

VIRTUAL MEETING OF THE ADVISORY PARKING COMMITTEE

WEDNESDAY, OCTOBER 7, 2020

7:30am

**<https://zoom.us/j/99788929654> or dial: 877 853 5247 US Toll-free, Meeting
ID: 997 8892 9654**

1. Roll Call
2. Introductions
3. Review of the Agenda
4. Approval of Minutes, Meeting of March 4, 2020
5. Approval of Minutes, Meeting of August 19, 2020
6. Alternative Parking Management Structures – RFP Update
7. BSD Holiday Marketing Campaign
8. Master Plan Review – Status Review
9. Meeting Open to the Public for items not on the Agenda
10. Miscellaneous Communications
11. Next Meeting – Wednesday, November 4, 2020
12. Adjournment

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City of Birmingham
ADVISORY PARKING COMMITTEE
REGULAR MEETING

Held Remotely Via Zoom And Telephone Access
Wednesday, August 19, 2020

MINUTES

These are the minutes of the Advisory Parking Committee ("APC") regular meeting held on Wednesday, August 19, 2020. The meeting was called to order at 8:00 a.m. by Vice-Chairwoman Gayle Champagne.

1. Rollcall

Present: Vice-Chairwoman Gayle Champagne
Richard Astrein (left 9:08 a.m.)
Michael Horowitz
Steven Kalczynski
Judith Paskiewicz (arrived 8:22 a.m.)
Lisa Silverman
Jennifer Yert

Absent: Chairman Al Vaitas
Anne Honhart
Lisa Krueger

SP+ Parking: Sara Dixon
Jay O'Dell
Chris Tretter

Administration: Tiffany Gunter, Asst. City Manager
Mike Albrecht, Police Commander
Mark Clemence, Police Chief
Laura Eichenhorn, Transcriptionist

2. Recognition Of Guests

None.

3. Approval Of Minutes: Meetings Of May 6, May 13, and June 3, 2020

Motion by Mr. Astrein

Seconded by Ms. Yert to approve the minutes of the regular APC meetings of May 6, May 13, and June 3, 2020 as submitted.

Motion carried, 6-0.

ROLL CALL VOTE

Yeas: Astrein, Silverman, Champagne, Horowitz, Kalczynski, Yert

Nays: None

4. Continued Free Parking Alternatives – Recommendation – Action

ACM Gunter presented the item.

After Committee discussion, there was consensus that parking should remain free to support City retailers through the end of December 2020, with a one-time fee charged at the end of 2020 to any permit holders wishing to maintain their permits for 2021. The Committee decided on the one-time fee in order to allow the City to know the demand for parking permits going into the new year.

Motion by Mr. Horowitz

Seconded by Mr. Astrein to recommend that the City Commission suspend parking fees through the end of December 2020, notify parking permit holders that there will be no monthly permit fees charged through the end of December 2020 and notify parking permit holders that they will be charged a one-time fee of \$100 due November 30, 2020 should they want to reserve their parking permit for 2021.

Mr. Kalczynski expressed concern that the \$100 could be prohibitive both for individuals and for companies in addition to the normal monthly parking fees.

Mr. Horowitz observed that any individuals looking to retain parking permits for 2021 likely also retained their jobs, meaning the cost would not be too onerous for them. He said that if the Committee agreed that the \$100 per parking permit would be too costly en masse to charge corporations the Committee could decline the \$100 stated in the motion and recommend another amount.

Motion carried, 7-0.

ROLL CALL VOTE

Yeas: Horowitz, Astrein, Champagne, Paskiewicz, Silverman, Kalczynski, Yert

Nays: None

5. Civicsmart Meters – Technological Upgrade - Action

Police Commander Albrecht and the SP+ team presented the item.

Mr. Kalczynski said that given the economic impact of Covid-19 on the City he thought it would be inappropriate to both spend \$150,000 on the meter upgrades at this time and to waive the competitive bidding process.

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Police Chief Clemence explained that the City's current meters run on a 2G network. He stated that the 2G network will become obsolete, and that it could be as early as December 2020 or as late as December 2021. Once the 2G network is no longer supported, the City's meters will not work until they are replaced with newer, 4G technology. In addition, even if the 2G network functions to some extent until December 2021 an increasing degradation of the signal could result in the meters only working intermittently. He explained that in replacing the meters now the City would be able to provide uninterrupted service.

Dr. Silverman noted residents had recently experienced a significant crisis of confidence in the City administration in August 2019 in terms of competitive bids. She said that even if no other corporations submit a bid it would still be more appropriate to run the competitive bid process in order to restore citizens' confidence in the transparency of the City's workings.

Police Chief Clemence noted that CivicSmart, the City's current vendor, was offering to replace the City's meters for an approximate cost of \$115,000 since they would be able to use much of their same systems. He explained that other offers to carry out the work would likely be upwards of \$700,000 because all new systems would need to be implemented.

Dr. Silverman said it would be fine to use the City's competitive bid process to determine that the other offer made would not be competitive. She reiterated that given the recent crisis of confidence skipping the competitive bid process altogether would not be appropriate.

Mr. Kalczynski noted that having intermittently-functioning parking meters could also erode residents' confidence in the City as well. He said he understood from that vantage point why it would make sense to complete the work expediently for the lowest price offered.

In reply to ACM Gunter, Police Chief Clemence confirmed that if the project goes to bid it could be difficult to install the new meters before December 2020, which is the earliest date the current meters could cease being supported.

Mr. Horowitz asked whether the meters should not be 5G compatible since that technology is becoming more common throughout the country.

Police Chief Clemence said his understanding was that 4G meter technology should remain operable for another four to ten years from date of installation.

In reply to Dr. Paskiewicz, Police Chief Clemence said it was unlikely that CivicSmart knew the City's present meters would become obsolete as quickly as they have.

Motion by Mr. Astrein

Seconded by Mr. Horowitz to waive the competitive bidding process and approve the purchase of (1,150) LNG single space meters from CivicSmart, Inc., a sole source vendor; further charging this expenditure in the amount of \$115,000.00 to the Automobile Parking System Fund capital outlay parking meters account # 101-301.002-971.0200.

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Vice-Chairwoman Champagne noted that replacing the meters in order to ensure functionality seemed more like maintenance of the City's current on-street parking system as opposed to a new project requiring a new bidding process.

Mr. Horowitz asked if there was a way to acknowledge Dr. Silverman's concerns in the motion and to include a reply that explained why the APC was proceeding with waiving the bidding process.

Mr. Kalczynski noted that CivicSmart being the 'sole source vendor' at least partially explained the APC's motivations for recommending a waiver of the competitive bidding process.

Mr. Horowitz said he trusted the City Commission would factor in Dr. Silverman's concerns as appropriate during their review of the APC's recommendation.

Motion carried, 7-0.

ROLL CALL VOTE

Yeas: Astrein, Horowitz, Yert, Champagne, Silverman, Paskiewicz, Kalczynski

Nays: None

6. Parking System Technology Draft RFP - Garage Equipment – Action

ACM Gunter presented the item.

There was no discussion by the Committee.

Motion by Mr. Astrein

Seconded by Mr. Kalczynski to recommend approval of the Parking System Technology Draft RFP for Garage Equipment.

Motion carried, 7-0.

ROLL CALL VOTE

Yeas: Astrein, Kalczynski, Champagne, Silverman, Horowitz, Yert, Paskiewicz

Nays: None

7. Master Plan Discussion – Continued

Seeing that Committee members needed to depart the present meeting, the APC agreed to resume discussion of the master plan at a future date.

Vice-Chairwoman Champagne recommended moving the item to the top of the October 2020 APC agenda.

8. Meeting Open For Matters Not On The Agenda

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Dr. Paskiewicz recommended that the APC meet virtually for its October 2020 meeting.

9. Next Meeting: Wednesday, October 7, 2020

10. Adjournment

No further business being evident, the meeting adjourned at 9:09 a.m.

Assistant City Manager Tiffany Gunter



MEMORANDUM

Office of the City Manager

DATE: September 9, 2020
TO: City Commission
FROM: Joseph A. Valentine, City Manager
SUBJECT: Alternative Parking Management Structures

INTRODUCTION:

The Commission requested a presentation of options considering alternative management structures for the parking system per the following motion on August 10, 2020:

MOTION: Motion by Commissioner Baller, seconded by Commissioner Host Requesting City Manager Valentine to provide the City Commission, no later than September 14, 2020, options for studying alternative management structures and best practices for managing the parking systems.

BACKGROUND:

To best assess options for alternative management structures for the parking system, it may be beneficial to first explain the types of management structures that exist as a prelude to the options available for studying them. Assessments of the parking management structures are not uncommon, but this was not included in the scope for the Downtown Parking Plan that was prepared for the City by Nelson Nygard in September of 2018. The focus of this plan was on operational strategies and not a review of the organizational structure or management model. In review of other parking management plans, where a study was conducted on the organizational structure, there are common management models that are evaluated, as well as, best practices. Examples of these models are contained in the following plans and are attached to this report for reference.

- Township of Montclair, New Jersey (pop. 38,000) Parking Management Plan 2016
- City of Durham, North Carolina (pop. 274,000) Comprehensive Parking Study
- Billings, Montana (pop. 109,000) Parking Strategy Plan 2015
- City of Trenton, New Jersey (pop. 84,000) Downtown Parking Management Plan

The various options that exist in conducting such a review include the following fundamental approaches.

1. Have staff study alternate management structures and best practices for managing parking systems and present a report with recommendations.
2. Create a resolution creating an Ad Hoc Committee to study alternate management structures and best practices for managing parking systems and present a report with recommendations.

3. Have staff solicit a proposal from Nelson Nygard to amend their September 2018 Downtown Parking Plan to study alternate management structures and best practices for managing parking systems and present a report with recommendations.
4. Have staff solicit proposals from professional parking consulting firms to study alternate management structures and best practices for managing parking systems and present a report with recommendations.

LEGAL REVIEW:

No legal review was required in the development of this report.

FISCAL IMPACT:

In reviewing costs from other municipalities for their parking plans that included an assessment of alternative management structures, the costs are outlined below. It is important to note that the costs below are representative of a full parking plan which included a section on the management structures. A scope focused entirely on a study of management models should cost considerably less.

Durham, North Carolina	- \$158,035
Billings, Montana	- \$ 68,025
Trenton, NJ	- \$ 99,360

SUMMARY

In follow up to the City Commission's direction, a list of options have been presented below in the form of resolutions to direct further action on this issue, should the Commission wish to do so.

ATTACHMENTS:

- Township of Montclair, New Jersey Parking Management Plan
- City of Durham, North Carolina Comprehensive Parking Study
- Billings, Montana Parking Strategy Plan
- City of Trenton, New Jersey Downtown Parking Management Plan

SUGGESTED RESOLUTION:

1. To direct staff to study alternate management structures and best practices for managing parking systems and present a report with recommendations to the City Commission.
OR
2. To direct staff to prepare a resolution creating an Ad Hoc Committee to study alternate management structures and best practices for managing parking systems and present a report with recommendations.
OR
3. To direct staff solicit a proposal from Nelson Nygard to amend their September 2018 Downtown Parking Plan to study alternate management structures and best practices for managing parking systems and present a report with recommendations.
OR
4. To direct staff to solicit proposals from professional parking consulting firms to study alternate management structures and best practices for managing parking systems and present a report with recommendations.

Management Organization & Operations Strategies

PRIMARY OBJECTIVE:

Apply management organization and operations strategies to optimize the Township's parking and access management.

Enhancing the current parking management system in the Montclair Township is a critical element for improving the overall downtown experience. Well-managed, customer-oriented parking facilities and management policies encourage visitors to shop, work, and explore local cultural and entertainment options by improving access to downtown attractions, reducing traffic congestion, and clearly informing users about regulations and fee structures associated with available parking. Ultimately, expanding the scope of parking program to incorporate a range of access management and transportation demand management strategies is recommended. The creation of such a system will support commerce; promote the City's transportation, sustainability, and traffic mitigation goals; and advance the broader objectives of economic development and downtown vitality.

Parking program reorganization initiatives are often initiated to support larger community-wide strategic plans, transportation plans or downtown master planning projects. Parking reorganization and management plans can also support retail enhancement strategies. Regardless of the catalyst, parking initiatives often share a set of core goals and priorities that emphasize the need to address the concerns of multiple constituencies, support the development of a vibrant community, and provide safe, user-friendly parking facilities that balance the public need with private interests. All of this must be accomplished in consideration of funding mechanisms and strategies that continue to benefit the community in the long-term.

The recommendations in this section include both Organizational Strategies — transformative changes to the structure of the MPU that will have long-term impact on the effective implementation of the overall PMP — and Operational Strategies — changes to the “day to day” operations of the MPU parking system that will bring improvement to the current and future functions of the MPU.

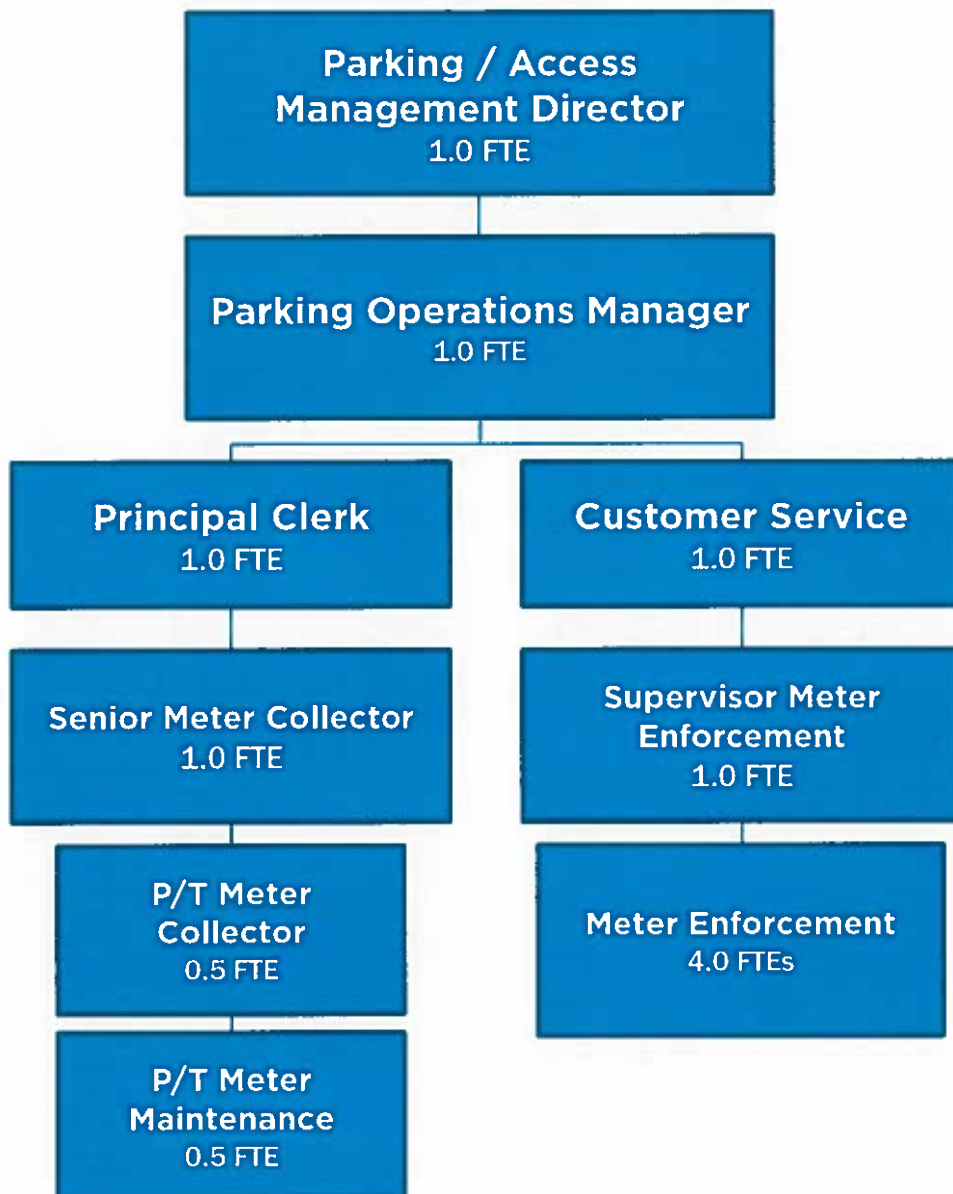
ORGANIZATIONAL STRATEGIES

Organizational Structure

Parking management best practices from a program organizational perspective, center on the concept of a “vertical integration” of parking functions. This is in contrast to the typical “horizontally fragmented” organizational structures that tend to evolve naturally in many municipal parking organizations across the U.S. The chart below identifies a recommended reorganization of the MPU.

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Montclair, New Jersey

Figure 15 Proposed MPU Organizational Structure



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Montclair, New Jersey

Create a Program Director Position

Today, the MPU does not have a Director. The Montclair Parking Authority (MPA) had a position of Executive Director. This position was the Chief Executive Officer (CEO) and Chief Operating Officer (COO) of the MPA. The Executive Director reported to the Board of Commissioners of the MPA. There was also an administrative assistant to support the executive director. The Operations Manager also had two direct reports; two maintenance workers.

The Program Director is a critical position, especially one that is the size of Montclair. The Township should formalize the Director level position by creating a position description for a Parking Director, post the job and let the application process take a normal course. To reflect the recommended program scope expansion it is recommended that the new Director position title be changed to Parking/Access Management Program Director. This will benefit the Township and this organization to establish a formal head with the proper authority and responsibility for a parking management system of this size.

The following duties are normal for this classification. These are not to be construed as exclusive or all-inclusive. Other duties may be required and assigned.

- Provides leadership, oversight and management of the town's parking utility functions, including maintenance of pay stations, parking meters, parking permits, parking lots, and parking enforcement operations and revenue.
- Prepares RFPs and participates in the selection of contractor(s) for the maintenance of the parking facilities. Determines the service level for the maintenance of parking facilities and pay stations.
- Responds to public inquiries, suggestions or complaints in a prompt, professional manner.
- Maintains confidentiality of all proprietary department information and personnel matters including medical information.
- Coordinates with the Police Department on various parking related enforcement issues.
- Coordinates with the Police Department on parking traffic control during Montclair special events.
- Conducts daily inspection of parking facilities.
- Provides an analysis of parking ticket revenues, parking meter revenues, summary report of credit card transactions, hours of operations, demand, etc.
- Provides recommendations to the Parking Utility Board for changes to fee structure and operation.
- Program pay stations accordingly for fees, rates, time of day, holidays, special events.
- Recommends improvements to the operations to provide cost effective and efficient utilization and customer service.
- Maintains records of all maintenance and repairs on parking facilities and equipment.
- Recommends improvements related to public safety in the parking facilities.
- Collects and deposits monies, cash sales and billing payments. Maintains related accounting records.
- Provides recommendations to Parking Utility for the annual operating and capital improvement budgets for the Parking Utility.
- Enforces cost control measures, eliminates redundant systems and establishes and implements cost control measures to ensure compliance with budgetary limitations.

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Montclair, New Jersey

- Develops, communicates and monitors policies, procedures and standards for the Parking Utility.

This list is expanded upon in Appendix ___ - a white paper entitled "The 20 Characteristics of Effective Parking Programs". This document could serve as a road map for program development going forward.

Create and Operations Manager Position

There is no longer a Manager of Operations position as there was under the parking authority. The functions of striping, cleaning, and meter installation are currently provided for by the Department of Public Works (DPW). There is one (1) full-time equivalent (FTE) to service the 32 surface lots.

To make the parking function more "vertically integrated", the function currently being provided by DPW staff should be transferred to the Parking Utility and made the responsibility of a reinstated parking operations manager position reporting directly to the Parking/Access Management Director position. A specific task list and position description for this new position should be created with the intent to free up some of the Director's time to enable that position to be focused on program development and with a more of an "out-ward focusing role". The Operations Manager position should be more internally and operations focused. It is recommended that this position should also fill the function of a "special projects coordinator".

Staffing Cost Implications

The table below compares the current program's staffing/salaries to the recommended program.

