

# *A Financial Report on the City's Parking System*

City of Bloomington  
Parking Commission

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## Executive Summary

The City of Bloomington's Parking Commission prepared this report on financial status of the City's parking system in consultation with the Office of the Mayor, the City Controller, the Department of Planning and Transportation, the City Legal department, and the Office of the City Clerk.

Financial data was provided by the Deputy City Controller, and all tables included in this report have been derived from the Controller's ledgers. The Department of Public Works and the Office of the City Clerk provided additional data on garage operations and citations. The Commission sourced information from Council packets, minutes of the Redevelopment Commission and the Board of Public Works, and reports available on the City's website. This report focuses on Fiscal Year 2016 with analysis presented in five chapters: an introduction to the Commission and methodology used for the compilation of this report; a look at the system's overall financial status; and detailed analysis of the Garages & Lots, Metered Parking, and Neighborhood Zone systems.

Considering the value of land devoted to on-street parking, the cost of meter technology, and the replacement value of the parking garage structures, the City has over \$50 million in parking assets under management. This estimate does not include the value of land apportioned to on-street Neighborhood Zone parking. In Fiscal 2016, the parking system generated \$3.63 million in program revenue – a total of \$4.9 million when the value of citations and TIF monies contributed by the Redevelopment Commission (RDC) are included. Total revenue was equivalent to 4.4% of the City's projected revenue<sup>1</sup>.

Analysis of historical data revealed that in FY2011 the City subsidized the overall parking system by \$2.5 million. By FY2016, 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.

The system, not including citations or contributions from the TIF fund produced a FY2016 surplus of \$284,411;.However, not all of the individual parking programs produced a surplus. The Metered Parking system posted a surplus; Garages and Lots and the Neighborhood Zone systems operated at a shortfall.

### Garages and Lots

Garages and Lots expenses outpaced revenues by \$261,000. The total cost per garage space was \$1,114, while average permit revenue only amounted to \$608 per space. The Garages and Lots system was subsidized by

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<sup>1</sup> <<http://transparency.tylertech.com/bloomington/Pages/default.aspx>>

monies from the TIF fund which are preferentially allocated to the garage lease payments during the term of the leases. In 2016, \$662,700 was paid from the TIF fund to pay the garage lease payments.

Walker Parking Consultants noted in their 2012 report that garage rates did not provide enough revenue to recover costs of ownership and operation<sup>2</sup>. No changes to monthly garage permit rates have been brought to the Common Council since 2010.

The cash balance of the Parking Facilities account at the end of FY2016 was \$2.242 million.

## Metered Parking

The Council established 1539 on-street metered spaces and 179 “Free Two Free” parking spaces in the downtown business district. In spite of the parking meter’s substantial monthly communications contract and credit card processing fess, the system generated an operational surplus of \$618,000.

Key Metered Parking metrics included:

- ▶ \$1441 of revenue per metered space<sup>3</sup>;
- ▶ \$27.72 average revenue per week per metered space<sup>4</sup>;
- ▶ 38.5% usage rate<sup>5</sup>
- ▶ \$249 of citation revenue per metered space<sup>6</sup>;
- ▶ \$23.94 of citation revenue per enforcement labor hour;<sup>7</sup>
- ▶ \$29.74 cost per enforcement labor hour—25% more than citation revenue per hour;<sup>8</sup>
- ▶ Citation rate equivalent to 17.3% of hourly revenue.

Personnel costs engaged in the enforcement of Metered Parking and Neighborhood Zones exceeded the revenue generated by citations – this is true when comparing the costs per hour or the aggregate amounts of personnel cost and citation revenue. The commission examined the staffing costs related to enforcement, the

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<sup>2</sup> Walker Parking Consultants. Parking Operations Plan for the City of Bloomington. December, 2012., p.32.

<sup>3</sup> Hourly revenue divided by the 1539 metered spaces.

<sup>4</sup> Hourly revenue divided by number of metered spaces divided by 52 weeks.

\$27.72 in average revenue per week divided by \$72 maximum revenue.

<sup>6</sup> Rate calculations based on 1539 metered spaces. 1496 Meters were in service in December 2016.

<sup>7</sup> 8 FTEs were tasked to Metered Parking enforcement. Calculation assumes 2000 hours per year, per enforcement officer.

<sup>8</sup> Rate derived from the Neighborhood Zone system. Actual cost is likely less, due to seniority of Neighborhood Zone officers.

type and frequency of citations, and the rate at which citations escalated from \$20 to \$40. The break-even citation cost was calculated to be \$24.06 per citation. It can be demonstrated that every \$5 increase in the base citation rate has the potential to generate \$149,644 in revenue for the City, assuming no change in transient parker behavior; however, an increase in the base citation cost may increase compliance with the prevailing system, thereby decreasing overall citation revenue.<sup>9</sup>

Revenue from citations issued in the Metered Parking system and in the City's surface lots were deposited in the City's General Fund. This portion of citation revenue amounted to \$383,108. When revenue from citations was considered with program revenue, Metered Parking generated more than a \$1 million surplus after all expenses in the Parking Meter Fund. The specific uses for monies in this fund are enumerated in Bloomington Municipal Code (BMC) §15.40.015. This program balance of the Metered Parking system will increase by an additional \$225,000 in the first quarter of 2018, after the parking meter lease has been fully satisfied.

At the end of FY2016, the cash balance of the Parking Meter Fund was \$1.608 million.

## Neighborhood Zones

Expenditures from the Common Council's Sidewalk Fund were embedded in the Neighborhood Zone fund also designated as the Alternate Transportation Fund. In 2016, the City transferred \$500,000 from a capital account into the Neighborhood Zone account for use by the Common Council's Sidewalk Committee. 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 revenue by \$73,071. Citation rate was 170% of program revenue. The Neighborhood Zones system generates \$131,000 from the sale of permits, with a majority of revenue 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 to program revenue implies that neighborhood zones are not being used solely by compliant residents of the zone and that a more detailed review of the use of the public right-of-way for resident parking in neighborhood zones is required.

The cash balance of the Neighborhood Zone fund at the end of FY2016 was \$996,865.

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<sup>9</sup> D. Shoup. *The High Cost of Free Parking*. (American Planning Association, 2011), p. 486-489.

## Overall Picture

The operational cash flow of the entire parking system was \$284,412; the total program balance which included TIF money, revenue from citations, and capital funds unspent by the Council's Sidewalk Committee 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 Ordinance 16-22 to submit "an annual report of its activities and programs to the Mayor and Council by October of each year." While this report does not constitute the complete, annual report of the Commission, the Chair intended to present relevant facts not available in any other forum or report for review and careful consideration by the Administration and Common Council before the adoption of budgets for FY2018. 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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# Chapter 1. The City's Parking System

## Introduction

In 2007 when Walker Parking Consultants made their initial presentation, City officials, merchants of the downtown, and residents of Bloomington were introduced to terms such as 'parking inventory', 'block-face occupancy rates' and the concept of managed parking. The appropriate use of on-street and off-street parking was discussed, and attendees were treated to the first comprehensive review of the City's parking system.

The 2007 Walker report examined 8,229 parking spaces. The study found that 5,843 of the spaces were controlled by time limits or permit parking, and the remaining spaces (both on- and off-street) were available to the general public without restriction. In the report, Walker noted that "regulating, organizing and improving the parking supply requires a collective effort of the property and business owners and the City."<sup>10</sup>

In 2012, the City engaged Walker a second time to produce an update to the 2006 report. Both of Walker's reviews of the City's parking systems were focused on the use and occupancy rates in the downtown business district, both on-street and off.. Their studies were informed by building occupancy, employment data, and planned future developments; and they determined future parking surplus and deficiencies using the local data, national averages, and their experience and proprietary methodology.

Many of the questions raised in Walker's reports regarding appropriate use, departmental structure, communication strategies and marketing plans, wayfinding and signage, and appropriate pricing policies were never incorporated into a formal City parking policy, adopted as standard operating procedure, or codified in the Bloomington Municipal Code.

Walker consistently advocated for a centralized parking authority that would consolidate operations, hire and compensate staff, set rates and collect revenues, establish an annual budget, and acquire and manage parking facilities.<sup>11</sup> They advocated for enforcement officers to serve a dual role as "parking ambassadors"<sup>12</sup> — an idea that would not be adopted by the Common Council until 2015 and not fully realized until 2017.<sup>13</sup> The City has made significant investments in bicycling — paths, dedicated lanes, and racks in the downtown — but few

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<sup>10</sup> Walker Parking Consultants. Downtown Bloomington Parking Master Plan. April, 2007., p.31.

<sup>11</sup> Walker Parking Consultants. Downtown Bloomington Parking Master Plan. April, 2007., p.94.

<sup>12</sup> Walker Parking Consultants. Downtown Bloomington Parking Master Plan. April, 2007., p.54-56.

<sup>13</sup> Tonsing, A. "Parking officers providing more eyes & ears for city." The Herald Times, 2017 May 31.

other of Walker's Transportation Demand Management recommendations have been regularly discussed or implemented since the dissemination of the 2007 report.

The 2012 Walker update had a narrow scope that focused on the occupancy rates of the downtown business district. At the time the second study was conducted, Bloomington and West Lafayette were the only two Big-Ten cities that did not charge for on-street parking. The report found that occupancy on many blocks routinely exceeded the recommended level of 85%, while garages were less than half-full. Walker's update proposed changes to on- and off-street parking rules. Walker's report concluded by setting forth the conceptual basis for the installation of meters:

*"In the Downtown, on-street parking is perceived by the public as the most valuable asset in the parking system. In Bloomington, the most valuable parking asset is free! Even though this most convenient of parking is being provided for free, it is not without significant cost. Because of higher land cost, greater density of development, higher development costs of structured parking and the higher property tax burden, the real cost of providing adequate parking is higher than in comparable suburban markets. As building sites become fully utilized with highest and best use, a significant portion of the parking requirement must be satisfied off-street. The existing supply (1,200 spaces) of on-street parking is finite....As growth occurs, the current supply of on-street parking will not be sufficient to provide the convenience of short-term and errand parking."*<sup>14</sup>

Walker made specific recommendations about parking meter technology, a communications strategy, a garage management strategy, and a pricing strategy for on- and off-street parking. They included a pro-forma for the installation and on-going costs of a parking meter system. At the time the report was delivered to the City, the parking system was costing the city close to \$2.5 million dollars per year.

The Walker reports made an argument for fully integrating the City's parking management systems. Each of the three systems — Garages & Lots, Metered Parking and Neighborhood Zones — were "constructed" independent of each other, at different times and to serve different interests. Over time, a variety of enforcement measures, management policies, and branding and communication strategies have been used, yet the systems are still not fully integrated and, as a result, may not be configured for maximum efficiency and public benefit.

In March 2013 the Kruzan administration proposed and the Common Council adopted Ordinance 13-03, which authorized the installation of parking meters in the downtown business district. Meters were installed and operational by August 2013. Shortly after the installation of the parking meters, Public Works completed substantial upgrades in the appearance, lighting, and security of the City's garages.

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<sup>14</sup> Walker Parking Consultants. Parking Operations Plan for the City of Bloomington. December, 2012., p.31.

In 2015, Council adopted Ordinance 15-09 which amended the hours of enforcement for Garages and Lots and Metered Parking, and created the “Free Three Hours” rule to all three parking garages and most surface lots.

Throughout all of these changes, the City chose not to centralize parking services in one department and did not have a comprehensive policy for the management of parking assets. In fact, as many as seven different City departments had jurisdiction over and made decisions that affected parking operations:

- ▶ Mayor’s Office — oversight of policy, staff, and Boards and Commissions;
- ▶ Police — provided direct oversight of Parking Enforcement officers, was responsible for off-hour enforcement of parking regulations and data collection;
- ▶ Public Works — responsible for the maintenance of parking facilities and had actual authority over the issuance of garage and neighborhood zone permits;
- ▶ Controller’s Office — had apparent authority over the sale of permits, cash-handling, and performed system-wide record keeping and financial management;
- ▶ Planning & Transportation — issued temporary permits for construction and private parking under BMC §15.36, and provided oversight and staff liaisons to the Traffic and Parking Commissions;
- ▶ City Legal — drafted lease agreements and amendments and coordinated collection of bad debt; and
- ▶ The City Clerk’s Office — administered the process of citation appeals.

There was no single individual with the mandate to collect, review and analyze parking data recorded by each of the City departments. Further complicating matters, each of the City departments had different record keeping procedures and systems, technology, bureaucratic inertia, and policy priorities.

To address this void, in December of 2016, the Parking Commission was created by Ordinance 16-22. Among their mandates are to publish an annual report on the state of parking in Bloomington. This report, the first fulfillment of that mandate and is the result of many hours spent studying thousands of pages of City documents.

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## About the Parking Commission

The purpose of the Commission is, in coordination with decision-makers and others as is necessary or prudent:

- ▶ To develop, implement, maintain, and promote a comprehensive policy on parking that takes into account the entirety of, and furthers the objectives of, the City's comprehensive plan;
- ▶ To coordinate parking activities;
- ▶ To carry on educational activities in parking matters;
- ▶ To supervise the preparation and publication of parking reports;
- ▶ To receive comments and concerns having to do with parking matters; and
- ▶ To recommend to the Common Council and to appropriate City officials ways and means for achieving the City's comprehensive plan objectives through the administration of parking policies and the enforcement of parking regulations.

## Areas of Concern

The Parking Commission considers parking issues in six different categories:

- I. Garages and 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.

## Members of the Commission

### Members

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

### Staff Support

Scott Robinson	Planning Services Manager, City of Bloomington <i>staff support</i>
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### Advisory Members

Anne Bono	Director of Advocacy & Public Policy, Chamber of Commerce
Amanda Turnipseed	Director of Parking Operations, Indiana University Bloomington


## Chapter 2. Introduction to the Financial Report

### Background

The Commission was authorized by Ordinance 16-22 (see Appendix 3) to “[access] all data regarding the City's parking inventory, including usage, capital and operating costs, so long as the data is released in a manner consistent with exemptions from disclosure of public records set forth in Indiana Code § 5-14-3-4”.

On March 28, the Parking Commission adopted Resolution 2017-02 which authorized and directed the Chair to obtain and report on specific information about parking from City departments.

The Chair submitted a written request for information to City Legal, a copy of Parking Commission Resolution PKG 2017-02 which authorized the request, and a public records access request form to City Legal. Assistant City Attorney Anahit Behjou provided Detail General Ledger Reports for funds related to collections, garages and lots, the Alternative Transportation Fund (which also holds funds from neighborhood zones), and the Parking Meter Fund. (The Chair's letter, Ms. Behjou's response, and supporting documents were included in the Commission's May 2017 meeting packet.) An excerpt from a typical Detail General Ledger Report is shown in Figure 1.



