

AUTOMOBILE PARKING COMMISSION MINUTES

March 12th, 2009

Call to Order: Chairperson Haynes called the meeting to order at 8:00 am.

Attendance:

Members Present: Lisa Haynes (Chairperson), Commissioner Lumpkins, Monica Sekulich, David Leonard, John Tully, Gerald Schildroth, Mike Ellis and Dwayne Moore.

Members Absent: None.

City Staff Present: Pam Ritsema, Kim Miller, Barb Singleton, Allen Ganic, Mitch Schutter, and Henry Bouman.

Visitors Present: Dave Czurak (Grand Rapids Business Journal), Kevin Wisselink (ITP), Gera White (Eastown), Jaye Vanlanten (Eastown), Pamela Benjamin (Eastown), and Toni Jones (Grand Valley State University Student).

I. Review and Approval of January 8th, 2009 Minutes:

Mr. Tully moved for the approval of the Minutes of February 12th 2009 and Mr. Leonard supported. Motion passed unanimously.

II. Action Item-Eastown Parking Study Request:

Director Ritsema reported that a plan-of-action for the parking study would consist of Eastown volunteers, college student volunteers, City of Grand Rapids Parking staff, ITP staff, and a City of Grand Rapids intern to complete the study. There was a meeting with everyone involved to discuss and detail the outcome that is desired from the parking study. The process, resources available, scope definitions, and issues of interest were discussed at the meeting. Director Ritsema requested permission to go forward with the study as outlined. Data collection would begin in March.

Mr. Tully inquired if the departure in format from the traditional parking study is an attempt to bring more of the process in-house?

Director Ritsema explained that in this case it is a cost saving measure and an opportunity to approach a familiar situation in a new way. Eastown Neighborhood Association is very well organized and is able to provide quality talent to facilitate the study. It is a good opportunity to put some student efforts to use. The goal is not an increased quantity of parking rather a better utilization of the parking that currently

exists. It is not the traditional situation for a standard parking study. Representatives from Eastown are in attendance today as well.

Mr. Ellis inquired as to the responsibilities of Eastown in the project.

Director Ritsema explained that Parking would dictate what information is to be collected and in what manner the collection is to proceed. There will be a number of college students involved in collecting the data.

Mr. Leonard asked what the cost would have been for a traditional consultant to conduct the study.

Director Ritsema estimated the consultant fee to be upwards of \$20,000.

Chairperson Haynes recognized and applauded the involvement of transit in the process.

Commissioner Lumpkins explained that he had the opportunity to attend the Eastown Annual meeting and he was impressed with the number of people that were present and enthusiastic in their support of the community.

Pamela Benjamin explained that not only the Eastown Neighborhood Association but also the Eastown Action Team are both in favor of the study. The Eastown Action Team consists of both local businesses and community members in a combined effort.

Gera White thanked the Commission for the research project.

Jaye Vanlanten expressed that she feels the study will be a creative and useful project.

Director Ritsema added that there may be money available for future improvements from a CID (Corridor Improvement District.) A work plan will need to be submitted.

Chairperson Haynes asked if there would be a separation of data collection, similar to the Walker Parking Consultants in the past.

Commissioner Lumpkins moved to support the proposal as presented. Motion supported by Mr. Schildroth. Motion carried unanimously.

III. Annual Report:

Director Ritsema reported that the goal has been to have an annual report for Parking Services for a number of years. There have been difficulties in past years completing the report. This year, the report was completed with help from outside of Parking. The intent is to do the annual report to provide a snapshot in time of what programs were in place, what parking supplies were, what finances were, and what occupancy rates were. It provides a historical look at the department and tells the story of what Parking

Services does. The report will be printed for distribution as well as available on the website.

Chairperson Haynes asked if the report will be made available or if it has a specific distribution list.

Director Ritsema explained that it is a more internal document that would be made available for the City.

Chairperson Haynes expressed her appreciation for the hard work and the quality job the report does in detailing the work of Parking Services.

Mr. Tully suggested that on page six, paragraph four, there is some negative wording in regards to the statement, "As downtown development occurs, it is becoming increasingly more difficult to find efficient, affordable solutions for parking."

Mr. Ellis added that it may not be a good idea to mention pending projects in the report, rather focus on active projects only.

Mr. Leonard asked if the report is for fiscal year 2008 only. Is that why the picture reflects the Parking Commission for 2008?

Director Ritsema agreed that it is for fiscal year 2008 which ended this past June.

IV. Annual Parking Rate Review – Part 1:

Director Ritsema reported Parking is charged by City Commission ordinance to conduct an annual review of parking rates. The ordinance suggests that rates follow CPI. Variance from CPI requires recommendations to City Commission regarding the rate increases. CPIU for the twelve month period ending December 2008 is .1%. The twelve month period ending in January 2009 is 0%. Energy costs have generally declined over the past twelve months leading to the low CPIU. There would be no change in parking rate if the City chose to follow CPIU at this time. The intent is to get feedback from the Parking Commission regarding parking rates and to come back in April with the CPI calculations and comparable rates of cities across the United States. There will also be new facilities that will need to have rates addressed. The City has done an omnibus rate resolution in the past where any fee set by a given City department has gone up as part of one package.

Mr. Ellis asked when the February CPI-U will be out.

