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7-26-2024

ROSEBURG CITY COUNCIL WORK STUDY AGENDA
July 29, 2024 at 4:00 p.m.
Council Chambers – City Hall
900 SE Douglas Avenue, Roseburg, Oregon 97470



Public Online Access:

City website at <https://www.cityofroseburg.org/your-government/mayor-council/council-videos>

Facebook Live at www.Facebook.com/CityofRoseburg

Please note, there is no audience participation scheduled for this work session.

4:00 p.m. Work Study

1. Call to Order – Mayor Larry Rich

2. Roll Call

Tom Michalek

David Mohr

Kylee Rummel

Andrea Zielinski

Ellen Porter

Ruth Smith

Patrice Sipos

Shelley Briggs Loosley

3. Council Matters

A. Downtown Parking Discussion

4. Adjourn

***** AMERICANS WITH DISABILITIES ACT NOTICE *****

Please contact the City Recorder's Office, Roseburg City Hall, 900 SE Douglas, Roseburg, OR 97470-3397 (Phone 541-492-6866) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TDD users please call Oregon Telecommunications Relay Service at 1-800-735-2900.

AUDIENCE PARTICIPATION INFORMATION

The Roseburg City Council welcomes and encourages citizen participation at all of our regular meetings, with the exception of Executive Sessions, which, by state law, are closed to the public. To allow Council to deal with business on the agenda in a timely fashion, we ask that anyone wishing to address the Council follow these simple guidelines:

Comments may be provided in one of three ways:

- **IN PERSON during the meeting in the Council Chambers, Roseburg City Hall, 900 SE Douglas Ave.**
 - Each speaker must provide their name, address, phone number and topic on the Audience Participation Sign-In Sheet.
 - **VIA EMAIL by sending an email by 12:00 p.m. the day of the meeting to info@roseburgor.gov.**
 - These will be provided to the Council but will not be read out loud during the meeting. Please include your name, address and phone number within the email.
 - **VIRTUALLY during the meeting. Contact the City Recorder by phone (541) 492-6866 or email (info@roseburgor.gov) by 12:00 p.m. the day of the meeting to get a link to the meeting.**
 - Each speaker must provide their name, address, phone number and topic in the email. Speakers will need to log or call in prior to the start of the meeting using the link or phone number provided. When accessing the meeting through the ZOOM link, click “Join Webinar” to join the meeting as an attendee. All attendees will be held in a “waiting room” until called on to speak. It is helpful if the speaker can provide a summary of their comments via email to ensure technology/sound challenges do not limit Council’s understanding.
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- Anyone wishing to speak regarding an item on the agenda may do so when Council addresses that item.
 - Anyone wishing to speak regarding an item on the Consent Agenda, or on a matter not on the evening’s agenda, may do so under “Audience Participation.”
 - 1. Speakers will be called by the Mayor in the order in which they signed up. The Mayor will generally call in-person speakers prior to calling speakers participating via Zoom. Each virtual speaker will be transferred from the “waiting room” into the meeting to provide comments, then moved back to the “waiting room” upon completion of their comments.
 - 2. Persons addressing the Council in person or virtually must state their name and city of residence for the record.

TIME LIMITATIONS - A total of 30 minutes shall be allocated for the “Audience Participation” portion of the meeting. With the exception of public hearings, each speaker will be allotted a total of 6 minutes, unless the number of speakers will exceed the maximum time. In this case, the Mayor may choose to decrease the allotted time for each speaker in order to hear from a wider audience. All testimony given shall be new and not have been previously presented to Council.

Audience Participation is a time for the Mayor and Council to receive input from the public. The Council may respond to audience comments after “Audience Participation” has been closed or during “Items from Mayor, Councilors or City Manager” after completion of the Council’s business agenda. The Council reserves the right to delay any action requested until they are fully informed on the matter.

ORDER AND DECORUM

Councilors and citizens shall maintain order and decorum at Council meetings. Any audience member may be directed to leave the meeting if they use unreasonably loud, disruptive, or threatening language, make loud or disruptive noise, engage in violent or distracting action, willfully damage furnishings, refuse to obey the rules of conduct, or refuse to obey an order of the Mayor or majority of Council. No signs, posters or placards are allowed in the meeting room.

All speakers and audience members should treat everyone with respect and maintain a welcoming environment. Please avoid actions that could be distracting such as cheering, booing, or applause. Please turn cell phones to silent and enter and exit the Council Chambers quietly if the meeting is in progress and take any conversations outside the Chambers.

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<https://www.cityofroseburg.org/your-government/mayor-council/council-agendas>

ROSEBURG CITY COUNCIL WORK STUDY SESSION



OFF-STREET PARKING

Meeting Date: July 29, 2024

Department: Administration/CDD

www.cityofroseburg.org

Agenda Section: Work Study

Staff Contact: Nikki Messenger/Stuart Cowie

Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY

Council has held several discussions regarding funding implications related to the Off-Street Parking Fund and parking enforcement services in Downtown Roseburg and Laurelwood. Staff is seeking direction regarding the deficit in this special revenue fund.

BACKGROUND

A. Council Action History.

April 27, 2020 - Authorized cancellation of the Parking Enforcement Services Contract with DRA/Park Smart by mutual consent effective March 31, 2020.

March 22, 2021 - Received a Downtown Parking Assessment and Plan Presentation from Rick Williams Consulting. Accepted the Downtown Parking Assessment and Plan.

December 13, 2021 – Awarded the contract for parking enforcement services to ACE Parking.

January 24, 2022 – Authorized a supplemental budget to the Off-Street Parking Fund establishing appropriation authority to manage the parking enforcement contract for fiscal year 2021-2022.

August 22, 2022 – Council was advised that ACE parking is failing to generate enough revenue to cover the cost of its contract. Council approved converting the free parking spaces in the parking lot behind Downtown Fitness and in the Parking Garage to time-limited parking. Council also authorized the use of ARPA funds to pay for janitorial and security services for a period of one year for the downtown parking garage.

September 26, 2022 – Council was presented a detailed overview of the financial challenges facing the Off-Street Parking Fund and options for closing the funding gap. Council authorized staff to remove meters in appropriate areas and centralize working meters. Council directed staff to do further research and provide options with financial information to assist the parking program.

Council has authorized use of ARPA funds to directly cover the cash flow needs of the Off Street Parking Fund up to \$50,000 on the following separate occasions: May 9, 2022, September 26, 2022, January 23, 2023, June 12, 2023, November 13, 2023, February 26, 2024 and June 24, 2024.

October 23, 2023 – Council adopted a resolution authorizing an appropriation transfer of \$20,000 from General Fund Contingency to the Off-Street Parking Fund.

November 1, 2023 – Council held a work-study session to discuss downtown parking. Council supported a hybrid model including time limited free parking, fees paid by customers and visitors, and fees paid by property and/or business owners and directed staff to provide more information about options and schedule public comment.

December 6, 2023 – Council held a special meeting and took public comment. There was a consensus of Council to establish a committee to review previous parking study and discuss solutions.

March 25, 2024 – Council directed staff to review a statement submitted by downtown parking discussion group and bring back an evaluation.

April 22, 2024 – Council discussed a variety of funding options but did not reach a consensus on direction. Council directed staff to schedule a work-study session to discuss funding options.

B. Analysis.

The Off-Street Parking Fund is an enterprise fund that is intended to operate independently without support from the City's General Fund. Staff has previously provided information related to funding deficit within the Off-Street Parking Fund. The minimum deficit has been calculated at approximately \$205,000.

Since November 2023, staff has provided a wealth of information related to the off-street parking program, the financial deficit and possible funding scenarios. In lieu of repeating much of that information, we have included the following as attachments to this memo:

- Roseburg Downtown Parking Assessment & Plan –
 - Pages 24-26 Funding Options
- November 1, 2023 Agenda Item Summary
- November 1, 2023 PowerPoint presentation
- December 6, 2023 Agenda Item Summary
- March 25, 2024 City Council Statement on Parking and Downtown
- April 22, 2024 Agenda Item Summary

The City Attorney has determined that the Council has the ability to institute new fees, which can be included on the utility bill, under the City's Home Rule Charter powers. As part of the additional information requested by Council, staff researched various fees placed on utility bills by other municipalities within Oregon. While there are several cities

that place fees on water or other utility bills, staff did not find one that related to parking that was charged outside of a specific parking district.

The following are examples of other cities' fees and categories used to calculate the fees. The list is not meant to be all-inclusive.

