transport employees from one of the parking facilities to the door of the business and return them at the end of the day.

## Valet Parking –

A valet station would be set up at a business location to transport employee vehicles to a surface lot for parking and return their cars at the end of the day.

Given the logistics of administering off-site parking, arrangements must be made with businesses with groups of 20 or more employees. Additional solutions may be considered for these spaces that meet the objectives of the interim program.

**Cost:** Monthly parking permits issued under this arrangement would be issued at a reduced rate from the current permit fees. Individual rates would be determined by the alternative selected.

**Questions:** For additional information on any of these alternatives, please contact our parking agency to discuss these alternatives at [Spplusbirmingham@spplus.com](mailto:Spplusbirmingham@spplus.com) or call 248-540-9690.



## MEMORANDUM

Engineering Dept.

**DATE:** June 11, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** Parking Rate Changes Proposal

---

The rate change proposal package was reviewed by the City Commission at their meeting of June 6, 2016. The resolution as passed, as well as the DRAFT minutes of the meeting, are attached for your information. Below is a summary of the discussion, and what steps the Committee is being asked to take at this time:

1. The hourly rate schedule was approved except that the price reduction from \$10 to \$5 after 10 PM was taken out of the proposal. The Commission was concerned about the inequity of paying \$10 before 10 PM, and getting a significant price reduction if you stay longer. This change has merit in two respects:
  - a. The original motivation of this change was that previously the price at Pierce St. was double what it was at the other structures. With the previous schedule, evening employees were being encouraged to park further away from their place of employment to get a price reduction, and then having to walk alone late at night to get to their car. If all five structures are the same price, this problem is no longer there.
  - b. By starting an Evening Only monthly permit, evening employees will now have a cheaper option to avoid this price increase.
2. The monthly permit schedule was not approved. The Commission felt that even with the changes, the prices are too low. The Commission asked that the APC review the cost schedule based on:
  - a. Comparable prices at many other similar cities throughout the USA.
  - b. The savings being gained if one buys a permit compared to paying the daily rate.
  - c. The actual cost of building and maintaining a parking space, compared to what is being charged.
3. The free parking provision for those parking at off-site church lots was approved.
4. The reduction in the number of authorized monthly permits at the Park St. and N. Old Woodward Ave. Structures was approved.
5. The increase for the parking meters on Chester St. was approved.
6. The Evening Only monthly permit was approved, except that any regular permits that are made available as a result of this program may not be sold to other customers until the issue is reviewed in more detail by the APC. (Commissioners were concerned that if we actually sell more permits to people that use them during the day (instead of the evening) as a result of this program, we are making the problem worse during the day.)

During the coming weeks, staff will do additional research on the two remaining issues (monthly permit rates, and potential new sales as a result of the evening only sales), and return

to discuss these again at a future APC meeting. SP+ is now preparing to implement the other changes by July 1, 2016.

## ITEM B NEW BUSINESS

**MOTION:** Motion by Bordman, seconded by DeWeese:

To adopt the recommendations by the Automobile Parking System Board regarding their recommendations for #3, 4, 5 as stated in the memo:

3. To offer off-site parking to employers within the Central Business District at no cost to the employer, provided the employer finances the cost of transportation through their selected means, such as carpooling, shuttle, or valet, and as documented by separate agreement, with a maximum total value (for all employers) of approximately \$30,000 per year.
4. To lower the authorized number of monthly permits at the following parking structures, as follows:

Parking Structure	Current Authorized Permits	Recommended Auth. Permits
Park St.	815	750
N. Old Woodward Ave.	900	800

5. To increase all parking meters on Chester St. currently set at 50¢ per hour to \$1 per hour.

VOTE: Yeas, 6  
Nays, None  
Absent, 1 (Hoff)

**MOTION:** Motion by Boutros, seconded by Sherman:

To approve the following changes to rates and policies of the Auto Parking System, as recommended by the Advisory Parking Committee:

1. Effective July 1, 2016, to change the daily parking rate at all five parking structures, as follows:

<i>Time</i>	<i>Existing Rate at Four Structures</i>	<i>Existing Rate at Pierce St. Str.</i>	<i>Proposed Rate</i>
<i>Less than 2 hours</i>	<i>Free</i>	<i>Free</i>	<i>Free</i>
<i>Less than 3 hours</i>	<i>\$1</i>	<i>\$1</i>	<i>\$2</i>
<i>Less than 4 hours</i>	<i>\$2</i>	<i>\$2</i>	<i>\$4</i>
<i>Less than 5 hours</i>	<i>\$3</i>	<i>\$3</i>	<i>\$6</i>
<i>Less than 6 hours</i>	<i>\$4</i>	<i>\$4</i>	<i>\$8</i>
<i>Less than 7 hours</i>	<i>\$5</i>	<i>\$5</i>	<i>\$10</i>
<i>Less than 8 hours</i>	<i>\$5</i>	<i>\$7.50</i>	<i>\$10</i>
<i>More than 8 hours</i>	<i>\$5</i>	<i>\$10</i>	<i>\$10</i>

VOTE: Yeas, 5  
Nays, 1 (DeWeese)  
Absent, 1 (Hoff)

**MOTION:** Motion by Sherman, seconded by Bordman:

6. To offer Evening Only Monthly Permits at all five parking structures, allowing unlimited parking to permit holders after 4 PM every day, at a rate discounted by \$20 per month over the regular monthly permit rate. Any parkers that

currently have a regular permit, if those permits are in Park Street or North Old Woodward, be retired. If they are in any of the other decks, those permits will not be reissued until the Commission receives a report back from the Advisory Parking Committee and takes action.

VOTE: Yeas, 6  
Nays, None  
Absent, 1 (Hoff)

**MOTION:** Motion by DeWeese, seconded by Bordman:

To refer Item 2 to the Advisory Parking Committee to evaluate the monthly permit rates in context to the daily rates, look at comparable structures around the country, maintenance and replacement costs, and to evaluate the number of permits in the remaining decks in relations to the customers (from item 6) and the net effect of the outcome to be more consistent with the express parking system goals of parking first and foremost for customers and visitors of various businesses and residents.

VOTE: Yeas, 6  
Nays, None  
Absent, 1 (Hoff)

**DRAFT CITY COMMISSION MINUTES  
JUNE 6, 2016**

**06-183-16                      AUTO PARKING SYSTEM  
CHANGES TO RATES AND POLICIES**

City Engineer O'Meara presented the proposed changes to the rates and policies in the auto parking system. He explained that item 1 is to change the daily rate at all five parking garages. Four of the structures have not had a rate change since 1996. The Ad Hoc Parking Development Committee is working on a package for a reconstruction of at least one, if not two, structures in the future. There would be a lot of potential expenses in the future and there is a large parking demand, which makes it time to increase revenues. This is focused on those who are parking for long periods of time each day. The rates would be doubled from what they are today, but still keep the two-hours free parking package, up to a maximum of \$10.00.

In response to a question from Commissioner DeWeese regarding the minimum charge of \$5.00 after 10:00 PM, Mr. O'Meara explained that when the rate was increased to \$10.00 the employees who left late at night felt they were being unjustly charged because the garage is almost empty. Commissioner Bordman expressed concern with this.

Mr. O'Meara explained that item #2 increases the monthly permit rate. A fixed number of permits is sold in each structure based on previous experiences as to how many that structure can take before it gets too full. All five garages have a waiting list of over a year.

Mr. O'Meara explained that item #3 gives the employers an off-site parking package option. The City would cover the cost of the rental for the spaces in a remote church parking lot. The employers would cover the cost of a carpool or shuttle for their employees. City Manager Valentine explained that the City Manager and BSD Director have been promoting this option. Mr. O'Meara commented that SP+ has also been promoting this option.

Mr. O'Meara explained that item 4 recommends lowering the number of permits sold at the Park Street and North Old Woodward Structures to 750 and 800 as the structures cannot handle the demand.

Mr. O'Meara explained that item 5 is to increase the meters on Chester from \$0.50 to \$1.00 per hour. He confirmed for Mayor Pro Tem Nickita that approximately two-thirds of the meters are currently \$1.00.

Mr. O'Meara explained that item 6 would offer evening employees an evening permit with the provision that they would not arrive until after 4:00 PM and must not leave the car overnight at a cost of \$20.00 per month. He confirmed for Commissioner Sherman that the equipment could be programmed to limit entry to after 4:00 PM only.

Commissioner Sherman noted that an average business month is 22 days. In the current fee structure between the hourly and monthly permits, it would take between 11–13 days to break even and the other 9-11 days were the benefit of having the permit. Under the new proposal the breakeven point becomes 7 days and anything after 7 days is a substantial discount to the daily rate. He expressed concern with this.

Commissioner DeWeese stated that he has reservations about the monthly parking rate increase being too low compared to the other rates. He noted that part of the reason for the demand is that it is underpriced. Once the rate is higher, it gives people the incentive to consider parking off-site. He stated that basically the residents are subsidizing the people who are working in the community that do not necessarily live here.

In response to a question from Commissioner Bordman, Mr. O'Meara confirmed that less than 20% of the evening permit parkers are parking at the Park Street and North Old Woodward Structures.

Clinton Baller, 388 Greenwood, stated that the City is subsidizing parking. He stated that the parking problem could be solved if the market rates were charged.

David Bloom noted that the cost to use a structure will be doubled for residents. He suggested residents could be subsidized with free parking.

Bill Serwer, resident at Merrillwood Apts, stated that one cannot compete for parking on Merrill and the top two floors of the structure are empty around 8:00 PM. He stated that he cannot get a parking permit for his street because of the competing interests.

Commissioner DeWeese stated that a more strategic view of the tradeoffs and balances is needed. He suggested that the transient, customer, and visitor base is treated more equally.

Commissioner Harris commented on the Advisory Parking Committee goals and noted that the Commission has been trying to achieve these objectives. Mr. Valentine commented that this could be sent to the Advisory Parking Committee to refine their proposal based on the City Commission input.

Commissioner Boutros commented that the rates need to be increased as they are lower than others and are below market value.

Commissioner Bordman suggested following up on the suggestion to work out an advantageous parking arrangement for residents. City Attorney commented that it would need additional review.

**MOTION:** Motion by Bordman, seconded by DeWeese:

To adopt the recommendations by the Automobile Parking System Board regarding their recommendations for #3, 4, 5 as stated in the memo:

3. To offer off-site parking to employers within the Central Business District at no cost to the employer, provided the employer finances the cost of transportation through their selected means, such as carpooling, shuttle, or valet, and as documented by separate agreement, with a maximum total value (for all employers) of approximately \$30,000 per year.

4. To lower the authorized number of monthly permits at the following parking structures, as follows:

Parking Structure	Current Authorized Permits	Recommended Auth. Permits
Park St.	815	750
N. Old Woodward Ave.	900	800

5. To increase all parking meters on Chester St. currently set at 50¢ per hour to \$1 per hour.

VOTE: Yeas, 6  
Nays, None  
Absent, 1 (Hoff)

City Engineer O'Meara commented that the original motivation to change the daily rate in item 1 was to move some of those all day parkers out of the garage. He questioned whether the Commission wanted to lower the rate based on the discussion. Mayor Nickita noted that the issue with item 1 is not the rate, but the \$5.00/\$10.00 issue after 10:00 PM. He noted that this item could move forward if the following language was removed: "The above applies to charges applied prior to 10 PM every evening. Charges after 10 PM will have a maximum value of \$5.", and the Advisory Parking Committee could review it and return with a revision.

