

MEMORANDUM

TO: City Commission

THROUGH: Douglas Hutchens, Interim City Manager

DATE: April 10, 2017

FROM: City Staff

SUBJECT: Second Quarter Report on Downtown Parking Management Plan

PRESENTER(S): City Staff
SP + (Parking Management Company)

RECOMMENDATION: Staff recommends continuation of the Pilot Parking Management Program

BUDGET IMPACT: \$195,004 - Net Revenue to the Parking Fund

PAST ACTION: 1st Quarterly Parking update
City Commission approval to Amend Ordinance 16-25 and Resolution 16-22 to implement Downtown Parking 2.0
City Commission approval of Ordinance 16-25, Resolutions 16-22, 16-23, 16-24, 16-25 and 16-27.

NEXT ACTION: None

ATTACHMENTS: Attachment A-Parking Dashboard

BACKGROUND:

Introduction

The City Commission approved a pilot Downtown Parking Plan on June 2, 2016 and directed staff to implement the system by October 3, 2016. The information that will be presented on April 20, 2017, represents the second quarterly update for the time period from January 1, 2017 to March 31, 2017.

It needs to be noted that the results of the 2nd quarterly parking report are very favorable as a result of moving to the approved Parking Plan 2.0. Below is a list of positive measures that have been reaching during the latest quarter:

- Off-street occupancy in the core area = 48.3%
- On-street occupancy in the core area = 42.5%
- Turnover in the core area = 3.3
- Net revenue (6 mo.) = \$195,004

In addition to the positive performance measures mentioned above, perhaps even more noteworthy is that the Parking Plan version 2.0 has achieved the difficult goal of allowing downtown to be Main Street during the day with ample free parking in the non-core areas and entertainment district at night where paid parking promotes parking turnover. This is no small feat as the dual purpose parking program in place creates a more casual approach during the day when demand for parking is not as great and in the evening and weekends when demand is greatest. The paid parking promotes needed turnover. *Main Street during the day and entertainment district at night has been achieved and the continued parking program will enable the transition away from at-risk parking lots and provide a sustainable revenue source to ensure parking supply can be added as needed.*

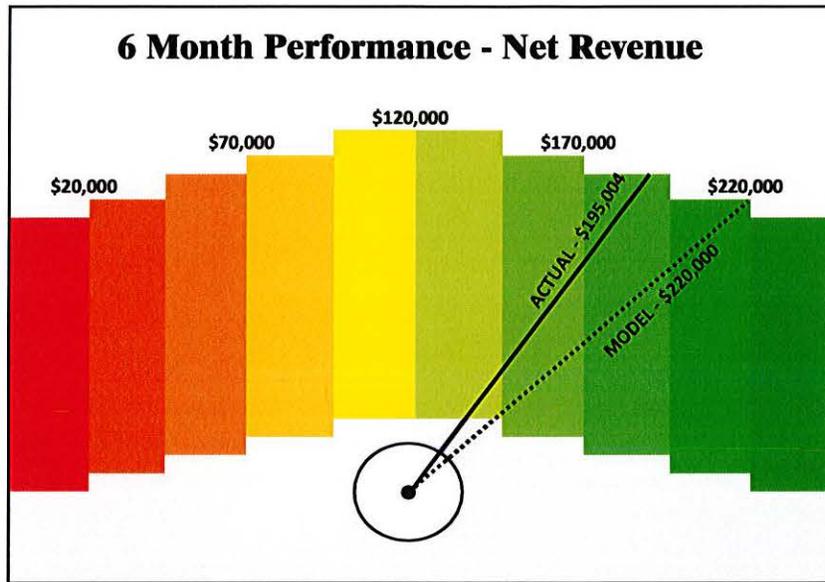
Public Outreach

- Updated the 2.0 parking map and distributed as an insert in the Dunedin Beacon (circulation 19,000)
- Digital outreach via City of Dunedin website, ParkDunedin, Social Media and E-notify to inform public of parking updates.
- Produced a parking video hosted by local residents and DTV hosts Wendy Barmore and Jon “Ditty” Didier. The video highlighted the updates and emphasized where to park for Free in Downtown. Close to 1,000 views of the video on YouTube and estimated audience reach on Facebook is 7,000.
- Updated DTV bulletin board graphics with 2.0 info
- Ad placement for ParkDunedin.com in the upcoming Parks & Recreation Magazine
- Hosted an information table with Public Relations at the Dunedin Downtown Map and circulated updated parking maps.
- Hosted an information table at the Show Me Your Stuff event at the Hale Center and distributed updated parking maps.
- Continue to educate and inform public on parking in Downtown via web, TV, social media and person to person outreach.

Feedback/Results:

- Through talking with residents, explaining the updates, including when and where to park for free, there seems to be more understanding. The video we produced has been well received and it received the most positive feedback since parking changes to downtown have been implemented. We have noticed a steady decline in negative emails and comments via email/social media since the 2.0 updates.
- Since this update occurred during peak tourist season, it is important that we monitor and continue to listen to residents on their concerns/frustrations.

