



CITY OF CONCORD

New Hampshire's Main Street™

REPORT TO MAYOR AND CITY COUNCIL

From: Parking Committee

Date: December 9, 2016

Subject: Strategic Parking Plan: Proposed Amendments to RSA 261:154 and RSA 231:114 – 132-b

Recommendation:

Accept the Parking Committee's proposed amendments to the following statutes pertaining to use of motor vehicle registration fee surcharges to support public parking facilities and parking meters, and authorize the City Administration to work with the Legislative Delegation to pursue said amendments.

1. RSA 261:154 pertaining to the use of vehicle registration surcharges to support construction, maintenance, and operation of public parking facilities.
2. RSA 231:114 – 129 concerning public parking facilities.
3. RSA 213:130-132-b concerning parking meters.

Background:

RSA 261:154 is a local option statute that permits municipalities with a population of 50,000 or greater, based upon the most recent US Census, to assess special fees on motor vehicle registrations in various amounts by model year, to support construction of public parking facilities, as further elaborated within RSA 231:114-129. The statute apparently dates back to 1969 and was last amended in 1994. Due to the threshold population limit of 50,000, only two communities within the State – Manchester and Nashua – are eligible to adopt the statute. Currently, only Manchester uses the statute and reportedly charges a flat fee of \$2 per vehicle registration, which generates approximately \$210,000 in revenue annually.

RSA 261:154 is incorporated into RSA 231:114-129 by reference. Specifically, RSA 231:114-129 grants municipalities the authority to construct public parking facilities. Like RSA 261:154, this series of laws have been around since 1969. RSA 231:114-129, as currently drafted, provides a very rigid funding formula, which communities must employ when constructing

parking facilities utilizing revenues derived from motor vehicle surcharges, as well as from special assessment districts.

Discussion:

The City’s draft Strategic Parking Plan was presented to the Parking Committee on June 27, 2016. Over the past six months, the Committee has been diligently reviewing the various policy and financial recommendations included within the Plan. One of the draft recommendations of the plan was to explore potential alternate revenue sources to support the Parking Fund, including, but not limited to, RSA 261:154.

1. ***RSA 261:154 Amendments:*** In order to be eligible to adopt RSA 261:154, the statute must be amended to reduce or eliminate the minimum 50,000 population threshold. The Committee recommends that the statute be revised to eliminate the population threshold in its entirety, as several small and medium size municipalities within the State have parking systems or infrastructure and, therefore, would potentially benefit from such a change. A list of smaller communities, together with their corresponding populations, is as follows: Concord 42,695, Laconia 15,951, Littleton 5,928, Keene 23,409, Dover 29,987, Portsmouth 20,779, Plymouth 6,990, Hanover 11,260, Claremont 13,355, and Durham 14,638.

Secondly, the Committee has recommended modifying RSA 261:154 by providing an alternate methodology for assessing fees on motor vehicle registrations to support the construction, repair, replacement, operation, administration, and enforcement of public parking facilities and parking meters. Currently, RSA 261:154 provides for a graduated “millage rate” for the motor vehicle registration fees based upon model year.

Specifically, the maximum millage rate for a current model year vehicle is 5 mills, or \$5 per \$1,000, of the maker’s list price for the vehicle. The millage rate decreases to 1 mill, or \$1 per \$1,000, of the maker’s list price for vehicles 4 years of age or older. There are currently 44,878 motor vehicles registered in Concord with a combined value of roughly \$708,000,000. Using the limits currently set forth within the statute, the City could raise approximately \$1.5 million annually. Please see the table below for details.

Vehicle Year	Total Value of Vehicles	Maximum Rate	Maximum Estimated Revenue	Cost to \$30,000 Vehicle
Current Model Year	\$97,083,333	Up to \$5.00 / \$1,000	\$485,417	\$150.00
1 Year Old	\$75,359,266	Up to \$4.00 / \$1,000	\$301,437	\$120.00
2 Years Old	\$67,761,000	Up to \$3.00 / \$1,000	\$203,283	\$90.00
3 Years Old	\$66,035,000	Up to \$2.00 / \$1,000	\$132,070	\$60.00
4 Years Old & Older	\$401,790,660	\$1.00 / \$1,000	\$401,791	\$30.00
Total	\$708,029,259		\$1,523,997	

Alternatively, in lieu of the current millage approach, the Parking Committee has recommended amendments to RSA 261:154 which would allow municipalities to assess a fee in an amount up to \$15 per motor vehicle registration, regardless of model year. Under this approach, the maximum the City could raise would be approximately \$673,000. This approach is in keeping with other local option motor vehicle registration fees, such as the \$5 “municipal transportation improvement fee” and the \$2-\$5 “waste reclamation fee”, both of which are permitted by RSA 261:153 (a local option statute).

2. **RSA 231:114-132-b Amendments:** As previously mentioned, RSA 261:154 is cross referenced in RSA 231:114-129; a series of statutes which pertain to the construction of public parking facilities. The statute limits how motor vehicle surcharge revenues could be used to construct parking facilities. Also, the statute was very prescriptive in how municipalities are permitted to construct and finance parking garages. Various amendments are proposed to address those issues. In addition, RSA 231:114-129, in its current form, could be interpreted as limiting the use of motor vehicle surcharge revenues to solely support construction of new parking facilities specifically built within the context of these statutes, and not the maintenance or operation of older existing facilities which were not built within the context of these statutes. Therefore, various amendments are proposed to address this concern.

3. **RSA 231:130 – 132-b Amendments:** Lastly, RSA 231:130-132-a authorizes municipalities to install, maintain, and operate parking meters. The Parking Committee recommends amending these statutes by adding a new section titled RSA 231:132-b “Alternate Revenues to Support Installation, Operation, Maintenance, and Enforcement of Parking Meters.” In short, the amendment would allow municipalities which have adopted RSA 261:154 to use revenues derived from the motor vehicle registration surcharge to support the installation, maintenance, operation, and enforcement of parking meters.

Summary:

In summary, if approved by the Legislature and Governor, the City’s proposed amendments to RSA 261:154 would allow municipalities **by local option** to implement fees on motor vehicle registrations. Said fees could be used to support construction of new parking facilities, as well as the repair, replacement, operation and enforcement of existing facilities, presuming the City’s proposed amendments to RSA 231:114-129 are adopted by the Legislature and Governor. Lastly, the City’s proposed amendment to create RSA 231:132-b would also permit the City to use revenues derived from motor vehicle surcharges to support the cost of installing, repairing, replacing, maintaining, operating and enforcing on-street parking meters. Revenues from the motor vehicle surcharge could range from \$44,878 to as much as \$1.523 million, depending upon how the City elects to implement the statute, and provided these proposed legislative amendments are adopted as presented. By utilizing this potential alternative source of revenue, the City will have the ability to mitigate future rate increases for parking meters, leases, and permits.