


EXHIBIT NO. 1

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11-13-10

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~~11-9-10~~

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 3, 2010
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: JAMES K. HARTMANN, CITY MANAGER 
SUBJECT: ORDINANCE TO CHANGE PARKING METER RATES AT COIN-OPERATED PARKING METERS IN THE CITY

ISSUE: Consideration of an Ordinance to change parking meter rates at coin-operated parking meters in the City.

RECOMMENDATION: That City Council introduce the Ordinance, pass it on first reading, and schedule it for public hearing, second reading and final passage on Saturday, November 13 (Attachment 1).

DISCUSSION: At its October 26 legislative meeting City Council considered a staff report on whether or not to establish interim parking meter rates to address concerns about the number of coins (quarters) needed for parking at the City's coin-operated meters since the new meter rate of \$1.75 per hour went into effect last July (Attachment 2). Council decided to temporarily lower meter rates to \$1.25 per hour at the coin-operated meters until the new multi-space meters are installed this spring.

The proposed ordinance implements the interim meter rate and provides that Council may adopt by resolution the higher meter rate once the new meters are installed.

Staff expects to have the coin operated meter rates adjusted to \$1.25 per hour by Thanksgiving or shortly thereafter if this ordinance is adopted by Council on November 13. The new multi-space meters are planned to be installed (but not made operational) on the 100 and 200 blocks of King Street sometime the week of November 1, so staff will be looking for guidance from Council in regard to when to make these meters operational, and what rate to establish for the 100 and 200 block prior to multi-space meters being installed Old Town-wide this spring.

FISCAL IMPACT: The fiscal impact of lowering the rate at the City's coin operated meters from the end of November through April is \$324,000. The rate to park at the multi-space meters in the Carlyle area would remain at \$1.75 per hour.

ATTACHMENTS:

Attachment 1: Ordinance

Attachment 2: October 26 Docket Item

STAFF:

Mark Jinks, Deputy City Manager

Bruce Johnson, Chief Financial Officer

Richard J. Baier, P.E., LEED, AP, T E S Director

Abi Lerner, T ES Deputy Director

Andrea Wilkinson, TES Principal Parking Planner

Introduction and first reading: 11/9/10
Public hearing: 11/13/10
Second reading and enactment: 11/13/10

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE to amend and reordain Division 1 (PARKING METER ZONES), Article G (PARKING METERS), Chapter 8 (PARKING AND TRAFFIC REGULATIONS), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of The Code of the City of Alexandria, Virginia, 1981, as amended.

Summary

The proposed ordinance returns the parking rate to \$1.25 per hour except in those areas covered by multi-space meters as of November 1, 2010 (Carlyle). Thereafter, when multi-space metes are installed elsewhere in the City, the ordinance permits the rates to be raised up to a maximum of \$1.75 per hour by resolution of Council. Finally, the ordinance implements "All May Park - All Must Pay" by applying all such rates to all parkers, including disabled persons.

Sponsor

Richard J. Baier, Director, T&ES

Staff

Richard J. Baier, Director, T&ES
Andrea Wilkinson, Principal Parking Planner
James L. Banks, Jr. City Attorney
Christopher P. Spera, Deputy City Attorney

Authority

§2.04(d) and (g), Alexandria City Charter

Estimated Costs of Implementation

None

Attachments in Addition to Proposed Ordinance and its Attachments (if any)

None

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ORDINANCE NO. _____

AN ORDINANCE to amend and reordain Division 1 (PARKING METER ZONES), Article G (PARKING METERS), Chapter 8 (PARKING AND TRAFFIC REGULATIONS), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of The Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Division 1, Article G, Chapter 8 of Title 5 of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by the amendment of Sections 5-8-93 to read as follows:

Sec. 5-8-93 Parking meters; hours and days of operation; maximum time limits; rates.

(a) (1) The parking meters in zones 1 and 2, established by section 5-8-92 of this code, shall be operated every day of the week except Sundays and legal state holidays, and the daily hours of operation of the meters shall be determined by resolution of the city council; provided, that, within the area bounded on the north by the north side of Princess Street, on the west by a line 10 feet to the east of and running parallel to the east side of Washington Street, on the south by the south side of Wolfe Street and on the east by the Potomac River, meters which permit a maximum of two hours of parking shall be in operation from 8:00 a.m. until 7:00 p.m.

