

★ **Roll Call Number**

Agenda Item Number

41

Date September 26, 2011

An Ordinance entitled, "AN ORDINANCE to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, by amending Sections 114-657, 114-660, 114-663, 114-665 and 114-666 and by repealing Section 114-665.05, relating to municipally owned parking garages",

which was considered and voted upon for the first time under Roll Call No. 11- 1477 of August 29, 2011, and considered and voted upon for the second time under Roll Call No. 11- 1590 of September 12, 2011, again presented.

Moved by _____ that this ordinance do now pass.

ORDINANCE NO. _____

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | | | | |
| COLEMAN | | | | |
| GRIESS | | | | |
| HENSLEY | | | | |
| MAHAFFEY | | | | |
| MEYER | | | | |
| MOORE | | | | |
| TOTAL | | | | |

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

_____ Mayor

_____ City Clerk

CITY ATTORNEY

Jeffrey D. Lester

DEPUTY CITY ATTORNEYS

Mark Godwin
Lawrence R. McDowell
Kathleen Vanderpool

ASSISTANT CITY ATTORNEYS

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Ann M. DiDonato
David A. Ferree
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Katharine J. Massier
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September 21, 2011

THE HONORABLE MAYOR AND
MEMBERS OF THE CITY COUNCIL


RE: Ordinance on Municipal Parking Garage Rates

On August 29, 2011 and September 12, 2011, the City Council considered first and second readings of the ordinance relating to parking rates in the municipally owned parking garages. The ordinance before the City Council on first and second readings inadvertently contained terms inconsistent with Council Communication 11-543.

For the third reading, the ordinance has been corrected to be consistent with Council Communication 11-543. Specifically, the corrected ordinance clarifies the terms for allowance of temporary reduced rates for up to six months or up to 12 months in conjunction with a contemplated long-term parking arrangement.

Respectfully submitted,

Lawrence R. McDowell
Deputy City Attorney

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|--|---|----|
|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date: August 29, 2011 | 25 |
| | Agenda Item No. 49 | |
| | Roll Call No. [11-1477] | |
| | Communication No. 11-543 11-1590 | |
| | Submitted by: Jeb E. Brewer, P.E. City Engineer | |

AGENDA HEADING:

Proposed changes to Municipally Owned Parking Garage Section of City Code.

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 try and attract additional parkers into the City parking system. The current incentives are generally limited to four months, which limits the flexibility the City has in working with potential new businesses looking to locate or expand in the downtown area. To provide more flexibility to meet different businesses' needs, staff recommends changing the code to allow temporary reduced rates for up to six months, or up to 12 months in conjunction with a contemplated long-term parking arrangement.

In addition, staff has worked with Ampco System Parking to develop a proposal for a limited reduction in free parking on Saturday that could generate a significant amount (estimated at up to \$200,000 per year) of additional revenue with modest expenses (less than \$15,000 per year). It is recommended that Saturday parking after 4 p.m. be pre-paid for \$3.00 per vehicle, which is the equivalent of two hours parking at the regular hourly rate, at the 3rd & Court, 5th & Walnut and 4th & Grand garages. By keeping free parking on Saturday until 4 p.m., parking for the Farmers Market will not be impacted. In addition, it is recommended to keep free parking on Saturdays at the on-street parking meters and other city parking garages.

FISCAL IMPACT:

Amount: \$185,000 estimated annual net revenue (estimated revenue up to \$200,000, with expenses up to \$15,000)

Funding Source: 2011-12 Operating Budget, Parking Administration, EN051, ENG100701, page 88.

ADDITIONAL INFORMATION:

As presented at the February 28, 2011 City Council workshop, the parking enterprise fund has experienced a significant decline in revenue from the current 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. Added to the decline in monthly parkers is a concurrent decline in transient parkers, which are related to special events, conventions and daily or hourly parkers.

