



## CITY OF GRAND RAPIDS

### AGENDA

#### AUTOMOBILE PARKING COMMISSION

October 8, 2009

8:00 AM

- I. Review and Approval of September 10, 2009 Minutes
- II. Project Updates
- III. Quarterly Parking Supply and Demand (Attachment)
- IV. Other Business
- V. Public Comment
- VI. Adjournment

#### **MISSION STATEMENT**

Parking Services will support economic development and growth of the central downtown and neighborhood business districts by providing sufficient, well-maintained, and customer focused parking options.

*Please notify us (456-3290) by noon Wednesday if you are unable to attend.*

## **AUTOMOBILE PARKING COMMISSION MINUTES**

**September 10, 2009**

**Call to Order:** Chairperson Haynes called the meeting to order at 8:00 am.

### **Attendance:**

Members Present: Lisa Haynes (Chairperson), Commissioner Lumpkins, Monica Sekulich, Gerald Schildroth, David Leonard, John Tully, Mike Ellis, Dwayne Moore, and Joan Rosema-David.

Members Absent: None.

City Staff Present: Pam Ritsema, Kim Miller, Barb Singleton, Mitch Schutter, Chuck Henderson, Henry Bouman, Eric Soucey, and Stan Bakita.

Visitors Present: Jim Harger (Grand Rapids Press), Kevin Wissenlink (ITP-Rapid), Brian Poug (ITP-Rapid), Bill Scarbrough (Smith, Haughey, Rice & Roegge) and Albert D. Bogaard (Parkmobile).

### **I. Review and Approval of June 11, 2009 Minutes:**

**Mr. Ellis moved for the approval of the Minutes of July 09, 2009 and Mr. Moore supported. Motion carried unanimously.**

### **II. Pay by Cell Phone Pilot Program Agreement:**

Director Ritsema reported that the City of Grand Rapids and Parkmobile have been working together for several months and have reached an approved Agreement on how the pilot program will proceed. Pay by cell phone is, in essence, pay by credit card via a cell phone transaction in which the user calls a 1-800 number to start time on a specific meter and calls again to end the time. There is an option wherein the user can receive a phone call or text alerting that the time remaining on the meter will soon be coming to an end. There is a thirty-five cent transaction fee associated with each use of the program. That fee will be waived during the first ninety days of the program to help ease transition and encourage new users. Director Ritsema added that she recommends discounting on-street parking fees for the first 90 days as well to help encourage use of the program. Parkmobile will be providing a number of services as well as the smart-phones that will be used for the enforcement. These smart phones will be equipped with internet access to allow members of enforcement to verify payment with Parkmobile. For now, the Clancy enforcement software will continue to be used and a traditional ticket will be written for any violations.

Mr. Leonard asked if the Clancy system is the same interface currently being used by the City. Is there a different application?

Director Ritsema explained that during the trial program, enforcement will have to switch between the two systems. The Clancy system has been in use for five or six years.

Mr. Leonard asked if enforcement would need to carry an additional device with the new program.

Director Ritsema replied that there would be no additional device needed however any phones that did not previously have internet access would now need to have a data plan added to it. Any phone that is not internet capable will need to be upgraded to an internet- ready phone. Parkmobile does have an enforcement module that could be used down the road if the pay by cell phone program becomes successful. Parking Services will be responsible for the cost of data connection fees at about \$40 per month per phone and also for the credit card processing fees with an estimated cost of about 9% of revenue. The term of the agreement is for one year; however, the City has the right to terminate after 90 or 180 days.

Ms. Rosema-David suggested that the terminology on page 3, article 3.2 of the agreement makes it sound as though the City only has the right to terminate the contract specifically on the 90<sup>th</sup> and 180<sup>th</sup> days. The wording limits the City's ability to cancel the contract on any days other than the 90<sup>th</sup> and 180<sup>th</sup>.

