



A Regular Board Meeting of the Missoula Parking Commission was virtually held on **Tuesday, November 9, 2021, at 12:00 p.m.** Those in attendance were Board members Joe Easton, Pat Corrick, Glenda Bradshaw, Peter Walker-Keleher, and JR Casillas. From the Missoula Parking Commission (MPC) were Ian Ortlieb, Parking Services Director, and Jodi Pilgrim, Parking Services Manager. Also in attendance Brenda Peyton, JCCS.

**1. Call to order – Joe Easton**

**2. Introductions**

**3. Public Comments & Announcements - None**

**4. Adjustment(s) to the Agenda - None**

**5. Approval of Minutes**

- a. Board Meeting held of September 14, 2021. Glenda Bradshaw motioned to approve the minutes. Peter Walker-Keleher seconded the motion. The minutes from September 14, 2021, were unanimously approved.

**6. Communications and Presentations - None**

**7. Financial Statement**

**a. JCCS Monthly Financial Review**

Brenda Peyton shared the monthly dashboard. We saw a change in the cash in September. The City is working on final adjustments for the audit. A few came through this last month. A large one was the merchant fees – at the end of the year, they do a true-up on merchant fees, whereas we accrue them every month as an expense. We had accrued \$145,000.00 for the year, and they came in at \$71,000.00. We adjusted there and increased the cash balance by \$70,000.00 this past month. Cash on hand at the end of September was around \$1.4 million. There were no big changes in assets or liabilities – there was no bond or note payment in September. When adjustments are made, they are made as of June 30, 2021. In the Statement of Activities – revenue for September was around \$280,000.00. Year-to-date revenue is just over \$700,000.00. Meter revenue was up 25% over last year, short-term parking is up 30%, and total revenue was up 19% over last year and over budget. Expenses for September were \$133,000.00. Year-to-date expenses, we are at \$340,000.00, which is up about 18% from last year but 17% under budget for the year.

September net income was \$64,000.00, year to date is \$116,000.00. The prior year was \$75,000.00. Peter asked for confirmation that the year-to-date is the fiscal year going back to July 1. Brenda confirmed.

In the summary of profit and loss, the top 10 revenue accounts are shown. Meters revenue is around \$94,000.00, ticket revenue is around \$26,000.00. There has been no big movement in the top 10 expense accounts. Salaries and meter expenses are the top 2 expense accounts.

There is nothing to note on trends except the big dip on June 30 for expenses. It is actually a recapture of expenses for the year-end adjustment for merchant fees. There was an increase in cash and a continual decline in long-term debt.

There were no questions for Brenda.

## 8. Director's Report – Ian Ortlieb

MPC's new administrative assistant II started yesterday.

Cyndie Winchell is set to retire at the end of the calendar year. We are working with HR to get that recruitment started. Our goal is to hire someone before or immediately after her last day for a transition that is as seamless as possible. There will be a get-together at the end of December. The Board will get an invite.

A couple of months ago, MPC found some cracking in the concrete at Bank Street. We are set for repairs to start on Thursday. The contractor will cut out the failing concrete and re-pour new concrete. One 30-minute space, one accessible space, and a portion of the drive lane will be blocked during the repair.

A couple of weeks ago, we reviewed the 30% plans of the Front and Main conversion for 2-way traffic. We sent out the traffic study from HDR after providing HDR with some updated inventory numbers of parallel and angled parking. It came out to approximately a 24-space loss in the conversion. A lot of it concerns opening site lines at intersections. There is a portion where they plan to shift angled parking into parallel parking, which will cut out some inventory. We are looking at how that will impact us revenue-wise. It is difficult to pull out the Passport revenue for that because we don't know where they are parking when they use the Passport App to pay. Using Percentages of Passport revenue to Front and Main to get an idea of what revenue per space per day looks like. Ian suggested a new occupancy study during the plan review for the engineers. We have been pulling reads out of our LPR data for the area to determine what occupancy looks like. A lot of what we are finding matches the Kimley Horn study done in 2019. It's not ready yet, but Ian will send it out for review once completed.

