

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2008 Proposed Budget – DPW-Parking

1. The 2008 Proposed Parking Fund Budget includes addition of one Office Assistant IV to the Parking Information Desk and Parking Enforcement Section. (Page 1)
2. The 2008 Parking Fund operating budget totals approximately \$26.04 million (not including the payment to the General Fund), which is approximately the same amount as provided in the 2007 budget. (Pages 2, 3 and 4)
3. The 2008 Budget includes a \$17 million transfer from the Parking Fund to the General Fund. This is \$1.2 million more than the 2007 transfer. (Pages 5, 6 & 7)
4. The 2008 estimated parking citation revenue is \$19.6 million, the same amount as the 2007 estimate (Page 7)
5. According to the Department of Public Works (DPW), there is approximately \$65.2 million in delinquent parking citations. Of this amount, DPW considers approximately \$23 million to be reasonably collectable. DPW is continuing to implement new strategies for collecting outstanding parking citations. (Pages 7, 8, 9, & 10)
6. Assuming that 32,000 vehicles will be towed in 2008, DPW anticipates the Tow Lot will continue to generate \$1 million in “excess” revenue over its operating costs in 2008. (Page 11)
7. The 2008 Proposed Capital Budget includes \$1.5 million for MacArthur Square Renovations and \$1,000,000 for additional multi-space parking meters. (Page 13)

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

2008 Proposed Budget Summary: DPW - Parking

Expense Category	2006 Actual	2007 Budget	% Change	2008 Proposed	% Change
Operating Expenditures	\$ 39,467,234	\$ 42,454,606	8%	\$ 43,040,922	1%
Capital*	\$ 2,080,000	\$ 595,000	-71%	\$ 2,700,000	453%
Positions	129	128	-1%	129	1%

**Capital is the amount included in the budget and does not include \$5 million for capital improvements to be financed from the Permanent Reserve Fund. The Permanent Reserve Fund provides contingent borrowing authority to the Parking Fund.*

HISTORICAL INFORMATION

1. The 2000 City of Milwaukee Budget transferred 45 parking checkers plus 21 tow desk positions from the Police Department to the Department of Public Works (DPW). The primary reason for the transfer was to focus the efforts of the parking checkers on parking enforcement. The 2001 Budget added 20 additional parking checker positions.
2. The 2001 Budget transferred budget authority for the City's citation processing/cash management contract from DPW Administrative Services Division to the Parking Fund. The budget thus consolidated all of the City's parking operations in the Parking Fund.

2008 Executive Budget Issues & Highlights

1. The 2008 Proposed Parking Fund Budget includes addition of one Office Assistant IV to the Parking Information Desk and Parking Enforcement Section. Currently, the Parking Information Desk and Parking Enforcement operations does not have any office support personnel. There are 93 positions assigned to these operations that operate 24/7/365. Over time, administrative duties have been performed by a number of positions, including management. As the workload has increased, these duties have become increasingly burdensome to staff. This position will be responsible for providing clerical support to both operations and would include processing payroll, ordering supplies and equipment, maintaining inventory, conducting mail runs, and updating policies and procedures and other statistical reports.

The 2008 Proposed Parking Fund Budget also reflects the reclassification of the positions shown in the table below. These reclassifications have been approved by the Common Council.

#	Previous Title	Reclassified Title
1	Accounting Assistant II	Tow Lot Assistant IV
1	Office Assistant IV	Tow Lot Assistant IV
1	Office Supervisor II	Tow Lot Supervisor
7	Office Assistant III	Tow Lot Assistant III
1	Parking Operations Assistant	Parking Operations Coordinator
1	Office Assistant IV	Accounting Program Assistant III

Vacancies

There currently are five vacant positions in parking operations. A Tow Lot Assistant position located at the Tow Lot was vacated on May 26, 2007. Finance and Personnel authorized filling the position on July 9, 2007. DER plans to issue a new exam for the position this fall. The position is expected to be filled later this year.

There are four Parking Enforcement Officer vacancies. They are expected to be filled in October.

Operating Expenditures

The 2008 Parking Fund operating budget totals approximately \$26.04 million (not including the payment to the General Fund), which is approximately the same amount as the \$26.06 million provided in the 2007 operating budget.