(2) The parking meters in zone 3 established by section 5-8-92 of this code shall be operated every day of the week except Saturdays, Sundays and state legal holidays, and the daily hours of operation of the meters shall be determined by resolution of the city council.

(b) The maximum time limit for parking in any space in parking meter zones 1, 2 and 3 shall be set forth on the meter for that space, and shall be 20 minutes, two hours or, in zones 1 and 3 only, four hours.

(c) In all parking meter zones, the rate shall be ~~\$1.75~~ \$1.25 per hour at those meters that are coin only operated until such time as multi-space meters are installed. In all parking meter zones, the rate shall be \$1.75 per hour at those spaces served by multi-space meters installed before November 1, 2010. Thereafter, when multi-space meters are installed elsewhere in all parking meters zones, the rate may increase up to \$1.75 per hour at those spaces. Any such increase up to \$1.75 per hour shall be implemented by resolution of City Council. In all parking meter zones, the applicable rate shall be payable in such increments as provided at the applicable meter or pay station. The rates established herein fully apply to all persons, including disabled persons, vehicle owners, or volunteers for an institution or organization to which disabled parking license plates, organizational removable windshield placards, permanent windshield placards, or temporary removable windshield placards are issued or any persons to whom disabled parking license plates have been issued under Va. Code § 46.2739 (B). By this ordinance, the provisions of Va. Code § 46.2-1245 shall not apply within the boundaries of the City of Alexandria.

1 (d) As used in this article, the phrase parking meter shall be deemed to include a
2 parking pay station for multiple parking spaces, and all provisions applicable to parking meters
3 shall apply to parking pay stations, mutatis mutandis.
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5 Section 2. That this ordinance shall become effective upon the date and at the time of
6 its final passage.
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8 WILLIAM D. EUILLE
9 Mayor


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11 Introduction: 11/9/10
12 First Reading: 11/9/10
13 Publication:
14 Public Hearing:
15 Second Reading:
16 Final Passage:
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10-26-10

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 20, 2010
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: JAMES K. HARTMANN, CITY MANAGER 
SUBJECT: CONSIDERATION OF WHETHER OR NOT TO ESTABLISH INTERIM PARKING METER RATES

ISSUE: Whether or not to establish interim parking meter rates.

RECOMMENDATION: That City Council:

1. Decide if it wants to temporarily lower meter rates until the new multi-space meters are installed; and
2. If it decides to temporarily lower meter rates, then affirm that: (a) Carlyle area meter rates would remain at \$1.75 per hour; and (b) the determined meter rates would remain in effect on Saturdays and throughout the holiday season.

BACKGROUND: Council approved an increase in parking meter rates on July 1, 2010, from \$1.00 and \$1.25 per hour to \$1.75 per hour, resulting in the need for an additional two to three quarters per hour to pay the new meter fee. This increased the need for coins, which has unintentionally created a coin shortage for both parkers and business owners. Concerns have been raised that many parkers are obtaining coins from nearby businesses, and spending less time patronizing the businesses within the Old Town area. Some business owners have tried to encourage visitors by stocking quarters in their shops for those in need of coins for the meters. However, owners and visitors have voiced their frustration in trying to maintain the number of coins needed for the meters.

The meter rates were raised after recommendations were received through the Old Town Area Parking Study and discussed by staff and Council. The Parking Study recommended an increase in meter rates to better manage the on-street parking spaces and encourage long-term parkers to use off-street facilities such as parking garages and lots. The meter rate of \$1.75 per hour is consistent with the private/public garage rates, which constitute the largest parking competition to on-street parking spaces.

Council and staff have received requests from a number of business owners to decrease or eliminate the meter fees until the time that the new multi-space meters are installed. The new meters will have multiple payment options, and will not require the user to carry coins, thereby minimizing the coin availability impact of the increased meter rate.

