

## STAFF REPORT

## UPDATE ON DOWNTOWN PARKING ITEMS

November 13, 2018

**BACKGROUND:**

On October 16, 2018, the City Council was presented a staff report on Downtown parking. The report covered 1) a potential framework for a comprehensive parking study in the Downtown area; 2) Employee parking needs, and 3) Parking Meter Rates and Revenues. City Council directed staff to move forward with a proposal for a limited-scope Downtown Parking study including potential funding sources. Also, City Council directed staff to develop options to address employee parking that can be implemented immediately. Finally, City Council also requested that staff investigate a solution to add credit card payment at the meter in addition to the Parkmobile option.

**DIRECTION 1: DOWNTOWN PARKING STUDY**

During the October 16 meeting, staff presented a broad scope of work that could be performed by a parking consultant. As a reminder that list included;

- **Task 1: Parking Supply/Demand Study (Parking Utilization Observations and Analysis)**
- **Task 2: Parking Alternatives Analysis (Existing and Future Parking Conditions, Needs, and Recommendations)**
- Task 3: Review of Policies and Practices
  - Review and Recommendations for Parking Management Strategies
  - Future Parking Regulations
  - Improved Parking Experience
- Task 4: Financial Plan (Implementation Plan and Budget)
- **Task 5: Report Development**
- Task 6: Public Presentations & Meetings
- **Task 7: Outreach & Stakeholder Meetings**

The discussion that night was to perform a parking study with a “moderate scope” that at a minimum can provide detailed parking use data, specifically detailed information on existing parking utilization. Also, the study needed to be able to estimate future parking needs to take a proactive approach to potential redevelopment or growth in the Downtown area. Staff will work with a consultant to develop potential management and investment strategies in response to that information.

**Therefore, to accomplish the scope of the study preferred by the City Council, Tasks 1, 2, 5, and 7 (in bold text above) will be included in the consultant contract. A conservative budget estimate for a moderate scoped parking study would be \$70,000.**

It will be important to have an outreach plan that focuses on Downtown business and property owners regarding existing and future needs. While Staff expects to leverage as many digital communication/outreach tools as practicable, it does not feel the study requires expansive public meetings or workshops like what is done during the Long-Range Transportation Plan or other Comprehensive Plan updates. **It is important to note that as part of Task 2 the consultant will be asked to evaluate parking needs based upon development projections from City staff. Development projections will reflect current policies for Downtown in-fill and redevelopment in the Lincoln Way corridor.**

### **STAFF COMMENTS:**

It does not appear the study can be paid from the Parking Fund. **Therefore, staff would recommend that \$45,731 (65.33%) would come General Fund contingency account and \$24,269 (34.67%) from unobligated Road Use Tax Fund to fund the \$70,000 study.** Road Use Tax funds can only be applied to parking within the public right-of-way. It is expected that the study will take six to nine months to complete.

### **DIRECTION 2: EMPLOYEE PARKING OPTIONS**

The discussion on employee parking in the Downtown area was generally focused on the fact that there is not a widely accessible option for all-day (eight or more hours) parking for employees, which has resulted in some employees racking up numerous parking tickets or businesses seeing significant loss in productivity as employees leave work to move their vehicles.

At the October 16<sup>th</sup> meeting, City Council reviewed a free all-day parking option that was developed by Downtown Ames staff and supported by the majority of Downtown businesses (via a survey distributed by Downtown Ames). This option would provide unlimited time parking along the southern half of the CBD parking lots. It should be noted that overnight parking would remain in effect to prevent storage of vehicles.

Staff raised the concern that unlimited free parking is likely to result in loss of revenue as employees using the monthly reserved stalls choose the free parking option rather than paying \$50/month. Also, without something that designates which vehicles are employee owned, it will be difficult to ensure that those spaces will be available to Downtown employees. Therefore, staff outlined a hang-tag system for employees that would be sold for a significantly lower monthly cost than the reserved rate in an effort to offset the lost revenue.

