

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 23, 2014
	Agenda Item No. 53 Roll Call No. <u>14-0988</u> Communication No. <u>14-316</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Amending Chapter 114 of the Municipal Code relating to allowance for adjustment of rates in municipally owned parking garages in conjunction with economic development assistance.

SYNOPSIS:

City staff has been working closely with individual companies to provide short-term parking incentives, sometimes in conjunction with other economic development incentives to attract and retain businesses and employment in the downtown area, and attract additional parkers into the City parking system. The current incentives are generally limited to six (6) months or 12 months in conjunction with a contemplated long-term parking arrangement, which limits the flexibility the City has in working with potential businesses looking to locate or expand in the downtown area. To provide more flexibility to meet different businesses’ needs and to increase the customer base for the City parking system, staff recommends changing the Code to allow reduced rates in conjunction with a City Council approved economic development grant, loan or other financial assistance for job creation and job retention.

FISCAL IMPACT:

Amount: Staff shall conduct a case-by-case analysis to determine the impact of proposed reduced rates on the parking facilities actual revenues to avoid an adverse impact to the parking facilities system. The implementation of reduced rates as part of an economic development financial assistance will be reviewed by the City Manager with recommendations to City Council.

Funding Source: 2013-14 Operating Budget, Parking Administration

ADDITIONAL INFORMATION:

The parking enterprise fund experienced a decline in revenue from the recent economic downturn. In addition to a drop in the number of employees in certain downtown businesses due to the downturn, the move of several major businesses to new buildings with their own parking has led to vacant space in downtown buildings and vacant parking spaces in the City’s garages.

City staff has been working closely with individual companies to provide some short-term parking incentives (such as reduced rate parking for a limited time frame or encouraging a portion of parking needs be met at the lower rates at the Park & Ride garage), sometimes in conjunction with other economic development incentives to assist in the creation and retention of jobs downtown, and to try to attract additional parkers into the City parking system. The current incentives are generally limited to six (6) months or 12 months in conjunction with a long-term parking arrangement, which limits the

flexibility the City has in working with new businesses looking to locate downtown or existing businesses evaluating an expansion downtown verses a relocation out of the downtown area. To provide more flexibility to meet different businesses' needs and to increase the customer base for the City parking system, staff recommends changing the code to allow reduced rates when in conjunction with a City Council approved economic development grant, loan or other financial assistance for job creation or job retention. Staff will continue to base incentives on a case-by-case analysis that will help increase total parking revenues, and the City Manager will review proposed recommendations for reduced rates to avoid an adverse impact upon the parking facilities system.

PREVIOUS COUNCIL ACTION(S):

Date: August 29, 2011

Roll Call Number: [11-1477](#)

Action: [Amending](#) Chapter 114 of the Municipal Code regarding Saturday rates and temporary adjustment of rates in the Municipally-owned parking garages. [\(Council Communication No. 11-543\)](#) Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 6-1. Nays: Coleman.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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