City of Bloomington
Parking Commission

November Packet Supplement
Draft 5 Amendments

Monroe County Public Library, Room 1C
Tuesday, November 14, 2017
5:30 pm – 8:30 pm

Packet Related Material

1. Memo from Jim Blickensdorf summarizing amendments
2. Amendment Markup

Next Meeting: December 12th, 2017 MCPL Room 1C 5:30 PM

CITY OF BLOOMINGTON

PARKING COMMISSION

From: Jim Blickensdorf, Chairperson, Parking Commission
To: Parking Commissions
Date: November 12, 2017
Re: **Amendments to Draft 5**

In order to expedite the amendment process, I divided the amendments to Draft 5 forwarded into four categories:

- Stylistic edits;
- GSP;
- Clarification of an existing concept;
- Edits which change of meaning of a passage; and
- New material added since the distribution of Draft 5.

My hope is that we will adopt the first two types of amendments by unanimous consent, moving quickly the more substantive amendments and adopt this a complete, amended version of Draft 5. To avoid altering the meaning or intent of the proposed amendments, I have cut and paste the email text into each section noting the corresponding page of the proposed amendment.

The following amendments to Draft 5 were proposed:

Stylistic Edits

1. Page 7: I would outdent "Executive Summary."
2. Page 8: I think the Appendices should be their own Table, too, like the Table of Figures. Force a page break; it should all fit on Page 9. If it doesn't, force it so it doesn't add to the page count. Then add the "Table of Appendices" line, outdented, to the ToC.
3. Page 8: In the new Table of Appendices, each should have a page number like in the Table of Figures.
4. Page 10: Table of Figures is in Helvetica. Check other Chapter Titles.
5. Page 13: The Executive Summary should be page 1 of the report. And the first page of every chapter should have no page number. Make the Exec Summary page the start of a new section, with Arabic numerals after and lowercase Roman numerals before.
6. Page 18: There should be three headings in this chapter: "Introduction", "The Walker Reports", and "Changes to the System Since 2013"
7. Global replacement of "BCC Ordinance" with "Ordinance"

GSP

1. Page 8: Chapter 5. Neighborhood ZoneS Program and Chapter 6. CitationS Program should be plural like Chapter 3 ("Garages & Lots"). Make sure that's so for the chapter titles on pp. 81 and 95, too.
2. Page 21: Delete the second "is" in the last sentence of the first paragraph.
3. Page 38, "Garages & Lots Introduction": To correct a spelling mistake caused by a global replace.
4. Page 43 et seq.: all reference to specific garages (e.g. "Fourth Street garage") have had the last word capitalized.
5. Numerous edits to the *en* and *em* dashes throughout.
6. Change in formatting of the Appendix Title pages.
7. Addition of the word "In" before "Chapter" in the "Tables of Figures" section
8. Global replacement of program revenue, cash balance, etc. with capitalized terms.

Clarification

1. Page FH 3,4[1]: I remain confused by the last paragraph: is the annual surplus for 2016 $284,411, or is it $1.56M? I know that it is complicated, but hope we might clarify and simplify this paragraph (and if my summary is wrong, it is at least an argument for the need to clarify): In 2016, the City of Bloomington's parking system produced an overall surplus of $1.56M. However, this surplus is due in large measure to TIF subsidies in the amount of $xxx, and citation revenue. A more focused analysis demonstrates that two of the three individual parking programs (Neighborhood Zones, Garages & Lots) operate at a loss. While city subsidies for parking have decreased since 2011, extracting TIF subsidies and citations from the total reveals that the program surplus in 2016 was only $286,411.
2. Why are the summary numbers at the top of page 7 different from the numbers at the bottom of page 3?
3. Page 13: The first two sentences of the Exec Summary, and the second and third paragraphs, are introductory and should be moved to the Introduction in Chapter 1, where the third paragraph should come before the second.
4. Page 13: Substitute: "By 2016, surplus revenue from Metered Parking, TIF fund contributions and citation revenues contributed to the significant improvement in the overall financial health of the parking system, resulting in a $1.56 million surplus including TIF contribution and revenues from Citations." with "By 2016, new revenues from Metered Parking contributed to the significant improvement in the overall financial health of the parking system, resulting in a $1.56 million surplus including TIF contributions and revenues from Citations. The Metered Parking program posted a significant surplus; Garages & Lots and Neighborhood Zones operated at a shortfall."
5. Page 15: Replace the third paragraph with : "Revenue from citations issued at meters and in the City's surface lots were deposited in the City's General Fund. This portion of citation revenues amounted to $383,108. When revenue from citations was considered with program revenues, Metered Parking generated more than a $1 million surplus after all expenses. (Surplus generated by Metered Parking pays for Crossing Guards, program maintenance, and street and intersection improvements on streets intersecting or adjacent to the parking meters. The complete, specific uses for monies in this fund are enumerated in Bloomington Municipal Code (BMC) §15.40.015 and may be referenced in Appendix 3.) The program balance of the Metered Parking program will increase by an additional $225,000 in the first quarter of 2018, the first full quarter after the parking meters lease has been paid off."

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[1] Submitted by Faith Hawkins. Page numbers do not track with Draft 5.

6. Page 16, "Neighborhood Zones": Adjust language about the ratio of permits to legal parking spaces.
7. Page 16: Substitute the first paragraph of Violations with, "Violation of the parking rules in the Metered Parking, Neighborhood Zones, or Garages & Lots programs resulted in the issuance of citations. Citation revenues generated in the Garages & Lots and Metered Parking programs were deposited into the City's General Fund, while revenue from citations issued in Neighborhood Zones was deposited into the Neighborhood Zone account, as specified by BMC §15.37.160."
8. Page 17: last graph: significantly rewritten for clarity, substituting: "The Commission is required by Ordinance 16–22 to submit "an annual report of its activities and programs to the Mayor and Council by October of each year." After members were appointed in January 2017, the Commission organized, wrote and adopted by-laws, advocated for and persuaded the Administration to conduct a parking study to address the long-term needs of the Bloomington community, assembled source data from at least eight separate City departments and two outside entities, and analyzed the data assembled. The Commission believes it has achieved its goal to create the first comprehensive report on the City's parking system, presenting relevant facts not available in any other forum or report, for review and careful consideration by the Administration and Common Council. It was not the intent of the Commission to act as an arbiter of how City departments spent parking-related funds, and the Commission makes no policy recommendations as part of this report."
9. Page 18: Insert heading "The Walker Reports"
10. Page 20: Insert heading "Changes to the System Since 2013" before the start of the first paragraph.
11. Page 20: The past tense on p. 20 ("As many as 7 different offices had ….") feels weird – isn't this still the case?
12. Page 22: I strongly believe that the "About the Parking Commission" [and "2017 Members of"; see below] should be front matter after "Table of Figures."
13. Page 22: 2017 Members of the Parking Commission should not be a separate section; it should be part of the "About the Parking Commission" section.
14. Page 22: "City Council Member: District VI". I have an affiliation that's relevant too.
15. Page 22, "2017 Members" correct Anne Bono's job title
16. Page 26: Substitute section with "Figure 2 shows overall performance of the parking system. In 2016, the City's parking system-wide cash flow was $284,411. Its system-wide balance, including TIF contribution, citation revenues, capital transfers and expenditures, and miscellaneous income, was $1.66 million. The sum of funds remaining in non-reverting City parking-related accounts at the end of 2016 was $4.85 million (Figures 3 & 4).
17. Page 32: Change "and types of permitted uses make historical comparisons for the period from 2015 to the present most meaningful." to read " and types of permitted uses make historical comparisons from the 2015 and 2016 fiscal years most meaningful."
18. Page 33: Strike the words " The Commission's report will demonstrate that the cost of this policy approaches $150,000 in lost revenue generation."
19. In support of the Council's Sidewalk Fund, the City transferred $500,000 from Capital Account 601 into the Neighborhood Zone account. The Council disbursed $400,500 in 2016, leaving a remainder of $99,500. The remainder was retained in the Alternative Transportation Fund, City Account 454, artificially increasing the Neighborhood Zone program. Since revenues from citations in the Metered Parking program, which totaled $383,000 were deposited into the City's General Fund, the parking system was a $117,000 net beneficiary of the capital transfer."
20. Page 42, "Garage Occupancy by Month": To substitute the graph for B&W readability.
21. Page 43 (? Hard to tell given two sets of numbers): "With respect to the Fourth Street garage, the City's revenue reports show that transient parkers in City garages were engaging in one of three activities to avoid paying parking fees." I recommend not attributing motive to the activity of transient parkers. Let's imagine that at least

some of these folks are not purposely trying to avoid the fees. How about "were engaging in one of three activities which result in avoidance of parking fees."

