

Minutes
Parking Authority of River City
Board of Commissioners
February 19, 2020

Commissioners:

Chairwoman Rebecca Fleischaker
Treasurer Daniel Frockt
Commissioner Michael Romaine
Commissioner Kwane Watson

Staff Present:

Director Tiffany Smith
Gerald Howell
Steve Cameron
Stacie Gary
Steve Bartley
Sonora Mullins

Call to Order:

Chairwoman Rebecca Fleischaker declared a quorum and called the meeting to order on February 19th, 2020, at 12 p.m., 222 South First Street Suite 400, Louisville KY 40202.

Secretary's Report:

Chairwoman Rebecca Fleischaker presented the minutes from August 21st, 2019, and January 15th, 2020. A motion was made and seconded to approve the board minutes.

The Board of Commissioners unanimously approved the minutes as presented for August 21st, 2019.

The Board of Commissioners unanimously approved the minutes as presented for January 15th, 2020.

December 31st, 2019 PARC Financial Report:

PARC ended YTD December 31st, 2019, with some substantial revenue increases, which drove net income to \$1.6M, \$773K over budget.

Off-street revenues totaled \$8.9M compared to a budget of \$8.2M. Transient, event, and unreserved revenues lead the way with some significant increases. Transient revenue was \$1.9M YTD compared to \$1.6M, an increase of 20.4%. Additional daily parkers and the rate compression done by

PARC starting in August contributed to this increase. Transient rates to park in our garages were reduced from nine pricing categories to five categories, thereby increasing daily revenue. Nine garage pricing schedules through December 31st were adjusted. PARC estimates that 40% of the increase in transient is a result of this rate compression program. These facilities had significant increases over budget. Fifth St (up 63%), First & Main (up 52%), Sixth St (up 40%), Omni (up 39%), Brown Garage, and Riverfront (both up 35%). YTD transient revenue was over budget by \$318K and over December 2018 YTD by \$310K.

Event revenue was also significantly over the budget year to date at \$781K compared to \$584k. The 2019 revenues were also \$49K over YTD December 2018. The KFC YUM Center hosted 30 concerts in calendar 2019, the most it has ever held in a single year since opening. Major headliners such as Blake Shelton, Cher, Chris Stapleton, Luke Combs, and Metallica brought large crowds to the Yum Center garage, Wharf Lot, First & Main, Riverfront, and Jefferson Centre. Other steady increases occurred at Fifth Street and Sixth Street. FY 20 could also see revenue due to UofL women's NCAA tournament activity should it be held in Louisville as in past years.

PARC's largest revenue component was also up YTD December. Unreserved revenues were \$4.5M.

Chairwoman Rebecca Fleischaker asked how does PARC measure residential parking?

Director Tiffany Smith responded we have several garages that cater to residential parking. Our Residential Parking Program started ten years ago when we saw an influx of Residential Apartments built downtown. We wanted to accommodate those residential parkers at a reduced rate.

Chairwoman Fleischaker asked does the Residential parkers use a different access card?

Director Smith responded: No, they just have a different rate, but they must provide us with your Current Lease signed and their car registration to receive the reduced Residential rate.

Chairwoman Fleischaker asked, is Residential parking offered at every garage?

Director Smith responded: Offered in every PARC garage, but it's not taken advantage of at some PARC garages.

Chairwoman Rebecca Fleischaker asked, do people prefer to park on the street compared to in the garage?

Director Tiffany Smith stated yes, they prefer to park on the street because its more convenient, but people can't park on the road as much if meters are removed for Utility workers.

Chairwoman Rebecca Fleischaker asked, do you break apart your Event parking revenue and Transient parking revenue?

Director Tiffany Smith stated, yes, we do.

Treasurer Daniel Frockt asked, do we adopt Event Parking rates the same way we embrace the Off-street rates annually?

Director Tiffany Smith responded: We adjust event parking rates based on the event. We have an Event Coordinator that keeps close contact with Arena to determine the number of ticket sales and how much we should charge for event rates. For example, if ticket sales are down, we will stay at \$10. If we know it's a huge event, we will charge \$20. We also have a contract with the YUM Center that we will only charge \$10 for basketball games for ten years. This contract is expiring this year. PARC will adjust rates for the upcoming UofL basketball season.

Treasurer Daniel Frockt asked about the Fines, the Transient, and meters. He recommends putting the Event revenue into some type of multiple because as our meters go up, the Events revenue should correspond in some manner. Not just the ticket sales but the nature of the event.

