

Memo



Date: 1/30/2018

To: Mayor and City Commissioners

From: Anthony Lyons, City Manager *AL*
Dan Hoffman, Assistant City Manager *DH*

Via: Phil Mann, Public Works Director *PM*
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Subject: SW Downtown Parking Garage Operating System

The City's Downtown Parking Garage opened to the public in FY05. The facility construction was funded in partnership with Alachua County to provide parking spaces to the judicial complex, and with Kenneth and Linda McGurn (McGurn) in exchange for the land. The garage has a total of 855 parking spaces. A total of 685 spaces are subject to contractual agreements with Alachua County, McGurn, and the Palms, that include stipulations on usage time and revenue sharing contingencies. Since that time the City has taken many steps to improve parking and mobility downtown. Last year steps were taken to professionalize our parking operations creating plans to hire a Parking Operations Manager and initiated projects to tighten internal controls. We've also started the process of establishing a Department of Mobility that will oversee all aspects of the City transportation network including parking.

Brief Overview of Factors that Led to Temporary Operating System:

Since inception, the garage operated with a gated system with access points on SW 2nd St (one entry lane only) and SW 3rd St (one entry lane and two exit lanes). Patrons of the facility had the following options to execute a transaction at the garage:

1. Pay upon entry with a credit card at the gate; the same credit card was used to exit completing payment at the gate;
2. Pull a ticket upon entry and pay at a pay-on-foot station upon return to the garage. The validated ticket was then used at the gate to exit the facility;
3. Monthly parkers obtained an access card that provided access 24/7. Card was used at the gate to enter/exit the facility.

While the system worked well during daytime, the nighttime operation proved to be problematic due to the continuous heavy flow of vehicles exiting the garage at the same time after the bars closed downtown, especially from Thursdays to Saturdays. Long queues were forming as patrons attempted to interact with the system; a series of user errors (i.e., user forgetting to pay at pay-on-foot station before proceeding to the gate; lack of familiarity with the gate equipment leading to delays, etc) and equipment malfunctions coupled with system

capacity issues (i.e., limited number of exit points; gate operation capacity; etc) led to police intervention on several occasions. Two significant events at the facility (murders unrelated to garage operations) resulted in a shift in operating system during nighttime; booths were installed at the gates and parking attendants collected a flat fee upon entry. The gates were then opened at a certain time to allow unimpeded exit flow from the facility.

Over time the garage equipment deteriorated and staff dealt with a number of malfunctions that affected the operation of the facility. The software was upgraded in the summer of 2013, and after the software upgrade, it became evident that the issues were not resolved as there were now compatibility issues between the software and hardware. The vendor was not responsive and eventually it was determined in June 2017 that the obsolete equipment (the original equipment from when the garage first opened) was beyond repair and needed to be replaced completely. Staff decided that the gates needed to be left open until personnel could be reassigned and trained to staff the garage.

Temporary Operating System:

As a temporary solution and until new equipment could be procured, a manual cash collection system upon entry was implemented in late October 2017 to control of the facility. The temporary system has created difficulties given the limited number of staff and vacancies at the facility. Since inception of the manual collection system there has been a general willingness of staff to accommodate different requirements and work conditions. Staff in some instances has gone above and beyond their normal assigned duties to meet the needs at the facility. Attendants were trained and controls were put in place to ensure proper documentation and handling of cash. The Director of Public Works and the Director of Finance have been working together to review and strengthen the internal controls within parking Operations. *There is no evidence that any employee has used this transition period as an opportunity to steal money.* We are very mindful that cash handling processes in any operation, private or public, may create opportunities for misconduct. When one of our garage partners alleged that employees may be stealing, we followed up promptly and the partner acknowledged that there was no evidence upon which to base that accusation.

Garage Revenue:

Garage revenues have varied over time. As shown in Figure 1 the daytime revenues, although relatively flat over the past decade, peaked in FY15 and are still currently higher than they were when the garage opened. Over the past few years, there has been an increase in the sales of long term permits to park at the facility given the affordable prices offered and the ease of accessibility via transit or cycling to neighborhoods surrounding the University of Florida campus where parking options are constrained and when available, more expensive. The nighttime revenue has decreased consistently over time driving the overall revenues downward. Over the past decade a number of factors may have influenced the nighttime usage including the increase in the number of nighttime attractions outside of downtown, free parking at night in front of the garage, the increase in availability of other forms of transportation such as RTS LaterGator routes, an increase in valet parking at restaurants that may funnel cars to other lots/garages and ridesharing services such as Uber and Lyft. It must be noted that the usage trends in the City's garage mirror the decline in LaterGator ridership since FY15, perhaps as an indication of the change in travel patterns and location preferences by patrons of the area. *Staff feels there is no one factor that be pointed to as the cause for the decline in nighttime revenue. Staff also feels that comparisons to other garages are imperfect because of a variety of factors including but not limited to the location of this garage and previous safety incidents in this garage.*

