



CITY MANAGER'S OFFICE

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To: Mayor, Vice Mayor and City Commissioners

From: Jeff Lantz, Parking Manager
Suzette Sibble, Assistant City Manager 
Chris Brown, Redevelopment Management Associates (RMA)

Via: Greg Harrison, City Manager

Re: Proposed Parking Ordinance Amendments

Background

The City operates 1,400+ parking meters on public streets and lots (including leased lots), as well as the 640 spaces on the five floors of the Pier Garage, which was completed in 2016. Currently meters are generally only located on the barrier island of Pompano Beach, except those in Alsdorf Park on NE 14th Street. The City established a Parking Enterprise Fund in 2013 in order to centralize its parking operations and to establish parking rates to cover operations and capital improvements related to parking. The Parking Fund is not supported by property taxes or other City General revenues. The City's Parking Department, is overseen by a Parking Manager, with ongoing consulting services from external consultants, as needed. The City also contracts with a Parking Management company (One Parking) to oversee management of the Pier Garage, enforcement of the City's parking regulations, collection of parking revenues from parking meters and to serve as parking ambassadors for the City's parking operations. The Parking Ordinance establishes meter rates, enforcement standards, parking citation standards, resident rates, and other provisions.

The City's investment in its parking infrastructure and operations has resulted in an increase in parking revenues over the past few years. From 2013 to 2019, system revenues have increased from \$500,000 to \$2.4 million (including citations). The growth in parking revenues is key, as the City has financed its Pier Parking Garage and relies solely on the generation of parking revenues to repay its obligation on this debt. It is important to note that the Parking Fund has not yet stabilized (goal is to stabilize by the end of 2022 as discussed in more detail below) and as debt service ramps up for the Parking Fund over the next few years, we must move slow in making any major adjustments which could potentially impact operations negatively. Parking fees allow visitors to the City to also contribute to supporting the parking enterprise, as opposed to just residents. Parking demand and related revenues has been steadily increasing over past years,

which is what was predicted for the Parking Enterprise Fund. It was always envisioned that as the Fishing Village Development parcels came online, we would see an increase in parking revenues to complement more residents and visitors frequenting those establishments. First to come online in 2018 was the Beach House Restaurant, followed by the Oceanic Restaurant in 2019. The Lucky Fish and Alvins Retail opened in 2020 and Kilwins opened in April 2021. It is expected that by early fall of 2021, the Hilton Hotel, Burger Fi and Cannoli's Kitchen will be open. That will leave only one final restaurant to be developed on parcel R3 (to the east of the Hilton Hotel), as well as the occupying of the retail space facing A1A. The plan was always to develop all other anchor parcels for the Developer of the Fishing Village to then be able to attract retailers facing A1A. The City's replacement of its aging pier has also proven to be a great attraction for sightseers and fishermen alike.

The past year (2020) was unexpected to say the least, as the Covid-19 Pandemic (the "Pandemic") interrupted life as we all know it, shutting down restaurants, hotels and the City's beach. As the success of the City's parking operations relies solely on access to these amenities by the public, the Parking Enterprise Fund was impacted and fell short of its projected revenues for fiscal year 2020. As we recover from the Pandemic, staff expects parking demand to continue to increase on the barrier island and so have gradually been adding to the parking supply by leasing land from the private sector for parking, such as the 100+ space grass parking lot on SE 2nd Street (known as the Citi Place\Pure Residence Lot) and a 70 space Wells Fargo Bank lot at 199 N. Ocean Drive. In addition, a new planned public parking lot west of the intracoastal waterway at US 1, south of Atlantic Boulevard, and will contain approximately 60 spaces. As demand for parking increases, which is a result of the private sector desiring to invest and build in Pompano Beach, the Parking Department will continue to secure leases for parking lots from the private sector. Plans are also underway to construct a 2nd parking garage on the Oceanside surface parking lot.

