



Legislation Text

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Resolution to Approve a City Policy Regarding Removal of On-Street Metered Public Parking Spaces Over the past several years more than 200 street meter parking spaces have been removed. Many of these metered spaces were removed to accommodate private development requirements; while others were removed to accommodate changes that benefit the broader public.

The amount of space available for on-street metered parking is finite, and there is an impact to the community for each parking space that is eliminated. Given the density of the downtown core, a parking space in front of one building doesn't "belong" to that building, but rather is needed by nearby buildings, businesses, and special events for customers, visitors, and residents. On-street parking spaces are the closest and most convenient spaces in downtown, and are important to people who are unable to walk a long distance to their destination, including parents with children, many seniors and many in the disabled community. Reducing the number of on-street metered parking spaces has an impact on the perceived accessibility and attractiveness of downtown. The revenue lost to the public parking system from the loss of each parking meter is also a very important concern, given that parking system revenues are needed in the City of Ann Arbor to provide vital services to its citizens.

No strategy or policy currently exists to address requests to remove parking meter spaces. In 2009 the Ann Arbor DDA approved a resolution in which they recognized the value of on-street public parking spaces to a healthy, active, diverse downtown, and they recommended that Arbor City Council adopt policy recommendations that could be incorporated into the City planning process, including site plan approvals, and policy recommendations.

This recommendation from the DDA was incorporated in Article 2(e) of the 2011 City/DDA Parking Agreement, which states:

"The City shall work collaboratively with the DDA to develop and present for adoption by City Council a City policy regarding the permanent removal of on-street metered parking spaces. The purpose of this policy will be to identify whether a community benefit to the elimination of one or more metered parking spaces specific area(s) of the City exists, and the basis for such a determination. If no community benefit can be identified, it is understood and agreed by the parties that a replacement cost allocation methodology will need to be adopted concurrent with the approval of the City policy; which shall be used to make improvements to the public parking or transportation system."

Based on that collaborative effort the specific recommendations for City Council consideration tonight are as follows:

- Given the important benefits provided by on-street parking meter spaces, their value should be formally recognized by both by the DDA and City Council.
- There is a finite amount of curb area in the public right-of-way, and all of the right-of-way is an

asset of the City. It is not equivalent to suggest that a parking meter space could be moved to a different location in the public right-of-way, as a means of avoiding payment when a parking metered space will be permanently removed.

- In instances where an on-street meter removal is not initiated by the City or DDA, or where removal does not benefit the larger Ann Arbor community, but instead is of more localized benefit to a development or project, City Council should assess the cost to replace this public parking space in a future downtown public parking structure. At present time, the DDA estimates that the total cost to design and construct an above ground parking structure space is \$40,000, and \$55,000 for a below-ground parking space. Thus the DDA recommends that the City assess, effective July 1, 2013, a cost of \$45,000/parking meter space where developments or projects, not initiated by the City of Ann Arbor or DDA, lead to the permanent removal of on-street parking meter spaces. It is further recommended that per meter space assessment for such requests be reviewed on an annual basis and adjusted to reflect then current design/construction costs. These funds should be provided to the DDA to support the public parking system or transportation system, and include costs attributable to the City's implementation of this policy.

Under the 2011 Parking Agreement the DDA has the sole authority to determine the removal of parking meter spaces, subject to the administrative approval of the City. It is anticipated that the DDA and City staff will work together to minimize the number of parking meter space removals, and to determine if a parking meter removal is needed.

The DDA would determine if the permanent removal of an on-street metered parking space meets the determination of community benefit or of a more localized benefit to a project or development, and in doing so, will determine whether compensation is required. If there is disagreement about the DDA's determination, the City Administrator would be authorized to review and override the DDA's determination. Payment would be required at the time a City permit or Traffic Control Order is issued that would include the removal of one or more parking meters.

City Council is encouraged to adopt these policy recommendations which will provide direction for implementation in the City's staff processes.

Prepared by: Susan Pollay, Executive Director, Ann Arbor Downtown Development Authority

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Sponsored by: Councilmember Taylor

Whereas, The 2011 City/DDA Parking Agreement ('The Agreement') set forward that a City policy regarding the permanent removal of on-street metered parking spaces would be established;

Whereas, The Agreement provides that the DDA has the sole authority to determine the removal of parking meter spaces, subject to the administrative approval of the City;

Whereas, The DDA and City staff have considered the costs and implications of the removal of on-street metered parking spaces and agree that removal of on-street parking spaces should be minimized through collaborative efforts and consideration of alternatives;

Whereas, The availability of right-of-way is a finite resource and loss of on-street parking spaces

drives the creation of public parking spaces in constructed facilities at a significant public cost; and

Whereas, The DDA has determined the cost of constructed parking facilities based on current experience;

RESOLVED, City Council adopts the following policy:

- In instances where the removal of one or more on-street parking meter spaces is not initiated by the City or DDA, or does not constitute a community benefit, but instead is of more localized benefit to a development or project, a fee is hereby established effective January 6, 2014, as (a) \$45,000/parking meter space; and (b) Lost Revenue/parking meter space, payable to the City of Ann Arbor.

“Lost Revenue” with regard to any parking meter space shall equal ten (10) years net present value of revenue from such space, calculated on a base equal to the average of three (3) years trailing revenue from such space.

Monies received by the DDA pursuant to (a) above shall be accounted for as restricted funds and used only for parking system capital projects. Monies received by the DDA pursuant to (b) above shall be accounted for as parking revenue received in the ordinary course of business, subject to the terms of the City-DDA Parking Agreement.

- Given that there is a finite amount of curb area in the public right of way, space removal fees shall not be waived or offset by relocating parking meters to any other location in the City public right-of-way, unless such meters are located in the right-of-way associated with the development or project.
- The City of Ann Arbor shall pass through space-removal fees received to the DDA for use in connection with the parking system, and as with other components of plan review, charge the project for the costs attributable to the City's implementation of this policy.
- The City Administrator shall review the DDA's determination of whether space removal would constitute a community benefit, and is authorized to reverse such determination if, in the City Administrator's reasonable discretion, the DDA has incorrectly evaluated the existence of "community benefit".
- The City Administrator shall consider the following non-exclusive factors when reviewing the DDA's determination of whether the removal of one or more on-street parking meter spaces would constitute a community benefit:
 - the likely community effects of the proposed alternate usage;
 - the long- and short-term effects on the parking system of the proposed removal;
 - the public health, safety or welfare effects of the proposed removal; and
 - the breadth and duration of Petitioner's activity in the community.

RESOLVED, That the City Council requests that the DDA draft and approve a policy that provides for the determination of "community benefit" based upon the non-exclusive factors articulated above;

RESOLVED, Payment would be required at the time a City permit or Traffic Control Order is issued that would include the removal of one or more parking meter spaces.

Sponsored by: Councilmember Taylor

As Amended by Ann Arbor City Council on December 16, 2013 and January 6, 2014