


City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 7, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: CONSIDERATION OF ALLOCATION OF FUNDS FROM CONTIGENT RESERVE FOR THE INSTALLATION OF NEW MULTI-SPACE PARKING METERS FOR THE OLD TOWN AREA

ISSUE: Acquiring multi-space parking meters for the Old Town area to provide more payment options for parkers.

RECOMMENDATION: That City Council allocate \$1,250,000 from the Contingent Reserve account, previously designated for the Washington Metropolitan Area Transit Authority operating subsidy increase, to the City's Capital Improvement Fund for the acquisition and installation of multi-space parking meters in Old Town.

DISCUSSION: In the Old Town business area, the parking spaces in the metered zone are currently controlled by individual single-space meter heads. These meters accept dimes and quarters for payment of the meter rate, and allow a two hour maximum parking time. The current single-space meters cannot accept any other form of payment at this time.

City Council increased the parking meter rates effective July 1, 2010, from \$1.00 per hour to \$1.75 per hour, resulting in the need for seven quarters per hour to pay the meter fee. This increase was both a revenue raiser for the City, as well as an effort to price parking so as to encourage more garage parking, as well as to trigger more space turnover and availability. Higher rates also discourage persons working in the City from using parking meter spaces as their daily parking spaces. Also, a retail consultant engaged by the City estimated that for every parking meter space occupied by a worker, rather than a retail customer, there would be a loss of some \$80,000 in retail sales per parking space per year. Soon after the parking rate increase went into effect, the impact of needing more coins became apparent, as complaints about the amount of coinage needed to park increased.

This increased need for coins (at a \$1.75 per hour rate, this is seven quarters) has unintentionally created a hardship for both parkers and business owners. Users of the metered spaces often do not have the number of coins necessary to pay for the amount of time needed. This has resulted in visitors attempting to obtain coins from nearby businesses and potentially spending less time

patronizing Old Town businesses. 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 about trying to maintain the number of coins needed for the meters.

In May of 2010, City Council established the Old Town Area Parking Study Work Group to discuss specific recommendations set forth in the Old Town Area Parking Study, which was completed in early 2010. The Work Group included representatives from a variety of stakeholder organizations including civic and citizen's associations, retail establishments, restaurants, hotels, parking garages, the Alexandria Commission for Persons with Disabilities, and the Alexandria Chamber of Commerce. The Work Group has convened six times over the summer and developed their recommendations at the final meeting on August 31. Recommendations are being developed on meter operational hours, time limits at meters, time limits in residential neighborhoods for non-permit holders, installation of new meters in commercial areas, the "All May Park, All Must Pay" policy, valet parking, use of off-street parking facilities, and installation of multi-space meters. The Work Group's recommendations addressing these issues will be reported in their entirety to Council at an upcoming Council meeting.

During the discussion addressing installation of multi-space meters, one of the recommendations set forth by the Work Group was the replacement of the individual single-space meters with multi-space meters. Multi-space meters offer the capability of accepting payment through various means, such as coins, credit cards, or by cell phone. This provision of alternative methods of payments would assist parkers in payment of the meter fees by offering multiple choices and more convenient options to the users. The multi-space meters would also assist the City in managing its parking assets by maximizing the total number of parking spaces and the revenue from those parking spaces. Additionally, the installation of multi-space meters would alleviate the issues that businesses and visitors are facing due to the increase in need for coins in the existing meters.

As a result, it is recommended that the City replace 1,039 individual single-space meter heads with 125 multi-space meters. Each multi-space meter requires \$10,000 for purchase, installation, and set up. This would bring the cost of changing from single space meters to multi-space meters at \$1.25 million.

FISCAL IMPACT: The City's FY 2011 Approved Operating Budget included \$1.6 million in Contingent Reserve for a potential Washington Metropolitan Area Transit Authority (WMATA) General Fund operating subsidy increase. At the time of budget adoption the WMATA budget had not been finalized, and some estimates of the potential subsidy increase were \$1.6 million or more. Due to the timing and uncertainty of the WMATA subsidy amount, Council added \$1.6 million in Contingent Reserve through the add/delete process to cover any potential WMATA subsidy increase for a total FY 2011 Contingent Reserve of \$1.9 million. Upon final adoption by WMATA because of other budget actions approved by the WMATA Board, the City's actual subsidy increase was only \$346,492. This amount will be recommended for transfer from Contingent Reserve to the Transit Subsidies operating budget in the fall appropriations ordinance, leaving \$1,429,305 in Contingent Reserve.

Using a portion of the remaining Contingent Reserve to replace all of the City's coin-operated single-space parking meters with multi-space pay boxes (\$1,250,000 total cost) consistent with the City's fiscal policy of using one-time funding for capital to avoid on-going operating budget imbalances. Also, allocating these WMATA transit contingent funds to purchase multi-space meters keeps these funds targeted towards transportation management utilization purposes. For the balance of FY 2011, the Contingent Reserve account will have \$179,305 remaining.