Commissioner DeWeese commented that he would prefer to take care of the monthly permits first as it is a balance. He does not want to decide on the increase until he sees the increase in the monthly permits. He stated that he will not support either at this time.

**MOTION:** Motion by Boutros, seconded by Sherman:

To approve the following changes to rates and policies of the Auto Parking System, as recommended by the Advisory Parking Committee:

1. Effective July 1, 2016, to change the daily parking rate at all five parking structures, as follows:

<i>Time</i>	<i>Existing Rate at Four Structures</i>	<i>Existing Rate at Pierce St. Str.</i>	<i>Proposed Rate</i>
<i>Less than 2 hours</i>	<i>Free</i>	<i>Free</i>	<i>Free</i>
<i>Less than 3 hours</i>	<i>\$1</i>	<i>\$1</i>	<i>\$2</i>
<i>Less than 4 hours</i>	<i>\$2</i>	<i>\$2</i>	<i>\$4</i>
<i>Less than 5 hours</i>	<i>\$3</i>	<i>\$3</i>	<i>\$6</i>
<i>Less than 6 hours</i>	<i>\$4</i>	<i>\$4</i>	<i>\$8</i>
<i>Less than 7 hours</i>	<i>\$5</i>	<i>\$5</i>	<i>\$10</i>
<i>Less than 8 hours</i>	<i>\$5</i>	<i>\$7.50</i>	<i>\$10</i>
<i>More than 8 hours</i>	<i>\$5</i>	<i>\$10</i>	<i>\$10</i>

Commissioner Sherman suggested modifying item 6 to allow monthly permits to be sold after 4:00 PM. The three garages where permits are allowed to be sold, would be held until additional direction is received from the Advisory Parking Committee.

VOTE: Yeas, 5  
Nays, 1 (DeWeese)  
Absent, 1 (Hoff)



**MOTION:** Motion by Sherman, seconded by Bordman:  
6. To offer Evening Only Monthly Permits at all five parking structures, allowing unlimited parking to permit holders after 4 PM every day, at a rate discounted by \$20 per month over the regular monthly permit rate. Any parkers that currently have a regular permit, if those permits are in Park Street or North Old Woodward, be retired. If they are in any of the other decks, those permits will not be reissued until the Commission receives a report back from the Advisory Parking Committee and takes action.

**VOTE:** Yeas, 6  
Nays, None  
Absent, 1 (Hoff)

**MOTION:** Motion by DeWeese, seconded by Bordman:  
To refer Item 2 to the Advisory Parking Committee to evaluate the monthly permit rates in context to the daily rates, look at comparable structures around the country, maintenance and replacement costs, and to evaluate the number of permits in the remaining decks in relations to the customers (from item 6) and the net effect of the outcome to be more consistent with the express parking system goals of parking first and foremost for customers and visitors of various businesses and residents.

David Bloom stated that there is a rolling schedule to repair the structure and maintenance done on a regular basis. He suggested there be work done to establish an appropriate time period to pay down the cost of a structure and how much money is needed to maintain it, and eventually rebuild the space.

**VOTE:** Yeas, 6  
Nays, None  
Absent, 1 (Hoff)



## MEMORANDUM

Engineering Dept.

**DATE:** July 14, 2016

**TO:** Advisory Parking Committee

**FROM:** Paul T. O'Meara, City Engineer

**SUBJECT:** Parking Rates Study

As reported last month, the City Commission approved the majority of the recommended rate and policy changes from the Advisory Parking Committee (APC) at their meeting of June 6. The two areas that they sent back to the APC for further study are referenced below:

### REGULAR MONTHLY PERMIT FEES

The Parking System has increased monthly permit fees during the summer of 2014 and 2015, and had pursued another increase in 2016 to continue an incremental increase of monthly rates. Attached for your reference is the table of changes that have occurred, and what was included in the recommendation:

Parking Facility	Prior to 8-1-14	Effective 8-1-14	Effective 7-1-15	Proposed 7-1-16
Pierce St.	\$55	\$60	\$65	\$70
Park St.	\$45	\$50	\$60	\$70
Peabody St.	\$45	\$55	\$65	\$70
N. Old Woodward Ave.	\$45	\$50	\$55	\$70
Chester St.	\$30	\$40	\$45	\$50
Lot 6 – Regular Permit	\$50	\$55	\$65	\$70
Lot 6 – Economy Permit	\$30	\$35	\$45	\$50
South Side Permit (Ann St.)	\$40	\$40	\$50	\$50
South Side Permit (S. Old Woodward Ave.)	\$40	\$40	\$25	\$25

Using data assembled from several other cities, the average price per month for these various cities is provided below, from highest to lowest:

MUNICIPALITY	AVERAGE MONTHLY PERMIT
Ann Arbor, MI	\$145
Grand Rapids, MI	\$137
Lansing, MI	\$122
State College, PA	\$90
Kalamazoo, MI	\$89
Evanston, MI	\$85
E. Lansing, MI	\$80
Bloomington, IN	\$54
Grosse Pointe, MI	\$50
Ferndale, MI	\$20

Although none of the cities listed is very similar to Birmingham, each has some similarities. Averaging the monthly permit fees that were suggested for 2016 in this same way, the average cost of a permit in Birmingham would be rounded off to \$58. Compared to the other cities in the list, this number seems low. However, staff feels that it is important to continue a slow upward increase for the monthly permits so that the parking policies do not generate too much negativity toward the City. When considering this question, here are some interesting items to consider:

1. The recent daily rate increase has already created negative feelings toward the parking system, so it is expected that another monthly increase will have the same effect.
2. At least one large company is now reconsidering the option of off-site parking options.
3. The \$25 South Side Permits that have been available for many years on S. Old Woodward Ave. south of Haynes St. are suddenly gaining interest. For the first time they are all sold out, and a waiting list is getting started. No rate increase is being suggested for this area since people have just started buying them for the first time, which we consider a success toward getting vehicles out of the structures. Further, now that permits are being sold in this area, we would like to watch how the street is handling the extra demand, and to possibly offer more permits for sale in the future.

In the table below, Proposed Plan A is the plan recommended by the APC, but rejected by the City Commission as providing rates that are too low. Two additional rate schedules are provided below for your consideration:

Parking Facility	Prior to 8-1-14	Effective 8-1-14	Effective 7-1-15	Proposed Plan A	Proposed Plan B	Proposed Plan C
Pierce St.	\$55	\$60	\$65	\$70	\$75	\$80
Park St.	\$45	\$50	\$60	\$70	\$75	\$80
Peabody St.	\$45	\$55	\$65	\$70	\$75	\$80
N. Old Woodward Ave.	\$45	\$50	\$55	\$70	\$75	\$80
Chester St.	\$30	\$40	\$45	\$50	\$55	\$60
Lot 6 – Regular Permit	\$50	\$55	\$65	\$70	\$75	\$80
Lot 6 – Economy Permit	\$30	\$35	\$45	\$50	\$55	\$60
Ann St. Permit	\$40	\$40	\$50	\$50	\$55	\$60
S. Old Woodward Ave. Permit	\$40	\$40	\$25	\$25	\$25	\$25

The following is a summary of the differences between the plans:

	Proposed Plan A	Proposed Plan B	Proposed Plan C
Average Rate (to Compare to other Cities)	\$58	\$63	\$67
Actual Increase at Parking Structures	\$5 to \$15	\$10 to \$20	\$15 to \$25
% Increase at Parking Structures	7% to 27%	15% to 36%	23% to 45%
Total Increase in Revenue	\$384,000	\$432,000	\$480,000
# of Days Permit is Paid Back at Daily Rate	5 to 7	5.5 to 7.5	6 to 8

The Advisory Parking Committee is asked to review the new suggested plans, and determine if it is appropriate to recommend a higher monthly rate schedule for the consideration of the City Commission. A suggested recommendation is provided below:

#### SUGGESTED RECOMMENDATION:

The Advisory Parking Committee recommends that the City Commission authorize an increase in the monthly parking permit rate schedule, defined above as Proposed Plan \_\_\_\_.



## MEMORANDUM

Engineering Department

**DATE:** October 20, 2016  
**TO:** Advisory Parking Committee  
**FROM:** Paul T. O'Meara, City Engineer  
**SUBJECT:** BSD Holiday Parking

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The Birmingham Shopping District (BSD) has approached the Engineering Department regarding the attached proposal for participation in the 2016 Holiday TV Campaign. They think it will be very advantageous to the downtown merchants and to the City's parking system to promote a convenient parking message during this busy shopping season. In the past, the APC has participated in similar campaigns with support ranging from \$15,000 to \$25,000. This year, the BSD is requesting \$20,000 from the parking system. The details of this request are attached.

The City's approved budget for the FY2016/2017 has allocated \$25,000 in the Automobile Parking Fund for promotion of the City's Parking System. To date, none of the budgeted funds have been spent.

A suggested resolution is given below if the Committee is inclined to recommend approval of the suggested expenditure.

### SUGGESTED RECOMMENDATION:

To recommend to the City Commission the expenditure of \$20,000 from the Automobile Parking System fund promotion account (Account No. 585-538.001-901.0300) to assist the BSD in creating their proposed 2016 holiday promotional TV campaign.



## MEMORANDUM

**DATE:** October 18, 2016

**TO:** Paul O'Meara, City Engineer

**FROM:** John Heiney, Executive Director

**SUBJECT:** APC Support for TV Segments

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Once again this year, the Birmingham Shopping District will air holiday television advertising campaign. We are planning to air on WXYZ TV Channel 7 and on local Comcast cable channels.

We will use the five vignette ads that were produced a few years ago, which highlight the downtown shopping, dining and spa experience. Each of the ads will promote the popular "2 Hours Free Parking in the Decks" program, as they have in years past. The goal of the ads is to drive traffic to downtown Birmingham, benefitting merchants and the parking system. The ads will feature our new branding campaign, which will include a dedicated logo for our parking message.

This year the Birmingham Shopping District is committing a total of \$30,000 for this campaign. We are asking Advisory Parking Committee to approve a \$20,000 commitment from the parking fund for the campaign. This would be the fourth year of a financial commitment from the APC.

The vignettes will provide a strong push for the parking system, as the host will close out every segment with a strong statement about parking in Birmingham. These 30 second ads will feature a graphic at the end of the spot highlighting "2 Hours Free Parking in the Decks", plus we will incorporate our new branding for the shopping district, with a specific parking logo.

We request that the Advisory Parking Committee to recommend this expenditure in support of the BSD holiday television campaign.