Parking Dashboard (shown as an Attachment A)



Parking Lease Summary
Yearly Parking Lot Table

Lot	# Spaces	Yearly Cost	Revenue thru March 31st	Expiration
Bushnell 715 Edgewater Drive	32	4,822.76	0	July 31, 2018
Dunedin Station 326 Scotland	67	\$36,000	0	December 19, 2017
Arlis 380 Main Street	41	\$2,000 *Δ	\$56,943	Month to Month
Justice Lot 228 Main Street	32	\$25,000	\$11,731	May 31, 2021
First Baptist 500 Wood Street	226**	0	\$52,106	City Owned
Jarmolych 510 Main Street	10	\$4,000	0	March 31, 2018
FUMC 421 Main	17	0	0	June 5, 2022
Mease Dunedin*** 734 Virginia Street	120	0	0	April 14, 2019

* New cost if approved \$4,000
 ** Includes vehicles, motorcycles and golf carts
 *** Special event parking
 Δ Monthly cost

Current Financial Information

The FY 2017 second quarter financial results for the parking management system are presented below:

**Parking Management System Income Statement (Unaudited)
For the Six-Months Ended March 31, 2017**

	Annual Projection	6-months Projection Allocation	Actual
Revenues			
Parking fees	764,893	382,447	381,796
Citation revenue	109,200	54,600	27,895
Misc revenue	-	-	6,219
	874,093	437,047	415,910
Transfers In (BP/CRA)	2,241,463	40,750	43,092
Total Revenues	3,115,556	477,797	459,001
Expenses^(a)			
Credit Card Fees	52,446	26,223	29,976
Pay Station Lease/Software	87,220	43,610	69,220
Parking Mgmt/Enforcement	291,982	145,991	100,397
Keller Lot Lease/Maint ^(c) (BP/CRA)	2,159,963	-	-
Other Parking Lot Leases (BP/CRA)	81,500	40,750	43,092
Misc operating exp. ^(d)	-	-	19,295
Salaries & benefits	-	-	2,018
Total Expenses^(b)	2,673,111	256,574	263,998
Operating Income/"Net Revenues"	442,445	221,223	195,004

Notes:

- (a) Expenses were accrued and allocated to properly report 6 months of expenses.
- (b) Please note that interfund administrative charges have not been included as they were not part of the original financial model.
- (c) Buy-down and associated lease and maintenance costs are expected to start in early FY 2018.
- (d) Miscellaneous operating expenses can be categorized as follows:

Communications/Marketing	4,862
Signage	6,400
Parking Improve/repairs	5,877
Miscellaneous	2,156
	<u>19,295</u>

As a reminder, on September 26, 2016, the City Commission established \$200,000 of net revenues as a minimum expectation for the Parking Program during the pilot year. Through six months, the net revenues being reported have almost reached that expectation.

Expenses of the parking management system continued to be consistent with staff expectation. Nothing out of the ordinary was noted, outside of the additional expenses for signage and communication of the Parking “Version 2.0” program. From a revenue standpoint, staff members were expecting the second quarter to rebound from an average first quarter as the prime winter and early spring months approached. The City has a lot of excitement during this time with its seasonal visitors and quality special events. The following table illustrates this very well with a breakdown of parking fee revenue by month over the second quarter:

	January	February	March	2nd Qtr Total	1st Qtr Total	6-months Total
Pay Station Credit Cards	44,202	51,342	67,763	163,307	124,867	288,174
Pay Station Coin	6,483	6,452	6,740	19,674	17,909	37,583
ParkMobile	13,418	16,224	20,749	50,390	25,614	76,004
Special Event Collections	-	1,330	5,315	6,645	-	6,645
Total Collections	64,103	75,347	100,567	240,016	168,391	408,407
Less: Sales tax	(4,168)	(4,892)	(6,535)	(15,595)	(11,016)	(26,611)
Parking Fee Revenue	59,935	70,455	94,032	224,421	157,375	381,796

As presented in the table above, parking fee revenues increased each month, which continued the same trend experienced during the first quarter. Also, the average monthly revenue collected during the second quarter, \$74,800, exceeded the monthly average, \$63,740, associated with the originally approved parking management projection. For one last comparison, the monthly average over the entire 6-month period is \$63,630, showing a strong similarity to the original projection.

There is one other item to consider related to revenues of the parking management system, parking citation revenue. The second quarter was the first period that the City recognized parking citation collections. A total of \$27,895 was collected by the City during this time, averaging \$9,300 per month. This amount was on par with the original projection of \$9,100, but it should be noted that staff is still uncertain how this revenue will trend for the rest of the year. The collection is consistent at this point, but staff wouldn't be surprised in the citation revenues taper off as the citizens and visitors become increasingly knowledgeable of the City's Parking System.

Alternative Funding

In previous meetings, the City Commission asked for staff to complete an analysis looking at alternatives for funding a second parking garage in the downtown area. The majority of this work was completed during the City's Annual Draft Capital Improvement Plan process (CIP). A City Commission workshop was held on April 10th and discussion related to the

funding of a second garage did occur. The following is breakdown of that discussion with additional analysis:

County Gas Tax

This funding needs to be used for maintenance and construction of assets in the City's right of way. A parking garage construction would not be eligible for this type of funding. Also, the CIP process projected all of this funding being used for the street repairs and the City's Pavement Preservation Program in the future.