Detail General Ledger Report									
G/L Date Range 01/01/16 - 04/30/17									
Include Sub Ledger Detail									
Exclude Accounts with No Activity									
G/L Date	Journal	Journal Type	Sub Ledger	Description/Project	Source	Reference	Debit Amount	Credit Amount	Actual Balance
G/L Account Number	452-26-260000-43130	Hourly Parking							
01/01/2016	2016-00000373	JE	RA	Revenue Collection Payment Post	Collections			Balance To Date: 123.75	\$0.00 (123.75)
Receipt Number	2016-00002215	Receipt Batch	2016-01000153	Receipt Description	Received From	Payment Date	Amount	Distribution Amount	
				Parking Garage CC 12/31 & 1/1	Parking Garage CC 12/31 & 1/1	01/01/2016	123.75	(123.75)	
							Total	\$123.75	(\$123.75)
01/04/2016	2016-00000626	JE	RA	Revenue Collection Payment Post	Collections		163.75		(287.50)
Receipt Number	2016-00003998	Receipt Batch	2016-01000292	Receipt Description	Received From	Payment Date	Amount	Distribution Amount	
				Parking Garage CC 1/4	Parking Garage CC 1/4	01/04/2016	565.75	(163.75)	
							Total	\$565.75	(\$163.75)
								144.00	(431.50)

Figure 1. Example of data provided to the Commission

## City Accounting Methods

Deputy Controller Jeff McMillian explained that the City separates revenues into account codes beginning with '4', and expenses with account codes beginning with '5'. The second number of each code refers to the City's budget categories, with '1' referring to personnel, '2' to supplies, '3' to other expenses, and '4' to capital expenditures.

After the annual budget has been adopted, a department has wide discretion to direct funds within a category. To move funds between categories, however, the department head is required to submit an appropriation ordinance to Common Council for approval.

At year's end, unspent funds continue to accumulate in the account to which budgeted funds were deposited. Additional appropriations from an account that are not the subject of an approved budget request must be introduced by the administration and then approved by the Common Council. By default, parking funds in City accounts are non-reverting, i.e., they stay in the specific account and do not automatically get transferred back to the City's General Fund.

## Accrual and Cash Accounting Systems

The main difference between accrual and cash basis accounting lies in the timing of when revenue and expenses are recognized. The cash method accounts for revenue only when the money is received and for expenses only when the money is paid out. On the other hand, the accrual method accounts for revenue when it is earned and expenses goods and services when they are incurred. The revenue is recorded even if cash has not been received or if expenses have been incurred but no cash has been paid. Accrual accounting is the most common accounting method.

The Controller's Office records revenue and expenses using accrual accounting. For instance, the office may receive a bill for a service performed in November of one year but not actually pay the bill until January of the next year. The office records that expense as being incurred in November, but the Commission's report would not reference or include the charge until the next year's report. This treatment introduces elements of standard and random error into the Commission's report.

Fortunately, many of the routine expenses have comparable amounts month-to-month, minimizing the standard error. However, the random error is a harder factor to assess, particularly with larger and infrequent expenses occurring in the system and capital improvements to the system. For instance, if an HVAC unit needs to be replaced, that particular expense may not reoccur for another seven to ten years — until the unit fails. In this report, all of the revenue and expense items that were either collected or disbursed by the Controller from the

first to the last day of a particular month were considered and classified as revenue and expenses originating in that month.

To prepare the statements in this report, the Commission reviewed the detail general ledger reports provided by the Controller's Office. Revenue and expenses were sorted by month into summary spreadsheets, (These were included in the Commission's May 2017 meeting packet.) Because the Commission did not have access to the original invoices, the expense ledgers were treated as cash-basis reports.

## Methodology

The City used separate accounts to manage funds for Garages and Lots, Metered Parking, and Neighborhood Zones. The master account code for each program is 452, 455, and 454, respectively. A detail of revenue and expenses was prepared for each program, along with an aggregate statement, and appear in Chapters 3, 4, and 5, respectively. The statements included a detail of revenues by source and expenses by City budget category.

Budget categories '2' and '3' were divided into operational and system-related expenses. Operational Expenses included items such as office supplies, electric and water/sewer bills, and other basic expenses. System-Related Expenses included those particular to the system which they support—for instance, in neighborhood zones, the cost of printing permits, or in the parking meter system, the cost of replacing meter batteries.

The Operational Cash Flow of each program was defined as program revenue minus program expenses. Program Expenses included personnel cost, operational expenses, system-related expenses, and general-fund overhead charges. The analysis of Operational Cash Flow found that the systems of Garages & Lots and Neighborhood Zones operated at shortfalls, while the Metered Parking system generated a surplus.

Enforcement of the rules in each system resulted commonly in the issuance of citations. Total revenues from citations vary widely from year to year. Revenues from neighborhood zone citations was deposited into City account 454, the Residential Neighborhood Zones Fund, also referred to as the Alternate Transportation Fund. Revenue from garage (but not lot) citations was deposited into account 452, the Parking Facilities Fund. Revenue from Metered Parking citations—including surface lot spaces as well as on-street spaces—was **not** deposited into account 455, the Parking Meter Fund, but instead into 101-02, the City's General Fund.

Other financial data that would complete the picture of the parking systems' performance must be found elsewhere in the City budget. It should be noted that, while the general ledger was very detailed concerning each account, not all of the expenses related to a particular project were categorized or listed in parking expense accounts. Often, a specific City priority is supported by staff and resources from a variety of City

departments. Other accounts in which parking-related expenses may be found were not examined during the preparation of this report.

The Tax Increment Financing (TIF) Fund preferentially allocates revenue to support the Garages and Lots system.<sup>15</sup> Capital expenditures from the Common Council's Sidewalk Fund were dispersed from the Neighborhood Zone / Alternate Transportation Fund. The stated purpose of enforcement is compliance, not generation of revenue. These three types of dollars — revenue from citations, TIF contributions, and capital expenditures — were treated as separate line items added back to Operational Cash Flow to determine the overall financial picture of each program, which in this report is termed the Program Balance.

## Overall Financial Summary

### Financial Performance FY2016: \$1.66 Million in Net Revenue

Figure 2 shows overall performance of the parking system. In FY2016, the City's parking system Operational Cash Flow was more than \$280,000. The Program Balance, which included revenue from citations and the TIF fund, was \$1.56 million.

In support of the Council's Sidewalk Fund, the City transferred \$500,000 from capital account 601 into the Neighborhood Zone account. The Council dispersed \$400,500 in FY2016, leaving a remainder of \$99,500 in the Neighborhood Zone account. Parking meter citation revenue totaling \$383,000 was deposited in the City's General Fund, as previously noted. In FY2016, the parking system was a net beneficiary of the capital transfer by \$117,000 and retained \$99,500 of unspent funds allocated to the Council Sidewalk Committee.

The Program Balance after capital expenditures for FY2016 was \$1.66 million (Figure 2). The Total Fund Balance at the end of FY2016 was \$4.85 million.

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<sup>15</sup> The Redevelopment Commission contributed \$662,709.99 of TIF fund dollars to pay the 7th Street and Morton Street garages' lease payments in FY2016.



Figure 2: 2016 Financial Performance of the City of Bloomington's parking system.

Category	Amount
<b>Revenue</b>	
Neighborhood Zone– Permit Revenue	\$ 131,860.38
Garages – Hourly Revenue	\$ 150,040.28
Lots – Hourly Revenue	\$ 74,847.01
Garages – Permit Revenue	\$ 740,856.30
Garages – Lot Leases	\$ 109,945.07
Garages – Other Revenue	\$ 21,003.18
Parking Meter -- Permits	\$ 25,555.10
Parking Meter – Hourly Revenue	\$ 2,218,005.77
Parking Meter – Convenience Fee	\$ 161,169.30
Private Parking	\$ 542.00
<b>Total Revenue</b>	<b>\$ 3,633,824.39</b>
<b>Expense</b>	
Staffing Expense	\$ (1,160,976.56)
Operational Expenses	\$ (317,132.01)
System-Related Expenses	\$ (1,699,224.31)
General Fund Charges	\$ (172,080.00)
<b>Total Expense</b>	<b>\$ (3,349,412.88)</b>
<b>Operational Cash Flow</b>	<b>\$ 284,411.51</b>
<b>Other Revenue</b>	
Neighborhood Citations	\$ 224,712.10
Garage & Lots Citations	\$ 1,572.00
Meter Citations	\$ 383,108.11
TIF Revenue	\$ 662,709.99
Miscellaneous Income	\$ 933.85
<b>Total Other Revenue</b>	<b>\$ 1,273,036.05</b>
<b>Program Balance</b>	<b>\$ 1,557,447.56</b>
Capital Transfer to Neighborhood Zones	\$ 500,000.00
Capital Expenditures	\$ (400,496.25)
<b>Program Balance after Capital Expenditures</b>	<b>\$ 1,656,951.31</b>
<b>Total Fund Balance as of 12/31/16</b>	<b>\$ 4,847,015.30</b>

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## Financial Performance Since 2011

The Chair, in consultation with Deputy Controller Jeff McMillian, also obtained and reviewed detailed general ledger summaries for FY2011-2015.

Since 2011 there have been a number of changes to the City's chart of accounts used to categorize revenue and expenses. Revenues and expenses for the period were assigned to categories that closely approximated the City's 2016 chart of accounts. (The 2011-2015 reports were attached to the Commission's June 2017 meeting packet.)

Because the City's methods for recording revenue and expenses frequently changed before FY2016, it is important to note the following information when comparing historical financial data:

- ▶ From FY2011 until August 2013, garage spaces were metered at a rate of \$0.25 per hour and on-street spaces were enforced as "2 Hours Free" per blockface from 5 a.m. until 5 p.m.
- ▶ In FY2013, the Controller's Office recorded revenue from the newly-installed on-street parking meters as hourly garage revenue.
- ▶ Beginning in FY2014, the Controller's Office created separate accounts to differentiate revenue and expenses for parking meters from garages and lots.<sup>16</sup>
- ▶ The difference between Llot lease revenue from FY2011 to FY2014 reflects the methods used to record permit parking revenue by the City Controller. The majority of 2014 revenue should be ascribed to permit revenue, not lease arrangements.
- ▶ The City did not record any charges to the General Fund in 2015; however, the amount recorded in 2014 most likely represents charges for 2014 and 2015.<sup>17</sup>
- ▶ Revenue from Metered Parking citations from August 2013 through 2015 is not included in Figure 3, *Summary Table of Parking System Financial Data, 2011-2016*.<sup>18</sup>
- ▶ Capital expenditures related primarily to the Common Council's Sidewalk Fund and included street repairs necessary for the installation of parking meters.

Financial performance data for the years 2011-2016 have been summarized in Figure 3.

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<sup>16</sup> In 2013, hourly revenue from garages, lots and parking meters were recorded in the same revenue account. Beginning in 2014, separate accounts for each system were used by the City Controller.

<sup>17</sup> The Commission has not been able to verify this assumption.

<sup>18</sup> Revenue from parking meter citations was deposited in the General Fund. For FY2011-2015, the Commission did not separate meter citation revenue from other citation revenue and other transactions in the General Fund account 101-02.

Figure 3. Summary Table of Parking System Financial Data, 2011-2016.

Revenue	2011	2012	2013	2014	2015	2016
<b>Revenue</b>						
Garages – Hourly Revenue	\$ 36,813	\$ 40,281	\$ 829,968	\$ 125,960	\$ 127,221	\$ 150,040
Lots – Hourly Revenue				\$ 74,119	\$ 120,475	\$ 74,847
Garages – Permit Revenue	\$ 416,196	\$ 417,042	\$ 435,986	\$ 525,675	\$ 722,522	\$ 740,856
Garages – Lot Leases	\$ 187,616	\$ 184,694	\$ 190,368	\$ 365,003	\$ 82,926	\$ 109,945
Garages – Other Revenue				\$ 14,990	\$ 16,590	\$ 21,003
Metered Parking – Permits				\$ 19,948	\$ 38,483	\$ 25,555
Metered Pkg. – Hourly Revenue				\$ 2,157,473	\$ 2,170,726	\$ 2,218,006
Metered Pkg. – Convenience Fee			\$ 53,779	\$ 153,081	\$ 147,661	\$ 161,169
Neighborhood Zone Permits	\$ 114,869	\$ 115,555	\$ 122,075	\$ 124,929	\$ 125,438	\$ 131,860
NZ Resident-Only Parking Permits				\$ 167	\$ 156	\$ 542
<b>Program Revenue</b>	<b>\$ 755,494</b>	<b>\$ 757,572</b>	<b>\$ 1,632,176</b>	<b>\$ 3,561,344</b>	<b>\$ 3,552,198</b>	<b>\$ 3,633,824</b>
<b>Expense</b>						
Staffing Expense	\$ (842,030)	\$ (880,862)	\$ (939,630)	\$ (981,153)	\$ (1,247,264)	\$ (1,160,977)
Operational Expenses	\$ (1,143,928)	\$ (877,208)	\$ (389,800)	\$ (275,607)	\$ (365,143)	\$ (317,132)
System-Related Expenses	\$ (1,160,411)	\$ (1,441,268)	\$ (1,220,793)	\$ (1,505,189)	\$ (1,672,529)	\$ (1,699,224)
General Fund Charges	\$ (109,192)	\$ (215,835)	\$ (225,000)	\$ (372,568)		\$ (172,080)
<b>Program Expense</b>	<b>\$(3,255,561)</b>	<b>\$(3,415,173)</b>	<b>\$(2,775,223)</b>	<b>\$(3,134,517)</b>	<b>\$(3,284,937)</b>	<b>\$(3,349,413)</b>
<b>Operational Cash Flow</b>	<b>\$(2,500,067)</b>	<b>\$(2,657,601)</b>	<b>\$(1,143,047)</b>	<b>\$ 426,827</b>	<b>\$ 267,261</b>	<b>\$ 284,412</b>
Neighborhood Citations	\$ 362,380	\$ 420,563	\$ 452,892	\$ 272,290	\$ 234,540	\$ 224,712
Garage & Lots Citations	\$ 578,778	\$ 581,137	\$ 452,256	\$ 2,810	\$ 827	\$ 1,572
Meter Citations	††	††	†††	†††	†††	\$ 383,108
TIF Revenue	\$ 748,734	\$ 756,221	\$ 704,362	\$ 666,080	\$ 670,678	\$ 662,710
Other Revenue	\$ 1,244	\$ 7,284	\$ 1,532	\$ 562	\$ 12,141	\$ 934
Grants		\$ (10,000)	\$ (5,000)			
<b>Program Balance</b>	<b>\$ (808,931)</b>	<b>\$ (902,397)</b>	<b>\$ 462,995</b>	<b>\$ 1,368,569</b>	<b>\$ 1,185,446</b>	<b>\$ 1,557,448</b>
Capital Transfer to 454	\$ 765,000	\$ 765,000	\$ 350,000	\$ 200,000	\$ 500,000	\$ 500,000
Capital Expenditures	\$ (238,312)	\$ (722,615)	\$ (229,627)	\$ (737,351)	\$ (251,708)	\$ (400,496)
<b>Program Balance after Capital Expenditures</b>	<b>\$ (282,243)</b>	<b>\$ (860,012)</b>	<b>\$ 583,368</b>	<b>\$ 831,217</b>	<b>\$ 1,433,738</b>	<b>\$ 1,656,951</b>

††On-street parking citations in 2011 and 2012 were reported as program revenue and deposited into Parking Facilities.

†††Beginning in August 2013, revenues from on-street citations were deposited into the general fund. Due to the overall number and co-mingling of transactions, citations data were calculated using records obtained from the Office of the City Clerk.

## Year-to-Year Comparisons

In FY2015 and FY2016, the City recorded revenues and expenses in the parking system using the same methodology. During those years, Public Works, Planning & Transportation, and the Controller's Office managed parking in a manner consistent with each other. Consistency in the number and management of assets, accounting methods, and types of permitted uses make historical comparisons for the period from FY2015 to the present most meaningful.

## Parking Meters Improved Performance

Challenges faced by the parking system before the installation of metered parking were well-documented by Walker Parking Consultants<sup>19</sup> and local media.<sup>20</sup> System-wide financial performance has rebounded from a \$2.5 million dollar shortfall in FY2011 to a \$1.66 million surplus for FY2016.