STAFF:

Bruce Johnson, Chief Financial Officer

Morgan Routt, Assistant Director, OMB

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

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

Bob Garbacz, P.E., Transportation Division Chief, T&ES

Antonio J. Baxter, Division Chief of Administration, T&ES

Andrea Wilkinson, Principal Parking Planner, T&ES

19
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FY 2010 Preliminary Financial Results

Report to City Council
September 14, 2010

\$3.0 Million in Uncommitted Savings

- **As a result of careful fiscal management and expenditure control, the City has \$3.0 million in additional uncommitted savings in FY 2010**
 - Disposition of those savings will be proposed in October for City Council consideration

Reasons for \$3.0 Million Savings

- **General Fund revenues \$8.1 million lower than the original budget estimates**
 - Decline in revenues projected early in the year
 - Decline primarily due to:
 - Lower real estate taxes (\$5.4 million)
 - Less aid from the Commonwealth (\$2.0 million)
 - At year-end, revenues within 0.1% of January 2010 estimates

Revenue Shortfall Required Expenditure Reductions

- **Careful fiscal management and expenditure control**
 - Achieved \$17.7 million in total gross General Fund expenditure savings from budgeted amounts
 - Partially used to cover \$6.6 million in unexpected City General Fund costs for the December and February snow storms of last winter

Sources of Savings

- **The majority of the savings came from 4 areas of the budget:**
 - METRO Subsidies (\$3.1 million)
 - Debt Service (\$3.0 million)
 - Department of Human Services (\$5.2 million)
(including \$2.3 million in Comprehensive Services Act for Foster Care and Special Education)
 - Personnel Compensation (\$1.5 million)
- All departments spent less than they had budgeted for FY 2010

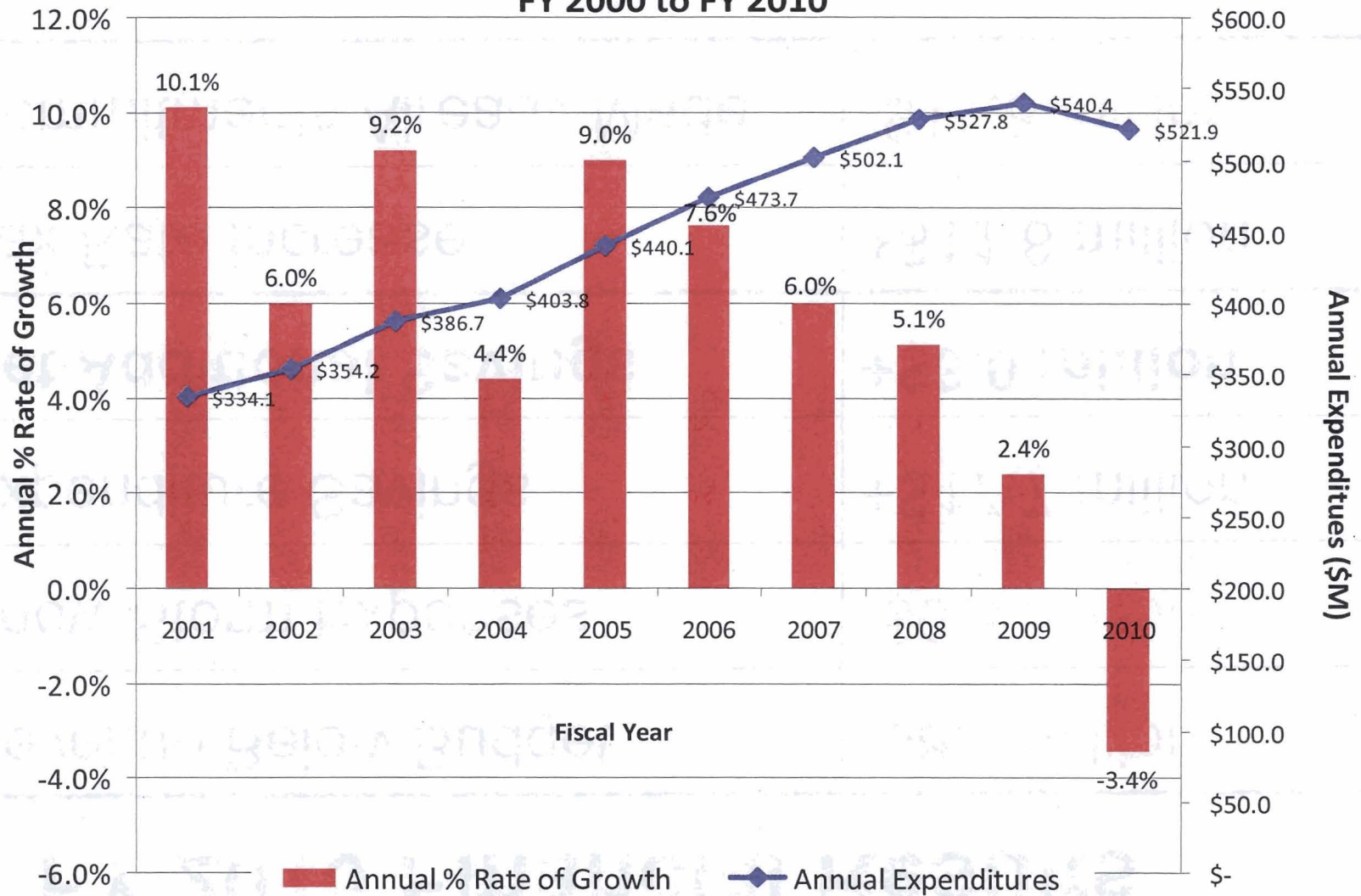
Real Estate Tax Rate Increase Not Used to Balance FY 10 Budget