Grants Pass

- Transportation utility
- Public Safety utility – per unit

Medford

- Parks – per unit fee
- Street – per trip end, different rates for residential vs. non-residential
- Streetlight – per streetlight
- Public Safety – per unit fee

West Linn

- Street Maintenance fees
 - Single family
 - Multi-family residences
 - Commercial, public properties (based on trip generation) with maximums and caps
- Park Maintenance fees
 - Single and multifamily residential per unit

Salem – Operations fee (emergency, library, park maintenance, social and other essential services) and Streetlight fee

Streetlight categories

- Commercial greater than 3,000 sf
- Commercial less than 3,000 sf
- Industrial
- Institutional
- Irrigation
- Multi-family 26+ units
- Multi-family 5-25 units
- Multi-family 4 units or less
- Public
- Single family residential

Operations fee categories

- Commercial
- Industrial
- Multifamily
- Public
- Single family residential

McMinnville

McMinnville is the only city staff found that attached a non-water related fee, “City Services Charge” that was based on water meter size. From their website, “The City Services Charge is intended to help us maintain existing staffing, programs, and services in our library, parks and recreation, police and fire, and administration – the City's core services which are funded by our General Fund.”

Rate Schedule

Meter Size	% of standard charge
5/8"	100%
3/4"	100%
1"	167%
1 1/2"	333%
2"	533%
3"	1067%
4"	1667%
6"	3333%
8"	5333%
10"	14,000%

City services charge – based on meter size

- Full rate (standard) or
- Multifamily rate 75% or
- Low income – 10% of standard

Council requested that staff provide information on escalating rates based on meter size. Staff utilized the existing SDC calculations to identify the multiplier for larger meters, which produced the following data:

Estimate cost by meter size
(inside City Limits Only)

Meter size	# in system in City Limits	Multiplier	# of meters x multiplier	Monthly fee to raise \$205k annually	Annual cost
5/8x3/4	8149	1	8149	\$1.53	\$18.32
1-inch	463	2.5	1157.5	\$3.82	\$45.79
1 1/2 inch	170	5	850	\$7.63	\$91.59
2 inch	149	8	1192	\$12.21	\$146.54
3 inch	28	17.5	490	\$26.71	\$320.55
4 inch	8	30	240	\$45.79	\$549.52
6 inch	0	67.5	0	\$103.03	\$1,236.41
8 inch	1	80	80	\$122.12	\$1,465.38
10 inch	1	125	125	\$190.80	\$2,289.66
Total	8969		12283.5		
Annual cost per EDU to raise \$205k			\$18.32		

Estimated cost by meter size
All meters

Meter size	# in system in City Limits	Multiplier	# of meters x multiplier	Monthly fee to raise \$205k annually	Annual cost
5/8x3/4	8149	1	8149	\$1.39	\$16.69
1-inch	463	2.5	1157.5	\$3.48	\$41.72
1 1/2 inch	170	5	850	\$6.95	\$83.45
2 inch	149	8	1192	\$11.13	\$133.51
3 inch	28	17.5	490	\$24.34	\$292.06
4 inch	8	30	240	\$41.72	\$500.67
6 inch	0	67.5	0	\$93.88	\$1,126.51
8 inch	1	80	80	\$111.26	\$1,335.12
10 inch	1	125	125	\$173.84	\$2,086.13
Total	8969		12283.5		
Annual cost per EDU to raise \$205k			\$16.69		

One concern that may arise is that there is no defensible nexus between water meter size and downtown and/or Laurelwood parking usage.

C. Financial/Resource Considerations.

The Off-Street Parking Fund continues to operate at a deficit. The City Council has authorized approximately \$350,000 in ARPA funding and \$20,000 in General Fund to cover the deficit and an additional \$100,000 (approx.) in ARPA funding to cover security and cleaning services in the Parking Structure.

D. Timing Considerations.

The ARPA funding must be committed by the end of this calendar year.

COUNCIL OPTIONS

Staff is seeking direction from Council.

STAFF RECOMMENDATION

Staff is seeking direction from Council.

SUGGESTED MOTION

This is a work-study session. Staff is seeking direction from Council on how best to fund the off-street parking program.

ATTACHMENTS:

Attachment #1 – Roseburg Downtown Parking Assessment & Plan – Pages 24-26

Attachment #2 – November 1, 2023 Agenda Item Summary

Attachment #3 – November 1, 2023 PowerPoint presentation

Attachment #4 – December 6, 2023 Agenda Item Summary

Attachment #5 – March 25, 2024 City Council Statement on Parking and Downtown

Attachment #6 – April 22, 2024 Agenda Item Summary



P4 – Explore Funding Options

Action Statement

Explore and develop funding options for maintaining the existing parking supply and funding future infrastructure and program needs.

Strategy Description

A wide range of funding sources and revenue streams could be used to implement an enhanced parking management plan in Roseburg. Given the costs of new infrastructure, considering new funding mechanisms is prudent. The list of potential sources summarized here is not exhaustive, nor are these sources mutually exclusive. Some may already be in place in Roseburg.

Funding sources and their use for projects, programs, and infrastructure, continues to evolve as various State laws or City ordinances are authorized. A decision to pursue any options for implementation should be reviewed by the City Attorney to determine their feasibility considering applicable laws.

Options Affecting Customers

User Fees

Many cities collect revenue through parking meters and/or sale of permits and direct it to parking or transportation development enterprise funds. Transit or shuttle riders pay in the form of fares. These funds can be used to construct or bond for additional parking or transit capacity.

Parking Fines

Revenues are collected for parking violations and a portion directed to parking development enterprise funds.

Options Affecting Businesses

Parking and Business Improvement Area or District (BIA or BID)

An assessment on businesses rather than property owners, these can be based on assessed value, gross sales, square footage, number of employees, or other factors established by the local legislative authority. As an example, Salem, Oregon assesses a fee on businesses in its downtown Parking District to support parking services and future supply.

Parking Utility Fee/Tax

Under this approach, each business within an established parking district pays a share of the Parking District operating budget based on the number of parking spaces needed by the business according to an approved assessment formula. The only Oregon example we could find is in place in Salem's Downtown Parking District, established in 1976. Salem's annual assessment is called a parking tax and the formula is based on:²⁴

- Business type
- Gross floor area
- Customer parking demand

The “demand factor” is the number of customer parking spaces required by a particular type of business for every 1,000 square feet of gross floor area. Gross floor area includes walls, corridors, stairways, restrooms, closets, storage rooms, etc.

²⁴ [Pay Downtown Parking Tax \(cityofsalem.net\)](http://cityofsalem.net)



Downtown Parking Assessment

Options Affecting Property Owners

Special or Local Improvement District (SID/LID)

A SID or LID is a property tax assessment that requires buy-in by property owners within a specifically identified boundary. LIDs usually result from a petition process requiring a majority of owners to agree to an assessment for a specific purpose. Cities have used this mechanism to fund parking facilities or transit infrastructure improvements.

Options Affecting Developers

Fee-in-Lieu

Developers may be given the option to pay a fee in lieu of providing parking with a new private development. Fee-in-lieu fees provide the developer access entitlements to public parking facilities near the development site. As an example, a fee-in-lieu option is currently in place in Hood River, Oregon.

A useful guide to the diversity of cash-in-lieu programs and their advantages and disadvantages is provided by Donald Shop, in *Journal of Planning and Education Research*, 18:307-320, 1999.

Options Affecting the General Public

Divestment of Public Property

This would entail divesting ownership of one or more existing public lots (most underutilized) through sale to a private owner. Surplus revenue derived from such sales would then be allocated to a parking fund to support more efficient parking operations. Vancouver, WA divested itself of two parking garages in its downtown to buy down debt service on other parking assets being carried in its general fund. The city of Bozeman, MT has considered the sale of public surface lots to generate funds for the possible construction of a new parking garage that would allow new private land use(s), consolidate current supply, and anticipate future demand.

General Fund Contribution

Local jurisdictions may make either one-time capital or ongoing operating contributions to a downtown parking or transit/shuttle program.

Interfund Loan

This would entail a loan from one City fund to a Parking Fund for projects or upgrades, subject to future repayment based on pre-determined terms. This is a common form of funding for municipal projects.

State and Federal Grants

In the past, a variety of state and federal grant programs have been applied to funding parking and transit infrastructure in business districts. In the current environment of more limited government funding, there may no longer be readily identifiable programs suitable for parking facility development, though transit may be more feasible.

Recommended Options for Roseburg

In considering Roseburg's current funding needs, the consultant would suggest that a combination of the following would best provide funding for support of Parking Plan implementation. We would also suggest that (a) and (b) be pursued first as they provide less risk to the City. An interfund loan would be more strategically implemented post-COVID, and after more data regarding parking use and demand are assembled (**Strategy M8**).

- a. Rate restructuring – User Fees (**Strategy D3**)
- b. Divestment of underutilized public lot(s)
- c. Interfund Loan



Order of Implementation

Short-Term

- Evaluate all potential funding options as provided herein (and others not listed) for appropriateness to Roseburg, feasibility, and timing necessary to initiate.