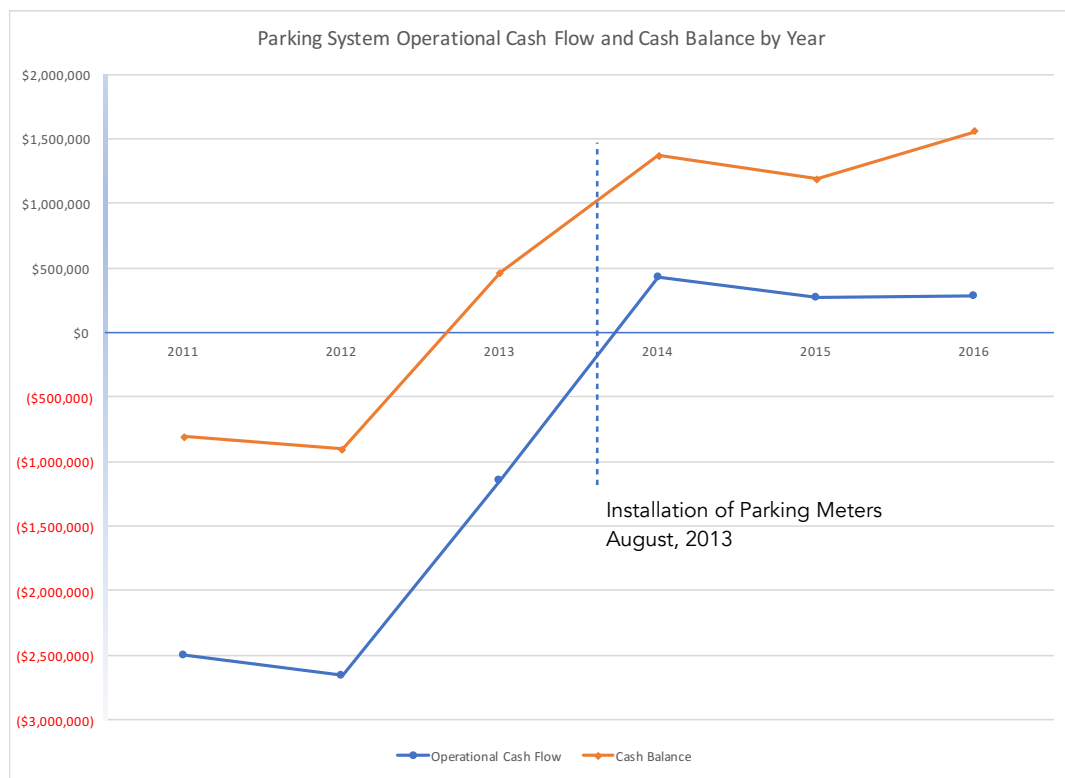


Figure 4: Graph of Parking System Operational Cash Flow and Cash Balance by Year.

<sup>19</sup> Walker Parking Consultants. City of Bloomington Parking Operations Plan. December 2012, p. 31-47.

<sup>20</sup> Blau, J. "Paid parking in Bloomington: An issue of dollars and sense." *The Herald Times*, 2013 January 2.

## System Subsidized by TIF Fund and Citations Revenue

Gross TIF dollars devoted to parking have declined from \$748,000 in FY2011 to \$663,000 in FY2016, and represent 13.5% of the total revenue of the parking system. The Redevelopment Commission is obligated to preferentially allocate TIF money until the terms of the garage leases have been satisfied.<sup>21,22</sup> **Between FY2011 through 2017, the TIF will have contributed nearly \$5 million to the parking system.** The literature suggests that continued use of TIF dollars creates a cross-subsidy from those without cars to those who have them<sup>23</sup> and represents an opportunity cost to the community.

Revenue from all citations totaled \$609,000 in FY2016, representing 12.5% of system revenue. Citation revenue and TIF money make up 26% of the parking system's overall source of revenue.

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<sup>21</sup> Register Parking Garage Operating Lease, 2003 December 11. Section 4.8.2-4.8.3.

<sup>22</sup> 7th and Walnut Garage Operating Lease. 2001 February. Section 4.2.

<sup>23</sup> R. Willson, *Parking Management for Smart Growth*. Washington Island Press, 2015, p. 13.

## Chapter 3. Garages & Lots

### Overview

There were three public parking garages — the Fourth Street, Walnut Street, and Morton Street Garages — and five public off-street surface parking lots located in the downtown business district which accommodated transient and permit parkers. Lot prices were the same as on-street parking, \$0.25 per 15 minutes, and lot parkers paid using single-space IPS-brand smart meters. Garages were configured as pay-on-exit with rates of \$0.50 per hour, half the on-street rate.

BMC §15.40 governed the operation of the City's garages and lots, which are managed by the Department of Public Works. The City maintained additional surface parking lots as part of the parks system.

### System Configuration

#### Preface: University's Parking System Inventory

Indiana University Bloomington (IUB), whose flagship campus lies entirely within the borders of the City, maintained an extensive parking system. The systems of the City and the campus are completely separate; neither has any direct influence or oversight over the other. Their numbers are reported here for context.

In December 2010, IUB reported a parking supply of 20,639 spaces, which included 6,500 remote parking spaces used by commuters and for athletic events near the stadium, and 14,139 spaces on campus, including the surface lots east of the 45/46 Bypass. Spaces were divided among faculty and staff permits, student residential permits, visitor spaces, and other commuter lots. IUB's six structured parking decks (including the garage in Ballantine Hall) contained 3,023 spaces, while the remainder were in surface lots.<sup>24</sup> The Poplars Garage and a few of IUB's surface lots were located within the City's metered zone.

#### City Parking Garages

The city's three garages have 1219 spaces. Garages were monitored by staff 24 hours a day, 7 days a week. The garages' locations, hours of operation, cost and capacity are summarized in Figure 5.

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<sup>24</sup> IU Bloomington Master Plan, p. 78-79. December, 2010. <<http://masterplan.indiana.edu/iub/conditions.pdf>>.

Some spaces are restricted to certain users. The City provided spaces in the Fourth Street Garage free-of-charge to the Monroe County Court system for juror parking, and Ameritech maintains an option on twenty free-of-charge spaces in the Walnut Street Garage as a condition of the structure lease<sup>25</sup>. The City also leased 80 spaces in the Fourth Street Garage to CFC Properties, Inc. (The developer of the Walnut Street Garage, 7th & Walnut LLC, also retains over the term of its operating lease the option to designate 75 spaces immediately above the retail portion of the garage as either metered or monthly rental spaces reserved for tenants of the retail spaces.<sup>26</sup> The developer of the Morton Street Garage, Mercury Development, LLC, maintains an option on 115 spaces for use by the Hilton Garden Inn as a condition of Mercury's operating lease.<sup>27</sup>) Overall, the garages offer 1065 unrestricted spaces to the general public.

*Figure 5: Downtown parking garage locations, pricing policy and capacity*

<b>Downtown Parking Garages: 1219 total spaces (1065 unrestricted)</b>		
Fourth Street Garage 105 W. Fourth Street	Pay to Park \$0.50 per hour Monday - Friday 8am - 6pm. First 3 hours are free Monday - Friday 7am - 6pm Free after 6pm daily and all day on weekends	<b>352 Spaces</b> 80 Reserved 10 ADA 262 Unrestricted
Morton Street Garage 220 N. Morton Street	Pay to Park \$0.50 per hour 24/7 First 3 hours are free 24/7 Gated garage monitored 24/7	<b>521 Spaces</b> 30 Reserved 10 ADA 481 Unrestricted
Walnut Street Garage 302 N. Walnut Street	Pay to Park \$0.50 per hour 24/7 First 3 hours are free - Monday - Friday 6am-6pm and Saturday - Sunday 6am - noon Gated garage monitored 24/7	<b>346 Spaces</b> 14 Reserved 10 ADA 322 Unrestricted

The City collected revenue from other lot leases, such as from Courtyard by Marriott for spaces adjacent to the Monroe County Convention Center. (The City also leased space in the Showers Center West parking lot to CFC Properties, which co-developed Showers Center with the City and IUB.) Lot lease revenue was recorded as separate line items in the Parking Facilities account. (

<sup>25</sup> 7th and Walnut Garage Operating Lease. 2001 February. Section 1.1.

<sup>26</sup> 7th and Walnut Garage Operating Lease. 2001 February. Section 5.3.

<sup>27</sup> Regester Parking Garage Operating Lease, 2003 December 11. Section 5.3.

## Monthly Garage Permits

On average, 67% of the City's garage spaces were allocated to permit parking. Parkers were able to purchase a permit for parking in a specific garage from the City. The range of permits offered to downtown employees and commuters are summarized in Figure 6. Consumers purchased permits at the office in the Morton Street Garage.

*Figure 6: Downtown garage permit expense by type*

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)

## Garage Use-Mix: Permit Holders 2-1 over Hourly Parkers

According to Willson, off-street parking should be prioritized for non-visitor demand and long-term commuter parking access.<sup>28</sup> During FY2016, the use-mix of the City's garages was approximately 67% permit parking and 33% hourly parkers, which was consistent with the literature's recommendation.

Garage staff computed occupancy by counting the number of vacant spaces each day during peak-use times in each facility.<sup>29</sup> Peak-time is defined as the time of day when the garages are at maximum capacity. At the end of each month, staff computed the average and the minimum number of vacant parking spaces in each garage to determine the maximum and average occupancy rates (Figure 8). The garage occupancy rate is calculated by the following formula:

$$\text{Garage Occupancy Rate} = \frac{\text{Usable Spaces} - \text{Minimum Vacant Spaces}}{\text{Usable Spaces}}$$

Garage staff maintained counts of permits issued (Figure 7) to determine trends as well as the number of parking permits available for sale, based on the absolute minimum number of spaces available. Some operators of garages, both private and public, use a monthly average of their empty spaces to determine the number of

<sup>28</sup> R. Willson, *op. cit.*, p. 108.

<sup>29</sup> City of Bloomington Parking Garages 2017 Report & Recommendations.



permits available to be sold. The monthly average number of empty spaces will always be higher than the minimum number of empty spaces on any given day unless the garage is at 100% capacity (in which case both numbers are zero). The City used the minimum number of available spaces to determine permit availability, thereby ensuring that the garage was never over-sold, which would exclude some permit-parkers from parking in the assigned garage.

*Figure 7. Number of Permit Type Issued by Garage, Fiscal 2016.*

Permit Type	Fourth Street	Morton Street	Walnut Street
12/5 Non Reserved	12	222	96
12/5 Reserved	320	12	7
24/7 Non-Reserved	56	185	257
24/7 Reserved	0	44	0
No Charge	5		20
Total Passes Issued	378	657	340

## Garage Occupancy Rates

### Occupancy in City Garages Consistently Exceeds 85%

Ryan Daily, Garage manager for the City of Bloomington, computed and reported average garage occupancies during the month of March 2017 as:

- ▶ 100% for the Fourth Street Garage;
- ▶ 98% for the Morton Street Garage;
- ▶ 92% for the Walnut Street Garage.

In 2016, all of the garages' average occupancy rates exceeded the 85% level recommended by Shoup.<sup>30</sup> An occupancy rate of 85% or greater indicates either a need for an increase in supply or an increase in rates.<sup>31,32</sup> No additional permits were available for the Fourth Street Garage during FY2016 – it was effectively full. The Morton Street Garage's occupancy rate fluctuated seasonally, and the Walnut Street Garage's occupancy rate was most closely aligned with the academic year. There were more student permit-parkers in the Walnut Street Garage than any of the other garages. Figure 8 details occupancy rates by month during FY2016.

<sup>30</sup> D. Shoup. *The High Cost of Free Parking*. (American Planning Association, 2011), p. 685-686.

<sup>31</sup> D. Shoup. *The High Cost of Free Parking*. (American Planning Association, 2011), p. 38-43.

<sup>32</sup> R. Willson, *Parking Management for Smart Growth*. (Island Press, Washington, 2015), p. 108-109.

Figure 8: 2016 Garage Occupancy Levels by Month.

Month	Fourth Street	Morton Street	Walnut Street
January	99%	92%	81%
February	99%	93%	81%
March	99%	85%	87%
April	99%	99%	80%
May	98%	97%	82%
June	99%	85%	49%
July	95%	79%	49%
August	99%	87%	93%
September	99%	98%	92%
October	98%	97%	86%
November	98%	98%	88%
December	Not Calculated	Not Calculated	Not Calculated

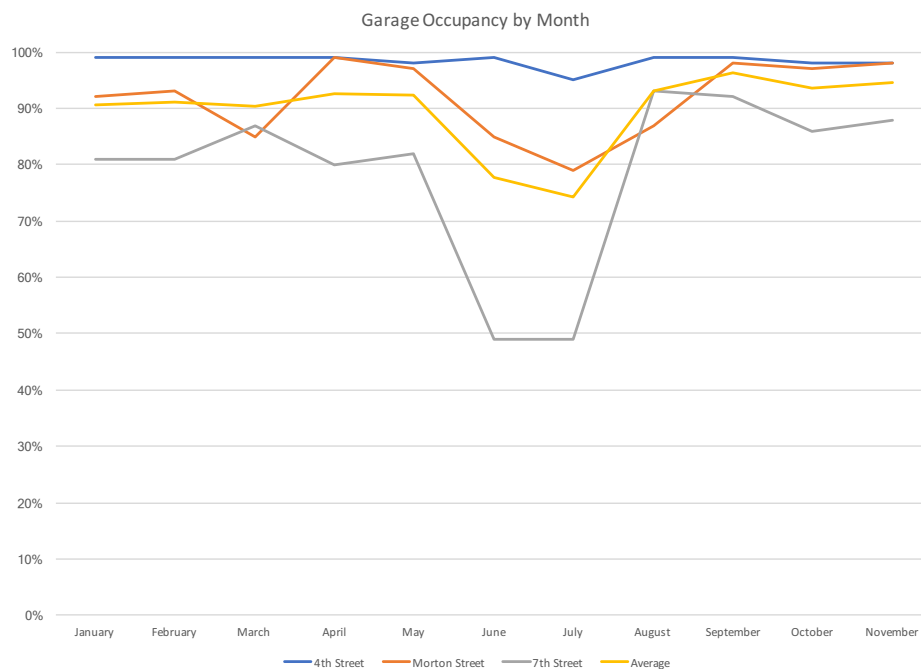


Figure 9: Graph of Garage Occupancy Levels by Month.

City garages consistently exceeded 85% occupancy levels during the nine months of the academic year (Figure 9), and there was a substantial waiting list for 24/7 and 12/5 permits.

An external change may affect occupancy rates in next year's report. In May 2017, IUB repurposed the use-mix of its Poplars Garage on East 7th Street to permit-holders only, Monday through Friday eight a.m. to six p.m.<sup>33</sup> This change affected some who had used the garage to patronize local businesses in the University Village overlay.

## City Surface Parking Lots

Public Works also maintains the City's surface parking lots. Figure 11 describes the location and rules which governed lots in the downtown business district. Each lot had different rules regarding permits, cost to park, and hours of enforcement which were not aligned with any other element of the parking system. Over time, some of the lots have been repurposed to "permit-only parking" or restricted in other substantial ways. In FY2016, it was the policy of the City to provide three hours of parking at no-charge at all lots except Lot 1.

