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DIRECTOR OF PUBLIC WORKS

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Date: June 17, 2020

To: Public Works Commission

From: Jeffrey A. Padgett, MBA
Assistant Director for Parking and Traffic (Interim)

C.C. Chapin Spencer, Director of Public Works

Subject: Garage Rate Structure and Policy Adjustment Request

As you know, parking rates are set in Appendix C of the Burlington Code of Ordinances (BCO) and are under the authority of the Public Works Commission (ref. Charter § 48(58)(B)). Specifically, rates for the garages are set in BCO Appx. C, Chapter 19(b)(8), (9), and (10). As we review these policies, it has become clear that a number of adjustments need to be made in order to:

- 1) Reflect proposed FY'21 proposed Downtown Improvement District assessment reduction;
- 2) Account for special Holiday rates; and
- 3) Provide more flexibility to operational staff to meet customer needs.

Therefore we request the Public Works Commission adopt the following motion:

Adopt the attached update to Burlington Code of Ordinances, Appendix C, Chapter 19 Parking Rates, Sections (b) and (d) of the Ordinance that reflects the following (please also see attached regulation amendment):

1) Rates

*Beginning July 1, 2020 implement the following **updated rate structure**:*

Up to " ____ " Hour	Current		Proposed				
	MPG	CSG/LVG	MPG	% Change	CSG/LVG	% Change	
1	\$0.00	\$0.00	\$1.00	n/a	0	0	Covered By DID Assessment Funds
2	\$0.00	\$0.00	\$2.00	n/a	0	0	
2.5	\$3.00	\$2.00	\$3.00			50%	
3	\$4.00	\$3.00	\$4.00	0%	3	0%	
3.5	\$5.00	\$4.00	\$5.00			0%	
4	\$6.00	\$5.00	\$6.00	0%	4	-20%	
5	\$7.00	\$6.00	\$7.00	0%	5	-17%	
6	\$8.00	\$7.00	\$8.00	0%	6	-14%	
7	\$9.00	\$8.00	\$9.00	0%	7	-13%	
8	\$10.00	\$8.00	\$10.00	0%	8	0%	Max Daily Rate per 24 Hours

Free Parking on Sundays.

2) Holidays

*Beginning July 1, 2020 adopt the following **holiday rates**:*

Free Parking during the below City holidays:

*New Year's Day
Martin Luther King Day
Presidents' Day
July 4th
Town Meeting Day
Labor Day
Memorial Day
Bennington Battle Day
Columbus Day (Indigenous Peoples Day)
Veteran's Day
Thanksgiving Day
Christmas Day*

The Director of the Department of Public Works may adjust the garage rates for parking July 3rd to a flat rate or flat rates of his or her determination for the purpose supporting the safe and efficient ingress and egress of vehicles from the garages.

3) Policy Update

Beginning July 1, 2020 adopt the following policies:

- 1) Delegate authority to set temporary rates to the Director of the Department of Public Works for special events or promotions for periods up to one month, with two weeks' notice to the members of the Public Works Commission.*
- 2) Delegate authority to create a special "bulk-rate" product packages to the Director of the Department of Public Works, subject to approval of the Public Works Commission.*
- 3) Set the "Lost Ticket" rate at \$20 and allow garage staff the authority to apply on a case-by-case basis.*
- 4) Allow garage staff to refund, rebate, or otherwise waive parking fees on a case-by-case basis when public safety and/or is necessary to provide good customer service. Garage Staff shall provide adequate documentation of any refund, rebate, or waiver of parking fee, and justification for doing so.*
- 5) Allow for free overnight parking, as defined by the Director of Department of Public Works or his or her designee, in City Garages during declared City-wide parking restrictions. For example: Snow Bans and Operation Clean Sweep.*
- 6) Delegate authority to pro-rate monthly permit fees at sale or termination to the Director of Department of Public Works or his or her designee.*
- 7) Expand the "6 Day Permit" for an additional day, replacing it with "7 Day Permit" with all of the same terms and conditions, excepting the duration.*
- 8) Define "5 Day" permit as "Monday through Friday."*
- 9) Provide for the sale of permits to City employees for \$20 per month for a 5 day permit when paid by other City departments*
- 10) Restrict future permits offered at the Marketplace Lower garage to only "7 Day permits." Monthly permits will no longer be issued; existing monthly permits will not be affected, but will not be renewed.*

11) Update the ordinance to reflect that the Lakeview Garage, College Street Garage and Westlake Garages operate as a single facility.

Goals of the Changes:

We appreciate that this represents a significant change to policy governing the garages. However, we believe that these changes achieve 3 critical garage management goals:

1) Clear and Logical Rate Definition

Align the rate structure with the subsidy provide by the Downtown Improvement District assessment, simplifies the rate calculation, recognizes the value of parking at the Marketplace Garage and incentivizes parking at the Lakeview/College Street Garage.