One-Cent Infrastructure Sales Tax

Also known as "Penny for Pinellas", this funding can be used to construct building and infrastructure assets. Construction of a parking garage would be eligible for this funding. During the Commission Workshop discussion, it was noted that funding could be set aside for this project to partially fund a new parking garage if Penny IV was approved by referendum and parking fees were eliminated. This is a very feasible option for the construction costs, but it would not be an option for any operational costs (personnel, repair/maintenance, etc.). Also, there is an opportunity costs by potentially not funding other needed projects (i.e. Weaver Park Seawall, brick streets, softball fields, etc.).

CRA Fund

The CRA funding can be used to construct infrastructure in a district's designated area. In fact, the City's CRA was extended to 2033 with the intention that it would be able to contribute towards the City building a parking structure. As seen in the City's Draft CIP, this is already being planned for in the CRA Fund in FY 2020 (\$2.5M of a \$5.5M total). It should be noted that the City Commission would like to see improvements done to Skinner Blvd and Highland Avenue, both of which are significant. The current projections doesn't show all three projects being completed in the next 5-6 years; possibly only two of the three will be addressed.

General Fund

Since the General Fund can pay for any operational or capital expense that City has, outside of the utilities, the construction of the parking garage and the related operations would be eligible for its funding. Apart from the eligibility, the City would have some hurdles to address to accomplish this. First, construction would most likely be covered by a debt issue which would require the public to pass a referendum to fund a long-term repayment schedule pledged by ad valorem tax revenue.

Second, there will be costs associated with operations of a newly constructed garage and the garage being leased starting in FY2018 including, but not limited to, annual maintenance costs, parking enforcement, annual sinking fund contributions and operating supplies. In past calculations, the total financing/operating costs illustrated a tax rate increase ranging from 8% to 14%.