Figure 10: Downtown Bloomington surface lots pricing policy

Downtown Surface Parking Lots	
<b>Lot 1:</b> Dunn Street and E. Fourth Street	Rate: \$1.00 per hour Meters can be paid up to 2 hours or via ParkMobile Enforced 8am to 5pm Monday - Friday Free after 5pm daily and on weekends
<b>Lot 3:</b> E. Fourth Street and Washington Street	Rate: \$0.50 per hour Consumers may pay using ParkMobile First three hours free Monday - Friday 8am - 5pm Enforced 8am to 5pm Monday - Friday Free after 5pm daily and on weekends
<b>Lot 5:</b> E. 6th Street and Lincoln Street	Rate: \$0.50 per hour Consumers may pay using ParkMobile First three hours free Monday - Friday 8am - 5pm. Reserved spaces are for permit holders only. Enforced 8am to 5pm Monday - Friday Free after 5pm daily and on weekends
<b>Lot 6:</b> E. 3rd Street and Washington Street	Rate: \$0.50 per hour Consumers may pay using ParkMobile First three hours free Monday - Friday 8am - 5pm Enforced 8am to 5pm Monday - Friday
<b>Lot 10:</b> Convention Center	Leased to the Convention Center
<b>Lot 11:</b> 8th & Morton	Requires Red Lot Permit, Leased to Indiana University
<b>Lot 12,13,14:</b> Showers Center, City Hall	City Employee Parking, Leased to CFC
<b>Lot 15, 16:</b> Police Headquarters	Requires White Lot Permit, Rate: \$0.50 per hour Meters can be paid up to 2 hours or via ParkMobile

<sup>33</sup> "Hourly Paid Parking Prohibited in Poplars Garage Starting May 8th, 2017" May 2017. <<https://parking.indiana.edu>>.

## Impact of “Three Hours Free” Policy on Garage Viability

The “3 Hours Free” parking policy impeded the City’s ability to collect hourly parking. has a measurable impact on the garages’ ability to pay for themselves. Under the system in place at the Fourth Street Garage, a commuter may enter the garage prior to or after the commencement of enforcement and exit after enforcement ends at six p.m. without incurring a fee; the same is true of anyone who parks there for less than three hours.<sup>34</sup> Fourth Street revenue per space lags behind the other garages primarily due to these limited hours of gate enforcement (Figures 5, 10).

There were days when the Walnut or Fourth Street Garages did not generate enough revenue to cover staffing costs. Costs could be offset by aligning the hours of gate enforcement at the Fourth Street and Walnut Street Garages to 24/6, as at Morton. Ryan Daily, Garage Manager for the City of Bloomington, estimated that by so aligning the hours of enforcement, the Fourth Street Garage would generate at least \$30,000 of additional revenue per year.

Figure 12. Hourly parking revenue by garage and year

Garage	2014	2015	2016
Fourth Street	\$ 9,986.54	\$ 8,063.75	\$ 10,974.25
Walnut Street	\$ 83,252.94	\$ 80,535.91	\$ 62,865.29
Morton Street	\$ 70,983.75	\$ 49,638.01	\$ 52,900.50
<b>Total</b>	<b>\$ 164,223.23</b>	<b>\$ 138,237.67</b>	<b>\$ 126,740.04</b>

### “Three Hours Free” Also Affected Hourly Lot Revenue

Hourly revenue in garages and lots has declined since the introduction of the policy in 2015. Hourly lot revenue alone declined \$50,000 from FY2015 to FY2016. The cost of this policy (in aggregate) could be as much as \$150,000 per year in lost revenue collection in the garages and lots system.

<sup>34</sup> City of Bloomington Parking Garages 2017 Report & Recommendations.

## Cost to the Garages & Lots System: A Minimum of \$100,000 Per Year

The Commission estimates that \$100,000 or more in normally-expected revenue was lost due to the “Three Hours Free” policy:

- ▶ 71% of parkers exited the Fourth Street Garage prior to three hours: a maximum cost of \$67,000
- ▶ \$30,000 estimated loss in revenue at the Fourth Street Garage from lack of 24/6 enforcement
- ▶ \$15,000 in revenue at the Walnut Street Garage from lack of 24/6 enforcement
- ▶ \$20,000 net annual decrease from FY2014 to present at the Morton Street Garage
- ▶ Loss of revenue at City lots from three-hours-free parking

Revenue reports show that transient parkers were engaging in one of three activities to avoid incurring a fee:

- ▶ Completing their business and exiting the garage within the first three hours – the highest percentage of parkers exit the garage within the free parking time period;
- ▶ Exiting the garage and re-entering immediately, gaining another free three-hour period; and
- ▶ Exiting the Fourth Street Garage outside the hours of enforcement.

In the Fourth Street Garage, garage ticket data showed that 71% of transient parkers enter and exit the garage within three hours, and 46% of transient parkers enter and exit the garage within 1.5 hours.

Analysis of the garage ticket data showed that up to 25% of transient parkers may be engaging in a “three-hour shuffle,” and that only half of all garage tickets were returned. Parkers who did not return a ticket were not required to pay a fee upon exiting the garage.

If a commuter can park in the Fourth Street garage without paying any fee, frequent users of the garage may be disincentivized to purchase a monthly parking permit.

## Free, On-Street Parking Spaces

A minor factor in decline in paid use of the garages may have come from free on-street spaces. (See Chapter 3 for details.)

Draft

## Fourth Street Garage: Repair or Replace?

The Fourth Street Garage, the City's oldest, was built in 1985, and is owned by the City. According to garage manager Ryan Daily, over the next two years, Public Works will request \$1.4 million dollars in funding to rehabilitate the Fourth Street Garage<sup>35</sup>. A portion of funding for this work will be included in FY2018 budget requests.

The Fourth Street Garage was built in 1986 as a precast concrete structure. The life of a precast garage is conservatively estimated to be 40 years. Both the Walnut Street and Morton Street Garages were “poured-in-place” and should exceed 75 years of service with appropriate preventative maintenance.

Assuming a construction cost of \$17,000 per space,<sup>36</sup> the Fourth Street Garage could be replaced for a cost of \$6 million, and expanded from a 352-space garage to a 500-space garage for \$8.5 million (not including the cost of demolition). The City has an opportunity to replace the garage during a period of time with historically low-interest rates without disrupting permit parkers in the garage. Holders of Fourth Street Garage permits could be relocated into other City garages in the month of May, the time when student permit-holders typically release their permits, allowing construction to begin as early as 2018.

## Development of the Walnut and Morton Garages

In 2001, the Redevelopment Commission (RDC) negotiated with 7<sup>th</sup> and Walnut LLC, a private developer, for the development and construction of the Walnut Street Garage. 7th and Walnut LLC also manages the first-floor retail spaces. The term of the structure lease of the Walnut Street Garage is 30 years.

Similarly, in 2003 the RDC negotiated a 50-year land and 30-year structure lease with Mercury Development LLC, a private developer. The RDC and City engaged private developers presumably for their expertise in managing the commercial spaces in these garages.

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<sup>35</sup> City of Bloomington Parking Garages 2017 Report & Recommendations.

<sup>36</sup> Transportation Cost and Benefit Analysis II – Parking Costs. Victoria Transport Policy Institute, January 2017, p. 5.4-6.  
<<http://www.vtpi.org/tca/tca0504.pdf>>

The leases negotiated by the RDC were presented to and ratified by the Common Council. The Walnut Street Garage was approved by Resolution 01-15 in January 2001,<sup>37</sup> and the Morton Street Garage was approved by resolution 03-34 in March 2003.<sup>38</sup>

## Garage Leases paid by TIF Monies, not Permit or Hourly Parking Revenue

For this report, the Commission obtained the relevant Council packets that contained the leases and notes from the City Attorney and the RDC. (This information was attached to the Commission's June 2017 meeting packet.)

The RDC included in their proposal a pro-forma for the Walnut Street Garage prepared s part of their due diligence. The Council attorney included this document in materials submitted to the Common Council (Figure 12). The RDC recommended regularly escalating meter rates and permit rates over time to pay for the operation and debt-service of the garage. Metered rates were scheduled to increase at the rate of \$0.25 every five years—at the time, garage spaces were equipped with single-space coin-operated meters. 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 revenue. These increases were never sought or approved; garage lease payments have been wholly subsidized by TIF revenues since execution of the garage leases.

The pro-forma shows that for FY2016, the RDC would contribute \$178,462 from the TIF to subsidize the expense of the Walnut Street Garage; the RDC contributed \$233,812, \$45,000 more than the RDC projected that was not offset by steady rate increases.

## Specific Terms of the Walnut Street Garage

In addition to meter and permit-parking revenue in the Walnut Street Garage, the City received a share of rent from the commercial spaces. Twenty parking spaces were reserved free-of-charge to Ameritech in exchange for property located behind a City-owned lot upon which the garage was built. The developer guaranteed payments of \$100,000 per year to the City, a total of \$3,000,000 over the term of the lease.<sup>39</sup>

The cost of the Walnut Street Garage was estimated to be \$5.6 million—a cost of \$16,200 per space. The RDC paid down \$493,678 of construction costs and financed the garage over 30 years at an interest rate of 7.1%. The City had the option to renegotiate the interest rate every five years. The developer pays \$100,000 towards

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<sup>37</sup> <https://bloomington.in.gov/media/media/application/pdf/10431.pdf>

<sup>38</sup> <https://bloomington.in.gov/media/media/application/pdf/9376.pdf>

<sup>39</sup> 7th and Walnut Garage Operating Lease. (February, 2001)

the annual lease costs and shares revenue from the retail space in excess of \$12 per square foot. The estimated payment for the first five-year term of the lease was \$311,793.44 per annum with a total project cost of \$9.85 million over the term of the lease. In 2016, payments for the Walnut Street Garage totaled \$233,812.

### Specific Terms of the Morton Street 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 space. The rate was set at 250 basis points above the 5-year Treasury yield. As in the case of the Walnut Street Garage lease, the City is able to renegotiate the interest rate every five years. The developer maintains an option to lease 115 spaces of the 521 space in the garage for the adjacent residential and hotel properties.<sup>40</sup>

The monthly lease payments for the Morton Street Garage in FY2016 were \$36,405.49 per month, totaling \$436,865.88. As in the case of the Walnut Street Garage, this amount was paid by the TIF.

### Re-examining Public–Private Partnerships

It's presumed that the developer of the Walnut Street Garage will earn a return in excess of \$3 million over the lease term. The balance of the public benefit in a public-private partnership and the City's relationship with a developer should be carefully examined prior to entering into new agreements to build parking in the Trades District or to replace the Fourth Street Garage.

In FY2016, \$662,710 of TIF dollars subsidized both garages. TIF dollars preferentially allocated to garage leases represent an opportunity cost to the community.

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<sup>40</sup> Register parking Garage Operating Lease. (December 11, 2003).



7th Street Garage

Scenario 2 - \$500,000 project paydown from Downtown TIF  
 Leases @ \$450/month, inc every 2 years; meters increased \$.25/ every 5 years  
 Retail leased at \$14.95 net, increased 1%/year thereafter

Feasibility Analysis

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											
30 year bond @ 5.95%	\$366,584	Annual Total	Annual Total											
		\$125,845 \$1,741,538	\$25,845 \$357,659											

\* excludes bond issuance expenses and fees

Proforma\_7W\_LLC.xls  
6/8/00  
1 of 2

Figure 12: RDC pro-forma for the Walnut Street Parking Garage.

## Rate Increases Have Not Kept Pace with the RDC's Pro-Forma

The Common Council ratified the Walnut Street Garage lease 9-0, but later Councils have not raised rates in that garage to keep pace with the RDC's projections. (The last permit price increases were in 2010<sup>41</sup> for \$5 and \$7 to monthly 12/5 and 24/7 permits, respectively. The ordinance passed narrowly 5-4.)

As part of the 2015 parking ordinance, the Common Council introduced three hours of free parking to parkers of the City's garages and lots. By offering a "Three-Hour Free Parking", the City collects less than 25% of the maximum hourly revenue in the garages. The policy shift further contributes to the continued need for an annual subsidy of TIF money.

<sup>41</sup> <http://bloomington.in.gov/media/media/application/pdf/7845.pdf>

It may be 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.<sup>42</sup> The RDC's pro-forma demonstrates that it did not intend to subsidize the garages at the current rate. Their projections show TIF dollars steadily declining as revenue from parking operations increases. TIF dollars that subsidize the operation of City garages represent a significant opportunity cost to the community.

## Garages & Lots Financial Performance

### Revenue Shortfall of \$261,000

The Garages & Lots program expense totaled 124% of program revenue, resulting in a revenue shortfall of \$261,202. Financial performance of the City's Garages & Lots for FY2016 is summarized in Figure 13. The Operational Cash Flow shortage was compensated for by revenue from citations and TIF money contributed by the RDC. Program Balance was \$403,302.

#### **Key Per-Space Metrics for 2016**<sup>43</sup>

- ▶ Total annual cost per garage space: \$1,114
- ▶ Average permit revenue per space: \$608

In 2016, garages were configured as pay-on-exit resulting a low number of garage citations being written by Parking Enforcement. Citations written in surface lots were recorded the same as Parking Meter violations were deposited into the General Fund.

The fund balance or cash-on-hand at the end of FY2016 was \$2,241,769.23.

The following strategies would reduce the Operational Cash Flow shortfall of \$261,202:

- ▶ increase hours of gated enforcement,
- ▶ 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.

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<sup>42</sup> Walker Parking Consultants. City of Bloomington Parking Operations Plan. . December, 2012., p.32.

<sup>43</sup> 1,219 spaces in inventory across the three garages.

Figure 13: 2016 Garage & Lot Financial Performance.

Item	Amount	Notes
<b>Revenue</b>		
Revenue – Hourly Parking Garages	\$ 150,040.28	
Revenue – Hourly Parking Lots	\$ 74,847.01	
Revenue – Garage Permits	\$ 740,856.30	
Revenue – Lot Leases	\$ 109,165.07	
Revenue – Employee Parking	\$ 780.00	Permit printing cost: \$1,377.51
Revenue – Other Income	\$ 21,003.18	
<b>Total Revenue</b>	<b>\$ 1,096,691.84</b>	
<b>Expense</b>		
Staffing	\$ (375,242.04)	
Operation Expense	\$ (112,939.34)	
System-Related Expense	\$ (812,980.33)	
General Fund Charges	\$ (56,732.00)	
<b>Total Expense</b>	<b>\$ (1,357,893.71)</b>	
<b>Operational Cash Flow</b>	<b>\$ (261,201.87)</b>	
<b>Other Income</b>		
Citation Revenue	\$ 1,572.00	0.92% of Hourly Revenue
Miscellaneous Income	\$ 222.10	
TIF Subsidy	\$ 662,709.99	
<b>Total Other Income</b>	<b>\$ 664,504.09</b>	
Program Balance	\$ 403,302.22	
<b>Fund Balance as of 12/31/16</b>	<b>\$ 2,241,769.23</b>	

## Staffing Expense

Staffing expense charged to Parking Facilities did not account for all of the employees or staffing resources committed to Garages and Lots<sup>44</sup>. Salaries drawn from the Parking Facilities account were paid to three employees of the Controller's office—staff whose primary focus is parking operations, and to a Parking Enforcement employee; four employees of Public Works; and a fifth who has since left the City.

Total payroll expense included benefits was \$375,242 (Figure 14).

<sup>44</sup> The Parking Garage Manager is not listed on the detailed general ledger reports.

Figure 14: 2016 Garages & Lots Staffing Expense.