22. Page 43: Insert the word "its" before "sharability" in second paragraph of On-Street Parking Best Practices
23. Page 44, "Garage Duration of Stay": To clarify the three hour period/shuffle
24. Page 51: Moved third graph to first because it was a little out of place, and a framing sentence on the tail end added. See if it doesn't work better for you?[2] [*Note: Volan's rewrite attached to this packet, SVG page 42 and 43*]
25. Page 51ff: the "Public Private Partnerships" section feels very long and detailed to me. If there is a way of "cutting to the chase," I would recommend doing so.[3]
26. Page 54: Second Paragraph: To clarify language about the lease packets.
27. Page 54: Third Paragraph: To remove redundancy.
28. Page 56: Remove multiple references to ParkMobile for readability.
29. Page 57: "In this chapter …" to the beginning of the chapter, before Key Findings.
30. Page 60: First Paragraph: To refer to figure 30 & 31.
31. Page 61: Replace "two-free" with "two hours free"
32. Page 62: Second Paragraph: To clarify language regarding the delay in the installing meters.
33. Page 64: First Paragraph: To clarify language.
34. Page 73: "Parking Meters Generated a Surplus of $618,000" To clarify the surplus.
35. Page 73: Change "in 2017" to "after 2017"
36. Page 74: Strike the last paragraph. and move to page 77, start of third paragraph.
37. Page 80: "ParkMobile" To clarify revenue from ParkMobile was separate and in addition to revenue generated at IPS meters by replacing the first paragraph with "In addition to credit card processing fees, IPS Group charged the City a per-meter management fee of $2.00 per month ($2,992 on average) and another $5,610 per month to maintain the secure gateway. Each month, the City paid IPS Group an average of $14,800 for parking meter overhead. During 2016, the City paid IPS Group a total of $213,565 for management fees and the secure gateway. This amount included the first of four $20,000 installment payments by City Legal for monies withheld due to concerns about meter performance. Excluding the installment payment, the cost of overhead was calculated to be 10.6% of program revenues."
38. Page 83: Replace the word "Subsection" with "BMC" in the third paragraph.
39. Page 84: Replace "the numbers special permits sold" with "the numbers of special permits sold" in the third paragraph.
40. Page 87: First Paragraph: To clarify language and remove a typo.
41. Page 94: Change "accumulated to" to "represented" in the last paragraph.
42. Page 97: Change "Citation" to read "Citation"
43. Page 97: In paragraph 1, change "over" to "more than" and strike "for which" and "were issued". Place the number of tickets in parenthesis.
44. Page 97: Remove "21" at the start of the second paragraph.

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[2] Submitted by Cm. Stephen Volan.

[3] Submitted by Faith Hawkins. Proposal similar to Cm. Volan's Clarification #14.

45. Page 100: Change the Heading of "Decision Making.." to "Decision-Making Theory in Choosing to Park Illegally"
46. Page 103: Don't you want to show the citation rate also as a fraction of number written vs number of transactions? You say that 5-6% is what the lit says, and we somehow have a 3.5something% citation rate, so how are we way below recommended again? Add that stat or something

Change of Meaning

1. Page 16: I think the section heading should be "Citations", not "Violations". The first word of the section should be plural. The second sentence should read: "Citation revenues generated in the Garages & Lots and Metered Parking programs were deposited…"
2. Page 17, "Overall Picture": To correct the number of City departments and outside entities.
3. Page 53: First Paragraph: To clarify arbitrage related to interest rates
4. Page 54: Some footers still say "...2017 Report and Recommendations", at least in the draft 5 in the packet. Cut the last two words globally if it still appears this way in the Pages file. [*Note from the Chair: This footnote refers to a report prepared by Ryan Daily of Public Works, not the Commission's report.]*
5. Page 72: Changes in Titles to the Figures 43, 44, and 45. Changing Average length of stay to Average Time Purchased.
6. Page 75: Footnote 90 discusses an issue that occurred in 2017 It should wait until the next year's report. Frankly, this report should be the 2016 AR, and the 2017 AR should come out next year...in the first half of the year.

CITY OF BLOOMINGTON

PARKING COMMISSION

New Material

1. Page 7: I would create a "chapter" in the ToC called "Front Matter" and put under it "Table of Appendices" [see below], Table of Figures, "About the Parking Commission" [see below].
2. Page 22: You left out a "Resolutions for First Reading" line item in the Standing Agenda.
3. Page 41: There really oughta be a straight line at 85% to show how close the occupancies are riding it.
4. Page 48, "Revenue Shortfall…" strategies bullet points: To add language/a strategy about aligning hours of the garages with other elements of the parking system
5. Page 54: First Paragraph: To add, "Parking rates are presently below the costs of operating expenses and capital recovery."
6. Page 56: Second Paragraph: To accurately define break-even block face occupancy rate. Page 73: Can we get credit-card transaction data anonymized so we can see how the heaviest card users compare to PM users
7. Page 92: To add Neighborhood Zone occupancy calculations.

Reminder: November meeting has been moved to MCPL Room 1C and will start at 5:3PM.

No Work Session during December.

The December meeting has been moved to MCPL Room 1C, December 12 5:30pm.

Cocktail Reception and Hors d'oeuvres at Grazie Italiano December 12th, immediately following the December meeting.

# # #

Neighborhood Zones

Expenditures from the Common Council's Sidewalk Fund were embedded in the Neighborhood Zone Fund also designated as the Alternative Transportation Fund. In 2016, the City transferred $500,000 from a capital account into the Neighborhood Zone account for use in accordance with BMC §15.37.160. Council designated and directed these funds to be used for capital improvements to sidewalks and intersections and spent $400,496 of the $500,000 on capital improvements. The unspent balance of $99,504 remained in the Neighborhood Zone account, and the parking system was a beneficiary of ~~the~~ remainder.

In Neighborhood Zones, Program Expense exceeded Program Revenues by $73,071. The ration of citation revenues to program revenue was 170%. The Neighborhood Zones program generated $131,000 from the sale of permits, with a majority of revenues derived from the sale of all-zone commercial permits. Parking Enforcement officers wrote $224,700 in citations in Neighborhood zones. The high ratio of Citation revenues to Program Revenues implies that Neighborhood Zones are not being used solely by compliant residents of the Zone, or are not well understood by the general public, or that in some Zones, permits are oversold resulting in occupancies greater than 85%. At the Commission's request, Planning & Transportation studied the relationship between the number of legal parking spaces available in each zone and the number of permits sold, and with this data has demonstrated that in many of the Zones, ~~the~~ Neighborhood Zone parking permits are being significantly oversold. A more detailed review of the use of the public right-of-way, acceptable occupancy rate levels, and cost structure for resident parking in Neighborhood Zones is required.

The Cash Balance of the Neighborhood Zone Fund, also known as the Alternative Transportation Fund, at the end of 2016 was $996,865.

Violations

Violation of the parking rules in the Metered Parking, Neighborhood Zone, or Garages & Lots program resulted in the issuance of citations. Citation revenues generated in Garages & Lots and in the Metered Parking program were deposited into the City's General Fund while revenue from citations issued in the Neighborhood Zones was deposited into the Neighborhood Zone account, as specified by BMC §15.37.160.

The City issued over 21,000 citations and recorded $609,400 in Citation Revenues which was equal to 17.3% of system-wide revenue. The average value of a citation was calculated to be $28.90. The total of staffing expenses and ancillary enforcement costs was $805,400, outpacing Citation revenues by $196,000.

Analysis of the Metered Parking and Citation data indicated that for stays under 61.6 minutes, the average time purchased, it is always better for the consumer to not pay the meter risking the issuance of receiving a citation.~~.~~

Overall Picture

The Program Cash Flow of the entire parking system was $284,412. The total program balance, which included TIF monies, revenue from citations, and capital funds left unspent in the Alternative Transportation Fund, the Parking Facilities Account and Parking Meter Fund, was $1.66 million.

The Total Cash Balance at the end of the 2016 Fiscal Year in all City parking accounts was $4.85 million.