Mid-Term

- Narrow to a workable and implementable funding package to support costs identified and/or revised in this plan

Estimated Costs

This is very much a process task, requiring research and conversations with City policy- and decision-makers and legal counsel, and discussion with a range of potentially affected stakeholders. Existing staff time would be needed to vet feasible funding options (e.g., Fee-in-lieu, urban renewal, local improvement districts, capital funds, bonds, grants, etc.).

For the purposes of this discussion, it is assumed that costs would be absorbed internally by the City and through the parking management plan implementation process. These include:

- Internal legal review and recommendation
- Downtown Parking Work Group consideration and recommendation
- Public review and input
- City Council approval

ROSEBURG CITY COUNCIL WORK STUDY SESSION



DOWNTOWN/OFF-STREET PARKING

Meeting Date: November 1, 2023

Staff Contact: Nikki Messenger, Stuart Cowie, Ron Harker

www.cityofroseburg.org

Contact Telephone Number: 541-492-6700

ISSUE STATEMENT AND SUMMARY

The Off-Street Parking Fund has been operating at a deficit. As an enterprise fund, it is meant to operate independently, without General Fund support. The issue for Council is to provide direction to staff regarding what steps should be implemented to offset this deficit. Decision points may include the following items:

1. Should customer parking in the Downtown area be free?

- a. If yes – how does the downtown area benefit from the free parking pay for the enforcement and overhead costs associated with it?
- b. If no – what does that look like and what are the impacts to downtown businesses?
 - i. Do we install new parking meters or rely just on an App?
 1. If new parking meters – how do we pay for them initially?
 - a. Local Improvement District
 - b. City funds and monthly fees on property owners to pay back costs
 - c. Combination of sources – LID, ARPA, future Urban Renewal?
 2. With parking meters or an app, do we set the parking fees at a rate high enough to cover all of the costs associated with enforcement and overhead?
 - a. If yes, rate structure will need to be determined and may be high enough that it may become a deterrent to downtown customers.
 - b. If no, there will still need to be a fee implemented to cover the costs above what the meter and/or app fees generate.
 - ii. Do we issue permits? How do those rates compare to on-street rates if parking is no longer free on-street?
 1. Parking Structure
 2. Surface Lots
 3. Residential Permits

2. Does the parking program continue to include Laurelwood?

- a. If yes, a rate study should be undertaken to determine the costs associated with this part of the program and permit fees adjusted accordingly.

3. How do we handle permits for residential areas that abut the downtown area?

- a. Residential areas directly abutting downtown need enforcement to prevent downtown employees from utilizing these areas for parking and monopolizing the street parking in these areas. How do we pay for that enforcement without penalizing the residential owners?

BACKGROUND

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September 26, 2022 – Council was presented a detailed overview of the financial challenges facing the Off-Street Parking Fund and options for closing the funding gap. Council authorized staff to remove meters in appropriate areas and centralize working meters. Council directed staff to do further research and provide options with financial information to assist the parking program.

Council has authorized use of ARPA funds to directly cover the cash flow needs of the Off Street Parking Fund up to \$50,000 on four separate occasions, May 9, 2022, September 26, 2022, January 23, 2023 and June 12, 2023.

October 23, 2023 – Council adopted a resolution authorizing an appropriation transfer to transfer \$20,000 from General Fund Contingency to the Off-Street Parking Fund.

B. Analysis.

The decision on whether the City would be involved with parking downtown was made over 40 years ago when the City endeavored to build the Parking Garage in 1980. Bonds were sold to finance the construction and a Downtown Development District was formed. The district included a tax structure, which helped pay the debt on the bonds. Once the debt was paid, the funding was used to support efforts downtown, including financial support for the free parking district. The taxing district sunsetted in 2001 and the code was updated in 2005 to repeal the sections related to the Downtown Development Board and tax.

The current funding deficit in the Off-Street Parking Fund is approximately \$210,000. This number includes \$18,000 in lease revenue collected for the lot adjacent to U-haul on Stephens Street. In order to be conservative when looking at alternatives, staff is using \$225,000. This does not include any capital improvements, such as improvements to the Parking Garage, or paving, striping, signage or meter improvements. The basis for this calculation is outlined below.

The Off-Street Parking Fund is an enterprise fund, intended to be self-sufficient without support from the General Fund. Other enterprise funds include the Water Fund, Storm Drainage Fund, and Airport Fund. The table below shows the various overhead costs associated with owning and basic maintenance of the parking facilities. This does not include the costs associated with street maintenance, street marking, signage, street sweeping or related staff costs.

The parking enforcement contract with ACE Parking requires the vendor to turn all revenues over to the City monthly. The City is required to reimburse ACE for actual costs of the approved budgeted expenses including personnel costs, operating expenses, licensing fees, maintenances services requested by City, all taxes, supplies including tickets, utilities and cleaning supplies, cost of insurance, administrative charges, telephone expenses, mileage reimbursement, credit card fees and amortized capital costs (\$1200/mo). The contract includes a base management fee of \$1,750 per month and a clause for sharing net revenue if revenues exceed expenditures. The remaining amount of the amortized capital costs as of December 1, 2023 is \$39,507.

Overhead Category	Budget
<i>Central Services</i>	
City Services	\$ 6,000
Audit	\$ 2,600
<i>Subtotal</i>	<i>\$ 8,600</i>
<i>Utilities & Insurance</i>	
Power	\$ 16,000
Water	\$ 950
Sewer	\$ 90
Storm	\$ 1,500
Property Insurance	\$ 7,500
Communications	\$ 1,600
Buildings & Grounds Maint.	\$ 20,000
<i>Subtotal</i>	<i>\$ 47,640</i>
Overhead w/o contracts	\$ 56,240
<i>Non-enforcement contracts</i>	
Cleaning Contract	\$ 24,000
Security Contract	\$ 21,771
<i>Subtotal</i>	<i>\$ 45,771</i>
Overhead Budget w/o enforcement	\$ 102,011

For the last six months, Ace’s monthly invoices have averaged \$18,250. Over one year, that would total \$219,000. Revenues over the last six months are shown. At the monthly average shown, the program would generate \$111,084 annually.

The program costs approximately \$321,000 annually. Thus the funding shortfall of at least \$210,000.

Six Month Average Revenue - April - September 2023	
Parking Fines	\$ 1,985
Permits	\$ 4,970
Meters	\$ 802
<i>Subtotal Ace Revenue</i>	\$ 7,757
U-haul Lot Lease	\$ 1,500
Average Monthly Revenue	\$ 9,257

Free parking is not free. Someone is paying for it. For a private business that provides parking, there is a cost to owning and maintaining parking lots. Beyond the initial cost of purchasing or constructing the parking, there are costs for basic things like property taxes, insurance and storm drainage fees. Other costs can include costs associated with irrigation to maintain landscaping, power bills for the lighting, the costs to clean and maintain the asphalt, curbs and striping, and the cost to repave and restripe when needed.

For on-street parking spaces downtown, there is the cost of maintaining the street and storm drainage system. The costs associated with the signage and pavement markings. And the costs associated with street sweeping, which currently happens every week downtown – the only area of the City that receives this frequent of taxpayer funded street sweeping service.

For the off-street parking spaces downtown, there are costs associated with insurance, power, water, the fire sprinkler system maintenance and monitoring, elevator maintenance, inspections and repairs, other maintenance, repairs, and capital improvements. Currently at the parking structure, the City is paying for two contracts associated with cleaning/covering graffiti and security. Without parking enforcement, all of these issues get worse. We recently learned that the fire sprinkler system piping is beginning to fail and will need to be replaced.

In a world without parking enforcement, city staff was heavily inundated with complaints about employees and business owners utilizing on street parking and not moving their vehicles all day long. Naturally, they did not park in the spaces in front of their own businesses, they parked down the block or on another block in front of someone else’s storefront. In order to try and combat this and keep parking free in the core, the city passed an ordinance requiring all downtown business owners to provide vehicle/plate information on all employees annually. Any employee vehicle could be ticketed for parking in the free parking zone. In theory, employees would need to either utilize meter spaces at the outskirts of downtown, or buy a permit to park in a lot or the parking structure. This may or may not have worked for a while, but eventually the businesses quit honoring the system and were not providing the information. This made enforcement difficult to impossible and the system slowly began failing. Without parking enforcement, there was little incentive to buy parking permits and utilization at the parking garage fell, which led to other problems with illegal activity occurring in the space. The elevator was vandalized multiple times and costs topped \$20,000 one year in repair costs alone.

In an attempt to quantify some of the costs associated with businesses that own and operate private parking facilities outside of the downtown core, staff used the parcels shown below as an example. The parcels are located just outside of the downtown core. The property does not have on-street parking available immediately adjacent. The following is a simplified analysis to determine an approximate monthly cost per space to have private parking spaces, which are required for this business under the City's land use regulations.