- **The 7.5 cent real estate tax rate increase effective in June 2010 raised \$11.8 million in FY 2010 as planned**
- Council has already committed this amount for:
 - Capital Improvement Program (\$11.0 million)
 - Storm water management activities (\$0.8 million)

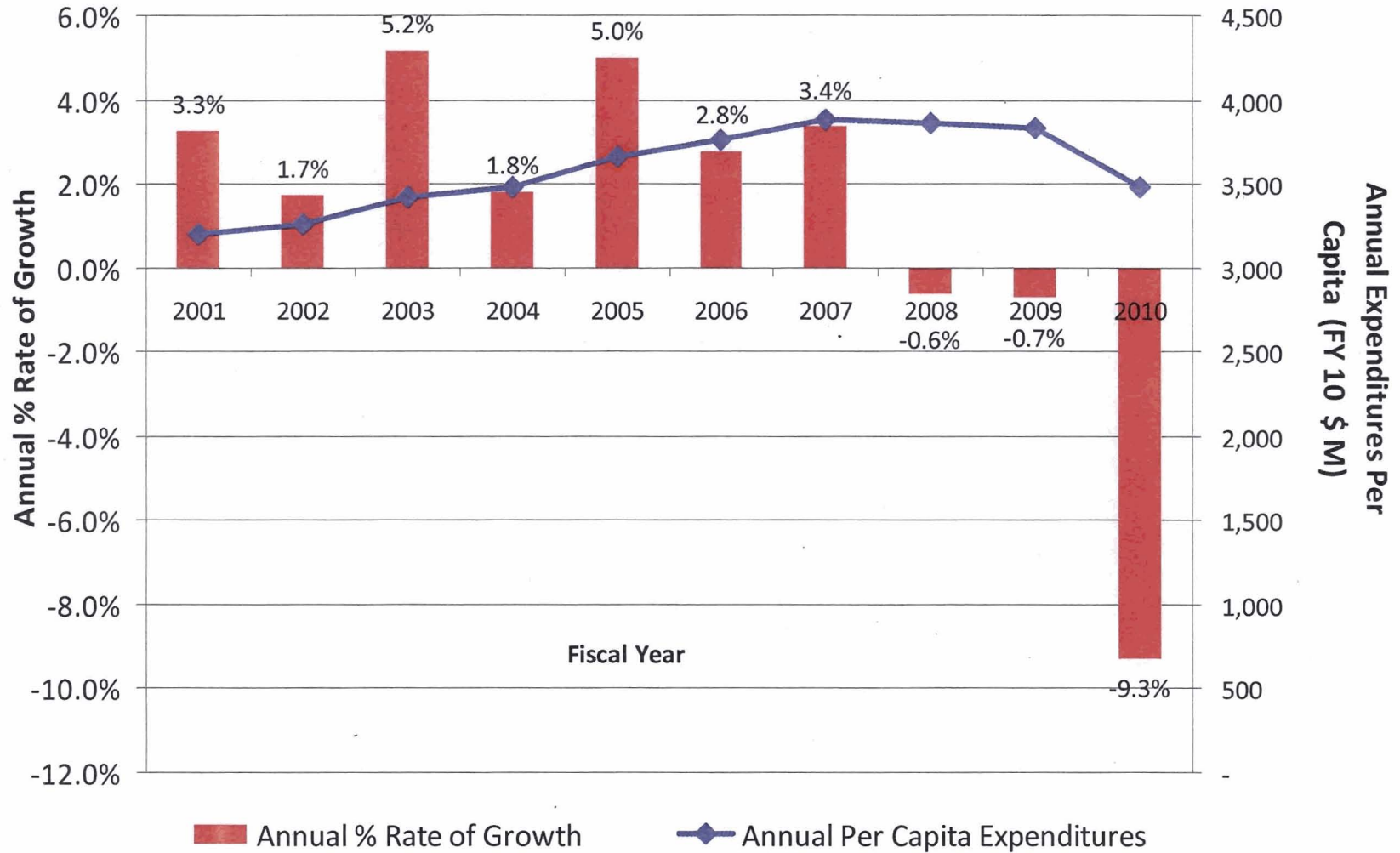
Summary of FY 2010 Financial Results

Revenue Below Budget	-\$8.1 million
Snow Storm Expenses	-\$6.6 million
Expenditure Savings	+\$17.7 million
Net Additional Savings	+\$3.0 million
Tax Rate Increase	+\$11.8 million
Commitments Already Made	-\$11.8 million

History of General Fund Actual Expenditures FY 2000 to FY 2010



History of General Fund Actual Expenditures Per Capita Inflation Adjusted Basis FY 2000 to FY 2010