## CENTRAL PARKING SYSTEM

### Birmingham Parking System Transient & Free Parking Analysis Months of September 2015 & September 2016

September 2015

GARAGE	TOTAL CARS	FREE CARS	CASH REVENUE	%FREE
PEABODY	13,929	9,223	\$ 12,630.15	66%
PARK	14,706	8,490	\$ 23,494.20	58%
CHESTER	3,437	2,032	\$ 3,300.75	59%
WOODWARD	14,406	9,412	\$ 17,953.08	65%
PIERCE	30,061	14,394	\$ 37,836.45	48%
TOTALS	76,539	43,551	\$ 95,214.63	57%

September 2016

GARAGE	TOTAL CARS	FREE CARS	CASH REVENUE	% FREE
PEABODY	15,196	11,028	\$ 36,833.05	73%
PARK	16,318	10,397	\$ 46,658.85	64%
CHESTER	5,569	1,773	\$ 44,819.04	32%
WOODWARD	13,954	9,372	\$ 34,695.50	67%
PIERCE	30,745	18,330	\$ 65,655.30	60%
TOTALS	81,782	50,900	\$ 228,661.74	62%

BREAKDOWN:	TOTAL CARS	+6.8%
	FREE CARS	+16.9%
	CASH REVENUE	+ 140%

# MONTHLY PARKING PERMIT REPORT

For the month of: August 2016

Date Compiled: September 20, 2016

	Pierce	Park	Peabody	N Old Wood	Chester	Lot #6/195	Lot #6/135	South Side	Lot B	35001	Woodward	Total
1. Total Spaces	706	811	437	745	880	174	79	8	40	40		3920
2. Daily Spaces	370	348	224	359	425	N/A	N/A	N/A	N/A	N/A		1726
3. Monthly Spaces	336	463	213	386	560	174	79	8	30	40		2289
4. Monthly Permits Authorized	550	750	400	800	1140	150	40	8	30	31		3899
5. Permits - end of previous month	548	811	400	898	1140	150	40	8	30	31		4056
6. Permits - end of month	550	806	400	896	1140	150	40	8	30	31		4051
7. Permits - available at end of month	0	-56	0	-96	0	0	0	0	0	0		-152
8. Permits issued in month includes permits effective 1st of month	13	0	6	0	21	0	0	0	0	9		49
9. Permits given up in month	11	5	6	2	21	0	0	0	0	0		45
10. Net Change	2	-5	0	-2	0	0	0	0	0	31		26
11. On List - end of month*	722	673	767	787	359	7	0	1	6	0		3322
12. Added to list in month	14	12	10	17	22	7	0	1	0	0		83
13. Withdrawn from list in month (w/o permit)	0	0	0	8	0	0	0	0	0	0		8
14. Average # of weeks on list for permits issued in month	166	126	212	122	86	2	0	1	0	0		N/A
15. Transient parker occupied	269	318	193	239	N/A*	N/A	N/A	N/A	N/A	N/A		1019
16. Monthly parker occupied	390	473	196	454	N/A*	N/A	N/A	N/A	N/A	N/A		1513
17. Total parker occupied	659	791	389	693	N/A*	N/A	N/A	N/A	N/A	N/A		2532
18. Total spaces available at 1pm on Wednesday 08/16	47	20	48	52	N/A	N/A	N/A	N/A	N/A	N/A		167
19. "All Day" parkers paying 5 hrs. or more												
A. Weekday average.	156	100	60	62	103	N/A	N/A	N/A	N/A	N/A		481
B. Maximum day	216	133	86	89	N/A*	N/A	N/A	N/A	N/A	N/A		524
20. Utilization by long term parkers	72%	75%	70%	70%	N/A*	N/A	N/A	N/A	N/A	N/A		92%

(1) Lot #6 does not have gate control, therefore no transient count available

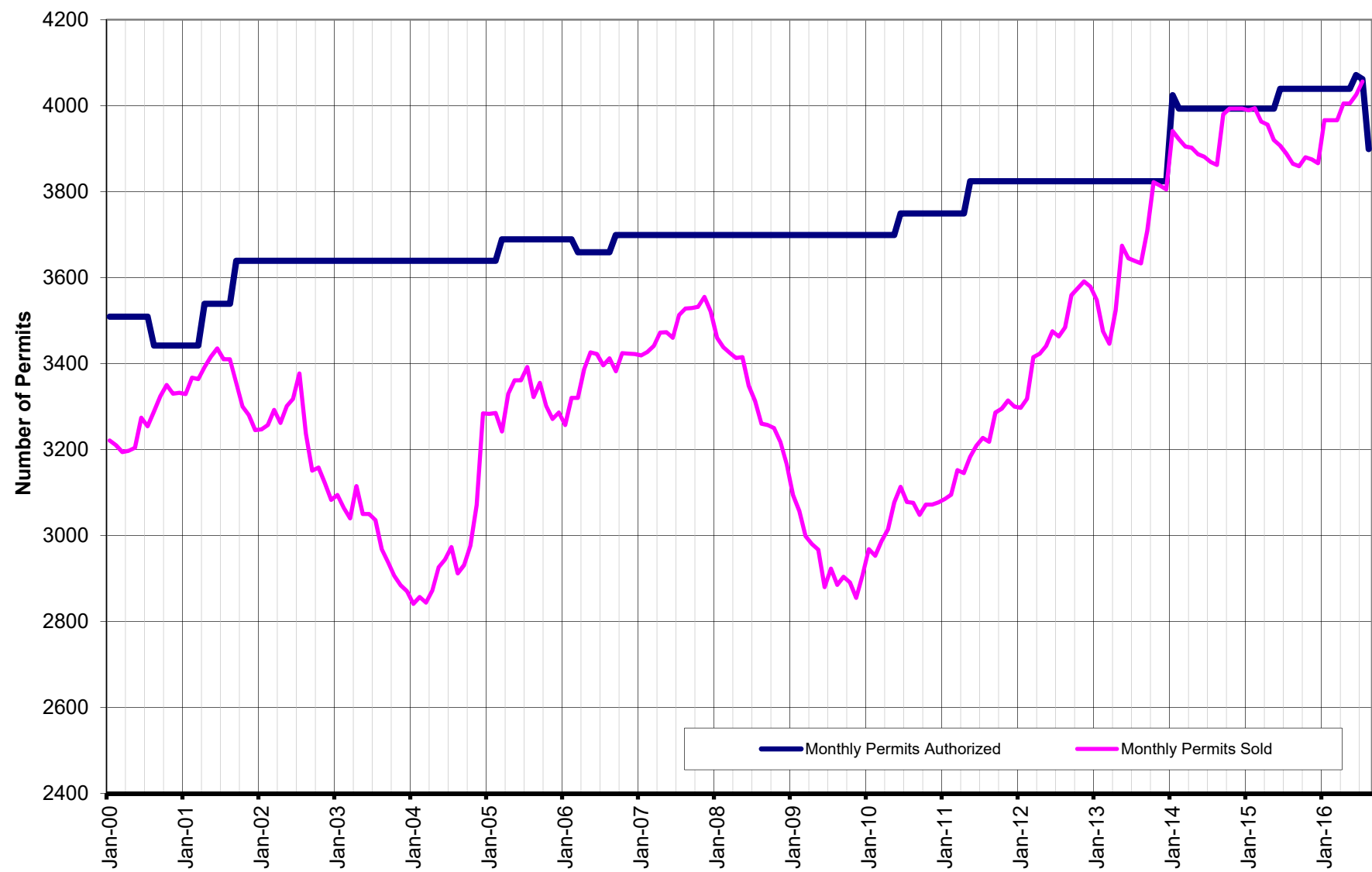
(2) (Permits/Oversell Factor + Weekday Avg.) / Total Spaces

\*Chester counts unavailable due to loop and reporting issues.

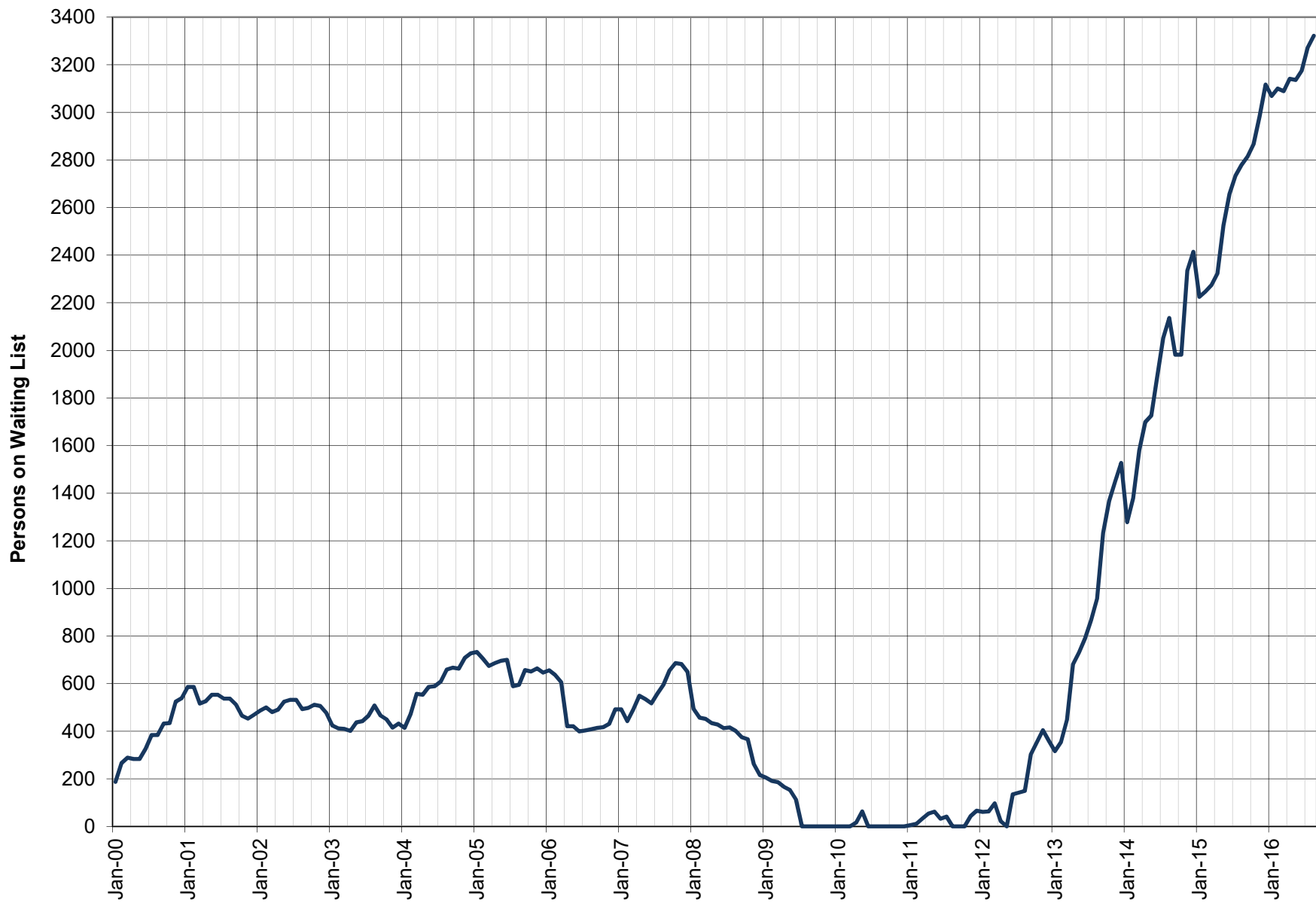
\*\*Hourly detail not available due to hardware failure