Professional Services

The 2008 Proposed Budget includes \$7.8 million for Professional Services. The \$7.8 million is a \$125,000 decrease from the \$7,925,000 provided for this account in the 2007 Budget. The 2008 budget for this account is based on 2006 experience and adjusted for contracts.

Professional Account Management (PAM) receives the majority (\$5.825 million) of the Professional Services Account funding for processing citations (parking, municipal and traffic), including staffing three payment centers, processing primary and secondary collections, scheduling reviews with both the Citation Review Manager and Municipal Court, maintaining the night parking permit and towing databases, placing vehicle registration holds, mailing overdue notices, certifying individuals with the Department of Revenue for the Tax Refund Intercept Program, maintaining and supporting the kiosks and leasing the AutoCITES (AutoCITES are hand held computers used for issuance of parking citations) .

The contract for parking citation collections and processing will expire in May

2008. The Common Council adopted a resolution (File #061575) requiring the RFP to be submitted to the Council for review and approval prior to being issued. Currently, DPW is interviewing potential consultants to develop the RFP. The department anticipates the RFP will be completed for Common Council review by early 2008.

The 2008 proposed Parking Fund's Professional Services Account also includes funding for the management of four City-owned parking structures (\$1.35 million), Division of Motor Vehicles for vehicle registration holds (\$350,000), coin counting/meter services and armored vehicle security services (\$75,000) and IRI for City Administrative Charges (\$250,000).

Other Operating Expenditure Changes

Other Operating Services increases from \$3,112,000 to \$3,500,000. The 2008 increase reflects 2006 experience, which reflects a higher level of towing activity. This is due to the implementation of the unregistered vehicle ordinance (File # 051344). In 2006, 31,659 vehicles were towed. DPW expects to tow up to 35,000 in 2007.

General Office Expense increases from \$80,000 to \$100,000. The increase is based on 2006 experience, with postage costs accounting for most of the increase due to an increase in the number of tow notifications sent to vehicle owners.

Tools & Machinery Parts increases from \$5,000 to \$13,000. The increase is based on 2006 experience and in 2008, DPW anticipates purchasing some spare parts for the new multi-space meters.

Energy increases from \$344,000 to \$385,000. This increased is based on 2006 experience and adjusted for increases in electrical energy and fuel prices.

Other Operating Supplies decreases from \$90,000 to \$67,000. The decrease is based on 2006 experience.

Facility Rental increases from \$130,000 to \$137,000. The rent for the parking enforcement facility increases annually based upon an estimate of the change in CPI. The 2006 experience does not include the rental payment, as MMSD did not bill the City in time to use 2006 funds. The 2006 and 2007 rental payments were made in 2007.

Vehicle Rental decreases from \$19,000 to \$17,000. The decrease is based on 2006 experience.

Infrastructure Services increases from \$25,000 to \$48,000. This increase is based on 2006 experience, which accounts for private contractors performing all snow and ice control activities rather than Forestry personnel.

Vehicle Repair Services decreases from \$8,000 to \$7,000. The decrease is based on prior years' experience.

Replacement Equipment

- The 2008 Proposed Budget includes \$120,000 for the replacement of four jeeps. Currently, there are 54 jeeps in service. Of those four, the current average age in 2008 will be 13.5 years and the average mileage is currently 108,345.
- The 2008 Proposed Budget includes \$5,000 for the replacement of furniture at the Parking Enforcement and the Parking Information Desk. Parking Enforcement and the Parking Information Desk are 24/7/365 operations. Their office furniture, particularly the office chairs, has to be frequently replaced due to intensive use. Furthermore, an ergonomics study was conducted in 2007 requiring the replacement of several workstations.
- The 2008 Proposed Budget includes \$2,000 for digital video cameras. The video cameras will replace the current cameras that are used 24/7/365. The exterior of every vehicle is currently video-taped when it arrives on the Tow Lot. Photographic evidence is used to defend the City when vehicle damage claims or theft claims are filed against the City.
- The 2008 Proposed Budget includes \$2,000 for digital still cameras. Both Parking Enforcement and the Tow Lot use these cameras. Parking Enforcement Supervisors use the cameras to document signage problems, obstructions, damage, etc. The Tow Lot staff uses the cameras to document evidence for the City Attorney's office arising from citizen complaints and/or claims.