Ms Sekulich suggested that the wording should include the word "after" in relation to the dates so that it reads, "The City may terminate this Agreement at its sole discretion and without cause prior to the end of the Term, "AFTER" the ninetieth (90<sup>th</sup>) day after the Effective Date or "AFTER" the one hundred eightieth (180<sup>th</sup>) day after the Effective Date upon giving Parkmobile at least ten (10) days prior notice." She suggested a discussion with Dick Wendt might be in order to clarify the wording.

Ms. Rosema-David added that there is also a risk for loss of revenue since Parkmobile makes no warranties with its product and the City opens itself for all loses in regards to billing disputes with the credit card companies.

Director Ritsema stated that the City will have the relationship with the credit card companies and Parkmobile will not share that relationship.

Ms. Rose-David replied that there may be situations were there is a joint problem but only the City will be at risk of loss in revenue.

Mr. Leonard restated that if the system does not work, the City is on the hook for the mistake, whether it is the City's mistake or not.

Ms. Sekulich stated that the services are offered “As is,” with “No warranties,” according to Article 1.4. Article 2.4 states that the, “City shall not be entitled to suspend payment of any disputed invoices...”

Mr. Tully added that Article 5.2 also speaks of no warranty.

Mr. Albert D. Bogaard, President of Parkmobile, thanked the Parking Commission for allowing him to speak. He stated that there are very few problems with the system and he sees no problem rewriting the contract to include the changes asked. The system works very well.

Ms. Sekulich asked if Director Ritsema ever gets calls from other municipalities regarding parking issues. In the past, the Parking Commission has asked for her to speak with other cities around the country regarding test programs. The wording of this contract does not allow for any discussions. Would this prevent the City of Grand Rapids from sharing issues?

Chairperson Haynes asked if the Agreement creates a situation wherein there are confidentiality issues.

Director Ritsema explained that typically if another city were to call, she would be open and speak with them about various programs in question.

Ms. Sekulich suggested that there should be something carved out in the agreement to address these types of calls that may be anticipated from time to time.

Mr. Bogaard expressed that the sole intention of the wording it to eliminate the sharing of proprietary information to other companies interested in obtaining the information for their own business purposes. The request is for proprietary information not to be shared.

Ms. Sekulich expressed that her fear is that years down the road someone may share information with good intentions and be breaking a legal Agreement in the process.

Ms. Rosema-David suggested detailing what information is proprietary so as to clearly define what information is not to be shared.

Director Ritsema reported that the Agreement will be brought to the City Commission on October 6, 2009. If the City Commission approves, the plan would be to begin moving forward shortly thereafter.

Ms. Rosema-David asked where the largest portion of testing for the program would be.

Director Ritsema explained that off-street represents one of the biggest areas of ability for the program. For off-street purposes, LPR - License Plate Recognition – cameras and software can be used for residential permit parking areas or off-street parking lots and ramps. By reading the license plate and comparing it to the Parkmobile database it is

possible for users to pull into the lot, have their plate read by the cameras, and have the gate lift within seconds. It represents the ability to have visitor parking without having to ask the visitors to stop and pay. The ideal test facility would have more than one entrance/exit. Either Ottawa/Fulton or the Government Center lots are the best candidate with Government Center having the higher number of users.

Mr. Tully asked if there is any publicity planned for the program beyond the stickers. Director Ritsema replied that there will be a media release at the City Commission meeting with the Mayor being the first to conduct a parking transaction via cell phone. Mr. Bogaard can speak more to the marketing side.

Mr. Bogaard explained that there will be student marketing initiatives wherein students will be targeting businesses such as law firms and realtors as well as other local businesses. Marketing participants will probably have special apparel. There is a new mobile app available for Blackberries and the iPhone. With this app, there will not need to be call made to start or end the transaction. The app can be used to very quickly and easily communicate with the Parkmobile program. There is availability for businesses to pay for visitor parking using their business account.

Director Ritsema added that she feels the younger users will take to this form of payment very quickly and intuitively.

Mr. Ellis asked about off-street parking with LPR.

Director Ritsema explained that the LPR cameras scan the plates as the user enters the parking structure. It is very fast and easy.