Lot 1 – R71592 – 0.14 acres -- 2023 Taxes \$585.69
RMV - \$79,716
16 parking spaces

Lot 2 – R71599 – 0.19 acres – 2023 Taxes \$744.02
RMV - \$102,788
18 parking spaces

Combined Total - 0.33 acres, 34 spaces,
Taxes \$1,330 = \$110.81/month = \$3.26/mo/space
Storm Fees = 5 ERU's x \$8.91/ERU/mo = \$44.55/mo =
\$1.31/mo/space

Total Property tax + Storm fee per space per month =
\$3.26 + \$1.31 = \$4.57 per space per month
Not included: maintenance/cleanup, water for irrigation, insurance costs - could easily round up to \$5/month per space

Long term maintenance/paving costs – per owner
Estimate \$125,000 every 20 years = \$520/mo =
\$15.32/space/month

Given these figures, without considering purchase and/or construction costs, basic costs likely exceed \$5 per space per month. With long term maintenance included, this figure exceeds \$20 per space per month. As a next step, staff looked at a number of uses downtown, and looked at the number of parking spaces that would be required to be provided if that use was not located within the downtown/central business district. For example, the City's Land Use Regulations require 1 parking space for every 100 square feet for a restaurant. Working from available data from the Douglas County Assessor's site, staff looked at the following restaurants downtown.

Restaurant Name	Square Footage	Spaces Required	Basic Monthly Cost per Space	Cost per month	Long Term monthly cost per space	Long Term Cost per Month
Alexanders	2613	26	\$5	\$130	\$20	\$520
Brix - both sides w/o deck	4356	43	\$5	\$215	\$20	\$860
Urban Pizza	3920	39	\$5	\$195	\$20	\$780
North 40 - w/o upstairs	3920	39	\$5	\$195	\$20	\$780
Mariachi Loco	4000	40	\$5	\$200	\$20	\$800
Dino's	2500	25	\$5	\$125	\$20	\$500

Other types of businesses have different parking ratios based on the code. The following table is for example only. The number of seats in the Elks Lodge and First Christian were just guestimates for illustration purposes only.

Business Name	Square Footage		Spaces Required	Basic Monthly Cost per Space	Cost per month	Long Term monthly cost per space	Long Term Cost per Month
NW Lifestyles	3920	1 sp/300sf	13	\$5	\$65	\$20	\$260
Whiskey Creek Rustics	1827	1 sp/300sf	6	\$5	\$30	\$20	\$120
Wine Desitnation	2613	1 sp/300sf	9	\$5	\$45	\$20	\$180
Watkinson/Laird Law Office *	2000	1 sp/300sf	7	\$5	\$35	\$20	\$140
Pugh/Peterman Law Office	4000	1 sp/300sf	13	\$5	\$65	\$20	\$260
Downtown Fitness (footprint)	10890	1 sp/100sf	109	\$5	\$545	\$20	\$2,180
Elks Lodge (footprint)	11325	1 sp/4 seats	50	\$5	\$250	\$20	\$1,000
First Christian (footprint)	19602	1 sp/4 seats	50	\$5	\$250	\$20	\$1,000

The tables above are meant to demonstrate the costs that business owners outside of the downtown area may be paying to provide customer parking. They are not perfect and they are not meant to be. They are based on readily available data that may or may not be completely accurate. They do not account for multiple floors that some of these buildings have. They also do not include the 'sunk cost' associated with purchasing and/or constructing parking spaces. This cost may or may not be recovered when the business sells the property. By not including this cost, staff has attempted to reflect the fact that privately owned parking spaces are usually dedicated to the business' customers and employees, whereas downtown public spaces are communal.

Next steps....

As noted in the beginning of the memo, there are several decisions that need to be made concerning how to fill the funding gap. Some of these options have been provided to Council previously. The decisions are not easy and it can be difficult to estimate what each option may generate. The program needs to generate a minimum of \$18,750 per month in *additional* revenue to stay viable. The question is how best to achieve this.

1. Should customer parking in the Downtown area be free?

- c. If yes – does that include removing existing meters and making the entire zone free?
 - i. Existing meters are at the end of their useful life and are taking more time to maintain than they are generating in revenue.
 - ii. In areas where meters are broken or have been removed and signage has not been installed, no revenue generated from spaces or from citations.
- d. If yes – how does the downtown area benefitting from the free parking pay for the enforcement and overhead costs associated with it? What methodology should be used to calculate fees?

ROUGH ESTIMATES –

- i. There are roughly 273 water meters in the zone. For various reasons, assume a 10% reduction in that number (private parking lots, etc.).

$$\$225,000 \div 245 = \$918.67/\text{year} = \$76.53/\text{month}$$

- ii. There is approximately 646,000 square feet of building space in the core area of downtown. This does not include basements or upper floors. If the fee costs were broken down by square footage....

$$\$225,000 \div 646,000 \text{ sf} = \$0.35/\text{sf}/\text{yr}$$

$$1,000 \text{ sf} = \$350/\text{yr} = \$29.17/\text{month per } 1,000 \text{ square feet}$$

- iii. If the fee were based on parking requirements, staff and/or consultant time would be required to determine each properties parking impact based on use and number of private spaces provided. The fee would vary for each property. This would be staff intensive and have ongoing staff costs associated with changes each time there was a change in use in a building in the district.

- e. If no – what mechanism will be used to charge for parking?

- i. Meters – if so – need to determine how to pay capital and maintenance costs.

1. Capital costs were estimated at \$342,000 previously. This did not include providing power to each multi-block unit. Solar may not work in the downtown setting, with buildings and trees creating shade throughout the day and winters in Oregon being what they are. Costs could easily exceed \$450,000. Funding mechanisms could include:

- a. Local Improvement District – for conversation purposes only -

\$500,000 LID, 10 years @ 5% interest (\$636,400 w/int)
646,000 square feet

$\$636,400 \div 646,000 = \$0.985/\text{sf}$ over 10 years
1,000 sf = \$985 per 1,000 sf annually = \$82/mo

\$1 million LID = \$1.97/sf over 10 years
1,000 sf = \$1,970 annually = \$164/mo

- b. ARPA funds, Urban Renewal Funds (Parking Structure – only if district boundary is amended), combination of all three – ARPA, LID, UR

2. Meter (or App) rates. Ace provided estimates on what could be generated utilizing an hourly rate scale. ESTIMATES ONLY. Note: Only one or two options adequately close the funding gap.

On-Street Hourly Rate Projections

Option 1: Flat Rate Pay to Park

Up to 4 Hours Downtown

\$1.35, \$1.50, & \$1.75						\$2.00, \$2.25, & \$2.50													
Rate \$1.35			Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour	Rate \$2.00			Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour		
Gross Totals			3,542	\$1.35	\$4,781.64	\$3,347.15	\$2,343.01	\$1,840.10	Gross Totals			3,542	\$2.00	\$7,083.92	\$4,958.74	\$3,471.12	\$2,429.78		
CC Fees at 5%					-\$239.08	-\$187.36	-\$117.15	-\$62.01	CC Fees at 5%					-\$354.20	-\$247.94	-\$173.56	-\$121.49		
Transaction Fees \$0.25					-\$885.49	-\$619.84	-\$433.89	-\$303.72	Transaction Fees \$0.25					-\$885.49	-\$619.84	-\$433.89	-\$303.72		
Potential Revenue					\$9,263.37	\$3,657.07	\$2,559.95	\$1,791.97	\$1,254.38	Potential Revenue					\$14,803.43	\$5,844.23	\$4,090.96	\$2,863.67	\$2,004.57

Rate \$1.50					Rate \$2.25												
Gross Totals		Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour	Gross Totals		Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour		
Gross Totals		3,542	\$1.50	\$5,312.94	\$3,719.06	\$2,603.34	\$1,822.34	Gross Totals		3,542	\$2.25	\$7,969.41	\$5,578.58	\$3,905.01	\$2,733.51		
CC Fees at 5%				-\$265.65	-\$185.95	-\$130.17	-\$91.12	CC Fees at 5%				-\$398.47	-\$278.93	-\$195.25	-\$136.88		
Transaction Fees \$0.25				-\$885.49	-\$619.84	-\$433.89	-\$303.72	Transaction Fees \$0.25				-\$885.49	-\$619.84	-\$433.89	-\$303.72		
Potential Revenue				\$10,541.84	\$4,161.80	\$2,913.26	\$2,039.28	\$1,427.50	Potential Revenue				\$16,934.24	\$6,685.45	\$4,679.81	\$3,275.87	\$2,293.11