Contingent Fund (\$425,000)

The 2008 Proposed Budget includes \$425,000 for the Parking Fund's Contingent Fund. This is the same amount that was included in the 2007 Budget for the Contingent Fund. DPW –Administration indicates this funding level will be sufficient to fund any unanticipated expenditures.

The 2003 Budget established a "Contingent Fund" within the Parking Fund that mirrored other City Enterprise Funds such as Water Works and the Sewer Fund. Like other Enterprise Funds, if expenditures exceed revenues, a transfer from the Fund's Contingent Fund would need to be implemented. Before the establishment of the Contingent Fund, the Parking Fund had to make withdrawals from its cash reserves to fund unanticipated expenditures. Since it was established, the Contingent Fund has not been utilized. Any excess funds in the Contingent Fund that are available at year-end revert to the Parking Fund's cash reserve.

Transfer to the General Fund

The 2008 Budget includes a \$17.0 million transfer from the Parking Fund to the General Fund, a \$1.2 million increase from the 2007 transfer. The \$1.2 million increase in the transfer to the General Fund reflects revenues in excess of expenditures, most of which is generated from parking citations and an approximately \$189,000 increase in the withdrawal from the Fund's Retained Earnings (cash reserves) to \$4,019,123.

It is important for the Parking Fund to have adequate reserves, since unanticipated expenditures or revenue shortfalls in any Parking Fund activity could result in a General Fund subsidy. Regular General Fund subsidies of the Parking Fund could, in turn, increase the levy and adversely affect state aid associated with the expenditure restraint program.

One measure used to determine the adequacy of an entity's reserves is the current ratio. The current ratio is calculated by dividing current assets by current liabilities, and a ratio of approximately 2:1 is considered to be acceptable.

The table below provides an analysis of the Parking Fund's cash reserves and shows the Fund's current ratio for 2002 through 2006.

Analysis Parking Fund's Cash Reserves 2002-2006 (000's)					
Category	2002	2003	2004	2005	2006
Cash and Cash Equivalents	\$12,342	19,328	\$24,092	\$22,001	23,024
General Obligation Debt Payable – Current	\$3,746	\$3,622	\$3,767	\$2,080	\$2,079
Accounts Payable	\$774	\$828	\$2,106	\$1,052	\$988
Accrued Wages	\$448	\$441	\$ 664	\$636	\$675
Current Liabilities	\$4,968	\$4,891	\$6,537	\$3,768	\$3,742
Cash Less Liabilities	\$7,374	\$14,437	\$17,555	\$18,223	\$19,282
Current Ratio: Current Assets/Current Liabilities	2.48	3.95	3.68	5.84	6.15
Source: 2002, 2003 2004, 2005 & 2006 CAFR					

As the table shows, the Parking Fund's 2002 cash reserve was approximately \$12.3 million and the Fund's current ratio was 2.48.

In 2003, the Parking Fund's cash reserves increased to \$19.3 million, a \$7 million increase from the 2002 level of \$12.3 million. The increase in cash reserves was a result of higher than anticipated revenues plus revenue from the Grand Avenue Parking Structure (\$1 million) and lower than anticipated expenditures.

It is important to note that the withdrawal from reserves only represents ¼ of the General Fund transfer. The remainder reflects revenues in excess of expenditures, most of which is generated from parking citations. The issuance of parking citations has leveled off in the last few years reflecting greater compliance with parking regulations and changes to parking regulations. Consequently, citation collections have remained flat and are not expected to change substantially in the future. All other parking revenue is expected to remain flat other than towing revenue, which is expected to exceed projections in 2007. In addition, expenditures are not expected to change dramatically either, except for debt service, which is declining due to a stable capital improvement funding plan.

In 2004, higher than anticipated revenues (\$5 million) and lower than anticipated expenditures (\$1.2 million) increased the Parking Fund's cash reserves to \$24.1 million, a \$4.8 million increase from the 2003 level.