Other Funding

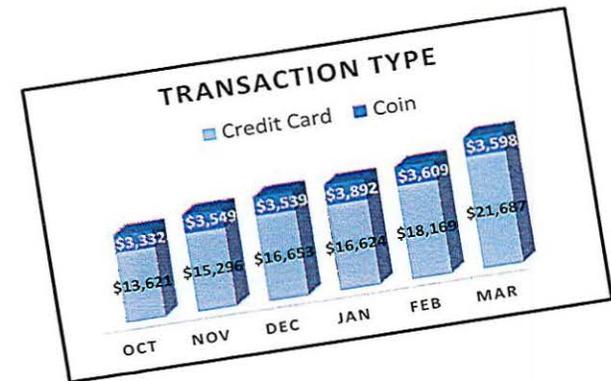
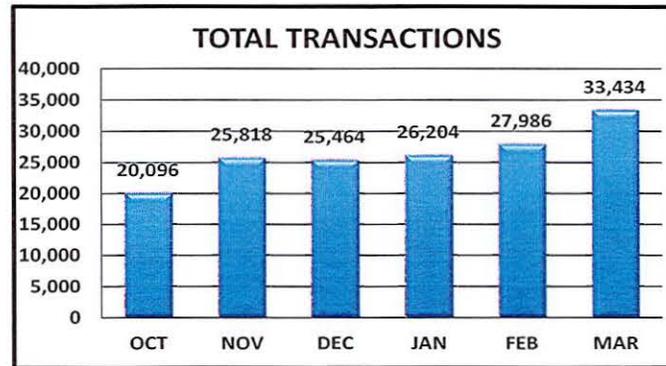
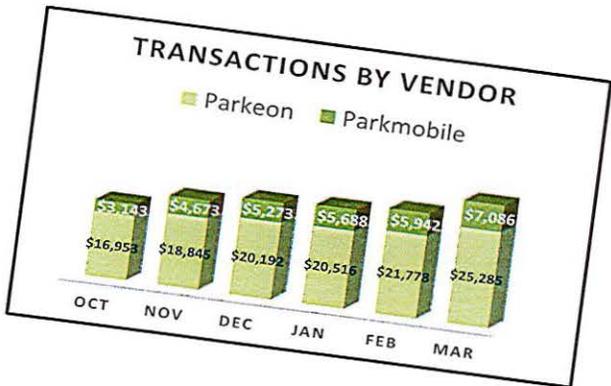
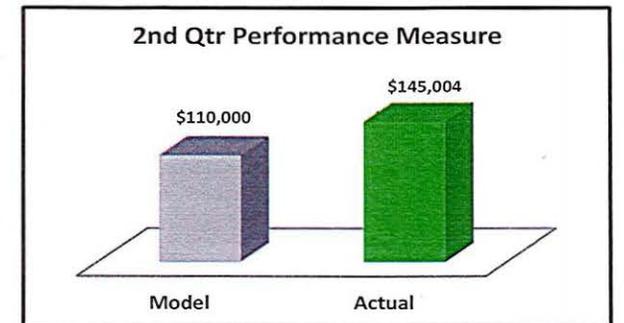
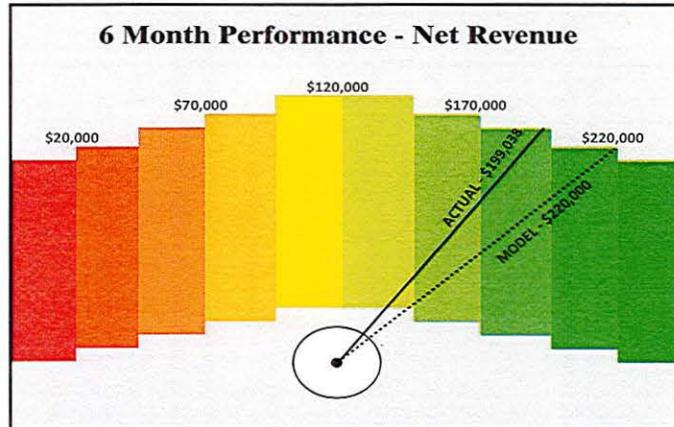
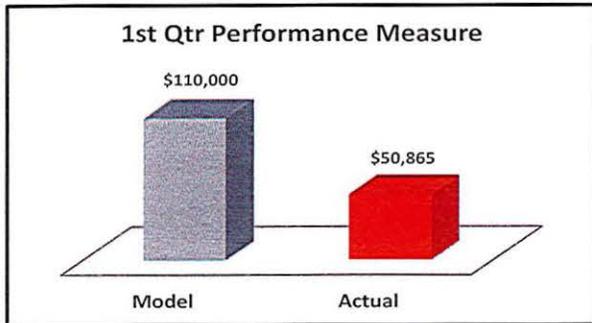
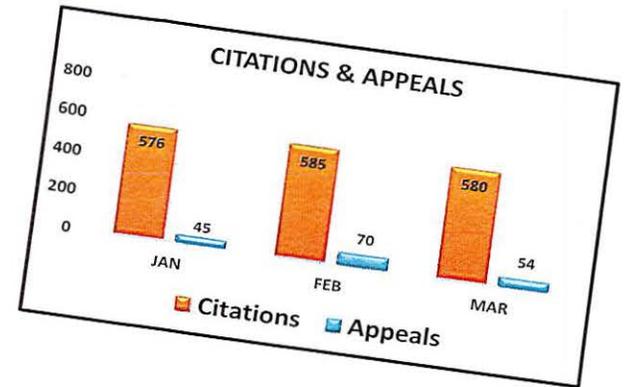
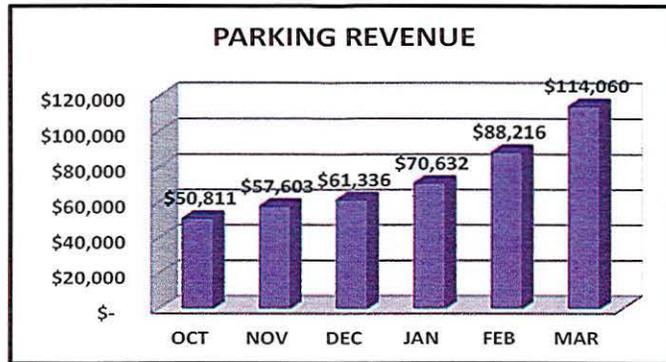
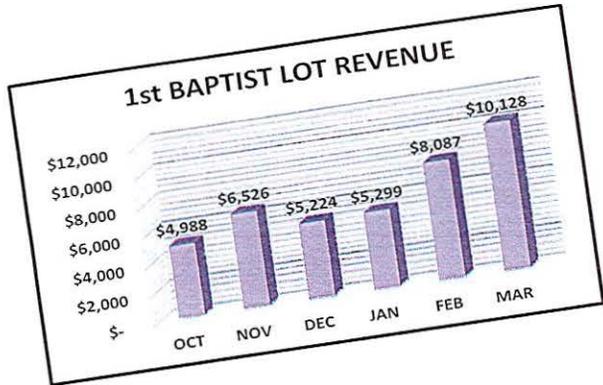
Another route for discussion is a separate assessment for the “downtown district” where a property owner or business tenant is levied a fee that is specific for a parking garage and related management system. The research for this option has not been completed to this point.

As can be seen above, several funding options have been reviewed. During the CIP Commission Workshop, it was noted that the City has a listing of needs that far exceeds the level of funding anticipated over the next decade. Revenue diversification tends to be the key for government agencies to address its needs while also minimizing its dependency on its tax levy. In a lot of cases, this means charging for services. There will always be those that will question the service they are receiving with a parking usage fee, but it’s evident that parking supply is a valuable resource that the City of Dunedin provides its residents, businesses and visitors alike.