The Commission is required by BCC Ordinance 16–22[12] to submit "an annual report of its activities and programs to the Mayor and Council by October of each year." After the members of the Commission were appointed in January 2017, the Commission organized, wrote and adopted by-laws,[13] advocated for and persuaded the Administration[14] to conduct a parking study to address the long-term needs of the Bloomington community,[15,16] assembled source data from at least ~~seven~~eight separate City departments ~~or~~and two outside entities, and analyzed the financial data presented in this report. While this report does not constitute a complete report of the work of the Commission, the Chair intends to present relevant facts not available in any other forum or report for review and careful consideration by the Administration and Common Council prior to making recommendations to alter the prevailing system. It was not the intent of the Chair or Commission to act as an arbiter of how City departments spent parking-related funds, and the Commission makes no policy recommendations as part of this report.

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[12] See Appendix 2 for the full text of BCC Ordinance 16–22.

[13] See Appendix 4 for the City of Bloomington Parking Commission By-Laws adopted March 2017.

[14] See Appendix 5 for the full text of PKG 2017–03.

[15] Appendix 6: City of Bloomington 2017 Parking Study RFP.

[16] Appendix 7: Responses to the City of Bloomington 2017 Parking Study RFP.

Areas of Concern

The Parking Commission considers the City's parking system to be comprised of six different programs:

I. Garages & Lots;
II. Metered Parking;
III. Neighborhood Zones;
IV. Special Uses of and Restrictions on Parking;
V. Citations of and Enforcement of Parking Regulations; and
VI. Administration of Parking Services.

Standing Agenda

The Commission observes the following standing agenda at its regular, monthly meetings:

I. Call to Order
II. Approval of Minutes
III. Reports for City Offices
IV. Reports for the Public
V. Discussions of Topics Not the Subject of Resolutions
VI. Resolutions for Second Readings
VII. Member Announcements
VIII. Adjournment

2017 Members of the Parking Commission

Members

Jim Blickensdorf, Chair	Council Appointee (Merchant in Meter Zone: Grazie Italiano)
Josh Desmond	Mayoral Appointee (Planning Staff Member: Assistant Director)
Donna Disque	Mayoral Appointee (Merchant in Meter Zone: MarDon Salon)
Adrienne Evans Fernandez, Vice-Chair	Council Appointee (Resident of City: Broadview)
Faith Hawkins	Council Appointee (Resident of Neighborhood Zone: Elm Heights)
Randy Lloyd[26]	Mayoral Appointee (Not-for-profit representative: Trinity Lutheran)
Mark Need	Mayoral Appointee (Resident of Downtown Meter Zone)
Mary Jo Shaughnessy	Mayoral Appointee (Resident of City: Blue Ridge)
Stephen Volan, Secretary	Council Appointee (City Council Member)

Staff Support

Seyedamir Kaboli Farshchi	Long Range Planner, City of Bloomington
Scott Robinson, Staff Liaison	Planning Services Manager, City of Bloomington

Advisory Members

Anne Bono	~~Director of Advocacy & Public Policy~~Interim President/CEO, Greater Bloomington Chamber of Commerce
Amanda Turnipseed	Director of Parking Operations, Indiana University Bloomington

[26] Not present at any of the Commission's 2017 meetings or work sessions.

Garages & Lots Introduction

In this chapter, the Commission describes the current configuration of the City's Garages & Lots, explains the methodology used to determine garage occupancy rates, reports that occupancy by month, and presents a detail of the City's Parking Facility account. This use-mix and usage pattern data was compiled to address the following questions: Are parking occupancies regularly above 85%, indicating a need for additional off-street parking? Do the rules that govern the program appropriately balance the consumers' needs against the City's fiduciary responsibility — in particular, are the costs of providing three "free" hours of parking well understood and in balance with providing a public service? In the same way, do public-private ~~partnershIPS~~partnerships ~~Group~~ serve the public good or do they benefit the private developer? Is the opportunity cost of using TIF monies to pay parking garage leases being considered or in the best interest of the taxpayer? Moreover, should the City migrate the costs of City-owned parking structures from TIF subsidy to user fees?

Excerpts from the 2007 Walker Study on Garages & Lots

The 2007 Walker study examined the occupancy and use-mix of the City's three garages. Walker determined that 1,294 spaces were available, with 23% available to the public as metered, hourly parking, 36% of the spaces reserved, and 39% of the spaces allocated to permit parkers. By comparison, the City's 2016 garage space inventory was 1,219 spaces with only 10% reserved and the remaining spaces divided at a ratio of two permit parker stalls for every hourly parker.

Walker measured garage occupancy at five intervals starting 7:00 am and again at 10:00 am, 1:00 pm, 6:00 pm and after 10:00 pm. Overall occupancy in the garages was very low as illustrated by Figure 10. Walker noted that peak weekend occupancy in the non-gated parking area of the Walnut Street garage was due mainly to nightclubs adjacent to the facility.

Figure 10: 2007 City of Bloomington Garage Weekday and Weekend Peak Occupancy Rate and Times.

Garage	Weekday Peak Occupancy %	Weekend Occupancy %
Fourth Street	58% at 10:00 am	23% at 1:00 pm
Walnut Street	31% at 1:00 pm	58% at 12:00 am
Morton Street	56% at 10:00 am	43% at 10:00 am

The Walker study reported that permit rates ranged from a low of $45.00 per space per month to a high of $56.00 per space per month. By comparison, 2016 permit rates ranged from $40 to $76 per month. The Walker report noted that "due to political and economic pressures, some cities keep rates artificially low to encourage economic development or to provide an incentive to lure patrons to the downtown area."[41] Walker recommended that the City

[41] Walker Parking Consultants. City of Bloomington Downtown Parking Master Plan. April, 2007. p. 77.

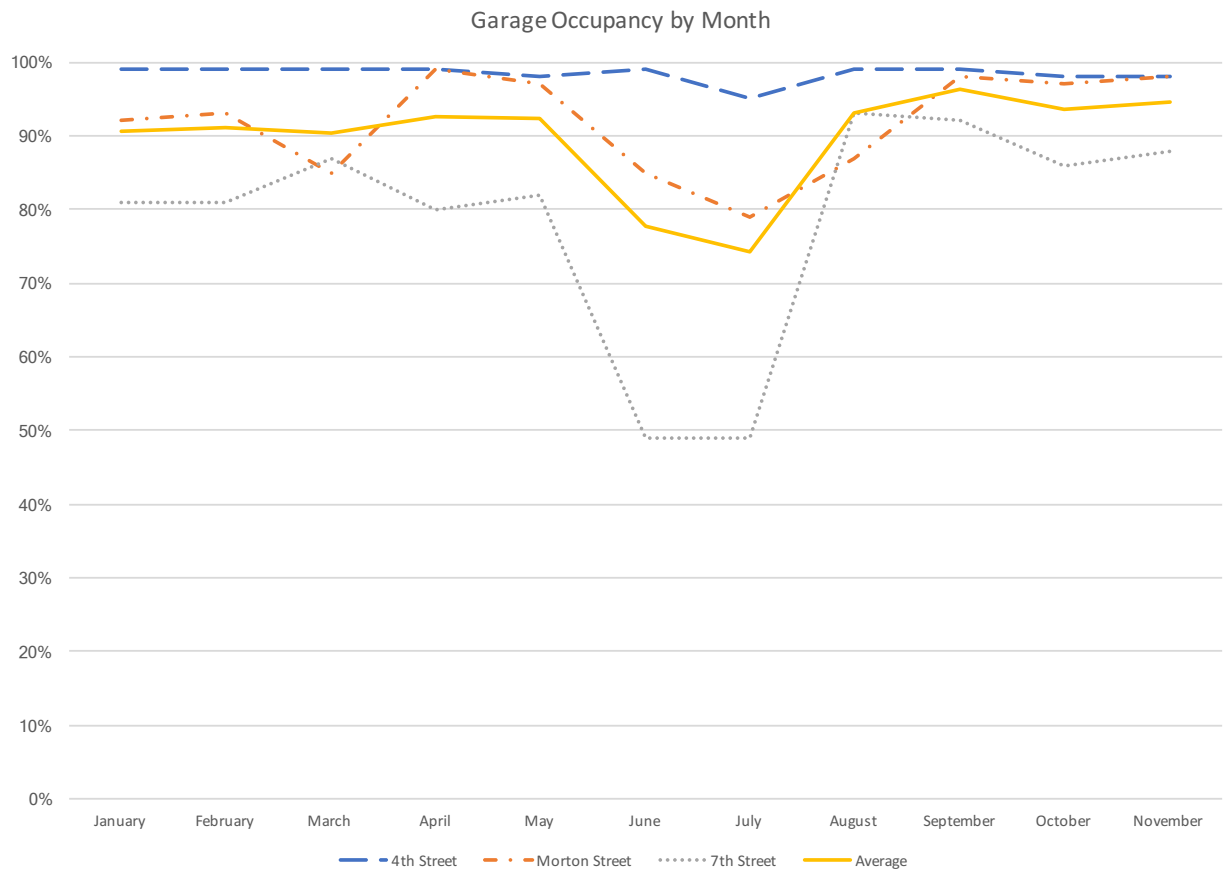

Figure 15: Graph of Garage Occupancy Levels by Month.