Gerald Howell stated that the price of the tickets doesn't affect it as much. We look at what the Private sectors are doing in the surrounding garages. If we are charging \$15 and the surrounding garages are charging \$10, we adjust our rates accordingly.

Director Tiffany Smith added that the Surface lot parking is more attractive to people attending events. They will typically park at a surface lot instead of a garage.

Chairwoman Rebecca Fleischaker asked what does non-operating mean?

Steve Cameron started interest from bonds used to build garages.

The Board of Commissioners unanimously approved the financial report as presented for February 19th, 2020.

Updates: On-going Projects

Director Smith updated the Board on the different RFP's that PARC issued in 2019. The first RFP is the Efficiency Study. We received some of the preliminary results back from Chance Management that performed the Efficiency Study. PARC was not satisfied with the documents they returned. We asked them to improve the documents and asked specific questions. They sent back more, and the paperwork doubled, and she is working on deciphering the 77 pages. A lot is duplicate information, but she wants to make sure they don't introduce anything new. Once we have finalized that I will send the PARC board a condensed report. We will cover the RFP feedback document in the next board meeting on May 20th, 2020. We recommend putting the recommendations into the FY21 budget.

The other RFP we have out is the RFP we spoke about during the Special Board meeting in January. That entailed the RFP that Metro Council wanted us to put out extending meters locations and the potential for Privatization for the On-Street program. We put that RFP out right before Christmas, and it came back three weeks ago. We received four bids; one company was deemed unresponsive. The other three we have evaluated, and we can make an award. We will make the award by the end of this week. We will contact them to see if we can negotiate the current rate. Then we will make a recommendation for the award to the purchasing department. Once everything is finalized, we will inform the Board regarding the receiver of the RFP award.

Another update we have is regarding construction and renovations at the Riverfront Garage. Everything is running smoothly. We have been able to replace one stairwell, which is very good because they were deteriorating. We are giving a presentation to the International Parking Mobility Institute about the renovations that are taking place in the garage. At the main meeting, we will update with the amounts approved last year FY20 and what additional funds will be needed to complete those renovations. We will show some pictures of how aesthetically pleasing the Riverfront garage is, especially since it's near the Muhammad Ali Center, KCA Center, and a huge eyesore on the block.

Treasurer Daniel Frockt stated regarding the May Capital budget can you tell us how much you execute on the current budget year's budget and how it was expended. That would be helpful for what was approved.

Director Tiffany Smith asked if the Board would like that at every board meeting in the future?

Treasurer Daniel Frockt responded yes, and I think it would be helpful to see how we are executing.

Chairwoman Rebecca Fleischaker stated it would help her too.

Director Tiffany Smith replied, of course. Just for Rebecca's knowledge, one of the things we approved in the FY20 budget was pay stations. We identified places where we can place those. By May, hopefully, we can put those into place.

Treasurer Daniel Frockt added that it would be good to add more support for the Board to understand the role of some of the capital, especially regarding Privatization. I also wanted to ask about the legislation of the General Assembly, and I don't know if you're going to inform the Board even though it is not adopted. We may be questioned in the future.

Director Tiffany Smith stated there was a bill to entertain accepting charitable donations instead of citation payments. So since then, people have come to the On-street office downstairs with cans goods and using them to pay for their citations.

Chairwoman Rebecca Fleischaker asked if they're already doing it?

Director Tiffany Smith answered yes because their unclear about how it works. Before it's an ordinance that can be enforced here, there must be an ordinance passed by Metro Council.

Treasurer Daniel Frockt stated it's being contemplated.

Chairwoman Rebecca Fleischaker asked, does the bill say how you value the can goods or whatever they bring in?

Director Tiffany Smith states no.

Treasurer Daniel Frockt stated I believe the intent is to partner with a Dare to Care type of organization. It may come up, the general statutory authority, to give local jurisdiction the opportunity.

Director Tiffany Smith added that citation revenue received to PARC goes directly to the general funds. It would mean a hit to the general funds and not to PARC. The public must understand because I don't think they care about the impact on PARC if they know the distinction. Also, PARC does this now. Annually we will look at a concert that we believe will generate a lot of people. Usually, the country concerts and people can park with can goods or non-perishable items instead of paying the event rate. So, we kind of do this but we do it in a way that doesn't impact the general funds. I think that's important to know.

Chairwoman Rebecca Fleischaker asked, are you able to share who submitted bids to the Board?

Director Tiffany Smith said yes, one was Carl Walker, Concepts 21, Walker Consultants, and Desmond.

ADJOURNMENT

Thereupon, of being no further business, the commissioners unanimously approved to adjourn.

Respectfully Submitted

Rebecca Matheny
Secretary