

# 2023 Proposed Budget

## Parking

October 24, 2022



# Our Mission

## **Vision**

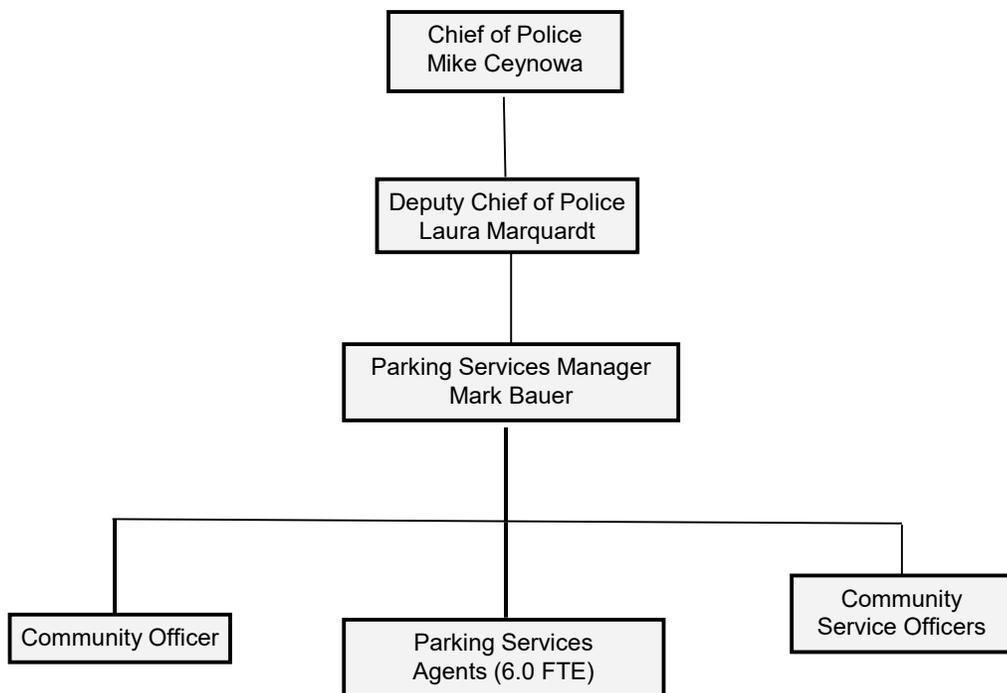
A safe, convenient parking experience throughout the City of Duluth.