MPC would like to start pulling occupancy data from our current leased parking lots. We want to get folks off our waitlists and get them in spaces. We are going to pull LPR data and get some physical counts to true up numbers. We will then build an operational plan to sell spaces.

In new business items, we shared a scope of work from T2 for "hotel integration". It will allow valets to get cars in, but a big part of it is integrating our waitlists into the online environment and allowing people to pay permits online. It will increase our customer service. We will review it in the non-action items.

Ian has been taking a deep dive into the financials with the upcoming audit. Things are looking good.

Glenda Bradshaw asked Ian what the boundaries of the Front and Main conversion. Ian stated it goes from Orange to Madison. There is a mixture of revenue-generating and non-revenue generating spaces in that area. Glenda is interested in not only financials but also on the equity of loss for businesses. Are the losses scattered or concentrated? If concentrated, are they in shopping areas? Ian stated that it's scattered – we lose some in areas and gain in other areas. Looking at it, most of the loss is in the core business district of downtown mostly from the potential conversion from angled to parallel.

Glenda wants to know if we will be having more of an in-depth discussion about the Holiday Inn spots. Ian will be circling back with Charlie because the project has been approved at this point. Glenda asked what was their ask? Were they asking us to build it or manage it? Ian stated that it was just information sharing and circling around the City's capacity for TIF if there were spaces available for the public. Ian will circle back about adding inventory in that area.

Peter Walker-Keleher touched base with Ian a few weeks ago about the Higgins Corridor project. He joined the first meeting there. Peter talked about potential occupancy studies and encouraged Ian to be in touch with Nick Foster, the Higgins Corridor Plan project manager. There could be value in an occupancy study on Higgins. It would be good to gather that occupancy data at the same time.

Glenda asked if MPC does holiday incentives to attract visitors or shoppers to Downtown. Ian stated that we hadn't had that discussion yet because he doesn't think the question was ever asked. Jodi Pilgrim stated that in the past we have been asked by the MDA to offer free parking on Black Friday. It is not a request that has ever been approved. In the past, we have also done a Food For Fines program in November, which doesn't necessarily give an incentive for people to come Downtown for shopping, but does give an additional way to take care of outstanding citation balances they have while also supporting the Food Bank. We have decided not to do that this year because our office is open by appointment only, which makes it more difficult for people to come in and provide food items in lieu of fines. That will be pushed back until we have a fully open office. We do not charge for parking on Thanksgiving, but the day after Thanksgiving, we do. In the past, we have tried to work with the Missoula Downtown Association to offer validations to businesses that they could provide to people that come shop in their stores. So far, no business has been interested in that. Glenda noted that the process does seem difficult to navigate in this environment. She asked if there was interest or capacity for next year, to do free parking on Black Friday? Maybe this could be put on as an agenda item next year. Jodi will take note to add to our discussion for next year in August.

Joe asked if it had been a long time since we had done violation forgiveness passes. Jodi stated that we used to do them on Halloween, and it has been about two years since we did that. Joe stated that that could be an option for holiday shoppers as well.

Ian asked if the Board wanted to discuss this upcoming Black Friday now. Joe does not believe it rises to the Board level but asked what other board members think. Peter stated it is not a board-level decision, and he believes that in order to do something appropriately that is coordinated with the MDA, etc., the timing of earlier in the year makes more sense. Joe asked Ian and Jodi to gather information this year and put together a plan for next year.

Joe noted that we are coming up on Ian's six months, and he is coming to the end of the probation period. He will be reaching out to City HR. January 19 is six months. We may not have a December meeting, so he will be reaching out to Board members for comments and opinions so he can meet with Ian in the middle of December. Through coordination with HR, other staff members, and Board members, they will look at moving Ian out of his probation period.

Ian added Anderson ZurMuehlen started their audit. We have provided them with preliminary reports and are working on questionnaires. They are trying to schedule a field visit for this week.

## **9. Action Items - None**

## **10. Non-action Items**

### **a. New Business**

#### **i. T2 Hotel Integration**

Ian shared the Statement of Work from T2 on the Hotel Integration and integration of permits and leases online. He passed it over to Jodi for an overview.