41

As stated in the March 28, 2011 response to Council questions, City staff has been working closely with individual companies to provide some short term parking incentives (such as a couple months of free parking, or free upgrade from basic monthly parking to preferred parking or a portion of parking needs at the lower rates at the Park & Ride garage), sometimes in conjunction with other economic development incentives, to try to attract additional parkers into the City parking system. The current City Code allows for charging temporary reduced rates as “an incentive to attract additional parking customers during times when unused spaces are available...when a preliminary analysis has indicated that total parking revenues will increase.” However, the current incentives are generally limited to four months, which limits the flexibility the City has in working with potential new businesses looking to locate or expand in the downtown area. To provide more flexibility to meet different businesses’ needs, staff recommends changing the code to allow temporary reduced rates for up to six months, or up to 12 months in conjunction with a contemplated long-term parking arrangement. Staff will continue to base incentives on a case-by-case analysis that will help increase total parking revenues, and the City Manager and City Attorney will review proposed temporary reduced rates to ensure they would be in compliance with parking system revenue bond covenants and restrictions relating to tax exemption.

The February 28, 2011 workshop presentation also stated that staff is working on ways to try and increase transient parking customers and revenues, and that staff would consider eliminating free parking in garages on Saturdays. Staff has worked with Ampco System Parking to develop a proposal for a limited reduction in free parking on Saturday that could generate a significant amount (estimated at up to \$200,000 per year) of additional revenue with very modest expenses (less than \$15,000 per year).

The success of existing and new businesses in the Court Avenue District has created a large surge in parking demand in this area, especially on weekends. This increase in parkers has increased transient parking revenue, but this revenue could be easily increased by pre-selling parking on Saturdays after 4 p.m. at the 3rd & Court, 5th & Walnut and 4th & Grand garages. Currently, parkers pay the regular garage rates on any weekday evening, including Friday evenings, and it does not generate complaints. Staff also does not get complaints about charging for special event parking on Saturdays or Sundays. All of the private parking facilities in this area have already begun charging for parking on Saturdays, and some even on Sundays.

By keeping free parking on Saturday until 4 p.m., parking for the Farmers Market will not be impacted. In addition, it is recommended to keep free parking on Saturdays at the on-street parking meters and the other City parking garages. This will keep an option for free parking available to customers, although most of this free parking will be a greater distance from Court Avenue than the paid parking. It is recommended that Saturday after 4 p.m. parking be pre-paid for \$3.00 per vehicle, which is the equivalent of two hours parking at the regular hourly rate, for customer convenience and to minimize the cost for collecting the fees. Most of the private parking facilities in the Court Avenue area are currently charging \$3.00 pre-paid parking.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.

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ORDINANCE NO. _____

AN ORDINANCE to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, by amending Sections 114-657, 114-660, 114-663, 114-665 and 114-666 and by repealing Section 114-665.05, relating to municipally owned parking garages.

Be It Ordained by the City Council of the City of Des Moines, Iowa:

Section 1. That the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, is hereby amended by amending Sections 114-657, 114-660, 114-663, 114-665 and 114-666 and by repealing Section 114-665.05, relating to municipally owned parking garages, as follows:

Sec. 114-657. Operations.

The city traffic engineer is hereby authorized and directed to operate the city parking garages with the rates charged for parking to be those established in sections 114-658 through 114-665 of this subchapter unless the city council directs otherwise as provided in section 114-666 of this subchapter. No charge shall be made for parking in the parking garages on Saturday or Sunday, except for certain special events designated by the city traffic engineer and for prepaid parking on Saturday after 4:00 p.m. at the Fifth and Walnut, Fourth and Grand, and Third and Court Parking Garages.

Sec. 114-660. Rates for Fifth and Walnut Parking Garage.