## **Mission**

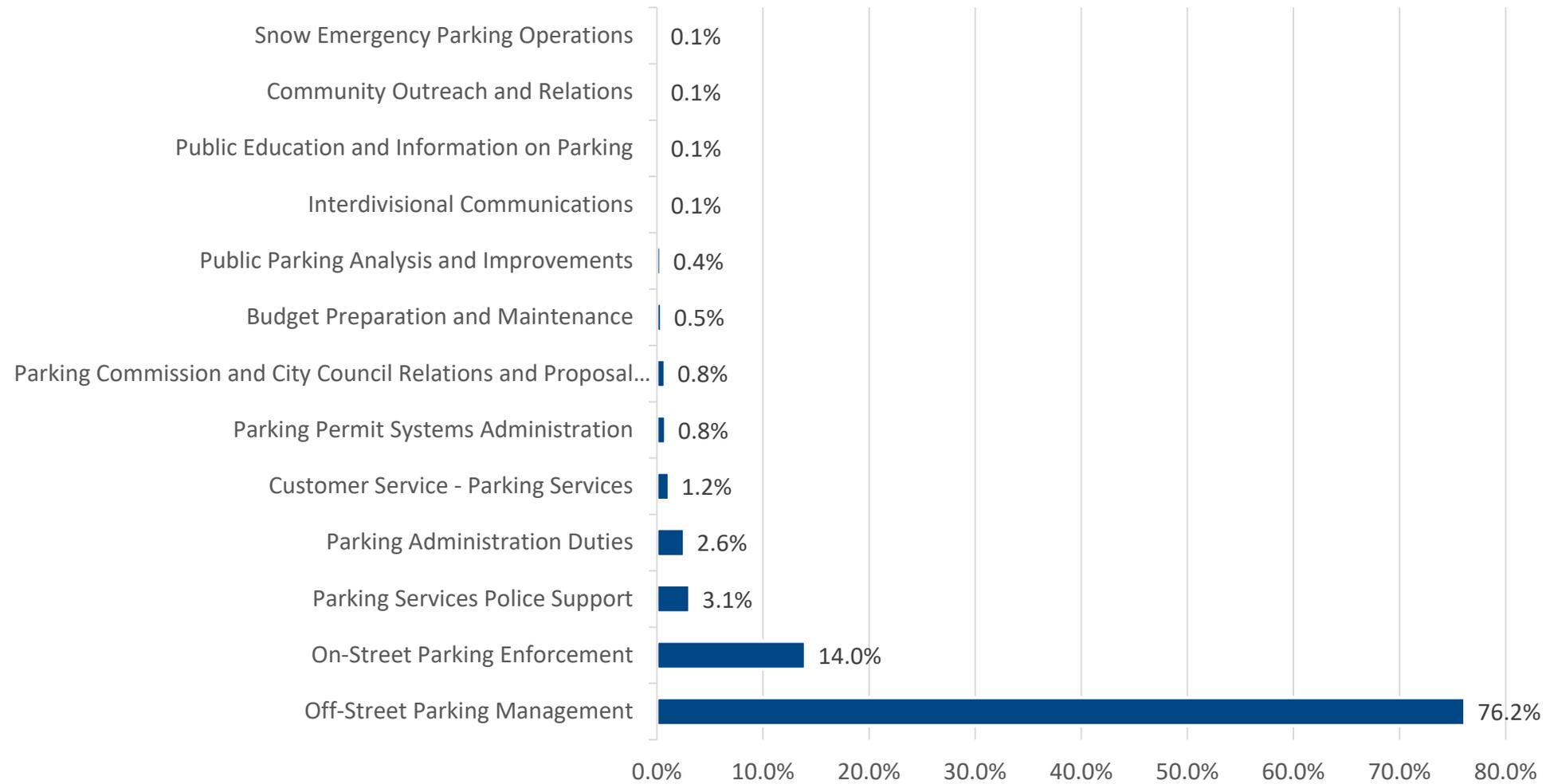
Through service and innovation, we strive to enhance public safety, maximize parking access, and support local economic development for all who live, work, and play in Duluth.



# Division Overview



# Services Inventory: Parking



# Items of Interest

- The parking fund is an enterprise fund; as well as covering its own expenses, an annual transfer to the City's General Fund helps pay for other various City public services.
- Charging fees at parking meters in commercial areas helps encourage turnover of parking stalls, thereby contributing to a healthy business community.
- Nearly every enforced City Ordinance or State Statute points to the overarching goals of public safety and/or fair public access to parking.
- The Parking Services Division does not have ticket issuance quotas. Tickets are issued in order to promote public safety and/or access.



# Consistency and Fairness in Enforcement

- The Parking Services Division enforces parking Ordinances and Statutes evenly and fairly throughout the City of Duluth.
- Ticket issuance is regularly audited to ensure consistency.
- Staff observe and address the violations themselves, rather than the parker.
- The approach is one of education and kindness. If we are able to achieve our public service goals without issuing a ticket, we do.
- The overarching goals of promotion of public safety and fair public access for all inform the Parking Services Division's procedures and practices.