Staff also has been researching the implementation of a policy that would require disabled parkers to pay parking meter fees, also known as the "All May Park, All Must Pay" policy. A public hearing was held on the proposed policy at the May 2010 Traffic and Parking Board meeting. Throughout the summer, staff has been discussing implementation of the policy in the Old Town Area Parking Study Work Group public meetings. The Work Group proposed recommendations to ensure that implementation would cause minimal negative impact to the disabled community. We expect the ordinance to implement the new policy to be introduced at the November 9 legislative meeting with the Council public hearing on the ordinance on Saturday, November 13.

The Old Town Area Parking Study Work Group also recommended that meter hours should have consistent operational times throughout the City. Although the Work Group recommended that meter operational hours be extended until 10:00 pm, some business owners have provided input to the City that they do not support this recommendation. This information was presented to Council during the October 12, 2010 Council Work Session on the Old Town Area Parking Study Work Group Recommendations. Staff is considering proposing extending operational hours of meters in the City only until 7:00 pm to achieve consistency in meter hours based on the Work Group recommendations and discussion at the Work Session. Staff will not be recommending any ending time later than 7:00 p.m. This timing issue will come forward to Council just prior to installation of the multi-space meters. Currently only parking meters located east of Washington Street have an ending time of 7:00 p.m.

The Police Department enforces parking at meters through their Parking Enforcement Unit. Comments have been submitted to staff and Council stating that Parking Enforcement Officers have been enforcing the meters aggressively, while other submitted comments state that enforcement has not been aggressive enough. Council has asked for an enforcement report to better understand enforcement in the metered area. The Police Department is currently preparing a report.

DISCUSSION: Staff researched the financial implications of decreasing the meter rates for the five-month period between December 2010 and April 2011, when multi-space meters are projected to be in operation throughout the Old Town area. Staff looked at meter revenue that would be lost by reducing rates to \$1.50, \$1.25, or \$1.00 at meters in the Old Town area and in the Carlyle area, where multi-space meters are already installed.

There are a number of policy choices for Council to consider which in combination create 14 different options. These main policy choices include consideration of reducing the parking meter rate until the multi-space meters are installed in April. If the rate is reduced until April, then the question is what lower rate (\$1.00, \$1.25, or \$1.50 per hour) and then an additional question is what rate should the Carlyle area have (which already has the multi-space meters and had a \$1.25 rate as of July 1, 2010). In addition, there are the policy choices of keeping the rates at \$1.75 but making Saturdays free through April, making Saturdays free through the end of December (i.e. the holiday shopping season), or making meter parking totally free through the end of December. A different policy option the City could select could be to increase its regional marketing efforts it funds through ACVA in order to attract more shoppers and diners to the City. The following chart depicts 14 options:

PARKING METER RATE OPTIONS

	OPTIONS	Lower Rate to			
		(1) \$1.50	(2) \$1.25	(3) \$1.00	(4) Other
A.	Lower rates through April – all meters including Carlyle	\$183,000 (A1)	\$366,000 (A2)	\$549,000 (A3)	NA
B.	Lower rates through April but keep Carlyle no lower than \$1.25	\$183,000 (B1)	\$366,000 (B2)	\$528,000 (B3)	NA
C.	Lower rates through April but keep Carlyle at \$1.75	\$163,000 (C1)	\$324,000 (C2)	\$486,000 (C3)	NA
D.	Free parking on Saturdays through April	NA	NA	NA	\$139,700 (D4)
E.	Free parking on Saturdays, Thanksgiving through December	NA	NA	NA	\$44,450 (E4)
F.	Increasing ACVA marketing through April	NA	NA	NA	\$100,000 (F4)
G.	Free during holiday season in Old Town	NA	NA	Na	\$247,500 (G4)
H.	Keep \$1.75 rate in place in all areas	NA	NA	NA	\$0 (H4)

The Problem: The request to reduce the meter rates derives almost exclusively from the issue that the increase from \$1.00 per hour to \$1.75 per hour created a coinage problem in that in this increasing electronic financial transaction environment, change is not something that most people have great volumes in the pockets, purses or vehicles. To park for two hours now requires 14 quarters rather than the former 8 quarters. There has been very little push back on the rate increase to \$1.75 itself. In fact the retailers' proposals appear in general to be framed as requesting an interim rate reduction until the multi-space meter equipment is installed.