Ms. Rosema-David asked about the Schedule 3 costs.

Director Ritsema explained that she does not envision ever needing to use those services.

Chairperson Haynes asked if there is action requested on this since the Parking Commission will not be meeting again until after the October 6, 2009 City Commission meeting?

Director Ritsema asked for support.

**Ms. Sekulich Moved to recommend the City Commission adoption of the Agreement with the changes discussed today. Motion supported by Mr. Leonard. Motion carried unanimously.**

### **III. Request for Parking Discount:**

Director Ritsema reported that William P. Scarbrough, on behalf of Smith, Haughey, Rice & Roegge, sent a letter to Mayor Heartwell requesting a discount on the parking fees they pay in the Government Center ramp. Mayor Heartwell emailed Director

Ritsema requesting that the Parking Commission discuss volume discount for parking cards. A portion of the cards being used for Smith, Haughey are supplied through the Calder Plaza Building Lease agreement, the remaining are purchased through Parking Services. The attached spreadsheet shows all accounts that have 25 cards or more in a given parking ramp. Approximately 1,600 parking cards in the ramps belong to accounts for 25 or more.

Monetarily, the impact of a \$20 discount would equate to \$389,000 less revenue to the Parking System. A \$30 discount equals \$584,000 less and a \$40 discount equates to \$778,000 less revenue annually to Parking.

Parking Services and the Parking Commission have supplied a number of options for the user from covered parking ramps to open air parking lots to on-street metered parking across the City. Monthly parking can be as inexpensive as \$24.50 per month.

The J.W. Marriot is actively recruiting at a rate of \$100-110 per month for covered off-street ramp parking. It is not a good situation for Parking Services to lose tenants but it is good for the City of Grand Rapids if businesses stay downtown. Parking Services acts on behalf of the City first and Parking Services revenue second; this option was discussed with Mr. Scarbrough. There was no increase in parking rates for Fiscal Year 2010.

There are 5,600 parking cards issued currently. If there is a discount offered to 1,600; 4,000 other card holders will also be looking for discounts. Visitors and event goers would also be looking for discounted rates. The response to all of these requests is answered by considering the number of choices available. From the simple metered on-street parking space to covered parking structures, the City has made many options available to fit the varied needs of the City's parking customers. Director Ritsema recommended not offering any type of discounting for volume customers of the Parking System.

Mr. Tully related that the Mayor's email stated that the idea of volume discounts has not been considered in some time.

Director Ritsema replied that she is not aware of there ever being volume discounts offered. The Parking Incentive Program was offered at one time. This program was offered to new customers of downtown who came from outside of certain geographic areas and signed a lease for downtown space. The discount offered for that program was 50% off from their parking fees for a timeframe of six months to two years depending on the length of the lease signed. That program is the only discount program that has been offered from Parking and that was intended to stimulate downtown business.

Ms. Rosema-David questioned if a discount program would even be possible with the bonds.

Director Ritsema explained that the bond restriction stipulates that public parking be made available. The lots can not be designated as solely private use.

Mr. Leonard asked if Mr. Schildroth had any insight on the situation given his profession.

Mr. Schildroth expressed that parking is a cost of business. If a realtor wants to be involved in downtown business it is an accepted cost of operation. There is always the opportunity for everyone to decide what parking solution works best for their individual situation. Dash buses are available to transport from less expensive lots.

Mr. William P. Scarbrough expressed that they have been evaluating alternative parking. Some of the Dash lots are full and others are not practical for their business' uses. It would be a major change to go from covered parking in a ramp to a Dash lot on the south side of town and a bus trip. There is also a landlord commitment regarding parking spaces as well. He asked if there was any consideration of increasing the threshold higher than 25 spaces. Would increasing the minimum number for the discount to 100 spaces lower the cost to the City? He might even consider moving some of the spaces in the other lot to the City side if the cost came down.

Director Ritsema expressed that she did not evaluate every possible discount scenario. She chose a commitment of 25 and determined the cost to the City using that scenario.