Figure 16 Current and Proposed Staffing

Current Organization	Recommended Organization
\$67,368 Project Administrator	\$80,000 Parking/Access Management Director
\$40,974 Senior Meter Collector	\$65,000 Operations Manager
\$34,799 Principal Clerk	\$40,974 Part-Time Meter Collector
\$42,534 Supervisor Meter Enforcement	\$24,584 Part-Time Meter Maintenance
\$32,506 Meter Enforcement Officer	\$34,799 Principal Clerk
\$37,422 Meter Enforcement Officer	\$34,799 Customer Service
\$36,526 Meter Enforcement Officer	\$42,534 Supervisor Meter Enforcement
\$37,068 Meter Enforcement Officer	\$32,506 Meter Enforcement
	\$37,422 Meter Enforcement Officer
	\$36,526 Meter Enforcement Officer
	\$37,068 Meter Enforcement Officer
\$329,217 Total Salaries	\$466,212 Total Salaries
Difference:	136,995 - Upgrade of Project Administrator to Parking/Access Management Director - Addition of Parking Operations Manager - Addition of Two P/T Personnel

Mission and Scope Expansion

Mobility & TDM

Trends in the industry reflect a movement to expand the scope of traditional parking programs to embrace a broader “access management” paradigm. While parking remains an important element of the overall program, it should not be the only program focus. Managing both the supply and demand sides of the “access equation” is a central theme of an “access management” program. Thus, creating or supporting programs to increase the range of access options becomes an important element of the new program model which emphasizes a number of “mobility management” alternatives to single occupant vehicle use. This typically includes promoting a range of transportation demand management (TDM) programs, supporting “active transportation” modes (bike/peds) as well as promoting good urban design, walkability, transit oriented development, shared parking, etc.

The MPU should establish a dedicated enterprise fund with all parking-related revenue streams defined as contributing revenue sources. In many communities parking revenues are allocated to the City’s general fund and getting these funds reallocated can be a difficult proposition. An alternative to this can be to consider the City owned parking assets as if they were private and “taxable”. The amount of tax that would be generated under this scenario becomes the defined contribution that parking makes to the general fund. This still allows for some contribution to the general fund, but at a defined level. The bulk of the parking funds are used to cover operating expenses and creating reserves for maintenance, future capital projects and enhanced community access or economic development initiatives.

Mission & Vision Statement

Truly effective parking systems have a clear vision and well-defined mission. The development or periodic reassessment of the parking system’s vision/mission statements should be undertaken as an open and inclusive process involving a wide range of stakeholders. Typically, it is recommended that the following groups be included in the public input process.

- City Planning
- TPAC
- District Business Associations

The development of a parking system’s vision and mission statements should have one overarching goal—to see that the parking system’s purpose and direction are tied to and supportive of the larger strategic development plan. There are a variety of ways that parking can support the health, vitality, and sustainability of a downtown or business district.

Having a professionally managed parking program that presents clean, safe, attractive, and well-maintained facilities is perhaps the most visible dimension. Other attributes include providing an adequate supply of parking and the appropriate allocation and management of those resources to best support the various businesses that depend on them for success. Successfully meeting these goals promotes downtown business retention and attraction.

The parking system administrator should play a key role in providing educational support to community leaders about the importance of parking and the role(s) parking can play (and cannot play) in meeting community objectives. Staying abreast of the latest technological developments related to parking systems can broaden the options available to improve parking system management effectiveness and efficiency.

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Montclair, New Jersey

Examples of municipal parking program mission/vision statements for your consideration:

- **Missoula, MT**—Welcome to Missoula's Downtown! Our Mission: The Missoula Parking Commission (MPC) plays an important role in making Missoula's downtown a great experience. Our mission is to work with government, businesses, and citizens to provide and manage parking and parking alternatives. MPC identifies and responds to the ever changing parking needs in the area for which it is responsible.
- **Boulder, CO**—Our Mission: We manage the parking garages, on-street systems and enforcement for Boulder's three major commercial areas: Downtown Boulder, University Hill and, when completed, Boulder Junction. We also manage the 10 Neighborhood Permit programs throughout Boulder. Our Mission is to provide quality program, parking, enforcement, maintenance, and alternative modes services through the highest level of customer service, efficient management and effective problem solving.
- **Mammoth Lakes, CA**—Vision Statement: The Mammoth Lakes Parking Management Organization will strive to develop a superior, customer-oriented parking system, responding to the current and future needs of parkers, including visitors, employees, employers and property owners through active planning, management, coordination and communications. The Parking Management Organization shall be considered an integral component of the community's economic development strategies and programs.

Philosophy & Guiding Principles

A succinct statement or statements reflecting your philosophical approach to parking can provide valuable tools for communicating to patrons, stakeholders, and staff. What are guiding principles? Any principles or precepts that guide an organization throughout its life in all circumstances, irrespective of changes in its goals, strategies, type of work, or the top management.

Some examples of parking philosophies are noted below along with a brief commentary.

1. Parking Isn't About Cars . . . It's About People

This statement reflects an understanding that parking is not simply the act of temporarily storing cars, but it is in fact more about addressing needs when transitioning from the vehicular to the pedestrian experience. Under this philosophy, issues such as facility cleanliness, safety, lighting, wayfinding, and customer service move to the forefront. Functional design elements that directly impact user comfort, such as stall widths, turn radii, walking distances, etc., also take on special importance.

2. People Don't Come Downtown to Park

This concept reinforces the reality that parking, while an important support function and critical infrastructure element, is not the reason people visit your downtown. For the downtown to be successful, there must be good restaurants, interesting retail, and other special attractions.

The fundamental principle behind this philosophy is three-fold:

1. The role of parking is to support other downtown activities.
2. Eliminate parking as a reason not to come downtown
3. Recognize what parking is not (i.e., an attraction).

3. Parking Should Be a Positive Experience

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For years, a parking consulting firm had a slogan: "Parking should be a non-event." This notion has undergone a qualitative evolution to make parking not just a non-event, but actually a positive experience. In their book *The Experience Economy*, Joseph Pine and James Gilmore address the concept that, especially in America, what customers are actually purchasing are positive experiences. One expression of this transition can be seen in the healthcare arena. Have you noticed that the lobbies of newer health care facilities have taken on the feel of grand hotel lobbies? Many parking management systems are providing more extensive customer service training for all levels of staff members.

4. Parking is the First and Last Experience

Building on the concept above is an appreciation of the fact that most of our customers' first and last impressions of any venue really begins and ends with their parking experience. You might enjoy the best meal followed by a fabulous evening of entertainment while downtown, but if you have to circle to find a parking space or are accosted when walking from your car to your destination, your whole experience will be tainted.

5. Parking Should Be Friendly, Not Free

There is no such thing as free parking. One of the ongoing challenges that downtowns face when it comes to parking is cost. Because of land values, densities, and walking distance issues, parking structures are here to stay in the downtown environment and with them comes the need to charge for parking in one form or fashion. The perception that parking at the mall is "free" doesn't help (even though it is not true). Even if you promote free parking as a marketing concept, someone is paying for that parking. Whether it's through increased taxes or an increased cost of goods/services, the cost of providing parking is still there. This philosophy recognizes that reality and instead focuses on providing a friendly, well-managed parking experience.

6. Parking is a Component of the Larger Transportation System

It is surprising how often parking gets divorced in people's minds from being a component of the larger transportation system. Because of its cost, structured parking is often the reason that development projects "don't pencil," to use developer lingo. By considering parking in the larger context of a broad range of transit and transportation alternatives, demand management strategies (including shared parking policies) can be developed to help reduce the amount of parking required, especially in urban areas where good bus transit, light rail, taxi service, and in-town residential developments can be found. As Montclair Township continues to grow, the MPU should continue to develop programs that integrate complementary parking and transportation strategies as this is a hallmark of this philosophy.

Recommended Guiding Principles

The following are a recommended set of parking program guiding principle categories followed by actual guiding principle statements. These Guiding Principles will serve as a foundation for near and long-term decision-making and implementation of parking management strategies in the Montclair Township. These strategies are intended to support the on-going economic development and vitality of Montclair. **This is a process not a one-time task.**

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Guiding Principle # 1

The parking management program will be organized to be “vertically integrated” with responsibility for:

- Managing on-street parking
- Coordination of off-street parking
- Parking enforcement
- Parking planning and development
- Parking demand management

Consolidating the various parking functions under a single parking management organization will establish a consolidated system that is action-oriented, responsive, and accountable with improved coordination and operating efficiencies. Recruiting a strong leader is a key element for success. The organization leader must have strong vision and communications skills, specialized parking and planning expertise, and be capable of educating other community leaders, stakeholders and private sector partners on the importance and relevance of a strong parking management organization. Strong general management and financial program development skills are also required.

Guiding Principle #2

Parking will support the downtown as a desirable destination for businesses, shopping, dining, and recreation by making parking a positive element of the overall downtown experience.

The parking management organization will strive to develop and coordinate private and publically owned parking facilities that are clean, convenient, safe, and secure for both the general public and their staff. Parking enforcement program staff will present a friendly and professional appearance and receive on-going customer service and downtown ambassador training. The parking program will be responsive to community needs, open to fresh ideas and be actively engaged in community planning and events. Management of the parking system will ultimately be enhanced through investments in new technology and a strong focus on customer friendly parking policies.

Guiding Principle # 3

The parking system will be guided by community and economic development goals and adopted policy directives that are the result of collaborative processes between parking management organization staff, other agencies and involved stakeholders.

The parking management organization will use its resources to promote mixed-use and shared-use parking strategies as well as promoting alternative transportation modes through the creation of incentives, partnerships and programs to attract private investment; this will include reviewing and updating existing city parking requirements, as appropriate.

Guiding Principle # 4

The Parking Management Organization will support the Downtown Main Street Plan to promote a “Park Once” concept and a balance of travel modes, including bus, vehicular, bicycle and pedestrian, to meet community-wide access goals.

The parking management plan will promote a “park once” strategy that uses parking supply efficiently and emphasizes “linkages” to other forms of transportation. “Green” strategies that can

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result in more efficient use of parking facilities and provide other benefits, including reduced congestion, improved transportation choices, more efficient land use, and improved streetscape aesthetics will be explored and supported.

Guiding Principle # 5

The Parking Management Organization will be an early adopter of technology solutions to enhance customer service and enhance parking program efficiency and effectiveness.

A key goal is to make parking less of an impediment to visiting Mammoth Lakes and more of an amenity. Technology will be leveraged to streamline and simplify access to parking and will be a key parking management strategy. Another key technology related goal is to enhance the efficiency and effectiveness of parking management staff and programs.

Guiding Principle # 6

Parking management programs and facilities will be developed to function as a positive, marketable asset for downtown.

One major goal of the parking management organization is to create a well-branded and marketable program that will create for the visitor an easy to understand and easy to access parking program. This will be accomplished through the use of program branding and marketing, an integrated signage plan, validation programs, a web-based information clearing house and special event parking programs.

Another important role that the parking management organization will play is that of “community educator” on parking. Parking management strategies and programs will be cross-marketed to promote downtown as a unique and visitor-friendly regional destination. The parking management organization will develop an effective branding and marketing program. Parking availability shall be well publicized to enhance the perception of parking as a positive element of the downtown experience. Reinvestment of parking resources back into the downtown will be encouraged and promoted.

In addition to web-based information, the parking management organization will develop a variety of educational materials and workshops to promote parking management programs. The parking management organization will work closely with the TBID, community economic development and other downtown agencies/stakeholders to promote, educate and market parking programs in downtown Mammoth Lakes.

Guiding Principle # 7

Responsiveness to the Needs of a Diverse Customer/Citizen Base

The parking management organization should aim high and strive to achieve a “best-in-class” parking program. All aspects of the Mammoth Lakes parking program should reflect an understanding of what the customer desires in terms of a positive and memorable experience.

Special programs to address retail enhancement initiatives, shared-use parking, employee parking, special/large events parking, etc. will be developed. These programs will be developed in a collaborative manner and designed to support larger community goals and objectives. A range of program options should be developed to address the unique needs of different seasons as well as special programs for permanent residents as contrasted to tourism based parking programs.

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Montclair, New Jersey

Guiding Principle # 8

Parking Information Clearinghouse & Coordination of On-Street, Off-Street, and Special Event Programs

The Parking Management Organization shall take a lead role in parking program coordination. From a planning and information clearinghouse perspective, the parking organization will be a unifying and centralized resource that will coordinate and distribute information related to parking supply, availability, planning, and special programs, event activities and other resources such as the TBID.

This will be done through physical signage, branding and marketing, a robust planning function and a strong web-based information program.

Guiding Principle # 9

The Parking Management Organization shall have an active and comprehensive planning function.

The Parking Management Organization will be included in all City and regional strategic and transportation planning efforts. The Parking Management Organization will work with City staff to review and evaluate parking zoning requirements, the development of parking design standards that promote good urban design principles related to parking structures and mixed-use projects, and the creation of parking standards for transit oriented development.

Effective parking planning will mean an improved understanding of parking supply/demand, and the development of parking infrastructure that will enhance and better support the community strategic goals and urban design objectives.

Guiding Principle # 10

Clean, Safe, Attractive and Well-Maintained Facilities

Emphasis will be placed on enhancing parking facility appearance, maintenance, safety and security, regardless of facility ownership. The Parking Management Organization will promote standards to encourage comprehensive and pro-active facility maintenance and security plans.

Facility maintenance reserves and other maintenance best practices will be encouraged in Town owned facilities. Publicly available parking facilities marketed through the Parking Management Organization will agree to a community developed set of parking facility standards. Participating facilities will be routinely monitored.

Some parking facilities incorporate public art and creative level identification and theming to enhance the parking experience for their patrons and make large parking facilities more navigable. Continued development of these initiatives will be supported.

Guiding Principle # 11

The Parking Management Organization will be a forward thinking, “best in class” parking program.

The Parking Management Organization should anticipate future patron needs in the context of the Main Street plan and other planning initiatives and seek to integrate supportive parking and multi-modal access strategies as appropriate.

Evaluation of other parking management best practices and new technologies should occur on an on-going basis.

9 | Management Organizational Options

This section examines a number of effective parking management operational methodologies as well as Parking Management Organizational options that are models for the possible reorganization of Durham's parking program. For each organizational model explored in this section, examples are provided from communities that have successfully implemented those program organizational structures. Also identified is the significant contributions these programs provide to support their larger community strategic goals.

Parking Management Program Organization Evolution

Over the past several years Kimley-Horn and Associates, Inc. has conducted extensive research into how parking systems evolve organizationally. This area of interest emerged in conjunction with our research and documentation of parking management "best practices" from around the country.

Municipal Parking System Evolution

Many parking systems, especially in municipal environments, have evolved over time into organizational structures that we have termed "horizontally fragmented." This means that various parking system components are spread among multiple departments or entities. It is important to realize that when these systems were being created, parking management as a profession had not fully developed.

The following example describes how many municipal parking programs evolved and also reflects the "functional fragmentation" that this approach can produce.

- There was a need to establish a parking function. The initial need was to manage on-street parking assets. Because Public Works already managed the streets, this function was located under the Public Works department.
- When the need for an enforcement function achieved critical mass, this was logically assigned to the Police Department as enforcement was their specialty.
- Over time, off-street lots and parking structures were added. The management of these resources was placed under the Facilities Management Division, because they managed the City's real estate assets and facilities.
- Soon there was enough revenue being generated that an audit/accounting function was established to ensure accountability over the revenues and expenses. This function was placed under the Finance Division.

Fast forward to today. There is growing interest in Downtown Durham as a place to work, live, and play. The community is making impressive advances in Downtown development and revitalization and as a result, parking is emerging as a significant element. To successfully combat the challenges that parking will continue to pose on Downtown, the City should assess parking system organizational structures for implementation that best fit the goals of the city.

In a horizontally structured parking program, each department manages only one aspect of the parking system (such as on-street parking, enforcement, or parking structures). No one has responsibility or the perspective and understanding of all the functional areas to manage the interrelated components as a system. In many cases, parking can be described as everyone's part-time job, but no one's full-time job thus there is no overall accountability for parking as a system.

It is interesting to note the variety of ways in which the “horizontal fragmentation of parking systems” has evolved in different cities. Some have evolved along the lines of assigning different functions to various departments as noted in the example above. Some have peculiar combinations of functional and geographic divisions. Another category related to parking system organization and management has to do with whether the municipality has chosen to invest in the development of a significant off-street parking program (the construction/management of parking structures/lots). Finally, the community’s approach to self-management of resources versus their desire for out-sourcing certain functions also plays a role.

Parking Management Organizational Best Practices

The current best practices data is fairly agnostic to the exact organizational framework, but the fundamental characteristic of all the most successful strategies is the principle of “vertical integration” of parking functions, which is what is currently mimicked in the City of Durham’s organizational structure. The minimum degree of integration is management by one entity of the on- and off-street parking and parking enforcement functions. More advanced models include parking/transportation planning, transportation demand management programs, and even transit system management in smaller communities.

Another dimension that we will discuss related to the organization and management of a vertically integrated parking program is issue of self-management versus outsourcing/contract management. Within the contract management context we will review two primary approaches – management agreements and concession agreements.

We would be remiss if we did not at least mention another emerging trend in this area – parking system privatization or “monetization.” While there is not a lot of history in this area relative to parking systems, recent examples in Chicago, Pittsburgh, Atlanta and Indianapolis are worth noting. Parking system monetization refers to the offering a long-term lease of specific parking assets (essentially a long-term concession agreement) in exchange for a large upfront payment.

There also is a cadre of major U.S. cities that have not made a significant investment in the development of a public off-street parking system (e.g. Charlotte, NC). This is neither good nor bad, but it does have an impact on the organizational options to be considered in terms of how these cities can most effectively organize a parking program designed to achieve the community’s specific program goals and objectives.

In addressing this particular condition in other communities, we developed a new program approach that we call “the parking management collaborative.” The goal of this approach is to essentially create a “management overlay” onto a collection of public and private parking assets, such that from a visitor’s perspective, the parking system looks and feels like a public parking system despite the actual distributed ownership behind the scenes.

This option, along with the more traditional parking system organizational options (parking authorities, parking districts, a vertically integrated city department, BID or contract management options, etc.) are discussed later in this section following a discussion of defining program goals.

Program Goals

As part of this study, a preliminary set of program goals were developed. These will serve as the program foundation and help in setting priorities and establishing community partnerships for the Downtown Parking Plan. A statement better defining each of the twelve example guiding principles is provided.

Program Goal #1

Organization / Leadership

The management of the parking program will be organized to be “vertically integrated” with responsibility for:

- Managing on-street parking
- Coordination of off-street parking
- Parking enforcement
- Parking planning and development
- Parking demand management

Consolidating various parking functions under a single Parking Management Organization establishes a consolidated system that is action-oriented, responsive, and accountable with improved coordination and operating efficiencies. The current city organizational structure mimics this “vertically integrated” concept.

Program Goal #2

Customer Service Orientation

Parking will support downtown Durham as a desirable destination for workers, businesses, shopping, dining, entertainment, and recreation by making parking a positive element of the overall community experience.

The Downtown Parking Plan will strive to develop and coordinate private and publically owned parking facilities that are clean, convenient and safe.

Parking enforcement staff will present a friendly and professional appearance and receive on-going customer service and community ambassador training.

Responsiveness to community needs, openness to fresh ideas, and active participation in community planning and events will be among the ongoing goals of the Parking Management Organization.

One major goal of the parking organization is to create a “management overlay” that will create an easy to understand and easy to access parking program for visitors. This will be accomplished through the use of common branding and marketing, an integrated signage plan, validation programs, a web-based information clearing house, special events program coordination, etc.

Management of the on-street parking system will be enhanced through an investment in new technology and more customer friendly parking enforcement policies.

Program Goal #3

Community and Economic Development

The parking system will be guided by community and economic development goals and City Council adopted policy directives that are the result of collaborative processes between Parking Management Organization staff, other agencies, and involved stakeholders.

The Parking Management Organization will use its resources to promote mixed-use and shared-use parking strategies as well as promoting alternative transportation modes through the creation of incentives, partnerships and programs to attract private investment. This will include reviewing and updating existing city parking requirements as appropriate.

Program Goal #4

Integrated Transportation / Sustainability

The Parking Management Organization will promote the “park once” concept and a balance of travel modes, including rail, bus, vehicular, bicycle, and pedestrian to meet community-wide access goals.

The Downtown Parking Plan will promote a “park once” strategy that uses parking supply efficiently and emphasizes “linkages” to other forms of transportation.

“Green” strategies that can result in more efficient use of parking facilities and provide other benefits, including reduced congestion, improved transportation choices, more efficient land use, and improved streetscape aesthetics will be explored and supported.

Program Goal #5

Leveraging Technology

The Parking Management Organization will be an early adopter of technology solutions to enhance customer service and parking information options.

A key goal is to make parking less of an impediment to visiting downtown Durham and more of an amenity.

Technology will be leveraged to streamline and simplify access to parking and will be a key parking management strategy. Another key technology related goal is to enhance the efficiency and effectiveness of parking management staff and programs.

A prime example of the use of technology to leverage improvements in customer service, enforcement, and system efficiency is the implementation of a fee for on-street parking that accepts credit cards as a payment option. This implementation can provide more convenient payment options for patrons, real-time data for streamlined enforcement, and better use of the curb space.