In 2005, revenues increased by \$2.6 million and expenditures were lower than anticipated by over \$500,000. At the end of 2005, the Parking Fund had \$22 million in cash-on-hand after a withdrawal from reserves of over \$4.8 million. Coupled with lower liabilities due to decreases in debt service and accounts payable, the ratio has grown to 5.84.

In 2006, the cash and cash equivalents grew by \$1 million to approximately \$23.0 million. This was due to higher than projected revenues and lower than anticipated expenditures whose total exceeded the 2006 budgeted withdrawal of \$5,158,736.

Assuming 2008 revenues and expenditures meet projections, DPW estimates a cash reserve balance of approximately \$15.2 million at the end of 2008 (including the budgeted 2008 withdrawal of approximately \$4 million).

The table below compares DPW's projected 2008 Parking Fund reserves at the end of 2007 with what the projection would be at a current ratio of 2.0.

Category	2008 Projected	2008 Projected (with a 2.0 current ratio)
Current Assets		
Cash and Cash Equivalents	\$15,175,000	\$8,000,000
Total Current Liabilities	\$4,000,000	\$4,000,000
Current Ratio (Current Assets/Current Liabilities)	3.9	2.0
Source: CAFR & DPW projections		

As shown in the table above, if the Parking Fund's 2008 projected current ratio is 2.0, the Fund's cash or cash equivalents would be \$8 million or approximately \$7.2 million less than the \$15.2 million in cash projected to be available at the end of 2007. The Administration intends to use the projected \$7.2 million "excess" to maintain the level of

payments to the General Fund as proposed in the 2008 budget through 2010. At that time, DPW indicates the sustainability of the withdrawal will come into question.

Parking Fund Revenues

Parking Citation Revenue

The 2008 estimated parking citation revenue is \$19.6 million, the same amount as the estimated parking citation revenue for 2007.

The table below shows the total number of parking citations issued and citation revenue from 2002 through 2006.

PARKING CITATION DATA					
	2002	2003	2004	2005	2006
Total # Issued	1,075,260	1,002,920	1,113,611	913,605	935,000
Citation Revenue	\$20,121,593	\$19,829,137	\$21,731,894	\$20,166,976	\$20,452,840

An analysis of the data in the table above shows that based on the data for 2002-2006, the yearly average number of total citations issued was 1,008,079 and the yearly average parking citation revenue was \$20.46 million. The issuance of parking citations has leveled off in the last few years reflecting greater compliance with and changes to parking regulations. Consequently, citation collections have remained flat as well and DPW does not expect them to change substantially in the future.

The tables below show the yearly number of night parking violations and meter violations for the years 2002 through 2006.

Night Parking Violations					
	2002	2003	2004	2005	2006
# Of Violations	617,383	590,914	640,100	501,940	518,330
% of Total Violations	57.4%	58.59%	57.62%	54.98%	55.43%

Meter Violations					
	2002	2003	2004	2005	2006
# of Violations	172,545	160,879	190,754	153,299	139,857
% of Total Violations	16.0%	16.0%	17.17%	16.79%	14.95%

Citation Collection Effort

As of mid-August, 2007, there was approximately \$65.2 million in outstanding parking citations. Of that amount, DPW estimates that approximately \$23 is collectable. Most of the remaining \$42 million in parking citation delinquencies

are for citations issued to vehicles with out of state plates, and citations issued to vehicles with Wisconsin plates, but without a registered owner.

The Department of Public Works has implemented new strategies for handling the large number of parking scofflaws. After several years of DPW working with WisDOT regarding vehicle registration holds, WisDot has agreed to make the following changes. As of July 2007, the State of Wisconsin's Department of Motor Vehicles (DMV) will allow the City to bundle outstanding parking citations under one license plate hold. However, subsequent citations incurred can not be added to an existing bundle requiring an additional hold to be placed. In addition, the DMV lowered the registration hold fee from \$5 to \$2.50. Further, the DMV does provide the City driver's license numbers as part of the registered owner information for owners who have outstanding citations.