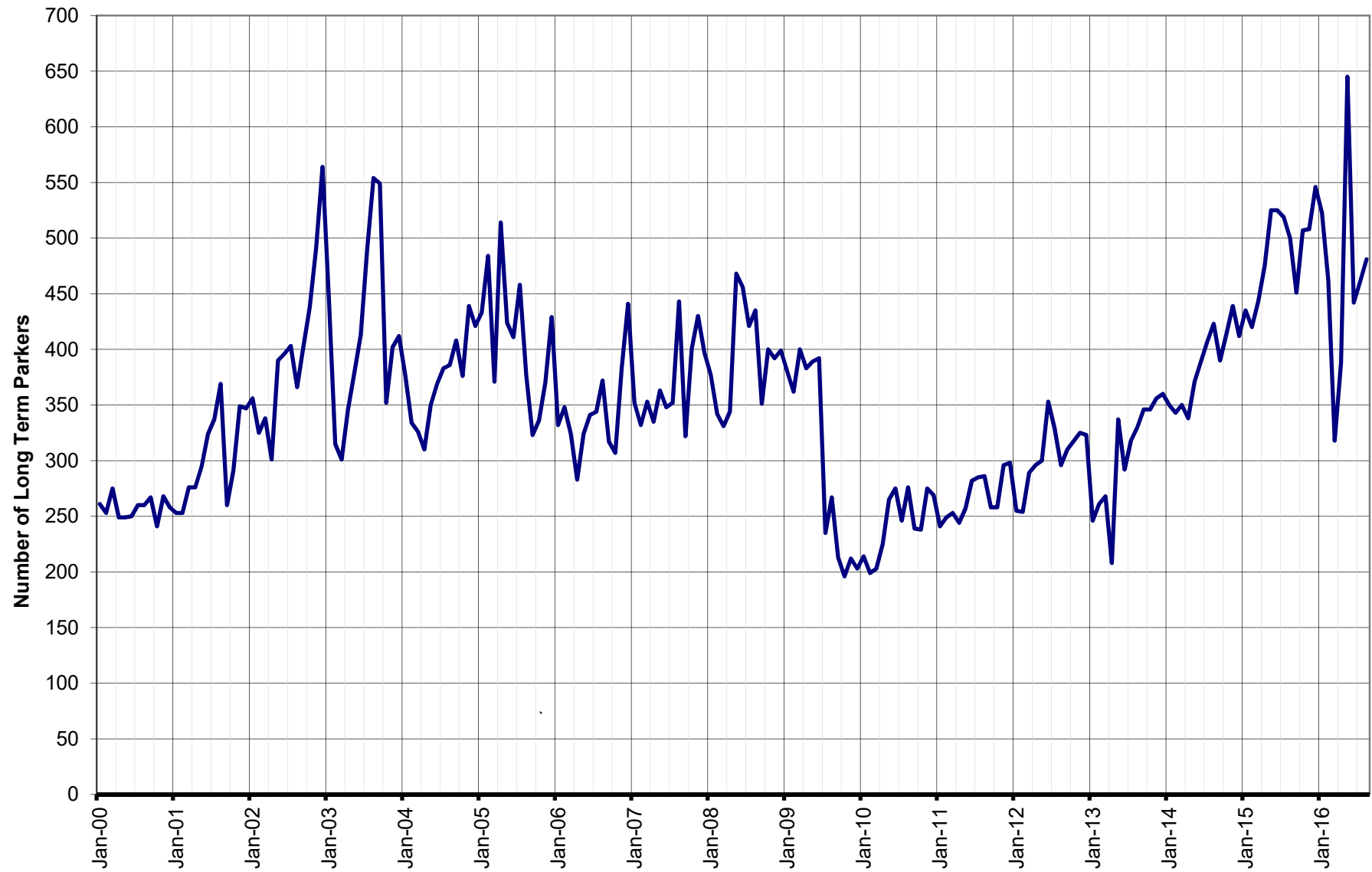
Monthly Permits



Persons on Waiting List



## Long Term Parkers



City of Birmingham  
Parking Structures-Combined  
Income Statement  
Fiscal Year Comparison

**Fiscal 15-16**

	Month Ended 31-Jul-15	Month Ended 31-Aug-15	Month Ended 30-Sep-15	Month Ended 31-Oct-15	Month Ended 30-Nov-15	Month ending 31-Dec-15	Month Ended 31-Jan-16	Month Ended 28-Feb-16	Month Ended 31-Mar-16	Month Ending 30-Apr-16	Month Ended 31-May-16	Month Ended 30-Jun-16	Total Fiscal 15-16
REVENUES:													
Revenues - Monthly parking	\$ 166,606.50	\$ 147,126.00	\$ 179,102.00	\$ 187,122.00	\$ 188,547.00	\$ 194,025.50	\$ 203,712.00	\$ 144,017.50	\$ 261,896.00	\$ 203,346.00	\$ 180,760.50	\$ 191,094.00	\$ 2,247,355.00
Revenues - Cash Parking	\$ 114,551.18	\$ 127,772.81	\$ 95,214.63	\$ 122,443.57	\$ 114,026.45	\$ 134,420.60	\$ 103,502.80	\$ 127,198.65	\$ 131,139.54	\$ 128,384.31	\$ 140,389.49	\$ 147,232.93	\$ 1,486,276.96
Revenues - Card Deposits	\$ 150.00	\$ 300.00	\$ 97.50	\$ 240.00	\$ 662.50	\$ 702.50	\$ 1,080.00	\$ 80.00	\$ 1,800.00	\$ 3,265.00	\$ 585.00	\$ 2,040.00	\$ 11,002.50
Revenue - Lot #6	\$ 702.50	\$ 14,025.00	\$ 22,145.00		\$ 19,325.00	\$ 15,995.00	\$ 100.00	\$ 6,635.00	\$ 30,000.50	\$ 847.50	\$ 8,072.50	\$ 27,032.50	\$ 144,880.50
Total Income	\$ 282,010.18	\$ 289,223.81	\$ 296,559.13	\$ 309,805.57	\$ 322,560.95	\$ 345,143.60	\$ 308,394.80	\$ 277,931.15	\$ 424,836.04	\$ 335,842.81	\$ 329,807.49	\$ 367,399.43	\$ 3,889,514.96
EXPENSES:													
Salaries and Wages	\$ 76,636.38	\$ 55,653.88	\$ 56,461.14	\$ 52,848.24	\$ 56,308.86	\$ 76,263.50	\$ 55,467.25	\$ 53,507.11	\$ 54,716.64	\$ 53,101.43	\$ 58,142.92	\$ 59,260.95	\$ 708,368.30
Payroll Taxes	\$ 7,345.93	\$ 5,153.13	\$ 5,226.52	\$ 4,897.62	\$ 5,259.87	\$ 7,224.51	\$ 7,039.01	\$ 6,600.08	\$ 6,468.16	\$ 5,516.50	\$ 5,709.24	\$ 5,826.10	\$ 72,266.67
Workmens Comp Insurance	\$ 2,868.74	\$ 2,084.62	\$ 2,114.79	\$ 1,979.76	\$ 2,109.17	\$ 2,857.21	\$ 2,116.60	\$ 2,124.24	\$ 2,223.79	\$ 2,108.73	\$ 2,308.43	\$ 2,352.75	\$ 27,248.83
Group Insurance	\$ 27,349.14	\$ 21,560.78	\$ 24,352.61	\$ 17,690.29	\$ 19,861.35	\$ 17,904.25	\$ 18,126.55	\$ 28,909.55	\$ 23,516.38	\$ 20,870.99	\$ 24,458.94	\$ 19,800.87	\$ 264,401.70
Uniforms		\$ 329.71		\$ 752.41	\$ (65.14)	\$ 2,523.24	\$ 163.11		\$ 384.30		\$ 299.41	\$ 574.34	\$ 4,961.38
Insurance	\$ 8,388.64	\$ 8,888.64	\$ 8,388.64	\$ 8,397.59	\$ 8,388.64	\$ 8,388.64	\$ 9,027.81	\$ 9,027.81	\$ 9,027.81	\$ 9,146.01	\$ 9,136.81	\$ 9,027.81	\$ 105,234.85
Utilities	\$ 2,499.98	\$ 793.56	\$ 1,087.74	\$ 1,322.64	\$ 2,280.91	\$ 1,943.72	\$ 1,787.05	\$ 1,810.20	\$ 1,815.95	\$ 1,301.61	\$ 525.30	\$ 940.32	\$ 18,108.98
Maintenance	\$ 17,587.85	\$ 6,266.63	\$ 14,443.94	\$ 5,815.14	\$ 3,167.40	\$ 6,190.39	\$ 6,328.66	\$ 3,084.48	\$ 6,641.63	\$ 11,903.93	\$ 8,230.82	\$ 4,004.14	\$ 93,665.01
Parking Tags/Tickets	\$ 2,223.23		\$ 44.20	\$ 3,187.13		\$ 1,521.98	\$ 2,650.00	\$ 7,490.66		\$ 434.97	\$ 3,469.94	\$ 587.35	\$ 21,609.46
Professional Services	\$ 3,988.97	\$ 4,162.36	\$ 3,988.97	\$ 4,021.72	\$ 3,988.97	\$ 4,044.97	\$ 4,363.97	\$ 4,383.72	\$ 4,363.97	\$ 4,363.97	\$ 4,567.57	\$ 4,363.97	\$ 50,603.13
Office Supplies	\$ 577.20	\$ 692.43	\$ 367.07	\$ 70.55	\$ 673.31	\$ 324.91	\$ 82.22	\$ 104.63	\$ 489.56	\$ 983.75	\$ 633.97	\$ 1,097.08	\$ 6,096.68
Card Refund													\$ -
Operating Cost - Vehicles	\$ 542.83	\$ 527.25	\$ 462.13	\$ 517.67	\$ 515.04	\$ 167.77	\$ 541.66	\$ 331.81	\$ 514.69	\$ 486.64	\$ 562.23	\$ 707.10	\$ 5,876.82
Pass Cards													\$ -
Employee Appreciation	\$ 97.56	\$ 300.00						\$ 61.46	\$ 129.48	\$ 29.35		\$ 150.00	\$ 767.85
Credit Card Fees	\$ 4,560.16	\$ 6,307.49	\$ 5,870.85	\$ 8,629.80	\$ 7,774.68	\$ 7,479.29	\$ 8,893.87	\$ 7,729.56	\$ 7,062.62	\$ 8,160.94	\$ 8,076.09	\$ 8,645.20	\$ 89,190.55
Bank Service Charges	\$ 311.98	\$ 415.19	\$ 1,627.34	\$ 400.68	\$ 405.72	\$ 400.67	\$ 449.90	\$ 712.04	\$ 473.22	\$ 491.82	\$ 446.77	\$ 421.87	\$ 6,557.20
Miscellaneous Expense	\$ 175.89	\$ 225.76	\$ 160.13	\$ 157.31	\$ 967.02	\$ 278.43	\$ 234.23	\$ 289.07	\$ 252.83	\$ 519.38	\$ 290.42	\$ 227.32	\$ 3,777.79
Management Fee Charge	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00	\$ 46,500.00
Total Expenses	\$ 159,029.48	\$ 117,236.43	\$ 128,471.07	\$ 114,563.55	\$ 115,510.80	\$ 141,388.48	\$ 121,146.89	\$ 130,041.42	\$ 121,956.03	\$ 123,295.02	\$ 130,733.86	\$ 121,862.17	\$ 1,525,235.20
Profit	\$ 122,980.70	\$ 171,987.38	\$ 168,088.06	\$ 195,242.02	\$ 207,050.15	\$ 203,755.12	\$ 187,247.91	\$ 147,889.73	\$ 302,880.01	\$ 212,547.79	\$ 199,073.63	\$ 245,537.26	\$ 2,364,279.76

