



A regular Board Meeting of the Missoula Parking Commission was virtually held on **Thursday, July 2, 2020**, at **12:00 p.m.** Those in attendance were Board members Joe Easton, John Roemer, Glenda Bradshaw, Pat Corrick, and JR Casillas. From the Missoula Parking Commission (MPC) were Tiffany Brander, Parking Services Director and Jodi Pilgrim, Parking Services Manager. Also in attendance was Jim Galipeau from JCCS, Linda McCarthy from the Missoula Downtown Partnership, and Susan Aaberg from the City Attorney's Office.

**1. Call to order – Joe Easton**

**2. Introductions –**

Jodi Pilgrim facilitated a roll call of everyone in attendance. Joe Easton asked new Board member Glenda Bradshaw to introduce herself and give some background on what brought her to the Parking Commission board.

Glenda stated that she is a citizen, a small business owner on the Hip Strip, the director of consulting services at MOFI, and is on the Board of Directors for Clearwater Credit Union. She has a background in retail.

**3. Public Comments & Announcements**

Joe Easton asked for public comment. There were no calls, but Jodi Pilgrim stated that several comments had been emailed in for the Board's consideration. Joe asked that Jodi read them in to the minutes stating the person's full name.

From Annie Cathey:

Good Morning, I wanted to just leave public comment on the parking fee increases by the City of Missoula. I feel that there could not be a more inappropriate time to be asking for such a significant rate hike. For myself this would be an increase from \$60 to \$75 a month. Like a lot of other people right now I am working remotely from home, so I pay for parking I am not currently using. The increase of \$15 a month directly effects my income and takes my hourly pay down significantly. As a government employee our potential for a cost of living increase this year is doubtful do to the significant impacts of COVID-19. Please reconsider this increase and take notice of the impact it will have on our community. I would ask that this increase be tabled and brought back for consideration when our community is done recovering from this current terrible time for everyone.

Thank you for your time and consideration of my request.

From Lee Ann Otis:

Good Morning, I recently received my statement for my leased parking, along with a notice that the rates will be increased. My question is: why was there no notification with the lease holders that this was happening. From \$60 to \$75 is a HUGE jump. I realize your objective is to make people give up their spots for the inability to absorb this cost, but really? I hope the parking commission takes into account that we all have increased costs to pay, besides the parking, but we do not get the pay raise to absorb the additional cost. I would hope that this would be reconsidered.

From Brett Weber:

Very disappointed. Highest rates in the state. Charging a premium price for substandard facilities. I park in riverside for last 5 years. Never seen any weeding or sweeping of the curb areas. The underground bank lot leaks and any vehicle parking there gets as wet as if parking outside. Only seen this area swept once. Currently pretty dirty. Appears to be waiting list for all parking which to me equates to 100% occupancy. Where are you spending our parking fees? Certainly not on upkeep. Sent from my iPhone.

From David Bell:

Dear Members of the Missoula Parking Commission, As the former and current owners of the Historic Florence building downtown, we took great interest in your June notice to lease holders regarding the proposed parking rate increase. First, we applaud your decision to postpone the increase, originally planned for July of this year, given this unprecedented time of uncertainty. Increasing parking rates at this time, or frankly any time over the foreseeable future, would be a terrible idea. Commercial property owners with parking dependencies, especially in downtown Missoula, are already under tremendous pressure as tenants struggle to pay rent and the “work from home” phenomenon raises uncertainty about lease (and by extension, parking) demand on the horizon. Additionally, most employers do not fully subsidize parking for their employees so this increase is, effectively, a tax increase on downtown Missoula workers. Further, on any given day significant numbers of existing leased spaces are vacant when downtown workers are absent due to illnesses, vacations, etc. These absences are often known well in advance. Other municipalities around the country have invested in tools to bring efficiencies and revenue to vacant space utilization. When leased spaces are empty it frustrates potential customers who would patronize downtown businesses and deprives the City from the opportunity to “double dip”, earning daily parking revenue from vacant leased spaces. These tools are widely available. Increasing parking rates on the back of Missoulians and Missoula businesses before obvious efficiencies are utilized seems unwise. We encourage the Commission to capture untapped value that is in front of us before adding additional expense burdens and increased risk on the people of Missoula who park downtown.