Program Goal #6

Communications / Branding / Community Education

Parking management programs and facilities will be developed to function as a positive, marketable asset for downtown Durham.

Parking management strategies and programs will be cross-marketed to promote Downtown Durham as a unique and visitor-friendly regional destination. Parking availability shall be well publicized to enhance the perception of parking as a positive element of the community experience. Reinvestment of parking resources back into the downtown will be promoted. The Parking Management Organization will develop an effective marketing and branding program.

In addition to web-based information, the Parking Management Organization will develop educational materials on topics such as: parking development trends, parking safety tips, etc. The organization also will promote discussion with parking facility owners/operators on topics such as facility condition assessments, maintenance program development, parking management best practices, etc.

Downtown Durham parking programs and information shall be well promoted and marketed. The Parking Management Organization will work closely with Downtown Durham, Inc., Office of Economic and Workforce Development, and other community agencies/stakeholders to promote, educate, and market parking programs in downtown Durham.

Program Goal #7

Program Development / Responsiveness

Responsiveness to the Needs of a Diverse Customer/Citizen Base.

The Parking Management Organization should aim high and strive to achieve a “best-in-class” parking program. All aspects of Downtown Durham parking should reflect an understanding of what the customer desires in terms of a positive and memorable experience.

Special programs to address retail enhancement initiatives, shared-use parking, residential parking, employee parking, special/large events parking, etc. will be developed in a collaborative manner and designed to support larger community goals and objectives.

Program Goal #8

Information Clearinghouse / Coordinated Programs

Parking Information Clearinghouse and Coordination of On-Street, Off-Street, and Special Event Programs.

The Parking Management Organization shall take a lead role in parking program coordination. From a planning and information clearinghouse perspective, the organization will be a unifying and centralized resource that will coordinate and distribute information related to parking supply, availability, planning, and special programs, event activities and other resources. This will be done through physical signage, branding and marketing, a robust planning function and a strong web-based information program.

Program Goal #9

Planning / Urban Design

The Parking Management Organization shall have an active and comprehensive planning function, including strategic and transportation planning efforts.

The organization will work with City staff to review and evaluate parking zoning requirements, the development of parking design standards that promote good urban design principles related to parking structures and mixed-use projects, and the creation of transit oriented development parking standards.

Effective parking planning will mean improved understanding of parking supply/demand and development of parking infrastructure that will enhance and better support the community strategic goals and urban design.

Program Goal #10

Safe, Attractive, and Well-Maintained Facilities

Emphasis will be placed on enhancing parking facility appearance, maintenance, safety and security, regardless of facility ownership. The parking organization will promote standards to encourage comprehensive and proactive facility maintenance and security plans.

Facility maintenance reserves and other maintenance best practices will be encouraged in City owned facilities. Publicly available parking facilities marketed through the Parking Management Organization will agree to a set of parking facility standards that is developed through a joint coordination effort between the City and stakeholders. Participating facilities will be routinely monitored.

Some parking facilities incorporate public art and creative level identification/theming to enhance the parking experience for patrons and make large parking facilities more navigable. Continued development of these initiatives will be supported.

Program Goal #11

Effective Management / Accountability

The Parking Management Organization will be a forward thinking "best in class" parking program.

The Parking Management Organization will anticipate future patron needs in the context of the Downtown Durham Master Plan and other planning initiatives and seek to integrate supportive parking and multi-modal access strategies as appropriate.

Evaluation of other parking management best practices and new technologies will occur on an on-going basis.

Effective facility maintenance, infrastructure reinvestment and other system management fundamentals will be routinely addressed.

Program Goal #12

Self-Funding / Accountability

The parking system will be financially self-supporting and accountable to stakeholders.

The Parking Management Organization will work toward developing a parking system that is self-supporting and sets aside funds for maintenance reserves and future capital asset funding.

By aligning approved parking revenue streams from on-street, off-street, enforcement, and potentially special assessment fees and fee-in-lieu programs, it is possible to develop a parking system that self-funds all operating and maintenance expenses, facility maintenance reserves, planning studies and future capital program allocations.

A consolidated parking revenue and expense statement should be developed to document all parking related income streams and expenditures to give a true accounting of parking finances.

Program Goals Summary

If adopted, these Program Goals will serve as a foundation for near- and long-term decision making and implementation of parking management strategies for the Downtown Durham Parking Management Organization.

These strategies are intended to support the on-going economic development and vitality of downtown Durham. This is a process not a one-time task.

Teamwork and collaboration between the Parking Management Organization, City officials, Downtown management, transportation agencies and other stakeholders will be a key for success moving forward.

The Parking Management Organization will support the larger Durham area transportation plan, other area or regional plans as well as the business district strategic plan.

Parking System Operating Methodologies

Once a management structure has been determined, operating methodologies are another organizational/management consideration. There are three primary methodologies for operating parking programs.

1. **Self-Operation** – The managing entity or owner operates the parking program itself. For example, a downtown parking authority or City department can hire the necessary staff to operate the parking system internally.
2. **Outsourced: Management Contract** – The facility owner or managing organization contracts a private parking management firm to handle day-to-day operations and maintenance through a management contract. Through the management contract, the private parking management firm is either paid a fixed management fee and/or a percentage of gross revenues and is reimbursed by the owner for all costs incurred in the operation.
3. **Outsourced: Concession Agreement** – The facility owner or managing organization contracts a parking management firm to assume full responsibility for all aspects of the operation, including expenses, and the parking management firm pays the owner a guaranteed amount and/or a percentage of gross revenues (or a combination).

A variation on the concession agreement methodology that is being introduced in the U.S. parking market is that of parking system “monetization.” A more detailed description of each option is provided in the following sub-sections.

Self-Operation

Self-operation of the parking system requires that the owning entity provides all the necessary employees (e.g., full- or part-time staff and/or temporary employees), equipment, supplies, etc. With this method of operation, the owning entity receives all gross parking revenues and pays for all operating expenses. Self-operation requires internal administrative and managerial staff at a higher level than the management contract or concession style agreements.

Self-operation allows the owning entity to have complete control over the parking facilities and the level of service provided to its patrons. This requires a well-trained and experienced staff to effectively manage a large parking operation with significant daily revenues. Parking has become a highly specialized field and also requires good general and facility management skills. Without proper training and professional development, self-operation can result in a lower than desired level of service and revenue controls.

Potential advantages of self-operation include:

- Complete control over day-to-day parking operations, including customer service.
- Internal parking knowledge to assist with future planning.
- Uniform look and feel with other city services.
- Better control over staff and staff training.
- Eliminates paying a management fee to a vendor.

Example “Self-Operated” Programs

- City of Missoula, MT
- City of Boulder, CO
- City of Fort Collins, CO

Disadvantages to this approach would include:

- Typically higher expenses than contracting with a private parking provider due to the following:
 - Higher pay rates than private operators especially in a unionized environment
 - More restrictive benefit requirements
 - Higher staff training and development costs

- Private operators have a greater economy of scale relative to supplies
- Higher insurance costs/requirements since the City holds 100% of risk and liability
- More operational duties for the city.
- Smaller staff pool to draw from for covering sick days and vacations. Internal staff is limited, whereas contracted operators can draw from a larger pool of qualified staff.
- The city will need to find and hire experienced parking staff.
- Requires budgeting for on-going training of new staff to maintain customer service levels.
- The city will have higher administrative and back office costs than an experienced private operator.
- The city will deal directly with customer complaints.
- The city will assume maximum financial risks related with the parking system.
- Can be difficult to terminate the employment of staff when needed.

Management Agreement Operations

In this form of operation the owning entity retains complete control over staffing levels, validation policies, parking rates, and customer service policies. With a management agreement, the parking operator provides the necessary labor and services for the operation of the parking facilities in accordance with an agreed upon policies and annual operating expense budgets established by the owner. The parking operator then receives a monthly payment, either a lump sum amount or a percentage of the gross or net revenue. This monthly payment represents the fee to manage the facilities.

The parking operator will provide the owning entity with a detailed monthly report package, including operating statistics, revenue summaries, expenses summaries, budget variance reports, etc. The management agreement requires additional personnel time for the owning entity's staff since it is necessary to audit the gross parking revenues as well as the monthly operating expenses. The preferred arrangement is that all reporting guidelines and accounting practices are determined up-front so that each party understands their responsibilities.

Example "Management Agreement Operated" Programs

- City of Raleigh, NC
- City of Lincoln, NE
- City of Cedar Rapids, IA

The owning entity's stakeholders and staff will have significant input into establishing the "level of service" for the parking system by deciding on the type of parking access and revenue control systems to be employed, the quantity of cashiers/customer service ambassadors, acceptable traffic queuing upon exit, lost ticket/insufficient funds policies, parking related services offered (lost vehicle assistance, dead battery assistance, vehicle lock-out assistance), etc.

The following outlines the potential advantages of outsourced day-to-day operations via management agreement (in conjunction with a small in-house contract management function):

- Reasonable control over day-to-day parking operations.
- An internal parking manager can be hired by the city with sufficient parking knowledge to assist with future planning.
- A well-structured management agreement will provide the following:

- Reasonable control over staff and staff training
- High customer service expectations
- A high level of staff appearance
- Strong auditing capabilities
- Operator accountability
- Parking services from an experienced service provider.
- Typically, operations are less expensive due to:
 - Lower staffing costs
 - Lower training costs
 - Lower administrative costs
 - Lower insurance costs since some risk and liability is shed to the parking operator
- The use of a private parking operator will provide on-going valuable parking experience to the City.
- Potentially, a large pool of qualified private operator staff to draw from for sick day and employee vacations.
- The contracted parking operator will deal with most customer complaints.
- Relatively predictable parking system expenses.

Disadvantages to this approach include:

- The city will have to compensate a private operator with a management fee or a percentage of gross revenues.
- Somewhat less control over day-to-day operations.
- Somewhat less control over staffing and training issues.
- The city will need to find and hire an experienced parking manager.
- The city will continue to have some administrative and back office staffing costs.
- The city will assume most of the financial risks related with the parking system.

Concession Agreement Operations

With a concession agreement, the concessionaire will provide all necessary labor and services for the complete operation of parking facilities in return for a percentage of the gross parking revenues. The actual percentage varies from operation to operation based on the size, complexity, revenue potential, and perceived risk to the operator. There may be a guaranteed minimum annual payment to the owning entity. Sometimes a revenue split is negotiated for revenues above a certain level.

Example "Concession Agreement Operated" Programs

- Children's Medical Center, Dallas, TX
- Several Airports

In general, concession agreements work best in situations where the owning entity wishes to divest itself from the day-to-day parking operational concerns in order to better focus on its core business. These types of

arrangements are more common in airports. With this type of agreement, a minimal amount of time is required by the owning entity's staff in the day-to-day operations of the parking program. The owning entity also relinquishes some level of control as it relates to defining day-to-day operations since the concessionaire is responsible for all expenses and most liabilities. Typically, the owning entity receives a deposit from monthly parking revenues within two weeks after the end of the each calendar month. Periodic conversations with the parking operator are necessary to discuss operational issues that affect the quality of service to the owning entity's patrons.

The concession agreement is the simplest type of agreement for administrative purposes, in that only the gross parking revenues need be audited. All operational expenses are the responsibility of the concessionaire, thereby resulting in minimal control of this function by owning entity staff. Also, as with the management agreement, the parking operator serves as a buffer to the owning entity's management with respect to parking complaints and potential wrongdoing by those employed within the parking system.

While there are benefits to this approach, the risks tend to outweigh those benefits for the City in particular. It is recommended in this report that the City builds a parking brand that is recognized as a well-managed, well-maintained organization. Entering into a concession agreement with an operator and taking a more hands-off approach poses risks to the desired outcome of developing a positive parking brand identity within Durham.

Potential advantages of concession style leasing of parking facilities include the following:

- No real parking operations or management required by the city.
- No substantial daily auditing required by the city.
- Facilities will be leased to an experienced parking services provider.
- Requires no internal parking experience on the part of the city.
- Relatively predictable revenue stream.
- Less operations related financial risk.
- Parking operator takes all significant parking customer complaints.

Disadvantages to this approach would include:

- Little to no control over day-to-day parking operations.
- No control over staffing and training issues.
- Less customer service accountability.
- Difficult to measure parking system expenses, if the parking operator is required to share them at all.
- If not specifically addressed in the contract agreement, the parking operator may be encouraged to reduce facility expenses to a minimum level to increase profit that can negatively impact customer service.

Effective Parking System Organizational Options

Parking System Organization and Management

As the parking profession has evolved, several very effective parking system organizational models have emerged. Each of these models has its own strengths and weakness depending on several factors including the

parking system's size, degree of development, programs offered, political landscape, community goals, etc. The seven most successful and commonly used organizational models are:

- A Consolidated ("vertically integrated") City Department model
- The Parking Authority model
- The "Contract" or Business District model
- The Parking District or Commission model
- The Professional Services model
- The Parking Management Collaborative Approach
- The "Eco District" model

Of course, there are several variations and hybrids of these models, but these are the seven primary alternatives commonly seen across the country. Each of these models will be examined in more depth in the following sections, but they all have one common factor that contributes to their success – they all address the major problem associated with the "horizontally fragmented" system structures previously described.

When evaluating which organizational option will work best in a specific community, it is important to ask community stakeholders to create a prioritized set of evaluation criteria. A typical list of criteria that we employ includes determining which organizational option:

- Best supports economic development
- Best reflects the functional characteristics of the community
- Is most efficient/cost effective
- Is most customer-friendly
- Is most politically feasible
- Is most focused on the vision
- Is easiest to achieve
- Is most responsive to businesses and stakeholders
- Is most financially viable
- Provides the most effective coordination

The following is a brief description of parking system organizational models that have shown demonstrated success in recent years. Each description is illustrated by an example of a specific program based on that model.

Consolidated ("Vertically Integrated") City Department Model

A Consolidated and "Vertically Integrated" City Department Model is essentially structured like a typical department lead by a department director head and consisting of a varying assortment of support staff. The defining characteristic of this model is that the department director has complete authority and responsibility for the management of all parking related program elements. The primary elements of these being:

- Off-street parking facilities and maintenance
- On-street parking resources

- Residential permit parking programs
- Overall program financial performance
- Parking system planning (e.g., zoning, financial planning, and new construction)
- Parking enforcement

There are numerous other related areas that can be included:

- Transportation demand management (Trip Reduction Programs, Preferential Parking for Car/Van Pools, transit programs, etc.)
- Parking system branding, marketing, and community outreach
- Implementation of new technologies
- Interface with downtown development and economic development

Another important trend related to this model is that even if parking is kept within the City government structure, it is being housed in new locations. In the past, parking was often located under Public Works, Transportation, or similar departments. In the past decade the trend has been to locate parking management under Community or Economic Development, Urban Renewal, or similar departments. This is due to the growing appreciation of the importance of parking as a tool for economic development.



The City of Fort Collins, CO has a consolidated parking management program that incorporates off-street parking (parking structures and surface lots), on-street parking (time limited on-street spaces), and parking enforcement. All parking functions are self-managed using city staff positions. The city's Parking Manager also has developed a program to promote effective coordination and collaboration with the owners of private parking to better support evening restaurant parking demands and for special events.



Another feature arising from this integrated approach is that the city has recently embarked on a parking technology assessment. A key feature of this assessment was to identify technology options that could link on-street/enforcement systems (Auto-Vu License Plate Recognition enforcement technology/T-2 systems software) with the next generation of off-street parking equipment and potentially new on-street multi-space meters. This type of creative and integrated thinking is more common in systems with a vertically integrated organizational structure, as the responsibility for all areas affected are of the single City department, rather than having multiple departments with differing levels of interest.

We have identified an emerging trend in municipalities that are reorganizing their approach to parking, but maintaining parking as a city department function. Many of these cities are adopting the vertical integration principals and organizationally consolidating all parking function in the economic development division as opposed to the more traditional transportation or public works divisions.

In 2011 the City of Fort Collins embarked on an update to their Strategic Parking Plan. One of the outcomes of this revised parking plan was to consider modifying their program organizational model from a unified city department model to a "Parking District or Commission" model. One reason for this is the possibility of reestablishing on-street paid parking after a 20-year absence. The greater business community engagement in regards to creating and implementing parking policy through the Parking Commission Board of Directors is a key consideration.

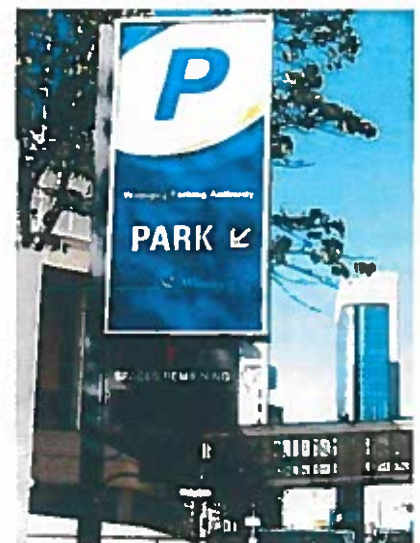
Through the Strategic Plan study process many business leaders, downtown management and City Councilors have seen both the benefits of this significant policy shift and how a new organizational framework can be useful in moving the program forward. However, these major structural changes are always somewhat controversial and need to be carefully managed. Whether to move forward with this reorganization is still unfolding in Fort Collins.

The Parking Authority Model

Parking authorities typically operate with a small staff and engage a private parking management firm to handle day-to-day operations. One advantage of the Parking Authority model, especially in a municipal setting, is that it puts all the major parties at the same table via a parking authority board or commission. This helps key stakeholders gain a deeper appreciation for the complexities of parking and the often competing/conflicting agendas between various constituent groups.

The defining characteristics of a Parking Authority Model include:

- It has a defined mission and vision
- It is governed by a detailed management agreement and is self-funded
- Often has bonding capability
- Most often has responsibility for all aspects of parking operations (off-street, on-street, and enforcement, including rate adjustments)
- Most often has responsibility for off-street parking facility ownership, planning, construction, and maintenance
- It is typically headed by a President or Executive Director
 - Because of this they tend to attract the highest caliber parking management personnel
- The President or Executive Director reports to a board (typically 7 – 15 members)
 - The board is comprised of influential and invested downtown stakeholders
 - Board composition typically includes:
 - High level city staff
 - Mayor or City Manager (or appointee)
 - Director of Finance
 - Director of Public Works
 - Property owners/developers
 - Downtown association members



- Chamber of Commerce representative
- Large downtown employers

Although the authority may not control all of the parking in a downtown area, that does not mean they cannot affect the entire downtown. Both Toledo, OH (the Downtown Toledo Parking Authority or DTPA) and Winnipeg, Manitoba (the Winnipeg Parking Authority) dramatically transformed their operations that all the other private parking operations had little choice but to follow suit. Now virtually all downtown parking facilities have attendants in new uniforms, customer service training for front-line staff, parking structure interiors are painted white, new customer friendly parking technologies and programs are being installed/instituted – all following the local parking authority's lead. We call this the "high tide raises all boats" phenomenon.

The "Contract" or Business District Model

In a surprising number of communities across the United States, downtown business improvement districts or downtown development authorities are taking operational responsibility for parking. Similar to the Parking Authority Model, the Contract or Business District Model is governed by a well-defined operating agreement that sets specific expectations and limits on the use of parking assets, including parking policy, parking rate adjustments, etc. These contracts or operating agreements typically must be reauthorized every 3 – 5 years based on whether the defined contract goals were met. If reauthorized, it is common for new goals and program objectives to be set for the next contract period.

This is the fastest growing and most successful of all the parking organizational models in the past 10 years. One key reason for this is that these agencies are typically better in touch with the strategic goals of the communities and often have skill sets that many parking programs lack (community engagement, strategic planning, etc.)

In Boise, ID the off-street parking program is professionally managed by the Capital City Development Corporation, the city's urban renewal agency. Through the aggressive use of tax increment financing combined with a strategy of leading other desired development with parking infrastructure investment, Downtown Boise has become a national model of downtown community development and resurgence.



Another example of this model can be found in Tempe, AZ. The City of Tempe does not own any significant parking facilities, and only a few small surface parking lots. The need for a coordinated parking system solution to provide a more user friendly experience for visitors drove the downtown organization, the Downtown Tempe Community, Inc. (DTC), to create what amounts to a "parking management overlay program." Working with the owners of the off-street parking assets, they created a parking system management plan. Through creative signage, a common parking validation program, and extensive marketing, the DTC branded the parking system to such an extent that it appears that Tempe has a well-managed and comprehensive parking program, although they do not own any of the individual assets. DTC acts, in essence, as a private parking management firm operating a collection of city assets and private off-street facilities as a combined system. They manage all parking staff and programs themselves, and return all profits to the facility owners keeping a modest management fee. The DTC also



manages the city's on-street parking resources and reinvests on-street parking revenues back into the downtown district.