**Fiscal 16-17**

	Month Ended 31-Jul-16	Month Ended 31-Aug-16	Month Ended 30-Sep-16	Month Ended 31-Oct-16	Month Ended 30-Nov-16	Month ending 31-Dec-16	Month Ended 31-Jan-17	Month Ended 28-Feb-17	Month Ended 31-Mar-17	Month Ending 30-Apr-17	Month Ended 31-May-17	Month Ended 30-Jun-17	Total Fiscal 16-17
REVENUES:													
Revenues - Monthly parking	\$ 198,382.46	\$ 226,351.54	\$ 145,993.50										\$ 570,727.50
Revenues - Cash Parking	\$ 177,881.25	\$ 204,275.80	\$ 228,661.74										\$ 610,818.79
Revenues - Card Fees	\$ 1,565.00	\$ 330.00	\$ 525.00										\$ 2,420.00
Revenue - Lot #6	\$ 170.00	\$ 18,010.40	\$ 20,715.00										\$ 38,895.40
Total Income	\$ 377,998.71	\$ 448,967.74	\$ 395,895.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,222,861.69
EXPENSES:													
Salaries and Wages	\$ 84,022.83	\$ 64,884.25	\$ 65,822.07										\$ 214,729.15
Payroll Taxes	\$ 8,234.74	\$ 6,404.86	\$ 6,366.59										\$ 21,006.19
Workmens Comp Insurance	\$ 3,333.51	\$ 2,575.61	\$ 2,612.62										\$ 8,521.74
Group Insurance	\$ 19,801.89	\$ 22,823.82	\$ 19,802.86										\$ 62,428.57
Uniforms	\$ 188.06	\$ 604.45											\$ 792.51
Insurance	\$ 9,136.81	\$ 9,136.81	\$ 9,136.81										\$ 27,410.43
Utilities	\$ 812.26	\$ 550.10	\$ 1,050.44										\$ 2,412.80
Maintenance	\$ 10,861.72	\$ 6,615.13	\$ 4,532.06										\$ 22,008.91
Parking Tags/Tickets	\$ 5,219.33		\$ 632.81										\$ 5,852.14
Professional Services	\$ 4,363.97	\$ 4,444.97	\$ 4,425.22										\$ 13,234.16
Office Supplies	\$ 722.75	\$ 462.54	\$ 627.58										\$ 1,812.87
Card Refund													\$ -
Operating Cost - Vehicles	\$ 660.74	\$ 581.45	\$ 654.09										\$ 1,896.28
Pass Cards													\$ -
Employee Appreciation	\$ 159.78	\$ 427.60	\$ 177.65										\$ 765.03
Credit Card Fees	\$ 8,919.15	\$ 8,521.66	\$ 8,411.58										\$ 25,852.39
Bank Service Charges	\$ 411.74	\$ 382.17	\$ 469.39										\$ 1,263.30
Miscellaneous Expense	\$ 246.65	\$ 287.92	\$ 232.43										\$ 767.00
Management Fee Charge	\$ 3,875.00	\$ 3,875.00	\$ 3,875.00										\$ 11,625.00
Total Expenses	\$ 160,970.93	\$ 132,578.34	\$ 128,829.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422,378.47
Profit	\$ 217,027.78	\$ 316,389.40	\$ 267,066.04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,483.22

**CITY OF BIRMINGHAM - Combined**  
**Income Statement**  
**For Periods Indicated**

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
<b>REVENUES:</b>				
Revenues - Monthly parking	145,993.50	570,727.50	179,102.00	492,834.50
Revenues - Cash Parking	228,661.74	610,818.79	95,214.63	337,538.62
Revenues - Card Fees	525.00	2,420.00	97.50	547.50
Revenue - Lot #6	20,715.00	38,895.40	22,145.00	36,872.50
<b>TOTAL INCOME</b>	<u>395,895.24</u>	<u>1,222,861.69</u>	<u>296,559.13</u>	<u>867,793.12</u>
<b>EXPENSES:</b>				
Salaries and Wages	65,822.07	214,729.15	56,461.14	188,751.40
Payroll Taxes	6,366.59	21,006.19	5,226.52	17,725.58
Workmens Comp Insurance	2,612.62	8,521.74	2,114.79	7,068.15
Group Insurance	19,802.86	62,428.57	24,352.61	73,262.53
Uniforms		792.51		329.71
Insurance	9,136.81	27,410.43	8,388.64	25,665.92
Utilities	1,050.44	2,412.80	1,087.74	4,381.28
Maintenance	4,532.06	22,008.91	14,443.94	38,298.42
Parking Tags/Tickets	632.81	5,852.14	44.20	2,267.43
Accounting Fees	4,425.22	13,234.16	3,988.97	12,140.30
Office Supplies	627.58	1,812.87	367.07	1,636.70
Card Refund				
Operating Cost - Vehicles	654.09	1,896.28	462.13	1,532.21
Pass Cards				
Employee Appreciation	177.65	765.03		397.56
Credit Card Fees	8,411.58	25,852.39	5,870.85	16,738.50
Bank Service Charges	469.39	1,263.30	1,627.34	2,354.51
Miscellaneous Expense	232.43	767.00	160.13	561.78
Management Fee Charge	3,875.00	11,625.00	3,875.00	11,625.00
<b>TOTAL EXPENSES</b>	<u>128,829.20</u>	<u>422,378.47</u>	<u>128,471.07</u>	<u>404,736.98</u>
<b>OPERATING PROFIT</b>	<u>267,066.04</u>	<u>800,483.22</u>	<u>168,088.06</u>	<u>463,056.14</u>

**CITY OF BIRMINGHAM PIERCE DECK**  
Income Statement  
For Periods Indicated

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
REVENUES:				
Revenues - Monthly parking	30,980.50	96,179.50	30,692.50	87,130.50
Revenues - Cash Parking	65,655.30	206,157.05	37,836.45	122,089.58
Revenues - Card Fees	240.00	975.00	30.00	360.00
<b>TOTAL INCOME</b>	<b>96,875.80</b>	<b>303,311.55</b>	<b>68,558.95</b>	<b>209,580.08</b>
EXPENSES:				
Salaries and Wages	12,315.15	38,322.87	11,295.81	35,887.16
Payroll Taxes	913.48	3,156.67	942.21	3,257.37
Workmens Comp Insurance	394.91	1,339.31	387.61	1,308.53
Group Insurance	4,111.11	13,069.87	5,077.26	19,267.54
Uniforms	-	-	-	65.94
Insurance	1,740.58	5,221.74	1,616.74	4,850.22
Utilities	213.90	532.96	227.43	849.84
Maintenance	873.67	5,844.23	5,380.74	10,336.89
Parking Tags/Tickets	-554.40	1,116.66	44.20	1,303.53
Accounting Fees	865.37	2,596.11	790.37	2,371.11
Office Supplies	125.52	362.57	73.42	329.02
Card Refunds	-	-	-	-
Operating Cost - Vehicles	130.82	379.26	92.43	311.78
Pass Cards	-	-	-	-
Employee Appreciation	35.53	67.49	-	79.51
Credit Card Fees	2,415.20	8,841.08	2,638.57	6,280.30
Bank service charges	149.09	404.62	114.29	319.53
Miscellaneous Expenses	7.75	37.51	8.07	38.50
Management Fee Charge	775.00	2,325.00	775.00	2,325.00
<b>TOTAL EXPENSES</b>	<b>24,512.68</b>	<b>83,617.95</b>	<b>29,464.15</b>	<b>89,181.77</b>
<b>OPERATING PROFIT</b>	<b>72,363.12</b>	<b>219,693.60</b>	<b>39,094.80</b>	<b>120,398.31</b>

**CITY OF BIRMINGHAM PEABODY DECK**  
Income Statement  
For Periods Indicated

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
REVENUES:				
Revenues - Monthly parking	22,979.00	73,286.50	22,280.00	55,605.00
Revenues - Cash Parking	36,833.05	94,708.50	12,630.15	50,898.65
Revenues - Card Fees	30.00	30.00		-
<b>TOTAL INCOME</b>	<b>59,842.05</b>	<b>168,025.00</b>	<b>34,910.15</b>	<b>106,503.65</b>
EXPENSES:				
Salaries and Wages	12,606.61	39,002.44	10,274.53	34,600.45
Payroll Taxes	940.93	3,219.94	935.17	3,225.34
Workmens Comp Insurance	406.45	1,366.02	384.93	1,295.93
Group Insurance	4,111.11	13,032.42	5,243.00	13,842.18
Uniforms		-		65.94
Insurance	1,436.26	4,199.78	1,227.97	3,683.91
Utilities	209.14	445.76	227.44	976.08
Maintenance	331.98	4,647.69	1,420.49	7,028.20
Parking Tags/Tickets	632.81	632.81		963.90
Accounting Fees	775.19	2,325.57	700.19	2,100.57
Office Supplies	125.52	362.58	73.41	328.98
Card Refund		-		-
Employee Appreciation	35.53	67.49		79.51
Operating Cost - Vehicles	130.82	379.26	92.43	311.78
Pass Cards		-		-
Credit Card Fees	1354.95	4,019.02	1157.50	2,879.08
Bank service charges	91.73	249.14	76.76	191.77
Miscellaneous Expense	7.98	38.09	8.01	38.24
Management Fee Charge	775.00	2,325.00	775.00	2,325.00
<b>TOTAL EXPENSES</b>	<b>23,972.01</b>	<b>76,313.01</b>	<b>22,596.83</b>	<b>73,936.86</b>
<b>OPERATING PROFIT</b>	<b>35,870.04</b>	<b>91,711.99</b>	<b>12,313.32</b>	<b>32,566.79</b>

