

MIAMI BEACH

OFFICE OF THE CITY MANAGER
NO. LTC #

432-2016

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: October 18, 2016

SUBJECT: **PARKING STATUS REPORT JULY 2016**

The Parking Department received revenue from different sources outlined in the categories listed below. In addition, only selected recurring expenses associated with the parking garages are reported herein.

The following is a condensed presentation of revenue by source and variance:

	July 2015	July 2016	\$ variance
I On/Off Metered Spaces*			
On/Off Metered Spaces	\$2,306,907.32	\$2,968,135.34	\$661,228.02
Total Metered Spaces	\$2,306,907.32	\$2,968,135.34	\$661,228.02

*These amounts include revenue from Pay by Phone Transactions

II Enforcement**			
M-D Parking Violations	\$236,749.80	\$252,975.12	\$16,225.32
Towing	42,357.86	28,105.90	(14,251.96)
Total Enforcement	\$279,107.66	\$281,081.02	\$1,973.36

**These amounts include revenue for the month that had not yet posted.

Meter Revenue: Meter revenue is composed of both single space and multi space meters on the street and in lots as well as multi space meters located inside the City Hall and 42nd Street Garages. Meter revenue variances are driven by many variables which include, but are not limited to, road and sidewalk construction, closed streets and site of events held in the City. When compared to the prior year, the meter revenue increased due to the hourly parking rate increase effective October 12, 2015; however, there has been a decrease in the on-street hourly utilization of 32.34% and off-street hourly utilization of 10.77%.

Enforcement: The City receives a share of ticket citations for parking violations that occur in Miami Beach and are collected by Miami-Dade County.

	July 2015	July 2016	\$ variance
III Off Street Facilities			
a. Garages			
17th Street Garage	\$356,011.50	\$416,912.85	\$60,901.35
Pennsylvania Garage	44,810.27	85,094.51	40,284.24
Sunset Harbour Garage	71,514.53	65,047.10	(6,467.43)
City Hall Garage	42,330.78	57,059.77	14,728.99
7th Street Garage	229,294.11	260,982.22	31,688.11
12th Street Garage	58,009.53	68,091.48	10,081.95
13th Street Garage	107,875.47	140,668.61	32,793.14
42nd Street Garage	93,371.58	95,338.02	1,966.44
16th Street Garage	392,123.41	302,694.43	(89,428.98)
Total Garages	\$1,395,341.18	\$1,491,888.99	\$96,547.81
b. Joint Development*			
5th and Alton Garage	\$55,669.23	\$29,754.96	\$(25,914.27)
Total Joint Development	\$55,669.23	\$29,754.96	\$(25,914.27)

*46% of total revenue which represents the City's pro-rata share pursuant to the Development Agreement

Garages: Revenues are composed of transient, monthly, and flat rate special event rates. Garage revenue variances are driven by many variables which include, but are not limited to, special events, weather, tourism, and maintenance. There was an increase in all garages during the month of July with the exception of Sunset Harbor and 16th Street Garages which had a decrease in monthly revenue due to the posting of revenue from the bulk account holders.

5th and Alton Garage: The 5th and Alton Garage is a joint development (parking garage) with the "Developer" (Edens) containing 1,080 parking spaces. The Developer and City own 54% and 46% of the parking spaces, respectively, and profit/loss is also shared in the same manner. The City's revenue portion (46%) for the month of July 2016 is \$29,754.96 resulting in total net loss of \$(25,036.88). Pursuant to the Development Agreement, the City receives its proportionate share of profit or must subsidize any loss. The City and Developer continue to jointly pursue initiatives to promote the use of the garage. These initiatives include but are not limited to "after hours" flat rate parking; valet parking storage; monthly parking; and strategically placed electronic signage directing users to the facility. Future considerations include promotional rates for "after hours and park and ride options to the entertainment districts.

	July 2015	July 2016	\$ variance
IV Permit Sales			
Municipal Monthly Permits	\$8,542.48	\$5,423.91	\$(3,118.57)
Valet & Space Rental	171,983.26	303,737.50	131,754.24
Residential and Visitor Permits	39,509.27	71,399.90	31,890.63
Hotel Hang Tags	(8,000.00)	4,000.00	12,000.00
Total Permit Sales	\$212,035.01	\$384,561.31	\$172,526.30

V Preferred Lots			
Preferred Lots	\$46,048.25	-	\$(46,048.25)
Total Preferred Lots	\$46,048.25	-	\$(46,048.25)

VI Miscellaneous			
Miscellaneous	\$4,545.92	\$9,132.88	\$4,586.96
Total Miscellaneous	\$4,545.92	\$9,132.88	\$4,586.96

VII Pay by Phone			
Transaction Fees (collected on behalf of Parkmobile)	\$53,409.45	\$57,812.55	\$4,403.10
Total Pay by Phone	\$53,409.45	\$57,812.55	\$4,403.10

Permit Sales: The sale of residential and visitor's virtual permits was introduced in fiscal year 2015, allowing residents to purchase residential permits and visitor permits for their guests online. As part of this program, in 2015, the Administration transitioned from set annual or semi-annual periods for residential permit renewal by zone to renewal periods according to birth month (similar to vehicle registration renewals). This spread the purchase permit sales over all months versus a set month. Additionally, before the transition to the new system, residents pre-purchased visitor hang tags from our customer service center to be used at a later date. The new virtual permit system allows residents to purchase a virtual visitor permit real time when needed. This eliminated the need to purchase multiple (paper) permits and it too spread the purchase of the virtual visitor permits over all months versus a set month. The virtual visitor permits are enforced using LPR technology. Lastly, when compared to the prior year, valet and space rental revenue increased due to the rate increases effective October 12, 2015 and the end of the grace period, effective April 10, that was granted to existing ongoing space rentals.

Preferred Lot: This lot is located in the front of the Convention Center, and variances are contingent on convention center special events. This lot closed at the end of December 2015 to support the Convention Center renovation project and eventual transition to a public meeting space.

Miscellaneous Revenue: This category consists of other accounts including a revenue share from Deco Bike, advertising revenue, interest, etc.

Parkmobile: The City Commission awarded Parkmobile to provide mobile payment application service. Mobile payment application services provides enhanced functionality over the in-vehicle parking meter. Miami Beach residents will continue to enjoy the resident discounted rate of \$1.00 per hour in the South Beach and Middle East Beach areas; from \$4.00 for on-street parking and \$2.00 for off-street parking in South Beach, and \$3.00 for on-street parking and \$2.00 for off-street parking in East Middle Beach. Moreover, Parkmobile will assess no transaction fees to Miami Beach residents for pay by phone service. Parkmobile began services on May 12, 2014. The revenue shown above represents the transaction fees collected by the City for non-resident transactions and remitted to Parkmobile in the following month. The increase is directly linked to increased usage of the mobile payment application service.