

CITY OF ST. AUGUSTINE

City Commission Special Meeting Monday, June 24, 2019

The City Commission met in formal session Monday, June 24 at 3:00 P.M. in the Alcazar Room at City Hall. The meeting was called to order by Mayor Tracy Upchurch, and the following were present:

1. Roll Call: Tracy Upchurch, Mayor/City Commissioner
Leanna S.A. Freeman, Vice Mayor/City Commissioner
Nancy Sikes-Kline, City Commissioner
Roxanne Horvath, City Commissioner
John Valdes, City Commissioner

John Regan, City Manager
Timothy A. Burchfield, Assistant City Manager
Isabelle Lopez, City Attorney
Darlene Galambos, City Clerk
Meredith Breidenstein, Director, Budget & Performance Management
Paul K. Williamson, Director, Public Affairs
Reuben Franklin, Mobility Manager
Barry Fox, Police Chief
Carlos Aviles, Fire Chief
Robin DiAngelis, Recording Secretary

2. General Public Comments

Mayor Upchurch suggested hearing public comment at the end of the meeting.

3. Discussion of 2020 Budget Assumptions with Focus on Revenues

Meredith Breidenstein, Budget & Performance Management Director, stated that the revenue manual reviewed most revenue sources for the city. She said there were areas that staff would be requesting direction from the Commission on what modifications should be made moving forward during the budget process.

Ms. Breidenstein stated that a proposed millage rate resolution would be presented during the subsequent Commission meeting in July. She advised that once the proposed rate was established, the rate could be lowered; however, it could not be increased without sending certified notices

to each individual property owner in the city. She said the current rate was 7.5 mills and reviewed the projected revenues over the next four years if the rate was maintained or lowered. She noted that a portion of the Ad Valorem taxes did not go into the General Fund due to there being two Community Redevelopment Areas.

Commissioner Freeman expressed concern regarding the Commission giving direction on Ad Valorem tax rates without a clear understanding of all revenue resources.

Ms. Breidenstein stated that the four main revenue sources to consider were Ad Valorem, Fire Assessment Fee, storm water rates and parking rates. She noted that the City did not have the authority to make modifications to state revenue resources.

Ms. Breidenstein stated that four years prior, the Commission approved an annual increase in the Fire Assessment fees in order to cover the costs of the Fire Department's revenue by 50%. She noted that the Fire Assessment applied to non-profit, colleges, and churches that typically did not pay Ad Valorem taxes. She said Fiscal Year 2019/2020 would be the final increase to reach the 50% goal, which would increase the residential rate to \$0.0689 per square foot and \$0.1257 for non-residential. She added that an additional resolution would be presented for a multistep public hearing process should the Commission decide to move forward with the proposed increase.

Ms. Breidenstein noted that the year 2020 would be the fifth year of the five year rate plan for the water and sewer rate plan previously established by the Commission. She added that the rates had already been adopted; therefore, staff would not be requesting direction until the next budget cycle. She stated that a storm water study was conducted during 2015 and changes were made to the way the fees were assessed. She said the cap was removed for non-residential properties and the rate was set at \$5.00 for Single Family Units (SFU). She pointed out that a mechanism was not established to increase the fee for SFU's. She said the recommendation during the study was to increase the rate slowly over time by \$0.25 per year for each SFU until the fee reached \$7.00, which would help fund the Storm Water Capital Improvement Plan and drainage projects. She stated that staff was proposing to initiate the first \$0.25 increase until the appropriate rate was reached.

Mayor Upchurch questioned if there would be any value in accelerating that increase.

Ms. Breidenstein replied that there were large improvement projects currently scheduled with many being grant funded that required matching funds. She stated that accelerating the increase at a more

rapid pace would assist the City with grant opportunities. She said more details could be provided during the review of the Capital Improvement Plan.

4. Discussion of Parking Rate Analysis

John Regan, City Manager, stated that one of the key issues staff was proposing was to develop parking policies that supported the City's Mobility Master Plan goals as compared to maximizing revenues from the parking garage.

Reuben Franklin, Mobility Manager, agreed that part of the mobility strategy was to review parking policies. He stated that currently the City had 1,571 metered parking spaces with the majority being located in the parking garage. He reviewed the current parking rates for on-street, parking garage, metered lots, and discounts for Park Now Card holders. He noted that the annual revenue was \$6,177,185. He added that changing the parking garage rates to an hourly structure could result in revenue loss, which could be offset by extending on-street parking enforcement to 9pm. He reviewed the parking study data included in the presentation. He stated that the goal was to increase the utilization of the parking garage by providing incentives.

Commissioner Freeman questioned the reason for the shift in maximizing the use of the garage as opposed to on-street metered parking.