**CITY OF BIRMINGHAM PARK DECK**  
Income Statement  
For Periods Indicated

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
REVENUES:				
Revenues - Monthly parking	32,999.00	135,204.00	41,486.00	115,490.00
Revenues - Cash Parking	46,658.85	137,344.95	23,494.20	76,620.06
Revenues - Card Fees	90.00	195.00		(60.00)
<b>TOTAL INCOME</b>	<b>79,747.85</b>	<b>272,743.95</b>	<b>64,980.20</b>	<b>192,050.06</b>
EXPENSES:				
Salaries and Wages	14,371.77	45,088.68	10,489.41	35,077.28
Payroll Taxes	1,107.50	3,942.32	955.79	3,271.39
Workmens Comp Insurance	476.37	1,607.10	392.96	1,313.75
Group Insurance	3,214.51	10,117.22	4,364.40	11,256.78
Uniforms		188.06		65.94
Insurance	1,987.62	5,962.86	1,849.08	6,047.24
Utilities	209.13	340.13	227.43	849.84
Maintenance	331.98	3,021.98	3,704.98	5,873.18
Parking Tags/Tickets		1,310.81		-
Accounting Fees	881.28	2,643.84	806.28	2,511.23
Office Supplies	125.51	362.57	73.41	328.98
Card Refund		-		-
Operating Cost - Vehicles	130.82	379.26	92.43	311.78
Pass Cards		-		-
Employee Appreciation	35.53	67.49		79.52
Credit Card Fees	1,716.40	5,827.11	1,669.23	4,052.15
Bank service charges	108.94	282.19	90.19	224.32
Miscellaneous Expenses	9.36	42.84	8.18	38.62
Management Fee Charge	775.00	2,325.00	775.00	2,325.00
<b>TOTAL EXPENSES</b>	<b>25,481.72</b>	<b>83,509.46</b>	<b>25,498.77</b>	<b>73,627.00</b>
<b>OPERATING PROFIT</b>	<b>54,266.13</b>	<b>189,234.49</b>	<b>39,481.43</b>	<b>118,423.06</b>



**CITY OF BIRMINGHAM CHESTER DECK**  
Income Statement  
For Periods Indicated

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
REVENUES:				
Revenues - Monthly parking	30,160.00	141,864.50	39,847.50	117,642.00
Revenues - Cash Parking	44,819.04	76,231.04	3,300.75	24,475.00
Revenues - Card Fees	15.00	830.00	97.50	127.50
<b>TOTAL INCOME</b>	<b>74,994.04</b>	<b>218,925.54</b>	<b>43,245.75</b>	<b>142,244.50</b>
EXPENSES:				
Salaries and Wages	11,159.96	41,743.58	11,851.82	41,089.46
Payroll Taxes	2,124.48	6,017.15	1,245.88	4,047.01
Workmens Comp Insurance	819.05	2,385.05	479.35	1,573.87
Group Insurance	4,512.62	14,011.55	4,049.25	14,847.62
Uniforms		604.45		65.95
Insurance	2,137.00	6,411.00	1,988.80	5,966.40
Utilities	209.14	648.21	178.01	839.56
Maintenance	2,304.90	4,346.28	2,277.21	11,299.72
Parking Tags/Tickets	554.40	1,187.21		-
Accounting Fees	1,001.99	2,902.47	875.24	2,706.72
Office Supplies	125.52	362.58	73.42	320.75
Card Refund		-		-
Operating Cost - Vehicles	130.81	379.24	92.42	285.10
Pass Cards		-		-
Employee Appreciation	35.53	495.08		79.51
Credit Card Fees	1,648.72	3,073.74	286.59	1,376.65
Bank Service Charges	10.00	32.76	78.83	199.94
Misc Expense	16.11	58.17	9.99	44.05
Management Fee Charge	775.00	2,325.00	775.00	2,325.00
<b>TOTAL EXPENSES</b>	<b>27,565.23</b>	<b>86,983.52</b>	<b>24,261.81</b>	<b>87,067.31</b>
<b>OPERATING PROFIT</b>	<b>47,428.81</b>	<b>131,942.02</b>	<b>18,983.94</b>	<b>55,177.19</b>

## CITY OF BIRMINGHAM N. WOODWARD DECK

Income Statement  
For Periods Indicated

	Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
REVENUES:				
Revenues - Monthly parking	28,875.00	124,193.00	44,796.00	116,967.00
Revenues - Cash Parking	34,695.50	96,377.25	17,953.08	63,455.33
Revenues - Card Fees	150.00	390.00	-30.00	120.00
<b>TOTAL INCOME</b>	<b>63,720.50</b>	<b>220,960.25</b>	<b>62,719.08</b>	<b>180,542.33</b>
EXPENSES:				
Salaries and Wages	15,368.58	50,571.58	12,549.57	42,097.05
Payroll Taxes	1,280.20	4,670.11	1,147.47	3,924.47
Workmens Comp Insurance	515.84	1,824.26	469.94	1,576.07
Group Insurance	3,853.51	12,197.51	5,618.70	14,048.41
Uniforms	-	-	-	65.94
Insurance	1,835.35	5,615.05	1,706.05	5,118.15
Utilities	209.13	445.74	227.43	865.96
Maintenance	689.53	4,148.73	1,660.52	3,760.43
Parking Tags/Tickets	-	1,604.65	-	-
Accounting Fees	901.39	2,766.17	816.89	2,450.67
Office Supplies	125.51	362.57	73.41	328.97
Card Refund	-	-	-	-
Operating Cost - Vehicles	130.82	379.26	92.42	311.77
Pass Cards	-	-	-	-
Employee Appreciation	35.53	67.48	-	79.51
Credit Card Fees	1276.31	4,091.44	118.96	2,150.32
Bank Service Charges	109.63	294.59	1267.27	1,418.95
Miscellaneous Expense	10.14	47.12	9.79	44.10
Management Fee Charge	775.00	2,325.00	775.00	2,325.00
<b>TOTAL EXPENSES</b>	<b>27,116.47</b>	<b>91,411.26</b>	<b>26,533.42</b>	<b>80,565.77</b>
<b>OPERATING PROFIT</b>	<b>36,604.03</b>	<b>129,548.99</b>	<b>36,185.66</b>	<b>99,976.56</b>

CITY OF BIRMINGHAM lot #6  
Income Statement  
For Periods Indicated

		Month Ended September 30, 2016	3 Months Ending September 30, 2016	Month Ended September 30, 2015	3 Months Ending September 30, 2015
INCOME	Revenues - Monthly Parking Lot #6 & Southside	20,715.00	38,895.40	22,145.00	36,872.50
	TOTAL INCOME	<u>20,715.00</u>	<u>38,895.40</u>	<u>22,145.00</u>	<u>36,872.50</u>
EXPENSES	Liability Insurance	-	-	-	-
	Office Supplies (Hanging Tags)	-	-	-	-
	Misc.	181.09	543.27	116.09	358.27
	TOTAL EXPENSES	<u>181.09</u>	<u>543.27</u>	<u>116.09</u>	<u>358.27</u>
	NET PROFIT	<u>20,533.91</u>	<u>38,352.13</u>	<u>22,028.91</u>	<u>36,514.23</u>

## N. Old Woodward Garage

Valet Counts

# SEPTEMBER 2016

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Garage not filled.	2 Valet closed	3
4	5 Valet closed	6 Garage not filled.	7 8 cars	8 Garage not filled.	9 Valet closed	10
11	12 Valet closed	13 5 cars	14 Garage filled-customers did not want to valet.	15 Garage not filled.	16 Valet closed	17
18	19 Valet closed	20 Garage not filled.	21 1 cars	22 Garage not filled.	23 Valet closed	24
25	26 Valet closed	27 Garage not filled.	28 Garage not filled.	29 Garage not filled.	30 Valet closed	
		Notes:				

## N. Old Woodward Garage

Valet Counts

# OCTOBER 2016

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 Valet closed	4 Garage not filled.	5 Garage not filled.	6 Garage not filled.	7 Valet closed	8
9	10 Valet closed	11 Garage not filled.	12 Garage not filled.	13 10 cars	14 Valet closed	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	Notes:				

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BIRMINGHAM, FARMINGTON

## Committee gathers parking information from Birmingham

By Sherri Kolade



Birmingham's parking system was the focus of a Farmington Downtown Parking Advisory Committee field trip Sept. 21. (Photo by Donna Agusti)

Posted September 28, 2016

FARMINGTON/BIRMINGHAM — Birmingham got it right.

That's what Rachel Gallagher, the president of the Farmington Downtown Development Authority, said after attending a meeting about Birmingham's parking Sept. 21 at Birmingham City Hall.

"What I found most surprising is that Birmingham has done it right since the beginning," Gallagher said about the city's parking in an email after the event. "They have had paid parking since the 1940s. Their first structure was built in 1966; their last structure was built in 1989. They have five parking decks total."



Rachel Gallagher, a member of Farmington's Downtown Parking Advisory Committee, stops by a parking meter in Birmingham. (Photo by Donna Agusti)

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Gallagher is a member of Farmington's Downtown Parking Advisory Committee. Members of the committee attended the fact-finding meeting.

Gallagher knows about parking in Farmington, and sometimes the lack thereof.

"I have worked in Farmington for 32 years now," Gallagher said during a phone interview. "I've watched parking be an issue ... always."

Gallagher said the city of Birmingham's first structure holds 550 cars, adding that there is no free parking in any city-owned lot in Birmingham.

"They have realized that property, whether it has a building on it or not, is still an asset and one that must be managed," Gallagher said. "The other thing they do that we lack is consistency."

Gallagher described Birmingham's municipal lots as having set parking times ranging from one and three hours to 12 hours, depending on how far a parking garage or lot is from the city's central business district.

Gallagher added that Birmingham is a much larger city than Farmington — with about 10,000 more residents — and Farmington does not need or have the room for five parking decks.

"But there is no need for us to reinvent the wheel either," she said. "The committee plans to speak with several other communities to see what they are doing as well."

Gallagher added that Farmington's current time-limited parking is not meant to produce income as other cities' systems, such as Birmingham's, do.

"While in comparison, our plan is simply to provide closer customer parking," she said. "Asking employees to use more distant lots."

Joe Mantey, co-owner of The Cheese Lady with his wife in downtown Farmington, is a member of the committee.

Before that, Mantey was an economist and worked on commercial shipping, studying the costs and benefits of providing parking spaces for commercial cargo vessels, he said.

Mantey said in a recent email that he likes parking in Birmingham's parking structure.

"It's free for the first two hours, and our meeting only lasted an hour," Mantey said. "It's pleasant to get back into a car that the sun hasn't baked."

Mantey said that while Birmingham is not Farmington, he thinks it is important for the committee to gather as much information as it can before making recommendations to the City Council.

Committee members will discuss the overall group reaction at their next public meeting.

The committee meets every third Wednesday of the month at City Hall, and the meetings are open to the public.

The DDA has hired Ann Arbor-based Walker Parking Consulting, and the parking consulting and planning company will gather data in October and present its findings later.

Mantey said that while Farmington needs help with parking, it is a good thing that it doesn't have more parking than people.

"Downtowns with plenty of unused parking usually have nothing much going on," he said. "Downtown Farmington is more popular with more things to do than ever. Enjoy our downtown."



Parking meters in downtown Birmingham were part of the committee's focus. (Photo by Donna Agusti)

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Gallagher added that in the end it is about meeting the needs in a timely manner.