Some retailers have indicated that they have become mini-banks in making change for many parkers who upon discovering they don't have enough change, then enter the store to change their paper money into coins. Merchants have also reported that they believe that customers who did not have enough coins are not spending as much time in their stores as they did before the rate increase due to the coin problem. To date no quantitative data has been presented which shows a loss in sales, or if there is a loss what the size of the loss in sales might be.

Options: The policy considerations on the proposed 14 options can be summarized into the following:

- The \$1.75 rate could be reduced on an interim basis until the multi-space meters are installed in April. This addresses the primary issue of the coin problem, but comes at a material fiscal cost. The rate could be lowered back to \$1.00 (option column 3), or lowered to some degree (options column 1 and 2). Lowering to some degree has some merit as it would reduce the amount of coins needed by parkers and reduce the number of parkers asking retailers for change, but not result in a total rollback to \$1.00 which would cost some \$0.5 million through April. Since it appears that there has been general acceptance of the rate increase to \$1.75, there is merit in only a partial rollback. However, it would be confusing to have a \$1.00 rate as of last June that went to \$1.75 on July 1, and then reverted to a lower rate as of December only to rise again after the multi-space meters are installed.
- For whatever rate is chosen there is the policy choice of how to handle the Carlyle area. The Carlyle area already has multi-space meters so coinage is not a problem. The rate prior to July 1 was also at \$1.25, which was higher than Old Town, so the rate increase was lower. Also complaints about the rate increase have not been coming from the Carlyle area, but rather from the area of Old Town with traditional single space meters. As a result, lowering the Carlyle rate would appear to have little benefit for the cost. Option rows A, B and C on the chart depict three different Carlyle rate options.
- It has been suggested that the City make the meters free on Saturdays when retail shopping and dining hits its peak day. This was done for two years a number of years ago for the holiday season as a way of drawing in holiday shoppers. Free Saturdays have been suggested to be reinstated by some of the retailers. It could be done through the holiday season, or through April. When the City implemented free Saturdays a few years ago, the business community did not think that it was a good expenditure of funds. In fact, the Chamber of Commerce came to the City and asked that the program not be renewed. It appears that in many cases parkers put coins in the meter out of habit as they did not know Saturdays were now free, and some business employees parked on the street all day Saturday knowing the meters were free. Parking garage owners indicated they lost business when Saturdays were free. Also a problem with a temporary free Saturday policy is that it would take away the Saturday pay requirement, only

to reinstitute it in April. It also would not address the coinage issue during the weekdays.

Free Saturdays (options D4 and E4) were thought to be a way to promote coming to the City to shop and dine. While some of that increased business caused by the prior free Saturday parking promotion did likely occur, it was not clear that free Saturdays had a clear positive impact on retail and restaurant sales. If Saturdays were made free, the cost (Option E4) would be \$44,450 for the holiday season, and (Option D4) \$139,700 through April.

- Another option (G4) to consider is to offer free parking every day at the meters in Old Town throughout the Thanksgiving and holiday seasons. Similar to offering free parking on Saturdays, this has been suggested as a way to promote coming to the City to shop and dine. This will have a negative effect on parking availability; particularly during the weekday when office workers would likely use spaces for an entire workday, as turnover rates would decline substantially, and business would be lost due to reasons discussed as a result of free Saturday parking. If meters were made free from Thanksgiving through the holiday season, the cost would be \$247,500.
- A final option (F4) to consider is that the meter rates be kept at \$1.75, and that the City invest \$100,000 in an expanded one-time marketing initiative by allocating funds to ACVA to expand its regional media buys for the holiday and spring seasons until April. More media buys which increase the saturation of ACVA's advertisement would enhance the value of ACVA's current regional advertising, by increasing the chances someone sees or hears the advertising, or increases the number of times that a potential shopper or diner sees or hears the advertising. Effective advertising has the benefit of increasing the amount of business for the retailers who may have been impacted by the parking rate, as well as retailers who have not been impacted by meter rates. Increased sales also generate additional City meals and sales tax revenues. It may be more cost effective to increase advertising than it would be to spend the same or multiples more on a meter rate rollback. While ACVA staff agrees that increased advertising would be effective, they did not initiate this option as some of their retail members have been the most concerned about the parking meter rate issue. ACVA has not taken a position on what Council should do about meter rates.