Rate \$1.75					Rate \$2.50												
Gross Totals		Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour	Gross Totals		Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour		
Gross Totals		3,542	\$1.75	\$6,198.43	\$4,338.90	\$3,037.23	\$2,126.06	Gross Totals		3,542	\$2.50	\$8,854.90	\$6,198.43	\$4,338.90	\$3,037.23		
CC Fees at 5%				-\$309.92	-\$216.94	-\$151.86	-\$108.30	CC Fees at 5%				-\$442.74	-\$309.92	-\$216.94	-\$151.86		
Transaction Fees \$0.25				-\$885.49	-\$619.84	-\$433.89	-\$303.72	Transaction Fees \$0.25				-\$885.49	-\$619.84	-\$433.89	-\$303.72		
Potential Revenue				\$12,762.64	\$5,003.02	\$3,502.11	\$2,451.48	\$1,716.03	Potential Revenue				\$19,065.02	\$7,526.66	\$5,268.66	\$3,688.06	\$2,581.64

Option 2: Escalating Hourly Rates

\$1.50 – 1st Hour
\$2.00 – 2nd Hour

\$3.00 – 3rd Hour
\$5.00 – 4th Hour

Escalating Rates	Count	1st Hour - \$1.50	2nd Hour - \$2.00	3rd Hour - \$3.00	4th Hour - \$5.00	
Gross Totals	3,542	\$5,312.94	\$4,958.74	\$5,206.68	\$6,074.46	
CC Fees at 5%		-\$265.65	-\$247.94	-\$260.33	-\$303.72	
Transaction Fees \$0.25		-\$885.49	-\$619.84	-\$433.89	-\$303.72	
Total Revenue Potential		\$18,232.22	\$4,161.80	\$4,090.96	\$4,512.45	\$5,467.01

Projection Assumptions:

- Vehicle counts are based on a monthly average from April 1, 2022 through September 30, 2022.
- The average monthly vehicle count has been reduced by 35% to account for the impact of hourly paid parking.
- Each hours' projected revenue has been reduced by 30% from the prior hour.
- Credit Card & transaction fees have been factored into the Potential Revenue.

- ii. Online App – need to determine rate structure and whether to remove existing meters. See above.
 1. Costs associated with signage
 2. May need to establish a way for people to pay outside of the app using cash.
- iii. Combination of customer pays and property/business owners pay in order to keep rates low.
 1. What ratio to use of customer cost versus owner cost?
 2. What methodology is used for property/business owners' contribution?
 3. Determination of how to set on-street rates.

4. Determination on how to set parking permit rates.
2. **Does the parking program continue to include Laurelwood?**
 - a. If yes, a rate study should be undertaken to determine the costs associated with this part of the program and permit fees adjusted accordingly.
3. **How do we handle permits for residential areas that abut the downtown area?**
 - a. Residential areas directly abutting downtown need enforcement to prevent downtown employees from utilizing these areas for parking and monopolizing the street parking in these areas. How do we pay for that enforcement without penalizing the residential owners?

C. Financial/Resource Considerations.

The Off-Street Parking Fund continues to operate at a deficit. The City has used a combination of ARPA and General Fund to cover the expenses associated with the vendor contract. Any solutions that Council may pursue will take time and resources to implement. Supplemental funding will be needed during that time frame. Given that there is only one Council meeting in November, staff will be bringing a funding request to the November 13 City Council meeting.



DOWNTOWN PARKING

ROSEBURG CITY COUNCIL
WORK STUDY SESSION

ISSUE SUMMARY

The Off-Street Parking Fund has been operating at a deficit.

As an enterprise fund, it is meant to operate independently, without General Fund support.

The issue for Council is to provide direction to staff regarding **what steps should be implemented** to offset this deficit.

Decision points may include the following items:

1. Should customer parking in the downtown area be free?
2. Does the parking program continue to include Laurelwood?
3. How do we handle permits for residential areas that abut the downtown area?



BACKGROUND

Roseburg Parking Program



COUNCIL ACTION HISTORY

April 27, 2020: Authorized cancellation of the Parking Enforcement Services Contract with DRA/Park Smart by mutual consent effective March 31, 2020.

March 22, 2021: Received a Downtown Parking Assessment and Plan Presentation from Rick Williams Consulting. Accepted the Downtown Parking Assessment and Plan.

December 13, 2021: Awarded the contract for parking enforcement services to ACE Parking.

January 24, 2022: Authorized a supplemental budget to the Off-Street Parking Fund establishing appropriation authority to manage the parking enforcement contract for fiscal year 2021-2022.



COUNCIL ACTION HISTORY (continued)

August 22, 2022: Council was advised ACE parking is failing to generate enough revenue to cover contract's cost. Council approved converting free parking spaces in parking lot behind Downtown Fitness and in Parking Garage to time-limited parking. Council also Oked using ARPA funds for janitorial and security services for one year for garage.

September 26, 2022: Council was presented a detailed overview of financial challenges facing Off-Street Parking Fund and options for closing funding gap. Council authorized staff to remove meters in appropriate areas and centralize working meters. Council directed staff to do further research and provide options with financial information to assist parking program.

Council has authorized use of ARPA funds to directly cover cash-flow needs of the Off-Street Parking Fund up to \$50,000 on four occasions: May 9, 2022; September 26, 2022; January 23, 2023; and June 12, 2023.

October 23, 2023: Council adopted a resolution authorizing an appropriation transfer to move \$20,000 from General Fund Contingency to the Off-Street Parking Fund.



ANALYSIS

The decision for the City to be involved with parking downtown was made over 40 years ago when the City endeavored to build the Parking Garage in 1980.

Bonds were sold to finance construction and a Downtown Development District was formed. The district included a tax structure that helped pay the debt on the bonds.

Once the debt was paid, the funding was used to support efforts downtown, including financial support for the free parking district. The taxing district sunsetted in 2001 and the code was updated in 2005 to repeal sections related to the Downtown Development Board and tax.

The current funding deficit in the Off-Street Parking Fund is about \$210,000. That includes \$18,000 in lease revenue from the lot adjacent to U-haul on Stephens Street. To be conservative when considering alternatives, staff is using \$225,000. That doesn't include capital improvements such as to the Parking Garage, paving, striping, signage or meter improvements.



BASIS FOR CALCULATION

The Off-Street Parking Fund is an enterprise fund.

The fund is intended to be self-sufficient -- without support from the General Fund.

Other enterprise funds: Water Fund, Storm Drainage Fund and Airport Fund.

The table shows overhead costs associated with owning parking facilities and providing basic maintenance.

That doesn't include costs associated with street maintenance, street marking, signage, street sweeping or related staff costs.

Overhead Category	Budget
<i>Central Services</i>	
City Services	\$ 6,000
Audit	\$ 2,600
Subtotal	\$ 8,600
<i>Utilities & Insurance</i>	
Power	\$ 16,000
Water	\$ 950
Sewer	\$ 90
Storm	\$ 1,500
Property Insurance	\$ 7,500
Communications	\$ 1,600
Buildings & Grounds Maint.	\$ 20,000
Subtotal	\$ 47,640
Overhead w/o contracts	
\$ 56,240	
<i>Non-enforcement contracts</i>	
Cleaning Contract	\$ 24,000
Security Contract	\$ 21,771
Subtotal	\$ 45,771
Overhead Budget w/o enforcement	
\$ 102,011	

PARKING CONTRACT



ACE Parking must turn all revenues over to the City monthly.

City must reimburse ACE for approved budgeted expenses actual costs:

- Personnel costs
- Operating expenses
- Licensing fees
- Maintenances services requested by City
- All taxes
- Supplies (tickets, utilities, cleaning supplies)
- Insurance
- Administrative charges
- Telephone expenses
- Mileage reimbursement
- Credit card fees and amortized capital costs (\$1200/mo).

Contract includes: Base management fee of \$1,750 per month and a clause for sharing net revenue that exceeds expenditures.

Remaining amortized capital costs as of Dec. 1, 2023: \$39,507.

SIX MONTH AVERAGE REVENUE V. EXPENSE

Ace's Average Monthly Invoice: \$18,250 (last six months)

One Year Invoice Total: \$219,000

Average Monthly Parking Revenues: \$9,257

One Year Revenue Total: \$111,084

Parking Program Cost: About \$321,000 annually.

Result: Funding shortfall at least \$210,000.

Six Month Average Revenue - April - September 2023	
Parking Fines	\$ 1,985
Permits	\$ 4,970
Meters	\$ 802
<i>Subtotal Ace Revenue</i>	<i>\$ 7,757</i>
U-haul Lot Lease	\$ 1,500
Average Monthly Revenue	\$ 9,257

“FREE” PARKING ISN’T FREE. SOMEONE MUST PAY FOR IT.

A private business that provides parking must cover the cost to own and maintain parking lots: Initial costs to buy or construct parking, plus costs for basic things like property taxes, insurance and storm drainage fees.

Other costs: Landscape maintenance and irrigation; electric bills (lighting); cleaning/maintaining asphalt, curbs and striping; and repaving and restriping as needed.

On-Street Downtown Parking Costs:

- Maintain street and storm drainage system.
- Signage and pavement markings.
- Weekly street sweeping (only City area with weekly taxpayer-funded street sweeping).

