

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

ORDINANCE

An Ordinance Amending "The Code of Ordinances City of Lowell, Massachusetts" With Respect to various articles in Chapter 266 as they relate to parking rates and fines: Article VII Entitled, "Parking Meters"; Article IX Entitled "Public Off-Street Parking Areas"; and Article XI entitled "Miscellaneous Parking Fines".

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOWELL, as follows:

"The Code for the City of Lowell," hereinafter called the "Code", adopted by the City Council on December 23, 2008, is hereby amended with respect to Chapter 266 thereof, by amending certain sections relating to parking rates and or fines.

It is recommended to update some Parking Rates and Fines in the Parking Department.

1. **§266-90. Parking meter rate.**

A. Notwithstanding anything in this Article VII to the contrary, the parking meter rate for all parking meters in all areas of the City is \$0.30 for each 15 minutes and \$1.50 for each hour is hereby amended to read as follows:

A. Notwithstanding anything in this Article VII to the contrary, the parking meter rate in the City of Lowell is hereby established according to the following levels of demand:

High Demand Zones – the parking meter rate for all parking spaces in high demand zones is \$0.625 for each 15 minutes and \$2.00 for each hour.

Moderate Demand Zones – the parking meter rate for all parking spaces in moderate demand zones is \$0.30 for each 15 minutes and \$1.50 for each hour.

Low Demand Zones – the parking meter rate for all parking spaces in low demand zones is \$0.25 for each 15 minutes and \$1.00 for each hour.

The relative level of demand zone for a particular parking space may be determined by the Parking Director based on an examination of the parking data from the kiosk computer system for a period of at least three months.

If, during the examination period, the level of demand in a particular space or block of spaces exceeds 85%, the Parking Director may, upon approval by the City Manager, designate said spaces as “**High Demand Zones**”.

If, during the examination period, the level of demand in a particular space or block of spaces is below 15%, the Parking Director may, upon approval by the City Manager, designate said spaces as “**Low Demand Zones**”.

In any zone within the Central Business District, the Parking Director, may with the approval of the City Manager, grant a fifteen (15) minute grace period, in an effort to promote economic development.

2. **§266-120. Davidson Street Lot.**

The schedules of parking rates at the Davidson Street Lot for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023, shall be amended as follows:

B. Monthly pass card rates.

- (1) Individual pass card: \$125, market rate.
- (2) Pass cards, group billing (20 or more): \$112.50, 90% of market rate.
- (3) Residents of central business district: \$100, 80% of market rate.
- (4) Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per month per space.

C. Transient (hourly) rates.

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section C which shall read as follows:

“C. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

3. **§266-121. Joseph Downes Parking Garage.**

By Amending Section B as follows:

B. Parking Rates. The schedules of parking rates at the Joseph Downes Parking Garage for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023 shall be amended as follows:

(1) Monthly pass card rates.

- a. Individual pass card: \$125, market rate
- b. Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- c. Residents of the central business district: \$100, 80% of market rate
- d. Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month

(2) Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section C which shall read as follows:

“C. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

4. **§266-122. Leo A. Roy Parking Garage.**

The schedules of parking rates at the Leo A. Roy Parking Garage for monthly pass card holders

and transient (hourly) rate parking, effective July 1, 2023, shall be amended as follows:

A. Monthly pass card rates.

- (1) Individual pass card: \$125, market rate
- (2) Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- (3) Residents of the central business district: \$100, 80% of market rate
- (4) Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month.

B. Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section C which shall read as follows:

“C. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

5. **§266-123. Lower Locks Parking Facility.**

The schedules of parking rates at the Lower Locks Parking Facility for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023, shall be amended as follows:

A. Monthly pass card rates.

- (1) Individual pass card: \$125, market rate
- (2) Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- (3) Residents of the central business district: \$100, 80% of market rate
- (4) Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month.

B. Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section C which shall read as follows:

“C. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

6. **§266-124. George A. Ayotte Parking Facility.**

The schedules of parking rates at the Lower Locks Parking Facility for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023, shall be amended as follows:

A. Monthly pass card rates.

- (1) Individual pass card: \$125, market rate
- (2) Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- (3) Residents of the central business district: \$100, 80% of market rate
- (4) All students within the City of Lowell public school system shall pay \$33 per month per space. Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month.
- (5) Seven hundred fifty spaces shall be provided to the Wannalancit Tech Center at the rate of \$16.75 per month as adjusted annually based on the Consumer Price Index.

B. Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00

Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section C which shall read as follows:

“C. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

7. **§266-125. Edward J. Early Parking Garage.**

By Amending Section B as follows:

B. Parking Rates. The schedules of parking rates at the Edward J. Early Parking Garage for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023 shall be amended as follows:

(1) Monthly pass card rates.

- a. Individual pass card: \$125, market rate
- b. Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- c. Residents of the central business district: \$100, 80% of market rate
- d. Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month

(2) Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50

Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section E as follows:

“E. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

8. **§266-126. HCID Parking Facility.**

By Amending Section B as follows:

B. Parking Rates. The schedules of parking rates at the HCID Parking Facility for monthly pass card holders and transient (hourly) rate parking, effective July 1, 2023 shall be amended as follows:

(1) Monthly pass card rates.

- a. Individual pass card: \$125, market rate
- b. Pass cards, group billing (20 or more): \$112.50, 90% of market rate
- c. Residents of the central business district: \$100, 80% of market rate
- d. Persons 65 years of age and over residing in downtown Lowell and handicapped or disabled persons residing in downtown Lowell shall pay \$46.50 per space per month

(2) Transient (hourly) rates

Hours	Fee
Up to 1 hr	\$1.50
Up to 2 hrs	\$3.00
Up to 3 hrs	\$4.50
Up to 4 hrs	\$6.00
Up to 5 hrs	\$7.50
Up to 6 hrs	\$9.00
6 to 24 hrs	\$11.00

And inserting a new section E as follows:

“E. CPI Adjustment. All parking rates in this section shall be adjusted upward (but not downward) annually based on the Consumer Price Index plus 1% each July 1. Adjustments shall be rounded to the nearest quarter.”

8. All provisions of the Lowell City Code, as amended, which are consistent with this Ordinance, shall continue in effect, but all provisions of said Code inconsistent herewith, are repealed.

9. This Ordinance shall take effect upon its passage in accordance with the provisions of Chapter 43 of the Massachusetts General Laws.

APPROVED AS TO FORM:

Corey Williams
City Solicitor




Conor Baldwin
Chief Financial Officer

Austin Ball
Deputy CFO

MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager

FROM: Conor Baldwin, Chief Financial Officer 

CC: Terry Ryan, Parking Director

DATE: June 6, 2023

SUBJECT: FY24 Enterprise Fund Rates and Forecast – Parking Rate Recommendation

During the final preparations for the FY2024 operating budgets for the general fund and the city's three enterprise funds (water, sewer, and parking); the finance department updated the existing forecast models to incorporate oncoming debt service and other rising fixed costs. This annual process is an important component of the city's financial plan and helps assess the short and medium term fiscal health of each fund. Over the course of the past year, the finance department has worked with the management team at parking departments to fine tune the cost projections associated with the new loan orders approved by the City Council, for the HCID garage.