Staffing - Garages & Lots	Amount	Subtotal
452-26-260000-51110 Salaries and Wages - Regular	\$ 212,644.58	
452-26-260000-51130 Salaries and Wages- Overtime	\$ 2,205.00	
452-26-260000-51210 FICA	\$ 15,420.72	
452-26-260000-51220 PERF	\$ 28,521.66	
452-26-260000-51230 Health and Life Insurance	\$ 92,911.00	
452-26-260000-52430 Uniforms and Tools	\$ 1,878.87	
452-26-260000-53420 Worker's Comp & Risk	\$ 15,937.00	
452-26-260000-53210 Telephone	\$ 5,723.21	\$ 375,242.04

## Operational Expense

The City incurs significant costs from processing credit cards across the entire system. Costs include the monthly rental fee of credit card processing terminals, a per-swipe charge, and inter-change fees — a percentage of the transaction amount. The City's garages accepted credit cards for monthly-permit fees and for parking time purchased at the pay-on-foot and pay-on-exit terminals.

### Significant Savings through ACH Payment Processing

The City would save a significant amount of fees by transitioning the processing of monthly permit subscriptions from credit card payments to ACH (automatic clearing house) payments. This issue was beyond the purview of the Parking Commission and was referred to the City's Office of Innovation.

Figure 15: 2016 Garages & Lots Operational Expense.

Operational Expense – Garages & Lots	Amount	Subtotal
452-26-260000-52110 Office Supplies	\$ 1,493.99	
452-26-260000-52210 Institutional Supplies	\$ 1,015.10	
452-26-260000-52310 Building Materials and Supplies	\$ 3,202.51	
452-26-260000-53410 Liability / Casualty Premiums	\$ 8,103.00	
452-26-260000-53510 Electrical Services	\$ 64,167.58	
452-26-260000-53530 Water and Sewer	\$ 786.53	
452-26-260000-53830 Bank Charges	\$ 30,043.50	
452-26-260000-53940 Temporary Contractual Employee	\$ 4,055.00	
452-26-260000-53990 Other Services and Charges	\$ 72.13	\$ 112,939.34

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## System-Related Expense

### \$662,710 in TIF Money Paid Garage Lease Payments

TIF monies subsidized the garages at the expense of other projects in the TIF district. In FY2016, \$662,710 of TIF money was used to pay lease installments on the Walnut Street and Morton Street Garages.

#### Monthly Lease Payments:

- ▶ \$18,759.98 per month paid by the City to 7th & Walnut LLC to service debt on the Walnut Street Garage
- ▶ \$36,405.49 per month paid by the City to Mercury Development, LLC to service debt on the Morton garage

Figure 16 details payments made to key vendors that support the City's Garages and Lots.

*Figure 16: Parking Facilities payments by Vendor –System Related Expenses, 2016.*

Vendor	Amount Paid	Vendor Notes
Evens Time, INC	\$ 60,530.74	provides services essential for garage enforcement including time clocks, gate arms and ticket– machines
Otis Elevator Company	\$ 47,264.92	includes annual maintenance agreements and repairs and maintenance of elevators in all three Garages.
The Toledo Ticket Co	\$ 9,742.16	prints tickets used by the POF and POE garage equipment .
Cassady Electrical Contractors	\$ 9,633.16	performs repair and maintenance on behalf of the City.
Koorsen Fire & Security, INC	\$ 3,166.48	provides fire protection and inspection service—a service that may be performed by the City Fire Department.

In FY2016, \$812,980 was spent on system-related expenses, supporting garages and lots. Figure 17 details expenses by account code.

*Figure 17: 2106 Garages & Lots System Related Expense.*

System Related Expenses – Garages & Lots	Amount	Subtotal
452-26-260000-52420 Other Supplies	\$ 18,085.59	
452-26-260000-52340 Other Repairs and Maintenance	\$ 4,506.32	
452-26-260000-53610 Building Repairs	\$ 51,727.48	
452-26-260000-53630 Machinery and Equipment Repairs	\$ 20,474.79	
452-26-260000-53640 Hardware and Software Maintenance	\$ 54,976.16	
452-26-260000-53650 Other Repairs	\$ 500.00	
452-26-260000-53840 Lease Payments	\$ 662,709.99	\$ 812,980.33

## Chapter 4. Metered Parking

### Overview

#### Before 2013

Street parking was metered from sometime before 1950 until 1982, when they were removed in the name of making the downtown more competitive with College Mall and environs. The conversation about replacing free 2-hour parking with meters once again began in earnest in 2006 when Donald Shoup was invited to speak at Council Chambers in April 2006 (a recording of which can be watched at [catstv.net](http://catstv.net)). Willson suggests that the “role of on-street parking is to efficiently use a scarce, limited resource to ensure access for priority, short-term visitors to the downtown business district”<sup>45</sup>; this same sentiment was echoed in Walker Parking Consultant’s 2007 and 2012 reports.

#### 2013: Re-establishment of Meters

In 2013, the Common Council adopted Ordinance 13-03, converting 1,539 on-street spaces to single-space smart metered stalls. Rates for on-street metered parking were \$0.25 per fifteen minutes, enforced eight a.m. until ten p.m., six days per week. A significant number of spaces in the Fourth Street Garage were designated as “three hours free,” a policy which would later be expanded. Oversight of Parking Enforcement was shifted to the Police Department. Parking Enforcement officers began to serve as ambassadors of the City and as a force-multiplier for the Police Department during the course of enforcement activities.

The Common Council retained 2-hour-free parking on 179 on-street spaces at the following locations:

- ▶ Rogers Street from 5th to 11th (limit of two hours)
- ▶ Madison Street from 2nd to 3rd
- ▶ Washington Street from 2nd to 3rd
- ▶ Lincoln Street from 3rd to Smith
- ▶ Grant Street from 2nd to Smith

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<sup>45</sup> R. Willson, *op. cit.*, p. 105.

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## 2015: Abbreviated Enforcement Hours, Expansion of “Three Hours Free”

Council revisited parking regulations in 2015. Ordinance 15-10 shortened the hours of enforcement to nine a.m. until nine p.m., six days per week, and expanded three hours of free parking to all three of the City’s garages.

## System Configuration

Regulations that governed Metered Parking are summarized in BMC §15.40.

The rate set by ordinance was one dollar per hour.<sup>46</sup> Under the prevailing City Code, the Mayor is able to suspend enforcement and the Board of Public Works has the authority to modify rates “in conjunction with special events and promotional activities.”<sup>47</sup>

Visitors that park in the meter zone have the choice to pay for parking by using coins, credit cards or by using the Parkmobile app which was available for iPhone, Android phones, and as a web-based application.

- ▶ Using coins, the rate was \$0.25 per 15-minutes of time. Meters accepted \$1 coins, quarters, dimes, and nickels;
- ▶ Using a MasterCard or Visa credit or debit card or Discover card, the rate was \$0.25 per 15-minutes of time with a minimum purchase of one hour. A convenience fee of \$0.30 per card swipe was added to the transaction cost. The fee was designed to offset the City’s cost of processing credit cards.<sup>48</sup> The City Controller recorded the convenience fee as a separate revenue line-item;<sup>49</sup>
- ▶ Using Parkmobile, the rate was \$0.25 per 15-minutes, rounded up to the nearest fifteen-minute interval, plus a \$0.50 service charge paid by the parker. Parkmobile charged lower service fees to frequent users of the Parkmobile app. Parkmobile accepted credit and debit cards and electronic fund transfers from Paypal.

Metered Parking is enforced Monday through Saturday from nine a.m. until nine p.m. On-street parking is free on Sundays, City holidays, and on-street metered parking was free every Saturday during the month of December.

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<sup>46</sup> BMC §15.40.020 (b) specifies, “The charge for the use of each on-street metered parking space shall be one dollar per hour between the hours of nine a.m. and nine p.m. every day, except Sundays and City holidays.”

<sup>47</sup> BMC§15.40.20 (c): The board of public works is authorized to alter or modify the hourly charge or method of payment for parking in all municipal parking lots, garages and on-street metered parking spaces in conjunction with special events and promotional activities.

<sup>48</sup> The City paid IPS Group \$0.13 for every credit card swiped at a smart meter.

<sup>49</sup>Board of Public Works Meeting Packet. October 8, 2015. <<https://bloomington.in.gov/media/media/application/pdf/16354.pdf>>

Citations issued in the parking meter zone cost \$20 which escalate to \$40 if not paid within 14 days. Through a partnership with T2, the City provides a gateway for real-time, secure payment of parking citations. The City coordinates collections of unpaid fines with Capital Recovery Systems of Columbus, Ohio.

## Metered Parking Financial Performance

The Controller recorded Metered Parking revenue in three separate accounts:

- ▶ Revenue from hourly parking
- ▶ Revenue from special event permits. The City permitted private individuals to reserve on-street parking for a special event. For payment of \$5 plus \$1 for every hour of regular enforcement hours, per metered space, the City reserved a space with a “Emergency — No Parking” sign.
- ▶ Convenience fees charged to customers who pay for parking using credit cards

The Commission reviewed meter transaction data that included parking session start and end times, amounts paid, method of payment, and meter ID number. City Legal provided raw transaction data from January 1, 2017 through April 25, 2017. The Commission did not obtain raw transaction data for 2016.

The 2017 data revealed:

- ▶ Coin-only: 69.0% of transactions, 40.3% of revenue;
- ▶ Card-only: 30.8% of transactions, 59.4% of revenue;
- ▶ Coin & Card: 0.2% of transactions, 0.3% of revenue;
- ▶ Online transactions: 0.09% of transactions, 0.03% of revenue.<sup>50</sup>

## Parking Meters Generated a Surplus of \$618,000

The Controller recorded Metered Parking revenue into three separate accounts:

- ▶ Revenue from hourly parking;
- ▶ Revenue from special event permits. The City permitted private individuals to reserve on-street parking for a special event. For payment of \$5 plus \$1 per-hour for every hour of regular enforcement hours, per metered space, the City reserved a space with a “Emergency — No Parking” sign.
- ▶ Convenience fees charged to customers who pay for parking using credit cards.

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<sup>50</sup>The transaction data file does not distinguish between types of online transactions, i.e., web-based or Parkmobile platform.



### **Key Per-Meter Metrics for FY2016**

- ▶ Revenue from usage, per meter: \$1441 <sup>51</sup>
- ▶ Revenue from usage, per meter per week: \$27.72 <sup>52</sup>
- ▶ Usage rate: 38.5% <sup>53</sup>
- ▶ Revenue from citations, per meter: \$249 <sup>54</sup>
- ▶ Revenue from citations, per enforcement labor hour: \$23.94 <sup>55</sup>
- ▶ Cost of enforcement, per labor hour: \$29.74 — 24% more than citation revenue per hour <sup>56</sup>
- ▶ Revenue from citations: 17.3% of revenue from usage

The Metered Parking system produced a surplus Operational Cash Flow of \$618,142 in FY2016 (Figure 18).

Citation revenue generated from citations issued at metered spaces were deposited in the City's General Fund, rather than the Parking Meter Fund. In FY2016, the citation revenue from Metered Parking citations totaled \$383,108. Citation revenue has declined 46% from peak in 2014.<sup>57</sup> Coincident with the installation of parking meters, hourly garage spaces were converted from single-space meters to pay-on-exit. As a result, Parking Enforcement officers ceased monitoring the percentage of garage spaces that were previously regulated as hourly parking stalls.

**When citation revenue is included, the parking meters generated \$1 million in surplus revenue for the Parking Meter Fund.** This amount will increase by \$225,000 once the equipment lease has been satisfied in 2017.

The cash balance of the Parking Meter Fund the end of FY2016 was \$1,608,381.51.

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<sup>51</sup> Hourly revenue divided by the 1539 metered spaces.

<sup>52</sup> Hourly revenue divided by number of metered spaces divided by 52 weeks.

<sup>53</sup> Average revenue per week divided by \$72 maximum possible revenue per week.

<sup>54</sup> Rate calculations based on 1539 metered spaces. 1496 Meters were in service in December 2016.

<sup>55</sup> 8 FTEs were tasked to Metered Parking enforcement. Calculation assumes 2000 hours per year, per enforcement officer.

<sup>56</sup> Rate derived from the Neighborhood Zone system. Actual cost is likely less, due to seniority of Neighborhood Zone officers.

<sup>57</sup> Office of the City Clerk: Report on Parking Tickets Issued & Appealed, January 2017.

Figure 18: 2016 Parking Meter Zone Financial Performance.

Item	Amount	Notes
<b>Revenue</b>		
Revenue – No Parking Signs	\$ 25,555.10	
Revenue – Hourly Parking	\$ 2,218,005.77	
Revenue – Convenience Fee	\$ 161,169.30	
<b>Total Revenue</b>	<b>\$ 2,404,730.17</b>	
<b>Expense</b>		
Staffing	\$ (666,774.55)	
Operation Expense	\$ (185,094.97)	
System-Related Expense	\$ (877,432.29)	
General Fund Charges	\$ (57,286.00)	
<b>Total Expense</b>	<b>\$ (1,786,587.81)</b>	
<b>Operational Cash Flow</b>	<b>\$ 618,142.36</b>	Operational Surplus
<b>Other Income</b>	<b>\$ 711.75</b>	
<b>Program Balance</b>	<b>\$ 618,854.11</b>	
<b>Fund Balance as of 12/31/16</b>	<b>\$ 1,608,381.51</b>	
Citations Deposited to 101-02	\$ 383,108.11	
<b>Total Program Balance Including Citations</b>	<b>\$ 1,001,250.47</b>	

## Staffing Expense

### Parking Meter Fund Pays for Crossing Guards

The staffing expense for Metered Parking (Figure 19) included payments to enforcement officers, supervisors, City Legal, the City's Facilities manager, and Crossing Guards. The Controller recorded salaries paid to Crossing Guards in account '455-26-260000-51120 Salaries and Wages - Temporary'. During In 2016, the City paid Crossing Guards \$60,919.60 in salaries — *this benefit of managed parking is not widely known by the general public.*

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Figure 19: 2016 Parking Meter Zone Staffing Expense.

Staffing - Parking Meter Fund	Amount	Subtotal
455-26-260000-51110 Salaries and Wages - Regular	\$ 351,726.76	
455-26-260000-51120 Salaries and Wages - Temporary	\$ 60,919.60	
455-26-260000-51210 FICA	\$ 29,070.25	
455-26-260000-51220 PERF	\$ 49,945.33	
455-26-260000-51230 Health and Life Insurance	\$ 146,004.56	
455-26-260000-51240 Unemployment Compensation	\$ 729.00	
455-26-260000-53420 Worker's Comp & Risk	\$ 15,937.00	
455-26-260000-52430 Uniforms and Tools	\$ 4,989.07	
455-26-260000-53210 Telephone	\$ 7,452.98	\$ <b>666,774.55</b>

A schedule of employees paid from the Parking Meter Fund, Figure 20, illustrates the variety of positions needed to manage meters. (Salary data was included in the City's response to the data request and provided to the Commission as part of the May 2017 meeting packet.)

Figure 20: 2016 Employees by Department/Job Code Paid from the Parking Meter Fund

Customer Service/Security Specialist: 1  
 Supervisor: 1  
 Asst. City Attorney: 1  
 Enforcement Officers: 8  
 Facilities Staff: 1 (retiring)  
 Crossing Guards: 15 (1 on leave)  
 Others no longer employed by City: 4

BMC §15.40.015 enumerates the following authorized uses for the funds deposited into the Parking Meter Fund:

- d) Disbursements from the fund shall be made only on orders of the board of works<sup>58</sup> for the purposes provided in IC § 36-9-12-4 (b), which include:
  - (i) The purchase price, rental fees, and cost of installation of the parking meters;
  - (ii) The cost of maintenance, operation, and repair of the parking meters;
  - (iii) Incidental costs and expenses in the operation of the parking meters, including the cost of clerks and bookkeeping;
  - (iv) The cost of traffic signal devices used in the municipality;

<sup>58</sup> <<https://bloomington.in.gov/code>> Should read, "Board of Public Works".