Mr. Leonard asked what the practices are in other cities across the country.

Director Ritsema replied that she is not sure about other cities. Sometime a discounted rate is offered for rooftop spaces.

Ms. Sekulich added that if there is a minimum number required for the discount, individuals or businesses would band together to get the discount. Encouraging users to move from private parking businesses to public parking is not a good idea for the City to pursue. The City should not entertain this type of thinking.

Chairperson Haynes asked if Director Ritsema is looking for a recommendation or support for her recommendation.

Director Ritsema replied that she met with the Mayor and he would rely on the recommendation of the Parking Commission. The recommendation of the Parking Commission will be relayed to the Mayor.

Mr. Leonard stated that he feels short term discounts to draw tenancy is a good idea. Programs such as The Parking Incentive Program are good for the City and should not be eliminated at the same time.

Director Ritsema assured the Parking Commission that only volume discounts were being discussed at this time.

**Mr. Schildroth Moved to support Director Ritsema's recommendation to not offer volume discounts for parking cards. Motion supported by Ms. Sekulich. Motion carried unanimously.**

Mr. Leonard excused himself from the remainder of the Parking Commission meeting.

#### **IV. Request Regarding Neighborhood Parking Lot:**

Director Ritsema reported that there is a vacant lot adjacent to a City owned parking lot on the west side at West Fulton near Straight Street. Parking approached the neighborhood due to the unique availability of this vacant lot.

Mitch Schutter reported that the parcel was once the site of a bar but is now a vacant lot in good condition. The adjoining transient parking lot is at 80-100% capacity. The City lot is a bit narrow. The addition of a new lot on the vacant parcel would help to not only add addition parking but ease the flow of traffic. All neighboring businesses were in favor of the new parking lot but the issue of neighborhood cost was not discussed at that time. It would cost approximately \$225,000 to secure the parcel and build the parking lot. Ten percent of that amount would need to come via shared cost with the local community. The owner of the vacant lot contacted the City directly about the sale.

Eric Soucey reported that there is a need for a Wi-Max pole in the immediate area to support essential services such as the police and fire departments. Locations have been selected for the poles and the City is committed to the program. An independent appraisal of the parcel came back from Bruce Soper at a value of \$50,000 due to the current economic climate and soft real estate market. Mr. Soucey recommended that this represents a good opportunity and investment for the City and the owner of the parcel is willing to sell for the appraised value price of \$50,000.

Mr. Schutter added that the Wi-Max has gone through Planning and Zoning and has City Commission approval. Local businesses love the idea of the additional parking; however, do not like the idea of the tower on the lot. There is the potential for additional revenue to be generated from the tower, perhaps enough to offset the need for the ten percent commitment from the neighborhood.

Mr. Schildroth asked how big the tower is.

Mr. Schutter replied that it is a single pole that is approximately 90 feet tall.

Chairperson Haynes asked if Director Ritsema is asking for approval to entertain the purchase of the property.

Director Ritsema replied that she would like the direction to move forward with the acquisition of the parcel with the understanding that the intent is to build a neighborhood parking lot. There has been no parking study but the project would be similar to the East

Fulton area project. The vacant parcel is now available. Clearwater is currently under litigation and that has been the hold up with construction of the tower to this point.

Chairperson Haynes asked what happens if the tower is built on the existing City parking lot instead of acquiring the new parcel.

Director Ritsema replied that the existing lot would lose perhaps two parking spaces.

Mr. Soucey added that the lawsuit does have the potential to stop the project however the tower will be somewhere in the immediate neighborhood. If not on this site, then on a nearby property that has already expressed interest. The project represents an essential service need for police and fire.

Mr. Schutter added that most of the towers are in place for the program. Again, if the tower is not on this site it will be on a site very close.

Ms. Rosema-David asked if the purchase should be contingent on an agreement with the neighborhood.

Director Ritsema replied that the project would either require the ten percent commitment of funds or the tower. She suggested coming back in October when there is a better cost estimate and more detailed plans and information.