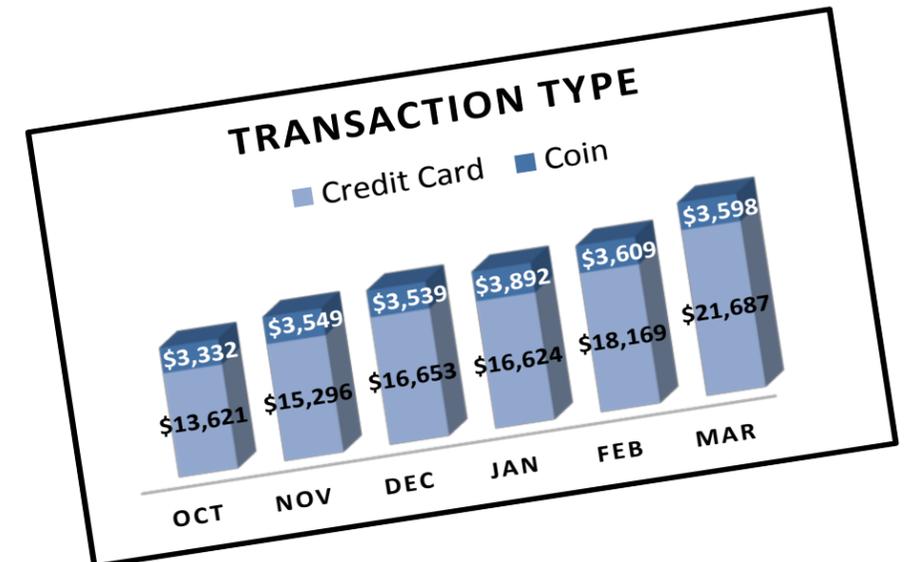
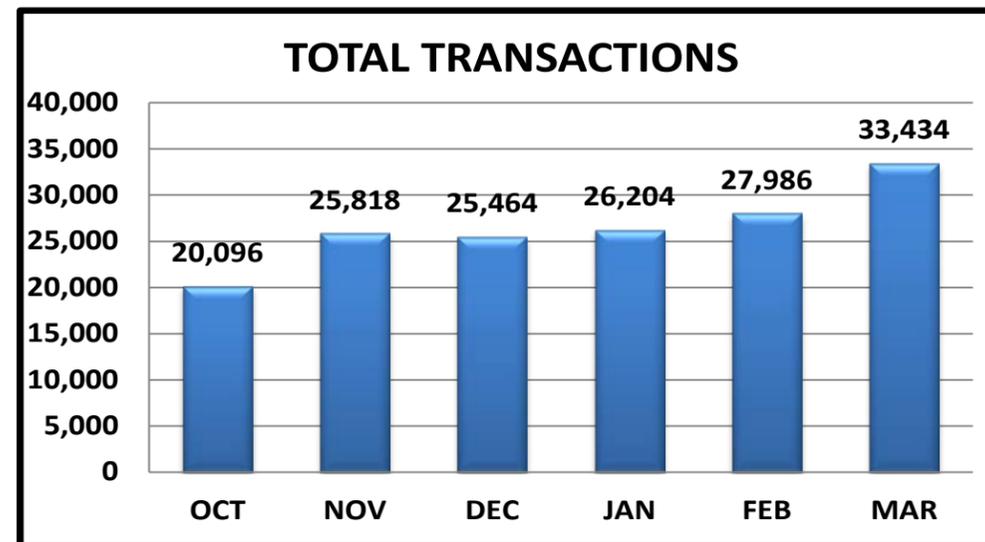
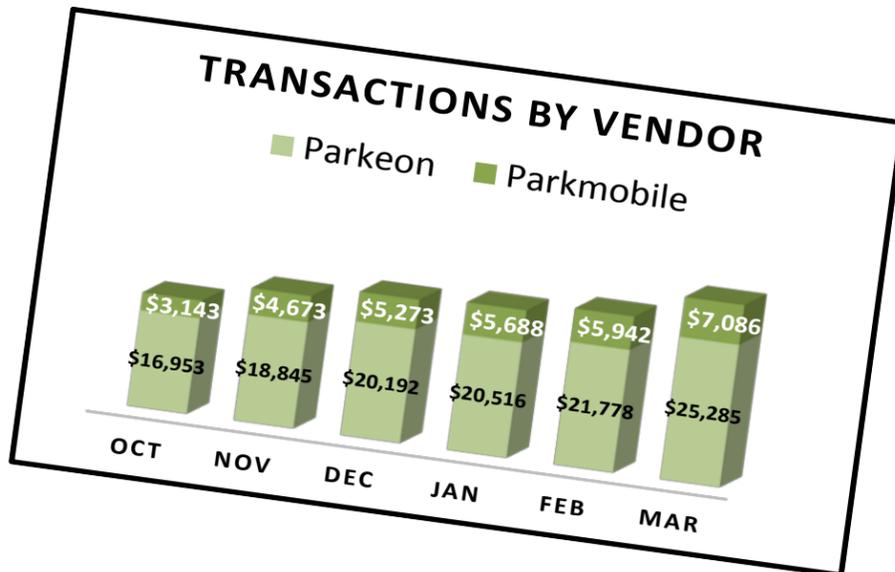
