

**PARKING ADVISORY BOARD
MEETING MINUTES
February 12, 2013**

Members Present:

Don Olsen, Chairperson
Mike Craighill

Bob Carr
Steve Bruggeman

Leticia Moore

Members Absent:

Will Gilbert

Others Present:

Lisa Harmon
Chris Mallow

Bruce McCandless
Megan Hodson

Pat Weber

PUBLIC COMMENT

No public comment.

REPORTS AND ACTION ITEMS

Minutes

Leticia motioned to approve the January minutes. Steve seconded. All in favor. Motioned passed.

Monthly Report

Chris said the garage summary shows some increases in the garage utilization, specifically Park 1 being the biggest. Park 1 is seeing a much higher occupancy in the assigned spaces due to the closure of the Northern garage. An additional 13 spaces have been rented so far in February.

Chris stated the cash sales were up significantly in Park 3. In Park 2 the sales were down, which is normal compared to the previous month. The fluctuation is due to how busy the Crowne Plaza is with the validations and seminars. The Park and Shops are up from the previous month, significantly in Park 2. Chris believes the 108% increase is due to Park and Shop validations being validated for all day, instead of for a few hours. He said there are some accounting firms that are bringing in staff for tax season. The Crowne Plaza validations are up, and token usage was down a little bit. He believes the garages are doing well.

Mid-Fiscal Year Parking Fund Report

Pat Weber, Finance Director, explained the Parking Division is in a better spot than eight months ago. A lot of things were done to get to this place with the help of City Council, the PAB, and Staff. By the end of FY 13 there should be about \$870,000 in cash. Pat said when he did the refinance, there was no payment for 2013; in essence it saved Parking \$200,000, and the first payment will be made this August on the Park 2 expansion. The Tax Increment Fund will make \$100,000 of the payment.

Pat explained the estimate for FY 14 is a couple thousand dollars to the negative. Until the budget is developed, Parking will not know where the exact numbers are.

Don asked to look at the parking meter income. Chris explained the report the Board was reviewing is for half of a year, so they should take that into consideration. The winter months are hard on the meter revenue, because it is weather dependent, but the meter revenue does rebound in the spring and summer months.

Don asked if Chris was concerned that Parking may not hit \$370,000, and has the increase in meter fees impacted meter usage. Chris stated he has not witnessed any meters within the core not being utilized. He said it might have an impact on the outlying areas, where the utilization is down anyway. Chris also noted that Parking is seeing a larger balance of unpaid parking tickets. However, there has been an increase in payments now that the holidays are over. He believes, with the increase in rates and fines, more people are paying attention to the meters and leaving after 2 hours. Chris said he is cautiously optimistic that Parking will make the \$370,000.

Pat Weber said the budget and the cash supplies are the two important areas the PAB should look at in the report. Chris said one important thing to note in the revenue is that Parking has not received the Northwestern Energy lighting rebate yet. There was some work the contractor had missed. The parts have been ordered, and once the work is complete Northwestern will issue the rebate. The rebate was inputted as \$163,980 but is projected to be a little over \$200,000. Also the TIF transfer has not come through.

Pat Weber said the credit card machines have come in, and one has been installed in Park 3. Teri Walker has to train the garage attendants, and IT still needs to run a cable to Park 2. Chris and Pat explained the Parking fund will not have to pay for the fees. The City made a decision to not charge a convenience fee; and based on that decision, there is a compensating CD used for offsetting credit card charges.

Steve asked if the Board and Parking should promote using credit cards. Chris said yes, as soon as the system is up and running, he is going to post it on the website. Chris would also like to put signs up in the garages. Lisa can also promote through the DBA channels. Pat also said there will be a minimum limit of \$5 when using a debit/credit card.

Minnesota Avenue on-street parking request from Greg Krueger (see attachment)

Chris said the Board received in their packet a plan presented by Greg Krueger to mitigate the closure of the Skate Park (parking lot that will be used as the Northern Hotel's valet parking while the garage is being built). Greg is asking for the 10 hour meters on the corner of Minnesota and South 27th Street, block 140, to be bagged as 2 hour free parking. Chris thinks the Board could comply with some of the plan. For example, the east side of block 140 and the north side of block 141 could be signed as 10 hour permit parking only. Also, the south side of block 132 could become signed 2 hour parking.

Chris said Greg would talk to Lisa about getting 10 hour meter permits free for the people displaced from the lot, so they can park in the "10 hour permit parking only" area. He explained parking cannot be allowed on the north side of Minnesota Avenue between South 26th Street and South 24th Street because there is no curb there.