Monthly Garage Permits

Parkers were able to purchase a permit in a specific garage from the City at the office located in the Morton Street garage. The range of permits offered to downtown employees and commuters is summarized in Figure 16.

Figure 16: Garage Permit by Type and Expense.

Downtown Parking Garage Permits		
Part-time Garage Parking Permits for Downtown Employees	30 hours a week	$25/month (Morton Street Garage only)
Non-Reserved	24 hours a day, 7 days a week	$67/month
Non-Reserved	24 hours a day, 7 days a week	$67/month
Non-Reserved	12 hours a day, Monday – Friday	$40/month
Reserved	24 hours a day, 7 days a week	$76/month
Reserved	12 hours a day, Monday – Friday	$57/month (Fourth Street Garage only)

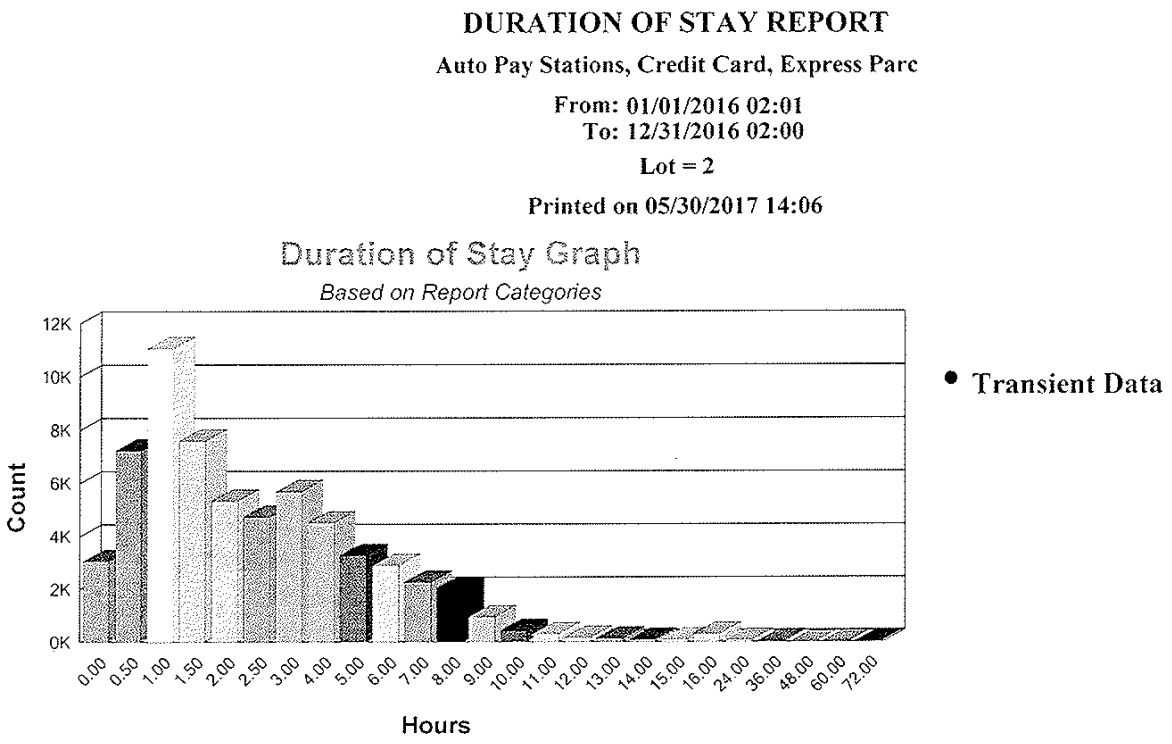

Figure 17: Graph of Duration of Stay Report, Fourth Street garage.

Garage Duration of Stay

Ryan Daily, Garage Manager for the City of Bloomington, provided a Duration of Stay Report for the Fourth Street garage which is illustrated in Figure 17. During 2016, a majority of the parkers exited the Fourth Street garage within one hour, with an additional, significant spike at the three- hour mark.

With respect to the Fourth Street garage, the City's revenue reports show that transient parkers in City garages were engaging in one of three activities to avoid paying parking fees:

- Completing their business and exiting the garage within the first three hours; the highest percentage of parkers exit the garage within this time period;
- Exiting and immediately re-entering the garage after three hours of parking in order to ~~immediately,~~ gain~~ing~~ another free three hour period, e.g., the "three hour shuffle"; and
- Exiting the Fourth Street garage outside the hours of enforcement, paying no fee for parking.

This pattern, which was also noted anecdotally at other garages, may indicate abuse of the "three hours free" parking policy, a consequence not envisioned prior to the passage of the 2012 and 2015 Common Council Ordinances. In the Fourth Street garage, garage pay-on-exit ticket data showed that 71% of transient parkers

Revenue Shortfall of $261,202 in Fiscal Year 2016

Expenses in Garages & Lots fell into four major categories: Staffing expenses, Equipment & Supply and Operational expenses and General Fund charges for overhead (Figure 22). The largest expense category, Equipment & Supply, included the lease payments on the Walnut Street and Morton Street garages and totaled $662,709.99. Garages and Lots Program Expenses was equivalent to 124% of Program Revenues, resulting in a revenue shortfall of $261,202. The following strategies would increase the financial performance Garages & Lots program:

- increase hours of gated enforcement,
- aligning the hours of enforcement to create consistent enforcement of parking regulations,
- increase permit costs and/or hourly parking costs,
- reduce the amount of time of free parking to less than three hours, or
- reduce staffing costs by reducing the number of active staffing hours.

Figure 23 summarizes the financial performance of the City's Garages & Lots for 2016. The Program cash flow shortage was compensated for by revenues from citations and TIF monies contributed by the RDC. Program Balance was $403,302. The balance of the Parking Facilities Account, also known as City Account 452, at the end of 2016 was $2,241,769.23.

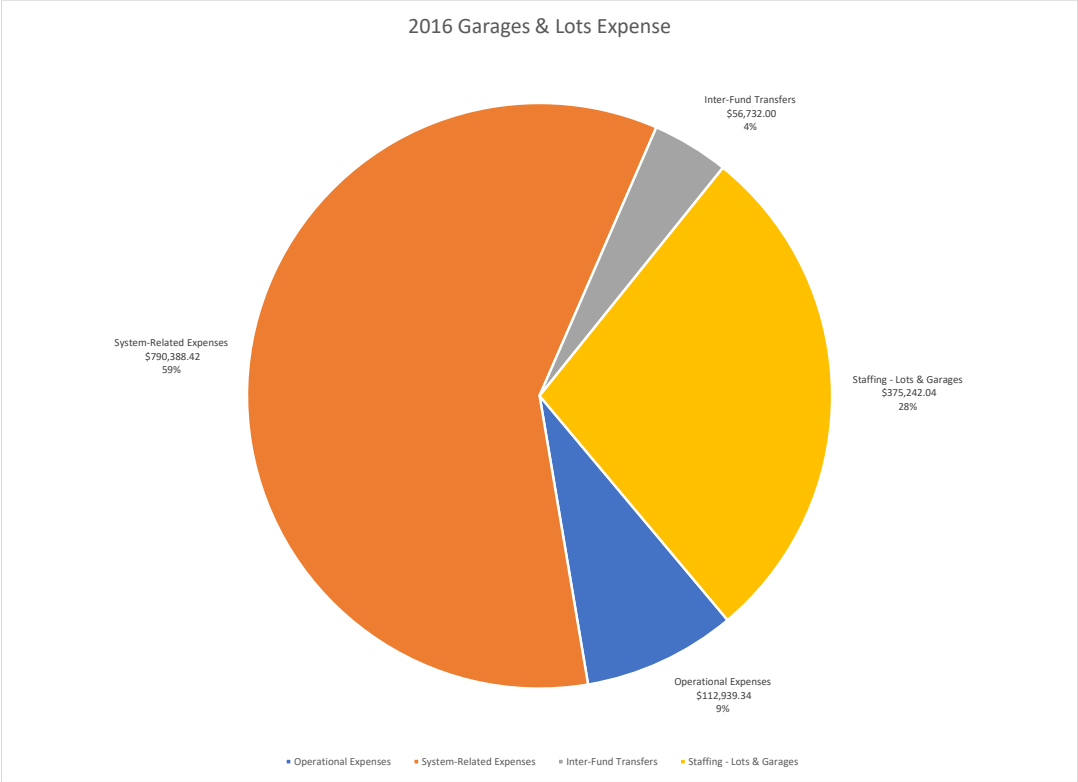

Figure 22: 2016 Garages & Lots Expenses.