In the past, the City placed a registration hold on the oldest citation. The consequences of being able to bundle outstanding parking citations under one vehicle registration hold means the statute of limitations to adjudicate a citation increases from 2 years to 6 years. This is important in light of an order by the Municipal Court to not adjudicate any citation that is outstanding by more than 2 years and does not have a registration hold. Being able to bundle outstanding parking citations under one vehicle registration hold will reduce the number of holds placed by the City. To reflect this reduction and the reduced cost of a hold, DPW adjusted the 2008 funding for vehicle registration holds to \$350,000 from the \$600,000 budgeted for this activity in 2007.

The Department of Public Works has also worked with the State of Wisconsin's Department of Transportation to allow the City to obtain driver's license numbers for owners who have outstanding citations. Beginning August 10, 2006, the City has been receiving driver's license numbers from the DMV on individuals who have unpaid parking citations. This information is received along with the vehicle registration information. The purpose of the City receiving driver's license numbers is to share this information with the Department of Revenue for Tax Refund Intercept Program (TRIP) certification purposes. The Wisconsin Department of Revenue requirements for a social security number or driver's license number to certify debt had limited Tax Refund Intercept Program (TRIP) certifications. Since the DMV has provided the City with the drivers' license numbers as part of the vehicle registration data, many more certifications are taking place with a much smaller error rate. Prior to receiving the driver's license numbers, the certification rate was 47% of those eligible. Data shows that from September 1, 2006 through August 31, 2007, the certification rate of parking citations sent to the DOR is 89%. Most of this improvement is due to receiving the driver's license number information from the DOT, but also some improvement can be associated with PAM implementing improved data scrubbing and skip tracing routines.

When someone's name is certified on the Wisconsin Department of Revenue (WISDOR) interception list, it remains on the list until the debt has been paid.

Debt is paid to the City when there is a refund due and after any other municipalities who may have registered with the WISDOR prior to the City doing so have been paid.

The City began participating in TRIP in the fall of 2002 for unpaid parking citations for those people with balances over \$300. Over the years, DPW has reduced the balance of unpaid parking citations a violator can accumulate before a TRIP certification occurs to the current balance of \$45.

From 2003 (beginning of participation in TRIP) through 2006, 472,525 citations have been certified with the Department of Revenue totaling over \$22 million, of which 127,976 citations have been paid totaling over \$6.6 million. This represents a collection rate of 30%. Under the TRIP, the debt remains certified until fully paid. Consequently, \$15.4 million in outstanding debt still remains certified, which will likely be collected over many years. Between January 1 and August 31, 2007, 83,000 additional citations with a value of \$3.9 million were certified with TRIP.

In 2006, 59,326 citations with a total value of \$2,580,484 were intercepted through TRIP. In 2007, through August 31, 44,169 citations with a value of \$1,940,479 were intercepted.

The utilization of a summons and complaint form at the Tow Lot is another strategy used to reduce the number of scofflaws. If a vehicle is towed and there are outstanding parking citations, the vehicle owner is served a "summons and complaint". This has proven to be a very effective tool in requiring people to pay or adjudicate outstanding parking citations. The number of summons and complaints has increased dramatically in the last few years. In 2006, the Tow Lot staff issued 2,055 summons for 20,014 citations valued at \$855,000. For the first 7 months of 2007, 2,274 summons were issued for 19,789 citations valued at \$851,238. This increase is due to the significant number of vehicles towed for not displaying proper registration (new City ordinance File # 060077 implemented in June 2006).

Secondary Collections

Secondary collections represent citations paid after 80 days. Citations become past due when unpaid after 10 days. The significant increase in secondary collections in 2002 reflected the large increase in citation issued in 2001. Secondary collections increased in 2003 to approximately \$7 million, which was primarily due to the City's participation in TRIP (Tax Refund Intercept Program). The secondary collections remained stable in 2006 and represent approximately 36% of total collections.

The table on page 10 shows the secondary revenue collected by PAM since 2000.