Leticia asked if the 10 hour signs would be to appease people who were parking in the Skate Park lot for free. She explained a few of her tenants were parking there and walking to work. She is also concerned whether the permits will sell, because it is a long walk to pay. Chris said he thinks that is why Greg was committing some free 10 hour meter permits for people to park where the signs would be.

Bob asked where the people who live in that area are parking. Don said they park in the Quonset hut that is right next to the loft apartments.

Chris received a call from a business owner, whose business is on Minnesota further west of South 27th Street. They used to use the Skate Park lot because it was free. The business owner is requesting the 2 hour meters on the west side of South 28th Street be converted to 10 hour meters to mitigate the closure of the lot. This would not include the meters next to KB Chemical.

Don talked with Randy Hafer regarding Greg's plan. He said Randy is in general agreement with what Greg is proposing. Randy would like to see all of Minnesota Avenue be signed 2 hour parking and all of the meters on the side streets (30th, 29th, 28th, 26th and 25th) to be 10 hour meters. The exception would be in front of KB Chemical. Don also talked with Joni Harman, who owns a building in that area. She would like to also see free 2 hour parking.

Don asked if the PAB is in a position to decide or make a recommendation. Bruce said Council gave the PAB authority to set the meters they think are appropriate. Steve asked what was envisioned for the signs. Chris said a white reflective sign with green lettering saying "10 Hour Permit Parking Only" and add "Permit Required" to reinforce it. Lisa said the permits may have to be printed separate from the ones they already have.

Steve asked if the PAB is keeping Greg's proposal the way it is or is there a modification to it. Don said Randy prefers signed 2 hour parking on Minnesota Avenue. Leticia asked if it is currently that way. Don said he believes it is all 10 hour meters. Lisa said the 2 hour parking would benefit the restaurants in the area by creating turnover.

Bob motioned for 2 hour free parking on Minnesota Avenue and signed 10 hour parking on South 26th Street. He also said the 10 minute "pick up" zone is important for Subway. Leticia seconded. All in favor. Motioned passed.

Alternative Parking Management discussion and update

Don said currently the Parking Commission is generally supported, and there is an interest to have the transition happen at the beginning of the new fiscal year, which is July 1st. If that happens all of the rules will have to be in place, and there is a state statute that governs how that must be structured. The commission can be 5-7 members. The area that the Commission would have authority in would need to be defined. With the way the statutes are written, it is possible for the BID board to transition into the Commission. If they did that, the boundaries of the Commission authority would have to roughly align with the boundaries of the BID board. Don has been told there is not a lot of support from the Council for rolling the BID board into the Commission. The PAB board cannot roll into the position of the Commission, and as of June 30th the PAB would no longer exist. Any of the PAB members would have to apply to be on the Parking Commission board. The Commission would not have universal powers, but would have power to control parking within certain parameters. The Parking Commission can have authority to build parking garages without City Council approval. It is pretty broad power.

Bob asked if the Commission's authority would include everything within city limits. Don said that would have to be decided. Currently the PAB has authority over the whole city. Steve asked if the bylaws of the commission have to be defined still. Don said there are commission guidelines to follow. He believes Staff is already starting to look into it. Steve said the PAB can start it, but the City needs to be involved

to dictate what safe guards they want built in. Don thinks the PAB will not have a lot to do with the way the bylaws are written.

Bruce said the only conversations he has had are regarding the assets and not to transfer them. The Parking Commission would be responsible for parking operations, taking the revenue, and authorizing expenditures. The assets would remain with the City of Billings. There are questions about the number of commissioners and what their qualifications would need to be.

Bruce said the Commission could decide to contract for City services; for example, Finance and Human Resources, etc. It could also decide to contract privately for the services. However, if the Commission wants to acquire the services from the City, the City cannot deny the Commission. Don asked what the advantages would be for not using the City. Leticia said the services might be cheaper. Leticia said not necessarily cheap as in money, but there may not be the continuity either. Bruce said the only reservation he has would be the financial part. He thinks Council and the City may not allow the financial portion to be privatized. The Commission could do what it needs to do regarding Human Resources, IT, and other support services.

Bruce and Don want to have a general discussion about this topic and if the Board has any advice. Bruce said Senior Staff has started working on the process of creating a commission. He started at July 1st and backed up from there to make a schedule. He said to keep this topic on the PAB agenda for next month. He is planning a City Council work session presentation on March 18th. On either March 25th or April 8th, a resolution of necessity for a parking commission and how to establish it will be presented to Council for adoption. City Council can do that in two separate resolutions or in a single resolution. The resolution(s) establishes the Commission, but then there are the questions of what the authority of the Commission would be. At the same time an ordinance has to be written as well to abolish the PAB, because the PAB is written in city code. The second reading of the ordinance would be on April 22nd. Then around May 9th the City would advertise for Commission member seats with responses due within 30 days. That would allow the Mayor to make the appointments at the June 24th Council meeting. The date of advertisement could be moved up if the Board chooses to.