Jodi stated that MPC reached out to T2 because we have the Mercantile hotel with a valet, and there is a new hotel called the Wren opening next spring that will also utilize

valet services. Both hotels will utilize the Park Place garage. Currently, the Mercantile leases 66 spaces in the Park Place garage that they utilize for their valet parking. Those spaces are signed, and the valets are required to back in the cars and place a sign in the window for enforcement. We would like to do away with window permits so that we can utilize our LPR software for all enforcement. To do that, we need our permits to be available online so that customers like the valets can go into an online portal and add license plates of the vehicles they will be parking within the lease areas to their existing permits. This will allow us to remove the signage that marks public use spaces as valet-only parking spaces. It will also be useful for other businesses that have multiple permits – they will be able to manage their employee’s license plate changes without having to contact our office and have license plate changes made through our administrative team. It will also allow people to pay their permit fees online. Currently, people receive a lease invoice, and they must either call in or mail in to make their payment. There is no online payment option. Several leaseholders have requested this functionality over the years. Finally, it will allow for our waitlists to be transferred from Excel spreadsheets to the online portal. It will automate a lot of our administrative processes for leased parking.

Ian mentioned that there is great potential to minimize that turn-around time from when someone cancels to when a new leaseholder purchases that lease. It would eliminate some burden from our administrative staff, but it will also add a higher level of customer service.

Glenda is a fan of automating the process so that we are not keeping waitlists on spreadsheets. She is 100% on board with that. If the ask is to give more lease spaces to hotels Downtown, it is a hard no for her. She is not sure if this is combined like we’re doing it to do the hotel thing. It seems like two requests – automation for all users in the system and then the request for the hotel purchasing spaces. She explained that there was a charette for Downtown business owners, and there was an overwhelming request for employee parking and for street parking for customers. None of them said they wished that more parking would be leased to the hotels Downtown. This, to Glenda, is two steps forward in automation and 12 steps back on giving more spots to hotels. Giving a new hotel more parking is a disincentive for hotels to build their own parking. The citizens of Missoula pay for these structures.

Joe largely agrees. He asked Jodi if the change in the automation and technology will allow for the hotels to have access to any more spaces than what they already have leased. Jodi responded no. The spaces we are talking about for the Mercantile are spaces they already have, and the spaces for the Wren are spaces that they already have. The Wren is currently at the top of the business waitlist for spaces that come available in the Park Place garage. It would do two things – it would allow for the spaces they already have to be managed on the day to day by them instead of by our administrative team, and for them to purchase hourly pay passes to park vehicles in hourly pay spaces.

Joe asked, what if a hotel grabs 25 hourly parking spots – is there any cap or restriction or throttle that we must limit that? Jodi responded yes. The caps are set through that permitting program that T2 will set up for us, and it would be based on the customer type. So we would be able to say customer type “hotel” is allowed up to 3 hourly passes for a day. Once they use the three passes, they can no longer purchase more.

Glenda asked because the Wren is not yet open and leases reset annually; she would love to have a larger discussion about how many spaces we as a parking commission would like to allocate to single users and whose expense is that. And is that the intended outcome of bonded structures that cost millions of dollars? Who is being shut out of parking opportunities because of it? So, without further conversation, she is not in support of this.

Pat Corrick asked how many spaces the Mercantile has access to right now that came with their purchase of that property. Jodi responded that they currently have access to 67 spaces inside of the Park Place garage. Pat asked if that includes spaces that they lease or if that is just 67 spaces they have access to. Jodi stated that those are the spaces that they lease. Pat was under the impression that there were a certain number of spaces that flowed with the title to the Mercantile – is that accurate? Jodi responded that there were 30 spaces that were set aside when the Park Place structure was built for any business that purchased that Mercantile building. These spaces were listed as “available to the purchaser,” so those 30 are included in the 67 lease spaces they have. They do pay the same rate that any other business that purchased a lease space would be paying. Pat asked to be confirmed that they have an additional 37 spaces that they are leasing. Jodi replied yes. Pat tends to agree with Glenda and Joe that those structures are really built and intended for Downtown business and shopping. He is curious about the 37 leased to the AC and spaces we lease to The Wren. He asked how The Wren came to the top of the waitlist. Jodi explained that they got on the waitlist years ago when they started planning for that hotel. Pat asked if that was for employees or overnight hotel guest parking? Jodi explained it was for valet parking, so they would be parking their hotel guest cars in the structure. Pat asked how many spaces they wanted. Jodi stated that they currently have 14, and when they got on the waitlist, they got on for 50 spaces. Joe clarified that the first 36 that come available are marked for The Wren. Jodi confirmed.

