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Date: August 25, 2020
To: Transportation, Utility and Energy Committee
From: Jeffrey A. Padgett, MBA
Assistant Director for Parking and Traffic
C.C. Chapin Spencer, Director of Public Works
Subject: City Council Resolution 5.03; Adopted 1/6/20
Funding Alternative Transportation

Please find below responses to the requests made in City Council Resolution 5.03.

(1) the revenues of the on-street parking system, the residential permit parking system and any parking related revenues a that are not dedicated and restricted by law.

Non-restricted parking revenues:

A) Parks Lots	Parks, Recreation and Waterfront	~\$0.50 M
B) Residential Permit Parking	Police Department	~\$0.03 M
C) Parking Violations	Police Department	<u>~\$1.00 M</u>
	Total:	~\$1.53 M

Somewhat Restricted parking revenues:

A) On-Street Meters/Pay Stations	DPW	~\$2.30 M
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Very Restricted parking revenues:

A) Marketplace Garage & Lakeview/College St./Westlake Garages	DPW	~\$2.7M
B) Surface Lots (Metered and Leased)	DPW	<u>~\$0.3M</u>
	Total:	~\$3.0M

NOTE: in FY20 the DPW Operations lost approximately \$1.3M due to Covid-19 and are currently trending below budgeted revenues.

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(2) Current budget uses and actual uses of those funds

DPW Parking

The use of funds generated by the Parking Traffic Division are specifically prescribed by City Charter: Title 3-48 Enumerated – Section (58). This section provides the authorization to build, acquire, finance, operate and generate revenue from parking in Burlington. It also provides oversight authority of the Public Works Commission and specific direction as to how funds are to be used.

The Charter requires receipts from garages and lots to be used in a more limited and distinctly limited way than those generated by on-street meters. This is reflect in the budget in two fund:

- 264 – Traffic
- 265 – Traffic - Parking Facilities

A) Fund 264: Traffic

This group is comprised of two sub-groups: *Right of Way* and *Traffic Signals*. Meter revenues are the primary source of revenue used to support the operating budget of the Traffic Group, they do not receive general fund funding. Additional funding is available to Traffic Signals from the Development Impact Fee fund to support capital improvements. These two subgroups have 7 full time employees, 36 part time employees, 10 seasonal employees plus specialty contractors to maintain and operate the following:

Right of Way:

- Signs
- Lines
- Crosswalks
- Crossing Guards
- Parking Meters

Traffic Signals:

- Signals
- Maintenance Lights
- Rapid Flashing Beacons

The use of on-street meter revenues to support Fund 264 is articulated in the City Charter:

“(D) ... All revenues generated from on-street parking equipment and systems **shall be used** by the City Council **for traffic regulation and control, including acquisition or maintenance of parking facilities; proper repair or construction of streets, sidewalks, and bridges; traffic or parking demand management facilities, planning, or services; traffic calming measures; and other transportation-related activities.** In addition, the City Council may vote to place any such revenues in the Parking Facilities Fund, at its discretion.”

This Charter language allows for a variety of uses for meter revenue and it has indeed been used in the past for local match funding, supplemental funding for pedestrian projects, and other relatively low cost, high leverage expenditures. However, the practical reality is that these alternative uses are not the norm because the typical revenue dollar volume generated by meters only covers the costs of the core Traffic operations listed above. This is situation, however, has been exacerbated by Covid-19. Due to the loss of revenue in March, April, May and June, the FY20 needed to be supported by use of fund balance. And, due to an expected drop in future meter revenue due to the ongoing pandemic, the budgeted Traffic revenues nearly exactly match expenses with significant reductions in typical expenses (overtime, computer investment, etc).