Don asked if it would make sense to move the date up and have the Commissioners in place, so there would be ample time to address questions or discussions that needed to be clarified (prior to the transition on July 1). Bruce said yes, they could move it forward almost 30 days. The advertisement could be placed in April for the appointments in May or the first part of June.

Bob asked what the difference is between the PAB and the Parking Commission Board and why are they doing it. Bruce said the Parking Commission is a semi-autonomous Board. They run everything that City Council sets up in the resolution that establishes the Commission. He explained some Commissions have a lot of authority and some are narrower. The Commission operates as a pretty independent Board. The Board would have to still bring a work plan and a budget to the City every year. Depending on what the Council approves, the Board could hire and fire personnel, could collect and disburse money, bond, and/or own assets. Those things are distinctly different from a board that strictly advises City Council.

Bob asked what the advantage to the City of Billings would be. Bruce said he does not know. Leticia's opinion was the people who know about parking are going to be the ones involved and making decisions. The Board could make more timely decisions instead of having to go to Council. Bob said the cost savings could be another question to ponder. Leticia said more easily explored cost savings. She asked if the meeting would still be open to the public. Bruce said yes.

Steve asked if this set up would be similar to Helena and Missoula. Bruce said it could be. Lisa said Missoula has had a commission since 1971, which has been very successful. It is a National Best Practice in downtowns. Bruce said he believes the only thing the City of Missoula retains is designating the area, or boundary, and the fines. Everything else the Commission handles.

Mike asked what happens to Staff on July 1st (if the commission is adopted). Bruce said they are not absolutely certain, and that is one of the things Senior Staff is investigating. At this point in time, he believes the employees who are currently Parking employees would no longer be City employees as of July 1st. The Parking Commission or City Council can say the Commission will accept the current employees. They could go through a performance process for which ones they want to keep and which ones they do not want to keep.

Mike asked if there would be collective bargaining agreements. Bruce said yes, the Parking Commission is a public body, so they are subjected to the same collective bargaining rules. Mike asked if the Commission would negotiate those. Bruce said that is another question to be asked. He said whatever HR services the Commission would want to obtain would handle it. If the Commission employed the City HR services, it would be a given the City would handle it.

Leticia asked if any of the PAB members has heard anyone voice interest in being on the Commission. Before anything happens, she wonders if it would be worth finding out if anyone wants to sit on the Board. It is going to require more time and responsibility. She asked who decides who is on the Commission Board. Bruce said the Mayor appoints with Council consent. Bruce asked if Leticia is suggesting something preliminary. Leticia said it was just a thought.

Steve asked Bruce how it would be charged if the Commission uses City services. Bruce explained the City uses a cost allocation plan, which means it assigns (charges) costs in the General Fund – Internal Service funds to customer departments. If the Commission decided to use City services, it would probably continue the way it is already set up. There might be a more accurate way to do it, but that could be unpredictable. The cost allocation plan is relatively predictable year to year.

Mike said the advantage of a parking commission should be cost control. However, if Staff and the collective bargaining agreement, which are the biggest expenses, come with it, is it then defeating the original goal? Don said in theory it provides a much more efficient management for Parking, and that is why it is a Best Practice in downtowns.

Chris said he talked with Anne Guest about how Missoula's Commission functions with the City. She said the employees are not actually Commission employees; they are employees of the City of Missoula. The HR department also handles the collective bargaining agreements. She is also a city employee but governed by the Missoula Commission. Missoula has something similar to the cost allocation plan, which is about \$145,000 that they transfer from the Commission to pay for the city services. Chris reiterated in Missoula the employees who work in the parking function are city employees managed by a Commission Board. He initially called to request the original the resolution document, but it was from 1971 and not available. Lisa said it makes sense to do it that way because if a Commission takes on the employees they are in turn looking at insurance issues, employee issues, HR issues, etc. Leticia said unless the Commission contracted out with some kind of employment firm. Steve said it is up in the air what happens with the employee/commission relationship.

Bob asked if the person/people writing the bylaws are researching how Helena and Missoula became a Commission. Bruce said the City Attorney asked for the creation of the resolution, and that is why Chris called Missoula. He said HR and Finance are helping research also. Bruce added the last time he spoke with Council he told them one of the most important things to do is develop a transition plan. Steve believes that potential commission members need to know the structure, because if there are a lot of limitations on what the members can do, it really isn't much better than what is now. Steve said the more flexibility the Commission has, the more autonomous.