The Parking District or Commission Model

The Parking District Model is slightly different than the previously defined model, but as mentioned earlier, the common element of all of these successful models is the goal of a creating a "comprehensive parking management function" under the control of one managing entity (vertical integration).

The characteristics of a parking district or commission include:

- They typically have a defined area with set boundaries.
- They may have a special property assessment that applies to all properties within the district.
 - This revenue generally goes toward defined district improvements, but can be restricted to parking or transportation related projects.
- They may have a "Parking In-Lieu of Property Tax" (PILOT) program. In lieu of having a parking requirement for new development, developers instead pay a fee-in-lieu of parking development. This fee is generally calculated on a per stall basis and goes to the parking district for strategic investment in district parking needs (new parking additions, technology upgrades, transportation alternatives, etc.).
- They are generally run by an Executive Director or President (although some are run by City department heads).
- All revenues are collected and managed by the district for reinvestment in the parking program and the district.
 - In some cases, if revenues exceed operational or capital program needs, a percentage of the additional funds are returned to the City's General Fund.
 - In other cases, the City assesses the district a fee based on a percentage of net revenues in-lieu of not assessing property taxes on the parking facilities. This money goes to the City's General Fund.
- Revenue sources typically include:
 - Special assessment revenue (if applicable)
 - Off-street parking revenue
 - May include miscellaneous revenue sources such as: advertising (in parking structures), vending machines or retail space rental (mixed-use parking facilities)
 - May also include special event parking revenue
 - On-street parking revenue
 - Parking enforcement revenue

Parking Districts have made significant contributions to the communities they serve. For example, in Boulder, CO, the Downtown and University Hill Management District/Parking Services can boast the following list of accomplishments all paid for with parking district revenues:

- Funding of the Eco-Pass Program – Over \$800,000 per year

- This program gives all downtown employees a free bus pass and contributes to a 62% mode split among downtown employees (reducing parking demand).
- Repayment of a \$3.4 million Pearl Street Mall Improvement Bond - \$500,000/year
 - This is a good example of the parking program contributing to community economic development.
- Payment of Parking Structure Debt Service Obligations
 - Parking district revenues fund the development costs of downtown public parking structures as well as all parking operating and maintenance costs.
 - One of the more impressive parts of this program has been the leadership in defining appropriate design guidelines for parking structures.
 - Only mixed-use structures are permitted.
 - They must incorporate street level retail and be architecturally consistent with the downtown fabric. Some have been multi-modal in nature, integrating transit functions with parking.



The Professional Services Model

A more recently developed organizational model is the "Professional Services" model. In this model, a smaller more professional level parking services group is developed in conjunction with the outsourcing of day-to-day operations. While there are many potential variations under this category, the most successful variation involves a core team that is primarily administrative in nature.

The management group is responsible for program elements such as creating the vision and mission of the program, community outreach and program development (including assessment of new technologies, etc.), parking system planning, interface with economic development programs, interface with transportation system functions (including alternative transportation programs), contract administration, parking facility long-term maintenance program development, system financial administration/audit functions, and special projects management.

Day-to-day parking operations are outsourced to a qualified parking management firm. Their responsibilities would typically include off-street parking facility operations (cashiering services, pay-on-foot operations, etc.), daily facilities maintenance, security, etc. Some communities have extended these contract services to include the operation of on-street parking and parking enforcement programs including citation collections and management. For on-street and enforcement operations meter maintenance and collections, citation issuance, collections, and adjudication can all be outsourced as well.

Another feature often used in conjunction with the Professional Services Model is the development of "on-call services agreements" for various types of consulting and professional services such as engineering facility condition appraisals, technology assessments, strategic planning, revenue control system assessments and audits, etc.

The primary advantages of this model are that parking is managed by a lean group of professional level management staff focused on key areas such as:

- Program Administration and Finance
- Audit/Revenue Control
- Contract Administration
- Special Projects
- Marketing/Branding/Communications
- Economic Development/Customer Satisfaction/Business Community Interface



Day-to-day operations are outsourced. This can have the effect of keeping a better focus on the strategic goals of the parking program without getting mired in the many operational issues that make up day-to-day management.

Communities beginning to implement this approach include the City of Beverly Hills, CA and the City of Lincoln, NE.

The Parking Management Collaborative Approach

This approach was developed specifically to address the set of conditions that exist in communities that have chosen not to develop a significant off-street public parking system, such as the City of Charlotte, North Carolina, and therefore do not have much ability to influence the off-street parking market in traditional ways. This model also could apply to those communities that choose to divest themselves of the facilities that they have previously developed.

The Parking Management Collaborative approach is comprised of the following basic tenets:

- There is a demonstrated need to improve the ease of use and access to parking in the downtown, especially for occasional visitors.
- There is recognition that a comprehensive approach that will coordinate and integrate both on-street parking and off-street parking assets is needed to make the downtown more visitor-friendly.
- On-street parking assets will be better managed as a short-term parking resource with the primary management goal being to promote a high degree of turnover for the benefit of merchants and businesses that depend on an effectively managed supply of convenient short-term parking resources. A goal of maintaining an average on-street occupancy level of approximately 85% is a key program goal/benchmark.
- Because the majority of off-street parking in the downtown is privately owned and operated, a collaborative approach to developing a downtown parking management strategy is needed. The primary objective of this approach is to develop what is essentially a "parking management program overlay" to create a well-coordinated and marketed user-friendly parking system that will appear to the casual user as a public parking program.
 - The key functional elements of this parking management overlay include:
 - Program branding and marketing
 - A comprehensive updated downtown parking and wayfinding program

- A central parking and transportation information clearinghouse function
 - A special event coordination function
 - A significant parking and transportation planning function
 - Coordination with community and economic development activities
 - Management of City owned parking assets
 - Coordination with downtown management in support of downtown business needs
- The Parking Management Collaborative will strive to promote superior, customer oriented parking programs and parking facility standards.
 - Parking planning and coordination will be important functions related to understanding and responding to both the current and future parking needs of downtown users.
 - The diverse needs of various user groups will be considered, including visitors, employees, employers, property owners, and parking management firms, through active planning, coordination and communications.
 - The Parking Management Collaborative will be considered an integral component of the community's economic development strategies and programs.

This approach needs only a small, but highly effective staff to be successful. The recruitment of an executive caliber program director with strong vision and excellent communication skills is essential for this strategy to succeed. The other key ingredient is to get buy-in from major parking property owners. This is typically accomplished by recruiting them to be on the program's Board of Directors. In some cases where all the right individuals are already on the board of an existing downtown organization (especially if creating "yet another board" would be seen as an issue) this function could become an initiative of that organization.



One of the key values of having the major parking property owners engaged at this level is that this will lead them to directing the parking management firms they hire to "get on-board" with this program. Engaging the parking management firms on another level also can be very valuable because of their detailed knowledge of conditions "on the street" and their knowledge of parking management principles in general.

The first major city to employ this model is Charlotte, NC, where the collaborative was located, organizationally, in the business improvement district known as the Charlotte City Center Partners

The "Eco District" Model

This is the newest model that is beginning to be adapted to have a parking/transportation program focus. Eco District Initiatives generally are comprehensive strategies to accelerate sustainable community or neighborhood development. The value proposition includes defining performance areas and outlining an implementation strategy as it relates to integrating sustainability goals as a defining element in the parking and transportation program organizational framework.

Eco Districts commit to achieving ambitious sustainability performance goals, guiding district investments and community action, and tracking the results over time.

A parking and transportation Eco District approach would recognize technologies and strategies for enhancing district sustainability, such as energy and water management systems within parking developments, support for green streets, the promotion of resource conservation, etc. They also may prioritize LEED® certification for applicable projects or Green Parking Council certification for the program overall.

In this case, since parking can be a significant revenue source, we envision parking revenues being dedicated first to supporting parking program operations, maintenance reserves, and technology upgrades. Once the parking program is well established and generating excess revenues, these resources would be invested in a variety of sustainability initiatives. Examples might include programs such as:

- Community bike programs – to support an overall “Park Once Strategy”
- Car sharing programs – to support downtown residential development
- Pervious pavement installation and bio-swales as demonstration projects in city surface parking lots

It should be noted that the widespread deployment of these strategies has been slow to develop due to lack of comprehensive assessment tools, scalable project capital, and public policy support. The Eco Districts Initiative focuses on removing these implementation barriers and creating an enabling strategy to accelerate community-scale sustainability.

Generally, the Eco Districts approach brings together community stakeholders, property developers, utilities, and the District to solidify a shared sense of purpose and partnership through the following actions:

- Create an engagement and governance strategy to build community support, set priorities, and act
- Develop an assessment and management toolkit to guide project development and track ongoing performance
- Implement sustainability projects through technical and economic feasibility analysis, assembly of project financing, and establishment of public/private partnerships
- Identify commercialization opportunities for companies to test promising products and practices
- Establish municipal policy and regulatory structures to support Eco District development

In this specific application, the general goals above still apply. However, because of our focus on parking and transportation functions, there will be some variation and more specific applications. The broad-based nature of parking and transportation, the need for on-going stakeholder engagement, and the larger economic development focus makes this application very appealing. Overall, transportation accounts for about 30% of the nation’s carbon footprint. Organizing your parking program to have an explicit “eco-district” orientation would send a strong signal of the community’s commitment to environmental progress.

Parking System Monetization

Parking program “monetization,” also is sometimes referred to as “Public/Private Partnerships” (PPPs) and also is sometimes confused with the more general term “Concession Agreement.” The key differentiating factor that makes monetization different is a large upfront payment in exchange for an extended concession or lease style agreement (usually in the 35 – 75 year time frame), with significant finance and other fees applied over the term of the lease. This assessment of parking monetization will consider the following subsections:

- Legal Authority to Monetize Parking

- Parking Monetization Overview

Legal Authority to Monetize Parking

The North Carolina General Statutes were reviewed to ascertain what authority is provided for cities in North Carolina by the General Statutes regarding outsourcing and financing of parking operations, with particular attention to the potential of monetizing the City's parking assets.

The following sections of the General Statutes were found to address a City's authority as it relates to parking:

- Article 12 - Sale and Disposition of Property (G.S. 160A, Sections 265- 280)
- Article 15 - Streets, Traffic and Parking (G.S. 160A, Sections 301 – 302)
- Article 16 - Public Enterprise (G.S. 160A, Section 321)
- Article 19 - Planning and Regulation of Development (G.S. 160A, Section 458.3)
- Article 24 – Parking Authorities (G.S. 160A, Sections 550 – 565)

The following sections discuss each of the General Statutes as it relates to parking and the City's authority.

Article 12 – Sale and Disposition of Property

Article 12 grants a City broad power to dispose of property and to enter into leases. This article could be used as the basis to sell, or privatize an existing parking facility; either a parking lot or garage. The Article does not allow for a private or negotiated sale of real property valued over \$30,000. A disposition of property valued at greater than \$30,000 may occur by one of the following methods:

- Advertisement for sealed bids
- Negotiated offer, advertisement, and upset bid
- Public auction
- Exchange

Section 272 of G.S. 160A allows a City to lease property, but sets a maximum lease period of 10 years.

Article 12 would allow the City to either sell existing off-street parking facilities, or to lease them to an outside party. However, the lease term could not exceed more than 10 years.

Article 15 - Streets, Traffic and Parking

Sections 301 and 302 of G.S. 160A establish a City's authority to operate on- and off-street parking facilities. These sections define the City's ability to install parking meters for on-street parking spaces and to charge a fee for off-street parking. These sections also establish limitations on how revenues from parking may be used; essentially for the enforcement, administration of the parking system and for payment of bonds issued for construction.

Article 15 sections are silent on the issues of privatization, but it does include language that provides the City the authority to charge fees for parking. It also places limitations on the use of parking revenues.

Article 16 - Public Enterprise (G.S. 160A, Section 321)

Section 321 of Article 16 allows a City to sell or lease any enterprise *"upon any terms or conditions the council may deem best."*⁷ This clause grants the City wide discretion to sell or lease the identified public enterprises. This section does require the sale or lease of most public enterprises be subject to voter approval. However, the sale or lease of a parking facility or system is expressly exempted from requiring voter approval.

Article 16 would allow a City the authority to sell a parking garage without voter approval.

Article 19 - Planning and Regulation of Development

Section 458.3 Downtown development project - specifically identifies parking garages as a permissible type of downtown development project. This section discusses the requirements regarding the construction of public – private agreements in downtown development projects.

Article 19 is not germane to the discussion about privatization of parking per se, but it was believed to be a potential useful section of which to be aware.

Article 24 – Parking Authorities

Section 550 allows Cities the authority to establish a Parking Authority. The powers and purpose of a parking authority by Statute are as follows:

*"An authority incorporated under this Article shall constitute a public body and a body corporate and politic, exercising public powers as an agency or instrumentality of the city with which it is coterminous. The purpose of the authority shall be to relieve traffic congestion of the streets and public places in the city by means of parking facilities, and to that end to acquire, construct, improve, operate and maintain one or more parking projects in the city."*⁸

This statute allows a parking authority many of the powers of a City including the following:

- The right to acquire property
- The right to construct buildings
- The right to construct, reconstruct, improve, maintain and operate parking projects
- The right to assess fees for parking
- The right to accept grants and loans
- The right to issue revenue bonds

A Parking Authority may acquire property by conveyance from the City, by direct purchase or by condemnation. (G.S 160A-557).

General Statute 160A-557c allows the City to convey public street rights-of-way to a Parking Authority to allow the Authority to install parking meters. (Italics added for emphasis.)

"Contracts may be entered into between the city and the authority providing for the property to be conveyed by the city to the authority, the additional property to be acquired by the city and so conveyed, the streets, roads, parkways, avenues and highways to be closed by the city, and the amounts, terms and conditions of payment to be made by the authority. Such contracts may

⁷ North Carolina General Statute, 160A-32, Sale, lease, or discontinuance of city-owned enterprise

⁸ Ibid 160A-556, Purpose and powers of the authority

contain covenants by the city as to the road, street, parkway, avenue and highway improvements to be made by the city, including provisions for the installation of parking meters in designated streets of the city and for the removal of such parking meters in the event that such parking meters are not found to be necessary or convenient. Any such contract may pledge all or any part of the revenues of on-street parking meters to the authority for a period of not to exceed the period during which bonds of the authority shall be outstanding; provided, that the total amount of such revenues which may be paid pursuant to such a pledge shall not exceed the total of the principal of and interest on such bonds which become due and payable during such period. Such contracts may also contain provisions limiting or prohibiting the construction and operation by the city or any agency thereof in designated areas of public parking facilities and parking meters whether or not a fee or charge is made therefor. Any such contracts between the city and the authority may be pledged by the authority to secure its bonds and may not be modified thereafter except as provided by the terms of the contracts or by the terms of the pledge. The city council may authorize such contracts on behalf of the city and no other authorization on the part of the city for such contracts shall be necessary.

Section 550 of G.S. 160A permits a City to establish a Parking Authority to manage parking within the limits of a City. While a separate entity, the Authority is not a private operator, but is a quasi-governmental agency. This statute allows a City to convey to a parking authority the right to use the revenue from on-street parking to pay for bonds issued by the authority (presumably to pay debt incurred to construct or acquire off-street parking facilities), though the statute is silent with regard to what type of bonds on-street parking revenue may be used to pay.

Summary

Based on our review, a City may sell or lease a parking facility (garage or surface lot) to a private party and in effect, monetize that parking asset.

The City may turn over the management and operation of the parking system to a Parking Authority.

However, the treatment of on-street parking assets presents the challenge with monetizing a parking system. The effective management of a parking system consists of managing the on-street and off-street assets as a unified system. Pricing and operation policies (such as lower prices for parking in garages and "first hour free" in parking garages) need to be coordinated between the on-street and off-street systems.

The Statutes do not address how on-street parking could be sold or leased to a third party. In North Carolina, Cities only have the authority expressly provided to them by the General Assembly. If the City wishes to pursue the monetization of the parking system (including on-street resources), the City may want to consider seeking enabling legislation from the General Assembly for this action.

The above review was conducted based on our experience as licensed professional engineers in the State of North Carolina familiar with traffic and parking issues. Prior to proceeding with further potential monetization of the City's parking assets, it is recommended the City Attorney review these statutes and provide the Parking Study Team and the Department of Transportation with a legal opinion regarding this activity.

Parking Monetization Overview

In the last few years, this concept has attracted more interest as many cities, counties, and states face deep budget deficits. As a result, there has been an extensive amount of study and commentary on this trend. The

U.S. Government Accountability Office (GAO), the Public Interest Research Group (PIRG) and state legislatures have issued comprehensive reports on the subject. The Texas State Legislature recently released an extensive report on monetizing toll road projects, and the Federal Highway Administration examined monetization in other countries. The various reports and studies highlight the basics of best practices for asset monetization.

Some of the most insightful analysis of these practices has come from Stephen Goldsmith. Mr. Goldsmith, a former mayor of Indianapolis, is director of the Innovations in American Government Program at the Harvard Kennedy School. He is author of the book *The Power of Social Innovation: How Civic Entrepreneurs Ignite Community Networks for Good*. Many of his insights are included in the summary of "good asset monetization goals and key issues" below.

Parking Monetization Examples

- City of Chicago Off-Street
- City of Chicago On-Street
- Ohio State University
- City of Indianapolis On-Street

Monetization Goals and Keys Issues

Using Chicago or similar examples as the context (where the City's on-street parking operation was leased to a partnership for a significant upfront payment in exchange for a very long-term lease) Stephen Goldsmith offered the following examples of good program monetization goals & key issues to be considered:

1	<p>Identifying non-core functions and areas that are not core competencies</p> <p>If parking management is not a core competency of the City then it is a candidate for privatization; however, if you are lucky enough to have a high functioning parking system that is providing excellent service and is contributing to community growth and development, think twice about what you may be giving up.</p>
2	<p>Establishing a long-term reserve fund to:</p> <ul style="list-style-type: none"> ▪ Enhance City credit rating and thus lower interest rates <ul style="list-style-type: none"> ○ Chicago did this and enjoyed its highest credit rating since 1978 ▪ Retire debt ▪ Eliminate interest payments and thereby create more money for community reinvestment <ul style="list-style-type: none"> ○ Chicago retired \$925 million in debt ▪ Community reinvestment <ul style="list-style-type: none"> ○ Identify and fund a well-defined set of community desired or essential infrastructure projects ○ Programs that serve the public good <ul style="list-style-type: none"> ▪ Example: Neighborhood parks and programs <ul style="list-style-type: none"> ○ Chicago invested more than \$325 million in this area ○ Infrastructure investments that will stimulate additional private sector investments <ul style="list-style-type: none"> ▪ Example: Parking structures as part of a public/private partnership.