- (v) The cost of repairing and maintaining any of the public ways, curbs, and sidewalks where the parking meters are in use, and all public ways connected with them in the municipality;
- (vi) The cost of acquiring, by lease or purchase, suitable land for off-street parking facilities to be operated or leased by the municipality;
- (vii) The principal and interest on bonds issued to acquire parking facilities and devices;
- (viii) The cost of improving and maintaining land for parking purposes and purchasing, installing, and maintaining parking meters on that land; and
- (ix) The cost of providing approved school crossing protective facilities, including the costs of purchase, maintenance, operation, and repair, and all other incidental costs.**

## Operational Expense

### \$238,000 in Maintenance Paid to IPS Group; \$66,700 to T2 Systems

The detail general ledger reports, provided by the City Controller, indicated that payments to IPS Group for credit cards collection fees were the largest operational expense for Metered Parking.

IPS Group provided meter hardware and a "secure gateway." The smart meters interface with T2 Flex, the system used by City staff to record and process parking and citation transactions. The City incurred a cost of \$0.13 for every credit card processed at the single space meters — the end user was charged a \$0.30 convenience fee to cover this charge. IPS Group also charged a management fee of \$2 per Meter or \$2,992 per-month and \$5,610 per month to maintain the secure gateway. Each month, the City paid IPS Group an average of \$14,800.

Figure 21: 2016 Parking Meter Zone Operating Expense.

Metered Parking Operating Expense	Amount	Subtotal
455-26-260000-52110 Office Supplies	\$ 637.15	
455-26-260000-52240 Fuel and Oil	\$ 3,706.60	
455-26-260000-52420 Other Supplies	\$ 5,299.91	
455-26-260000-53220 Postage	\$ 10,000.00	
455-26-260000-53410 Liability / Casualty Premiums	\$ 8,103.00	
455-26-260000-53620 Motor Repairs	\$ 17,701.00	
455-26-260000-53630 Machinery and Equipment Repairs	\$ 25,187.50	
455-26-260000-53830 Bank Charges	\$ 114,459.81	<b>\$ 185,094.97</b>

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The costs of credit card processing were recorded as "455-26-260000-53830 Bank Charges". The remainder of the charges paid to IPS Group were recorded in "455-26-260000-53150 Communications Contract".

The City paid T2 Systems for equipment and software. T2 Systems provided the hand-held hardware and software used by Parking Enforcement officers and provided a back-end system for asset management and reporting, as well as, a front-end for parkers who received citations to make payment in real-time. 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 21).

Parking Enforcement maintained a database of offenders and sent notices of citations, monthly, via US mail. As part of the billing process, Parking Enforcement staff obtain 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.

## Processing, Maintenance and Overhead: 17.8% of Meter Revenue

In FY2016, the City, to process \$660,000 in credit card transactions at meters, paid IPS Group, Inc. \$114,500 in fees (17.3%). For overhead and maintenance on total meter revenue of \$2.2 million, an additional \$280,000 (12.7%) was paid to IPS Group, Inc. and T2 Systems. Total costs of processing and overhead were 17.8% of revenue.

Operating and system-related expenses are summarized in Figures 21 and 22, respectively. Selected System-Related Expenses are categorized by vendor in Figure 23.

Figure 22: FY2016 Parking Meter Zone System Related Expenses

Parking Meter Zone System-Related Expenses	Amount	Subtotal
455-26-260000-53150 Communications Contract	\$ 213,565.13	
455-26-260000-52340 Other Repairs and Maintenance	\$ 20,294.61	
455-26-260000-53310 Printing	\$ 10,599.72	
455-26-260000-53640 Hardware and Software Maintenance	\$ 66,623.33	
455-26-260000-53840 Lease Payments	\$ 473,169.14	
455-26-260000-53990 Other Services and Charges	\$ 5,603.21	
455-26-260000-54310 Improvements Other Than Building	\$ 87,577.15	<b>\$ 877,432.29</b>

In February 2016, Parking Enforcement purchased a new Ford Colorado pickup truck with snow removal equipment for \$87,577.15. This purchase was recorded as "Improvements Other Than Building." It should be noted that fleet expense is not one of the specifically enumerated uses for the Parking Meter Fund, however, BMC §15.40.015 states that the Parking Meter Fund may be used for the "...cost of repairing and maintaining

any of the public ways, curbs, and sidewalks where the parking meters are in use.” The City also contracted with private entities for snow removal in the garages, and those expenses were recorded in the Parking Facilities account.

At the close of FY2016, the Parking Meter Fund balance was \$1.6 million.

*Figure 23: Selected System-Related Expenses categorized by Vendor, 2016*

Vendor	Amount
Biller Press & Manufacturing,	\$ 2,147.00
Dri-Stick Decal Corp. (Rydin Decal)	\$ 1,506.00
First Financial Equipment Finance, LLC	\$ 473,169.00
Freedom Business Solutions	\$ 274.00
IPS Group, INC	\$ 238,690.00
Karl Clark (KC Designs)	\$ 1,060.00
KNJ, LLC (Quality Collision)	\$ 2,229.00
Midwest Color Printing, INC	\$ 994.00
OneBeacon Insurance Group	\$ 2,721.00
Paper Solutions, INC	\$ 2,445.00
Parkmobile, LLC	\$ 1,404.00
Safeguard Business Systems, INC	\$ 1,045.00
T2 Systems, INC	\$ 66,723.00

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## Citation Revenue

### Cost of Enforcement Outpaces Base Citation Rate

Revenues from citations issued at at meters and City surface lots are deposited in the the General Fund. Revenues from citations, fees and collections totaled \$383,108; citations written in Neighborhood Zones and Garages represented an additional \$226,284. In the Metered Parking system:

- ▶ \$23.94 of citation revenue generated per enforcement labor hour;<sup>59</sup>
- ▶ \$29.74 cost per enforcement labor hour—a deficit of \$5.80 compared to the above;<sup>60</sup>
- ▶ Additional costs of RoVR lookups—\$1.95 per lookup;
- ▶ Additional cost related to the preparation of statements;
- ▶ \$10,000 per year (on average) for postage; and
- ▶ T2 front-end hosting; and collection costs.

A \$20 base citation does not cover the total cost of enforcement. By comparison, citations issued by Indiana University Bloomington range from \$25 to \$200. Citations for expired meter parking are \$25 with most other parking citations scheduled at the rate of \$50 per citation.<sup>61</sup>

### A Model for Setting the Base Citation Rate

City Clerk Nicole Bolden provided citation aging data for the parking system from FY2011 through FY2015 (Figure 24). The report tallied citations by type, the number of citations reversed by appeal, and the number of citations unpaid. Using this data, the Commission was able to calculate a base citation rate that would cover the costs of enforcement.<sup>62</sup>

Total revenue from citations was \$607,820:

- ▶ \$383,108 from on-street Metered Parking and Garages and Lots
- ▶ \$224,712 from Neighborhood Zones

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<sup>59</sup> 8 FTEs were tasked to parking meter enforcement. Calculation assumes 2000 hours per year, per enforcement officer.

<sup>60</sup> Rate derived from the NZ system. Actual cost is likely less, due to seniority of NZ officers.

<sup>61</sup> <<https://parking.indiana.edu/citations/pay-citation.html>>

<sup>62</sup> The total labor costs of Neighborhood Zone and on-street enforcement, less the salaries paid to crossing guards.

The total cost of enforcement personnel was \$720,155:

- ▶ \$599,195 for Parking Meter Enforcement<sup>63</sup>
- ▶ \$118,960 for Neighborhood Zones

The difference of \$112,335 represents a shortfall of 18.5%.

From Figure 24, citations from expired meters accounted for 56% of total citations, with 44.9% of citations escalating from a base rate of \$20 to a \$40 fine. In the Neighborhood Zone system, 39.6% of citations escalated from the base rate. The escalation rate for all citations was 44.5%, making the average revenue from a citation \$28.90.

The City incurred bad debt as a result of uncollectible citations. Between August 2011 and FY2015, 2,325 (1.52%) of 152,842 citation transactions were unpaid. Presumably, these citations were placed into collections and will be settled at a fraction of the base value.

Given,

- ▶ \$607,820 in FY 2016 citation revenue, and
- ▶ an average citation value of \$28.90,

the average number of citations was calculated as 21,032. The Breakeven Average Citation Value sufficient to satisfy the personnel costs of the Neighborhood Zone and Metered Parking systems while accounting for bad debt of 1.52% was calculated according to the following equation:

$$\text{Breakeven Average Violation Value} = \frac{\text{Total Personnel Expense}}{\text{Average Number of Violations} * (1 - \text{Percent Bad Debt})}$$

The Breakeven Average Citation Value was calculated to be \$34.77.

By definition,

$\text{Breakeven Average Violation Value} = (\text{Base Violation Rate})(1 - \text{Escalation Rate}) + 2(\text{Base Violation Rate})(\text{Escalation Rate})$ ,

The Base Citation Rate was calculated to be \$24.06 using the historical escalation rate of 44.5%.

Increasing citations from \$20 by \$4.06 would generate enough revenue to cover the costs of enforcing parking regulations—approximately \$115,730. Every \$5 increase in the base citation price has the potential to generate \$149,644 in additional revenue for the City, assuming no change in transient parker behavior. An increase in the

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<sup>63</sup> \$666,774 less \$65,580 for the cost of Crossing Guards.



Base Citation Rate may result in an increase of compliance with the prevailing system, thereby decreasing overall citation revenue.<sup>64</sup>

At the time this report was prepared, the Parking Commission had not discussed or made any recommendations concerning citations and enforcement and the Commission does not specifically advocate for an increase as part of this report.

However, depositing citation revenue from Metered Parking into the Parking Meter Fund rather than the General Fund—as is the practice in Neighborhood Zones and Garages & Lots; removing the Council Sidewalk fund from the Neighborhood Zone account; and providing a more detailed accounting of back-office support and overhead for General Fund charges would result in a more transparent reporting of parking-related expenses.

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<sup>64</sup> D. Shoup. *The High Cost of Free Parking*. (American Planning Association, 2011), p. 486-489.

Figure 24: Citations by Violation and Status Summary for dates beginning 8/1/2012 through 12/31/2015

Violation Type	Unpaid Fines	Unpaid	Zero Bal	Inactive	Total	Escalated
Expired Meter x	\$ 0	0	1	0	1	0
Obstruct Traffic - A06-08	\$ 0	0	1	0	1	0
Neighborhood Parking - A13-08	\$ 0	0	1	0	1	1
Other Violation - A17-08	\$ 0	0	3	0	3	2
White Permit Only - A22-08	\$ 0	0	1	1	2	1
Expired Meter - A01	\$ 32,060	1,603	80,749	2,503	84,855	38,103
Yellow Curb - A02	\$ 280	14	2,617	48	2,679	1,248
Overtime Parking - A03	\$ 680	34	18,798	421	19,253	9,445
Alley - A04	\$ 20	1	318	16	335	149
Loading Zone - A05	\$ 0	0	132	4	136	65
Obstruct Traffic - A06	\$ 20	1	183	4	188	93
Permits/Leased - A07	\$ 900	18	296	56	370	0
Backed in Space - A08	\$ 100	5	198	7	210	29
No Parking Zone - A09	\$ 140	7	921	40	968	409
Sidewalk Parking - A10	\$ 40	2	621	13	636	276
Angled Parking - A11	\$ 0	0	5	0	5	2
Left Side Parking - A12	\$ 0	0	7	0	7	4
NH-NEIGHBORHOOD PARKING	\$ 7,680	384	28,025	418	28,827	13,299
NH-PLATE NON MATCH	\$ 80	4	686	30	720	236
Handicapped-A15-13	\$ 0	0	92	42	134	0
Fire Lane - A16	\$ 0	0	96	7	103	0
NH-Wrong Zone - A18	\$ 200	10	970	30	1,010	426
Here To Corner - A19	\$ 0	0	90	1	91	37
Green Permit Only - A20	\$ 0	0	89	34	123	34
Red Permit Only - A21	\$ 20	1	80	21	102	28
CFC/White Lot - A22	\$ 0	0	31	11	42	16
Expired Permit - A23	\$ 0	0	54	8	62	9
Overnight Parking - A25	\$ 0	0	1	0	1	1
Showers Permit Parking - A27	\$ 0	0	89	55	144	30
Private Parking Only - A29	\$ 0	0	55	5	60	25
City Hall Visitor Parking	\$ 0	0	83	8	91	34
Parked Facing Traffic - A31	\$ 360	18	2,123	49	2,190	740
Oversize Vehicle - A32	\$ 0	0	8	2	10	0
Too Far From Curb - A33	\$ 20	1	378	2	381	106
Too Close To Intersection -A34	\$ 0	0	41	2	43	13
Electric Veh Parking Only - A35	\$ 0	0	25	1	26	11
Handicapped - A15	\$ 900	9	531	123	663	0
Outside Of Marked Space	\$ 180	9	1,012	24	1,045	291
NH-PARKED FACING TRAFFIC	\$ 460	23	842	6	871	329
NH-YELLOW CURB	\$ 840	42	1,645	12	1,699	727

NH-OVERTIME PARKING	\$ 1,580	79	2,245	21	2,345	1,126
NH-ALLEY	\$ 60	3	184	4	191	74
NH-LOADING ZONE	\$ 0	0	13	1	14	5
NH-OBSTRUCT TRAFFIC	\$ 40	2	37	1	40	15
NH-NO PARKING ZONE	\$ 360	18	684	9	711	266
NH-SIDEWALK PARKING	\$ 80	4	564	5	573	218
NH-HANDICAPPED	\$ 0	0	13	3	16	0
NH-FIRE LANE	\$ 500	10	120	0	130	0
NH-HERE TO CORNER	\$ 0	0	96	0	96	53
NH-PRIVATE PARKING ONLY	\$ 0	0	8	0	8	3
NH-OVERSIZE VEHICLE	\$ 0	0	6	0	6	2
NH-TOO FAR FROM CURB	\$ 80	4	170	1	175	72
NH-TOO CLOSE TO INTERSECTION	\$ 0	0	34	0	34	6
NH-ANGELED PARKING	\$ 0	0	0	1	1	1
NH-UNAPPROVED SURFACE	\$ 450	9	291	15	315	0
BPD/White Lot	\$ 40	2	8	9	19	6
UNAPPROVED SURFACE PARKING	\$ 400	8	70	2	80	0
<b>Total</b>	<b>\$ 48,570</b>	<b>2,325</b>	<b>146,441</b>	<b>4,076</b>	<b>152,842</b>	<b>68,066</b>

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## Chapter 5. Neighborhood Zones

### Overview

There were 11 Neighborhood Parking Zones around the city (Figure 26). Residents in those zones may receive parking permits that allow only vehicles with permits to park on the street between 8 a.m. and 5 p.m., Monday thru Friday. Permits expire August 15 of each year. This ordinance was meant to protect residents, bicyclists and pedestrians from excessive commuter traffic in the neighborhoods and competition for parking spaces.

BMC §15.37 summarized Neighborhood Zone regulations.