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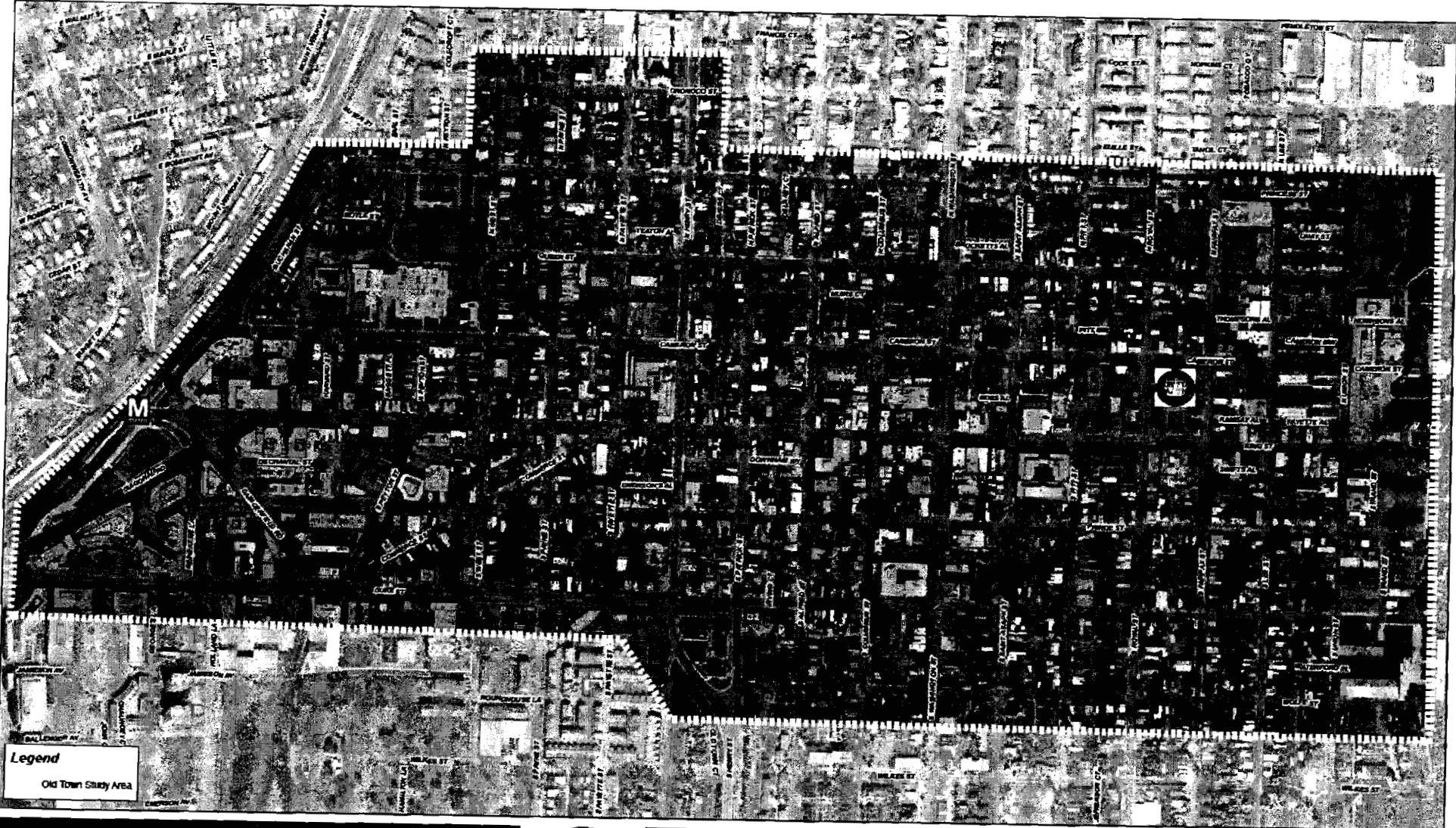
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Old Town Area Parking Study Work Group: Overview and Final Recommendations

City Council Meeting
September 14, 2010



Old Town Area Parking Study Boundaries



Legend
Old Town Study Area



Figure 1-1:
Old Town Parking Study Area

 Kinley-Horn
and Associates, Inc.

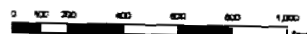



FIGURE
1-1

Old Town Area Parking Study Work Group

- Transportation & Environmental Services
 - Planning & Zoning
 - Alexandria Commission on Persons with Disabilities
 - Old Town Business and Professional Association
 - Chamber of Commerce
 - Citizens/Civic Associations
 - Parking Garages
 - USPTO
 - Real Estate
 - Restaurants
 - Hotels
 - Parking Garages
 - Retail
- 

Old Town Area Parking Study Work Group

Purpose:

- Improve parking management in the Old Town area through implementation of recommendations set forth in the Old Town Area Parking Study.