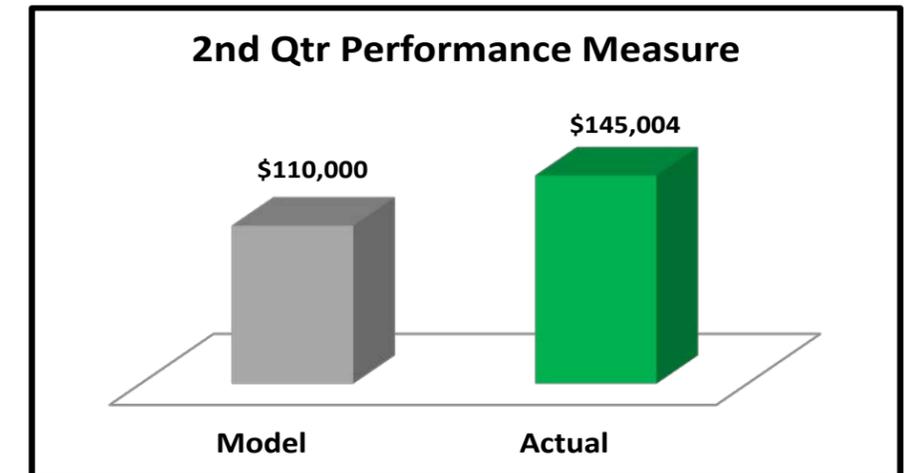
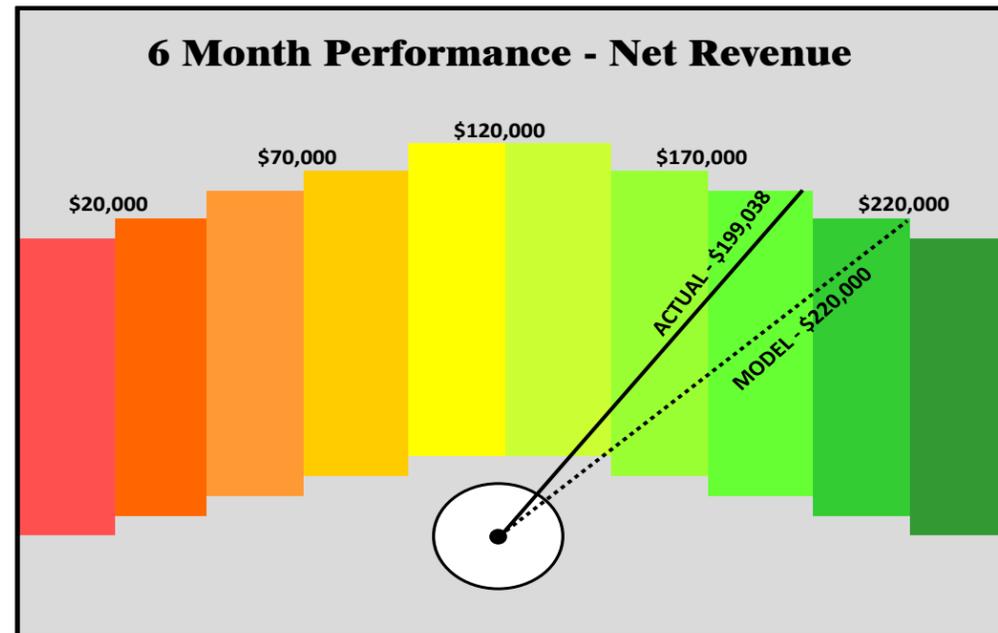
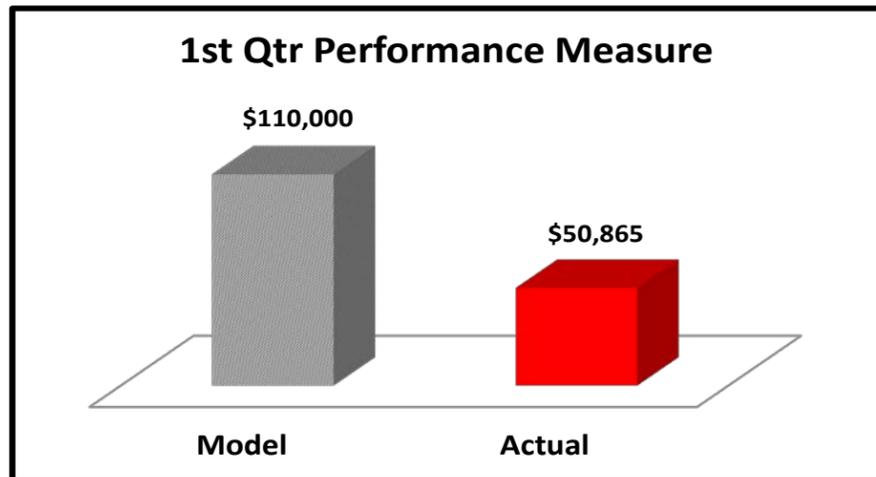