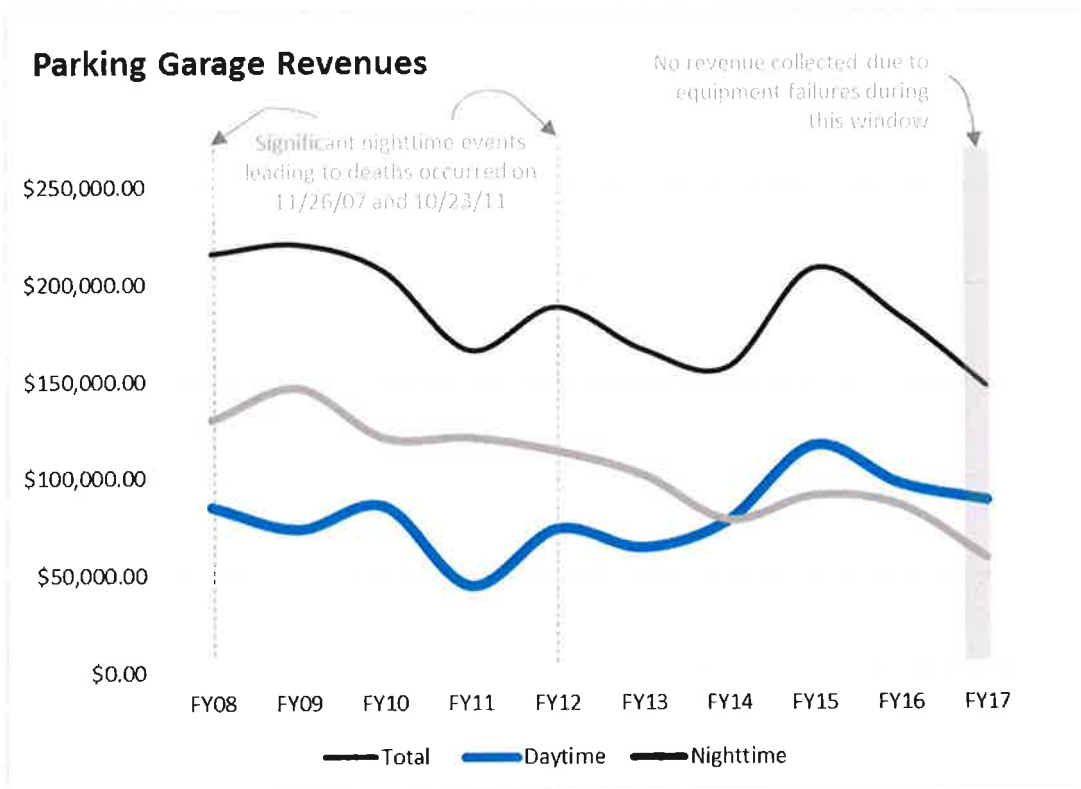


Figure 1: Parking Garage Revenues

Future Plans:

Over the past few months the controls for the garage have been adjusted and improved to enhance the temporary operation. We understand that it is not optimal, but view it solely as a stop gap measure as we procure a new system. Staff has also devised a plan of action for the facility that includes the implementation of a new payment and access control system in April; enhanced marketing to incentivize use of the facility; renegotiation of agreements to facilitate the operations; realignment of staff duties and potential shift in the vacant retail space utilization to enhance efficiency seeking to improve the customer experience; creation of a new parking planner position to assist with the overall improvement of the parking program; and, a global review of downtown parking as it directly affects the utilization of the garage. Staff anticipates that the development of Lot 10 as well as new long term parking leases in the garage (currently being negotiated) will improve the overall performance. Staff is not jumping to any conclusions as to the root causes of the decline in nighttime revenue. The garage is an important asset to the downtown economy and we intend to take a comprehensive look at ways to improve usage of the garage. In recent years several proposals were brought before the Commission to update the way the City manages its parking assets with a more comprehensive approach. Although those proposals were ultimately rejected by the Commission, we feel it is important to continually evaluate the changing parking needs in downtown Gainesville.