SECONDARY COLLECTIONS

2001	2002	2003	2004	2005	2006	2007 (Through 7/31/07)
\$4,556,335	\$6,423,426	\$7,050,508	\$6,966,074	\$6,845,031	\$7,250,807	\$4,489,084

Outstanding Debt Task Force

The Common Council Outstanding Debt Task Force issued its report on December 1, 2005 (File #051098). The Task Force reviewed monies owed the City and strategies for collection. On January 18, 2006, the Common Council adopted a resolution (File #051150) directing the Intergovernmental Relations Division to seek the introduction of state legislation necessary for implementing various recommendations of the Task Force. Two of the Task Force's recommendations related to the collection of outstanding parking citations:

- *Seek State legislation to allow for the towing/booting and impounding of vehicles for unpaid citations. This language is permissive whereby a city may tow or boot a legally parked or illegally parked vehicle for unpaid nonmoving violations.*
- *Seek State legislation to establish a time frame to adjudicate nonmoving traffic violations for cities of the first class. The language is permissive whereby the city may adopt an ordinance requiring a person who was issued a parking citation to, within 180 days after the parking citation was issued, either pay the citation or make arrangements with the city to contest the citation. If the person fails to comply with any of these provisions, the person is deemed to have entered a plea of no contest. The court must accept the plea of no contest, find the person guilty and enter judgment. The court would be required to mail the person a copy of the judgment along with a statement setting forth the actions the court may take if the judgment is not paid.*

On behalf of the City, State Representative Krusick had legislation drafted that would authorize a municipality to tow or boot an illegally parked or legally parked vehicle with three or more unpaid parking citations. According to the Representative's office, this legislation has been inserted in the Assembly version of the 2007-09 state budget bill.

The other legislation establishing a time frame to adjudicate parking citations for cities of the first class has been drafted. Representative Krusick has agreed to sponsor the legislation; however, it is currently on hold due to the Wisconsin Municipal Judges Association and the Milwaukee Municipal Court opposing the legislation.

Towing Operations

The Tow Lot's 2006 actual revenues exceeded operating expenditures by approximately \$1.5 million. The "excess" revenue can be attributed to the higher than anticipated revenue from the increase in the number of vehicles towed and higher retrieval rates.

In 2006, 31,659 vehicles were towed. DPW expects to tow up to 35,000 in 2007. The increase is due to the implementation of the unregistered vehicle ordinance

Due to a number of reasons, the percentage of vehicles retrieved by their owners has increased dramatically over the last few years. In 2003, the retrieval rate was 42%. In 2006, the retrieval rate was 67% and to date in 2007, the retrieval rate is over 75%. The significant increase in the last year also reflects the implementation of a City ordinance that prohibits a vehicle from parking on City streets without displaying valid registration. The average number of days before a vehicle is released to its owner has dropped from 3.75 days to 2.06 days in 2007.

Assuming that 32,000 vehicles will be towed in 2008 DPW anticipates the Tow Lot will continue to generate \$1 million in "excess" revenue over its operating costs in 2008. The 2008 Proposed Budget includes \$4,500,000 for the Tow Lot's total operating expenditures. DPW-Administration estimates that the Tow Lot will generate \$5,550,986 in revenue from the towing and disposal of vehicles.

The enactment of 2003 Wisconsin Act 201, which took effect on April 22, 2004, is assisting the City in recovering towing and storage fees. The legislation allows for recovery of towing and storage fees, and further states that outstanding storage charges may not exceed 20 days of such storage. Failure to pay this amount may result in a vehicle registration hold placed on the owner's other vehicles, not just the unclaimed vehicle at the Tow Lot.

In addition to contributing to the increase in the vehicle retrieval rate, ACT 201 has generated additional revenue. Since 2005 (through July 31, 2007), the Tow Lot has collected \$522,349 from people who did not retrieve their vehicle from the Tow Lot, but paid the towing and storage fees as allowed by law.

Other Parking Fund revenue

Structures

The 2008 estimated revenue for the Parking Fund's structures is \$6,739,263. This reflects 2006 actual revenues. The most notable revenue change is the 2nd and Plankinton structure whereby revenue increased by \$140,000 in 2006.

Overnight Parking Permits

The revenue from the sale of overnight parking permits is estimated to be \$2,700,000. This estimate reflects 2006 actual revenues.

On-Street Parking Meters

The 2008 on-street meter revenue is estimated to be \$3.9 million, similar 2006 actual revenue.