From Tom Severson:

Dear Members of the Missoula Parking Commission, as the primary owners and tenant of the First Interstate Bank Building at 101 E Front Street in downtown Missoula, we are pleased to see you chose to postpone this increase given these unprecedented times. But further, any increase during and following this time of uncertainty is not good for downtown employees of businesses. Many downtown employees are not fully reimbursed for parking expense, so this is an additional cost, or penalty, for working downtown. Additionally, in lieu of increased rates, the Parking Commission should capitalize on earning revenue on the 10% or so of already leased spots that always sit empty. That was something Rod Austin had always talked about doing, I’m just not aware it ever moved forward. Certainly a way of taking the burden off of downtown workers and shifting it to downtown retail patrons in search of a place to park, and willing to pay. Thank you for your consideration.

From Sue Stanley:

Hello, I just wanted to comment on my thoughts about the planned rate hike for parking, and I will not be able to attend the Zoom meeting for today. I see the proposed hike for me (Woody Lot) is moving from \$60 to \$75, a very substantial hike. I work for Missoula County Attorney Office, and have been working remotely from Condon Montana since March 17<sup>th</sup>; given the current COVID situation and the fact that I and my husband are considered high risk, I am told by my supervising attorney that I may not be back in the office until after the end of the calendar year.

I spoke with your office in the beginning of the COVID closures to see if I could at least continue to pay for my spot and let someone who is working use it. I was told no. I am over 65, suffered a major broken ankle several years ago, and need to be able to have a close and safe accessibility to parking. Recently, my bargaining unit for

Missoula additionally absorb a very large increase for a parking spot that we nor anyone else seems able to use. What does seem reasonable is to practice good faith for employees who only want to return to their jobs as normal, and postpone this increase until next year.

Thank you for the job that you do. Would it be possible for this comment to reach the Board of Directors?

Tiffany Brander had a summary of a conversation with a lease holder that had contacted her directly by phone. She read it for the Board.

From Sandra Morris:

She was unable to attend the virtual meeting due to her work schedule. She would like the Board to know that she parks in the Woody Lot and she feels that the \$15/month increase is excessive. She feels the \$15 jump to catch Woody Lot up to similar lots in the Downtown core is unfair and shouldn't be such a large amount. Instead of increasing leases, she feels we should increase the fine amount for people parking in the leased areas without a permit.

Joe noted that Board responses to the comments would be a part of the Action Items discussion.

#### **4. Adjustment(s) to the Agenda – None**

#### **5. Approval of Minutes**

- a. Board Meeting held May 18, 2020. John Roemer motioned to approve the minutes. JR Casillas seconded this motion. The Minutes from May 18, 2020 were unanimously approved.

#### **6. Communications and Presentations – None**

#### **7. Financial Statement – Jim Galipeau**

Jim explained that on a monthly basis, JCCS presents a financial statement. They put together a full set of financials and then a Dashboard, which is an abbreviated version of the full set. Total assets were \$22,927,000.00. Liabilities don't really show accounts payable on a monthly basis, but there is accrued interest, the contract with the City, accrued compensation, and accrued merchant fees. Accrued merchant fees is a set number and it is trued up with the City at the end of the year. Cash and investments on the balance sheet tries to show what is actually available to the Parking Commission. Net cash available was a little over \$1,000,000.00. We are coming in to this month with low revenues - we do have a little meter revenue and we have our regular lease revenue. Total revenue for the month was \$94,000.00. Expenses are meter and administrative as well as personnel expenses. There were three payrolls in May, so the personnel expense is higher. Total expenses for May was \$130,000.00. Net income from operations was a loss of \$37,000.00. Overall net income was a loss of \$119,000.00.