3	<p>Shifting Risk</p> <p>Consider the following potential risks of managing on-street metered parking for the next 75 years (imagine bidding on the City's horseshoeing concession in 1890, or the public pay phone in 1975)</p> <ul style="list-style-type: none"> ▪ Changing technologies ▪ Utilization ▪ Costs <ul style="list-style-type: none"> ○ Rising labor and fuel costs ○ Equipment replacement <ul style="list-style-type: none"> ▪ In Chicago, the cost of replacing the multi-space meters every 7 years is estimated at \$40 – 50 million dollars.
4	<p>Carefully analyze the term of any potential concession</p> <p>Both the Chicago Inspector General's analysis and financial experts who have analyzed the deal indicate that Chicago should have negotiated a shorter lease period. Under their analysis, Chicago left significant future earnings on the table when it agreed to a 75 year concession term (estimated at \$1.3 – 2.1 billion).</p>
5	<p>Look at Alternative Solutions to Budget Problems</p> <p>Chicago became the poster child for using the proceeds of PPP asset leases to plug a budget operating deficit and "selling its residents' future."</p> <p>In 2006 the city sold the Chicago Skyway for \$1.83 billion, of which \$460 million was used to pay off debt, \$375 million was used to close the 2006 operating budget gap, and \$500 million was placed in a rainy day fund. The \$500 million rainy day fund was exhausted to close operating budget gaps in years 2007 and 2008.</p>
6	<p>Key elements of a monetization deal are transparency, expertise and setting controls over rates and "windfall profits"</p> <p>Allow elected officials to approve the terms of any proposed agreement before it is put out to bid.</p> <p>Don't let the market/bidders solely dictate the terms of the monetization through a request for proposal process. Elected officials should have the power to alter the terms of the proposed deal as they see fit and drive the process through negotiation rather than have a fait accompli handed to them.</p> <p>The Texas State Legislature's recent report on monetization advocated revenue sharing over single, upfront payments as a better way to protect the public interest. The report also noted that key elements of a monetization deal are transparency, expertise and setting controls over rates and "windfall profits."</p>
7	<p>Do not include lease proceeds in a government budget before the leases are finalized</p> <p>Having a budget balanced on the back of lease proceeds makes it extremely difficult for officials to reject an asset lease or concession deal. Consider adopting an ordinance prohibiting a city's budget from including revenue from monetization proceeds before commissioners have approved the deal.</p>

8	<p>Consider the creation of a Concession or Monetization Management Review Board</p> <p>The impact of these deals will affect a broad array of citizens, civic and cultural organizations, religious and educational institutions and corporations. These are individuals and businesses that are invested in their communities and deserve a voice as well as an open and transparent process.</p>
9	<p>If a parking program monetization strategy is pursued, consider the creation of a Downtown Parking Management Commission</p> <p>The Downtown Parking Management Commission could be made up of City, parking management entity and downtown stakeholders and should require the concessioner to be engaged with Downtown Parking Management Commission. The Parking Commission would provide an annual program assessment to City Council.</p>
10	<p>Term of the Agreement</p> <ul style="list-style-type: none"> ▪ Limit to 30 – 50 years ▪ Build in a mechanism to address changes in annual expectations ▪ Establish a defined monitoring process ▪ Create a process to generate an Annual Stakeholder Report Card <ul style="list-style-type: none"> ○ If the deal were to “go sour” have a plan for “how to get out?” Who pays what to whom? ○ Consider alternatives to a one-time only payment ○ Consider a lesser up-front payment with annual incremental payments to a dedicated parking reinvestment fund. ○ For cities with a parking tax, could the parking tax constitute the annual incremental payment?
11	<p>Maintaining and improving service levels to users of the parking system</p> <p>From the perspective of parking customers and those invested in the downtown a strong, well-managed parking system is critical to their success. The concessioner should ideally be a “partner for the success of the downtown” and implement programs and policies to effectively address the following:</p> <ul style="list-style-type: none"> ▪ Greater availability of parking spaces ▪ More convenient, state of the art equipment, with multiple payment options ▪ Quicker service of broken equipment <ul style="list-style-type: none"> ○ On the positive side, in Chicago meters are now repaired within a couple of hours on average compared to 2.5 days under the City run system ○ On the negative side, when the Chicago deal was initially implemented, meter rates were tripled in some places before new meter technology was introduced. The concessionaire literally could not empty the meters fast enough to keep them operational and patrons began getting citations for non-payment because the meters were full of quarters. ▪ A balanced approach to meet the needs of retail parking, employee parking, event parking, etc. ▪ Special programs to meet the needs of cultural, religious and civic institutions as well as customized neighborhood programs.

12	<p>Build on the "Partnership for Downtown Success"</p> <p>Building on the "Partnership for Downtown Success" concept requires an understanding of the needs of the business community, downtown residents and religious and cultural institutions. Once these needs are understood, implementation of parking program enhancements should be introduced. This is where the special expertise of a parking profession is needed. Programs to meet identified community needs might include:</p> <ul style="list-style-type: none"> ▪ Extended time limits near theaters, concert halls, schools and churches where parkers need more than 2 hours ▪ Free or reduced rate parking for churches on Sunday mornings ▪ Automatic ticket dismissal for inoperable meters, based on meter malfunction reports generated by the system ▪ Ability to pay citations on-line or even at a meter ▪ Improved parking access and convenient parking for hourly parkers to support downtown retail ▪ Discounted monthly parking in certain lots ▪ Donated single space meters to protect bicycle parking or as vehicles for charitable donations
13	<p>Sustainability and Innovation</p> <p>Promote sustainable and innovative parking technologies and interior parking facility environment enhancements</p> <ul style="list-style-type: none"> ▪ Improved customer service features ▪ Adopt "retail friendly" parking management best practices ▪ Create safe, clean and friendly parking environments ▪ Invest in sustainable design and management practices
14	<p>Other</p> <p>Other issues to consider</p> <ul style="list-style-type: none"> ▪ Who will develop and manage new parking facilities? ▪ Will the concessioner be allowed to manage competing facilities? ▪ Where will rate setting authority reside?

Parking System Monetization – The Extreme Scenarios Comparison

The reasons for considering an asset monetization and a long-term concession agreement for a parking system are easy to understand for cash strapped municipalities. Former Mayor Daley was allegedly quoted as saying "Does it really matter who collects the quarters from the parking meters?"

This statement exemplifies the lack of understanding of parking as a profession and an appreciation for the complexity and importance of a well-managed parking program. It also fails to consider the potential impacts on the downtown community that needs an effective parking program to be successful.

Asset monetization or privatization is not inherently good or bad. The key issues are exactly how the deal is structured and implemented. As with most things, the devil is in the details.

When considering how a monetization proposal effects downtown, we can frame the discussion by envisioning two radically different possible scenarios.

Scenario #1

City parking assets are leased to the top bidder for a large sum of money over a particular number of years. The successful bidder sees this as purely a business venture and they choose to manage the parking assets with a "pure profit motivation." The results of this approach plausibly include:

- Parking rates are increased to whatever the market will bear.
- Facility maintenance is minimized or deferred.
- An automated parking management system is purchased on a low bid basis and routinely malfunctions, creating regular frustration for parking patrons.
- Staffing levels are minimized to increase profits.
- Every downtown event (parades, "Alive After Five" type events, etc.) become a "Compensation Event" for the concessioner and because of budget constraints the City is unable or unwilling to compensate the concessionaire and slowly downtown events become a memory.
- Parking facilities are used as vehicles for advertising but the ads are considered by many in the community to be offensive.
- Opportunities to support charitable organizations and churches are dismissed out of hand because they do not contribute to the "bottom line."
- Monitoring of supply vs. demand and planning for future community parking needs is neglected.
- As parking becomes more problematic, office building leases expire and are not renewed.
- With no new public parking being planned and built, new development projects originally envisioned for downtown go to the suburbs or another downtown.

In short, a disaster for the downtown for those who have invested in downtown and for every citizen that ends up paying more for less service.

Scenario #2

Based on an open and collaborative process, the value and importance of downtown parking is understood and appreciated. Current and near-term community parking and access needs are identified and prioritized. A program of agreed upon downtown parking investments, vetted through downtown stakeholders and City administration is funded by the proceeds of the monetization. A high level Parking Commission is established to define standards for downtown parking safety, cleanliness, customer service, etc. The new parking management entity (the concessionaire), wanting to be a good neighbor and recognizing that "this is just good business," is a willing partner in these initiatives. A stronger and more vital downtown means more parking customers for them. A program of approved downtown parking initiatives is authorized and includes:

- The addition of new parking supply in areas that currently have parking deficits.
- The new parking facilities are leveraged with private partners to also provide new downtown residential development and street level retail. The new mixed-use developments contribute positively to the urban fabric of downtown.

- New taxable assets are produced and the property values on the surrounding streets are enhanced. New tax increment is generated providing additional reinvestment potential.
- The addition of an appropriate amount of additional public parking promotes the adaptive re-use, in-fill, and preservation of older buildings.
- These new investments in downtown create new jobs, new downtown residents, and ultimately, a stronger and healthier downtown.

Monetization Case Study: City of Pittsburgh

In 2010, Pittsburgh Mayor Luke Ravenstahl, having learned some lessons from the Chicago parking monetization process, formed a Parking Advisory Committee to help guide the process for a parking system monetization effort.

The central issue that the Mayor was trying to solve was not parking related at all.

The problem was the solvency of the City Pension Fund. Unless the fund could be stabilized for the foreseeable future, the State was obligated to step in as the regulatory agency. The feeling was that the state would make tough decisions such as raising rates, strictly on the basis of pension fund financing and that these decisions could adversely impact the downtown economy and other community programs. The mayor wanted to avoid this loss of control and authority.

His proposed solution was to monetize the Pittsburgh Parking System.

The Advisory Committee was charged with:

- Evaluating how the transaction would affect the financial stability of the City
- Addressing the needs and concerns of relevant stakeholders and constituencies
- Formulating parameters for a successful process and resulting transaction

The Parking Advisory Committee developed nine guiding principles, covering the following topics:

1. The parking assets and economic health of the City
2. Transparency
3. Term of the Agreement
4. Parking rates
5. Adequate supply of parking spaces
6. Current employees and labor agreements
7. Future economic development
8. Minimum operating and maintenance standards
9. Continuing existence of the Authority

Parking Advisory Panel

In an attempt to provide an even more open public process, an "Advisory Panel Process" was funded by the Pittsburgh Downtown Partnership under the auspices of the International Downtown Association and included several parking professionals throughout the country. The purpose of the IDA Advisory Panel was to:

- Provide more detailed analysis of operational/management possibilities based on the City of Pittsburgh's guiding principles and their potential impact on Downtown and city commercial districts.
- Provide perspective and "lessons learned" from other parking system monetization efforts across the United States.
- Compare best practices and successful parking strategies employed by other cities, particularly with regard to Downtown and commercial district office, residential, and retail development.
- Prepare a framework to establish an effective parking management system to support further Downtown and commercial district development.
- The IDA Panel did not assess any of the alternative proposals and, therefore, could not make an informed judgment as to their feasibility. The Panel focused on the Mayor's overall plan and how a public/private partnership of the City's parking system might best benefit Pittsburgh's businesses and residents.

After an intensive series of individual and focus group meetings with downtown and neighborhood district stakeholders, the following set of panel recommendations were put forth:

- Centralized Parking Strategic Plan and Management
 - The Panel strongly urged the City to centralize parking related issues and develop an overall strategic and operational plan with respect to parking for Pittsburgh's downtown and neighborhood commercial districts.
 - An entity, perhaps Public Parking Authority of Pittsburgh (PPAP), a designated city department or agency, or a new entity, should be empowered to undertake overall parking management in Pittsburgh. In effect, create a "one-stop shop" that coordinates parking planning, policy, and research.
- Enforcement
 - The Panel recommended that the PPAP continue to provide enforcement for metered spaces throughout the city and that enforcement be increased to:
 - Promote more turnover for on-street parking assets in the Downtown and commercial districts where turnover will benefit merchants.
 - Ensure that residential permit areas are functioning as intended, allowing residents and guests to find convenient on-street parking and discouraging others that use these spaces illegally.
 - Have sufficient cash flow to fund the ongoing operations of the PPAP.
 - The Panel recommended that enforcement revenues be used to deploy sufficient PPAP or contract staff to ensure that meters and residential permit areas are properly and appropriately enforced. The Panel further recommended that the City consider allowing a fallback provision allowing the operator to issue parking tickets if PPAP is unable to provide adequate enforcement.
 - The Panel recommended that the investor/operator be required through the Concessionaire Agreement to partner with government, other private interests, nonprofit organizations and community development corporations (CDCs) to achieve overall community and economic development goals of the City.

- Rates
 - The Panel understood that rates will rise in order to provide the investor/operator with sufficient revenue to improve the system while at the same time achieving the City goal of funding the pension fund and paying off the Parking Authority's bonded indebtedness.
 - Rate increases must be reasonable, geared to the existing market, known in advance, scaled up over a period of five years, and geared to inflation (as determined by the Consumer Price Index) thereafter.
 - The Panel recommended that rates should be flexible, geared to location, time of day, and other conditions or considerations. Any parking rate plan should be included in the Concession Agreement with the private investor/operator so that stakeholders will have sufficient notice of when rates are scheduled to change.
- Term of the Concessionaire Agreement
 - The Panel recommended that the term of any Concession Agreement be no longer than 50 years but that an analysis of terms from 35 – 50 years should be conducted. A shorter term might benefit both the City and the investor/operator.
- Technology Enhancements
 - Panelists found that one of the expected benefits achieved through public private partnerships is that the current parking system can become both more user-friendly and more effective in generating revenue if new technologies are installed throughout the system. One technological advance that can provide immediate benefits is the installation of multi-space meters. These meters accept credit, debit, and smart cards in addition to cash. Pay-and-display meters allow customers to use their purchased time at various locations. There is evidence that pay-and-display meters also may allow more cars per block, though some dispute this advantage. These systems also can be used in conjunction with pay-by-cell phone options to further enhance customer service. Other technologies that may improve revenues include license plate recognition systems and newer web-based parking management platforms. These systems also have been shown to improve operating efficiency and effectiveness and produce better system usage information leading to improved system management.
 - All potential investor/operators should be required to submit a plan for conversion from the existing meter system to new technologies. Another industry best practice in this area is to have a fully developed "new technology introduction plan" that includes advance public education, effective signage, a media kit and rollout strategy highlighting the positive new features of the equipment as well as information on how the new technology will be phased in, on-street "ask me how" ambassadors, etc. A transition period for enforcement also is recommended whereby only warning citations will be issued for a one or two week period following installation of the new equipment.
 - The Panel recommended that the companies responding to the Request for Proposals be required to outline their plans for introducing new technologies and describing how they intend to deploy these technologies.
- Supply
 - The Panelists heard comments that indicated parking deficits in parts of Downtown, with parking surpluses in other parts of Downtown. The Panel was provided anecdotal evidence that

shortages exist in some communities (for example, in Shadyside and Squirrel Hill, and in the South Side in the weekend/evening period). A critical element of any strategic parking plan that is developed by the City will be careful monitoring of the supply of parking both in the Downtown and in the city's neighborhood commercial districts. The City should not foreclose its options to build new parking facilities should they be warranted.

- As part of the monetization effort the city should conduct a detailed parking supply and demand study and obtain from potential investor/operators strategies on how they expect to respond to supply shortages, especially in Downtown, if shortages are found to exist.
- Recognizing that supply is likely to be an issue for some time to come in Downtown and certain business districts, the City should consider any lease proceeds in excess of the \$300 million required by the City needs for the pension fund and PPAP debt be earmarked first to address supply issues. The Panel further suggested that the City perform a comprehensive parking transportation strategic plan/needs assessment first so the City better understands parking needs and create a prioritized action and investment plan.
- **Community Impact**
 - The Panel heard from several stakeholders concerns about the impact rate increases and policy changes would have on churches, cultural and educational institutions, and community events. The Panelists believe these concerns are real and should be addressed in the Concessionaire Agreement. Specific recommendations include:
 - **Events** – The impact of higher rates or restricted parking on both large and small events can be considerable. There are a number of major festivals, parades and other events in Downtown that either use on-street meter or parking lot locations for event activities and/or that depend on people being able to find an inexpensive and convenient place to park. Other events in community business districts can be impacted as well.
 - The Panel recommended that provisions for major events of this nature be contained in the Concession Agreement.
 - **Retail** – For retail businesses and restaurants, major increases in parking rates or lack of availability of parking on lower floors can have a negative impact on their business.
 - The Panel recommended that private investor/operators be required to describe ways they may be able to alleviate these concerns or preferably demonstrate how they can develop or have developed programs that support and enhance the success of retailers and restaurants in a Downtown environment.
 - **Free Sundays** – Downtown churches in particular can be hurt if parking meters are enforced on Sunday.
 - The Panel recommended that the current policy allowing free parking at metered spaces and discounted rates in the two frequently used garages on Sundays be continued.
- **Customer Services Enhancements**
 - Experience has shown that rate increase objections by the public are often mitigated by first offering enhanced customer services. Panelists noted that many, if not most, public parking systems offer little in the way of services that enhance the customer experience, yet parking is essential to a retail business, serving one customer and his or her vehicle at a time.

- Panelists recommend that the investor/operator be required to provide a package of new customer services prior to or in conjunction with any rate increases.
 - Operators should be asked to indicate what experience they have in terms of customer services and amenities and which ones they see as feasible and desirable in Pittsburgh. Another option can be to consider the development of parking customer service amenities as a specific new duty for the PPAP to adopt. This can include services such as vehicle lockout assistance, dead battery jump starts, vehicle location assistance, security escorts, etc. The positive public relations generated from these services then accrue to the City. These services can be funded by enhanced parking enforcement revenues.
- Transition Plan
 - Panelists cautioned that transitioning from PPAP operational management to new private investor/operator management is a process that should be carefully planned and phased in over an appropriate period of time. One of the reasons Chicago's difficulties seem to have occurred was the rush to get new rates and policies on the street, often in advance of the new technology.
 - The Panel recommended that potential bidders be required to present their transition plans prior to final selection, and that these plans be considered in determining the winning bidder.
- Customized Neighborhood Parking Plans
 - Interviewees from various neighborhoods met with panelists and pointed out the differences between how parking policies, rates, supply, and management strategies can affect their individual communities.
 - The Panel recommended that the investor/operator be required to meet with representatives of business districts to develop customized neighborhood parking plans.
- Sustainability
 - As the panel reviewed the nine guiding principles set forth by the Parking Advisory Committee, a tenth potential guiding principle was proposed – sustainability. Pittsburgh has acquired a national reputation for its efforts to create and support a sustainable city and a sustainable Downtown.
 - The Panel recommended that respondents to the Request for Proposals outline plans to support the City's sustainability goals. Further, the Panel recommended that car-sharing programs, seen as a support mechanism for Downtown residential development and as a "green" strategy, be offered consideration for special rates and convenient reserved spaces including some on-street spaces.
- Revenue Sharing
 - The Panel saw an opportunity to make use of any reserves that PPAP might have set aside, as well as funds from the Agreement over and above what is necessary to fund the pension plan and pay off PPAP bonded indebtedness in ways that will benefit the entire community and build community support.
 - The Panel recommended that these funds be used to support development in Downtown and community business districts in cooperation with other entities as appropriate. These funds also can be used for non-parking projects that support community economic development. The new

operator will be given the opportunity to manage and operate any new parking facilities developed as a result of this policy.

- **Fairness**

- The Panel observed that private parking operators all pay taxes and recommended in the interest of fair competition that the new operator should pay local taxes at the same rates and conditions as private operators.

Parking Monetization Summary

Since 2010, a few parking programs have moved forward with some form of monetization program. Interestingly Pittsburgh was not one of them. In the end, Pittsburgh avoided the state takeover of the City Pension Fund, by leveraging the Parking Authority Assets to generate the capital needed to shore up the pension fund. Although leaving the parking authority deeply indebted.

Institutions that have moved forward with monetization programs include the City of Indianapolis (On-Street Parking Program) and The Ohio State University. Many more have looked at monetization and chosen a different path.

In 2011, Kimley-Horn's Dennis Burns led a panel of Public/Private Partnership experts at the International Downtown Association's Spring Conference in Chicago. These industry leaders praised the many benefits of public/private partnerships as well as the monetization of certain public assets such as toll roads, bridges, and even airports. They agreed that parking programs were a different matter entirely. The bottom line seemed to be that parking systems are actually more complex and tend to get very messy.

Other major parking programs that looked at monetization but backed away include the City of Las Vegas, the City of Memphis, the City of Sacramento, and the City of Tucson among others. Most of these cities came to the realization that parking is an important part of their civic infrastructure, parking was intrinsically linked to many of the critical areas including community and economic development, and giving up control of these assets limited their flexibility and potential management responses in the future.

Another key factor in these decisions is the notion that if these entities can provide such dramatic increases in operating efficiencies and increased revenues to justify such large upfront cash payments, why can't we implement these strategies ourselves and pocket the profits these firms would have realized? This has given rise to a new slogan in the industry "Modernize – not monetize."

There is a growing appreciation of the importance of parking as a tool for economic development as well as critical element of community infrastructure. Key considerations include:

- Who will be responsible for planning and funding future parking needs?
- Think about how many individual "customer touches" parking represents each day.
- Parking is often your customer's first and last impression of downtown.
- Well managed parking is both a responsibility and an opportunity.

In the end, no matter if parking is monetized or not, it is critical that the system be managed well in the interest of downtown development and economic vitality.



8. Parking System Organization and Management

As the parking profession has evolved, several very effective parking system organizational models have emerged. Each of these models has its own strengths and weakness depending on several factors including the parking system's size, degree of development, programs offered, political landscape, community goals, etc. The four most successful and commonly utilized organizational models are:

- A Consolidated ("vertically integrated") City/District Department model
- The Parking Authority model
- The "Contract" or Business District model
- The Parking District model

There are of course several variations and hybrids of these models, but these are the four primary alternatives commonly seen across the country. Each of these models will be detailed in more depth in the following sections, but they all have one common factor that contributes to their success: They all address the major problem associated with the "horizontally integrated model" previously described.