Director Ritsema explained that it will not be out until later in March.

Commissioner Lumpkins inquired if any of the ongoing Parking projects would be in any jeopardy if the rates were not increased.

Director Ritsema explained no projects should be in jeopardy. Event rates were raised last year and would therefore not generally be raised again. The intent is to raise event

rates in dollar increments. Parking Enterprise fund is different than the general fund and is strong at this time.

Commissioner Lumpkins expressed that in this difficult economic time a parking rate increase might be seen as another financial difficulty. The City's best interests, of course, need to be considered as well.

Director Ritsema explained that several local businesses, primarily financial institutions, will be discontinuing their employee parking cards in the very near future. It is estimated that about 45 employees at the Pearl/Ionia ramp will be without their employer-supplied parking cards. There is a movement from the more expensive parking structure spaces to the less expensive surface parking lots. The less expensive parking spaces are mostly occupied at this time making the situation more difficult.

Mr. Ellis was interested in the 3% increase amount; how much revenue would be generated by the increased rates.

Director Ritsema explained that the increased rates would equate to roughly \$200,000 extra revenue.

Mr. Ellis pointed out that daily and hourly rates haven't changed since 2006.

Director Ritsema explained that there is very little demand for some of the parking areas that have not been increased.

Chairperson Haynes asked how the changes are typically made. Are they increased by quarter dollars?

Director Ritsema explained that it has gone from \$.85 to \$.90 to \$.95 and finally to \$1.00 for hourly parking in recent years. The movement is more towards automation and the fewer change-making issues the better. Director Ritsema asked Mr. Ellis if he is making hourly rate changes with an attempt to keep even dollars amounts.

Mr. Ellis replied that he is not concerned with keeping even dollar amounts due to the fact that so many people are now paying with credit cards.

Director Ritsema asked what percentages of payments are made with credit cards.

Mr. Ellis replied that the percentage is very high.

V. Project Updates:

Director Ritsema reported the BOB project, the "Festival Marketplace", has gone to the City's Economic Development Project Team on Tuesday and will be before the Planning Commission on the 26th of March. Mr. Gilmore is proposing a "Festival Marketplace"

with focus on flexible space. The building is to be a five-story structure that is very open in the middle. The roof may be partly retractable. The perimeter area will consist of kiosk space where different vendors can offer a variety of products or services ranging from foods to unique arts and crafts. The flex space could be used for events like combined food and film festivals. Large party occasions such as Superbowl parties could also be arranged as well. Complimenting events and vendors could be arranged to work in conjunction with events happening at Devos. For instance, Auto show events and merchants at the same time as the Auto show at Devos. The upper two levels of the property will be ownership suites including overnight accommodations. There has been a question of capital for construction. Mr. Gilmore has explained that there is substantial equity in the BOB that could be tapped for capital. There will be no parking included at the site. An estimated 234 new employees would be needed at the new building with approximately 50 of them being full time BOB employees. The remainder of the number would be in the form of kiosk employees.

Chairperson Haynes asked what timeframe is expected for construction.

Director Ritsema explained that there are time limits in the term sheet and things are on track so far.

Mr. Ellis asked if there is still evening parking at this time.

Director Ritsema agreed that there is still monthly parking there. Once Mr. Gilmore owns the land, the City will operate the parking until the time construction begins.

Ms. Sekulich asked what the estimated project cost is.

Director Ritsema explained that the term sheet requires a minimum of \$5 million in investment.

Chairperson Haynes asked if the theater is still included.

Director Ritsema explained that it is a more movable style theater in the design.

Director Ritsema reported that the North Monroe/Imperial Metals site has a term sheet in place for the acquisition of the property. It also outlines and details the development expectation for Irish Twins. Since Irish Twins proposed a different financing method than was in the term sheet, it was brought to City Commission. At the February 17th meeting it was discussed that one of the conditions of the financing was a signed agreement in place between Irish Twins and Pioneer Construction. The alternate financing was Pioneer lending \$750,000 for the initial build out. There was no signed copy at the February 17th meeting. The matter was tabled until the March 10th meeting of City Commission. Before the March 10th meeting, it came to the City Commission's attention that the property has had a court appointed receiver since 2007. There have been issues with loan payments that have not been made on the property. There is also an issue with the ownership of the property being Irish Twins Group LLC and the term sheet being made with Irish Twins III LLC. The City Attorney spoke with the receiver who is in favor of the project since the amount of the mortgage is less than the

sale price of the property. City Commission instructed Parking Services to continue to negotiate with Irish Twins and acquire the parcel in two phases.

Chairperson Haynes asked if there is any timeframe on phase two.

Director Ritsema explained that there will not be movement on phase two until there is sufficient leasing to warrant the beginning of construction.

Commissioner Lumpkins thanked Director Ritsema for attending the Commission meeting and offering her insight on the situation. Throughout the conversation there was an overwhelming sense that the City's interests were being properly protected.

Ms. Sekulich asked if there is a signed agreement at this time.

Director Ritsema replied that there is a signed agreement.

VI. Other Business:

Chairperson Haynes asked if there was any other business. There was no other business.

VII. Public Comment:

Chairperson Haynes asked if there was any public comment. There were no public comments.

VIII. Adjournment:

Chairperson Haynes adjourned the meeting of the Parking Commission at 8:45 am.