Year to date, net operational income was a little over \$1,000,000.00. Bottom line net income for the year was about \$121,000.00.

Jim reviewed the graphical representations from the dashboard, then asked if there were any questions. There were no questions for Jim at this time.

#### **8. Director's Report – Tiffany Brander**

Tiffany gave a staff update. We are back in the office with one admin in the office on alternating days Tuesday through Friday. The office is too small to be open to the public, so we are serving on appointment basis only for the foreseeable future. On July 13<sup>th</sup>, we will have the office fully staffed Monday – Friday from 8:00am – 5:00pm.

#### **9. Action Items**

- a. **FY21 MPC Budget**

Joe Easton explained that last meeting he and Pat Corrick had asked for some budget scenarios from Tiffany. For our bond covenants, according to Dorsey Whitney, we have a 135% annual principle and interest requirement. Some of these scenarios should bring us close to that floor.

Tiffany Brander stated that it will be imperative going forward that the board has in depth monthly and quarterly reviews because our revenue stream is up in the air. Tiffany explained that the Board packet included the Parking Commission Departmental Budget. The first section is Personnel Expenses. Tiffany is not requesting any new staff for FY21 and pointed out that there will likely be some salary savings due to the retirement of an enforcement officer. We will not be able to fill that position right away. We also have an Administrative Assistant 1 position that is vacant that we will not be filling. Purchased Services has the most significant reductions. We likely will not be utilizing funds for a parking consultant or the accredited parking organization. The maintenance reserve allowed Tiffany to make a significant reduction of \$83,000.00.

Glenda Bradshaw asked Tiffany what is included in the Other Purchased Services item line. Tiffany answered the City of Missoula Contract which is the fee that MPC pays to the City of Missoula for services.

Joe Easton asked Tiffany to describe what services MPC receives from the city. Tiffany answered City Attorney's Office, financial services, IT, engineering, etc. There is not a breakdown of the specific services we receive.

Glenda asked if the budgeted amount is based on revenue. Tiffany does not have an answer at this time and will look into this breakdown further.

The Grants and Contributions fund has \$39,300.00 that has not been allocated to anything in FY20 or FY21. A \$48,000.00 contingency is included in the budget and Tiffany does not believe there is a reason for it. The final reduction is for Machinery and Equipment. This leaves a proposed ending fund balance of \$31,000.00. \$900,000.00 is estimated for charges for services. The estimate shown for parking lease revenue projection is \$1,118,000.00 if the rate increase is postponed indefinitely. Parking ticket revenue is historically no more than \$220,000.00.

MPC is required to establish and maintain rates, fees, charges, and rental facilities that produce net revenue no less than 135% - this is 1.35 debt coverage. Cash balance does not matter for bond coverage. Based on this information, if we were to default, we would need to retain a parking consultant to prepare a report on how we have carried out our bond requirements. We would have to provide notice to the Municipal Securities rulemaking board within ten business days of becoming aware of possible noncompliance.

The original FY21 budget with the above listed adjustments, and with lease rate increases in effect October 1, 2020 provides a debt coverage of 1.97.

Scenario #1 includes lease rate increases effective October 1, 2020, lowered meter and ticket revenue, and no changes to expenses. This would ensure a 1.54 debt coverage.

Scenario #2 does not include lease rate increases. It shows lowered meter and ticket revenue, and no changes to expenses. This would ensure 1.35 debt coverage.

Pat asked Tiffany if we have a force majeure clause in our loan documents. Tiffany answered that this was not specifically addressed. Pat would like a follow up on the inclusion of this clause.

Scenario #3 does not include lease rate increases. It includes a lower revenue for short-term garage parking, meters, and tickets. Grants and Contributions is reduced from \$120,000.00 to \$90,700.00. The reduced payments include Transportation Demand Management (TDM) and Business Improvement District (BID). TDM includes Mountain Line Zero Fare, Missoula in Motion (MIM), and Missoula Ravalli Transportation Management Association (MRTMA). These contributions make a direct impact on transportation demand and how it is managed. The BID contribution is specifically for the Downtown police officer salary. MPC pays a quarter of the police officer's salary.