7th Street Garage — Scenario 2 - $500,000 project paydown from Dowtown TIF

Leases @ $450/month, inc[illegible] every 2 years; meters increased $.25/ every 5 years

Feasibility Analysis — Retail leased at $14.95 net, increased 1%/year thereafter

Cash Flow Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
Parking annual lease price	*450*	*450*	*480*	*480*	*510*	*510*	*540*	*540*	*570*	*570*	*600*	*600*	*630*	*630*
Meter rate	*0.25*	*0.25*	*0.25*	*0.25*	*0.25*	*0.50*	*0.50*	*0.50*	*0.50*	*0.50*	*0.75*	*0.75*	*0.75*	*0.75*
Retail revenue sharing	17,250	18,124	19,007	19,899	20,800	21,709	22,628	23,556	24,493	25,440	26,396	27,362	28,337	29,322
Friedman - 40 leases (24/7)	18,000	18,000	19,200	19,200	20,400	20,400	21,600	21,600	22,800	22,800	24,000	24,000	25,200	25,200
Other leased spaces - 155 (12/5)	69,750	69,750	74,400	74,400	79,050	79,050	83,700	83,700	88,350	88,350	93,000	93,000	97,650	97,650
Lot Permits (Monroe Co.)-100 @ $305	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500
Metered Parking	7,500	7,500	7,500	7,500	7,500	15,000	15,000	15,000	15,000	15,000	22,500	22,500	22,500	22,500
Ameritech comp. - 20 spaces (20 yrs.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TIF Revenue	249,429	248,555	241,822	240,930	234,179	225,770	219,001	218,073	211,286	210,339	196,033	195,067	188,242	187,257
Subtotal City-Generated	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429	392,429
Add:														
Developer's Guaranteed Income	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Net Income	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429
Lease Expenses														
Annual lease $5.1mm @ 9.0%	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429	492,429
Income after lease payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional TIF required	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total TIF required	249,429	248,555	241,822	240,930	234,179	225,770	219,001	218,073	211,286	210,339	196,033	195,067	188,242	187,257

Bonding Analysis*	Annual pmt.	NPV Interest Cost - Gross		NPV Interest Cost w/WSG Payment	
		Annual	Total	Annual	Total
30 year bond @ 5.95%	$366,584	$125,845	$1,741,538	$25,845	$357,659

* excludes bond issuance expenses and fees

Proforma_7W_LLC.xls
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1of 2

Figure 28: RDC pro-forma for the Walnut Street Parking Garage.

The City's lease with Mercury Development, LLC specified a cost of $7,310,223 plus the cost of the construction loan and origination fee for a total estimated cost of $14,031 per parking space. The interest rate paid by the City was set at 250 basis points above the five year Treasury yield. Similar to the Walnut Street garage lease, the City was able to renegotiate the interest rate every five years. During this period the developer ~~can~~was able to profit from the difference between the interest rate specified in the lease agreement and ~~the current~~actual Treasury rates. The developer maintained an option to lease 115 spaces of the 521 space in the garage for the adjacent residential and hotel properties.[59] During 2016, the monthly lease payments for the Morton Street garage were $36,405.49 per month, totaling $436,865.88. As was~~in~~ the case ~~of~~at the Walnut Street garage, this amount was paid by the RDC from the TIF fund.

[59] Regester parking Garage Operating Lease. (December 11, 2003).

Although the 2001 and 2003 Common Councils ratified the garage leases, later Councils have not raised rates to keep pace with the RDC's projections.[60] The last permit price increases were in 2010 resulting in an increase of $5 and $7 to monthly 12/5 and 24/7 permits, respectively. The ordinance passed narrowly, 5-4.[61] Parking rates are presently below the costs of operating expenses and capital recovery. The 2015 expansion of three hours of "free" parking to users of the City's Garages & Lots compounded the fiscal challenges observed in the Garages & Lots program. By offering "three hours free" parking, the City collected less than 25% of the maximum hourly revenue in the garages. The policy shift further contributed to the continued need for an annual subsidy of TIF monies.

For this report, the Commission examined the Council packets which included the leases and proposals presented by the City Attorney and the RDC at the time the Walnut Street garage was ratified by the BCC. As part of the lease packets presented to the Common Council ~~due diligence~~, the RDC included a pro forma in their proposal prepared for the Walnut Street garage (Figure 28). This information was attached to the Commission's June 2017 meeting packet. After examining the pro forma of the Walnut Street garage, the Commission determined that in 2016, the RDC paid more than $55,000 than projected. The RDC paid $233,812 to service the debt on the Walnut Street garage, though its projections forecast payments of $178,462. Since we know that the garages are near full occupancy, this discrepancy may only be attributed to a lack of steady increases to parking fees. In total, during 2016, the RDC subsidized the operation of the City's parking garages using $662,710 of TIF monies to pay full the costs of lease payments — the cost of which could not be covered by permit fees or hourly parking revenues.

As part of its due diligence, the RDC recommended that the Common Council regularly increase meter rates and permit rates to pay for the operation and debt-service of the garage. At the time, garage spaces were equipped with single-space coin-operated meters and rates were scheduled to increase 100% of the initial rate or $0.25 every five years. Permit rates were scheduled to increase 6.66% every three years. The RDC proposal showed the allocation of TIF monies would be offset over time by an increase from parking revenues. These increases were never sought and not approved; garage lease payments have been ~~largely~~wholly subsidized by TIF revenues since the execution of the garage leases. ~~This situation represented a significant opportunity cost to the community.~~

It is always a difficult political decision to raise rates. However, the annual average cost of a garage permit is below the costs of capital recovery, and far less than the operating cost per space.[62] The RDC's pro forma demonstrated that it did not intend to subsidize the garages at the current rate. Their projections showed TIF dollars steadily declining as revenue from parking operations was increased. TIF dollars that subsidize the operation of City garages represent a significant opportunity cost to the community.

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[60] See Appendix 16 and Appendix 17 for the full text of BCC Ordinances 01–05 and 03–34, respectively.

[61] See Appendix 18 for the full text of BCC Ordinances 10–15.

[62] Walker Parking Consultants. City of Bloomington Parking Operations Plan. December, 2012. p. 32.

Chapter 4. Metered Parking Program

Key Findings

Parking Enforcement, a division of the City's Police department, enforced Metered Parking regulations from 9 am to 9 pm, six days per week. During 2016, an average of 1,480 of the 1,539 parking meters authorized by BCC Ordinance 13–03 were available to transient parkers in the downtown. In addition to metered stalls, 179 on-street spaces were available to employees and visitors to the downtown at no cost, limited to a two hour stay. Each metered space generated an average of $1,499 per year in parking fees and $259 in citation revenues.

Over 1.9 million transactions were initiated using a combination of smart meters and the ParkMobile platform. Of these transactions, 95% were processed at smart meters, with 45% of parking fees paid by coin and 55% by credit card. Users purchased a total of 134 million minutes of parking. However, 19% of credit card and coin purchases were made outside of the normal hours of enforcement. The average amount of time purchased in a single transaction was 61.6 minutes. The mean block face occupancy (BFO) was computed to be 37.73%. For context, Walker Parking Consultants reported the observed mean BFO as 62% in their initial report. The break-even block face occupancy rate, ~~above~~the point at which revenues from the Metered Parking program are equal to the costs of administering and enforcing the program, was calculated to be 32%. Only 47 of the 96 metered blocks performed above this level.