As you may recall, staff met with each member of the City Commission individually a few months ago to discuss key proposed amendments to the Parking Ordinance and after considering your input, the following discussion summarizes highlights of proposed amendments to the Parking Ordinance:

1. Proposed Increases to Parking Rates

Parking rates were last adjusted four (4) years ago. Staff is recommending an increase in system parking rates for several reasons. With the addition of attractive amenities on the barrier island, the demand starts to creep up to exceed the supply of parking. It is therefore important to suppress the demand slightly by raising rates. In his book *Parking and the City*, UCLA Professor Donald Shoup states that a City must raise rates on a periodic basis during the day to free up parking so that a visitor can always expect to find a parking space and not have to drive around and around the block, creating more traffic and pollution, looking for parking. In summary, good parking management is good for the retailer's business regardless of parking rates.

In addition, the rates are changing in surrounding cities. Ft. Lauderdale raised rates last year as a result of the Pandemic. Please refer to **Exhibit A** attached herein that compares Pompano Beach's current parking rates with those of surrounding cities in South Florida. It should also be noted

that discussions with Hollywood and Deerfield Beach indicates that they are also considering additional rate increases.

The below chart indicates the City’s current summarized parking zone rates, as well as the proposed new rates by zone. Note that staff is proposing switching from off-season and in-season rates to a weekday and weekend structure, which is more in line with neighboring communities. Please refer to **Exhibit B** for current Parking Rates Chart in its entirety.

CURRENT PARKING ZONE RATES				
Zone	Off Season	In Season	Holiday/ Events Rate	Location of Zone
1	\$1.25/hr	\$1.50/hr	\$1.75/hr	West of A1A
2	\$1.25/hr	\$1.75/hr	\$2.25/hr	Pier Garage, E. of A1A, N. of 14 th
3	\$1.75/hr	\$2.25/hr	\$2.75/hr	East of A1A, S. of 14 th
PROPOSED PARKING ZONE RATES				
Zone	Weekday Rate	Weekend Rate	Holiday/ Events Rate	Location of Zone
1	\$1.80/hr	\$2.15/hr	\$2.50/hr	West of A1A
2	\$1.80/hr	\$2.50/hr	\$3.25/hr	East of A1A, N of 14 th
3	\$2.50/hr	\$3.25/hr	\$4.00/hr	East of A1A, S of 14 th
4	\$1.80/hr	\$2.50/hr	\$3.25/hr	Pier Garage
5	\$1.50/hr	\$1.80/hr	\$2.15/hr	Harbor Village

****Residents who register with the Parking Office would received a 20% resident discount when paying with an app.***

Parking Reserve Funds - After operating the Parking Fund for eight years, it has become evident that there are a number of factors which impact the Parking system’s ability to generate and sustain historical, as well as projected revenues from new amenities coming online impacting parking demand. In the early years of its inception, a tropical storm or a hurricane would shut down the parking system for days or up to a week, depending on the severity of the event. Over the past years, we have experienced more than usual extreme weather events, the frequency of which have intensified. Now we are faced with Pandemic type events, which completely cripple parking operations. With all of these impediments, we would like build up reserves in the Parking Fund. This will allow us to better stabilize the fund.

Capital Investment - Another consideration is the need to add additional parking infrastructure, notably additional leased lots, as well as the construction of a 2nd parking garage on the Oceanside surface lot. Although the plan is to finance the design and construction of this garage, the additional debt the Parking Fund will be taking on, makes it that more integral to not only build up reserves to attract lenders, but to also be able to plan for contingencies which could severely

impact the Parking Fund's ability to meet its debt service obligations. The Fund is currently repaying its obligation for the construction of the Pier Parking Garage and would be adding additional debt to construct the Oceanside garage. It is important to note that what distinguishes Pompano from neighboring communities is that our parking system is still in its infancy and is supporting debt service to fund its capital investments.