Authorizing Legislation
Ord. 92-06, 1992
Ord. 93-16, 1993
Ord. 95-08, 1995
Ord. 95-26, 1995
Ord. 98-52, 1998
Ord. 03-16, 2003
Ord. 04-14, 2004
Ord. 08-19, 2008
Ord. 10-15, 2010
Ord. 11-07, 2011
Ord. 11-03, 2011
Ord. 14-11, 2014

Figure 25. Neighborhood Zone authorizing legislation

Neighborhood Zone Areas
Zone 1: Elm Heights
Zone 2: East of Jordan
Zone 3: Green Acres
Zone 4, 5, 6, 7: Old Northeast and Downtown
Zone 8,9: North College
Zone 10: Near West Side
Zone 11: Wylie House

Figure 26. Neighborhood Zones., 2016

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## Authorizing Legislation

The Elm Heights Neighborhood Zone was established in 1992 by Ordinance 92-06. Since creating the first zone, the Common Council has created new zones and has amended the governing regulations (Figure 25). BMC §15.37 summarized the regulations that governed the Neighborhood Zone permit program. Subsection §15.37.160 designated the Alternative Transportation Fund,<sup>65</sup> and specified that all surplus revenue from permits and fines shall be used to “reduce the community’s dependency on the automobile.” In practice, this fund primarily became the source of the Common Council’s Sidewalk Fund.

Subsections §15.37.170 through §15.37.240 created special conditions for the issuance of permits by the Board of Public Works and the Controller’s Office. In some these cases, BMC Title 15 did not specify a cost for the permit. In others, the the permit’s use was not in line with the 2002 GPP or the current draft of the City’s Comprehensive Plan. Types of permits sold were not tracked contemporaneous with the sale.

## 2016 Rules for Issuance of Permits

Any person who maintained a residence within a Neighborhood Parking Zone was eligible to apply for one parking permit per vehicle. A current property tax statement or current utility bill served as proof of residency for homeowners. Renters were required to submit a current lease. A current vehicle registration was also necessary.

Permit cost for residents was \$25. A visitor permit was an additional \$25. Permits expired on August 15 of the year. Permits were required to be affixed to the vehicle in the lower left corner of the rear window and visible to the parking enforcement officer. Visitor permits were required to be hung from the rearview mirror. A resident living in the Neighborhood Zone was able to purchase a visitor permit for use only by a visitor while temporarily visiting that address. Only one visitor permit could be purchased per address. Businesses did not qualify for visitor permits. Permits were non-transferable.

A resident or visitor permit allowed the permit holder to park on-street anywhere in the zone for which the permit was issued, where there was not any other parking restriction, such as a no-parking zone or a yellow curb.

Residential Neighborhood Zones were enforced Monday thru Friday, 8 a.m. to 5 p.m. every day that City Hall was open. Neighborhood zone regulations were in effect throughout the year. Permit holders were required to

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<sup>65</sup> BMC §15.37.160: Disposition of Revenue. All funds derived from the issuance of permits and from fines shall be used to pay the costs of operating this program. Funds received in excess of the annual cost of operating the program shall go into an alternative transportation fund. The alternative transportation fund shall be for the purpose of reducing our community’s dependence upon the automobile. Expenditures from the fund shall be approved by the council.

comply with emergency regulations and other existing parking ordinances or laws. Violation was subject to a citation of \$20 that escalated to \$40 if unpaid after two weeks.

Non-resident landlords, realtors and service agents were authorized to use a visitor permit from the resident while conducting service. Contractors were able to purchase a yearly permit for all eleven Neighborhood Zones for \$55. Contractors were also purchase a one-day permit for all Neighborhood Zones for a \$5.00 fee.<sup>66</sup>

## Neighborhood Zone Financial Performance

### Revenue Shortfall of \$73,000; Citations and Capital Transfer Subsidize the Program

The Residential Neighborhood Zone parking system operated with an Operational Cash Flow shortage in FY2016. Program Expense was 156% of program revenue resulting in a revenue short-fall of \$73,071 (Figure 26). Program Balance which included revenue from citations was \$151,641. Program Balance after capital expenditures was \$251,144.87. This number included \$99,500 in funds unspent by the Council Sidewalk Committee.

The fund balance or cash-on-hand at the end of FY2016 was \$996,864.56.

### Neighborhood Zone Citation Rate is 170%

In FY2016, Parking Enforcement officers issued 10,419 citations in Neighborhood Zones—a citation rate of 170%.<sup>67</sup> According to the information provide by City Legal, the City issued 4007 resident and visitor permits and 702 all-zone service permits. The literature cites a unique vehicle citation rate of 5-7%.<sup>68</sup> Although we were unable to calculate or deduce the number of unique vehicles cited, the citation rate of 170% in FY2016 was ostensibly high.

### Capital Expenditures - Council Sidewalk Fund Subsidizes Neighborhood Zones

City account 454 was known as both the Neighborhood Zone fund and the Alternate Transportation Fund. In FY2016, the City transferred \$500,000 from capital account 601 into the Neighborhood Zone account. The Common Council's Sidewalk Committee designated and directed these funds to be used for capital

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<sup>66</sup> <[https://bloomington.in.gov/documents/viewDocument.php?document\\_id=1801](https://bloomington.in.gov/documents/viewDocument.php?document_id=1801)>

<sup>67</sup> Citation revenue divided by Program Revenue.

<sup>68</sup> R. Willson, *Parking Management for Smart Growth*. (Island Press, Washington, 2015), p. 191-192.

improvements to sidewalks and intersections. In FY2016, \$400,496 of the \$500,000 was spent on capital sidewalk and intersection improvements. The balance of \$99,504 remained in the Neighborhood Zone account .

Figure 27: 2016 Financial Performance of Neighborhood Zones.

Item	Amount	Notes
<b>Total Revenue</b>	<b>\$ 131,860.38</b>	
<b>Expense</b>		
Staffing	\$ (118,959.97)	
Operation Expense	\$ (19,097.70)	
System-Related Expense	\$ (8,811.69)	
General Fund Charges	\$ (58,062.00)	
Program Expense	\$ (204,931.36)	
<b>Total Expense</b>	<b>\$ (409,862.72)</b>	
<b>Operational Cash Flow</b>	<b>\$ (73,070.98)</b>	Operational Shortfall
<b>Other Income</b>		
Citation Revenue	\$ 224,712.10	170% of Revenue
Miscellaneous Income / Expense	\$ 0.00	
<b>Total Other Income</b>	<b>\$ 224,712.10</b>	
<b>Program Balance</b>	<b>\$ 151,641.12</b>	
Capital Transfer (601 -> 454)	\$ 500,000.00	\$500M from 601
Capital Expenditures	\$ (400,496.25)	
<b>Program Balance after Capital Expenditures</b>	<b>\$ 251,144.87</b>	
<b>Fund Balance as of 12/31/16</b>	<b>\$ 996,864.56</b>	

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## Staffing Expense

Personnel costs represented 85% of program revenue (Figure 27). Two of the City's most senior, full-time officers, were tasked with enforcement of Neighborhood Zones. As Figure 27 indicates, health insurance and PERF were substantial contributors to the costs of staffing neighborhood zones. Enforcement officers also received reimbursements for cellphone bills related to enforcement, uniforms and shoes.

Based on personnel costs and citation revenue, we calculate the following metrics:

- ▶ Total Program Cost per Enforcement Hour: \$51.23<sup>69</sup>
- ▶ Staffing Enforcement Costs per Enforcement Hour: \$29.74<sup>70</sup>
- ▶ Citation Revenue per Enforcement Hour: \$56.18<sup>71</sup>
- ▶ Hourly Productivity: 189%<sup>72</sup>

Figure 28: 2016 Neighborhood Zone Staffing Costs

Staffing - Neighborhood Zones	Amount	Subtotal
454-02-020000-51110 Salaries and Wages - Regular	\$ 74,719.31	
454-02-020000-51210 FICA	\$ 5,381.30	
454-02-020000-51220 PERF	\$ 10,610.16	
454-02-020000-51230 Health and Life Insurance	\$ 26,546.00	
454-02-020000-53210 Telephone	\$ 1,010.72	
454-02-020000-52430 Uniforms and Tools	\$ 692.48	\$ 118,959.97

## Expenses

### Bank Charges Equal 6.5% of Program Revenue

Operational expense represented 13.6% of program revenue. Bank charges, the costs of fuel, and the cost of fleet repair apportioned to this segment of the parking system were the three largest expenses for the Neighborhood Zone system (Figure 28).

<sup>69</sup> Program expenses divided by 4,000 hours of enforcement.

<sup>70</sup> Staffing costs including benefits divided by 4,000 hours of enforcement.

<sup>71</sup> Total Citation Revenue divided by 4,000 hours of enforcement.

<sup>72</sup> Total Citation Revenue divided by Total Staffing Expense.



Fees for processing credit cards (the majority of costs), card-processing equipment rental charges, and bank courier fees accumulated to 6.5% of Neighborhood Zone program revenue. Since the City does not accept American Express and 1.4% – 2.3% is an industry standard interchange rate, there is a substantial opportunity to reduce this expense. This matter was beyond the purview of the Parking Commission and was referred to the City's Office of Innovation.

Figure 29: 2016 Neighborhood Zone Operational Expense.

Neighborhood Zone Operational Expenses	Amount	Subtotal
454-02-020000-52110 Office Supplies	\$ 58.04	
454-02-020000-52240 Fuel and Oil	\$ 2,666.82	
454-02-020000-52340 Other Repairs and Maintenance	\$ 137.01	
454-02-020000-52420 Other Supplies	\$ 365.50	
454-02-020000-53620 Motor Repairs	\$ 6,902.00	
454-02-020000-53830 Bank Charges	\$ 8,455.92	
454-02-020000-53830 Bank Charges	\$ (6.49)	
454-02-020000-53990 Other Services and Charges	\$ 518.90	\$ <b>19,097.70</b>

## Detail of System-Related Expenses

Figure 30: 2016 Neighborhood Zone System-Related Expense.

System-Related Expenses	Amount	Subtotal
454-02-020000-53310 Printing	\$ 8,534.19	
454-02-020000-53640 Hardware and Software Maintenance	\$ 277.50	\$ <b>8,811.69</b>

### All-Zone Commercial Permits Generate More Revenue than Any Single Zone

The major program expense as the design and printing of decals and hang-tags issued to residents and visitors. This expense totaled 6% of program revenue (Figure 29) In FY2016, resident permits and visitor permits were sold for \$25, temporary permits were \$5, and all-zone commercial permits were sold for \$55. The City issued 4,007 resident, temporary, and visitor permits and 702 all-zone commercial permits. All-zone permits outpace the two largest residential zone areas—Zone-'1' and Zone '4'—by \$7,500 and \$19,500, respectively (Figure 30).

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## Revenue Discrepancy between Permits Reported Sold and Revenue Recorded

A discrepancy existed between the quantity of permits reported sold by Parking Services staff<sup>73</sup> and the revenue recorded by the City Controller<sup>74</sup>. Based on the number of permits reported sold, fees should have amounted to at least \$139,500 in program revenue, however, only \$131,860 was recorded by the Controller's Office. This difference could not be reconciled using reports provided by City Legal or the Office of the City Controller, but may be related to the methods used by the Parking Services staff to respond to the Commission's APRA request or to the special provisions of BMC §15.170-15.210 that, in some cases, do not specify a cost for the issuance of a permit.

Figure 31: Neighborhood Zone Permit Revenue by Permit Type.

Residential Zone Permit Type	Recorded Revenue
Permits - Uncategorized	\$ 210.00
Residential Neighborhood Permits Zone # 1	\$ 30,690.00
Residential Neighborhood Permits Zone # 2	\$ 8,569.38
Residential Neighborhood Permits Zone # 3	\$ 4,430.00
Residential Neighborhood Permits Zone # 4	\$ 18,655.00
Residential Neighborhood Permits Zone # 5	\$ 8,995.00
Residential Neighborhood Permits Zone # 6	\$ 3,000.00
Residential Neighborhood Permits Zone # 7	\$ 9,175.00
Residential Neighborhood Permits Zone # 8	\$ 675.00
Residential Neighborhood Permits Zone # 9	\$ 5,015.00
Residential Neighborhood Permits Zone #10	\$ 1,635.00
Residential Neighborhood Permits Zone #11	\$ 2,430.00
Residential Neighborhood Permits All Zones Service	\$ 38,225.00
Private Parking	\$ 156.00
<b>Total Revenue</b>	<b>\$ 131,860.38</b>

<sup>73</sup> Question '1' of the Commission's APRA request: Please provide a detail of revenue derived from the sale of neighborhood zone stickers, itemized by zone, by month for the calendar year 2016 and 2017-to-date. The complete request and response was attached to the Commission's May 2017 meeting packet.

<sup>74</sup> Detailed General Ledger Reports provided by Jeff McMillian, Deputy City Controller. Reports were included in the Commission's May 2017 meeting packet.

## Appendix 1: Key Terms & Definitions

<b>*APS</b>	<i>Acronym for an Automated Pay Station</i>
<b>Block face</b>	<i>The area of on-street parking along one side of a street, on one block between two intersecting streets.</i>
<b>*Duration</b>	<i>The length of time parked, often reported as the average duration for a specific block face.</i>
<b>Facility</b>	<i>Any parking garage or off-street parking lot.</i>
<b>*Multi-space meter</b>	<i>Freestanding parking meter equipment that is associate with multiple spaces, either on-street or off-street.</i>
<b>Occupancy</b>	<i>The number of spaces in a facility that are occupied at a given time divided by the total number of spaces.</i>
<b>On-street parking</b>	<i>Parking spaces provided on street, in the public right-of-way</i>
<b>Parking demand</b>	<i>The number of occupied parking stalls at a particular moment in time under conditions of market pricing.</i>
<b>Parking supply</b>	<i>The number of spaces available on a site or in a defined district.</i>
<b>Pay &amp; display</b>	<i>A payment system in which the parker pays at a station in advance and then displays proof of payment in a parked vehicle.</i>
<b>Pay-by-plate</b>	<i>A payment system in which the parker pays at a pay station and enters the vehicle's license plate number.</i>
<b>Pay-on-entry</b>	<i>A payment system in which the parker pays when entering a facility.</i>
<b>Pay-on-exit</b>	<i>A payment system in which the parker pays in the lane when exiting a facility.</i>
<b>Pay-on-foot</b>	<i>A payment system in which the parker pays at a pay station before exiting a parking facility and then inserts proof of payment on exit.</i>
<b>Peak-use time</b>	<i>The time of day and week when facilities are at maximum use.</i>

<b>Permit parking</b>	<i>A parking system that provides a permission (or credential) for certain groups to park on street or in a designated facility.</i>
<b>*Scofflaw</b>	<i>A repeat parking offender</i>
<b>*Share(d?) parking</b>	<i>A parking system in which two or more land uses share a parking resource because they have different occupancy times.</i>
<b>Single-space meter</b>	<i>Freestanding equipment associated with a single parking space, on-street or in parking lots, that access either coins or credit cards.</i>
<b>TIF</b>	<b>acronym for</b> Tax Increment Financing, a type of financing that permits local governments to finance the redevelopment of blighted areas and the economic development of rapidly developing areas. The tax “increment” is the property tax revenues collected on the increase in assessed value (AV) of property in the TIF district over the baseline AV at the time of the TIF district’s creation. TIF funds can be used for the acquisition of property, and provides another means for communities to finance infrastructure improvements in a district. <sup>75</sup>
<b>Transient</b>	<i>A parker who parks short-term and pays by the hour, either at a meter or in a garage.</i>
<b>Turnover</b>	<i>The number of times a space is occupied by a different vehicle per unit of time.</i>

*\*Is not used in current draft of the text*

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<sup>75</sup> Source: [https://bloomington.in.gov/documents/viewDocument.php?document\\_id=7403](https://bloomington.in.gov/documents/viewDocument.php?document_id=7403)

## *Appendix 2: APRA Requests*

Jim Blickensdorf, Chairperson  
City of Bloomington Parking Commission  
3840 E Regents Circle  
Bloomington, IN 47401

April 12, 2017

Office of City Legal  
City of Bloomington  
401 N Morton Street  
Suite 220  
Bloomington, IN 47404

Dear Ms. Behjou,

Pursuant to The Access to Public Records Act ("APRA") I.C. §5-14-3 and City of Bloomington Ordinance 16-22 and at the direction of the Parking Commission, authorized March 28th 2017 by Resolution 2017-02, we respectfully request the following information-detailed on the schedule, attached.