"We are a growing community," she said, "as well as growing younger for the first time in decades. Every downtown has a parking issue; we are not alone, but it's important for us to stay ahead of the curve."

Last April, the Farmington City Council unanimously approved the establishment of the committee and parking enforcement, while holding off, for now, on installing metered parking.

Operating hours for the parking meters in the city of Birmingham are 9 a.m.-9 p.m. Mondays-Saturdays, according to [www.bhamgov.org](http://www.bhamgov.org).

Birmingham also owns and operates five parking decks that offer over 3,500 parking spaces for public use. Fees range from \$2-\$10; parking is free for two hours.

For more information or to see the full report, go to [www.ci.farmington.mi.us](http://www.ci.farmington.mi.us).

Birmingham Assistant City Engineer Austin Fletcher did not respond to requests for comment by press time.



#### ABOUT THE AUTHOR

Staff Writer Sherri Kolade covers Farmington, Farmington Hills, Farmington Public Schools, and Oakland Community College for the Press. Sherri Kolade has worked for C & G Newspapers since 2013 and graduated from Central Michigan University.

[Full bio and more articles by this reporter](#)

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Event Coverage

# Get Your Jet Packs On: The Revolution Of Self-Driving Cars

OCTOBER 6, 2016 | BY KRISTIAN SEEMEYER

SCOTTSDALE, AZ—"The days of Knight Rider's KITT and James Bond cars are here," said moderator Ben Sayles, HFF, during a panel discussion breaking down the impact of the technology at NAIOP's Commercial Real Estate Conference.

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Ben Sayles, Dale Dekker, Patrick McMahon

SCOTTSDALE, AZ—"The days of Knight Rider's KITT and James Bond cars are here," said moderator **Ben Sayles**, director, HFF. Panelists **Dale Dekker**, principal/architect, Dekker/Perich/Sabatini, and **Patrick McMahon**, director of development, Federal Realty Investment Trust, drove head-first into the discussion: "Self-driving Cars: A Game Changer for Commercial Real Estate?" The panel was featured during NAIOP's **Commercial Real Estate Conference 2016**, held at the Fairmont Scottsdale Princess.

The benefits of self-driving cars are easily recognizable: on-demand transport; increased mobility for youth, the elderly and people with disabilities; a dramatic reduction in accidents; increased fuel economy; reduction of parking structures; and enhanced human productivity. Ernst and Young has predicted that self-driving cars will impact American productivity on a level not seen since the Industrial Revolution.



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Dekker says the process is revolutionary, not evolutionary. "The autonomous vehicle (AV) impact on urban and suburban development will be congestion mitigation. Ninety-five percent of the time, your car is idle and is one of the most rapidly depreciating items you can own. AVs and on-demand fleets could reduce parking by 70-90 percent. People are building 30- to 40-year assets—parking structures—that may only be valuable for 10 years."

Unlike manned vehicles, AVs will be in use 85 percent of the time. Once humans exit the cars, the vehicles can be parked six inches apart, maximizing space and drastically changing building design. Heat islands will decrease.

Taking humans out of cars has other consequences. There are an estimated 5 million automobile accidents per year in the US. "It's a whole industry set up around human incompetency," said Dekker. "It could disrupt the insurance business model." Then we have the 3.5 million truck drivers that may eventually be displaced by self-driving trucks, perhaps even spawning warehouses on wheels. Increased use of 3-D printers and AVs have the potential to become mobile manufacturing units. The implications are heavy and near. The AV co-op could mean the Uberization of the shared economy.

"This will eliminate massive amounts of jobs," said Dekker. "We are going from horse and buggy to F-16s in 10 years—so get your jet packs on."

McMahon approached the concept from a developer's perspective. "Offices are showing interest in shared AV fleets with ride sharing and piloted parking," he said. McMahon is advocating for new design in parking structures so that with the addition of more AVs added, fewer parking spaces will be needed overall, and the ground floor can be converted to retail. By going, in some cases, from 148 to 200 parking spaces, recapturing square footage can be dramatic. He sees corporate AV fleet investment as a step toward mainstream use.

Retrofitting parking structures for AV fleets has its challenges. Those built before 1980 will present the most difficulty. In general for AV parking, Dekker said zoning codes and ordinances will have to change. "And we have to ask clients, 'Do you really want to spend \$20,000-\$25,000 on a parking space you may not need?' This will accelerate rich, mixed-use office development due to the cost of parking."

AV technology will be adapted differently in different areas, according to Dekker. "In the West, we will see it used in long-haul travel and logistics." McMahon stated, "It will take hold in urban areas faster due to the premium cost of land."

For every one AV, eight manned cars will be taken off the road. As the panelists agreed, the significance of this cutting-edge technology is tremendous.

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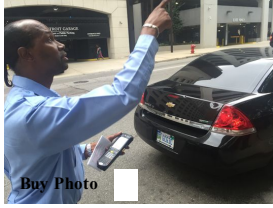
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## Regional Engineering Manager (JLL) New York, NY

# Higher fines, new meters raise Detroit parking revenue

**Matt Helms**, Detroit Free Press

11:01 p.m. EDT September 4, 2016



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(Photo: Matt Helms/Detroit Free Press)

With parking tickets now costing \$45 and a new, high-tech meter system seeing widening use, Detroit's Municipal Parking Department is relatively flush these days.

Gone are the days when the city was spending about as much on processing tickets as it was on bringing in revenue from them. Revenue from parking tickets is up 30% this fiscal year compared to 2014, to \$13 million, according to department figures provided to the Free Press.

Revenue per ticket written is up to about \$55 (including late fees), compared to about \$35 before the price hike.

► **Related:** [Top parking violators rack up thousands in tickets \(/story/news/local/michigan/detroit/2016/09/05/detroit-top-parking-violators/89730350/\)](/story/news/local/michigan/detroit/2016/09/05/detroit-top-parking-violators/89730350/)

But revenue from parking meters is up even more, by 127%, at \$4.2 million for the current fiscal year. Meters that frequently broke down have been replaced by new electronic versions that accept cash and credit cards and payment by the ParkDetroit smartphone app. The department expects meter revenue to rise to \$4.7 million in 2017.

"We're doing pretty well," municipal parking Director Norm White said last week.

Yet the department is writing fewer tickets these days, down by about 15%, since the city a year ago launched its \$3.5-million parking system using electronic kiosks.

It's a major turnaround for a department that frequently frustrated drivers with 3,000 meters, as many as half of which weren't working at any given time in recent years. The city replaced them with about 500 kiosks that are easier to maintain, driving down costs for the department.

► **Related:** [Detroit offers new way to contest parking tickets \(/story/news/local/michigan/detroit/2015/08/31/detroit-fight-parking-tickets-enforcement/71477366/\)](/story/news/local/michigan/detroit/2015/08/31/detroit-fight-parking-tickets-enforcement/71477366/)

White said credit card payments and use of the ParkDetroit mobile app are increasing, and he encouraged people to sign up for the app available on iPhones and Google Android systems.

"Our whole goal is to reinforce parking behavior," White said. "That's why there's an emphasis on using the parking system."

That system also has made it easier for parking enforcers like DeAndre (Ponytail) Hubbard to do their jobs. Hubbard was featured on the show "Parking Wars" on the A&E cable network.

Hubbard said he averages 65-70 tickets a day but can go as high as 85-90. The new system uses a camera that scans license plates and runs the plates against a database of people who have entered their plates at a kiosk when they paid to park.



Parking enforcer DeAndre (Ponytail) Hubbard shows how a computer -- connected to an outside camera that scans license plates -- helps determine whether someone has paid for parking in Detroit. It's a quick process, and violators get \$45 tickets. (Photo: Matt Helms/Detroit Free Press)

Once a plate is scanned, it takes only seconds for the computer to say whether the driver of the vehicle has paid up. With a few more clicks, out comes a freshly printed ticket inserted into the white envelope that enforcers put under windshield wipers.

"It's really efficient," Hubbard said last week as he scoured downtown streets for people parking without paying. "I really love the way it operates."

► **Related:** [Detroit overturns Lions game night parking tickets \(/story/sports/nfl/lions/2016/09/02/detroit-lions-parking-tickets/89786362/\)](/story/sports/nfl/lions/2016/09/02/detroit-lions-parking-tickets/89786362/)

Hubbard said he still hears from drivers unhappy that the city raised parking tickets up to \$45 — a controversial decision made by former emergency manager Kevyn Orr in 2014. Orr said at the time that the city needed the extra revenue, especially because it wasn't making enough money on parking tickets.

Kerrick Butler of Troy, who frequently attends Detroit Tigers games, said he appreciates the ease of the new parking system.

"I love it," said Butler, who uses the mobile app. "It's helping the city bring in revenue. And it's building up downtown because now people can park and they don't have to worry about paying \$20, \$25 to park, and then they can enjoy things in the downtown area that are being renovated. It's a great tool to use."

It was a big change for a city that hadn't increased parking rates since 2001. Detroit's parking tickets had been \$20, with a \$10 discount if paid within 10 days. Critics said raising rates unfairly punished people in a high-poverty city. The decision, made as Detroit was fighting its way through Chapter 9 bankruptcy, was meant as a way to score more revenue for a city badly in need of it. Orr said at the time that the hike put Detroit more in line with what other big cities charge.

City officials say the higher revenues aren't any kind of bonanza. Profits from parking department operations go to the city's general fund, but the city also has to use some of the parking revenue to pay off about \$10 million in bonds under terms of its exit from bankruptcy.

In addition, some of the revenue has to be put aside for repair and upgrades at some of the city's parking facilities, including the Ford Underground Garage at Jefferson and Woodward, White said.

► **Related:** [MSU grad decorates her cap with parking tickets \(/story/news/local/2016/05/03/msu-grad-decorates-her-cap-parking-tickets/83872278/\)](/story/news/local/2016/05/03/msu-grad-decorates-her-cap-parking-tickets/83872278/)

Contact Matt Helms: 313-222-1450 or [mhelms@freepress.com](mailto:mhelms@freepress.com) (<mailto:mhelms@freepress.com>). Follow him on Twitter: [@matthelms](https://twitter.com/matthelms) (<http://www.twitter.com/matthelms>).

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# PORTLANDERS ASK CITY COUNCIL TO ELIMINATE PARKING REQUIREMENTS

 October 9, 2016  TonyJ  0 Comment  Uncategorized

On October 6th, the first of two hearings on the Comprehensive Plan Early Implementation Project were held at city hall and Portland's Shoupistas asked city council to [eliminate parking requirements in Mixed Use Zones](#).