Parking Fund Enhancements

Multi-space meters

By the end of July 2007, 103 multi-space parking meters and nearly 1,200 space markers were installed, representing phase one of the project. One meter was installed on each block face. The meters are all networked so payment can be received at any meter. The meters take coins and debit/credit cards and issue receipts that include the space number and expiration time. The meters are battery-powered but are recharged by the street lights ensuring operation during the coldest winter months. All the transactions are real-time and all information provided to staff is real-time as well.

A press conference was held and all the media outlets were provided with a press kit explaining the functionality of the meters and instructions on their use. Training was provided to all the downtown public ambassadors to assist the public and to distribute instructional flyers provided by DPW. Information is also included on the city's parking website as well as on the websites of all the downtown business associations. In addition, the Milwaukee Police Department is preparing an instructional video to be shown during roll-call to all police officers.

The space markers designating the number of each parking space were specifically designed to reflect the pedestrian way-finding system. Due to extensive vandalism of the space markers initially, the markers had to be redesigned, thereby delaying installation.

DPW information technology staff developed an enforcement interface with the server that houses all the meter data. Mobile PC's were installed in a few jeeps to access the expiration data from the server through wireless high speed data modem communication. The meter expiration information is displayed on the PC's, which are also equipped with GPS devices providing continuous location information. Enforcement of the meters began in mid-August.

In the last week in August, nearly 18,800 transactions were made totaling \$19,200. Of the total transactions, 77% were cash for an average cash transaction of \$0.88 and 23% were credit card transactions (33% of the revenue) for an average credit card transaction of \$1.48.

Although there is a learning curve with any new technology, based on the number of transactions made weekly, DPW indicates the complaints have been minimal. DPW will continue to explore new ways of educating the public on how to use the meters. Positive feedback includes the networking feature, credit/debit

card capability, issuance of a receipt, easy to use, attractive, etc. Negative feedback includes difficulty in plugging the meter beyond its time limit, inability to use other's paid time, difficulty finding the meter, and walking further to pay for metered parking.

Kiosks

In June 2007, a kiosk was installed at MPD District 4. All the district police stations except District 1 currently have kiosks installed. The kiosks dispense night parking permits and receive payments for parking citations. The kiosks also accept payments for WE Energy bills.

Capital

The 2008 Proposed Budget includes \$2.7 million for Parking Fund Capital Projects.

MacArthur Square Renovation-\$1,500,000

In 2008, the expansion joint on the plaza over the 9th Street level of the garage will be replaced. The current joint is totally deteriorated and is causing severe water leakage into the garage which is causing structural deterioration. While this project was originally scheduled for 2010, the condition has gotten significantly worse. This project has to be undertaken at the same time DPW-Operations waterproofs the MacArthur Square Plaza to avoid potential expansion joint damage.

Multi-space meters- \$1,000,000

DPW anticipates that approximately 1,100 single-space meters will be replaced with approximately 100 multi-space meters in 2008. DPW plans to continue to install the multi-space meters in areas that charge a minimum rate of \$1 per hour.

Miscellaneous Structural/Mechanical/Electrical Maintenance-\$200,000

This program provides for necessary repairs of a non-emergency nature that when left uncorrected lead to structural, mechanical or electrical deterioration. By grouping smaller planned repair or renovation projects into a single capital account, DPW can adjust priorities and individual scopes during the budget year. It also allows staff to bid similar work across various structures to obtain lower prices.

Other Issues

Sale of Parking Structures

At this time, DPW does not have any plans to issue an RFP regarding the sale of any City-owned parking structure. DPW does report that, the owner of the office tower at 1000 North Water has indicated an interest in purchasing the parking structure located within that complex. According to Amendment Three of the original Agreement Concerning Condominium, the owner of the office tower has

an option to purchase the parking structure at a price agreed upon by the City and the owner or at a purchase price determined under a formula or procedure agreed upon by the parties.

According to the City Attorney, the owner does have a right to make an offer to the City and the City has an obligation to entertain any such offer and respond in good faith. However, the City has no obligation to accept any such offer, agree to any proffered purchase price or even engage in more detailed negotiations relative to the sale of the parking structure. The Common Council must approve the sale of any City-owned parking structure. At this time, no such offer to purchase has been made

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