

# Memorandum



**TO:** Parking Advisory Commission

**FROM:** Craig Raymond, Director, Planning and Community Development

**DATE:** September 14, 2016

**SUBJECT:** Parking Assessment District Option

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During the course of our evaluation and discussions of improving the downtown parking program, we have focused extensively on policies, procedures and how to best improve the customer experience. While we have had some minor or preliminary discussions on how best to generate the needed revenue to operate and maintain the system, we have not addressed this subject completely. I believe that the City Commission has an expectation that this body, the Parking Advisory Commission (PAC), is working towards finding solutions that will enable the downtown parking program to operate in the black and continue to serve the downtown businesses, residents and patrons well into the future. In the coming months, I intend to lead the discussion and focus on this particular topic, while continuing to find system improvements along the way.

With this in mind, we need to come to an understanding that increased usage alone will not adequately provide the needed revenue to undertake major deferred maintenance improvements, as well as plan and budget for needed routine maintenance into the future. If there is one lesson to learn from the departure of NEW/Asurion, it is that your customer base will fluctuate in the course of time and it is not possible to rely solely on revenue generated from key downtown tenants. We also have learned that the revenue currently generated from on-street meter fees and fines is not adequate to carry the entire system. As I see it, we have two options at this point in time:

- 1) Increase meter rates, as well as garage and surface lot lease rates
- 2) Consider the creation of a Downtown Parking Assessment District

Although it is a fact that our meter and lease rates are extremely low, we also know through the feedback gained from the parking survey that the downtown customers and residents may not tolerate an additional increase in meter and lease rates or increased fines. I do not share the belief that increasing these rates should be off the table; however, if the PAC and the City Commission are not willing to entertain this option, the next most likely option would be the creation of a Downtown Parking Assessment District. If such a district were created, it would provide a consistent and predictable source of revenue so that a deferred maintenance plan and budget can be created. Attached to this memo is some information out of the MCA's that provide for some of the details of creation of such a district.

At the next PAC meeting on September 19th, we will begin to focus on this concept and start to develop a proposal that can be brought to the public and the City Commission can act on.

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**7-12-4165. Assessment of costs -- offstreet parking option.** (1) When the purpose of the assessment is for the establishment and/or improvement of offstreet parking as provided in this section, the city council or commission shall assess, against the real property specifically benefited by the offstreet parking facilities, the cost of the developments involved in proportion to the benefits received by each benefited tract of land within said district.

(2) In determining the benefit to be received by each parcel of land, the council or commission shall consider:

(a) the relative distance of the parking facility from each parcel of land within the area of the special improvement district;

(b) the relative needs of parking spaces for each parcel of land located within the boundaries of said district, either as established by the city zoning ordinance, if any, or otherwise, with relation to the use of said parcel;

(c) the assessed value of each parcel within said district;

(d) the square footage of each parcel within said district as it relates to the whole;

(e) the square footage of floorspace in any improvements on the parcel and the various uses of such floorspace;

(f) the availability of existing onsite parking space on any parcel of land within the district.

**History:** En. Sec. 14, Ch. 89, L. 1913; re-en. Sec. 5238, R.C.M. 1921; amd. Sec. 1, Ch. 163, L. 1925; re-en. Sec. 5238, R.C.M. 1935; amd. Sec. 1, Ch. 39, L. 1955; amd. Sec. 1, Ch. 330, L. 1971; amd. Sec. 1, Ch. 85, L. 1973; R.C.M. 1947, 11-2214(part); amd. Sec. 40, Ch. 665, L. 1985.

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**7-14-4711. Authorization for improvement districts for pedestrian malls, offstreet parking, parkings, and parkways.** (1) An improvement district may be formed for the sole purpose of operating, maintaining, repairing, and improving pedestrian malls, offstreet parking facilities, and parkings and parkways.

(2) Subject to the powers granted and the limitations contained in this part, the powers and duties of the municipality and the procedure to be followed are as provided in parts 41 through 44 of chapter 12 for other types of special improvement districts.

**History:** En. Sec. 1, Ch. 89, L. 1913; re-en. Sec. 5225, R.C.M. 1921; re-en. Sec. 5225, R.C.M. 1935; amd. Sec. 1, Ch. 136, L. 1967; amd. Ch. 280, L. 1971; amd. Sec. 28, Ch. 566, L. 1977; R.C.M. 1947, 11-2201(3), (4).

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