Goals:


- Discuss selected recommendations from the Old Town Area Parking Study
- Establish plan for implementation of selected recommendations

Old Town Area Parking Study Work Group


Recommendations topics to discuss:

- Short-term
 - Variable meter parking durations
 - Extension of on-street parking meter hours
 - Addition of new multispace meters in the Old Town area
 - Disabled pay to park policy
- Long-term
 - Parking time restrictions in residential permit areas
 - Use of parking garages

Old Town Area Parking Study Work Group

- Convened six times throughout summer
 - Final meeting on August 31
 - List of final recommendations for implementation
 - Report on Work Group recommendations to Council in late September
 - Request for Council Work Session on October 12
- 

“All May Park, All Must Pay”

- Designate 2% of metered spaces as disabled.
 - Allow 4 hours for disabled parkers.
 - Issue waivers based on income for low income disabled residents.
 - Implement policy after proper meter infrastructure is in place, including technologies that allow credit cards and in-vehicle parking devices.
- 

Parking in Residential Areas

Addition of Meters

- Do not add meters in residential areas.

Time limits


- Do not decrease time limits for non-permit holders in residential areas.

Non-permit holders


- Research implementation of permit only parking during evening hours in residential areas.



Meters in Commercial Areas

- Extend operational hours until 10 pm.
 - Do not install meters with 30 minute or 1 hour time limits.
 - Do not implement variable parking rates.
 - Install new meters in non-metered blocks that are fully commercial.
 - Install new meters in combination blocks that are high activity/utilization.
 - Consider proximity and price of off-street parking facilities when placing new meters.
- 

Off-street Parking Facilities

- Improve City owned facilities.
 - Develop brochure for users in partnership with ACVA, Chamber of Commerce, etc.
 - Improve parking information on City website.
 - Work with private garages to extend hours.
 - Use City-owned facilities for valet parking.
- 

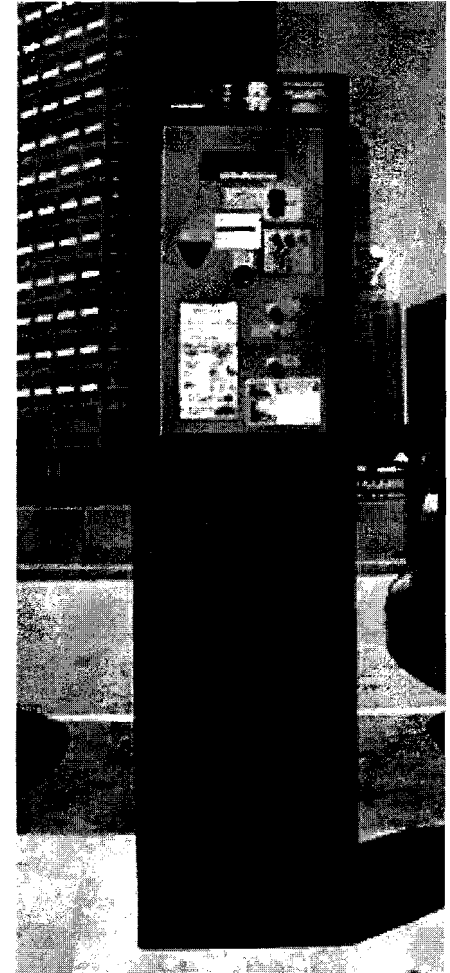
New Technologies

- Implement pay-by-phone technology at metered spaces.
- Install multispace pay-and-display meters for new meter installations.
- Replace existing single space individual meter heads with multispace meters.

Multispace Meters

Recommendation in Old Town
Area Parking Study:

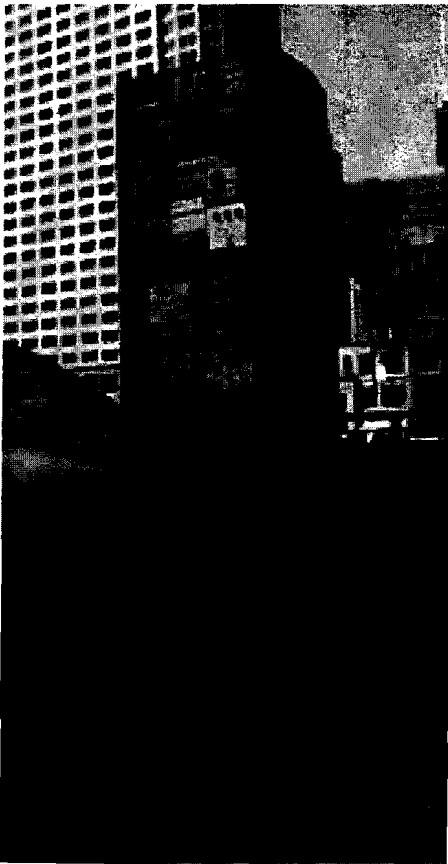
- Install multispace meters to replace coin-operated single-space meters on King Street and in side street locations with high demand.