# 2022 Accomplishments

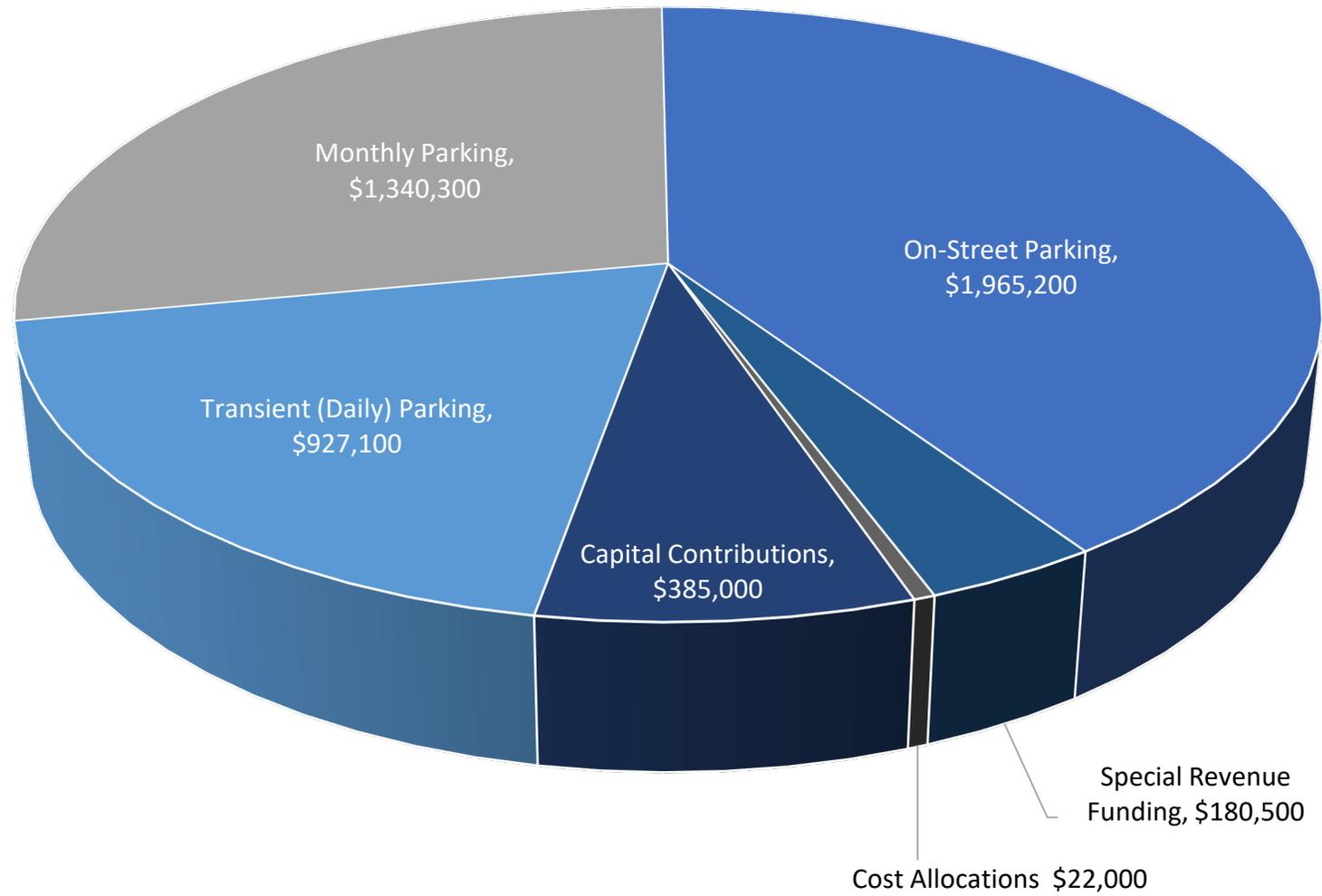
- Have maintained a high level of public service throughout the ongoing COVID pandemic
- Relocated Parking Services office to new, more customer-friendly and secure space
- Systemwide parking rates restructure helped balance 2022 budget
- Successful first year of new Snow Emergency system full implementation
- Continued success of Park Duluth mobile payment app system
- Active involvement in economic development projects in conjunction with the City's business development team
- Planning and design of the new parking facilities included in the Downtown Regional Exchange District redevelopment project
- Completion of significant structural renovation at Library/Depot Upper Lot (in progress)
- Continued cohesion between the parking services division and the Commission on Disabilities to proactively address accessibility and safety issues
- Installation of pedestrian access control system in at least one downtown parking facility (ongoing)
- Conversion of on-street Canal Park parking to year-round fees