Glenda asked if MPC is obligated to the payment to the BID for the police officer's salary. Tiffany answered, at this time, yes.

Glenda asked if the amount could be diverted towards other social services.

Tiffany answered that it is directly related to the Downtown police officer. City Administration stated that if MPC did not contribute to this payment towards the Downtown police officer it is possible the position could be eliminated.

Glenda asked for other board member's feedback on diverting funds to other social services or organizations.

Joe explained the board can further discuss individual scenarios after the overview of budget scenarios.

Tiffany continued with Scenario #3, which ensures debt coverage at 1.35.

Scenario #4 does not include lease rate increases. It includes a lower revenue for short-term garage parking, meters, and tickets. This scenario includes grants and contributions that are only directly related to MPC's mission. This ensures debt coverage at 1.43.

All scenarios ensure debt coverage is met.

Joe asked for board input.

Pat's initial thought is to take a more conservative scenario like 2, 3, or 4. Pat thinks Scenario #1 is optimistic.

John is considering Scenario #2 or #3 and thinks a 1.35 minimum debt coverage would be satisfactory, but would like to see something higher. John would like to consider the partnerships MPC has created with the Missoula Downtown Association (MDA).

JR Casillas supports a conservative scenario that would produce a higher debt coverage.

Glenda agreed with John's previous statement and is leaning towards Scenario #3 or #4. Glenda agreed that the MDA should receive necessary funding. Glenda would support moving funds intended for the Downtown police officer to another entity.

Joe suggested the board come to a consensus about expenses. Joe stated that in his experience on the board Grants and Contributions are a difficult item line to budget because of requests that may not directly relate to MPC's mission. Joe supports providing funding towards programs that directly relate to reducing single occupancy vehicles and supporting sustainable transportation. Joe stated that while the BID police officer may offer services to parking garages, he questioned whether this amount is 25% of the officer's total work policing Downtown. Joe questioned that if the BID or police department is solely dependent on MPC's contribution how valuable the position to other Downtown entities is.

John explained that the use of the BID officer reduces loitering in parking garages and helps businesses maintain customers. John stated the board is in an unusual position because MPC has always done very well financially.

Tiffany commented that MPC receives a fast and safe response from the BID officer for occurrences in parking garages. The officer can assist individuals further to receive the help necessary.

Pat stated that the BID officer supports MPC's mission to provide parking to the Downtown. Pat supports funding a portion of the police officer's salary. Pat asked Tiffany for a summary of the contributions. Grants and Contributions include MRTMA for \$6,000.00. Based on our last communication with MRTMA about 50% of their rides go directly in MPC's jurisdiction. This directly serves the downtown community. In FY19 this equated to 9,400 rides saving 310,000 miles not travelled. First Night Pledge of \$3,000.00. Last year's ridership was down, and it is likely this year's contribution will be at a different level. Mountain Line Zero Fare contribution of \$35,200.00. Out to Lunch contribution of \$1,500.00 has been approved, but is not currently happening because of COVID-19. MIM CMAQ request for \$8,000.00 goes directly to their funding and programming. The total for TDM contributions is \$53,700.00. The BID officer contribution is \$32,000.00 and the MDA marketing campaign is \$30,000.00.

Glenda stated that it would be useful for downtown businesses to have a resource to contact for individuals in need that is not a police response. Glenda believes 24% of our grants and contributions is a large number and would support

some amount towards other social services. Glenda proposed contributing closer to 5%, which is about to \$6,000.00, to the BID officer. The other amount could be contributed to the Poverello Center or Missoula Housing Authority.

Joe would like to move towards a motion or determination about our expenses.

JR clarified that Scenario #2 and #3 includes the full amount for the BID officer.

Glenda motioned to accept Scenario #3 as proposed by Tiffany during the July 2 board meeting on the expense side tabling revenue side for further discussion. Glenda further motions on Grants and Contributions we leave \$90,700.00 in tact and redistribute all but 5% of the amount previously allocated for a police officer to be determined for social service agencies to perform similar activities on behalf of the downtown community that are currently being provided by the police officer.