Multispace Meters

Benefits:

- Provides alternate/convenient means of payment
- Less hardware in pedestrian area
- Less equipment to maintain
- Vandal resistant
- Can hold as many coins as 10-15 single meters (less collection/staff needs)
- Can adjust rates easily
- Quick return on investment



Multispace Meters

Negatives:

- Costlier to purchase/install
- Malfunction affects greater number of spaces
- Aesthetic impact of larger meter
- Placement is greater distance from parking space



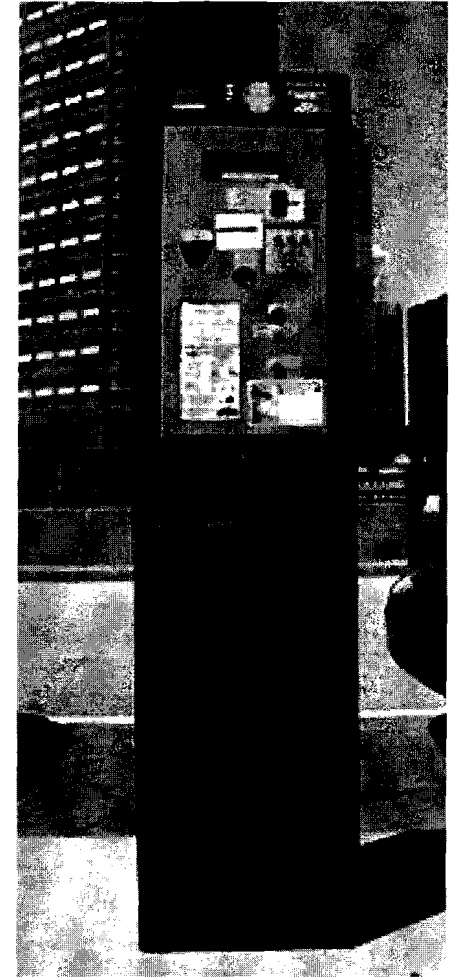
Multispace Meters

Pay and Display (Receipt in Window)	Pay by Space (Pay at Meter)
Provides more parking - Allows self-spacing	Limited spaces - Park in set spaces
Requires return trip to car	Ability to pay and go
Less maintenance needs - No painted lines, numbers	Needs maintenance: painted lines, numbered spaces
Maximizes revenue - No time “piggybacking”	Can increase revenue - Reduces “piggybacking”
Requires on-foot PEOs - Increases enforcement time	Can be monitored remotely for enforcement

