



Thomas J. Aspell, Jr.
City Manager

CITY OF CONCORD

New Hampshire's Main Street™

City Manager's Office

City Hall • 41 Green Street • Concord, NH 03301 • (603) 225-8570
citymanager@concordnh.gov

REPORT TO MAYOR AND THE CITY COUNCIL

FROM: Matthew R. Walsh, Director of Redevelopment, Downtown Services, & Special Projects

DATE: March 28, 2018

SUBJECT: Permit Parking Ordinance

Recommendation:

- Accept the following report; and,
- Set the attached ordinance amending the Code of Ordinances; Title II, Traffic Code; Chapter 18, Parking, Article 18-5, Permit Parking for public hearing on May 14, 2018.

Background:

1. *Overview and Strategic Parking Plan:* Public parking is critically important for economic development. The City's current system includes public metered spaces and reserved lease spaces. For the past forty years, the City has managed reserved parking in its three parking garages and select surface lots through a lease system. Currently, the City has a total of 757 reserved lease spaces as follows:

	State St. Garage		School St. Garage		Storrs St. Garage		Dixon Ave Lot		Total	
Leased Spaces	80	34%	279	60%	391	76%	7	100%	757	62%
Metered Spaces	103	44%	180	39%	114	22%	0	0%	397	33%
City Employee Spaces	43	18%	0	0%	0	0%	0	0%	43	4%
Handicap	7	3%	8	2%	11	2%	0	0%	26	2%
Total	233	100%	467	100%	516	100%	7	100%	1223	100%

Although well intentioned, the lease system is problematic, inefficient, and inconsistent with parking best management practices. Data collected as part of the Strategic Parking Plan revealed that, on average, roughly 40-50% of the reserved lease spaces are vacant at any one time. During peak utilization, between 33-50% of the lease spaces are vacant. Because reserved spaces are 1) leased, and 2) assigned to specific tenants, other parkers cannot lawfully utilize those spaces. This circumstance creates huge inefficiency for the parking system, frustrates the public, limits Downtown's economic development potential, and perpetuates the perception that there is no parking available Downtown.

In addition to being problematic for the public, leases can be less than ideal for the City's lessees. For example, if a tenant's space is occupied by an illegal squatter, or snow piles after a winter storm, the tenant must use a meter space and pay for parking. In the case of illegal squatters, the City may ticket the violator when reported; however, the tenant is responsible for having the violator towed. Moreover, some historic lease agreements have allocated handicap parking spaces to lease tenants, thus limiting the utility of such spaces for the lessee and the public. Lastly, the City's lease is very cumbersome (17 pages long), requires tenants to post insurance, and tenants do not have the ability to pay for lease spaces electronically.

Lastly, in addition to the issues above, leases are problematic for the City as the assigned space lease model makes it extremely cumbersome to access spaces in order to complete maintenance and repair activities in the garage.

For these reasons, the Strategic Parking Plan recommends the City transition from a lease to a permit system.

2. *Dol Soul Properties L.L.C and Redevelopment of the former NH Employment Security Property:* Independent from the Strategic Parking Plan, the City Council will recall that Section 3.1.2 of the City's Purchase and Sales Agreement with Dol Soul Properties L.L.C. specifically requires the creation of a Permit Ordinance within 120 days from the execution of the Agreement. Under the Agreement, subject to City Council approval, the City has agreed to provide up to 82 permit parking spaces to support redevelopment of the Employment Security Property, pending: 1) the total number of residential units developed, and 2) the total number of parking spaces provided by the Developer. The Agreement allows for permits to be provided in the Storrs Street Garage; Hills Avenue Parking Lot; or any other City owned garage or surface parking lot. The Agreement also permits the City to provide on-street permit parking in lieu of off-street spaces. General requirements for the Permit Ordinance are further described in Exhibit 3 of the Purchase and Sales Agreement.
3. *School Street Parking Garage Interim Permit Program:* Lastly, as the City Council knows, on January 1, 2018 the School Street Parking Garage was transitioned from assigned leases to a permit system for the duration of ongoing repairs and renovations. This was done by agreement with current lease holders. Not only has the permit system made it significantly easier to undertake construction activities, it has also provided valuable insights as the City looks to transition other facilities to a permit system.

Currently, the School Street Garage has 205 permit parking spaces for 244 permit holders. The City has been diligently monitoring parking utilization in the garage twice daily since the permit system went into effect. Data from monitoring indicates that, on average, the permit spaces have a 35% vacancy rate, meaning that approximately 72 of the 205 permit spaces are available at any time. By comparison, the 160 metered spaces in the garage consistently have a vacancy rate of 10.5% or less.

Discussion:

1. Overview: The attached would be a new City Ordinance to establish permit parking in municipal parking garages and surface parking lots which might be identified by the City Manager.