Off-Street Downtown Parking Costs:

- Insurance • Power • Water • Fire sprinkler system maintenance/ monitoring
- Elevator maintenance, inspections, repairs • Other maintenance, repairs, and capital improvements
- Parking Garage: Two contracts for cleaning/covering graffiti and security.
- Anticipated Future Costs: Fire Sprinkler System Piping





WITHOUT PARKING ENFORCEMENT

- City staff inundated with complaints that business owners/employees used on-street parking and remained in same space all day
- Merchants frustrated other shop owners/employees on block/another street monopolized parking outside someone else's shop, not their own
- In bid to keep free parking in DT core, Council passed ordinance requiring biz owners submit vehicle & plate info for selves, employees yearly
- Merchants/employees required to buy garage/lot permit or park at meters on DT outskirts
- Merchant/employee cars could get tickets if parked in free parking zone
- Businesses quit honoring system/following ordinance
- Enforcement became difficult & system began failing
- Lack of parking enforcement left little incentive to buy permits & garage use dropped
- Illegal activity in/near garage began to rise
- Graffiti, litter and other trash accumulated
- Garage elevator vandalized repeatedly; repairs cost \$20,000 one year

QUANTIFYING COSTS TO OFFER PARKING OUTSIDE DOWNTOWN

Roseburg Municipal Code land-use regulations requires businesses outside downtown to provide parking facilities for their customers and employees.

Two parcels just outside the downtown core show approximate monthly costs per parking space for business owners to meet this requirement.

Lot 1 (0.14 acres; RMV - \$79,716 ; 2023 Taxes - \$585.69): 16 parking spaces
Lot 2 (0.19 acres; RMV - \$102,788; 2023 Taxes - \$744.02) 18 parking spaces

Combined Total: 0.33 acres/34 spaces
Taxes: \$3.26/mo/space)
Storm Fees: \$1.31/mo/space
Total Property Tax + Storm Fee: \$4.57 per space per month

Not included: Maintenance/cleanup, water for irrigation, insurance costs -
Round up to \$5/month per space

Long term maint./paving costs: Est. \$125,000 every 20 years = \$520/mo = \$15.32/space/month



PARKING COSTS

- Basic Cost/Space: \$5+/month
- True Cost (incl long-term maintenance): \$20+/month
- Land-Use Regulation Requirements: 1 parking space/100 sq ft (restaurants)

Restaurant Name	Square Footage	Spaces Required	Basic Monthly Cost per Space	Cost per month	Long Term monthly cost per space	Long Term Cost per Month
Alexanders	2613	26	\$5	\$130	\$20	\$520
Brix - both sides w/o deck	4356	43	\$5	\$215	\$20	\$860
Urban Pizza	3920	39	\$5	\$195	\$20	\$780
North 40 - w/o upstairs	3920	39	\$5	\$195	\$20	\$780
Mariachi Loco	4000	40	\$5	\$200	\$20	\$800
Dino's	2500	25	\$5	\$125	\$20	\$500

PARKING COSTS, OTHER BUSINESSES

Land-Use Regulation Requirements: Businesses have different parking ratio requirements

<i>Business Name</i>	<i>Square Footage</i>		<i>Spaces Required</i>	<i>Basic Monthly Cost per Space</i>	<i>Cost per month</i>	<i>Long Term monthly cost per space</i>	<i>Long Term Cost per Month</i>
NW Lifestyles	3920	1 sp/300sf	13	\$5	\$65	\$20	\$260
Whiskey Creek Rustics	1827	1 sp/300sf	6	\$5	\$30	\$20	\$120
Wine Destination	2613	1 sp/300sf	9	\$5	\$45	\$20	\$180
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Elks Lodge (footprint)	11325	1 sp/4 seats	50	\$5	\$250	\$20	\$1,000
First Christian (footprint)	19602	1 sp/4 seats	50	\$5	\$250	\$20	\$1,000

NEXT STEPS

Several decisions must be made about how to fill the funding gap.

Program must generate \$18,750/month in additional revenue to stay viable.

What is best way to achieve that?



1. SHOULD CUSTOMER PARKING DOWNTOWN BE FREE?

A. If Yes: Does that include removing existing meters and making the entire zone free?

B. If Yes: How does the downtown area benefit from the free parking pay for the enforcement and overhead costs associated with it?

i. Water Meters: Assume 245 water meters.

$$\$225,000 \div 245 = \$918.67/\text{year} = \$76.53/\text{month}$$

ii. About 646,000 sq ft/building space

$$\$225,000 \div 646,000 \text{ sq ft} = \$0.35/\text{sf}/\text{yr}$$

$$1,000 \text{ sq ft} = \$350/\text{yr} = \$29.17/\text{month per } 1,000 \text{ sq ft}$$

iii. Parking Impact Fee Per Lot: Staff Intensive

C. If No: What mechanism will be used to charge for parking?

i. Meters: \$450,000 start-up cost

ii. Meter App Rates: Ace provided estimates on what could be generated utilizing an hourly rate scale.

iii. Combination: Customer & property owners both pay



On-Street Hourly Rate Projections

Option 1: Flat Rate Pay to Park

Up to 4 Hours Downtown

\$1.35, \$1.50, & \$1.75

\$2.00, \$2.25, & \$2.50

Rate \$1.35	Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$1.35	\$4,781.64	\$3,347.15	\$2,343.01	\$1,640.10
CC Fees at 5%			-\$239.08	-\$167.36	-\$117.15	-\$82.01
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$9,263.37	\$3,657.07	\$2,559.95	\$1,791.97	\$1,254.38

Rate \$2.00	Car Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$2.00	\$7,083.92	\$4,958.74	\$3,471.12	\$2,429.78
CC Fees at 5%			-\$354.20	-\$247.94	-\$173.56	-\$121.49
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$14,803.43	\$5,844.23	\$4,090.96	\$2,863.67	\$2,004.57

Rate \$1.50	Car Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$1.50	\$5,312.94	\$3,719.06	\$2,603.34	\$1,822.34
CC Fees at 5%			-\$265.65	-\$185.95	-\$130.17	-\$91.12
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$10,541.84	\$4,161.80	\$2,913.26	\$2,039.28	\$1,427.50

Rate \$2.25	Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$2.25	\$7,969.41	\$5,578.58	\$3,905.01	\$2,733.51
CC Fees at 5%			-\$395.47	-\$278.93	-\$195.25	-\$136.68
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$16,934.24	\$6,685.45	\$4,679.81	\$3,275.87	\$2,293.11

Rate \$1.75	Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$1.75	\$6,190.43	\$4,338.90	\$3,037.23	\$2,128.06
CC Fees at 5%			-\$309.92	-\$216.94	-\$151.86	-\$106.30
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$12,762.64	\$5,003.02	\$3,502.11	\$2,451.48	\$1,716.03

Rate \$2.50	Car Count	Rate	1st Hour	2nd Hour	3rd Hour	4th Hour
Gross Totals	3,542	\$2.50	\$8,854.90	\$6,196.43	\$4,338.90	\$3,037.23
CC Fees at 5%			-\$442.74	-\$309.92	-\$216.94	-\$151.86
Transaction Fees \$0.25			-\$885.49	-\$619.84	-\$433.89	-\$303.72
Potential Revenue		\$19,065.02	\$7,526.66	\$5,268.66	\$3,688.06	\$2,581.64

Option 2: Escalating Hourly Rates

\$1.50 – 1st Hour

\$3.00 – 3rd Hour

\$2.00 – 2nd Hour

\$5.00 – 4th Hour

Escalating Rates	Count	1st Hour - \$1.50	2nd Hour - \$2.00	3rd Hour - \$3.00	4th Hour - \$5.00
Gross Totals	3,542	\$5,312.94	\$4,958.74	\$5,206.68	\$6,074.46
CC Fees at 5%		-\$265.65	-\$247.94	-\$260.33	-\$303.72
Transaction Fees \$0.25		-\$885.49	-\$619.84	-\$433.89	-\$303.72
Total Revenue Potential		\$18,232.22	\$4,161.80	\$4,090.96	\$5,467.01

2. DOES PARKING PROGRAM INCLUDE LAURELWOOD?

- A. **If Yes:** A rate study should be undertaken to determine the costs associated with this part of the program and permit fees adjusted accordingly.



3. HOW DO WE HANDLE PERMITS FOR RESIDENTIAL AREAS ABUTTING DOWNTOWN?

- A. Residential areas directly abutting downtown need enforcement to prevent downtown employees from using and monopolizing those areas for parking. How do we pay for that enforcement without penalizing residential owners?



ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



OFF-STREET/DOWNTOWN PARKING PROGRAM

Meeting Date: December 6, 2023

Staff Contact: Nikki Messenger, Stuart Cowie, Ron Harker

www.cityofroseburg.org

Contact Telephone Number: 541-492-6700

ISSUE STATEMENT AND SUMMARY

The Off-Street Parking Fund has been operating at a deficit. As an enterprise fund, it is meant to operate independently, without General Fund support. The issue for Council is to provide direction to staff regarding what steps should be implemented to offset this deficit.