#### **Option 1: Downtown Employee Hang-Tag in 4-hour Stalls**

**Implement an employee hang-tag system for \$20/month.** The hang-tags would be distributed by the City of Ames using the same hang-tag design used for reserved stalls; they would just be a different color. These hang-tags would be valid for any 4-hour free stall in the CBD lots only. Under this option, 4-hour stalls will remain on the south of the

median and 2-hour stalls on the north side of the median in the CBD as currently designated.

### **Option 2: Unlimited Free Parking in 4-hour Stalls**

**Implement free unlimited parking in the 4-hour (free) time limited parking stalls in the CBD lots only**, which is the same as Option 1, except that the City would not collect a monthly fee. Each employee would be charged a one-time fee of approximately \$5 to recoup the cost of the hang-tag.

### **STAFF COMMENTS:**

Because of staff's concern for 1) providing parking for Downtown employees, 2) maintaining revenue for a self-supporting parking system, 3) recognizing the high demand and value that parking spaces have in Downtown so that they should only be offered at a cost to the various users, and 4) monitoring the distribution of the hang tags so that they are only provided to legitimate users, **Saff believes Option 1 is the preferred course action at this time until the results of a Downtown parking study are known.**

### **DIRECTION 3: EXPLORE THE USE OF PARKING METERS THAT TAKE CREDIT CARDS**

City Council asked that staff investigate an option for users to pay with credit cards directly at each meter in addition to the Parkmobile pay-by-phone app and other payment methods (coin & smart cards). It should be noted that there are numerous parking meter technologies available on the market. For the sake of time staff has focused on solutions available from our current parking vendor POM Incorporated.

Staff reached out POM, they offer a solar-powered smart meter product called the "Parktel 2.0" meter that accepts coins, credit and debit cards, prepaid (and refunding) smart cards, and supports pay-by-phone apps. The Parktel 2.0 can meter single or multiple spaces, which POM is offering to sell the two-space (left-right) meters for the same price as the single meter option. Each meter has a low-power, high-speed modem that lets it network to their "MeterManager.Net" management software and to interface with "CreditCall," to process credit card transactions quickly and securely in real time. These smart meters cost \$600 each.

Under this offering, the recurring fees for the credit card capable meters (billed monthly in arrears by POM) are \$5 per meter per month, which covers the wireless plan and back-office hosting of the data. There is also a \$0.10 per transaction credit card fee that covers the PCI secure gateway provider (CreditCall). **Therefore, it is important to emphasize that "convenience" fees charged by POM for the capability of using credit cards will be handled in the same manner as with Parkmobile where they are passed along to the end user.**

The Parktel 2.0 meter works with the Parkmobile app such that if an Ames customer uses their Parkmobile account to pay for a meter, the smart meter would visibly show as being paid for in real-time. This functionality is currently not available with the City's standard meters (having no internet connectivity). It would make enforcement of the meters easier for the Police Department, thereby providing some savings in enforcement costs.

Currently, the public parking in Downtown has a total of 1,497 parking spaces, which 598 are metered stalls (457 on-street & 141 in parking lots). **Therefore, at the cost of approximately \$600 every two parking stalls the total cost to retrofit Downtown with credit card capable meters is estimated to be \$179,400. Staff would recommend adding 10% contingency to that number to account for any unforeseen costs associated with the transition, which brings the total estimate project budget to \$197,340.**

In addition to the Parktel 2.0 meter, POM informed City staff that they also have a Parktel Smartcard charging station for \$820/ea. that will be available in 2019. A charging station will allow customers to add money to their smartcard in Downtown without having to come to City Hall to add money. The initial purchase of a smartcard will still need to be done at the City's Customer Service window.

**STAFF COMMENTS:**

**Given the current projected available balance, a project of this magnitude cannot be paid from the Parking Fund unless parking rates are increased further or anticipated revenues currently generated for reconstructing our deteriorated municipal parking lots are reallocated to this meter conversion project.**