Joe asked Glenda to split out the Grants and Contributions request from the approval of the scenario to hear other board members feedback.

Glenda approved the split.

Pat asked what other line items would be reduced. Joe answered that Glenda's motion requests that instead of \$32,000.00 towards the BID officer, \$4,500.00 is contributed and the remaining \$27,000.00 is left in the budget for other organizations.

Joe ruled the motion failed because of the lack of a second.

John thanked Glenda for the motion. He is concerned we are going to defund a project that someone else is counting on and has a proven track record.

JR agreed with Glenda's concept, but would like to have more concrete information about who would be providing the social services prior to voting and setting a money amount aside.

Pat proposed we adopt Scenario #2 with the caveat that we take a closer look at Grants and Contributions and have another conversation to address JR's concerns. Pat stated that if the board agrees to reduce funding to Grants and Contributions line item that would be fine, but taking a more conservative approach is important.

Tiffany explained that in Scenario #1 if the Administrative Assistant 1 position is not filled for FY21 it would be salary savings at a minimum of \$55,000.00. This allows for a coverage for 1.45 while still providing funding to TDM, BID, and MDA.

Pat motioned to adopt Scenario #2 with further considerations to the Grants and Contributions line item.

Joe asked if the further consideration would be today or later in the year. Pat responded further considerations would be at the next board meeting.

Pat suggested Tiffany put a portion of the salary reduction in the Personnel Services expense line item.

John seconded the motion.

Joe understands the value in reducing the \$55,000.00 from Personnel Services, but would rather see the position funded. He would rather see the worst case scenario rather than see the position defunded or eliminated with no ability to replace it. The board could make a budget adjustment and fund it if necessary. Joe would like to support the BID officer because of the goals of the position and is compelled by the level of service the position provides to parking garages and structures. Joe is not sure of the mechanics of approving funding the position at \$32,000.00 and still consider diverting funds to other social service agencies.

Pat asked JR for thoughts on what he would like to review for the Grants and Contribution line item.

JR responded he would like further information on the proposed providers of social services, such as their procedures and track records. JR agreed that it may be difficult to approve a funding amount today and make changes later.

Jim commented the board can approve a budget, but it does not have to be approved per line item. Adjustments can be made after the budget is approved.

Pat restated his motion. Pat motioned to adopt Scenario #2 with the \$780,000.00 personnel expense and \$120,000.00 Grants and Contributions line item expense.

Joe acknowledged the withdrawal of the previous motion.

John seconded the motion.

Joe asked for discussion on the expenses of Scenario #2.  
JR stated that Jim's information quelled some of his concerns.

Linda McCarthy, the Executive Director of the Downtown Missoula Partnership (DMP), provided commentary on funding the BID police officer. The BID police officer has been in place since 2009 and MPC has helped fund the position since. The officer bikes and walks the downtown and is a member of the Mayor's Downtown Advisory Commission that works on the ten year plan to end homelessness. The officer has specialized training and has recently utilized a social worker when responding to calls. Crime and loitering has been dramatically decreased since the position was established. The BID funds the Homeless Outreach Team (HOT). If MPC were to reduce contributions to the BID officer DMP would likely have to redirect HOT funds to cover the gap. Linda stated that the BID officer contract was renewed last spring. DMP has been working to add a second officer this fall to provide safety services Downtown seven days a week instead of four days.

A roll call vote was performed and the motion was unanimously approved.

#### **b. FY21 Leased Parking Increase Deferment & Resolution 2020-06**

Joe explained the current decision for the board is to determine if the leased parking increases should be deferred for the first quarter of FY21 or no lease increases for FY21. Scenario #2 does not preclude us from incorporating the increase in October if that is the board's decision.

John stated that it was difficult to make the decision to increase lease rates knowing that there was over usage and high demand in for lease spaces. John would be inclined to defer increases until closer to January 1 or March 1.