# Challenges in Designing the 2023 Budget

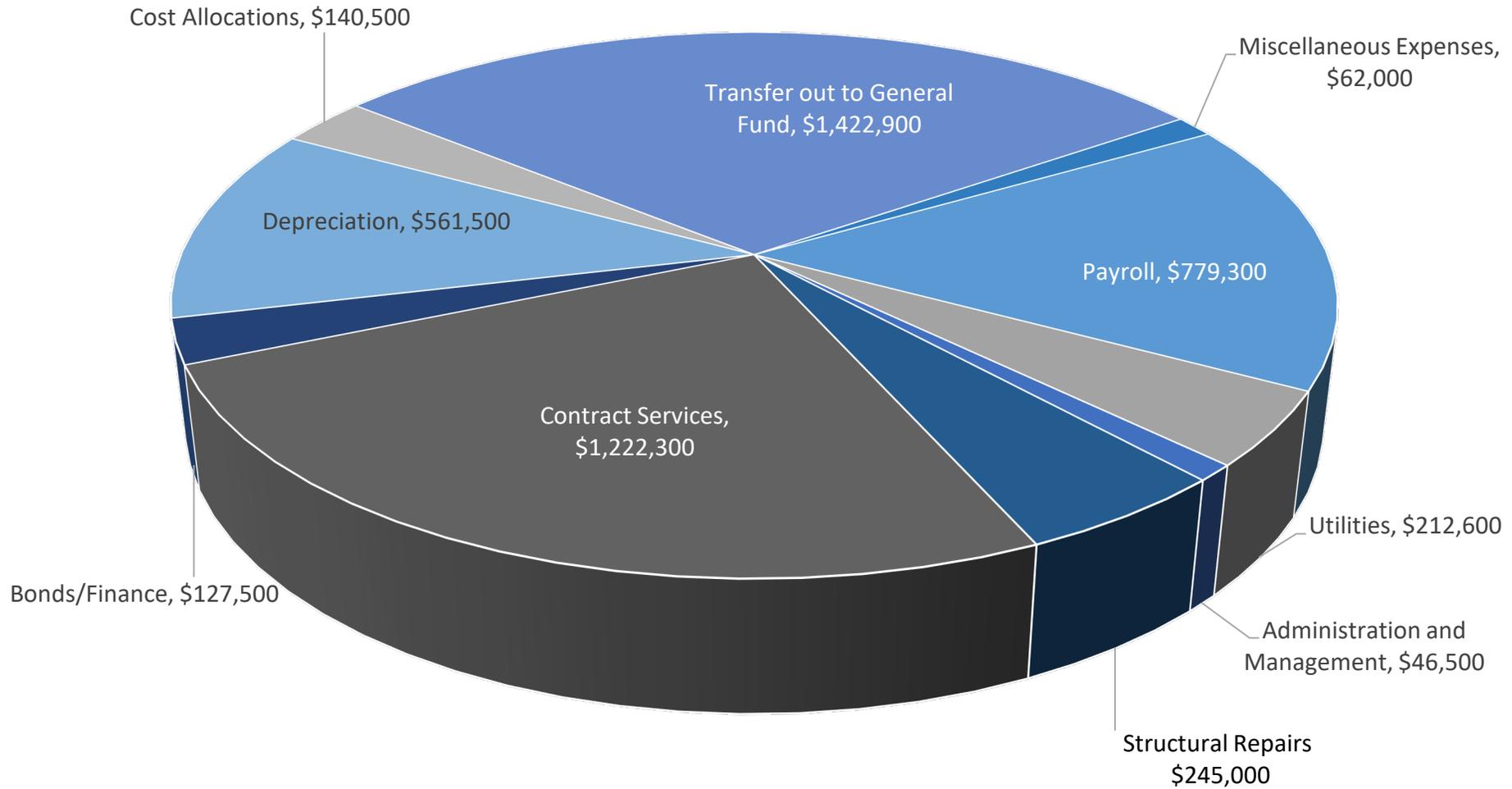
- Keeping up with annual parking facility structural repairs
- Continuing to fund other City services through the annual general fund transfer
- Maintaining a high level of customer service while controlling expenses
- Preparing for unforeseen expenses
- Providing a fair parking value while covering escalating third-party expenses
- Continuing to plan for a bright future while mitigating continued pandemic-related challenges
- Continuing to address public safety and cleanliness issues in the parking facilities within budget limitations