ANALYSIS

In order to avoid too much repetition, the memo from the November 1, 2023 meeting has been attached. The following is meant to be a brief recap of the information covered at the November 1, 2023 meeting.

- Parking enforcement is an important amenity to ensure customer parking is available downtown.
- The current operating deficit in the parking program is approximately \$225,000 per year. This does not include any capital improvements and does not cover City staff time devoted to the program. We recently learned the fire sprinkler system is at the end of its useful life and requires upgrades. The first estimate we received was for \$97,000.
- The City has been covering the deficit primarily with the use of ARPA funding. ARPA funding must be obligated by December 31, 2024.
- Staff outlined costs that business owners outside of the downtown area incur to own and maintain private parking lots, as required by the Land Use Regulations. For restaurants similar to those downtown, basic costs range from \$125 to \$200 per month and longer term costs range between \$500 and \$860 per month. For other uses, examples were given that ranged from \$120 to \$2,180 per month for long term costs. These numbers were provided as a backdrop, not as a suggested rate structure. The examples were meant to demonstrate that businesses operating outside of downtown are required to provide parking, which they pay for.
- All of the parking meters are at the end of their useful life and may be costing more to maintain than they generate in fees.
- Rough calculations were presented for a model that placed the program costs on the affected property/business owners. If a flat fee were placed on each water

meter, the fee would be approximately \$80/month. If a fee were established based on square footage, the fee would be approximately \$30/month per 1,000 square feet. I want to emphasize that these are *rough calculations* that would cover the current deficit, not the entirety of the program.

- Rough calculations were provided on what paid parking may generate if free parking were eliminated. On a flat rate structure, the contractor estimated the rate would need to be at least \$2.50 per hour to cover the current shortfall. With an escalating hourly rate, the fees would go from \$1.50 the first hour to \$5.00 per hour in the fourth hour in order to generate enough revenue. Under this model, a four-hour stay would cost \$11.50.
- Council indicated an interest in a 'hybrid' model, with a limited time of free parking, paid customer parking beyond the free period to pay a portion of the cost of the program and the business and/or property owner pay part of the cost.
- Council indicated that Laurelwood should continue to be included in the parking program.

As staff continues to ponder ideas based on Council's input, a new concept is taking shape. Really, what we are talking about is a parking utility. Similar to the water and storm water utilities, the City is providing the infrastructure, maintenance, and in this case enforcement for the parking system. The City is seeking a way to establish the 'demand fees' that must be charged for having and maintaining these facilities and the 'consumption fees' that users must pay to utilize the system.

If the City were to establish a parking utility, it would be appropriate for that fee to be included on the existing utility bill that currently includes water and storm drainage. The boundary of the parking utility should include those areas that have paid enforcement. In order to avoid a very complex system, staff would recommend basing the 'demand fee' on square footage. A credit system could be established to lower the demand fee for properties that provide their own off-street parking lot, but should not be completely eliminated since the property still benefits from the availability of parking and enforcement of the on-street spaces adjacent to their parcel. Under this model, every parcel that benefits from having parking enforcement would contribute to the utility.

The 'consumption fee' is based on the usage. Council seemed to be leaning towards charging for parking in the downtown core and utilizing an app for fee collection. If that is the direction Council chooses to go, hourly rates can be developed for Council consideration once decisions regarding any free parking time periods are made.

It will be important that the consumption fee be applied consistently throughout the downtown district. If we have some spaces free for one hour, some spaces free for two hours, etc., it may be easy for regular users of the parking facilities to take advantage of the system.

While it is not referred to as a utility, the City of Salem uses a system that has a monthly fee for property/business owners and user fees. The funding split for the system is about 35% on monthly fees and 65% on user fees.

Laurelwood/Finlay Area

Laurelwood has approximately 86 homes. The Finlay area has an additional 18. If the overall program costs approximately \$325,000, and \$100,000 is attributed to overhead associated with the parking structure, parking lots, and cleaning and security contracts, the enforcement costs are approximately \$225,000.

This area has only generated one citation in the last six months. Given the low violation rate, ACE has only been patrolling the area once per day. Currently, they report they are spending about 15 minutes per day on patrol in the Laurelwood area, which equates to 1/36 of the enforcement day.

$$\begin{aligned}
 & \$225,000 \div 36 = \$6,250 \text{ per year} \\
 & \$6,250 \div 12 \text{ months} = \$521 \text{ per month} \\
 & \$521 \text{ per month} \div 104 \text{ homes} = \$5/\text{mo per home} = \$60/\text{yr per home}
 \end{aligned}$$

The current revenue generated from the Laurelwood neighborhood is \$740 per year (74 permits x \$10 each). Chadwick is a residential street that borders downtown. Twenty-eight residential permits have been sold in this area, for a total annual revenue of \$280. If a residential fee were implemented, it would make sense that Chadwick residents be included in this fee structure.

Revenue Generation

If a hybrid model is the ultimate decision, Council should provide direction regarding target percentages for each type of revenue. The following scenario is provided for discussion purposes.

Fines	10%	\$325,000	\$32,500
Permits	20%	\$325,000	\$65,000
Paid time	25%	\$325,000	\$81,250
Base fee	45%	\$325,000	\$146,250
			\$325,000

For comparison, the chart below shows revenues by type for April through September 2023.

Six Month Average Revenue - April - September 2023	Average x 12 months	
Parking Fines	\$ 1,985	\$ 23,820
Permits	\$ 4,970	\$ 59,640
Meters	\$ 802	\$ 9,624
Average Monthly Revenue	\$ 7,757	
Annual Forecast		\$ 93,084

Possible Decision Points

With all of this information, staff is seeking direction. The following questions may help guide those decisions.

1. Do we establish a monthly fee for downtown properties?
 - If no, does Council have other direction for funding the program?
 - If yes, what methodology should we use?
 - Flat fee – everyone pays a flat fee regardless of size/use.
There are about 270 water meters in the current downtown enforcement boundary.
 1. Is the fee higher in the central core and less on the fringes?
 - Fee based on square footage.
 1. Fee per 1,000 square feet.
 - a. Small base fee – everyone pays regardless of whether they have their own parking to reflect the shared parking that is available.
 - b. Is the fee higher in the central core and less on the fringes?
 - Fee based on square footage and land use.
 1. Most staff intensive system, which will add to the cost of the program. We do not have the resources to absorb this additional work. This option may require additional staff.
2. Do we continue to provide free parking in downtown?
 - If yes, what is the time-period that is free?
3. Do we establish a fee for residential areas – yes or no?
 - If no, do we continue enforcement in those areas?
If we continue enforcement, how is the cost of that enforcement fairly covered?
 - If yes, does the methodology outlined make sense?
4. Do we remove all existing meters and go to paid, time limited, and permit parking only in those areas? This will require considerable signage updates and should only be done after a decision on free versus paid parking is made in order for signage to be consistent.

City Council (CC) Statement on Parking and Downtown March 25th, 2024

The City of Roseburg asked downtown stakeholders to develop recommendations to improve the current parking program. A group of downtown participants and CC members met several times between Dec. and March to examine the issues. The effort included an analysis of data provided by ACE. This work not only identified concerns beyond what a group of individuals could address, but based on the models a self-sustaining parking option appears very difficult to achieve.

Identified areas of concern include:

- The parking enforcement program includes areas beyond the downtown business district, such as Laurelwood which is adversely impacted by high schoolers filling up the streets, and the County Courthouse where people tend to overstay the allotted time. The needs of these areas are beyond the scope or expertise of the downtown-specific group.
- There are valid economic concerns asking downtown patrons to shoulder enforcement costs for all of the city areas impacted by parking enforcement needs. The downtown economic climate is already precarious and anything that may be perceived as negative or punitive should be approached with extreme caution. The scenario is much more complex and not comparable to a private business who owns their own parking lot. And as such needs to be analyzed differently.
- A healthy and vibrant downtown is vital to the whole of Roseburg as it is the bedrock of our community. We ask the City and stakeholders to consider all parking needs and address the downtown issues with a *holistic approach to the cultural and economic advancement of this important historic district*.
- The downtown area, courthouse and the high school are resources for people throughout Douglas County. Asking downtown businesses and/or residents to assume an outsized share of the funding burden for this infrastructure does not support an ongoing vision for the growth of the corridor.
- A key concern related to downtown parking is security in the parking garage. The parking garage has become a barometer for the overall health of downtown. More resources should be allocated to the maintenance of this community space, including more security and possible gated/keycard/permit entrance.

Based on the factors outlined above, we recommend that a larger portion of the community share in financial responsibility associated with downtown, the high school and the courthouse parking and maintenance.