Mr. Ellis asked what the capacity is of the current lot.

Mr. Schutter replied that there are 21 spaces which would become 19 spaces if the tower was built on the existing site.

Mr. Ellis asked the cost for the proposed lot.

Mr. Schutter expressed that the cost would be roughly \$225,000 and would result in 10 to 15 new parking spaces depending on configuration.

Mr. Ellis asked if the purchase is time sensitive.

Mr. Soucey replied that the appraisal was back in April 2009 and the property owner has been in contact.

Ms. Sekulich asked if the City should pursue an option on the property,

Mr. Soucey replied that he does not feel the owner has other offers. This is an opportunity for the City to obtain a piece of property that fits a need and represents a good value.

Commissioner Lumpkins asked if a representation of the tower could be included in the information discussed in October. Perhaps a picture of what the tower would look like on the lot.

Mr. Schildroth suggested that the tower be disguised as a tree.

Mr. Schutter replied that they can ask the questions before the next meeting in October.

Director Ritsema asked for approval to move forward with the process.

**Mr. Schildroth Moved to support the process of moving forward with the purchase of the parcel. Motion supported by Mr. Moore. Motion carried unanimously.**

#### **V. Amended Contract with the Rapid:**

Director Ritsema reported that the City of Grand Rapids has used ITP to supply the bus drivers, bus storage, bus maintenance, and fuel for DASH buses for a number of years. The agreements are for three year terms. In September of 2008, the contract came before the Parking Commission. When the contract was signed there was an error in the hourly rate.

Barbara Singleton added that the rate should be increasing from \$46.69 to \$49.14 and the rate has already been approved. The paperwork just needs to be cleared up.

**Ms. Sekulich Moved to support the clarification of the contract language in the paperwork. Motion supported by Mr. Schildroth. Motion carried unanimously.**

#### **VI. Park(ing) Day:**

Director Ritsema reported that Park(ing) day is a world-wide movement to help support urban open space. The cause is not against parking but rather in support of green space. Friday September 18, 2009 is the official Park(ing) Day. Director Ritsema explained that there has been a request to minimize the space affected on Monroe Center as it is the heaviest retail parking area. There is fee of \$10 fee per space.

Chairperson Haynes asked if this is an information item or if there was action requested.

Director Ritsema replied that it is an informational item only.

#### **VII. Quarterly Parking Occupancy – July 2009:**

Director Ritsema reported that for the second quarter in a row, parking cards have fallen under 6,000 issued. This represents a downward trend. Revenue is roughly equal with the previous year. Parking spaces are available.

Mr. Schildroth asked if it would be possible to add monthly information as well.

Director Ritsema agreed the information could be added.

Ms. Sekulich asked about when the Gallery on Fulton is coming online.

Director Ritsema replied that the Gallery should be operational within twelve months.

Ms. Sekulich asked about Westin/Commerce's progress.

Director Ritsema replied that Westin/Commerce should be online this year. There will be additional empty spaces with the new lots coming on line.

### **VIII. Project Updates:**

Director Ritsema reported that the Imperial Metals site at 801 Ionia is being supported through three different revenue sources: Parking fees, the North Monroe TIF, and Brownfield TIF. An agreement went to the North Monroe TIF Authority for partial reimbursement for expenses and has been approved by City Commission. The parcel originally had a Brownfield plan and was intended as the site of Founders Brewery. The developer was responsible for preparing an amended Brownfield plan to reflect the new use and the public parking component. The developer missed the August deadline. The project will go to Brownfield on September 22, 2009. The property has not been officially closed on by the City. A construction bid has been submitted and five companies have bid on the construction project. The contract will be awarded at the September 16, 2009 Building Authority meeting contingent on Brownfield proposal. Substantial completion is expected yet this year with final completion expected in spring of 2010.

Mr. Schutter reported that he is expecting Westin/Commerce open on December 15, 2009. Pioneer is confident with the completion date. This is the first precast parking structure the City has done and it went up quickly. It should be durable and no sealer should be needed.