2) Formalize Legacy Operations

Formalize policy with operations that have been in place for decades and identify flexibility within these operations.

3) Provide Management with Support and Flexibility

Provide garage management with new tools and the flexibility to address the needs of the market and community in a more responsive way.

Community Impact

Removal of 2 Hours Free at the Marketplace Garage is the most high profile change proposed. This is a direct result of the reduction of the DID tax assessment by the Church Street Marketplace Commission, reducing the tax burden on downtown businesses. Additionally, during normal operations the garage is over capacity 2-3 times a day, 3-5 days a week. This is not acceptable level of performance. Especially when 80% of the transactions at the garage are less than two hours and thus free. This garage is clearly in high demand. Conversely, the LVG/CSG/WLG is vastly under-utilized. The expectation is that the removal of 2 Hours Free at MPG will encourage a measurable percentage of parkers to seek out the LVG/CSG/WLG for 2 Hour Free and relieve the pressure on the Marketplace Garage.

Simplification of the rate structure should also be welcomed by the public. At the MPG the 2 Hours free is replaced with \$1/hour for the first two hours. Then, the current ½ hour break point remains to encourage turnover. This results in no change to the rate structure except for the removal of 2 Hour Free. Conversely, at the LVG/CSG/WLG the rate has been set at \$1 an hour (removing ½ hour rate breaks), with 2 hours free and the maximum day rate held at \$8 per 24 hours. The result is a less expensive parking experience for all rate periods, except for the ‘3 hour parker’ who, due to the simplification of removing the ½ hour rate break, will pay \$3 vs. \$2.

The ability to run pilot programs to support downtown businesses and community events would be a significant improvement in service to the community. The garages are a significant asset and having the ability to provide flexible, pilot rate structures and/or parking products to respond to community needs will improve the usage and image of the garages.

Garage Impact

Generally, taken as a whole, the proposed changes will positively impact both the day-to-day operations of the garages and improve the garage’s financial performance. The flexibility will allow for use to better serve our customers and the increase in revenues will help us to plan for significant capital repairs and operational needs.

We believe that the change in rates structure alone could generate an additional \$500,000 to \$1,000,000 (FY21 budget uses \$300,000 to be conservative). This improved revenue will help us to recover from the impacts of Covid-19 (losses expected up to \$1M) and creates a financial structure for the garages that is more sustainable going forward.

Additionally, the recent reduction of the DID assessment made it clear that changes were necessary to ensure the financial health of the garages. The DID tax is expected to generate approximately \$150,000 and requires that this money be used to fund a parking program that includes 2 Hours Free. The cost for 2 Hours Free at both garages, however, is approximately \$700,000. Clearly, the DID funding will not cover a program of this scale. However, we estimate that the cost of 2 Hours Free at *only* LVG/CSG/WLG is somewhere between \$150,000 and \$200,000, thus we believe we can satisfy the DID funding requirements for 2 Hours Free and cover our financial obligations with the \$150,000 DID funding. If conditions change and we need to modify or restrict the 2 Hours Free offer to meet our financial needs, we will institute a pilot program (if approved in this request) to modify the 2 Hour Free and return to the Public Works Commission to address the situation in a permanent fashion.

It is also important to note that the concept of removal of 2 Hours Free in general was recommended by the Downtown Parking and Transportation Management Plan (DPTM) in 2015 as part of the proposed financial model for garage.

Conclusion

Again, these are significant and complex updates and modifications to the regulation and operation of the garages; they have been months in the making, are not taken lightly and are generally consistent with the DPTM Plan. They have important and we believe positive impacts on the public, the business community and the garages themselves. We believe that these changes will significantly improve the operations of the garages and provide the platform for a more flexible, sustainable and customer oriented garage operation.

Attachment:

Regulation Amendment for BCO Appendix C, Chapter 19, Sections (b) and (d).

CITY OF BURLINGTON

In the Year Two Thousand Twenty

A Regulation in Relation to

Rules and Regulations of the Traffic Commission—
Excavation and Obstruction Permits—
Public Health Emergencies; accommodating business

Regulation _____
Sponsor: Department of Public
Works, Ordinance Committee
Action: _____
Date: _____
Published: _____
Effective: _____

It is hereby Ordained by
the Public Works
Commission of the City of
Burlington as follows:

That Appendix C, Rule and Regulations of the Traffic Commission, Chapter 19, Parking Rates, of the Code of Ordinances of the City of Burlington is hereby amended by amending Section (b), as follows:

Chapter 19. Parking Rates.

(a) As written.

(b)

(1)-(5) As written.