The Parking Fund issued debt in 2015 and initially relied on funds borrowed to cover interest only payments until revenues from the system stabilized, as well as reserve funds to meet its annual debt service obligation. Revenues have trended upwards as the Fishing Village amenities have come online and increased parking demand and revenues. The goal is for the Parking fund to surpass stabilization by the end of 2022. This of course assumes no major events that handicap the system, as the majority of Fishing Village establishments will be online, resulting in a full operational year to observe the impact on revenues.

Subsidies - The Parking Fund also subsidizes activities, namely by offering a discount to fishermen, as well as waiving parking requirements for several non-profits (i.e. beach cleaning, beach re-nourishment etc.) throughout the year, with the approval of the City Manager.

2. **Twenty percent (20%) Resident Rate Discount** - upon making an application with the Parking Office residents will receive a twenty-percent (20%) discount with the utilization of a pay-by-app (technology not available in the Pier Garage or at meters). About 80% of the City's parking revenues are from credit/debit cards.
3. **New Overnight Resident Parking Permit** - An overnight residential permit is being added for the Parcel A Grassy Lot at A1A and Atlantic (\$75) to accommodate residents residing in the Jamaica House, Ocean Monarch and Sea Monarch condominiums. This is for residents with a 2nd vehicle who were previously parking on the Wells Fargo Lot.
4. **Increase in Permit Fees** - The annual residential permit fee is being increased for \$120/annual to \$135/annual and from \$60/semi-annual to \$75/semi-annual. The overnight monthly permit (Oceanside & Parcel A) is being increased from \$50 to \$75/month.
5. **Time Limited Delivery Zone** - We recommend establishing for Pompano Beach Blvd. (from NE 2nd street to NE 3rd street) and on NE 2nd Street and NE 3rd Street (between A1A and Pompano Beach Blvd.), a time limited delivery zone. This will restrict deliveries by large vehicles making deliveries to area restaurants to between 11pm and 11 am, as well as require them to not leave their vehicles running idly. These vehicles usually park in the road/street as they do not fit in a standard parking space. This causes traffic jams on the already congested Pompano Beach Blvd, particularly when the valet service is operational. This proposed policy change will promote a more pedestrian friendly environment.
6. **Harbor Village Metering** - Meters will be installed in the Harbor Village public parking lot and along NE 1st Street for the first time. This has become necessary since employees are taking up many of the spaces in the lot in front of businesses and several nearby restaurants are utilizing public spaces for valet parking. It is also anticipated that Harbor Village may see a new food and beverage establishment in late summer 2021 at the old Italian restaurant,

Vesuvio's, a 7,000 square feet space for a food hall and it will become even more integral that supply and demand be managed for this lot. Residents will be able to purchase an overnight permit for a 2nd vehicle for \$37.50/month and employees a daily permit for \$37.50/month to park, all along NE 1st Street. Staff held a zoom meeting on March 24, 2021 with businesses in the Harbor Village Shops to solicit their input. We recognize that we will never be able to satisfy the requests of all business stakeholders, but we feel that we are proposing the best compromise with the recommended changes. Once changes are implemented, our parking ambassadors will continue to closely monitor activity in the area for any needed adjustments. After our zoom meeting, our proposed procedures we will be adding several 15-minute curbside drop off/pick parking spots along the front row of the Village Shops and will also not be enforcing paid parking until 10 am each day. This will provide an opportunity for not having to pay for parking for businesses which open earlier (i.e. for breakfast, pharmacy, dry cleaner etc.). Finally, we will add pay meters in addition to patrons being able to utilize a pay-by-app option to pay for parking. ***Note: none of these changes will be effective until 180 days from the passage of this amended ordinance, in order to allow the planned food court to open.***