Glenda asked how many are on the waitlist total in businesses versus individuals. Jodi stated that the business waitlist currently has 194 on it, and the individual waitlist has three people on it. Glenda asked if someone asks for 37 spaces does that mean they get 37 spaces? Jodi explained that it does not, but it does give them a priority. How the waitlist policy currently works is when a spot becomes available, we contact the person at the top of the waitlist and offer them the available space. With the Park Place garage, it is complicated by the bonding ratio that we must maintain – a certain number must be sold to individuals and a certain number to businesses, so if it is an individual space that opens, we don't call The Wren, we call the next person on the individual list. Joe clarified the ratio is 51% individual to 49% business. Glenda asked how many physical spaces were in the garage. Jodi stated 333 total, 53 are hourly spaces, and the rest are lease spaces. Glenda noted that if The Wren gets all the spaces they are asking for, fully 1/3 of the parking structure would be valet parking, and we have an extensive list of business people who want access, which doesn't include the hotel's access to the hourly spaces. She is uncomfortable with the use and distribution of that public asset.

Joe asked that we bring forward the policy of our waitlists again in our next meeting. It might be a larger Downtown conversation, but the Board needs more information. Joe doesn't want to make policy decisions on the fly. Jodi agreed to come back to the meeting with our existing policy and some options for updating the policy. She asked if he wanted it on as an action item or discussion. Joe asked that it go on as a discussion.

Pat also wants us to consider times when the hotels have access to parking, not during the day at some sort of a discounted rate where they must be out by 7-7:30 am. Peter asked if this scope of services from T2 could be disconnected from this discussion of hotels. He asked if, regardless of if there are 60 spaces for hotels of 100 spaces, this work as outlined in the scope of services would be valuable to the administrative processes of the Parking Commission. Jodi replied that that was correct. It would be used for all businesses that have lease spaces in all our leased lots and structures, not just hotel leases. Peter noted that he is not seeing anything in the scope of services that increase the number of spaces allocated to hotels. Based on what he has heard, he is in favor of the scope of services presented. He is also in favor of the policy discussion. Joe stated that it is not an action item – it is within the budget and within the director’s authorization to approve. It was brought forward as a non-action item.

Ian added that with the waitlist functionality being moved online, we would be in a position to set programming toward policy decisions.

Peter commented that part of the plan would be an email-driven system. Do we need to make sure that there is a mode of communication in addition to email? Just consider that as MPC implements new technology.

Glenda wants constituents Downtown to provide feedback on the waitlist and lease policies so that everyone can hear directly from business owners what the need is across multiple businesses and for employees. She would also love to hear what the hotels making the requests for spaces views are – will they be using them for employees? And what is their holistic approach to parking is outside of utilization. Because of the existing need for employee parking – she wants to understand what they are asking for and what they are providing.

#### **ii. Meeting date/times**

Ian noted that we need to book next year’s meeting dates and times. Ian wants to gauge what times and dates work for Board members. Joe likes this slot and the consistency in it. He is interested in the appetite and interest of the City, Commissioners, and the public for meeting in person. The meeting time works for Pat. Glenda likes the current day and time and would be fine meeting in person as long as COVID stays where it is with vaccinated people. JR and Peter agree to keep the same meeting time. Joe directed Jodi and Ian to set the meeting time out at least through the end of the fiscal year and asked to get the Jack Reidy room. He asked that Ian talk to City Attorneys and HR, etc., about the switch to in person.

Joe asked to look at a date in the first quarter of 2022 for a Board or Strategic planning retreat. It would be about a 4-hour time commitment and not in lieu of a regular meeting.

#### **b. Old Business**

### **11. Setting of next meeting (January 11, 2022, Jack Reidy Conference Room or via virtual meeting) and adjournment**

Respectfully submitted,

Jodi Pilgrim

DRAFT