At least eight Portlanders, out of approximately 40 citizens who testified on many topics, asked the commissioners to place a higher priority on housing people rather than garaging cars:

- Tony Jordan, founder of Portlanders for Parking Reform, [cited the recently released Housing Development Toolkit](#) and the failures of our current requirements to ease curbside parking anxieties as reasons to act now.
- Alan Kessler [commended City Council for not expanding parking requirements into NW Portland](#) and asked them to free the rest of the city from the burdensome 2013 requirements.
- Kiel Johnson, owner of the Go By Bike Shop and operator of North America's largest bike valet [told commissioners that he specifically chose to buy a condo in a building with no parking](#) and pointed out that "whatever you build, people will use it and that's what they will use to get around."
- Chris Rall spoke as the father of three school age children. He [expressed concern that parking requirements lead to more traffic](#) and more expensive housing. In 20 years, he wondered, "will there be enough housing for [his children] or only for cars they won't even be likely to own?"
- Charlie Tso, vice-president of Portlanders for Parking Reform, [laid out the case for why our proposal is supported by the current city policy](#) and asked council to "trade parking requirements for more affordable housing."



- Sam Noble [started his testimony by saying “I drive almost everywhere I go.”](#) Nevertheless, he said, it is “not fair to expect residents of new mixed-use buildings to pay more rent in order to subsidize [his] on-street parking.” Noble’s testimony led to a strange follow-up from Commissioner Amanda Fritz who asked him: “Where do you park your vehicle?” Mr. Noble said he had a garage and driveway, but pays for a parking permit where he works. “All right,” was Fritz’ response.
- Margot Black [spoke as a renter and a car driver who is against “anything at all that would possibly limit more housing being built or increase the cost of more housing being built”](#), including parking requirements and downzoning. Black said that she often hears that renters who can no longer afford to live in the “cool, hip city” of Portland “should just move.” She responded that Portland’s growth “comes with increased parking and traffic situations” and “big cities make room for people, not cars.” Perhaps, she suggested, people who don’t like not being able to find a parking spot should move as well.” Ms. Black also took time to refer to [controversy earlier in the day regarding a proposed police contract](#). “People of color in this city who are being killed by police officers need to be heard” and “we should listen to their input and prioritize them.”
- Doug Klotz [spoke later in the hearing](#) and strongly supported our campaign to eliminate minimum parking requirements in the new mixed-use zones (Doug serves on the Mixed Use Zones Project Advisory Committee).

This in-person testimony is important, but we are asking others to submit letters to city council members and as official comprehensive plan testimony. Join [Oregon Walks](#), [Portland for Everyone](#), and other concerned citizens and ask City Council to trade parking requirements for more affordable housing. Ask them to eliminate parking requirements in mixed-use zones.

We have prepared a [document with talking points for your convenience](#).

## Send testimony to City Council

Before midnight on Thursday, October 13th you can send written testimony to [cputestimony@portlandoregon.gov](mailto:cputestimony@portlandoregon.gov) with subject line “Comprehensive Plan Implementation.”

## Write to the Commissioners

Send an email to the members of City Council. We suggest you do this **by October 13th**.

Write to [Commissioner Steve Novick](#), [Mayor Charlie Hales](#), [Commissioner Nick Fish](#), [Commissioner Dan Saltzman](#), and [Commissioner Amanda Fritz](#). Your letter doesn't need to be very long or wonky, simply let them know that you value housing for people over shelter for cars.

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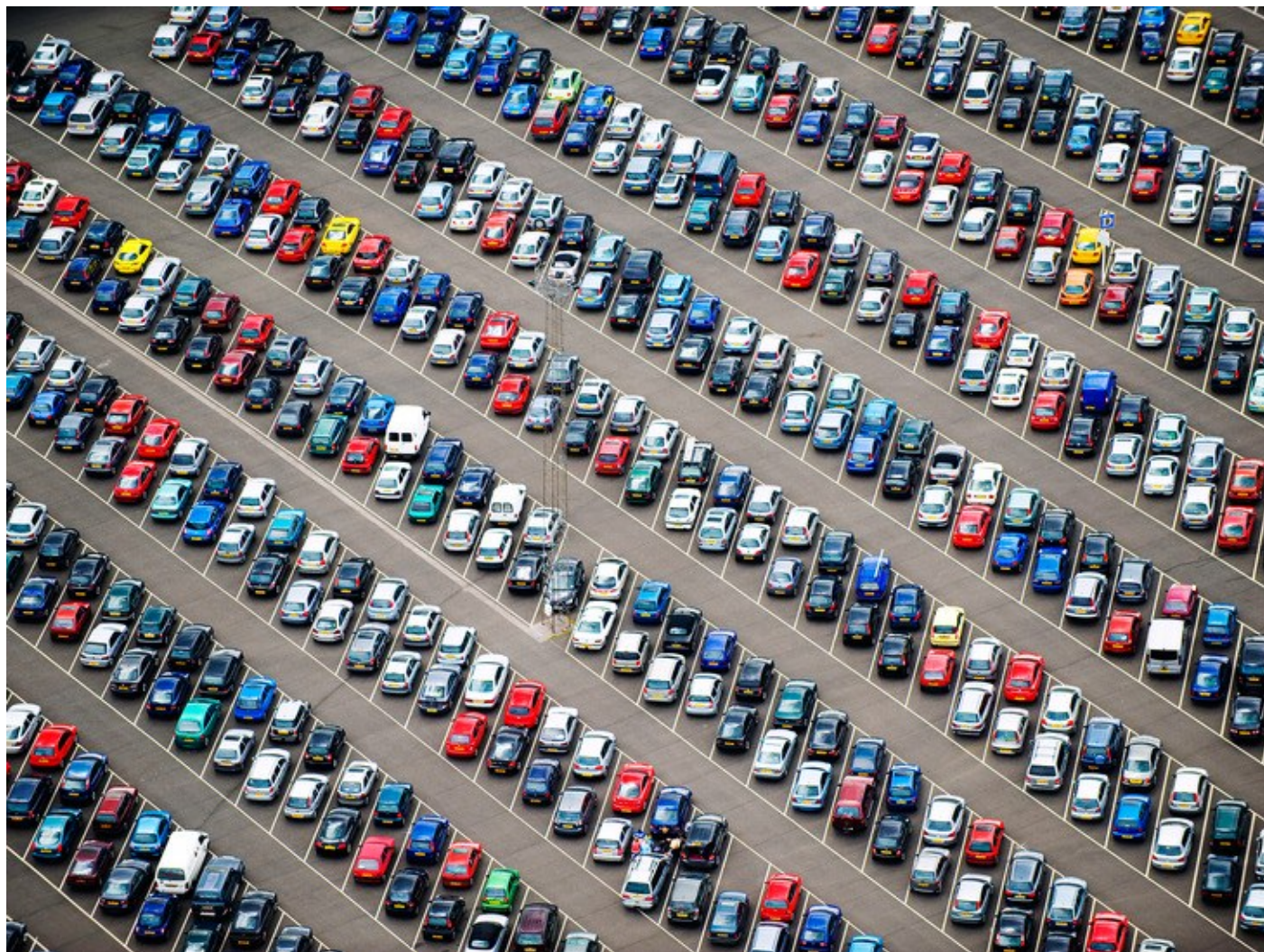
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July 4, 2016  
In "Minimum Parking Requirements"

AARIAN MARSHALL TRANSPORTATION 09.28.16 9:00 AM

# THE WAR ON CITY PARKING JUST GOT SERIOUS



JASON HAWKES/GETTY IMAGES

THE NATIONAL POLITICAL dialogue is suffused with substantive issues like Benghazi, beauty pageants, and the best debate memes. But the biggest bugbear in neighborhood politics just got some serious side eye from the Obama administration: Parking.

It sounds bitty and trivial, but parking is a very big deal in city halls and neighborhood associations. Even dense cities like New York, Boston, and Washington, DC, have long required developers to cough up enough parking to serve the residential projects they hope to build.



If you live in the neighborhood, this makes sense—you don't want noobs taking your spot. But as cities impotently scrabble to keep housing affordable, requiring developers to provide off-street parking feels like dead weight. The cost—up to \$60,000 per underground spot—can kill projects before they even start. And you could argue that it's better to use that land for bedrooms and kitchens and living rooms, not hunks of metal that spend most of the day sitting still. Don't forget that in 2013, more than a quarter of US renters spent over 50 percent of their monthly income on housing. Affordability is a huge problem.

Indeed, says the White House. In a Housing Development Toolkit released Monday, the Obama administration calls off-street parking minimums an affordable housing no-no. "When transit-oriented developments are intended to help reduce automobile dependence," it says, "parking requirements can undermine that goal by inducing new residents to drive, thereby counteracting city goals for increased use of public transit, walking and biking."

Granted, the toolkit is merely a list of recommendations, with no teeth. And cities control zoning laws that dictate things like off-street parking. But the Obama administration is reiterating what urban planners have long said: Parking ain't great for your city. And cities are finally listening.

## Death to the Parking Lot

People have written tomes detailing the downsides of the urban parking lot, but let's lay out the case against it real quick. By investing in cycling infrastructure, sidewalks, and bikeshare programs, dense cities have made it clear they don't want people driving. But requiring developers to provide parking incentivizes car purchases—along with congestion and pollution. UCLA urban planner Donald Shoup found that people searching for parking in one 15-block stretch of Los Angeles burn 47,000 gallons of gas and produce 730 tons of carbon dioxide annually.

Parking requirements are especially nonsensical in a real estate landscape where buyers pay a premium to live near transit and *not* have a car. In fact, the requirements effectively tax those who don't want or can't afford a car, by

passing that cost on to them. And don't forget that the cost of parking often prevents affordable housing development.

Building parking lots to reduce the demand for on-street parking doesn't actually work, says Michael Manville, an urban planner who studies land use and traffic congestion at UCLA. "The street is an unpriced commons, which is why you have a shortage of parking," he says. Cities once thought they could protect free parking *and* make existing residents happy by passing the hidden costs of those spots on to new residents. But the free spots will always be full—thanks, Econ 101. Manville says any city worried about parking should do the smart but unpopular thing: require permits or install meters.

## The Very Slow Death of the Parking Lot

Into this lake of evidence wades the White House. It isn't the first to do so. People like Manville have been warning anyone who will listen about the downsides of off-street parking minimums for at least 15 years. And cities have been getting in on the anti-parking lot regs for almost a decade. Seattle relaxed requirements for developments within a quarter-mile of mass transit in 2012. New York City and Denver did much the same for low-income housing. Other cities are granting developers waivers to parking requirements, but they aren't making it easy.

You can attribute the change in part to a growing shortage of affordable housing, says Stockton Williams, the executive director of the Urban Land Institute's Terwilliger Center for Housing. And you can expect such policies to become more popular as the affordable housing crisis reaches ever further into the middle class. "Affordability is increasingly understood to be a problem that affects people beyond those in the lowest income bracket," says Williams. Even tech workers feel the squeeze.

Of course, hitting parking where it hurts is no panacea. The White House toolkit points out other important policy adjustments—like taxing vacant land, zoning for density, and letting homeowners build additional dwellings in their backyards—that will promote affordable housing. All of them must be enacted together to keep everyone housed.

But the White House has said its piece. “Obama’s a lame duck, but as [his administration is] heading out the door, they can choose to make bold statements on any number of fronts. The fact that one of the fronts they chose to make a statement on is zoning, I think, is symbolically important,” says Manville, the urban planner.

Symbols serve their purpose, so go sleep in your nearest parking lot tonight.