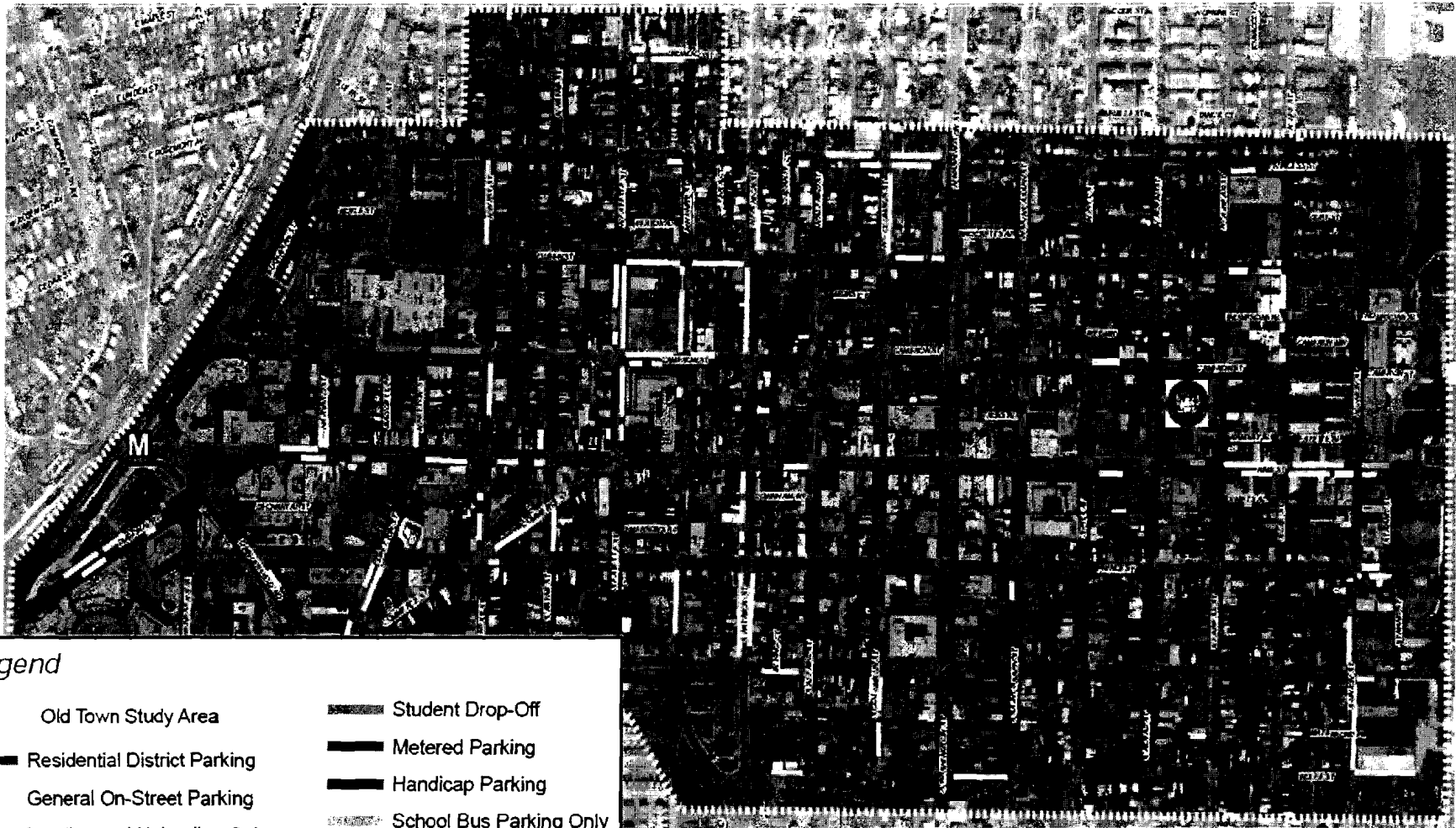
Multispace Meters

Work Group Recommendations:

- Install multispace Pay and Display meters for new meter installations.
- Replace existing single-space individual meter heads with multispace meters.
- Include Modules for credit card processing and coin acceptance.




Existing Meters in Old Town Area



Legend

- | | |
|-----------------------------------|-------------------------|
| Old Town Study Area | Student Drop-Off |
| Residential District Parking | Metered Parking |
| General On-Street Parking | Handicap Parking |
| Loading and Unloading Only | School Bus Parking Only |
| Taxi Stand | Valet Only |
| Tour Bus and Trolley Parking Only | |

Multispace Meter Replacement: Vendors and Installation

- Vendors:
 - Duncan (Carlyle)
 - Parkeon
 - Cale
 - Staff recommends one type of multispace meter throughout Old Town Area for consistency
 - Delivery and installation: 5-6 months
- 

Costs of Single Space and Multispace Meters

Type of Meter	1,039 Single Space Meters	Single Space Meters	Multispace Meters
Cost to Purchase/ Install per Space		\$500	\$1,000
Annual Operating Cost per Space:			
Operations Cost		\$20*	\$54
Hardware Maintenance Cost		\$10	\$48**
Total Annual O&M Costs per Space		\$30	\$102
Annual Gross Revenue per Space	\$1,983,780***	\$1,909	\$2673****
Annual Net Revenue per Space (Annual Gross Revenue - Total Annual O&M Cost)		\$1,879	\$2,571

* Technician overtime and reallocation of resources due to increased coin collection needs

** First year cost is negligible as equipment is covered by warranty

*** Annual projected revenue based on increased meter rate (57% increase in revenue)


**** Additional revenue is expected to be approximately 40% more than current revenue due to the following:

- A) Increased number of parking spaces per block
- B) Ability to charge credit cards results in increased revenue
- C) Elimination of "piggybacking" in vacated spaces

Multispace Meter Replacement: Fiscal Implications

- Personnel savings is estimated to be minor at this time
- Purchase costs:
 - \$1000 per space for multispace meters
 - \$500 per space for single space meters
- Annual operating & maintenance costs:
 - \$102 per space for multispace meters
 - \$30 per space for single space meters

Multispace Meter Replacement: Fiscal Implications

- Annual net revenue per space:
 - \$2,571 for multispace meter space
 - \$1,879 for single space meter space
 - 40% projected revenue increase at multispace meters due to:
 - Increased number of spaces per block
 - Credit card usage
 - Elimination of “piggybacking” in vacated spaces
 - 1.75 years to recoup capital investment
- 

Annual Revenue vs Cost of Multispace Meters

	Single Space Meters	Multispace Meters	Difference
Total Annual Revenue	\$1,952,281	\$2,671,269	\$718,988
Total Cost of Multispace Meters		\$1,250,000	

Number of years to recoup costs of new multispace meters is estimated at 1.75 years.

Thank you!

Questions?





COA Contact Us: Historic Old Town Parking/Meters -- 3 Items

philip matyas to: william.euille, frank.fannon, kerry.donley,
alicia.hughes, delpepper, paulcsmedberg, rose.boyd,
jackie.henderson, elaine.scott, rob.krupicka,
linda.owens, elizabeth.jones

09/14/2010 02:50 PM

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Please respond to philip matyas

Time: [Tue Sep 14, 2010 14:50:02] Message ID: [24194]