7. **Ride Share/Employee Parking Lots** - The City will open two employee parking lots along with Ride-Share services on three lots, one located on the barrier island on SE 2nd Street (Citi Place/Pure Residence lot), the Wells Fargo Bank lot, and the CRA lot on US 1, being improved in a venture between the CRA and the City.
8. **Temporary Condo/Apartment Parking** - Establishing a parking program for condominium and apartment dwellers to park in the Pier Garage on a short-term basis at a monthly rate while their building is being renovated such as replacing steel reinforcing bars in the exterior patios or replacing windows with impact glass windows.
9. **Immobilization** - Updating the ordinance to add possibility of immobilization of vehicles with a windshield device if 3 or more regular citations or at least 1 handicap citation remains outstanding. This program was previously approved by the City Commission and is now being formally added to the Parking Ordinance.

Future of Parking

We have not seen a decrease in parking demand and in fact only an increase over the past four years (Pandemic aside). This is a result of the popularity of Pompano Beach and its outstanding facilities and character. It is critical to find a balance between the City's investment in additional parking infrastructure, while encouraging the use of ride share modes of transportation. The City is in fact embracing ride share as an alternative to driving, in order to reduce traffic. Ride shares and transit (all forms) is the future for the City to continue with sustainable development. Staff has begun to implement a two-phase Micro-Transit Program (the "Program"). Phase 1 of the Program went live in April 2021 with the launch of the Circuit electric on-demand golf-cart (4 vehicles in all) type vehicles. Phase 1 is servicing from Hillsboro Inlet to Terra Mar and west to the Harbor Village Shops and eventually a ride share hub to be located at US 1 and Atlantic Blvd. The US 1 Transit Hub will serve as an inexpensive monthly parking lot (\$37.50 per month or \$1.25 per day) with ride share services for employees working as far away as the beach. In the future, if ride-share proves successful, then other transit hubs could be established. The Phase 1 Program is

currently being funded with an \$833,000 FDOT grant, local option gas taxes and advertising revenues (wraps on the golf cart type vehicles) from area businesses. A planned Phase 2 for the Program is to eventually launch trolley type vehicles, which are able to transport more passengers to go longer routes, and to connect the City from east to west and west to east. It is not an easy task to convince residents and visitors to not take their vehicles when going to area amenities. As such, a marketing plan and creative strategies are necessary in order to make ride share a fun and memorable experience.

Staff will continue to invest in parking technologies in order to create an efficient parking system and a safe experience for parking patrons in the City. We have already invested in hands off technology in the Pier Parking Garage, given the Pandemic climate. We have also added an additional pay-by-app provider (we now offer Passport Parking and Pay-By-Phone) to allow parkers to pay for parking via a phone app. As we look to construct a new parking garage, we will also be exploring wayfinding technology in order to better equip the new garage.

Conclusion

The Fishing Village has proven to be extremely successful. Our proactive reaction to this success is to continue to implement strategies to manage supply and demand for parking. This involves (1) managing parking rates (2) investing in parking infrastructure (3) partnering with the private sector for shared parking arrangements (4) implementing ride share initiatives and (5) investing in new technologies. With respect to parking demand, the City's parking consultant has reported that the Fishing Development at its full development will be short of parking by approximately 100-200 parking spaces. This demand will be taken care of by a new proposed garage located on the Oceanside parking, as well as the continued addition of parking through private sector partnerships. We must continue to advance with new investments and technologies, but we must also ensure that parking operations are sustained in the short and long-term with sufficient reserve capacity to be prepared for the expected and the unexpected. The City's Parking Enterprise has not only provided for public parking for area restaurants and retail, but it also formed the foundation for attracting those amenities to Pompano Beach. These amenities have created hundreds of new jobs (many local hires), increased the City's property tax revenues, resulted in an expansion of the City's tax base as public investment attracts new development and businesses, and increased non-property tax revenues. Existing businesses have also benefited from new visitors to our great City. We will continue to closely monitor operations and are ever committed to adapting where needed, while providing for the highest level of customer service. We thank you in advance for your consideration of these proposed amendments and for your continued trust and support of the City's Parking Department.