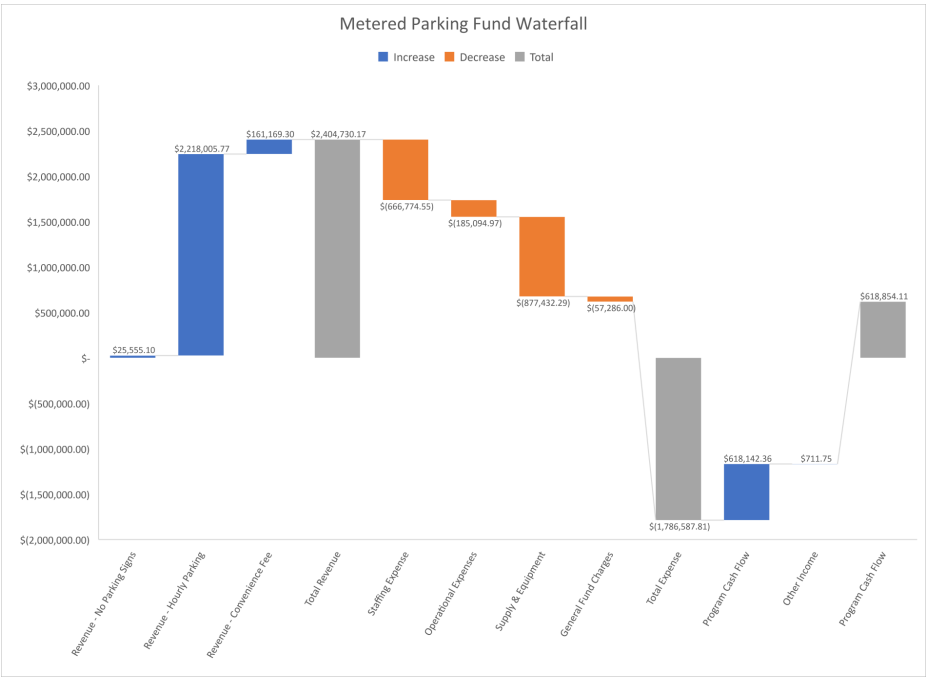
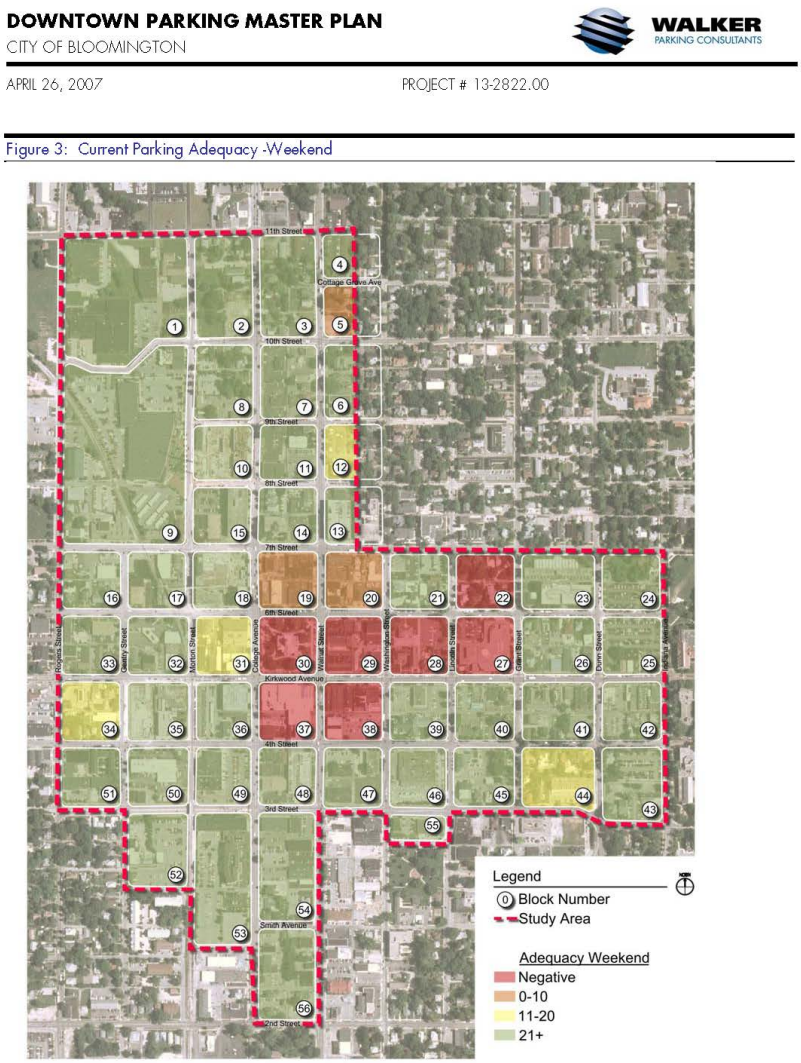


Figure 29: 2016 Metered Parking Fund Summary.

Approximately 24 blocks had negative on-street adequacy. Most of the blocks experiencing either shortage of parking or tight parking conditions were located within the central core of the downtown study area, and the eastern portions of the study area, near the Indiana University campus. Figures 30 and 31 ~~following two images~~ highlight the findings of the 2007 Walker report.

Figure 31: 2007 Weekend Parking.Adequacy Map.



Parking supply operates at peak efficiency when parking occupancy is adjusted to 85 percent of the available supply. When occupancy exceeds this level, users may experience delays and frustration while searching for a space. Therefore, the parking supply may be perceived as inadequate even though there are some spaces available in the parking system.

Off-street Recommendations

1. Establish standard procedures for implementing shared parking.
2. Educate planning officials and developers on the potential of shared parking.
3. Explore a downtown shuttle program to include full-time regular routes between parking locations.
4. Increasing the feel of safety and comfort for patrons.
5. Limit or eliminate the use of guaranteed, reserved spaces.
6. Expand wayfinding to include pedestrian signs from Garages & Lots to merchant/business locations.
7. Evaluate current lighting resources and update to new lighting fixtures that are more energy efficient.
8. Allow vending machines in parking structures to capture alternative revenue.

Public resistance and concern about the recession caused the Kruzan administration to ~~table~~delay ~~the~~a proposal for the installation of parking meters, and the ~~. The~~ two-free parking policy in the central business district was continued. Few of the recommendations of the 2007 Walker report were adopted.

2012 Parking Study

The Kruzan administration revisited the issue of Downtown parking in 2012, contracting with Walker for an update of the 2007 study. In the updated report, Walker noted that the Downtown area had experienced increased parking demand from numerous new developments: two hotels, several apartment complexes, the development of the B-Line trail and several other projects.

> In the 2012 report, Walker addressed the integrated nature of on-street and off-street parking, noting that "Ideally, the off-street parking would be used for longer-term parking and would provide an easy place to park in the area without having to search for an open on-street space. When on-street parking, which is the most convenient, is priced lower than the off-street parking, demand for on-street parking only increases. Thus, parking and conversely, traffic, increase as patrons and employees circulate looking for on open, 'free,' and convenient on-street parking space. Demand from employees further exacerbates the problem, as these parkers tend to utilize the on-street parking spaces for extended periods of time. The recommended strategy for encouraging turnover and reducing the number of employees parking in the prime on-street areas is to implement metered parking."[71]

In their 2012 report Walker recommended the following changes to on-street parking regulations:

1. Eliminating the "two hours free" on-street parking regulations and transition to a metered parking program.
2. Installation of multi-space meters
3. Providing free parking in blocks 52 and 53.