The Ordinance provides general parameters for the establishment and management of permits. However, the Ordinance is specifically designed to grant the City Manager the authority to craft rules, regulations, and policies to administer the permit program. This approach is intended to provide the City flexibility so it may quickly adjust the permit program as needed quickly and efficiently.

This approach of granting the City Manager rule making authority is essentially identical to Ordinance 2997, which was adopted by the City Council on December 9, 2017, which updated the on-street resident parking program for certain streets near the UNH School of Law.

2. Rates and Types of Permits: The following is an example of the types of permits and rates which may be offered by the City.

Table of Proposed Types of Parking Permits and Associated Rates

<u>Permit Name</u>	<u>Valid</u>		<u>Annual Fee</u>	<u>Monthly Fee</u>
	<u>Days</u>	<u>Hours</u>		
Permit A - Pooled Space Permit	Monday – Friday, excluding Holidays	8AM - 7PM	\$1,365	\$113.75
Permit B - Exclusive Use Space	Monday – Friday, excluding Holidays	8AM - 7PM	\$2,040	\$170.00
Permit C - Pooled 6 Hour "Morning Permit"	Monday – Friday, excluding Holidays	8AM - 2PM	\$682.50	\$56.88
Permit D - Pooled 6 Hour "Evening" Permit	Monday – Friday, excluding Holidays	1PM - 7PM	\$682.50	\$56.88

As the Council will recall, the pro forma for the Strategic Plan anticipated that the State and School Street Garages would remain lease facilities at the new rates of \$1,560 / covered space (\$130 / month) and \$1,170 / uncovered space (\$97.50 / month) until FY2020/FY2021. The goal of that recommendation was to build the fund balance for the Parking System. Recognizing this, staff recommends that the permit rate be set at \$1,365

/ space / year (or \$113.75 / month), which is an average of the two new lease rates. Staff plans to use this same rate for all permit holders in the School Street Garage which were not subject to long-term lease agreements.

In the long-term, it is the City's goal to significantly discount permit rates in the future for Permit A spaces. The Strategic Parking Plan currently projects that this would occur in FY2021 (June 2020) and remain fixed until FY2023. Pricing for Permit B spaces would remain unchanged until FY2023. The ability to significantly discount permit pricing will be predicated on several factors, including, but not limited to, the financial strength of the Parking Fund and negotiations with long-term lessees concerning the transition to a permit program.

3. Implementation Plan:

a. Facilities to be Managed by Permits in FY2019:

- i. State Street Parking Garage: Should the City Council approve this Ordinance, the City Administration intends to implement a permit program in the State Street Parking Garage on or about July 1st. As part of this change, 25 spaces assigned to City employees will become permit spaces. Affected employees shall be provided permits so they may continue to use the garage.
- ii. School Street Parking Garage: Permits will also continue in the School Street Parking Garage for the duration of construction (i.e. June 2020). In addition, discussions have begun with long-term lease holders about potentially making the permit program permanent in the garage after the completion of ongoing renovations.

b. Facilities to Remain Managed by Leases in FY2019:

- i. Storrs Street Parking Garage: Due to existing long-term lease agreements, reserved parking in the Storrs Street Parking Garage will continue to be operated as lease spaces. However, City Administration has begun discussions with long-term lease holders concerning the City's desire to transition to a permit parking model. Per the recommendations of the Strategic Parking Plan, the City would like to transition the Garage to permits by FY2021 (i.e. July 2020). Currently the garage has 391 lease spaces. Based on current utilization of these spaces, under the permit program as many as 480 permits could be available in the facility.
- ii. Dixon Avenue: This facility has 7 parking spaces. Due to the small number of spaces, the lot will continue to be operated as a lease lot indefinitely. The lease rate for FY2019 will increase from \$924 to \$1,170 per space in accordance with the Strategic Parking Plan. Lease rates have been held constant for the current lessee at a discounted rate since 2016.

4. Benefits of the Permit Program to the Community: By converting to the permit program, the community will enjoy the following benefits:
 - a. Provides a more efficient use of parking resources and effectively expands the supply of parking to the general public.
 - b. Greatly improves ease of administration for the City, thus making City operations more efficient.
 - c. Permits are significantly less administratively burdensome for tenants as well, thereby improving customer service.
 - d. Maintenance of parking facilities will be less cumbersome under the permit program.
 - e. Permits are also more customer friendly, as Permit A holders will no longer have to contend with problems of when their dedicated parking space is not available due to squatters or snow piles.
 - f. Permits are easier for the City to monitor and enforce than the current lease system.
 - g. Improves the financial solvency of the Parking Fund.
5. Parking Committee Recommendation: The Parking Committee reviewed this Ordinance and associated Administrative Rules and Regulations on March 26, 2018. The Committee unanimously recommended adoption of the attached Ordinance.