Mike asked how Lisa's parking plan fits in with a Parking Commission. Lisa said the parking plan would help the Commission have a strategic plan for Parking. Don said he thinks it is critical to have a plan to weigh against, as opposed to a bunch of opinions. Lisa said that is what her plan does.

Don asked if there was a preference on how many members sit on the Commission. Bob said he would vote for seven members to be on the Board and invite the rest of Billings to participate. Don said he would disagree about bringing the whole City in. It mainly focuses on the downtown area. Lisa said Bozeman has seven members and Missoula has five.

Bruce added the jurisdictional area for the Parking Commission can't be the whole city, it has to be defined. Leticia said the big question would be keeping the hospital corridors in the jurisdiction. Steve asked if there is a Central Business District (CBD). Chris said yes. Bruce added the CBD is just a zoning designation and is defined. Bruce asked the Board what would be the right boundary. Lisa said the Commission would have to go to Council to expand the map if necessary. Bruce said next month Staff will bring a map to the meeting showing downtown and the east rural areas. It will not include the hospital corridor. Steve said it would be a good starting point. Leticia said what is currently enforced needs to be included.

Bruce asked what direction the PAB would like to go concerning employees and City services. Bob said he would like to see what Helena and Missoula are doing. Leticia said she can't imagine starting from zero. Steve agreed with Leticia and added he does not want to be a part of the Commission if there are a lot of decisions he would not have authority to make. Bob said there is a lot of responsibility that comes with being a volunteer Commission. Steve thinks the Commission will have to deal with the City regarding cost allocations, but there should be flexibility in that. Steve added if Council says no (to Commission authority) before it even begins, then it will be different. Mike said his biggest concern is having all the responsibility, but not having the authority to actually change anything. He said bringing all the employees over at their current wage could be detrimental. Leticia said it could be changed later, and she also believes there is not enough time to hire by July 1st. Mike feels after July 1st it will be too late to change any of it. Lisa said she agrees with Bruce on having a transition plan. Steve said if there is a way to let the Commission have the flexibility to make changes, he believes it will make the Commission more successful. Leticia said things are going to remain status quo until the Parking Commission decides something different. Steve said since nothing has been defined, he does not want Council to set a bunch of parameters on the Commission without knowing how it is going to take shape.

Lisa believes the Chair or the PAB needs to be involved with the transition. Steve said Council does not have the knowledge of parking; therefore, they cannot set parameters if they do not fully understand parking. Steve stated again he believes it needs to be a collaborative effort amongst all stakeholders in the transition planning.

Metered Zone- (a) Meter type and placement (b) Annual Meter Utilization Review

Don asked if there was anything happening with the removal of the meters. Chris said Parking has started removing the 2 hour meters. The total of the 10 hour meters is 118 in the downtown area, and there are 42 of them that are to be removed within that area. Lisa asked if Chris could get a new 10 hour meter map made. Chris said yes. Most of the meters are in the west and the south.

OLD BUSINESS**Empire Parking Garage Update**

Don said the Windsor Court building has been demolished. Bruce said the first part of construction is driving the piles into the ground. Leticia asked if the Empire garage will be managed the same way as all of the other City garages. Bruce said it will be fully automated, thus with no attendant. Leticia asked if the City is managing the new garage. Don said there is a Condominium Association Board. Bruce said yes, the City will manage its portion of the garage and the Northern will manage its portion. The Association Board has to form and then decide who will manage the common areas. Steve asked if the rental rates have been set. Bruce said no. Leticia said they can assume the rates will be similar to the other garages.

Mike asked how the hourly parking will work if the garage is fully automated. Bruce said there is a "pay on foot" ticket dispenser.

NEW BUSINESS**Signage at Existing Parking Garages**

Tabled to the next meeting as Chris had to leave the meeting early.

Downtown Alliance Report

Lisa said they just had DBA's membership campaign. They approved a rate increase for the first time in 28 years. They are looking at doing some alley-scaping and creating civic plaza areas to enhance downtown. They have also created three grass roots committees called Pocket Parks, Public Art, and Bike Friendly downtown. They have a new focus on great projects for downtown.

Informational Items

None to report.

Adjourn:

The meeting was adjourned at 5:40 p.m.

Northern Hotel Valet Parking Mitigation Plan

Mitigation of neighborhood hardship due to closure of the Block 140 City owned FREE parking lot. The DBP Requests:

1. The 10-hour meters on the north side of Block 140 should all be bagged and marked as 2 hour enforced FREE parking with the space closest to the S. 27th intersection perhaps marked as a 10 minute (pick up only) space.
2. On the on the east side of block 140 and on the north side of block 141, place signs that say 10-Hour Parking Permit only.
3. On the south side of Block 132 signed 2hour enforced Free Parking.