Subject to section 114-666 of this subchapter, the following rates shall be charged at the Fifth and Walnut Parking Garage:

| | Effective 01/01/06 | Effective 01/01/07 | Effective 01/01/08 | Effective 01/01/09 | Effective 10/01/11 |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| First Hour | \$1.00 | \$1.25 | \$1.50 | \$1.50 | \$1.50 |
| Second Hour | \$1.00 | \$1.25 | \$1.50 | \$1.50 | \$1.50 |
| Each Additional Hour | \$1.00 | \$1.00 | \$1.00 | \$1.25 | \$1.25 |
| 12 Hour Maximum | \$7.50 | \$8.00 | \$8.50 | \$9.00 | \$9.00 |
| 24 Hour Maximum | \$10.00 | \$11.00 | \$12.00 | \$13.00 | \$13.00 |
| Monthly Floater | \$95.00 | \$100.00 | \$105.00 | \$110.00 | \$110.00 |
| Monthly Preferred | \$114.00 | \$120.00 | \$125.00 | \$130.00 | \$130.00 |
| Monthly Reserved | \$120.00 | \$130.00 | \$140.00 | \$150.00 | \$150.00 |
| Night (4 p.m. - 6 a.m.) | \$3.00 | \$4.00 | \$4.25 | \$4.50 | \$4.50 |
| Monthly - Night | \$40.00 | \$45.00 | \$50.00 | \$55.00 | \$55.00 |
| Prepaid Special Event | \$3.00 | \$4.00 | \$5.00 | \$5.00 | \$5.00 |
| <u>Prepaid Saturday (after 4 p.m.)</u> | | | | | <u>\$3.00</u> |

Sec. 114-663. Rates for Fourth and Grand Parking Garage.

Subject to section 114-666 of this subchapter, the following rates shall be charged at the Fourth and Grand Parking Garage:

| | Effective 01/01/06 | Effective 01/01/07 | Effective 01/01/08 | Effective 01/01/09 | <u>Effective</u> 10/01/11 |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| First Hour | \$1.00 | \$1.10 | \$1.25 | \$1.50 | \$1.50 |
| Second Hour | \$1.00 | \$1.10 | \$1.25 | \$1.50 | \$1.50 |
| Each Additional Hour | \$0.75 | \$0.80 | \$0.90 | \$1.00 | \$1.00 |
| 12 Hour Maximum | \$6.00 | \$6.50 | \$7.00 | \$7.50 | \$7.50 |
| 24 Hour Maximum | \$8.00 | \$9.00 | \$10.00 | \$11.00 | \$11.00 |
| Monthly Floater | \$85.00 | \$90.00 | \$95.00 | \$100.00 | \$100.00 |
| Monthly Preferred | \$100.00 | \$108.00 | \$114.00 | \$120.00 | \$120.00 |
| Monthly Reserved | \$105.00 | \$115.00 | \$125.00 | \$140.00 | \$140.00 |
| Monthly-Elsie Mason | \$50.00 | \$55.00 | \$60.00 | \$63.00 | \$63.00 |
| Monthly Res.-Elsie Mason | \$60.00 | \$65.00 | \$70.00 | \$73.00 | \$73.00 |
| Night (4 p.m. - 6 a.m.) | \$3.00 | \$3.25 | \$3.50 | \$3.75 | \$3.75 |
| Monthly - Night | \$42.50 | \$45.00 | \$47.50 | \$50.00 | \$50.00 |
| Prepaid Special Event | \$3.00 | \$4.00 | \$5.00 | \$5.00 | \$5.00 |
| <u>Prepaid Saturday</u> (after 4 p.m.) | | | | | <u>\$3.00</u> |

Sec. 114-665. Rates for Third and Court Parking Garage.

Subject to section 114-666 of this subchapter, the following rates shall be charged at the Third and Court Parking Garage.

| | Effective 01/01/06 | Effective 01/01/07 | Effective 01/01/08 | Effective 01/01/09 | <u>Effective</u> 10/01/11 |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| First Hour | \$1.00 | \$1.10 | \$1.25 | \$1.50 | \$1.50 |
| Second Hour | \$1.00 | \$1.10 | \$1.25 | \$1.50 | \$1.50 |
| Each Additional Hour | \$0.75 | \$0.80 | \$0.90 | \$1.00 | \$1.00 |
| 12 Hour Maximum | \$6.00 | \$6.50 | \$7.00 | \$7.50 | \$7.50 |
| 24 Hour Maximum | \$8.00 | \$9.00 | \$10.00 | \$11.00 | \$11.00 |
| Monthly Floater | \$85.00 | \$90.00 | \$95.00 | \$100.00 | \$100.00 |
| Monthly Preferred | \$100.00 | \$108.00 | \$114.00 | \$120.00 | \$120.00 |
| Monthly Reserved | \$105.00 | \$115.00 | \$125.00 | \$140.00 | \$140.00 |
| Night (4 p.m. - 6 a.m.) | \$3.00 | \$3.25 | \$3.50 | \$3.75 | \$3.75 |
| Monthly - Night | \$42.50 | \$45.00 | \$47.50 | \$50.00 | \$50.00 |
| Prepaid Special Event | \$3.00 | \$4.00 | \$5.00 | \$5.00 | \$5.00 |
| <u>Prepaid Saturday</u> (after 4 p.m.) | | | | | <u>\$3.00</u> |