This application has been made in-person, and we would appreciate an email confirmation addressed to [jblickensdorf@mac.com](mailto:jblickensdorf@mac.com) of the Department's intent to deliver the requested records within seven business days.

Sincerely yours,

Jim Blickensdorf,  
Chairperson,  
Bloomington Parking Commission

Draft

### Information Request

1. Please provide a detail of revenue derived from the sale of neighborhood zone stickers, itemized by zone, by month for the calendar year 2016 and 2017-to-date.
2. Please provide a detail of revenue derived from the sale of garage parking passes, itemized by garage, by permit type, by month for the calendar year 2016 and 2017-to-date.
3. BMC 15.32.160: Please provide an accounting of funds deposited into the “alternative transportation fund” detailing revenue deposited and a detail of expenditures and transfers for the calendar year 2016 and 2017-to-date.
4. Please provide a parking meter transaction file for the calendar year-to-date containing the following fields:
  - Unique Meter ID
  - Block
  - Date
  - Start Time
  - End Time or Time Purchased
  - Method of payment, devoid of credit card numbers or personal identifying information
  - Total amount paid for the transaction
5. The total costs associated with hiring a full-time parking enforcement officer, itemized by salary range, benefits, training cost and on-boarding expense.
6. The total costs associated with hiring a part-time parking enforcement officer, itemized by salary range, benefits, training cost and on-boarding expense.
7. BMC 15.32.180: Please provide the total number of permits issued and associated revenue categorized by month, detailing the cost of the permit and administrative fees as separate line items for the calendar year 2016 and 2017-to-date.
8. BMC 15.32.185: Please provide the total number of permits issued and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
9. BMC 15.37.100: Please provide the total number of replacement permits issued and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
10. BMC 15.37.170.a: Please provide the total number of Zone 1 permits issued, under this section, specifically for the use by “residents of fraternity and sorority houses on Third Street” and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.

11. BMC 15.37.170.b: Please provide the total number of Zone 1 permits issued, under this section, specifically for the use by "the staff of Harmony School" and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
12. BMC 15.37.180: Please provide the total number of Zone 4,5,6, and 7 permits issued annually, under this section, specifically for the use by "employees of businesses in said zones." Please state the cost of the individual permits issued. Please provide the total number of permits issued categorized by zone, by month and an itemization associated revenue categorized by zone, by month for the calendar year 2016 and 2017-to-date.
13. BMC 15.37.200: Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by "residents of fraternity and sorority houses on 7th Street and Woodlawn Avenue" and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
14. BMC 15.37.210: Please provide the total number of Zone 4,5,6, and 7 permits issued annually, under this section, specifically for the use by "employees of businesses on Kirkwood Avenue from Indiana to Walnut Street and on Walnut Street from Kirkwood Avenue." Please provide the total number of permits issued categorized by zone, by month and an itemization associated revenue categorized by zone, by month for the calendar year 2016 and 2017-to-date.
15. BMC 15.37.220: Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by "residents of the Collins Center dormitory." and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
16. BMC 15.37.230: Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by "residents of owner-occupied premises with addresses on the east side of North Walnut Street between Kirkwood Avenue and Seventh Street, and to residents of owner-occupied premises in the 100 block of East Sixth Street." Please state the cost of the individual permits issued. Please provide the total number of permits issued categorized by month and an itemization associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
17. BMC 15.37.240: Please provide the total number of Zone 10 permits issued, under this section, specifically for the use by "staff of Fairview Elementary School" and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
18. Please provide the total number of off-street parking spaces in Residential Neighborhood Zones 1-11 and the number of permits issues in each zone, categorized by zone.
19. BMC 15.37.190: Please provide the total number of "all-zone" permits issued, under this section, specifically for the use by "landlords, property managers and qualified service companies." Please provide the total number of permits issued categorized by month and an itemization associated revenue categorized by month for the calendar year 2016 and 2017-to-date.

Draft

**Corporation Counsel**  
**Philippa M. Guthrie**



**City Attorney**  
**Michael M. Rouker**

**City of Bloomington**  
**Legal Department**

**Assistant City Attorneys**  
**Anahit Behjou**  
**Thomas D. Cameron**  
**Barbara E. McKinney**  
**Jacquelyn F. Moore**  
**Christopher J. Wheeler**

Mr. Blickensdorf,

Below you will find the response to your public record request submitted on April 13, 2017. Except the files that were provided to you previously, all files are included in the email sent on May 11, 2017.

1. **Please provide a detail of revenue derived from the sale of neighborhood zone stickers, itemized by zone, by month for the calendar year 2016 and 2017-to-date.**
  - a. Please see Q1- 2016 and 2017 documents.
2. **Please provide a detail of revenue derived from the sale of garage parking passes, itemized by garage, by permit type, by month for the calendar year 2016 and 2017-to-date.**
  - a. Please see GL452 (Provided to you previously).
3. **BMC 15.32.160: Please provide an accounting of funds deposited into the “alternative transportation fund” detailing revenue deposited and a detail of expenditures and transfers for the calendar year 2016 and 2017-to-date.**
  - a. Please see GL454 (Provided to you previously).
4. **Please provide a parking meter transaction file for the calendar year-to-date containing the following fields:**
  - Unique Meter ID
  - Block
  - Date
  - Start Time
  - End Time or Time Purchased
  - Method of payment, devoid of credit card numbers or personal identifying information
  - Total amount paid for the transaction
  - a. Please see the excel spreadsheets.
5. **The total costs associated with hiring a full-time parking enforcement officer, itemized by salary range, benefits, training costs and on-boarding expense.**
  - a. You indicated you have this information.
6. **The total costs associated with hiring a part-time parking enforcement officer, itemized by salary range, benefits, training costs and on-boarding expense.**
  - a. You indicated you have this information.

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7. **BMC 15.32.180:** Please provide the total number of permits issued and associated revenue categorized by month, detailing the cost of the permit and administrative fees as separate line items for the calendar year 2016 and 2017-to-date.
  - a. Please see Q7- 2016 and 2017 documents.
8. **BMC 15.32.185:** Please provide the total number of permits issued and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q8- 2016 and 2017 documents.
9. **BMC 15.37.100:** Please provide the total number of replacement permits issued and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
  - a. You indicated you have this information.
10. **BMC 15.37.170.a:** Please provide the total number of Zone 1 permits issued, under this section, specifically for the use by “residents of fraternity and sorority houses on Third Street” and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q10 document.
11. **BMC 15.37.170.b:** Please provide the total number of Zone 1 permits issued, under this section, specifically for the use by “the staff of Harmony School” and associated revenue categorized by month for the calendar year 2016 and 2017-to date.
  - a. The Parking Operation staff indicated they do not sell permits to the staff of Harmony School.
12. **BMC 15.37.180:** Please provide the total number of Zone 4, 5, 6, and 7 permits issued annually, under this section, specifically for the use by “employees of businesses in said zones.” Please state the cost of the individual permits issued. Please provide the total number of permits issued categorized by zone, by month and an itemization associated revenue categorized by zone, by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q12 document.
13. **BMC 15.37.200:** Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by “residents of fraternity and sorority houses on 7th Street and Woodlawn Avenue” and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q13 document.
14. **BMC 15.37.210:** Please provide the total number of Zone 4, 5, 6, and 7 permits issued annually, under this section, specifically for the use by “employees of businesses on Kirkwood Avenue from Indiana to Walnut Street and on Walnut Street from Kirkwood Avenue.” Please provide the total number of permits issued categorized by zone, by month and an itemization associated revenue categorized by zone, by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q14 document.
15. **BMC 15.37.220:** Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by “residents of the Collins Center dormitory.” and associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
  - a. Please see Q15 document.

16. **BMC 15.37.230:** Please provide the total number of Zone 7 permits issued, under this section, specifically for the use by “residents of owner-occupied premises with addresses on the east side of North Walnut Street between Kirkwood Avenue and Seventh Street, and to residents of owner-occupied premises in the 100 block of East Sixth Street.” Please state the cost of the individual permits issued. Please provide the total number of permits issued categorized by month and an itemization associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
- a. No record responsive to this request.
17. **BMC 15.37.240:** Please provide the total number of Zone 10 permits issued, under this section, specifically for the use by “staff of Fairview Elementary School” and associated revenue categorized by month for the calendar year 2016 and 2017-todate.
- a. Please see Q17 document.
18. Please provide the total number of off-street parking spaces in Residential Neighborhood Zones 1-11 and the number of permits issues in each zone, categorized by zone.
- a. You indicated you have this information.
19. **BMC 190:** Please provide the total number of “all-zone” permits issued, under this section, specifically for the use by “landlords, property managers and qualified service companies.” Please provide the total number of permits issued categorized by month and an itemization associated revenue categorized by month for the calendar year 2016 and 2017-to-date.
- a. Please see Q19- 2016 and 2017 documents.

Please advise if you need any additional information/ records from the City of Bloomington regarding your request.

Sincerely,  
Anahit Behjou  
Assistant City Attorney

## Appendix 3: Text of Ordinance 16-22

### **ORDINANCE 16-22 TO AMEND TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE BLOOMINGTON MUNICIPAL CODE (To Establish a Parking Commission)**

WHEREAS, in March of 2013, the City adopted Ordinance 13-03: To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles and Traffic" - Re: Authorizing the Expanded Use of Parking Meters in the Downtown and Related Changes which, after implementation and minor amendments:

- broadened the definition of parking meters to authorize new technology;
- replaced a limited parking zone covering most of the downtown with a Parking Meter Zone;
- set the rate for parking meters and times those rates would be enforced;
- created a new part-time, non-reserved permit for use in the City's garages (to provide downtown employees with an alternative to on-street parking);
- provided for the continued use of certain parking permits (i.e. construction/contractor and delivery vehicles) in the Downtown Parking Meter Zone and, in some cases, under revised procedures; and
- integrated overlapping Parking Zones; and

WHEREAS, parking management and policy responsibilities, after a 2013 reorganization by the Administration, are now divided among at least eight departments (Clerk, Controller, Economic & Sustainable Development, Housing and Neighborhood Development, Legal, Planning & Transportation, Police, and Public Works); and

WHEREAS, over the years, the City's parking management actions have appeared at times ad hoc, inconsistent, and not grounded in an overall parking policy or management plan; and

WHEREAS, parking issues are not merely transportation issues, playing a primary role in at least five of the seven guiding principles of the city's current

comprehensive plan, the 2002 city Growth Policies Plan (GPP) — namely, “compact urban form,” “nurture environmental integrity,” “leverage public capital,” “mitigate traffic,” and “conserve community character”; and

WHEREAS, these concerns about vehicle storage are at least as important as vehicle movement and deserve a commission whose scope is as broad as these concerns; and

WHEREAS, no city commission, department, or official has as their purpose the management of private vehicles once they stop moving: concerns such as how much land or public money gets devoted to vehicle storage, what the community’s goal for its ratio of vehicle storage to other land uses should be, and the role that the addition of vehicle storage should play in the city’s economic or sustainable development; and

WHEREAS, some parking-related policy oversight body is necessary to develop and implement parking-related policies that further or fulfill the goals of the GPP; and

WHEREAS, the Traffic Commission, whose purpose is “to coordinate traffic activities, to carry on educational activities in traffic matters, to supervise the preparation and publication of traffic reports, to receive complaints having to do with traffic matters, and to recommend to the common council and to appropriate city officials ways and means for improving traffic conditions and the administration and enforcement of traffic regulations,” is primarily concerned with issues involving the smoothest possible movement of vehicles;

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Chapter 2.12 entitled “Boards, Commissions, and Councils” shall be amended by inserting Section 2.12.110, entitled “Parking Commission” with the title appearing in the Table of Contents for the chapter and the text reading as follows:

#### 2.12.110 Parking Commission

(a) Purpose. It shall be the primary purpose of the Parking Commission (commission), in coordination with decision-makers and other entities as is necessary or prudent:

- (1) to develop, implement, maintain, and promote a comprehensive policy on parking that takes into account the entirety of, and furthers the objectives of, the city's comprehensive plan; and
- (2) to coordinate parking activities, to carry on educational activities in parking matters, to supervise the preparation and publication of parking reports, to receive comments and concerns having to do with parking matters, and to recommend to the common council and to appropriate city officials ways and means for achieving the city's comprehensive plan objectives through the administration of parking policies and the enforcement of parking regulations.

(b) **Composition – Appointments.** The Parking Commission shall be composed of nine voting members. These voting members shall be composed of five members appointed by the Mayor and four members appointed by the Common Council.

(c) **Qualifications of Voting Membership.**

- (1) One member appointed by the Mayor and one member appointed by the Common Council shall be a merchant owning and operating a business located at an address within Schedule U – On-Street Metered Parking;
- (2) One member appointed by the Mayor shall be a board member or an employee of a non-profit organization which operates at property that is owned or leased by the non-profit organization and located within Schedule U – On-Street Metered Parking;
- (3) Four members, two appointed by the Mayor and two appointed by the Council, shall be residents living within the City limits. At least one of these four shall be a resident living at an address within Schedule U — On-Street Metered Parking, and at least one other of these four shall be a resident living at an address within a Residential Neighborhood Permit Parking Zone as described in Section 15.37.020;
- (4) One member appointed by the Common Council shall be from among its membership; and
- (5) One member appointed by the Mayor shall be from within the Transportation and Traffic Services Division of the Planning and Transportation Department.

(d) **Terms.** The initial terms of three mayoral and two council citizen appointments shall expire on January 31, 2018. The terms of the remaining initial citizen appointments shall expire on January 31, 2019. Thereafter, all terms of citizen appointments shall be for two years and expire on January 31. The terms for the one mayoral appointment made from within the Planning and Transportation Department and the one councilmanic appointment

made from within the members of the Council shall be for one year and expire on January 31.

(e) Powers and Duties. The commission shall meet at least one time each month, unless it votes to cancel the meeting. Its powers and duties and include, but are not limited to:

- (1) accessing all data regarding the City's parking inventory, including usage, capital and operating costs, so long as the data is released in a manner consistent with exemptions from disclosure of public records set forth in IC 5-14-3-4;
- (2) reviewing the performance of all meters, lots, garages, and neighborhood zones in the City's parking inventory, and reviewing the performance of all divisions of City departments devoted specifically to parking management;
- (3) making recommendations on parking policy, including but not limited to: pricing, hours of operation, addition or removal of parking spaces, and changes when necessary to City code, enforcement procedures, or any other aspect of parking management policy;
- (4) submitting an annual report of its activities and programs to the Mayor and Council by October of each year;
- (5) adopting rules and regulations for the conduct of its business; and
- (6) applying for appropriations through the Mayor, or researching and applying for grants, gifts, or other funds from public or private agencies, for the purpose of carrying out any of the provisions of this section.

(f) Staff. The Commission shall be staffed by the Transportation and Traffic Services Division of the Planning and Transportation Department.

SECTION 2. If any section, sentence or provision of this ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 3. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor and publication in accordance with State law.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 2nd day of November, 2016.