Issue Type: Mayor, Vice Mayor, and Council Members
First Name: philip
Last Name: matyas
Street Address: 219 n. pitt st.
City: alexandria
State:
Zip:
Phone:
Email Address: philip.matyas@longandfoster.com
Subject: Historic Old Town Parking/Meters -- 3 Items
A) Docket #19. The OTAPSWP's final recommendation did not include a simple short-term response to move cars into city owned parking garages. For parking after 5 p.m until closing make a standard price (\$3 would draw most into a garage) to park in a city-owned garage. Using Microsoft Publisher/Windows weather resistant stickers could be printed and placed on parking meters withing a two to three block area directing visitors to park there and keep the \$1.75 meters open for short term visitors. This sticker would alert visitors to the fact that there is a city garage to park at during the daytime as well.
B) The recommendations failed, failed miserably, to address the impact of Virtue, Pizza Paradisio, \$1.75/hr meter fees and other parking pressures on residents on streets that are located adjacent to King Street (4 to 5 blocks south and north of King Street and East of Washington Street). Council should immediately look at having
Comments: residential only parking after 5 p.m. on the east/west and north/south streets. The impact of the increased parking fee just moving visitors to

park further south and north (or east to west parallel to King Street) on side streets IS TODAY'S REALITY and will get worse and action needs to be taken now before these restaurants open. It's time to start mandating parking spaces before new development/zoning changes are implemented in Historic Old Town. You require a parking space for each accessory apartment built in the KR zoning and whenever zoning change to offices occur (1 space for every 400 sq.ft.)

C) How is the metering of the 100/ 200 block of King Street a trial in docket #9, if you are allocating approving \$1.25 million for replacement of all single meters in docket #19?? Keep single meter for astetic/historic look and add single meters in 100/200 blocks. Making parking easier to park on King and side streets by paying by credit card is counter intuitive to moving cars into garages.



COA Contact Us: Sept 14th Council Meeting- Docket Item #19

william.euille, frank.fannon, kerry.donley, alicia.hughes,

Tina Leone to: delpepper, paulcsmedberg, rose.boyd, jackie.henderson,
elaine.scott, rob.krupicka, linda.owens, elizabeth.jones

Please respond to Tina Leone

09/10/2010 12:18 PM

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9-14-10

I attachment



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Time: [Fri Sep 10, 2010 12:18:02] Message ID: [24089]

Issue Type: Mayor, Vice Mayor, and Council Members
First Name: Tina
Last Name: Leone
Street Address: Alexandria Chamber of Commerce
801 N Fairfax St, Suite 402
City: Alexandria
State: VA
Zip: 22314
Phone: 703-739-3802
Email Address: tleone@alexchamber.com

Subject: Sept 14th Council Meeting- Docket Item #19
Dear Mayor, Vice-Mayor and Council Members,

On Tuesday, September 14th,

City staff will introduce a proposal to allocate funds from the City's
contingent reserve for the installation of new multi-space parking meters
in the Old Town area. This recommendation was included in the Old Town
Parking Study.

The Alexandria Chamber of Commerce supports the Old
Town Parking Study completed in February 2010 and its recommendations as
suggested. We have attached our position statement on this matter that was
issued in August 2010.

We also concur with the Old Town Parking Work

Group's recommendations for implementing the alternatives suggested in the

Study and thank you for the opportunity to have a Chamber representative included with this group.

Furthermore, we encourage City Council to

Comments: approve staff's proposal that will implement multi-space parking meters throughout Old Town immediately. These meters are needed to mitigate the effect of the City's recent action of increasing meter rates from \$1.00 to \$1.75 per hour.

Finally, we also support the implementation of a Pay-by-Phone system for parking, to bridge some of the gap between now and the time the multi-space meters could be expected to be installed, which is late this year. This is a practical solution which could remain in place and used at a reasonable cost to the City and the consumer.

We look

forward to your swift, positive action to resolve the parking challenges we are experiencing and encourage you to implement these recommendations as proposed by City staff immediately.

Tina

Leone
President/CEO
Alexandria Chamber of Commerce

Attachment: f93fd784afa4e3a57eab6517f010bdd4.pdf



Old Town Parking Study Position Statement

The Alexandria Chamber of Commerce supports the recent Old Town Parking Study that was completed by the city. The Chamber has and continues to work to eliminate parking availability as a basis for opposing expansion of business opportunities in our city. Through this Study the City staff and City Council now have a reliable summary of parking availability and trends in Old Town and a viable plan for mitigating both real and perceived parking challenges.

The next challenge for all affected parties will be implementation. The stated purpose of the study has been to take an inventory of available parking, then to determine what the utilization of that parking is at times throughout the day and the week, followed by developing recommendations for the City Council to consider will allow for the best use of the parking spaces. With this purpose in mind we maintain that the City staff's recommendations are sound and will benefit the city as it continues to grow and attract more residents and businesses.

Though we endorse the findings and recommendations of the study, the Chamber proffers the following recommendations:

1. Expand the scope of the Study to address long term parking requirements in anticipation of additional growth, featuring connectivity to planned public transportation infrastructure improvements and convenient access to popular destinations throughout the city.
2. Adopt an amendment to the City Code to permit changes to parking rates, hours, and locations without Council approval, thereby providing a more fluid and adaptive environment to address efficiently parking needs as they arise.
3. Implement the recommendations of the Study as soon as possible, and perform similar studies for other areas of Alexandria in which commercial and residential parking demands require balancing.
4. Engage parking garage operators to create more consistent hours of operations and clean, well-lit facilities while still allowing businesses to operate independently.

5. Use a portion of the additional revenue collected via the increased parking meter rates to fund multi-space meters and signs approved in the Wayfinding Plan.

The Chamber will closely monitor these efforts and will continue to work with City staff and the City Council to make Alexandria a better place to do business.