

PROCEEDINGS OF THE CITY COUNCIL
Rapid City, South Dakota
April 28, 2009

Pursuant to due call and notice thereof, a special meeting of the City Council of the City of Rapid City was held at the City/School Administration Center in Rapid City, South Dakota on Tuesday, April 28, 2009 at 5:30 P.M.

The following members were present: Mayor Alan Hanks and the following Alderpersons: Sam Kooiker, Karen Gundersen Olson, Ron Kroeger, Aaron Costello, Deb Hadcock, Lloyd LaCroix, Patti Martinson, Ron Weifenbach and Malcom Chapman; and the following Alderpersons arrived during the course of the meeting: None; and the following were absent: Bill Okrepkie.

Staff members present included Finance Officer Jim Preston, City Attorney Jason Green, Assistant City Attorney Joel Landeen, Growth Management Director Marcia Elkins, Community Planning Coordinator Monica Heller, Lieutenant James Johns and Administrative Coordinator Amber Sitts.

Mayor Hanks addressed the Status of the Rushmont Project and Staff Recommendation for TIF No. 62 and explained that two groups would like to make presentations about doing a public / private partnership between 5th and 6th Streets on St. Joseph Street. He said that a notice has been sent out to set the meeting for May 6, 2009 at 5:30 p.m. Mayor Hanks said that there would have to be a net gain for the City in order to enter into the public / private partnership. He mentioned that the cost of a parking space in a ramp is between \$18,000 and \$20,000 but said there is no plan in place right now. He explained that the TIF identifies mitigating the soil and moving utilities and said this issue will not affect the TIF. Elkins clarified that it depends on what comes forward. Weifenbach asked if anything changed with the bid process and cost control since the last proposals. Green said if TIF dollars are used to fund the project the state requirements must be followed. Weifenbach clarified that he is concerned that Dream Design will have the same issue as last time. Elkins confirmed there were four original applicants, and Mayor Hanks said there was a press release sent today notifying those who want to submit a proposal. Kooiker asked to make sure the original four applicants are contacted and are aware of the meeting on May 6, 2009. Elkins agreed to make sure this is done. Olson said her understanding is that Legacy has explored new funding. Chapman suggested setting the meeting on another date so that everyone can attend. Mayor Hanks indicated that it is difficult to coordinate a date that works for everyone. He added that Legacy is out of town and this date works for them as well as Dream Design. He also indicated that it is possible to set an additional date in the future if there are more proposals. Hadcock agreed that the meeting should be set further out, and Kroeger and LaCroix both agreed that they want to see the presentations before making a decision. Responding to a question from Chapman, Mayor Hanks was not sure of details on new market tax credits but said it may be a possibility. Chapman also asked about the staff recommendation on TIF 62, and Mayor Hanks said that until a determination is made they will keep the TIF in place. Kooiker recommended that the Council set up a follow up meeting if people find that six days is not enough notice. Hadcock asked why we are going to move forward on a parking plan if presentations have not been heard on the TIF 62.

Heller presented the history of the downtown parking issue and previous discussion items. In June of 2007, a survey was done by Growth Management staff to count the occupied parking spaces at different times throughout the day. She detailed some of the areas near the YMCA and Wells Fargo, Downtown, near the courthouse and National American University and near the library and the Dahl. For the first draft of the parking plan, they placed 10-hour parking

meters in the previously unregulated areas. They had significant public comment on the proposed plan. Staff made revisions based on those comments, and the committee approved that plan. After further input, additional minor revisions were made. LaCroix stated that the presentation helped answer a lot of questions for him, and he requested a hard copy. Heller agreed to distribute paper and electronic copies of the presentation. Chapman questioned the task force meeting dates pointing out that several members were not able to attend all of the meetings. He later confirmed the dates in the presentation were correct. Kroeger said it seems like they are looking at placing fees on the busy areas, but he thought the objective was to make more parking available. Olson explained that this was an attempt to improve the parking downtown. She said that, because we did not have parking structures for employee parking, they were trying to offer something else that made sense. She pointed out that successful downtown areas in other communities have been tied to long term parking. Kooiker said he would like to identify the low hanging fruit that can be moved forward as the plan has too many components to move forward in one piece. He asked Mayor Hanks to identify what he considers the low hanging fruit.