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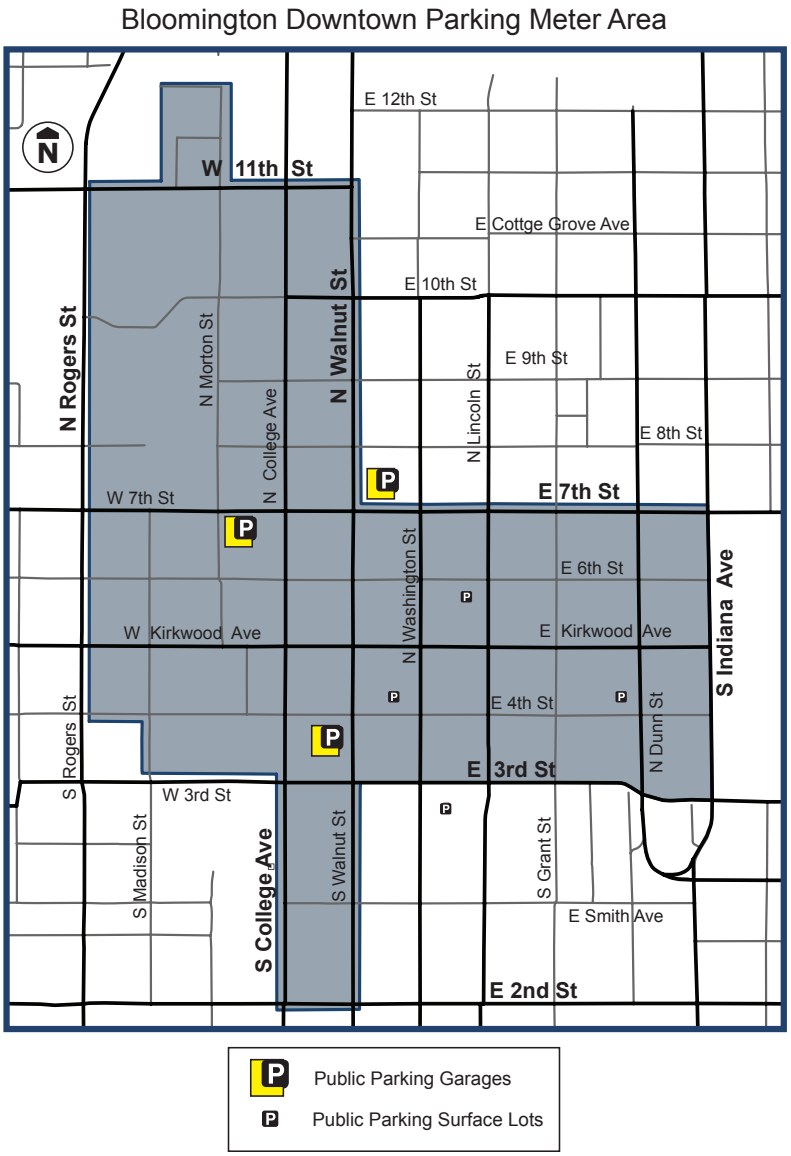
[71] Walker Parking Consultants. Parking Operations Plan for the City of Bloomington. December, 2012. p. 5.

Figure 32: 2013 City of Bloomington Meter Zone.



Following the adoption of Ordinance 13–03, Mayor Kruzan shifted oversight of the parking enforcement office from the Department of Public Works to the City Police Department. Parking Enforcement officers began to serve as ambassadors of the City and as a force-multiplier for the Police Department during their routine enforcement duties.[74] Additionally, the Kruzan administration distributed parking enforcement responsibilities ~~were distributed~~ among seven different City departments.

[74] Tonsing, A. "Parking officers providing more eyes & ears for City." The Herald Times, 2017 May 31.

Relationship between Time Purchased, Transaction Count and Occupancy Rates

A scatter plot of the number of transactions as a function of time purchased (Figure 40) reinforces to the idea that longer lengths of stays may lead to fewer overall transactions; however, a similar scatter plot of BFO as a function of time purchased (Figure 41) does not negatively correlate. That is to say, greater amounts time purchased does not contribute to higher block face occupancy rates.

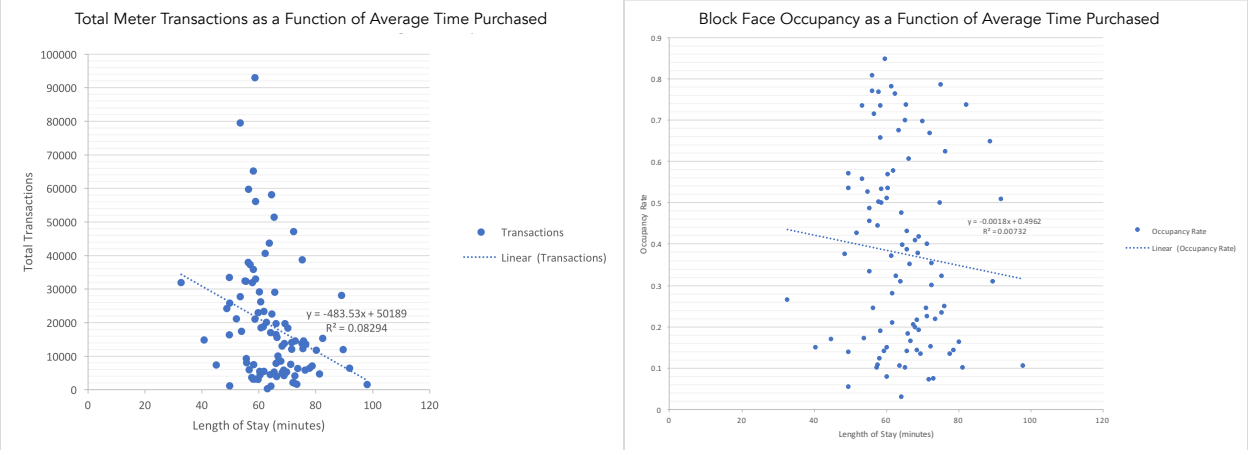
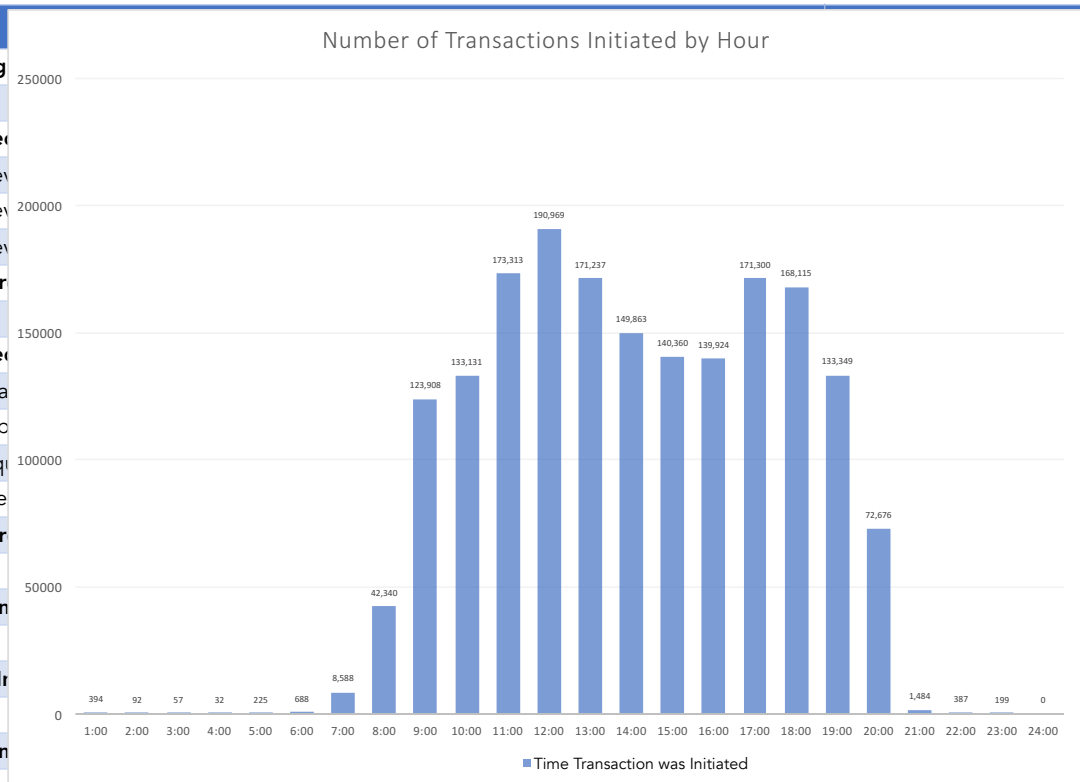


Figure 43: 2016 Parking Meter Zone Financial Performance.



Parking		**,527.40**
Meterec		
Rev		,555.10
Rev		,005.77
Rev		,169.30
Total Pr		**,730.17**
Meterec		
Sta		.774.55)
Op		.094.97)
Equ		.432.29)
Ge		.286.00)
Total Pr		.587.81)
Program		,142.36
Other In		711.75
Program		,854.11
Parking Meter Fund Closing Balance	$	1,608,381.51

Figure 42: Frequency of Meter Transactions Initiated per Hour, 2016.