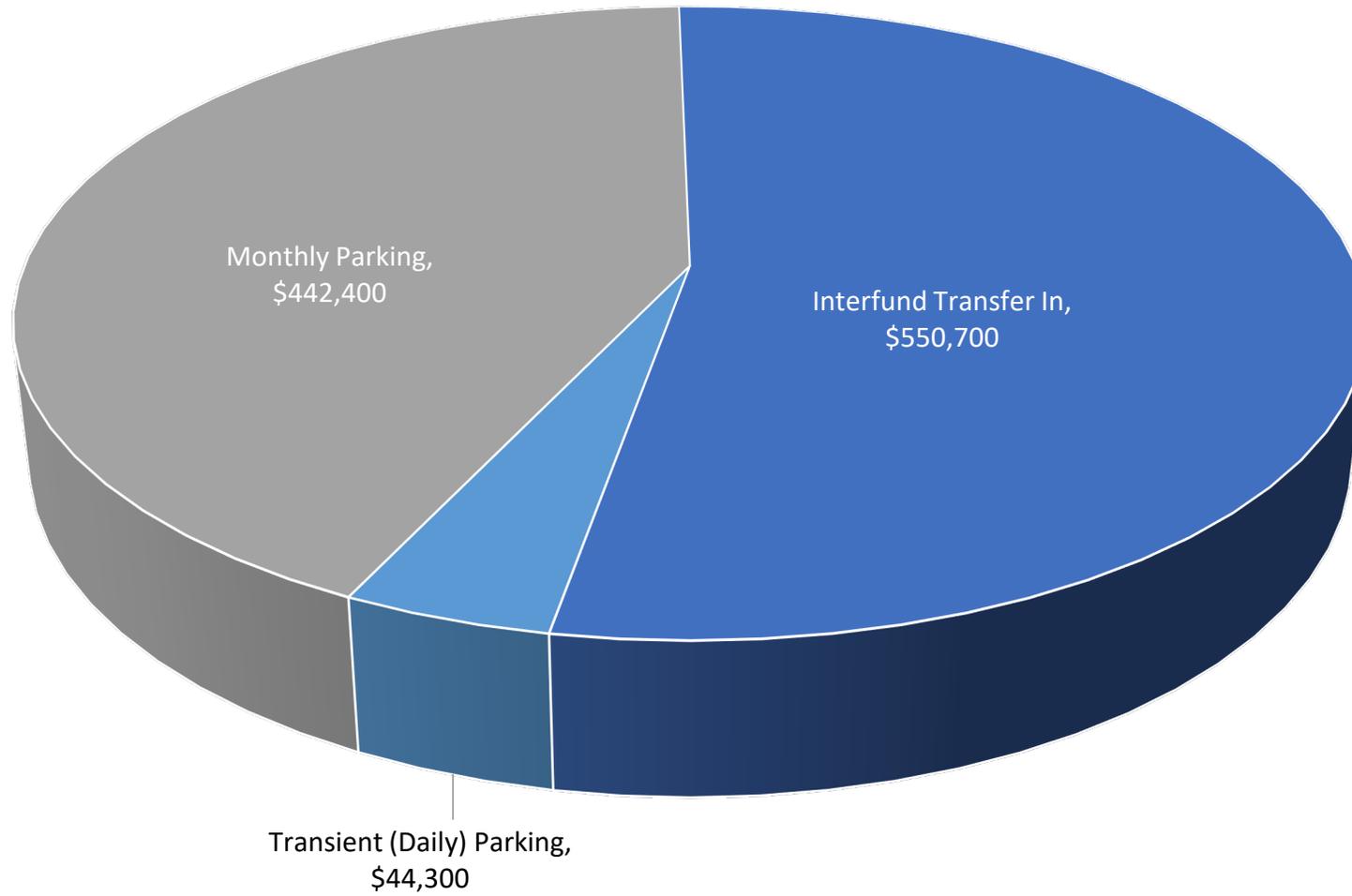
2023 Proposed Parking Fund 505 Revenues \$4,820,100