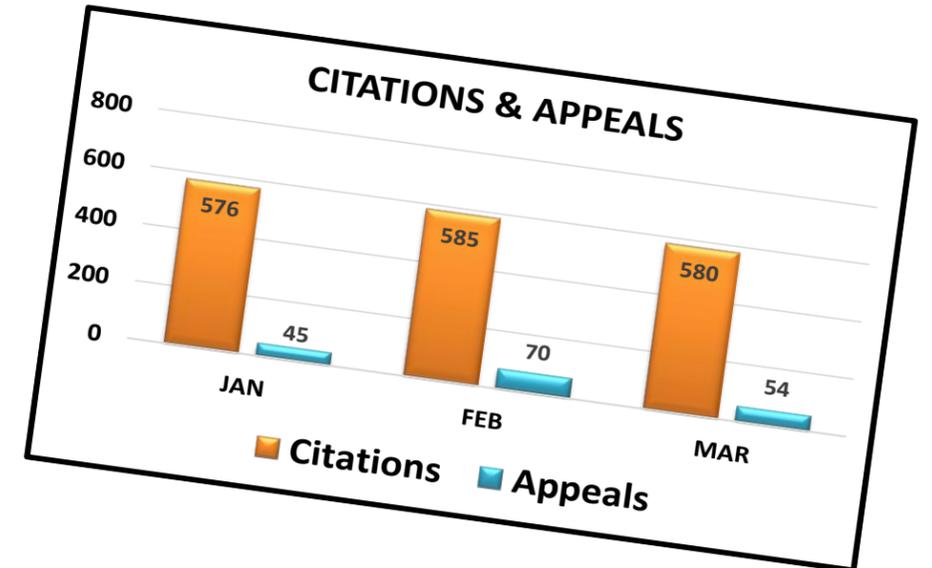
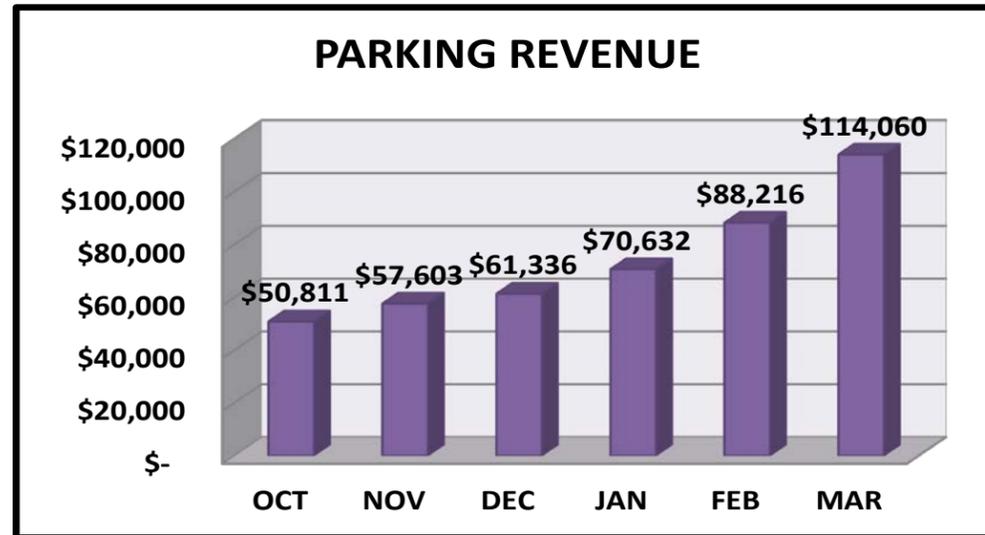
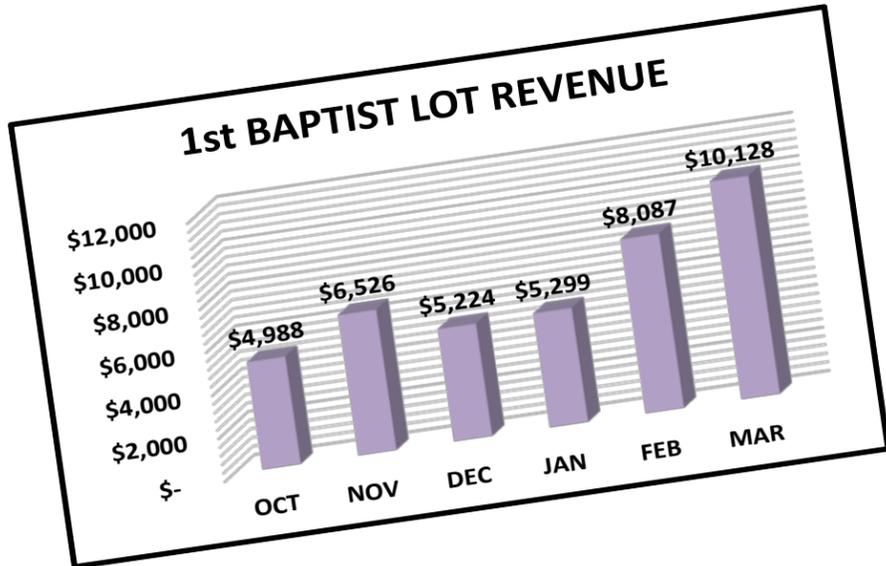
Recommendation