B) Fund 265: Traffic – Parking Facilities

This group is responsible for the operation and maintenance of the parking garages and lots owned by DPW. These facilities include:

Garages

Lakeview/College Street/Westlake Garage Complex
Marketplace Garage

Lots

Elmwood Lot
Main Street Lot
194 St. Paul Street
Pearl Street Lot
College Street Lot
Lake Street Extension Lot
South Union Street

The use of revenues from these garages and lots to support Fund 265 is articulated in the City Charter:

“(D) All receipts from the operation or lease of municipal parking lots and garages shall be kept by the City Treasurer in a separate fund, to be known as the Parking Facilities Fund and shall be used for the purpose of paying any and all expenses related to operating, maintaining, acquiring, constructing, or expanding the lots and garages, including any payments on any obligation incurred for construction or repair of those lots or garages. Any amounts unused at the end of a fiscal year shall be carried over to the next fiscal year. ...”

And

(E) If it shall reasonably appear to the Board of Public Works commissioners at any time that the receipts from the existing municipal parking lots or garages are in excess of the amounts required for the purposes enumerated in subdivision (D) of this subdivision (58), and that the acquisition of further lots or garages is not required, they shall cause rates and charges for the use of the lots and garages, or some of them, to be reduced.

Taken together, section (D) and (E) restrict the use of garage funds to be solely used for garage related expenses AND if revenues exceed expenses, rates must be lowered.

This Charter language is very narrow, limits the ability of the garages/lots to participate in financially creative ways and disincentives the operation from generating funds in excess of expenditures.

Burlington Parks, Recreation and Waterfront (BPRW) Lots

BPRW charges entrance fees at waterfront parks for motorists only. The net revenues generated from parking go into the City general fund to help cover the costs to maintain our parks. There is no charge to park if a guest has a Green Mountain Passport. Revenue (seniors and Veterans). The lots are located at:

Leddy Park Lot
Oakledge Park Lot
North Beach Lot
Perkins Pier Lot
Pease Lot
Coast Guard Lot

The City Charter authorizes the creation and management of city parks in City Charter: Title 3-48 Enumerated – Section (36):

“(36) To establish, manage, and control public cemeteries, parks, commons, or any other public place in said City, and to regulate the use of the same by the public, except as herein otherwise provided.”

And then further defines park property in Title 3-215 Definition of “park property” as:

“The term "park property" includes all parks, squares, and areas of land within the management of said Board; and all buildings, improvements, walks, drives, trees, plants, flowers, and other things thereon, and enclosures of

the same; and all shade trees, shrubs, or plants on streets or thoroughfares; resting places, public grounds, or the like; and all birds, animals, or curiosities, or objects of interest or instruction; all tools or implements placed in or on any such enclosure.”

Based on this reading of the charter and the regulation promulgated in City Ordinance related to rates at these lots (Appendix D-4) there do not appear to be any limitations on the use of the funds generated from these parking operations.

Residential Permit Program

The residential permit program generates revenues that partially support its operation. There does not appear to be any Ordinance or Charter language that would limit the use of these funds. The limitations of the meter system are predicated on revenues being generated by “on-street parking equipment” (ie. meters). Thus the on-street revenues generated by the Resident Permit program do not fall under those restrictions.

(3) a list of legally acceptable uses of those funds for measure that would reduce vehicle miles travelled, including but not limited to whether or not those fund could be paid to Green Mountain Transit to eliminate fares on one or more routes, and

DPW Parking Operations funds are restricted based on the Charter as excerpted above. The budgets for the 264 Fund and 265 Fund are specifically built around satisfying these limitations. To the extent that eliminating GMT fares can be defined as a “**parking demand management facilities, planning, or services**” this could be allowable with funding from 264 Fund: Traffic. Elimination of fares would not be a permissible expense in the 265 Fund: Traffic – Parking Facilities.

There does not appear to be a limitation on the use of funds from the Parks and Residential Permit funds.

(4) a list of revenue raising ideas and, if possible, projected revenues to be realized from each idea, including but not limited to the expansion of areas in which meter are placed, raising the residential parking permit fees, and the expansion of hour for which parking is charged through the metered parking system.

I am going to respectfully defer creating a list of ideas until the responses to requests 1-3 can be fully digested. Also, although DPW clearly generates the greatest revenues from parking, there are significant operational costs, deferred capital expenses and Charter constraints on revenue that make leveraging those funds challenging if not impossible, at this time. However, this is not to say that changes can’t be made that would allow for more flexible, intentional and targeted use of parking revenues. We welcome a discussion of possible paths forward.