Mr. Franklin replied that the pricing structure for on-street parking should be set in order to have available parking for turnovers. He said people searching for on-street parking spots add to traffic congestion. He said some of the congestion could be mitigated by people traveling directly to the garage to park. He stated the intent was to have on-street parking for short term visits. He added that consideration was being given to eliminate

parking discounts for the areas around the Plaza and Bayfront.

Mayor Upchurch expressed concern with the City not having the ability to influence the cost to park in privately owned and operated lots.

Mr. Franklin stated that staff would evaluate the ways to encourage private lot owners to adopt similar parking policies as the City.

Mr. Regan stated that private lot owners typically adjusted their rates to be in line with what the City charged. He said the idea was to utilize the garage for its original intent, which was to be the least expensive parking option.

Commissioner Sikes-Kline agreed that other cities have developed similar parking master plans. She said creating on-street metered parking vacancies was dependent on the garage parking pricing.

Mr. Franklin stated that the intent was to utilize park and ride programs during peak times when the parking garage was typically at capacity. He said currently there was a monthly permit for unlimited parking in the garage for \$32 or \$25 per month each for 5 or more permits. He added that a monthly hunting permit could be purchased for the Tolomato lot for \$53.

Commissioner Horvath felt that the monthly rate for a parking permit was very low.

Commissioner Freeman felt that permits sold to downtown employees should remain the same but hotels purchasing permits should have a higher rate.

Mr. Franklin stated that part of the parking rate analysis was to develop a workforce oriented permit. He reviewed two proposed options to modify parking rate structures as follows:

Option A

- Converting parking garage to an hourly rate of \$2 an hour up to 4 hours or \$15 flat rate for the day
- Increased enforcement times to 9pm on Monday through Saturday
- Enforcement on Sundays from 1pm until 9pm
- Maximum time limit enforcement
- No discounted parking around the Plaza and Bayfront
- Discounted garage rates at \$0.50 per hour and \$2 daily rate for residents and Park Now cardholders

There was a brief discussion regarding discounts for City and county residents.

Mayor Upchurch questioned the reason to allow hunting permits for the Tolomato lot and whether they should be relocated to the garage. He felt that if there was a waiting list for a parking permit in that lot, the price should be increased. He stated that delivery vehicles were a nuisance on Carrera Street and asked if there were any plans to use the Tolomato lot to relieve that issue.

Mr. Franklin stated that the City had received an Opinion of Appropriateness from the Historic Architectural Review Board to redesign the lot to include commercial loading spaces; however, the project could not move forward until the archaeological study was completed. He noted that there would be modifications to commercial loading zones throughout the City. He added that staff would review the parking permit costs and potential increases. He continued the review as follows:

Option B

- Parking rates would apply 24 hours per day in the garage
- \$15 from 7am until 5pm, \$5 from 5pm until 7am

- Parking garage discounts - \$2 per day from 7am until 5pm and no charge after 5pm

Mr. Regan stated that he did not support Option B because of the potential confusion to users with varying fees. He said even though Option A was forecasted to lose revenue, it could be a manageable option and would be further evaluated to avoid as much revenue loss as possible.

Commissioner Freeman questioned whether enforcing the time limits should be done before eliminating residential discount parking on the Bayfront and Plaza.

Mr. Franklin stated that an option could be to enforce maximum time limits and staff would analyze the results. He felt that discounting parking on the Bayfront and Plaza would continue to add to the congestion.

Commissioner Sikes-Kline agreed that providing discounted parking in those areas created a "cruising effect" for individuals looking for a parking spot.

Mr. Franklin requested Commission support to move forward with developing separate workforce and hospitality permits. He noted that consideration was also being given to creating special event parking programs, a parking garage circulator and creating a ride share parking hub at the clock tower; however, they would be presented at a later date.

Commissioner Sikes-Kline expressed full support for a ride share parking hub.

Mr. Franklin stated that policy changes would not begin until after the conclusion of the 2019 Nights of Lights.

Public Comment

The Commission heard comments from the following:

- Ed Slavin
- Don Hine
- B.J. Kalaidi

Mayor Upchurch questioned the reason the City was below the Florida Statute maximum rates for natural gas revenue. Ms. Breidenstein replied that the rate could be increased but the additional revenue would be slight.

Mr. Regan stated that staff would review the procedure to increase the natural gas rate.

During a brief discussion, it was determined that the Commission supported the following policy concepts:

- Reducing the parking garage rate
- Extending on-street parking enforcement
- Reviewing transit circulator
- Workforce parking rate in the garage
- Hospitality parking rates in line with current market
- Option A parking policies
- Staff providing information on accelerating an increase for storm water rates
- Maintain the current millage rate of 7.5 mills

5. Adjournment

There being no further business, the meeting was adjourned at 4:26 P.M.¹

Tracy W. Upchurch, MAYOR

Darlene Galambos, CITY CLERK

¹ Transcribed by Darlene Galambos