When evaluating which organizational option will work best in a specific community, it is important to ask community stakeholders to create a prioritized set of evaluation criteria. A typical list of criteria would include determining which organizational option:

- best supports economic development
- best reflects the image and personality of the community
- is most efficient/cost effective
- is most customer-friendly
- is most politically feasible
- is most focused on the vision
- is easiest to achieve
- is most responsive to businesses and stakeholders
- is most financially viable
- provides the most effective coordination

The following is a brief description of parking system organizational models that have shown demonstrated success in recent years. Each description is illustrated by an example of a specific program based on that model.



Consolidated (“Vertically Integrated”) City/District Department Model

A Consolidated “Vertically Integrated” City/District Department Model is essentially a typical department – lead by a department head and consisting of a varying assortment of support staff. The defining characteristic of this model is that the department director has complete responsibility for the management of all parking related program elements. The primary elements of these being:

- Off-street parking facilities
- On-street parking resources
- Overall program financial performance
- Parking system planning
- Parking enforcement

There are numerous other related areas that can be included:

- Transportation demand management (Trip Reduction Programs, Preferential Parking for Car/Van Pools, transit programs, etc.)
- Parking system branding, marketing, and community outreach.
- Implementation of new technologies.
- Parking system planning (e.g., zoning, financial planning).
- Residential permit parking programs.
- Interface with downtown development and economic development

The City of Fort Collins, Colorado has a consolidated parking management program that incorporates off-street parking (parking structures and surface lots), on-street parking (time limited on-street spaces), and parking enforcement. The city’s Parking Manager also has developed a program to promote effective coordination and collaboration with the owners of private parking to better support evening restaurant parking demands and for special events. Another feature arising from this integrated approach is that the city is currently embarking on a parking technology assessment.



A key feature of this assessment is to identify technology options that could link on-street/enforcement systems (Auto-Vu LPR enforcement technology/T-2 systems software) with the next generation of off-street parking equipment and potentially new on-street multi-space meters.) This type of creative and integrated thinking is more common in systems with a vertically integrated organizational structure.



The Parking Authority Model

Parking authorities typically operate with a small staff and engage a private parking operator to manage day-to-day operations. One advantage of the Parking Authority model, especially in a municipal setting, is that it puts all the major parties at the same table. This helps stakeholders gain a deeper appreciation for the competing agendas between various constituents.

The defining characteristics of a Parking Authority Model include:

- It has a defined mission and vision
- It is governed by a detailed management agreement
- Often has bonding capability
- Most often has responsibility for all aspects of parking operations (off-street, on-street, and enforcement)
- It is typically headed by a President or Executive Director
 - Because of this they tend to attract the highest caliber parking management personnel
 - The President or Executive Director reports to a board (Typically 7 – 15 members)
 - The board is comprised of influential and invested downtown stakeholders.
 - Board composition typically includes:
 - High level city staff.
 - Mayor or City Manager (or appointee).
 - Director of Finance.
 - Director of Public Works.
 - Property owners/developers.
 - Downtown association members.
 - Chamber of Commerce representative.
 - Large downtown employers.

Although the authority may not control all of the parking in a downtown area, that does not mean they cannot affect the entire downtown. In Toledo, Ohio, the Downtown Toledo Parking Authority (DTPA) so dramatically transformed the operations in its three facilities that all the other private parking operations were forced to follow suit. Now virtually all downtown parking facilities have attendants in new uniforms, customer service training for front-line staff, parking structure interiors are painted white, new customer friendly parking technologies and programs are being installed/instituted – all following the DTPA's lead.



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The “Contract” or Business District Model

In a surprising number of communities across the United States, downtown business improvement districts or downtown associations are taking operational responsibility for parking. Similar to the Parking Authority Model, the Contract or Business District Model is governed by a well-defined operating agreement that sets specific expectations and limits on the use of parking assets. These contracts or agreements must typically be reauthorized every 3 – 5 years based on whether the defined contract goals were met. If reauthorized, it is not uncommon for new goals and program objectives to be set for the next contract period.

In Boise, Idaho the off-street parking program is professionally managed by the Capital City Development Corporation – the city’s urban renewal agency. Through the aggressive use of tax increment financing combined with a strategy of leading other desired development with parking infrastructure investment, downtown Boise has become a national model of downtown resurgence.



Another example of this model can be found in Tempe, Arizona. The City of Tempe does not own any significant parking facilities and only a few small surface parking lots. In Tempe, the need for a coordinated parking system solution to provide a more user friendly experience for visitors drove the downtown organization – the Downtown Tempe Community, Inc. (DTC) – to create what amounts to a “parking management overlay” program. Working with the owners of the off-street parking assets, they created a parking system management plan. Through creative signage, a common parking validation program, and extensive marketing, they branded the parking system to such an extent that it appears that Tempe has a well-managed and comprehensive parking program, although they do not own all of the individual assets. DTC acts, in essence, as a private parking management firm. They manage all parking staff and programs themselves, and return all

profits to the facility owners (keeping a modest management fee). The DTC also manages the city’s on-street parking resources and reinvests on-street parking revenues back into the downtown.



The Parking District Model

The Parking District Model is slightly different than the previously defined model, but as mentioned earlier, the one common element of all of these successful models is the goal of creating a “comprehensive parking management function” under the control of one leader (“vertical integration”).

The characteristics of a parking district include:

- They typically have a defined area with set boundaries.
- They may have a special assessment that applies to all properties within the district.
 - This revenue generally goes toward defined district improvements, but could be restricted to parking or transportation related projects.
- They are generally run by an Executive Director or President (although some are run by city department heads).
- All revenues are collected and managed by the district for reinvestment in the district.
 - In some cases, if revenues exceed operational or capital program needs, the additional funds are returned to the city’s general fund.
 - In other cases, the city assesses the district a fee based on a percentage of net revenues in-lieu of not assessing property taxes on the parking facilities. This money goes to the city’s general fund.
- Revenue sources typically include:
 - Special assessment revenue (if applicable).
 - Off-street parking revenue.
 - Could include miscellaneous revenue sources such as: advertising (in parking structures), vending machines or retail space rental (mixed-use parking facilities).
 - Could also include special event parking revenue.
 - On-street parking revenue.
 - Parking enforcement revenue.



Parking Districts have made some significant contributions to the communities they serve. For example, in Boulder, Colorado, the Downtown and University Hill Management District/Parking Services can boast the following list of accomplishments (all paid for with parking district revenues):

- Funding of the Eco-Pass Program - \$700,000 for 2006.
 - This program gives all downtown employees a free bus pass and contributes to a 62% modal split among downtown employees (reducing parking demand).

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- Repayment of a \$3.4 million Mall Improvement Bond - \$500,000/yr.
 - This is a good example of the parking program contributing to community economic development.
- Payment of Parking Structure Debt Service Obligations.
 - Parking district revenues fund the development costs of downtown public parking structures as well as all parking operating and maintenance costs.
 - One of the more impressive parts of this program has been the leadership in defining appropriate design guidelines for parking structures.
 - Only mixed-used structures are permitted.
 - They must incorporate street level retail and be architecturally consistent with the downtown fabric. Some have been multi-modal in nature – integrating transit functions with parking.



The Professional Services Model

A more recently developed organizational model is the “Professional Services” model. In this model, a smaller more professional level parking services group is developed in conjunction with the outsourcing of day-to-day operations. While there are many potential variations under this category, the most successful variation involves a group that is primarily administrative in nature.

The management group is responsible for program elements such as: creating the vision and mission of the program, community outreach and program development (including assessment of new technologies, etc.), parking system planning, interface with economic development programs, interface with transportation system functions (including alternative transportation programs), contract administration, parking facility long-term maintenance program development, system financial administration/audit functions, and special projects management.

Parking operations are outsourced to a qualified parking management firm. Their responsibilities would typically include: off-street parking facility operations (cashiering services, pay-on-foot operations, etc.), daily facilities maintenance, security, etc. Some communities have





extended these contract services to include the operation of on-street parking and parking enforcement programs including citation collections and management. For on-street and enforcement operations meter maintenance and collections, citation issuance, collections and adjudication can all be outsourced as well.

Another feature often used in conjunction with the Professional Services Model is the development of “on-call services agreements” for various types of consulting and professional services such as: engineering facility condition appraisals, technology assessments, revenue control system assessment and audits, etc.

The primary advantages of this model are that parking is managed by a lean group of management staff focused on key areas such as:

- Program Administration and Finance
- Audit/Revenue Control
- Contract Administration
- Special Projects
- Marketing/Branding/Communications
- Economic Development/Customer Satisfaction/Business Community Interface

Day-to-day operations are outsourced. This can have the effect of keeping a better focus on the strategic goals of the parking program without getting mired in the myriad operational issues that make up day-to-day management.

Communities beginning to implement this approach include the City of Beverly Hills and the City of Lincoln, NE.

The Parking Management Collaborative Approach

As mentioned earlier, this approach was developed specifically to address the set of conditions that exist in communities that have chosen not to develop a significant off-street public parking system and therefore do not have much ability to influence the off-street parking market in traditional ways.

The Parking Management Collaborative approach is comprised of the following basic tenets:

- There is a demonstrated need to improve the ease of use and access to parking in the downtown, especially for occasional visitors.
- There is recognition that a comprehensive approach that will coordinate and integrate both on-street parking and off-street parking assets is needed to make the downtown more visitor-friendly.
- On-street parking assets will be better managed as a short-term parking resource with the primary management goal being to promote a high degree of turnover for the benefit the merchants and businesses that depend on an effectively managed supply of convenient short-term parking resources. A goal of maintaining an average on-street occupancy level of approximately 85% shall be key program goal/benchmark.

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- Because the majority of off-street parking in the downtown is privately owned and operated, a collaborative approach to developing a downtown parking management strategy is needed. The primary objective of this approach is to develop what is essentially a “parking management program overlay” that will create a well-coordinated and marketed user-friendly parking system that will appear to the casual user as a public parking program.
 - The key functional elements of this parking management overlay include:
 - Program Branding and Marketing
 - A comprehensive updated downtown parking and wayfinding program
 - A central parking and transportation information clearinghouse function
 - A special event coordination function
 - A significant parking and transportation planning function
 - Coordination with community and economic development activities
 - Management of City owned parking assets
 - Coordination with The Downtown Alliance in support of downtown business needs
- The Parking Management Collaborative will strive to promote superior, customer oriented parking programs and parking facility standards.
- Parking planning and coordination will be important functions related to understanding and responding to both the current and future parking needs of uptown users.
- The diverse needs of various user groups will be considered, including visitors, employees, employers, property owners and parking management firms, through active planning, coordination and communications.
- The Parking Management Collaborative shall be considered an integral component of the community’s economic development strategies and programs.

The following nine elements will be the primary strategies to be implemented by the Parking Management Collaborative:

1. Develop a parking system brand and marketing program.
2. Create a web-based parking and transportation information clearinghouse. Become the central point for coordination of information related to parking and access options for the community.
3. Promote the principles of balanced access for all travel modes, including vehicular, pedestrian, bicycle and transit, to meet community-wide goals
4. Focus on creating an excellent customer service orientation for all





- parking user groups - visitors, employees, employers, property owners, etc.
5. Develop an effective interface between public and private parking providers.
 6. Work with parking management collaborative members to create high standards for safe, attractive and well-maintained facilities
 7. Take an aggressive and proactive approach to community education related to parking and transportation issues and new program development. Be responsiveness to the needs of the diverse customer/citizen base.
 8. Actively coordinate with economic vitality initiatives, retail support strategies and other community and economic development programs.
 9. Develop a strong parking and transportation planning function and promote good urban design, shared parking, walkability and transit oriented development approaches to create a superior, people oriented urban center.

This approach needs only a small, but highly effective staff to be successful. The recruitment of an executive caliber program director with strong vision and excellent communication skills is essential for this strategy to succeed. The other key ingredient is to get buy-in from the major parking property owners. This is typically accomplished by recruiting them to be on the program's Board of Directors. In some cases where all the right individuals are already on the board of an existing downtown organization (especially if creating "yet another board" would be seen as an issue) this function could become an initiative of that organization.

One of the key values of have the major parking property owners engaged at this level is that this will lead to them directing the parking management firms they manage or hire to "get on-board" with this program. Engaging the parking management firms on another level can also be very valuable because of their detailed knowledge of conditions "on the street" and their knowledge parking management principles in general.

The first major city to employ this model is Charlotte, NC, where the collaborative was located, organizationally, in the business improvement district known as the Charlotte City Center Partners

The Eco-District Model

EcoDistrict Initiatives are a comprehensive strategy to accelerate sustainable neighborhood development. The purpose of this overview is to clarify the value proposition, define performance areas, and outline an implementation strategy as it relates to adapting this approach to a parking and transportation program organizational framework.

At its heart an EcoDistrict is a neighborhood or district with a broad commitment to accelerate neighborhood-scale sustainability. Eco-Districts commit to achieving ambitious sustainability performance goals, guiding district investments and community action, and tracking the results over time.

A parking and transportation Eco District approach would recognize technologies and strategies for enhancing district sustainability, such as energy and water management systems within parking developments, support for green streets, the promotion of resource conservation, etc.



In this case, since parking can be a significant revenue source, we envision parking revenues being dedicated first to supporting parking program operations, maintenance reserves, and technology upgrades, but once the parking program is well established and generating excess revenues that these resources would be invested in a variety of sustainability initiatives. Examples might include programs such as:

- Community bike programs – to support an overall “Parking Once Strategy”
- Car sharing programs – to support downtown residential development
- Pervious pavement installation and bio-swales as demonstration projects in city surface parking lots

It should be noted that the widespread deployment of these strategies has been slow to develop due to lack of comprehensive assessment tools, scalable project capital, and public policy support. The Eco-Districts Initiative focuses on removing these implementation barriers and creating an enabling strategy to accelerate neighborhood-scale sustainability.

The Eco-Districts Initiative is distinct from most green development strategies that focus on brownfield or greenfield development that are primarily led by master developers or public agencies. Instead, the Eco-Districts Initiative targets districts - at the intersection of buildings, infrastructure and people. This initiative would be “working upstream” of rating systems like LEED-ND to develop tools and strategies for engagement and project implementation.

Generally, the Eco-Districts approach brings together community stakeholders, property developers, utilities, and the City of Salt Lake City to solidify a shared sense of purpose and partnership through the following actions:

- Create an engagement and governance strategy to build community support, set priorities and act
- Develop an assessment and management toolkit to guide project development and track ongoing performance
- Implement sustainability projects through technical and economic feasibility analysis, assembly of project financing, and establishment of public-private partnerships
- Identify commercialization opportunities for companies to test promising products and practices
- Establish municipal policy and regulatory structures to support EcoDistrict development

In this specific application, the general goals above still apply, however because of our focus on parking and transportation functions there will be some variation and more specific applications. However, the broad-based nature of parking and transportation, the need for on-going stakeholder engagement and the larger economic development focus makes this application very appealing. Overall, transportation accounts for about 30% of the nation’s carbon footprint. Organizing your parking program to have an explicit “eco-district” orientation would send a strong signal of the City’s commitment to environmental progress.



PARKING SYSTEM OPERATING METHODOLOGIES

Once a management structure has been determined, operating methodologies are another organizational/management consideration. There are three primary methodologies for operating parking programs. These are:

1. **Self-Operation** – The managing entity or owner operates the parking program itself. For example, a downtown parking authority could hire the necessary staff to operate the parking system internally.
2. **Outsourced – Management Contract** – The facility owner or managing organization contracts a private parking management firm to handle day-to-day operations and maintenance through a management contract. Through the management contract, the private parking management firm is either paid a fixed management fee and/or a percentage of gross revenues and is reimbursed by the owner for all costs incurred in the operation.
3. **Outsourced – Concession Agreement** - The facility owner or managing organization contracts a parking management firm to assume full responsibility for all aspects of the operation, including expenses, and the parking management firm pays the owner a guaranteed amount and/or a percentage of gross revenues (or a combination).

A variation on these basic methodologies that is just being introduced in the US parking market is that of parking system “monetization”. A more detailed description of each option is provided in the following sub-sections.

Self-Operation

Self-operation of the parking system requires that the owning entity provide all the necessary employees (e.g., full or part-time staff and/or temporary employees), equipment, supplies, etc. With this method of operation, the owning entity receives all gross parking revenues and pays for all operating expenses. Self-operation requires internal administrative and managerial staff at a higher level than the management contract or concession style agreements.

Self-operation allows the owning entity to have complete control over the parking facilities and the level of service provided to its patrons. This requires a well-trained and experienced staff to effectively manage a large parking operation with significant daily revenues. Parking has become a highly specialized field and also requires good general and facility management skills. Without proper training and professional development, self-operation can result in a lower than desired level of service and revenue controls. This, in conjunction with the requirements for a high level of customer service and the specialized nature of parking, makes the idea of using a professional parking management firm a logical and attractive alternative for initial downtown parking operations.

Potential advantages of self-operation include:

- Complete control over day-to-day parking operations, including customer service.
- Internal parking knowledge to assist with future planning.
- Uniform look and feel with other city services.



- Better control over staff and staff training.
- Eliminates paying a management fee to a vendor.

Disadvantages to this approach would include:

- Typically higher expenses than contracting with a private parking provider due to:
 - Higher pay rates than private operators especially in a unionized environment
 - More restrictive benefit requirements
 - Higher staff training and development costs
 - Private operators have a greater economy of scale relative to supplies
 - Higher insurance costs/requirements.
- More operational duties for the city.
- Smaller staff pool to draw from for covering sick days and vacations.
- Without adequate training, customer service could suffer.
- The city would need to find and hire experienced parking staff.
- The city would have higher administrative and back office costs than an experienced private operator.
- The city would deal directly with customer complaints.
- The city would assume all of the financial risks related with the parking system.
- Can be more difficult to terminate the employment of staff when needed.

Management Agreement Operations

In this form of operation the owning entity retains complete control over staffing levels, validation policies, parking rates, and customer service policies. With a management agreement, the parking operator provides the necessary labor and services for the operation of the parking facilities in accordance with an agreed upon policies and annual operating expense budgets established by the owner. The parking operator then receives a monthly payment, either a lump sum amount or a percentage of the gross or net revenue. This monthly payment represents the fee to manage the facilities.

The parking operator should provide the owning entity with a detailed monthly report package including: operating statistics, revenue summaries, expenses summaries, budget variance reports, etc. The management agreement still requires some additional personnel time for the owning entity's staff, since it is necessary to audit the gross parking revenues, as well as the monthly operating expenses. The preferred arrangement is that all reporting guidelines and accounting practices are determined up-front so that each party understands their responsibilities.

The owning entity's stakeholders and staff should have significant input into establishing the "level of service" for the parking system by deciding on the type of parking access and revenue control systems to be employed, the quantity of cashiers/customer service ambassadors, acceptable traffic queuing upon exit, lost ticket/insufficient funds policies, parking related services offered (lost vehicle assistance, dead battery assistance, vehicle lock-out assistance), etc.



The following outlines the potential advantages of outsourced day-to-day operations via management agreement (in conjunction with a small in-house contract management function):

- Reasonable control over day-to-day parking operations.
- An internal parking manager could be hired by the city with sufficient parking knowledge to assist with future planning.
- A well-structured management agreement would provide:
 - Reasonable control over staff and staff training.
 - High customer service expectations.
 - A high level of staff appearance.
 - Strong auditing capabilities
 - Operator accountability.
- Parking services from an experienced service provider.
- Typically, operations are less expensive due to:
 - Lower staffing costs.
 - Lower supply costs.
 - Lower training costs.
 - Lower administrative costs.
 - Lower insurance costs.
- The use of a private parking operator, at least for a short time, would provide valuable parking experience to the city.
- Potentially, a large pool of private operator staff to draw from for sick day and employee vacations.
- The contracted parking operator would deal with most customer complaints.
- Relatively predictable parking system expenses.

Disadvantages to this approach include:

- The city would have to compensate a private operator with a management fee or a percentage of gross revenues.
- Somewhat less control over day-to-day operations.
- Somewhat less control over staffing and training issues.
- The city would need to find and hire an experienced parking manager.
- The city would have some administrative and back office staffing costs.
- The city would assume most of the financial risks related with the parking system.

Concession Agreement Operations

With a concession agreement, the concessionaire will provide all necessary labor and services for the complete operation of parking facilities in return for a percentage of the gross parking revenues. The actual percentage varies from operation to operation based on the size, complexity, revenue potential, and perceived risk to the operator. There may be a guaranteed minimum annual payment to the owning entity. Sometimes a revenue split is negotiated for revenues above a certain level.



In general, concession agreements work best in situations where the owning entity wishes to divest itself from the day-to-day parking operational concerns in order to better focus on its core business (these types of arrangements are more common in airports for example). With this type of agreement, a minimal amount of time is required by the owning entity's staff in the day-to-day operations of the parking program. The owning entity also gives up some level of control as it relates to defining day-to-day operations, as the concessionaire is responsible for all expenses and most liabilities. Typically, the owning entity receives a deposit from monthly parking revenues within two weeks after the end of the each calendar month. Periodic conversations with the parking operator are necessary to discuss operational issues that affect the quality of service to owning entity's patrons.