We suggest revisiting a topic previously suggested regarding a fee to water meters city-wide. This group advocates strongly that the costs should be shared throughout the city so that individual businesses or downtown residents are not unfairly penalized. The downtown, courthouse and high school areas are a resource for people across broad city, county, and tourist groups. Accordingly, the weight of managing parking for these community assets should be shared across the community.

We propose a motion to ask the City staff to draft an analysis of the financial impact of a city-wide water meter fee whereby the proceeds from this fee would be specifically used for city-wide parking enforcement.

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



OFF-STREET PARKING

Meeting Date: April 22, 2024

Department: Administration/CDD

www.cityofroseburg.org

Agenda Section: Department Items

Staff Contact: Nikki Messenger/Stuart Cowie

Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY

At the March 25, 2024 meeting, the Council directed staff to bring back information on funding the Off-Street Parking System utilizing a citywide fee imposed on City utility bills.

BACKGROUND

A. Council Action History.

April 27, 2020 - Authorized cancellation of the Parking Enforcement Services Contract with DRA/Park Smart by mutual consent effective March 31, 2020.

March 22, 2021 - Received a Downtown Parking Assessment and Plan Presentation from Rick Williams Consulting. Accepted the Downtown Parking Assessment and Plan.

December 13, 2021 – Awarded the contract for parking enforcement services to ACE Parking.

January 24, 2022 – Authorized a supplemental budget to the Off-Street Parking Fund establishing appropriation authority to manage the parking enforcement contract for fiscal year 2021-2022.

August 22, 2022 – Council was advised that ACE parking is failing to generate enough revenue to cover the cost of its contract. Council approved converting the free parking spaces in the parking lot behind Downtown Fitness and in the Parking Garage to time-limited parking. Council also authorized the use of ARPA funds to pay for janitorial and security services for a period of one year for the downtown parking garage.

September 26, 2022 – Council was presented a detailed overview of the financial challenges facing the Off-Street Parking Fund and options for closing the funding gap. Council authorized staff to remove meters in appropriate areas and centralize working meters. Council directed staff to do further research and provide options with financial information to assist the parking program.

Council has authorized use of ARPA funds to directly cover the cash flow needs of the Off Street Parking Fund up to \$50,000 on the following separate occasions: May 9, 2022,

September 26, 2022, January 23, 2023, June 12, 2023, November 13, 2023, and February 26, 2024.

October 23, 2023 – Council adopted a resolution authorizing an appropriation transfer to transfer \$20,000 from General Fund Contingency to the Off-Street Parking Fund.

November 1, 2023 – Council held a work-study session to discuss downtown parking. Council supported a hybrid model including time limited free parking, fees paid by customers and visitors, and fees paid by property and/or business owners and directed staff to provide more information about options and schedule public comment.

December 6, 2023 – Council held a special meeting and took public comment. There was a consensus of Council to establish a committee to review previous parking study and discuss solutions.

March 24, 2024 – Council directed staff to review statement submitted by downtown parking discussion group and bring back an evaluation.

B. Analysis.

Revenue vs. Expenditures

The Off-Street Parking Fund is an enterprise fund that is intended to operate independently without support from the City’s General Fund. The parking enforcement contract with ACE Parking requires the vendor to turn all revenues over to the City monthly. The chart reflects actual revenues collected during the current fiscal year. The U-Haul lot lease is not collected by ACE, but has been dedicated to the Off-Street Parking Fund.

REVENUE

FY 23-24 Revenues	Total (9 months)	Monthly Average	Average x 12 months
Parking Fines	\$ 28,640	\$ 3,182	\$ 38,187
Permits	\$ 43,847	\$ 4,872	\$ 58,463
Meters	\$ 8,204	\$ 912	\$ 10,939
<i>Subtotal Ace Revenue</i>	\$ 80,691	\$ 8,966	\$ 107,588
U-haul Lot Lease		\$ 1,500	\$ 18,000
Average Monthly Revenue		\$10,466	
Annual Forecast			\$ 125,588

EXPENDITURES

Under the contract, the City is required to reimburse ACE for actual costs of the approved budgeted expenses including personnel costs, operating expenses, licensing fees, maintenance services requested by City, all taxes, supplies, including tickets, utilities and cleaning supplies, cost of insurance, administrative charges, telephone expenses, mileage reimbursement, credit card fees and amortized capital costs (\$1200/mo). The remaining amortized capital costs as of April 2024 is \$38,349.

The contract includes a base management fee of \$1,750 per month and a clause for sharing net revenue if revenues exceed expenditures. Based on the past 12 months’ experience, the cost of the ACE Parking contract is estimated at **\$18,275** per month or **\$219,300** annually.

In addition to the enforcement contract, the Off-Street Parking Fund is responsible for covering the overhead costs associated with owning and maintaining the parking infrastructure. The table shows the various overhead costs associated with owning and basic maintenance of the parking facilities. The numbers have been derived from the proposed FY 24-25 Off-Street Parking Fund budget. The “Non-enforcement contracts” are currently being funded through ARPA, but staff anticipates FY 24-25 will be the final year that funding source is utilized. The chart does not include the costs associated with street maintenance, street marking, signage, street sweeping or related staff costs.

Overhead Category	Budget
<i>Central Services</i>	
City Services	\$ 6,000
Audit	\$ 2,600
Subtotal	\$ 8,600
<i>Utilities & Insurance</i>	
Power	\$ 20,000
Water	\$ 1,000
Sewer	\$ 110
Storm	\$ 1,570
Property Insurance	\$ 8,400
Communications	\$ 1,600
Buildings & Grounds Maint.	\$ 20,000
Subtotal	\$ 52,680
Overhead w/o contracts	\$ 61,280
<i>Non-enforcement contracts</i>	
Cleaning Contract	\$ 26,460
Security Contract	\$ 24,003
Subtotal	\$ 50,463
Overhead Budget w/o enforcement	\$ 111,743

DEFICIT

Taking all of the known revenues and expenditures into consideration, the following chart outlines the projected deficit. This estimate does not include any costs associated with changing out signage or removing/replacing any meters. Should Council choose to move forward with a parking fee app, those costs would need to be included in future estimates.

FY 24-25 Off-Street Parking Estimates	
Total Projected Revenue	\$ 125,588
Overhead	\$ 61,280
Non-enforcement Contracts	\$ 50,463
Enforcement Contract	\$ 219,300
Total Projected Cost	\$ 331,043
Projected Deficit	\$ (205,455)

Monthly Fee – Straight Line Calculation

As staff understood Council’s direction, the intent was to divide the projected deficit among the number of water meters located within the City Limits.

$$\$205,455/9,000 \text{ meters} = \$22.83 \text{ per year or } \$3.81 \text{ per bi-monthly billing}$$

This is the *minimum* funding level to cover the estimated deficit and would not provide for any improvements to the parking structure or any of the parking lots. Under this scenario, the fee is the same regardless of size of water meter or type of land use. A single-family residence would be the same as an apartment complex. A small retail operation would pay the same as a large box-store.

Other Considerations

In addition to further direction regarding the information above, staff seeks Council direction on the following items/questions that remain outstanding:

- Should parking in downtown remain free to customers?
 - If free parking – is it time limited?
 - What is the time limit?
 - Currently 2 hours in most areas. Limited areas are 3 hours, and the first floor of the parking structure and the Rose Street Lot offer 4-hour spaces.
 - Should there be a mechanism to pay to park beyond the time limit?

- What do we do with the existing meters that are at or beyond the end of their useful life?
 - Remove all existing meters and go to paid, time-limited, and/or permit parking only in those areas? *This will require considerable signage updates and should only be done after a decision on free versus paid parking is made in order for signage to be consistent.*

The “Roseburg Downtown Parking Assessment” identifies these discussion items, which can be found starting on page 19 of the following link:

[Roseburg Downtown Parking Assessment and Plan - FINAL REPORT March_15_2021.pdf \(cityofroseburg.org\)](#) .

C. Financial/Resource Considerations.

The Off-Street Parking Fund continues to operate at a deficit. The City Council has authorized approximately \$300,000 in ARPA funding and \$20,000 in General Fund to cover the deficit and an additional \$100,000 (approx.) in ARPA funding to cover security and cleaning services in the Parking Structure.

D. Timing Considerations.

The ARPA funding must be committed by the end of this calendar year.

Staff is unaware of any similar funding mechanisms for paying for parking enforcement, so may be “starting from scratch” when writing municipal code language setting this system up. Council input will be required regarding consequences for non-payment and other structural details should this move forward. This work may take several months.

COUNCIL OPTIONS

Staff is seeking direction from Council.

STAFF RECOMMENDATION

Staff is seeking direction from Council.

SUGGESTED MOTION

No suggested motion. Staff is seeking direction on next steps.

ATTACHMENTS: None.