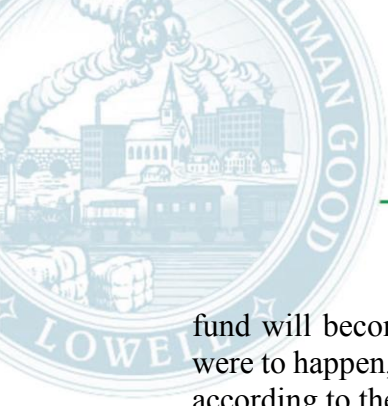
Parking Enterprise Fund – Background

Based on the most recent certification by the Department of Revenue (“DOR”), the retained earnings for the parking enterprise is approximately \$2.2 million. An undesignated fund balance equal to 10% or greater of the annual revenue for the fund is a best practice according to the Government Finance Officers Association (“GFOA”). The accumulated balances in the fund will quickly deteriorate, though, after the additional debt service associated with utility infrastructure capital improvement plan (“CIP”) comes online.

Previously, in the parking fund, the fund balance had been able to sustain the expenses, however since the Covid-19 pandemic the fund has not rebounded to previous levels. Through various Finance Subcommittee meetings, we have discussed the proposal of re-tooling the parking ordinance and bringing it up to the 21st century with the flexibility of dynamic pricing. Attached for the council is a proposal that is allowing for a modest increase to on street parking as well as an increase in the parking garage fee.

Parking Rate – Analysis & Recommendation

The Finance team in conjunction with the parking director is purposing increases to both the on-street rate and the parking garage rate. If action is not taken by the council the parking enterprise



Conor Baldwin
Chief Financial Officer

fund will become insolvent after FY2024, depending on annual budgetary performance. If this were to happen, annual operating deficit would need to be raised on the subsequent year's tax rate, according to the rules established by the DOR.

Austin Ball
Deputy CFO

The recommendation to increase revenues necessary to fund operations and build capacity for oncoming capital debt service is at the forefront of these rate increases. I have sent the necessary documentation to the law department to prepare an amendment to the Ordinance which governs Lowell's parking fees for a proposal to the City Council to accompany the FY2024 budget. Please see the attached revenue analysis for further detail.

Please let me know if you have further questions.

Mayor Sokhary Chau
And
Members of the Lowell City Council

Dear Mayor Chau and Members of the Lowell City Council,

In June of 2022, the Administration presented a parking study completed by an outside engineering firm, which recommended among other things, changes to the parking rate structure. Using a utilization target rather than a set hourly fee is a better overall management approach and should be the goal of policy-makers and legislators.

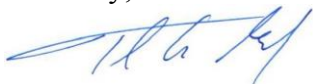
Best practice parking departments are asked by their local legislative bodies to meet and report on adherence to a target rather than setting prices thereby focusing on the goal of parking availability for economic development. By attaching performance of the downtown parking system with a utilization target, less concern over the fate of individual parking spaces can materialize as a broader understanding of parking availability on a block-by-block basis is realized. This allows for better curbside management within the downtown transportation system, broadening the possibilities to install or shift important uses such as disabled access, commercial loading, bus stops, bicycle lanes, and passenger pick-up and drop-off zones. Opportunities to repurpose on-street parking for outdoor dining or gathering spaces becomes easier to argue.

The Finance Subcommittee met twice over the last year to discuss the proposed Parking Rate. The proposed parking rate ordinance is essential to the sustainability of the parking enterprise. The Subcommittee requested that the City Manager meet with property owners and landlords downtown to discuss and investigate possible grouping discounts for those businesses.

The revised Ordinance achieves a delicate balance of raising the much-needed revenue without overly burdening the city's valued customers. The current proposal maintains all existing discounts for groups like downtown residents and seniors, albeit with slight adjustments in the percentages for group billing discounts. The previous proposal increased the rates by approximately 40%, while the current proposal calls for nearly half of the initial proposed increase to the rates, but institutes dynamic pricing availability for the Parking Director.

This rate increase is critical in order to fund the loan order for the new garage as well as repair and maintaining the conditions at the current garages. I have attached a memorandum from the Chief Financial Officer for additional information regarding the rate proposal, as well as a memorandum from the Parking Director.

Sincerely,



Thomas A. Golden, Jr.
City Manager

CC: Conor Baldwin, Chief Financial Officer
Terry Ryan, Parking Director