The concession agreement is the simplest type of agreement for administrative purposes, in that only the gross parking revenue need be audited. All operational expenses are the responsibility of the concessionaire, thereby resulting in minimal control of this function by owning entity staff. Also, as with the management agreement, the parking operator serves as a buffer to the owning entity's management with respect to parking complaints and potential wrongdoing by those employed within the parking system.

Potential advantages of concession style leasing of parking facilities include:

- No real parking operations or management required by the city.
- No substantial daily auditing required by the city.
- Facilities would be leased to an experienced parking services provider.
- Requires no internal parking experience on the part of the city.
- Relatively predictable revenue stream.
- Less operations related financial risk.
- Parking operator takes all significant parking customer complaints.

Disadvantages to this approach would include:

- Little to no control over day-to-day parking operations.
- No control over staffing and training issues.
- Less customer service accountability.
- Difficult to measure parking system expenses, if the parking operator is required to share them at all.
- The parking operator may be encouraged to reduce facility expenses to a minimum level (negatively impacting customer service), to increase profits.

Parking System Monetization (or Privatization)

This option, which is also sometimes referred to as "Public-Private Partnerships" or "PPPs" (there are other types of public private partnerships that do not involve monetizing public assets and so I will focus on the term "monetization") is very similar to the concession agreement approach described above with the



exception that the term is much longer and the owning entity receives a large cash infusion at the front end of the deal which is then paid back (with significant finance and other fees) over the term of the lease.

In the last few years, this concept has attracted more interest as many cities, counties and states face deep budget deficits. As a result, there has been an extensive amount of study and commentary on this trend. The U.S. Government Accountability Office (GAO), the Public Interest Research Group (PIRG) and state legislatures have issued comprehensive reports on the subject. The Texas State Legislature recently released an extensive report on PPPs in toll road projects, and the Federal Highway Administration examined PPPs in other countries. The various reports and studies illuminate some basics of best practices for asset monetization.

In my opinion some of the most insightful analysis of these event and issues has come from Stephen Goldsmith. Mr. Goldsmith, a former mayor of Indianapolis, is director of the Innovations in American Government Program at the Harvard Kennedy School. He is author of the forthcoming book *The Power of Social Innovation: How Civic Entrepreneurs Ignite Community Networks for Good*. Many of his insights are included in the summary of “good asset monetization goals and key issues” below.

Examples of Good Privatization Goals & Key Issues to Consider

1. Identifying non-core functions and areas that are not core competencies
 - a. If parking management is not a core competency of the City then it is a candidate for privatization; however, if you are lucky enough to have a high functioning parking system that is providing excellent service and is contributing to community growth and development, think twice about what you may be giving up.
2. Establishing a long-term reserve fund to:
 - a. Enhance City credit rating and thus lower interest rates
 - i. Chicago did this and enjoyed its highest credit rating since 1978
 - b. Retire Debt
 - c. Eliminate interest payments and thereby create more money for community reinvestment
 - i. Chicago retired \$925 million in debt
 - d. Community Reinvestment
 - i. Identify and fund a well-defined set of community desired or essential infrastructure projects
 - ii. Programs that serve the public good
 1. Example: Neighborhood parks and programs
 - a. Chicago invested more than \$325 million in this area
 - iii. Infrastructure investments that will stimulate additional private sector investments
 1. Example: Parking structures as part of a public/private partnership.
3. Shifting Risk
 - a. Consider the potential risks of managing on-street metered parking for the next 75 years (imagine bidding on the City’s horseshoeing concession in 1890, or the public pay phone concession in 1975)
 - i. Changing technologies
 - ii. Utilization



iii. Costs

1. Rising labor costs
 2. Rising fuel costs
 3. Equipment replacement
 - a. In Chicago, the cost of replacing the multi-space meters every 7 years is estimated at \$40 - \$50 million dollars.
4. Carefully analyze the term of any potential concession
 - a. Both the Chicago Inspector General's analysis and financial experts who have analyzed the deal indicate that Chicago should have negotiated a shorter lease period.
 - i. Under their analysis, Chicago left significant future earnings on the table when it agreed to a 75 year concession term (estimated at \$1.3 to \$2.1 billion).
 5. Look at Alternative Solutions to Budget Problems
 - a. Chicago is the poster child for using the proceeds of PPP asset leases to plug a budget operating deficit and selling its residents' future.
 - b. In 2006 the city sold the Chicago Skyway for \$1.83 billion, of which \$460 million was used to pay off debt, \$375 million was used to close the 2006 operating budget gap and \$500 million was placed in a rainy day fund. The \$500 million rainy day fund was exhausted to close operating budget gaps in years 2007 and 2008.
 6. Key elements of a PPP deal are transparency, expertise and setting controls over rates and "windfall profits."
 - a. Allow Elected Officials to Approve the Terms of Any Proposed Agreement Before It Is Put Out to Bid
 - b. Don't let the market/bidders solely dictate the terms of the PPP through a request for proposal process. Elected officials should have the power to alter the terms of the proposed deal as they see fit and drive the process through negotiation rather than have a fait accompli handed to them.
 - c. The Texas State Legislature's recent report on PPPs advocated revenue sharing over single, upfront payments as a better way to protect the public interest. The report also noted that key elements of a PPP deal are transparency, expertise and setting controls over rates and "windfall profits."
 7. Do Not Include Lease Proceeds in a Government Budget before the Leases Are Finalized
 - a. Having a budget balanced on the back of lease proceeds makes it extremely difficult for officials to reject an asset lease or concession deal. Consider adopting an ordinance prohibiting a city's budget from including revenue from PPP proceeds before commissioners have approved the deal.
 8. Consider the Creation of a Concession Management Review Board
 - a. The impact of these deals will affect a broad array of citizens, civic and cultural organizations, religious and educational institutions and corporations. These are individuals and businesses that are invested in their communities and deserve a voice as well as an open and transparent process.
 9. Consider the Creation of a Downtown Parking Management Commission
 - a. The Parking Management Commission could be made up of City, Parking Authority and Downtown Stakeholders and should require the concessioner to be engaged with Parking



- Commission. The Parking Commission would provide an annual program assessment to City Council.
10. Term of the Agreement
 - a. Limit to 30 – 50 years
 - b. Build in a mechanism to address changes in annual expectations
 - c. Establish a defined monitoring process
 - d. Create a process to generate an Annual Stakeholder Report Card
 - i. If the deal were to “go sour” have a plan for “How to get out?” - Who pays what to whom?
 - ii. Consider alternatives to a one-time only payment
 - iii. Consider a lesser up-front payment with annual incremental payments to a dedicated parking reinvestment fund.
 - iv. For cities with a parking tax, could the parking tax constitute the annual incremental payment?
 11. Maintaining and Improving Service Levels to Users of the Parking System
 - a. From the perspective of parking customer’s and those invested in the downtown a strong, well-managed parking system is critical to their success. The concessioner should ideally be a “partner for the success of the downtown” and implement programs and policies to effectively address the following:
 - i. Greater availability of parking spaces
 - ii. More convenient, state of the art equipment
 - iii. Multiple payment options
 - iv. Quicker service of broken equipment
 1. In Chicago meters are now repaired within a couple of hours on average compared to 2.5 days under the City run system
 - v. Retail parking, employee parking, event parking, etc.
 - vi. Special programs to meet the needs of cultural, religious and civic institutions as well as customized neighborhood programs.
 12. Building on the “Partnership for Downtown Success” concept requires an understanding of the needs of the business community, downtown residents and religious and cultural institutions. Once these needs are understood, implementation of parking program enhancements should be introduced. This is where the special expertise of a parking profession is needed. Programs to meet identified community needs might include:
 - a. Extended time limits near theaters, concert halls, schools and churches where parker need more than 2 hours
 - b. Free or reduced rate parking for churches on Sunday mornings
 - c. Automatic ticket dismissal for inoperable meters, based on meter malfunction reports generated by the system.
 - d. Ability to pay citations on-line or even at a meter
 - e. Improved parking access and convenient parking for hourly parkers to support downtown retail
 - f. Discounted monthly parking in certain lots
 - g. Donated single space meters to protect bicycle parking or as vehicles for charitable donations



13. Promote sustainable and innovative parking technologies & interior parking facility environment enhancements
 - a. Improved customer service features
 - b. Adopt “retail friendly” parking management best practices
 - c. Create safe, clean and friendly parking environments
 - d. Invest in sustainable design & management practices
14. Other Issues to Consider...
 - a. Who will develop and manage new parking facilities?
 - b. Will the concessioner be allowed to manage of competing facilities?
 - c. Where will rate setting authority reside?

RECOMMENDED ORGANIZATIONAL OPTION

Kimley-Horn and Associates, Inc. strongly recommends that the City of Billings work to create a more vertically integrated downtown parking system. Billings already has a more vertically integrated parking program than many cities. The following model is the recommended option for the City’s consideration: A Hybrid of “The Vertically Integrated City Department Model” and the “Parking Commission Model”.

While this option is among the most the conservative and traditional of the organizational options, it is recommended because we have been impressed with the quality and competence of the City staff that we have dealt with in the course of this study. The current City parking program is better integrated in terms of the basic parking program services already (with primary responsibility for managing on-street, off-street and parking enforcement functions). To achieve a more fully integrated parking program, it is envisioned that additional functions will be added over about a five year period. These additional functions should include:

- A more robust parking planning function (working with City Planning on parking and related transportation issues). There are a number of parking specific planning tools that will be recommended. Parking should also be at the table when issues related to zoning code changes and parking requirements are debated and amended.
- Better integration and collaboration with downtown management and economic development programs. One of the lessons learned from the parking advisory panelist’s programs is the extent to which parking can become a true community partner in terms of downtown revitalization and development efforts. Collaborative program initiatives and participation on boards and committees and generally closer working relationships can generate significant community wide benefits to all parties.
- A specific focus on developing programs related to transportation demand management, transportation alternatives and other sustainable transportation program options

The current City parking program has recently hired a new parking manager (an upgrade from the former department leader whose title was parking supervisor). As the department evolves into a more robust, mature program with an expanded scope of services, it is recommended that the parking manager position be reviewed with an eye toward the development of a “Parking Director” or “Parking Administrator” level position. An extensive document has been provided in the report appendices which



provides an overview of parking administrator positions from around the country including salary information, examples of program scopes and several example position descriptions.

As the department expands its scope and matures, new potential areas of focus might include “accounting and auditing”, “planning and community education” and “special projects”. If recommendations to upgrade parking technologies (both on and off-street) are implemented, the special projects area might become especially important.

This option also envisions some form of parking counsel or board to provide a mechanism for ensuring community engagement and input. We are aware of the current legal restrictions in the City Charter related to “commissions” and the unsuccessful attempt to pass new legislation, however, some senior City officials expressed the opinion that there may be other options that might be considered. The major concern here is that while the current Parking Advisory Board has many community leaders who are both invested in downtown Billings and have strong business backgrounds to provide sound direction and guidance, the lack of authority to affect policy decisions is negatively impacting their desire to stay engaged.

A framework should be developed whereby certain “policy –level decisions” are defined as the responsibility of the City Council and more operational level decisions are ceded to Parking Counsel of Board”. The Parking Board should also be encouraged to draft policy level proposals for the City Council to review and vote on.

It is also recommended that the City’s Parking Manager get involved in other related agencies either on the board or committee levels to stay better connected to and be more engaged in downtown development and revitalization efforts.

A recommended organizational structure diagram is included on the following page.

Billings DOWNTOWN PARKING STRATEGIC PLAN

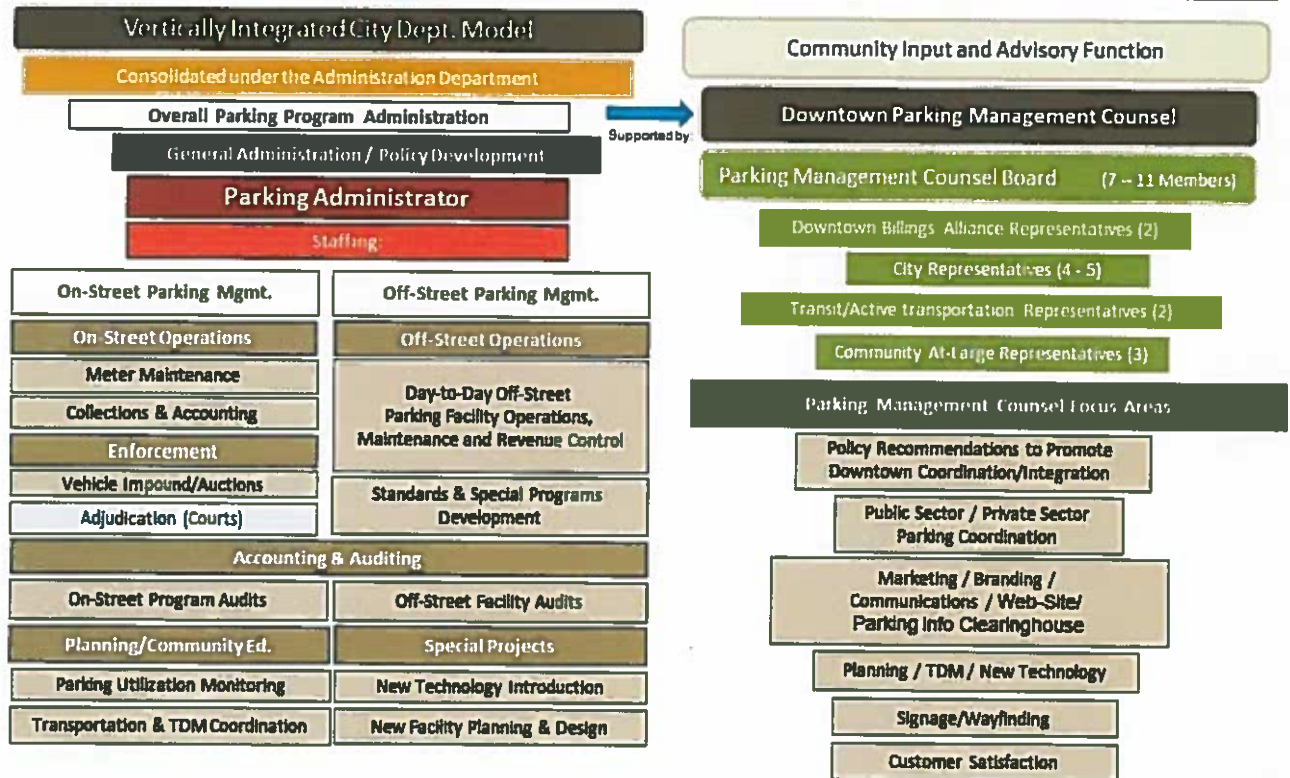
Final Report – April 2015

Billings DOWNTOWN PARKING STRATEGIC PLAN

Recommended Organization of Parking Management Functions

HYBRID OF THE VERTICALLY INTEGRATED CITY DEPARTMENT MODEL & PARKING COMMISSION MODEL

Description: A Vertically Integrated City department located organizationally under the City's Administration Department- This option is supported by a Downtown Parking Management Counsel which advises City administration and City Council on parking management policy decisions.



ORGANIZATIONAL STRUCTURE

VERTICALLY INTEGRATING DOWNTOWN PARKING MANAGEMENT

The City of Trenton initiated the current parking study, in part, to explore options for redesigning its parking management organization and operations. A more cohesive management structure and more effective operations have been recognized as a critical component to achieving several of the transportation, growth, and quality of life measures outlined in Trenton 250. There is a general sense that reorganization is necessary, but steps to implement this have suffered from a lack of “vision” for what the new organization/structure would look like, and how future operations would be managed on a day-to-day basis.

Recent parking policy recommendations

To help frame the context within which parking district development or reorganization should be considered, the following are examples of parking related recommendations developed as part of Trenton’s recent downtown transportation planning or strategic planning initiatives:

- City policy should reflect the difference between short-term and long-term parking
- Provide better information and wayfinding in advance of entering downtown to enhance the parking experience
- Establish a parking management group to better coordinate the entire parking system
- Promote structured parking as part of new downtown development
- Promote centralized and shared parking
- Add new meters to unmetered areas as parking demand exceeds a 50% utilization threshold
- Establish and staff a parking management group
- Develop parking management incentives and strategies to offer to owners and operators
- Develop and require consistent parking operations requirements
- Develop an electronic, real-time parking guidance and availability system
- Price on-street parking above off-street parking
- Implement a more convenient meter type that provides multiple payment options
- Adjust hours of enforcement to 9:00 A.M. to 8:00 P.M.
- Implement a strong marketing program and distribute maps
- Enhance the universal validation system or consider a “first hour free” program in off-street public parking facilities
- Survey public perception of parking on a regular basis
- Continue to expand the number of short-term parking facilities
- Re-evaluate parking requirements in the downtown code
- Modify parking meter rates in concert with off-street parking and the economy
- Evaluate market response to long term market needs
- Evaluate short-term parking adequacy
- Recognize changes in modal split and traffic congestion – evaluate parking strategies to reflect changes

DOWNTOWN PARKING MANAGEMENT PLAN

City of Trenton, New Jersey

- Support the implementation of a Downtown Parking and Transportation Plan
- Educate the public about parking in the downtown
- Coordinate public and private interests
- Address long-term transportation needs
- Maximize the use of existing parking resources

While the above list includes many useful recommendations which would improve operations and effectiveness of the existing parking system, the ultimate message is that the system requires a fundamental review of how it is organized and operated, to allow good ideas to be implemented. The following sections present a summary of best practices for parking organizational and operating models. A full description of these models can be found in the Appendix.

Best Practice Organizational Model Options

As the parking profession has evolved, several very effective parking system organizational models have emerged. Each of these models has its own strengths and weaknesses depending on several factors including the parking system's size, degree of development, programs offered, political landscape, community goals, and other factors.

Parking management best practices center on the concept of a "vertical integration" of parking functions. This is in contrast to the typical "horizontally fragmented" organizational structures that tend to evolve naturally in many municipal parking organizations across the U.S.

Horizontally fragmented systems are defined by the compartmentalization of parking functions and responsibilities, such as on-street parking, enforcement, and parking structures, among multiple, disparate departments or entities. The police, facilities management, and accounting departments all may play a role, yet no singular entity has responsibility for, perspective on, or understanding of all of the interrelated functional areas that comprise a parking system. In this scenario, there is no overall accountability for parking. Or put another way, parking is everyone's part-time job, but no one's full-time responsibility.

While there are several variations and hybrids of organizational models, the four primary alternatives commonly seen across the country are described below (and in Figure 7).

Consolidated Department Model

Vertical integration within a City department

The consolidated or "vertically integrated" city department model is characterized by a department head with complete responsibility for the management of all parking-related program elements. Primary elements include off-street parking facilities, on-street parking resources, overall program financial performance, parking system planning, and enforcement.

Parking Authority or Commission Model

All functions integrated within a parking-focused public authority

In the parking authority model, a detailed management agreement and defined mission and vision guide all aspects of parking operations. In most cases, a small staff led by a president or executive director engages a private parking operator to manage day-to-day operations. This model places all of the major stakeholders at the same table via a parking authority board or commission, which often results in all parties gaining a deeper understanding of the complexities of parking and the often competing interest of various constituent groups.

DOWNTOWN PARKING MANAGEMENT PLAN

City of Trenton, New Jersey

Contract or Business District Model

All functions assumed as an additional area of focus by a public authority or business district

In an increasing number of communities around the country, downtown business improvement districts or downtown development authorities have taken over operational responsibility for parking. Parking is governed by a well-defined operating agreement that sets specific expectations and guidelines for the management of parking assets. These contracts or operating agreements are typically reauthorized every three to five years based on whether the defined contract goals were achieved. If reauthorized, it is not uncommon for new goals and program objectives to be set for the next contract period.

Parking District Model

All functions integrated within a defined geographic boundary

A parking district's geographic boundaries and responsibility for district improvements (parking, transportation demand management, clean and safe programs, events/programming, etc.) generally are managed by the district to better promote downtown vitality and activation. Parking thus becomes a tool for economic development, place making and other larger district goals. A Parking District could be a newly created, standalone organization or overlaid with an existing Business District for an amalgam of options #3 and 4.

Alternative Organizational Options

In addition to the four primary organizational models, several newer variations have emerged in recent years. These may have less applicability for Trenton and are provided more as reference.