Sec. 114-665.05. Repealed by Ord. No. 15, --- Rates for Eleventh and Cherry Park and Ride Parking Lot.

Subject to Section 114-666 of this subchapter, the following rates shall be charged at the Eleventh and Cherry Park and Ride Lot.


| | <u>Effective</u> <u>01/01/06</u> | <u>Effective</u> <u>01/01/07</u> | <u>Effective</u> <u>01/01/08</u> | <u>Effective</u> <u>01/01/09</u> |
|--------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>First Hour</u> | <u>\$0.75</u> | <u>\$0.75</u> | <u>\$1.00</u> | <u>\$1.00</u> |
| <u>Second Hour</u> | <u>\$0.75</u> | <u>\$0.75</u> | <u>\$1.00</u> | <u>\$1.00</u> |
| <u>Each Additional Hour</u> | <u>\$0.50</u> | <u>\$0.50</u> | <u>\$0.50</u> | <u>\$0.50</u> |
| <u>12 Hour Maximum</u> | <u>\$4.00</u> | <u>\$4.00</u> | <u>\$4.00</u> | <u>\$4.00</u> |
| <u>24 Hour Maximum</u> | <u>\$5.00</u> | <u>\$5.00</u> | <u>\$5.00</u> | <u>\$5.00</u> |
| <u>Monthly Floater</u> | <u>\$45.00</u> | <u>\$48.00</u> | <u>\$50.00</u> | <u>\$52.50</u> |
| <u>Monthly Reserved</u> | <u>\$55.00</u> | <u>\$60.00</u> | <u>\$63.00</u> | <u>\$66.00</u> |
| <u>Night (4 p.m. - 6 a.m.)</u> | <u>\$2.00</u> | <u>\$2.00</u> | <u>\$3.00</u> | <u>\$3.00</u> |
| <u>Monthly - Night</u> | <u>\$30.00</u> | <u>\$30.00</u> | <u>\$30.00</u> | <u>\$31.50</u> |
| <u>Prepaid Special Event</u> | <u>\$4.00</u> | <u>\$4.00</u> | <u>\$5.00</u> | <u>\$5.00</u> |

Sec. 114-666. Adjustment of rates.

The rates established in this division may be adjusted by resolution of the city council so long as such adjustment is consistent with city council established guidelines for free or reduced rate parking and the city council finds each such adjustment to be in the best interest of the city and without jeopardy to the city's ability to achieve and maintain bond financing for its parking facilities system. In addition, at the direction of the city traffic engineer, temporary reduced monthly or daily rates may be charged in any parking garage for up to four six months, or temporary reduced monthly rates may be charged in any parking garage for up to twelve months in conjunction with a contemplated long-term parking arrangement, as an incentive to attract additional parking customers during times when unused spaces are available. Such temporary reduced rates shall be charged only when a preliminary analysis has indicated that total parking revenues will increase in the garage or garages where such reduced rates are proposed. The implementation of temporary reduced rates shall be subject to the prior review and approval of the city manager and city attorney to ensure compliance with parking system revenue bond covenants and restrictions relating to tax exemption. Any time that temporary reduced rates are charged, the city traffic engineer shall conduct an analysis to determine the impact on actual revenues and shall terminate the temporary reduced rates if such rates have an adverse impact on actual revenues to the parking facilities system.

Section 2. This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

FORM APPROVED:



Lawrence R. McDowell
Deputy City Attorney