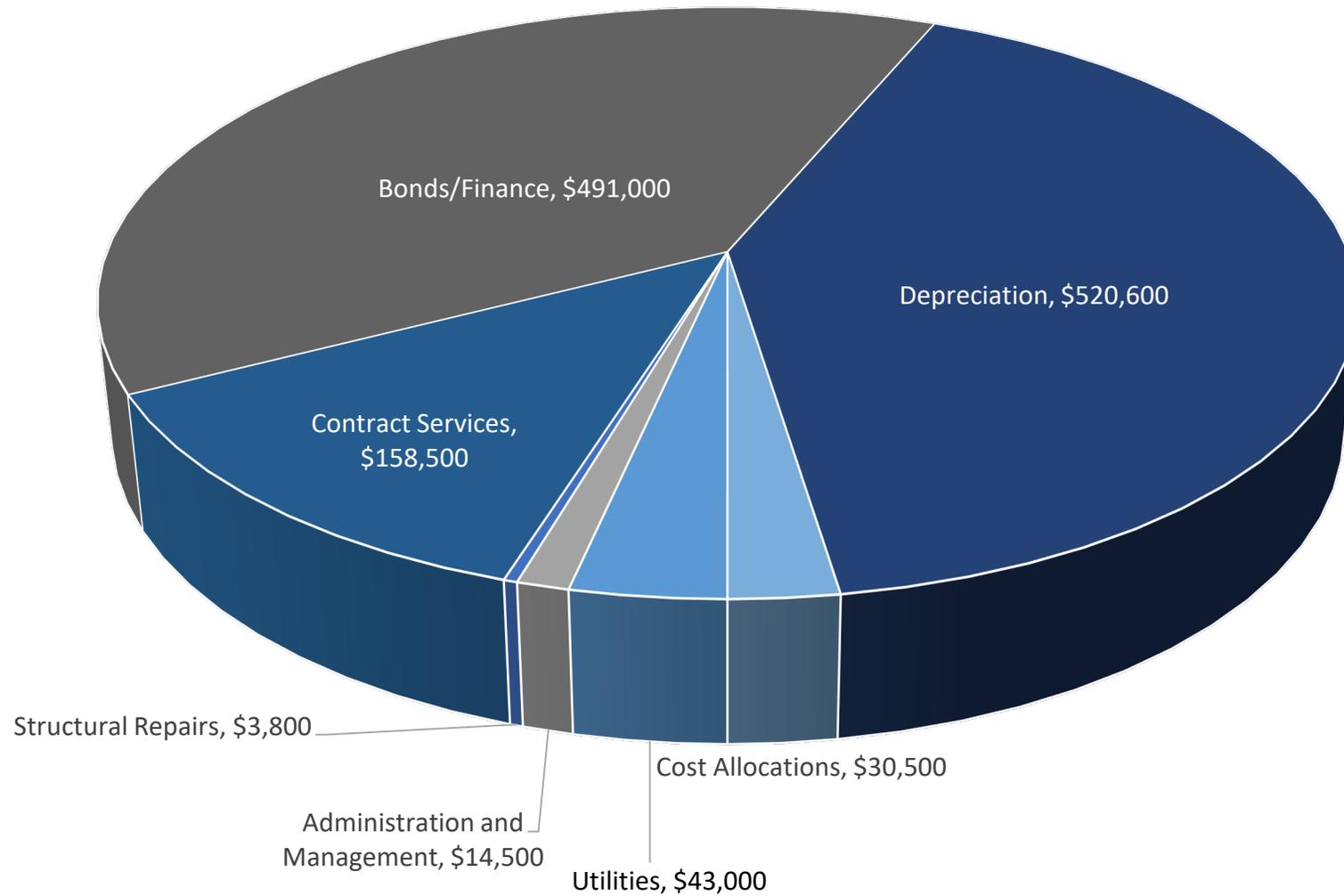
2023 Proposed Parking Fund 505 Expenditures \$4,820,100





2023 Proposed Parking Fund 506 Revenues \$1,037,400





2023 Proposed Parking Fund 506 Expenditures \$1,261,900



# 2022 Budget vs 2023 Budget Revenues – 505 Fund

	2022	2023	Difference
Capital Contributions	385,000	385,000	-
Miscellaneous Permits & Licenses Special Needs Meter Permit	46,400	52,400	6,000
Miscellaneous Permits & Licenses Residential Street Permits	17,600	17,600	-
Cost Allocation 410 West 1st Street Ramp	20,200	22,000	1,800
Transient Parking	708,300	927,100	218,800
Contract Parking Other	1,009,000	877,700	(131,300)
Contract Parking SMDC	556,900	462,600	(94,300)
Parking Meter Revenue	874,000	872,000	(2,000)
Administrative Fines Parking Fines	998,900	1,026,700	27,800
Administrative Fines Parking Fine Refunds	(3,500)	(3,500)	-
Interfund Transfers In From Special Revenue Funds	158,300	180,500	22,200
<b>Total</b>	<b>4,771,100</b>	<b>4,820,100</b>	<b>49,000</b>