Hadcock asked about an original plan that she saw that would have metered many areas. Heller said there was discussion about such a plan, but it never went to a public meeting or the revitalization task force. Hadcock stated that did not agree with the plan that came forward and said it would never work if it was not a unified plan. She also mentioned that she does not think taking care of the low hanging fruit will make a difference and pointed out that there are two possible projects that will affect parking. LaCroix pointed out a few areas that have a high concentration of employment which are of concern to him. Responding to a question from LaCroix regarding bonds, Mayor Hanks explained that the agreement did not allow them to pay off the bond early, so they placed funds in an account that will pay off the bond as payments come due. They then bonded for the third level. Mayor Hanks also explained that currently there is enough revenue to pay for bonds, maintenance and wages. The current revenue is about \$550,000 for structures, lots and enforcement.

Weifenbach asked about the differences in parking usage in some areas, and Heller clarified that the areas have different restrictions on parking. Lt. Johns pointed out that the unregulated areas are taken by employees. Weifenbach also referred to the areas with competing businesses and said there is an advantage to those areas. Kroeger pointed out that if you are willing to walk a block and a half there are parking spaces available. Heller listed the number of meters currently installed in the downtown area and confirmed that the new plan will almost triple the number of meters in the area. Chapman indicated that they need to agree that parking structures are needed downtown. If the answer is yes, the question is how do we pay for them. He then asked why we would create a plan before hiring a long term parking manager, and Mayor Hanks indicated that the parking plan comes down to a political decision. Olson indicated that she believes we need to give that person a plan that is already in place. She also said the most important thing is the overall philosophy, not the low hanging fruit. She said they need to take a straw vote to find out if everyone agrees that parking structures are a necessary part of the process, and then they need to decide how to fund it. Kooiker said he feels the graduated fines could be moved forward. He then said a motion to adjourn is in order so they can hear the upcoming presentations.

Motion was made by Kooiker, second by Kroeger, to adjourn. Hadcock said several issues will affect the parking areas, and we do not know all of the parts and pieces yet. She agreed that they should listen to the Rushmont presentations first. Kroeger pointed out that the public's original intention was that the funding for a ramp would come from 2012. Chapman discussed the importance of creating a sustainable plan with flexibility. Weifenbach said the sustainability

is important but noted that the downtown merchants have stated that they do not want the meters on Main and St. Joseph. He said there is more of a long term parking problem, so it makes more sense to look at solutions for that. There are concerns in several areas, but he would like to tell the downtown merchants that meters will not be installed there. Costello asked if there were other ways to pay for a parking structure. Mayor Hanks explained that there must be guaranteed revenue source for bonds, and the leased spaces do not generate enough revenue to do that. Olson said there have also been conversations about assessing people, and Mayor Hanks explained that the general fund is designed for the users of the system. He went on to explain how we paid for the current parking structure. It was indicated that there is revenue as long as there is controlled parking but meters would bring in additional funds. Costello mentioned that those who move their car every two hours will now have the opportunity to pay to park. Mayor Hanks pointed out that the graduated fines will help.

Mayor Hanks indicated that there are a few different areas where a new ramp could be built: between 5th and 6th Street on St. Joseph, near the YMCA or add another level to the ramp at the Courthouse. It was indicated that many employees and citizens will park on the street before parking in the ramp at the Courthouse because of the convenience of unregulated parking on the street. Chapman suggested advertising the available parking in the Courthouse ramp and on nights and weekends in other areas. He also said the residential piece of the plan needs to be explored and the employee parking issue needs to be addressed. He mentioned that the .16 fund could be a creative idea to look at to pay for some of the parking. Weifenbach pointed out that with the current lease rates it would take almost 40 years to pay for a parking spot, so he suggested selling the parking stalls. Mayor Hanks agreed that the prices are affordable and said there may be another potential for revenue. He said we need to identify if we want to move forward with graduated fines, if we want meters on Main and St. Joseph and priorities for the location of the structure. Weifenbach suggested selling the ramp to the people who need the parking. Hadcock said the issue does not just involve Main and St. Joseph, and she is in favor of finding a revenue source that meets all expectations of the surrounding area. Chapman mentioned that he will not be able to attend the May 6, 2009 meeting but said he is comfortable with the meeting being held that day. Motion carried.

As there was no further business to come before the Council at this time, the meeting was adjourned at 7:18 P.M.

ATTEST:

Finance Office

(SEAL)

CITY OF RAPID CITY

Mayor