Analysis of ParkMobile Transactions

Since transactions initiated in ParkMobile are not recorded by IPS Group, the Commission requested the complete history of ParkMobile transactions processed by users during 2016. From January to December of 2016, 94,995 transactions were initiated by 11,407 unique ParkMobile users. This number represents 5.0% of all transactions in the Metered Parking program. Although the ParkMobile user base is quite small, they are an active group: the top 5% of ParkMobile users accounted for 45.6% of transactions, and the top 10% of ParkMobile users account for 68.2% of all ParkMobile transactions.

When a user paid for parking fees using ParkMobile, the user was charged a transaction fee ranging from $0.30 to $0.50 per transaction. The City did not retain any portion of the convenience fee. During 2016, users paid $46,922 in convenience fees on parking fees of $241,102. The top 10% of unique ParkMobile users generated 76.9% of the total revenues, or $185,420. Analysis of the data revealed that 10% of ParkMobile users paid more in transaction fees than they received in parking credit, and that 3.1% of ParkMobile users paid for parking outside the hours of enforcement. ParkMobile usage data suggests that additional marketing of the availability and benefits of the platform may be warranted. 74.2% of unique ParkMobile users initiated fewer than five transactions during 2016, while 42.8% of ParkMobile users initiated only one transaction.

Metered Parking Financial Performance

Parking Meters Generated a Surplus of $618,000

The Commission defined Program Cash Flow as the difference between the total revenues generated by Metered Parking and the total expenses charged to the program which included staffing, lease payments and finance charges, communication contracts and other operational costs, and General Fund charges. During Fiscal Year 2016, the Metered Parking program produced a surplus Program Cash Flow of $618,142. (Figure 43). Citation revenues generated from citations issued at metered spaces were deposited in the City's General Fund, rather than the Parking Meter Fund, and as a result, citation revenues were not included when calculating the programs cash balance or program balance. However, ~~Including~~with the additional revenues from citations, Metered Parking ~~generated~~contributed a $1 million surplus to the City's parking system~~for the Parking Meter Fund~~. This surplus amount will increase by nearly $240,000 annually, once the equipment lease ~~has~~is fully ~~been~~ satisfied in 2017.

In addition to credit card processing fees, IPS Group charged the City a per-meter management fee of $2.00 ($2,992 per month, on average) and $5,610 per month to maintain the secure gateway. Each month, the City paid IPS Group an average of $14,800 for parking meter overhead. During 2016, the City paid IPS Group a total of $213,565 for management fees and the secure gateway. This amount included the first of four $20,000 installment payments by City Legal for monies withheld due to concerns about meter performance. Excluding the installment payment, the cost of overhead was calculated to be 10.6% of program revenues.

According to the Controller's ledgers, IPS Group was paid $281,305, or 15.4% of revenues recorded by IPS Group meters as program overhead. The City Controller recorded convenience fee revenues in account "455-26-260000-43490 Credit Card Convenience Fee"; costs of credit card processing were recorded as "455-26-260000-53830 Bank Charges"; and management fees and gateway charges paid to IPS Group were recorded in account "455-26-260000-53150 Communications Contract."

T2 Systems

T2 provided the hand-held hardware and software used by Parking Enforcement officers and provided back-office software for asset management and reporting. They also provided a front-end platform for parkers who received citations to make payments in real-time. On average, the City paid T2 $3,231.63 per month for the Flex subscription, a fee of $1,050 per-month for Flex hosting, and $262.60 per month for web-hosting (Figure 49). The City Controller recorded these costs in account "455-26-260000-53640 Hardware and Software Maintenance."

Parking Enforcement maintained a database of offenders and sent monthly statements via US mail. As part of the billing process, Parking Enforcement staff obtained the name and address registered to the owner of a license plate by performing a RovR lookup. The RovR service was provided by T2 Systems at the cost of $1.95 per search.

The total amount paid to T2 during Fiscal Year 2016 as $66,723, or 3.2% of program revenue. This amount included the $100 cost of freight charges to return units to T2 for service.

ParkMobile

~~An additional~~ $241,102 of revenue was generated separately from the IPS on-street meters by the users of ParkMobile~~.~~. When a user paid using the ParkMobile platform, ParkMobile collected the parking fee and a convenience charge. ParkMobile reimbursed the City for parking time purchased by users of the ParkMobile platform, however, the City did not receive any portion or benefit from the ParkMobile convenience fee. During Fiscal Year 2016, the City incurred a single, nominal overhead charge of $1,404 for meter sticker signage.

on behalf of their tenants which was prohibited under BMC §15.37, Zone 1 tenants whose parents' or permanent address was located in another part of Bloomington (however, this is unlikely to be the case in Zone 1 as many of the houses are owner-occupied) or data entry errors. Additional review of the application process and the eligibility requirements of persons or entities which apply for a permit is required, particularly since Zone 1 is above the 85% recommended occupancy level when considering the number of resident and visitor permits issued.~~no~~

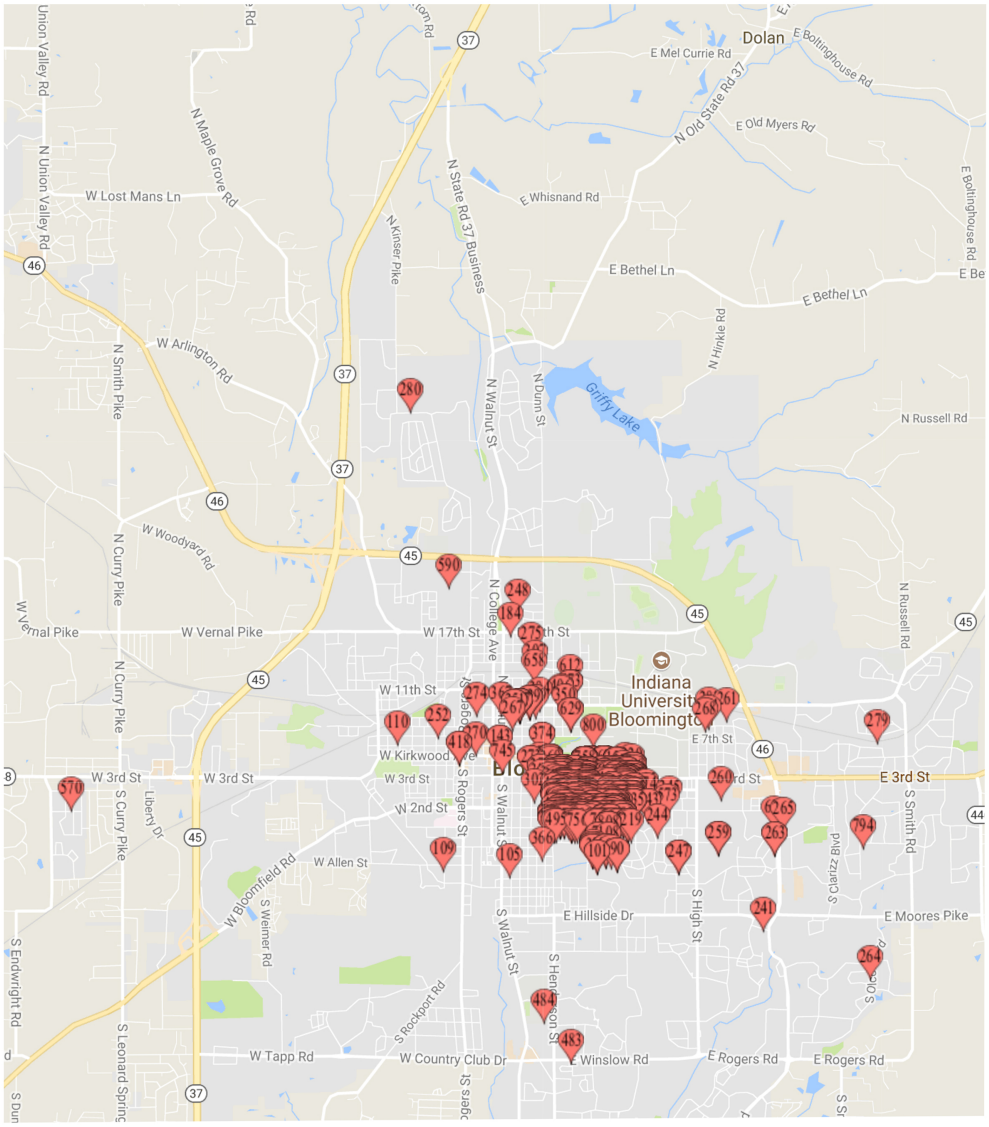



Figure 53: Plot of Zone 1 Permit Holders' Address of Record,