### **IX. Other Business:**

Recording Secretary John Woodard would like to thank the Parking Commission for the opportunity to work with such a dedicated bunch of public servants over the past fourteen months. I have appreciated the opportunity greatly and wish all the best to each and every Commission member/City staff member in all future endeavors.

### **X. Public Comment:**

There was no public comment.

### **XI. Adjournment:**

The September 10, 2009 Meeting of the Automobile Parking Commission was adjourned at 9:20 am.

ACCESS CARD STATUS REPORT

October 2, 2009

MAP KEY	FACILITY	TOTAL SPACES	VISITOR SPACES	SPACES ALLOCATED FOR CARD HOLDERS	10/01/02 CARDS ISSUED	10/02/03 CARDS ISSUED	10/02/04 CARDS ISSUED	10/02/05 CARDS ISSUED	10/09/06 CARDS ISSUED	10/02/07 CARDS ISSUED	10/06/08 CARDS ISSUED	10/02/09 CARDS ISSUED	CARDS AVAILABLE	VISITOR PARKING
A	Monroe North Lot <sup>1</sup>	128	28	100	245	245	243	205	252	186	158	169	60	X
B	Ionia North Lot	63	0	63	56	38	45	63	65	75	75	74	1	
C	Dash West-Area 8	105	10	95	337	163	31	0	119	135	89	84	17	X
D	Dash West-Area 7 <sup>1</sup>	464	0	464	674	648	610	641	642	645	621	630	0	
	Dash West-Area 9	500	0	500		318	784	830	798	750	616	614	0	X
E	Scribner Lot <sup>1</sup>	160	50	110	110	139	47	114	131	133	81	51	82	X
F	Government Center <sup>2</sup>	921	310	611	611	713	591	556	577	556	519	481	200	X
M	DeVos Place	685	525	160			120	183	235	229	215	211	14	X
G	Pearl Ionia	598	115	483	464	581	594	539	573	539	528	427	150	X
H	Louis Campau	541	141	400	527	480	463	569	557	480	477	384	100	X
J	Monroe Center Ramp	544	214	330		16	467	451	412	419	433	468	4	X
K	Monroe Place	70	0	70	91	91	91	95	86	87	97	0	0	
L	Ottawa Fulton	788	200	588	546	482	564	542	600	479	463	370	380	X
U	Cherry Commerce	308	77	231							142	141	117	X
M	City Centre	0	0	0	355	366							0	
N	Area 1	101	37	64	63	63	77	68	70	112	107	108	0	
O	Area 2	149	0	149	164	162	198	178	179	180	183	192	0	
P	Area 3	62	0	62	115	94	63	30	21	22	20	26	0	X
Q	Area 4	410	0	410	821	790	764	784	817	830	835	758	0	
R	Area 5	155	75	80	103	166	152	165	147	175	136	163	0	X
S	Dash South Area 6A	190	0	190	149	186	228	230	236	277	151	254	21	X
T	Dash South Area 6	<u>170</u>	<u>0</u>	<u>170</u>	<u>337</u>	<u>218</u>	<u>250</u>	<u>239</u>	<u>227</u>	<u>214</u>	<u>154</u>	<u>119</u>	<u>170</u>	
		7112	1782	5330	5768	5959	6382	6482	6744	6523	6100	5724	1316	
								July '08	Oct-08	Jan-09	Apr-09	Jul-09	Oct-09	
	Bike Lockers							14	15	11	16		15	
	Evening VIP Cards							24	75	110	139	139	177	
	SAM							178		277	324	409		
	* Handicapped Spaces not included, with the exception of Pearl Ionia.													
	<sup>1</sup> 133 city employees have access to Monroe North or Area 7 or Scribner and are reflected in the Monroe North cards issued.													
	<sup>2</sup> 81 part time city employee cards are not included in permits issued.													
	Visitor/card allocation will change based upon supply, demand, and actual usage.													