# 2022 Budget vs 2023 Budget Expenses – 505 Fund

	2022	2023	Difference
Salaries	469,600	502,700	33,100
Benefits	225,500	276,600	51,100
Other Expenses	3,922,800	4,040,800	118,000
<b>Total</b>	<b>4,617,900</b>	<b>4,820,100</b>	<b>202,200</b>



# FTEs 2022 vs 2023

	2022	2023	Difference
Parking Services Manager	1.00	1.00	-
Police Investigator	1.00	1.00	-
Parking Services Agent	6.00	6.00	-
<b>Total</b>	<b>8.00</b>	<b>8.00</b>	-



# Notable Changes in the 2023 Budget

- Moderate increases to facilities structural maintenance expenses to maintain safe conditions for the public, to mitigate future expenses, and to maximize the useful life of parking facilities
- Revenue adjustments to reflect the shift from monthly to transient (daily) parking by many parkers
- Adjustments to reflect changes to parking ticket fees and on- and off-street parking rates



# Implications of a Status Quo Budget



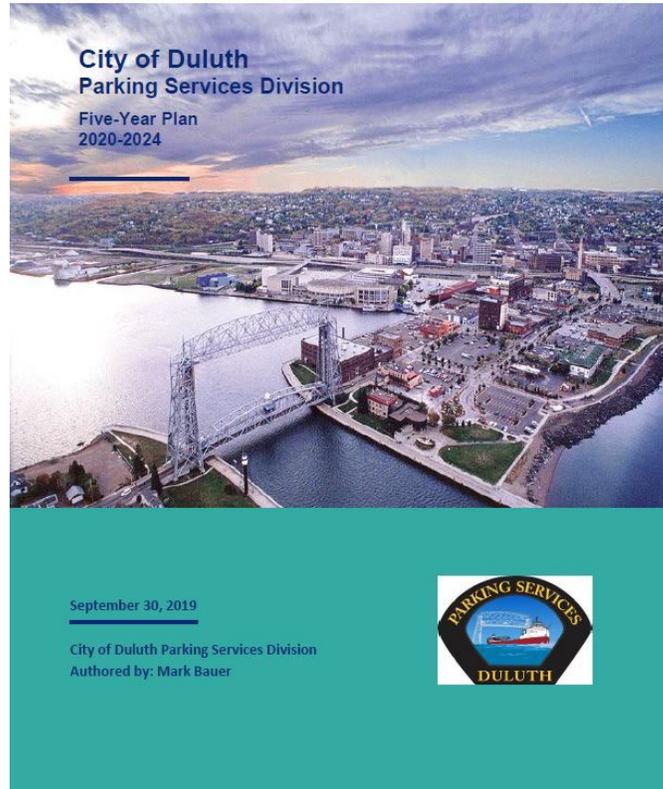
- Failure to adequately maintain public parking facilities
  - Structural maintenance
  - Ramp cleanliness
  - Facility security

# 2023 Goals

- Recovery of the financial health of the parking enterprise fund as pandemic-related economic challenges continue, including resumed contributions to parking-related reserve funds
- Installation of pedestrian access control systems in remaining downtown parking ramps
- Implementation of on- and off-street parking rates revisions
- Planning and construction of parking ramps related to Duluth Regional Exchange District
- Implementation of new parking permit management system, with online payment options



# Unfunded Five-Year Plan



- In 2019, the Parking Services Division, in consultation with the Downtown Parking Advisory Committee, approved its Five-Year Plan
- Due to COVID-related revenue downturns, escalating third-party costs, and other challenges, most of the Plan has not yet been implemented
- Long-term recommendations to resume implementation timelines are to continue to adjust public fees for off-street parking, move to year-round fees in Canal Park in 2023, adopt a 7 days/week on-street fee structure throughout the city, and reduce the annual transfer to the City's General Fund to compensate for COVID-related revenue losses

# Opportunities to Consider

- Conversion of off-street Canal Park parking to year-round fees (planned for Fall 2023)
- Investment in the development of more off-street parking in the core downtown area
- Possible development of off-street parking in the core business area of Lincoln Park
- Upgrade to on-street parking meter technology (included in Five-Year Plan but as yet unfunded)
- Possibility of converting some parking zones to online payment only (no onsite cash collection)



# Questions?