City parking staff recommends continuing the 12 month pilot parking program.

DUNEDIN DOWNTOWN PARKING DASHBOARD



DUNEDIN DOWNTOWN PARKING DASHBOARD



SUPPLEMENT

Agenda Item:

A-3

Meeting Date:

4/20/2017

MEMORANDUM

TO: City Commission

THROUGH: Douglas Hutchens, Interim City Manager 

DATE: April 18, 2017

FROM: Robert C. Ironsmith, CRA Director

SUBJECT: Second Quarter Report on Downtown Parking Management Plan

PRESENTER: City Staff and SP+ (Parking Management Company)

RECOMMENDATION: Receive Information

BUDGET IMPACT: N/A

PAST ACTION: N/A

NEXT ACTION: N/A

ATTACHMENTS: Parkeon Response to Skimming Inquiry

BACKGROUND: At the April 18, 2017 Work Session, City Commission inquired as to the protection that is in place with the pay stations against skimming.

The attached literature from Parkeon, the pay station vendor, explains the machines are built to ward off vandalism and have a uniquely designed bezel to protect against credit card skimming devices.



June 21, 2016

Chuck Ankney
Purchasing Agent
737 Louden Ave.
Dunedin, FL 34698

Dear Mr. Ankney,

Below is the response to the City's request for protection against card skimming.

The Strada features ergonomically designed aperture openings for the insertion of payment, coins, coin return and receipt dispenser. All have high impact polycarbonate covers or direct access through the steel door protected by a molded bezel. Each aperture is designed to render vandalism to an absolute minimum. The coin entry is protected by a metallic sensor shutter that opens only for coins that meet sufficient metallic content standards. The card reader is protected by a uniquely designed bezel with specifically designed protrusions to ward against credit card skimming devices.

Below are pictures of the Strada card reader and the competition.



Parkeon Strada



Competition

Sincerely,

David Guevara
Business Development Manager
Parkeon Inc.

SUPPLEMENT

Agenda Item:

A-3

Meeting Date:

4/20/2017

MEMORANDUM

TO: City Commission

THROUGH: Douglas Hutchens, Interim City Manager 

DATE: April 19, 2017

FROM: Robert C. Ironsmith, CRA Director

SUBJECT: Second Quarter Report on Downtown Parking Management Plan

PRESENTER: City Staff and SP+ (Parking Management Company)

RECOMMENDATION: Receive Information

BUDGET IMPACT: N/A

PAST ACTION: N/A

NEXT ACTION: N/A

ATTACHMENTS: Parking Lot Table

BACKGROUND: At the April 18, 2017 Work Session, City Commission requested an updated Parking Lot Table to include cost per space (yearly) and revenue per space that has been received over the last 6 months. The Parking Lot Table reflects these changes as well as adjustments to the common name of the lot. Please note the address of the lot is featured prominently as the ownership of the lot changes over time.

Parking Lot Table

Lot	# Spaces	Yearly Cost	Revenue thru March 31st	Cost Per Space (Yearly)	Revenue Per Space (6 Months)	Expiration
715 Edgewater Drive (Bushnell)	32	\$4822.76	\$0	\$151	\$0	July 31, 2018
326 Scotland Street (Dunedin Station - Scotland/Douglas)	67	\$36,000	\$0	\$537	\$0	December 19, 2017
380 Main Street (Ocean Optics)	41	\$24,000 \$36,000*	\$56,943	\$585 \$1,171	\$1,389	Month to Month
228 Main Street (Justice Lot - next to Victoria Place)	32	\$25,000	\$11,731	\$781	\$367	May 31, 2021
500 Wood Street (First Baptist)	226**	\$0	\$52,106	\$0	\$231	City Owned
510 Main Street (Adjacent to City Hall)	10	\$4,000	\$0	\$400	\$0	March 31,2018
421 Main Street (First United Methodist)	17	\$0	\$0	\$0	\$0	June 5, 2022
734 Virginia Street (Mease Dunedin)***	120	\$0	\$0	\$0	\$0	April 14, 2019

* New cost if approved \$4,000
 ** Includes vehicles, motorcycles and golf carts
 *** Special event parking

The Parking Lot Table provides information on the various lots the City uses to provide downtown public parking and special event parking. The data shown includes the lot, # of spaces, the yearly cost to lease, the revenue brought in from the paid parking lot (if applicable, since October 3, 2016), the cost per space, and the revenue (since October 3, 2016) per space and the expiration date of the Agreement(s). It is important to note that the majority of these parking areas are what is considered **at-risk-areas** and with the goal of the downtown parking program to become independent (2 downtown parking garages) a transition plan away from these lots will be needed. The suggested criteria to evaluate at-risk parking areas are provided below:

At Risk Parking Area Evaluation Criteria

- Cost
- Whether the parking surface is improved
- The demand of a parking area (location)
- Lighting
- The demarcation of parking spaces
- The Agreement in place
 - Who is responsible for taxes
 - Insurance
 - Maintenance
 - Ability to charge for parking

These evaluation criteria will be used in the near future to determine a transition plan.