~~(8) College Street Parking Garage: First two (2) hours free; one dollar (\$1.00) per one-half (1/2) hour after two (2) hours for next two (2) hours; one dollar (\$1.00) per hour after four (4) hours; maximum daily rate of eight dollars (\$8.00). Eighty dollars (\$80.00) for a five (5) day per week monthly lease and ninety-six dollars (\$96.00) for a six (6) day per week monthly lease.~~

College Street / Lakeview / Westlake Parking Garage Facility.

a. Hourly, Maximum Daily Rates. One dollar (\$1.00) per hour; first two (2) hours free; maximum daily rate of eight dollars (\$8.00).

b. Parking is free on Sundays.

c. Monthly Permit Rates. Eighty dollars (\$80.00) for a five (5) day per week monthly permit; the five days per week shall be Monday through Friday. Ninety-six dollars (\$96.00) for a seven (7) day per week monthly permit. Twenty dollars (\$20) for a 5 day per week monthly permit for City Employees when paid for by a City of Burlington department. The Director of Department of Public Works or his or her designee may pro-rate monthly parking permit fees at times of sale and termination.

~~(9) Lakeview Parking Garage: First two (2) hours free; one dollar (\$1.00) per one-half (1/2) hour after two (2) hours for next two (2) hours; one dollar (\$1.00) per hour after four (4) hours; maximum daily rate of eight dollars (\$8.00). Eighty dollars (\$80.00) for a five (5) day per week monthly lease and ninety-six dollars (\$96.00) for a six (6) day per week monthly lease.~~

Marketplace Parking Garage:

a. Hourly, Maximum Daily Rates. One dollar (\$1.00) up to one (1) hour, two dollars (\$2.00) up to two (2) hours; three dollars (\$3.00) up to two and one-half (2 1/2) hours; four dollars (\$4.00) up to three (3) hours; five dollars (\$5.00) up to three and one half hours (3 1/2) hours; six dollars (\$6.00) up to four (4) hours; seven dollars (\$7.00) up to five (5) hours; eight dollars (\$8.00) up to six (6) hours; nine dollars (\$9.00) up to seven (7) hours; maximum day rate of 10 dollars (\$10.00) after seven (7) hours.

b. Parking is free on Sundays.

c. Monthly Permit Rates: Ninety-six dollars (\$96.00) for a seven (7) day per week monthly permit in the Marketplace Lower garage. No monthly permits available in the Marketplace Upper garage, except maintenance of those in existence at the time of adoption of this language. The Director of Department of Public Works or his or her designee may pro-rate monthly parking permit fees at times of sale and termination.

~~(10) Marketplace Parking Garage: First two (2) hours free; three dollars (\$3.00) per next one-half (1/2) hour after two (2) hours; one dollar (\$1.00) per one-half (1/2) hour for next one and one-half (1 1/2) hours; one dollar (\$1.00) per hour after four (4) hours; maximum daily rate of ten dollars (\$10.00). Eighty dollars (\$80.00) for a five (5) day per week monthly lease and ninety-six dollars (\$96.00) for a six (6) day per week monthly lease.~~

Reserved.

(11)-(16) As written.

(c) As written.

(d) ~~Reserved.~~

Special Rates for City-owned or Operated Garages.

(1) Holidays. Hourly transient parking rates shall be suspended on City-recognized holidays, including: New Year's Day, Martin Luther King Day, Presidents' Day, July 4th, Town Meeting Day, Labor Day, Memorial Day, Bennington Battle Day, Columbus Day (Indigenous Peoples Day), Veteran's Day, Thanksgiving Day, and Christmas Day.

a. The Director of the Department of Public Works may adjust the garage rates for parking July 3rd to a flat rate or flat rates of his or her determination for the purpose supporting the safe and efficient ingress and egress of vehicles from the garages.

(3) Special Events. The Director of the Department of Public Works may set temporary rates for special events or promotions for periods up to one month after providing the Public Works Commission two weeks' notice.

(4) Bulk-rate Parking Product Packages. The Director of the Department of Public Works may create special bulk-rate parking product packages, subject to approval of the Public Works Commission.

(5) Lost Ticket Rate. The "Lost Ticket" rate is \$20. Garage staff may apply this fee on a case-by-case basis.

(6) Parking Garage Fee Refunds, Rebates, and Waivers. Garage staff to refund, rebate, or otherwise waive parking fees on a case-by-case basis when public safety and/or is necessary to provide good customer service. Garage Staff shall provide adequate documentation of any refund, rebate, or waiver of parking fee, and justification for doing so.

(7) City-wide Parking Restrictions, Fees. Overnight parking in City Garages during declared City-wide parking restrictions, as defined by the Director of Department of Public Works or his or her designee, will be free. To include snow bans and "Operation Clean Sweep."

(e) As written.

(f) As written.

** Material stricken out deleted.

*** Material underlined added.