Pat agreed with John that raising rates right now is not the appropriate time economically. Pat suggested a temporary oversell of leases and keep parking rates the same for the foreseeable further.

John asked Tiffany if she sees any concerns for temporary leases. Tiffany answered that we have started providing temporary leases with no end date for essential employees downtown. We are moving through our waitlist and there is some difficulty selling leases.

Pat asked for the current utilization of short-term parking. Tiffany answered it has been relatively low. Pat agreed that if there is not demand that we should indefinitely suspend lease rate increases until there is a more economical environment.

John motioned now, therefore, be it resolved that the Missoula Parking Commission hereby defers the adoption of the following parking permit and lease rates indefinitely.

Joe suggested the motion states defers the adoption of the following parking permit and lease rates for the 2021 Fiscal Year without using the word indefinitely.

John accepted this change.

JR seconded the motion.

Joe asked for comments. No comments were heard.

A roll call vote was performed and the motion was unanimously approved.

**c. Missoula Ravalli Transportation Management Association CMAQ Match Funding Request - \$6,000.00**

Joe explained that \$6,000.00 is contributed to a local match in order to fund a larger federal grant.

JR motioned to approve the funding request from the Missoula Ravalli Transportation Management Association for FY20 in the amount of \$6,000.00

John seconded the motion.

Joe supports this request because MRTMA directly supports MPC's mission.

A roll call vote was performed and the motion was unanimously approved.

**d. Video Surveillance Policy & Resolution 2020-05**

Tiffany provided further background information on how the policy was prepared. Susan Aaberg from the City Attorney's Office is on the call to answer questions. At the last meeting the installation and cost for video surveillance were approved. Cameras have now been installed. There was concern about the intention, use, and access to video footage. Tiffany worked with the City Attorney's Office regarding the policy's privacy aspects to provide a secure environment while avoiding unnecessary intrusions. The policy does not include anything applying to the video for non-surveillance purposes.

Joe believes there should be a balance between providing video surveillance for public protection and ensuring privacy to the public. Joe would like to make sure the policy states the video can only be accessed by the Parking Services Director (PSD) or Parking Services Manager (PSM). Joe believes V. 1. b. should be removed from the policy because it does not match information later in the policy regarding the police department cause to view the video. Joe asked Susan to provide further definition for reasonable expectation of privacy. Susan answered that once the person is out in the public they do not have a reasonable expectation of privacy whether they are sitting in a car or not. Joe asked Susan if V. 1. b. allows the police department to have all access to footage within an investigation. Susan answered that even if it is not in the policy the police could subpoena. Tiffany added that under V. there are two sections – Access and Use and Data and Access to the actual video. If there was an active event and the police asked for live footage this would be a reason to include this section in the policy. Tiffany does not see an issue with striking this language. For the police to obtain the footage it would be under Section 2 with a subpoena or through the Video Management Policy.

Tiffany stated that footage access is only available through the PSD's and PSM's computer. It is a dual control system.

Glenda would be more comfortable striking V.1.b. or replacing it with language regarding an active investigation. Glenda would like to add language that cameras are used to surveillance entries, exits, and any areas where cash is changed.

Pat and John agreed with the previous statements made.

Joe asked if the board feels the language on page 2 paragraph 2 meets their concerns about staff access to the video surveillance system.

The board agreed that it does.

John motioned to approve Resolution 2020-05 adopting a video surveillance system policy for MPC owned facilities. JR seconded the motion.

Joe is interested in striking V.1.b. from the policy.

John added that his motion would include striking V.1.b from the policy. JR seconded this with this intention of striking.

Joe asked for comments. No comments were heard.

A roll call vote was performed and the motion was unanimously approved.

**10. Non-action Items**

- a. New Business**
- b. Old Business**

**11. Setting of next meeting** (August 6, 2020, Jack Reidy Conference Room or via virtual meeting) **and adjournment**

Respectfully submitted,

Zoe Walters  
Administrative Assistant II