In order to decrease the parking rates, the City Code section addressing meter rates must be amended. If directed by Council, staff would present an ordinance for introduction on first reading at the first legislative session November 9, 2010, and a public hearing would be held on November 13, 2010, with second reading and passage occurring on the same date. Activating the parking meters for the decrease in meter rates will take staff approximately three weeks and will incur additional resource costs to the City. Staff will need to procure new internal meter signage and change the rate information on each of the 1,039 meter heads.

Staff plans to introduce the ordinance to enact the proposed "All May Park" policy on November 9, 2010 for introduction and first reading and public hearing on November 13, with second reading and passage occurring on the same date. Staff will be recommending that the ordinance be approved to include language which states that the policy will not be in effect until such time as the appropriate infrastructure (i.e., the multi-space meters and handicapped designated spaces) is in place.

FISCAL IMPACT: The above 14 options have a cost that ranges between \$0 if no change in meter rate policy is made and \$549,000. Funding for the higher ranges of these options is greater than the current Contingent Reserve balance of \$179,305 (which also needs to finance unforeseen fiscal issues that may arise through the end of this fiscal year). Therefore, if Council wishes to choose any option with a cost higher than \$179,305, another funding source would need to be identified, such as FY 2010 ending balances. While the City ended FY 2010 on a positive fiscal note, those funds are currently contemplated to cover future FY 2012 operating and capital budget needs. The most likely fiscal effect of an interim rate rollback with a substantial revenue loss would be that some priority capital project (City facilities, roads, infrastructure, transit capital, etc) would not be funded in FY 2012. As a result any significant rate rollback needs to be viewed as having a real material budget impact and a real future cost.

STAFF:

Mark Jinks, Deputy City Manager

Bruce Johnson, Chief Financial Officer, OMB

Richard J. Baier, P.E., LEED AP, Director, T&ES

Abi Lerner, P.E., Deputy Director of Transportation, T&ES

Andrea Wilkinson, Principal Parking Planner, T&ES

ORDINANCE NO. 4684

AN ORDINANCE to amend and reordain Division 1 (PARKING METER ZONES), Article G (PARKING METERS), Chapter 8 (PARKING AND TRAFFIC REGULATIONS), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of The Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Division 1, Article G, Chapter 8 of Title 5 of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by the amendment of Sections 5-8-93 to read as follows:

Sec. 5-8-93 Parking meters; hours and days of operation; maximum time limits; rates.

(a) (1) The parking meters in zones 1 and 2, established by section 5-8-92 of this code, shall be operated every day of the week except Sundays and legal state holidays, and the daily hours of operation of the meters shall be determined by resolution of the city council; provided, that, within the area bounded on the north by the north side of Princess Street, on the west by a line 10 feet to the east of and running parallel to the east side of Washington Street, on the south by the south side of Wolfe Street and on the east by the Potomac River, meters which permit a maximum of two hours of parking shall be in operation from 8:00 a.m. until 7:00 p.m.

(2) The parking meters in zone 3 established by section 5-8-92 of this code shall be operated every day of the week except Saturdays, Sundays and state legal holidays, and the daily hours of operation of the meters shall be determined by resolution of the city council.

(b) The maximum time limit for parking in any space in parking meter zones 1, 2 and 3 shall be set forth on the meter for that space, and shall be 20 minutes, two hours or, in zones 1 and 3 only, four hours.

(c) In all parking meter zones, the rate shall be ~~\$1.75~~ \$1.25 per hour at those meters that are coin only operated until such time as multi-space meters are installed. In all parking meter zones, the rate shall be \$1.75 per hour at those spaces served by multi-space meters installed before November 13, 2010. Thereafter, when multi-space meters are installed elsewhere in all parking meters zones, the rate will increase to \$1.75 per hour at those spaces. In all parking meter zones, the applicable rate shall be payable in such increments as provided at the applicable meter or pay station.

(d) As used in this article, the phrase parking meter shall be deemed to include a parking pay station for multiple parking spaces, and all provisions applicable to parking meters shall apply to parking pay stations, mutatis mutandis.

Section 2. That this ordinance shall become effective upon the date and at the time of its final passage.

WILLIAM D. EUILLE
Mayor

Final Passage: November 13, 2010