- The "Professional Services Model" is a leaner City department type option that outsources most functions but elevates the functions that do remain to more of a professional services level focused on the essential administrative services such as overall program management, contract administration, special projects, accounting and auditing, etc.
- For communities that have decided to promote environmental sustainability as a primary goal, the "EcoDistrict" Model integrates sustainability as a defining element of the parking and transportation organizational framework. The EcoDistrict model recognizes that parking management can advance community-scale sustainability performance goals through strategies including energy and water management, use of alternative modes of transportation (e.g., bicycles and pedestrians), and development of trip reduction and car-sharing programs. Parking revenue can also be invested in a variety of sustainability initiatives, such as the use of permeable pavement and other low-impact development techniques in municipal parking lots. The Eco-District model can be either a standalone model or "an approach" overlaid onto other models.

DOWNTOWN PARKING MANAGEMENT PLAN
City of Trenton, New Jersey

Figure 7 Organizational Model Options

	Consolidated Department	Parking Authority/Commission	Contract/Business District	Parking District
Defining Characteristics	All primary parking functions under one functional department.	Parking management responsibilities managed by an executive director and a community-based board.	Leverages an existing strong and effective business district or development authority.	Defined geographic area and may include other funding sources such as special assessments, in-lieu-fees, impact fees, etc.
Organizational Structure	Vertically integrated department within the city structure.	An authority or commission structure created by city council with defined responsibilities and objectives. Typically led by a community-based board of directors and an executive director.	An existing organization that has proven its effectiveness is given responsibility to manage parking via a well-defined management agreement.	A district-based board is created to manage parking within a defined area leveraging district-based funds to meet parking and transportation needs.
Critical Elements	The common and critical element of all these options is the "vertical integration" of all aspects of parking management under a single operational entity (compared to the typical municipal fragmentation of various functions such as: enforcement, operations, on-street, off-street, finance/accounting, planning, etc.) Managing all program components in a comprehensive and integrated manner allows for improved synergies, policy coordination and enhanced program performance organized around a holistic program vision and mission.			
Primary Advantages	City retains maximum control and is generally easiest to achieve politically.	Provides a degree of separation from politics. Engages key stakeholders in a meaningful way.	Leverages strong and existing agencies that have a vested interest in seeing parking and transportation issues effectively addressed.	Creates a geographically based entity that is focused on leveraging district-based revenues to create specific district-based solutions.
Primary Disadvantages	Parking may not be a core competency, may require investments in staff and resources. City remains the focus of parking concerns which can lead to undesirable political issues	Some relinquishment of City control. Can create "yet another board" that already invested community members may not have the bandwidth to accept.	Some relinquishment of City control. It is important that the BID critically assess its capacity to take on this complex venture and that their board is fully informed and on-board. Can lead to taking the agency "off-mission" if not done well.	Addresses only a limited area and therefore may have limited resources.
Bonding Capacity	Yes (via municipality)	Varies	Not through contractee, though yes through contracting municipality	Varies
Example	City of Fort Collins, CO	Philadelphia Parking Authority, Pittsburgh Parking Authority	Ann Arbor DDA, Capital City Development Corporation – Boise, ID	Boulder (CO) Downtown and University Hill Management District

Best Practice Operational Model Options

While every parking program operates a little differently, most can be categorized into one of three primary approaches for operating parking programs (more fully described in

Figure 8):

1. **Self-Operation:** The organization manages the parking program itself. For example, a downtown parking authority could hire the necessary staff to internally operate the parking system.
2. **Outsourced Management Contract:** A private parking management firm is hired to handle day-to-day operations and maintenance through a management contract. Through the management contract, the private parking management firm is paid a fixed management fee and/or a percentage of gross revenues and is reimbursed by the owner for all costs incurred in the operation.
3. **Outsourced Concession Agreement:** A parking management firm is hired to assume full responsibility for all aspects of the operation, including expenses, and the parking management firm pays the owner a guaranteed amount and/or a percentage of gross revenues (or a combination).

While any of the organizational models could utilize any of the operational models, most parking programs utilize the self-management or management agreement operating methodologies or some hybrid of the two.

Figure 8 **Operational Model Options**

	Self-Operation	Management Contract	Concession Agreement
Basic Idea (Defining Characteristics)	In-house management of parking assets.	Management contract approach to providing parking management expertise (City retains a fairly high level of control).	Concession style approach to providing parking management expertise (City retains less control – more hands off approach).
Primary Advantages	Highest level of control, however it requires more city investment. All parking revenues remain with the City.	Performance incentives reward achievement of defined performance metrics.	Lowest level of City control. This option is generally utilized for specific facilities such as airports or convention centers.
Primary Disadvantages	Requires a true commitment to staff hiring, training, and development. Requires significant investment in facilities management and maintenance.	Still requires some City staff to oversee contract, facilities, and provide overall program management. A management fee must be paid.	Requires confidence in the vendor who is responsible for all operations. Concession payments typically higher than management agreement.
Example	Missoula Parking Commission	City of Oakland, CA	San Francisco Airport

Commissioner Hoff asked what changes have been made from previous strategic plans. She also suggested that the museum host more events for increased exposure when it is safe to do so; including City meetings.

Museum Director Pielak identified the following changes:

- Increased internet capacity
- Enhanced digital storage
- Developing a landscape master plan and restoration changes to the grounds.
- Implementation of interpretive planning.
- Social media and virtual contact with the Museum's audiences.

Museum Director Pielak welcomed the suggestion with enthusiasm to host more events at the museum.

MOTION: Motion by Commissioner Sherman, seconded by Commissioner Hoff:
To accept the proposed 2021-2024 Birmingham Museum Strategic Plan.

ROLL CALL VOTE:	Ayes,	Commissioner Sherman
		Commissioner Hoff
		Mayor Pro-Tem Longe
		Commissioner Baller
		Commissioner Host
		Commissioner Nickita
		Mayor Boutros
	Nays,	None

09-175-20 ALTERNATE STRUCTURES FOR MANAGING PARKING SYSTEMS
City Manager Valentine presented this item.

Commissioner Baller complimented City Manager Valentine on the reports provided and acknowledged that this is what he expected when requesting this discussion. He expressed that he is partial to the third suggested resolution.

MOTION: Motion by Commissioner Baller, seconded by Commissioner Host:
To direct staff to solicit a proposal from Nelson Nygard to amend their September 2018 Downtown Parking Plan to study alternate management structures and best practices for managing parking systems and present a report with recommendations to the City Commission.

Commissioner Hoff expressed that the motion was premature because of the lack of discussion by the Commission prior to the motion. She further stated that Nelson Nygard did one of the other studies in New Jersey and asked if they did study any other cities. Commissioner Hoff asked what would the charge be for revisiting the management of Birmingham parking systems. She also asked for identification of the perceived problems that the City needs to address.

City Manager Valentine affirmed that they studied Trenton, New Jersey as well. He estimated cost would be approximately \$20,000 for consulting on the management structure, but if the option is approved, he would return with real numbers. City Manager Valentine expressed that this is a topic that the Commission should discuss for clarity on the scope of work.

Commissioner Baller expressed that when a fragmented management structure exist, there is no single source of management and there is some value in having a specialized team per the Durham report. He went on to suggest a goal setting session as the first step in the process when the consultant is engaged.

City Manager Valentine explained to Commission Baller how the process works to achieve desired outcomes.

Commissioner Nickita expressed that he is questioning the driver of this initiative. In his opinion, there is a successful existing structure here in Birmingham, consisting of the City Manager, Assistant City Manager, SP Plus, as well as a citizen and public component. He added that while there is always room for improvement, he would like to know what is wrong with the current structure. Currently, the system is altered due to COVID19, it may be the new normal so how would a new scope be properly evaluated.

Commission Hoff commented on the differences in the City's organizational structure and the premise that the Durham study relied on for a report. Additionally, the commission had not made a decision to move in the direction of changing the management structure of the existing system, so she asked why would anyone be studying the Durham report. The only complaint has been the lack of parking and is concerned why it is important to entertain this project now.

Commissioner Baller expressed his want to pursue this issue now due to the luxury of time that the pandemic has provided because he does not agree that the current parking system is operating well.

Commissioner Sherman explained that consultants are traditionally hired to help the City resolve a defined problem. While it is not a bad idea to look at alternate management structures that can be used within the existing system, cost should be examined before considering moving forward.

Mayor Boutros concurred with Commissioner Sherman. He further stated that it could be useful to look at this issue in terms of post pandemic realities with a consultant.

Commissioner Hoff noted that the commission must have goals and objective identified to engage a consultant.

Mayor Boutros countered that the consultants could help define goals.

City Manager Valentine offered that part of the consultants' scope could be to facilitate a goals and objectives session with the commission to assist in that part of the process.

Commissioner Sherman pointed that options for other various systems within the City have been studied in the past to insure efficient operations within the constraints of municipal government; and this could be the goal for this system as well. He went on to reiterate that cost would be the deciding factor.

Commissioner Hoff expressed that she could go along with having the Birmingham Parking Management System evaluated by Nelson Nygard for best practices including comparisons.

Commissioner Baller suggested that the motion covers all of the concerns expressed by the commissioners and called for the previous question.

Public Comment

Mr. Reagan, resident, commented that there is a need for an assessment of the current system and a benchmark for best practices. Due to the losses from free parking, he asked is cost really a concern.

David Bloom, resident, pointed out that the Planning Board in reference to the master plan discussed potentially offering free parking spaces to developers to incentivize housing development in downtown Birmingham. He supported having the right systems in place to evaluate the current parking situation.

Commissioner Sherman suggested striking the word alternative from the motion, thereby studying the current structure as well as alternate structures to resolve the debate.

Commissioner Baller agreed to the suggested amendment.

AMENDED MOTION: Motion by Commissioner Sherman, seconded by Commissioner Baller:

To direct staff to solicit a proposal from Nelson Nygard to amend their September 2018 Downtown Parking Plan to study alternate management structures and best practices for managing parking systems and present a report with recommendations.

Commissioner Hoff asked for specifics on evaluating the systems.

City Manager Valentine elaborated on the amended motion, in terms of scope of work, as follows:

- Assessment with the Commission to define goals.
- Review existing condition
- Identifying alternative models for consideration of best practices.
- Evaluating recommendations for improvement.

Public Comment

Mr. Reagan, resident, underscored that consultants look for key words in RFP's and the word assessment has a clear meaning. Due to the quantitative nature of assessing, it drives costs exponentially.

ROLL CALL VOTE:	Ayes,	Commissioner Sherman
		Commissioner Baller
		Commissioner Hoff
		Commissioner Host
		Commissioner Nickita
		Mayor Pro-Tem Longe
		Mayor Boutros
	Nays,	None

ORIGINAL MOTION: Motion by Commissioner Baller, seconded by Commissioner Host:
To direct staff to solicit a proposal from Nelson Nygard to amend their September 2018 Downtown Parking Plan to study management structures and best practices for managing our parking systems and present a report with recommendations to the Commission.



MEMORANDUM

DATE: October 2, 2020

TO: Commander Scott Grewe

FROM: Ingrid Tighe, Executive Director, Birmingham Shopping District

SUBJECT: APC Support for TV Segments

Once again this year, the Birmingham Shopping District will air a holiday marketing campaign to include advertising on WXYZ TV Channel 7, WDIV Channel 4, Comcast cable channels, and HULU, YouTube, and more.

Our ads will highlight the downtown shopping, dining and spa experience. Each of the ads will promote free parking in the decks. The goal of the ads is to drive traffic to downtown Birmingham, benefiting merchants and the parking system.

This year the Birmingham Shopping District is committing a total of \$50,000 for our holiday shopping campaign. We are requesting the Advisory Parking Committee to approve a \$25,000 commitment from the parking fund for the campaign. This would be the ninth year of a financial commitment from the APC.

Holiday Advertising	
Print (Eagle, Eccentric, Downtown Publications, Oakland Press, Jewish News, Chaldean News, SEEN Magazine, HOUR, DBusiness)	\$10,000
Digital (FB, IG, WDIV Click on Detroit, WXYZ, Oakland County Moms, YouTube, Comcast on demand)	\$15,000
Broadcast (Ch. 4, 7, 2, HULU, Comcast, NPR, Spotify, iheart radio, GSTV)	\$45,000
Signage (I-75 billboard, garage banners, posters, misc.)	\$5,000

The advertising 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 15 and 30-second ads will feature a graphic at the end of the spot highlighting free parking in the decks incorporating the parking logo for the shopping district.

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



MEMORANDUM

Office of the City Manager

DATE: June 3, 2020

TO: Advisory Parking Committee

FROM: Tiffany J. Gunter, Assistant City Manager

SUBJECT: Master Plan Summary – Committee Comments

At the May 2020 APC meeting, it was agreed that committee members would submit comments regarding the City's Master Plan to staff and staff would aggregate those comments to help guide the discussion for the June meeting. Staff assembled the following table and shared with committee members that highlighted any portions of the draft master plan document that were parking related:

Master Plan Summary Document – Cheat Sheet
Master Plan Summary Document – Cheat Sheet

Downtown	Bicycle Parking / EV Charger	Other Districts (Triangle, Rail, Adam Sq., etc.)	Residential/Neighborhoods
Pg 10 – Overnight parking	Pg 8 – Bicycle parking in parks	Pg 9 – Public parking investment (Triangle District development attraction tool)	Pg 7 –Neighborhood gathering places/off-street parking
Pg 14 – Parking requirements for ADUs (Accessory Dwelling Units)	Pg 9 – Enhance/expand streetside bicycle parking (micro-mobility)	Pg 10 – Shared parking arrangements (mixed use developments with Residential)	Pg 12 – Parking restrictions/ Residential parking permits
Pg 17 – Wayfinding, Dining Decks	Pg 17 – Bicycle parking within public streetscape	Pg 17 - Wayfinding for parking	Pg 21 – Parking requirements
Pg 18 – Unbundled residential parking study (5 year)	Pg 19 – EV Chargers and secure bicycle parking in parking garages	Pg 18 – Unbundled residential parking, Triangle district parking deck	
Pg 19 – Downtown parking capacity expansion studies, monthly permit sales increase, parking		Pg 20 – New assessment (incremental tax) district, parking deck, metered parking	

technology, Lot 6 parking garage			
Pg 20 – S. Old Woodward Surface Lot parking		Pg 22 – Rail district parking structure	
Pg 21 – Reduced parking requirements (shared parking alternative)			

The following comments were received prior to the June meeting. The committee is asked to discuss the following areas where agreement or disagreement with the proposals in the draft master plan has been identified and determine how this feedback will be shared with the Planning Department.

Bicycle Parking

The bike rack in front of lot #6 rarely gets used. Maybe if you build it they will come. Perhaps add a biking question to the next parking survey.

Agree that we need enhanced and expanded streetside bicycle parking with additional parking areas for micro mobility devices.

Any Comments on bicycle parking in decks?

Wayfinding/Directory

Wayfinding very important and needs to be improved, agree very much with master plan.

Business directory, great idea.

Outdoor Dining Decks

Agree with reducing # of dining decks to improve parking. Reduce # of permitted dining decks in the old Woodworth, Hamilton, Merrell, Pierce, West Maple area to improve parking for retail shoppers.

Limit Restaurants to one deck each, and limit the number of decks as to two per block

Permits should be reviewed periodically to be congruent with other retail establishments on the block. To be preferential to restaurants over retail seems unfair.

Definitely not a fan of the proposed pavilion and restrooms in Lot #6. Too many parking spaces lost These are the most convenient spaces in the lot. Also, previous discussion of a deck in Lot #6 indicated that it was not possible due to underground sewers.

Parking Requirements

Explanation: Unbundled parking would allow a potential developer to remove the parking requirement and allow for overnight shared parking in the municipal garages.

Explanation: The accessory dwelling units proposal would require that the homeowner must still live there, but when building the accessory unit would not be required to add additional parking. The purpose of including these ideas in the future plan for the City is part of the effort to achieve more attainable housing.

Comment received: Incentivizing development by reducing parking requirements seems to invite parking issues

Bates Street Project

Bates street extension. Too costly, too disruptive, and too big of a negative impact on Booth Park. I would rather see a new deck built on the surface lot.

Booth park could use a parking lot to allow parents to safely discharge their children to play in the park. We have a park without parking.

Major Parking Infrastructure Projects

There was discussion in the past to add two levels to the Pierce parking structure. I still think this is a good idea since the deck is in the core of downtown.

Agree with an investment in public parking within the triangle district/ Hanes Square district in order to service existing and encourage additional development.
Build Walgreens parking deck as planned

Residential Permit Parking

Agree with the need to reassign parking restrictions citywide allowing each neighborhood to select one of the following options:

- A: no restriction
- B: two hour parking
- C: permit by parking only 5 PM to 10 AM
- D: possibly a 4-hour option

MONTHLY PARKING PERMIT REPORT

For the month of: August 2020

Date Compiled: September 14, 2020

	Pierce	Park	Peabody	N.Old Wood	Chester	Lot #6/\$210	Lot #6/\$150	South Side	Lot B	35001 Woodward	Lot 12	Total
1. Total Spaces	706	811	437	745	880	174	79	8	40	40	150	4070
2. Daily Spaces	370	348	224	359	425	N/A	N/A	N/A	N/A	N/A	N/A	1726
3. Monthly Spaces	336	463	213	386	560	174	79	8	30	40	150	2439
4. Monthly Permits Authorized	678	845	486	881	1218	177	40	8	30	50	225	4636
5. Permits - end of previous month	674	750	475	799	1140	172	40	8	14	50	220	4342
6. Permits - end of month	671	750	475	797	1139	172	40	8	14	50	220	4336
7. Permits - available at end of month	9	198	11	88	5	5	0	0	16	0	5	245
8. Permits issued in month Includes permits effective 1st of month	0	0	0	0	0	0	0	0	0	0	0	0
9. Permits given up in month	3	0	0	2	0	0	0	0	0	0	0	5
10. Net Change	-3	0	0	-2	0	0	0	0	0	0	0	-5
11. On List - end of month*	1196	1528	1189	1728	1028	0	0	0	0	22	0	6689
**On List-Unique Individuals												3595
12. Added to list in month	6	1	7	1	4	0	0	0	0	0	0	19
13. Withdrawn from list in month (w/o permit)	0	0	0	0	0	0	0	0	0	0	0	0
14. Average # of weeks on list for permits issued in month	143	82	141	126	57	0	0	0	0	0	0	549
15. Transient parker occupied	N/A***	N/A***	N/A***	N/A***	N/A***	N/A	N/A	N/A	N/A	N/A	N/A	0
16. Monthly parker occupied	N/A***	N/A***	N/A***	N/A***	N/A***	N/A	N/A	N/A	N/A	N/A	N/A	0
17. Total parker occupied	N/A***	N/A***	N/A***	N/A***	N/A***	N/A	N/A	N/A	N/A	N/A	N/A	0
18. Total spaces available at	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
19. "All Day" parkers paying 5 hrs. or more												
A: Weekday average	N/A*	N/A*	N/A*	N/A*	N/A*	N/A	N/A	N/A	N/A	N/A	N/A	0
B: Maximum day	N/A***	N/A***	N/A***	N/A***	N/A***	N/A	N/A	N/A	N/A	N/A	N/A	0
20. Utilization by long term parkers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	#DIV/0!

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

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

* Average Maximum day not available currently in Skidata

** Unique individuals represent the actual number of unique people on the wait list regardless of how many structures they have requested.

***Gates up during COVID-19 -Transient/Monthly currently unavailable-FREE UNTIL DECEMBER 31, 2020.

**Birmingham Parking System
Transient & Free Parking Analysis
Months of August 2019 & August 2020**

August 2019

GARAGE	TOTAL CARS	FREE CARS	CASH REVENUE	% FREE
PEABODY	19,996	11,256	\$ 41,608.00	56%
PARK	22,708	9,614	\$ 57,415.00	42%
CHESTER	6,758	2,896	\$ 41,177.00	43%
WOODWARD	13,171	5,945	\$ 40,971.00	45%
PIERCE	28,713	13,062	\$ 77,805.00	45%
TOTALS	91,346	42,773	\$ 258,976.00	47%

August 2020

GARAGE	TOTAL CARS	FREE CARS	CASH REVENUE	% FREE
PEABODY**	20,769	20,769	\$ -	100%
PARK**	19,915	19,915	\$ 108.00	100%
CHESTER**	7,563	7,563	\$ -	100%
WOODWARD**	2,702	2,702	\$ -	100%
PIERCE**	31,145	31,145	\$ -	100%
TOTALS	82,094	82,094	\$ 108.00	100%

BREAKDOWN:	TOTAL CARS	-10%
	FREE CARS	+192%
	CASH REVENUE	-99.9%

**All Gates up starting March 17 for free parking. August 2020 car counts are based passages from lo \$108.00 Park Street Payment for validation account.