



# CITY OF WORCESTER, MASSACHUSETTS

Department of Public Works and Parks

Robert L. Moylan Jr., P.E.  
Commissioner of Public  
Works and Parks

**To:** Michael V. O'Brien, City Manager

**From:** Robert L. Moylan Jr., P.E., Commissioner of Public Works and Parks

**Date:** February 13, 2013

**Re:** Communication Relative to Parking Program Assessment Study

Attached is an Executive Summary of a Report prepared by John Burke P.E. CAPP for Worcester's On- and Off-Street Parking Program. Mr. Burke was engaged to compare Worcester's Parking Program to those of other New England cities and to find ways to maximize our parking assets, improve the delivery of service to our customers, and improve the financial stability of the parking enterprise. I encourage you to read this Executive Summary.

The study showed that Worcester's Parking Program is not keeping pace with changing times, is in need of substantial reform, does not effectively serve the public's parking needs, and is not on solid financial footing. Some of the salient findings include the following:

- Over the last 3 years, Worcester's parking system, which is made up of garages, off-street lots, and curbside meters, has run a substantial deficit in 2 of the last 3 years. See table below:

### Overall Parking System Account Summaries

|                                  | FY2010         | FY2011       | FY2012         |
|----------------------------------|----------------|--------------|----------------|
| <b>Municipal Parking Garages</b> | (\$705,061.04) | \$324,535.65 | (\$476,420.77) |
| <b>Surface Lots</b>              | \$20,339.63    | \$4,188.68   | \$41,280.63    |
| <b>On-Street Meters</b>          | (\$60,093.63)  | (\$7,784.48) | \$53,759.78    |
| <b>Totals</b>                    | (\$744,815.04) | \$320,939.85 | (\$381,380.36) |

- Over the last 3 years, Worcester's 4 parking garages have operated in a net deficit except for one year when a surplus was generated as the result of one-time monies being deposited for a long-term pre-payment lease of 100 spaces in the Union Station garage.



### Parking Garage Account Summary

|                      | FY2010             | FY2011           | FY2012             |
|----------------------|--------------------|------------------|--------------------|
| <b>Federal Plaza</b> | (\$105,799)        | (\$231,887)      | (\$230,438)        |
| <b>Major Taylor</b>  | (\$336,245)        | (\$98,526)       | (\$192,281)        |
| <b>Union Station</b> | (\$801,285)        | (\$230,898)      | (\$696,994)        |
| <b>Pearl Elm</b>     | \$538,268          | \$885,847        | \$643,293          |
| <b>Totals</b>        | <b>(\$705,061)</b> | <b>\$324,535</b> | <b>(\$476,420)</b> |

- Similarly, over the last 3 years, the 9 off-street surface parking lots have run a very modest surplus ranging from \$4,000 to \$41,000. However, only 3 of these lots have consistently generated a monetary surplus (Amtrak, MBTA, and McGrath lots).

### Off Street Surface Lots

| Parking Lots      | FY2010             | FY2011            | FY2012             |
|-------------------|--------------------|-------------------|--------------------|
| Brittan Square    | (\$2,127.70)       | (\$2,541.83)      | (\$3,586.93)       |
| General Pickett   | \$826.01           | (\$1,053.84)      | (\$5,566.57)       |
| Green Street      | (\$3,241.47)       | (\$907.61)        | (\$256.18)         |
| Highland Street*  | (\$16,237.52)      | (\$25,337.74)     | Closed             |
| McGrath           | \$41,801.70        | \$21,074.64       | \$30,610.89        |
| Millbury Street   | (\$5,089.15)       | (\$5,721.07)      | (\$7,609.73)       |
| Water Street      | (\$162.09)         | \$1,598.06        | \$4,812.57         |
| Expressway Area A | Closed             | Closed            | Closed             |
| Expressway Area B | Closed             | Closed            | Closed             |
| Expressway Area C | (\$4,114.74)       | (\$287.62)        | (\$418.36)         |
| Expressway Area D | Closed             | Closed            | Closed             |
| Expressway Area E | Closed             | Closed            | Closed             |
| MBTA              | \$4,068.76         | \$11,177.75       | \$15,432.94        |
| Amtrak            | \$4,615.82         | \$6,187.95        | \$7,861.99         |
| <b>Totals</b>     | <b>\$20,339.63</b> | <b>\$4,188.68</b> | <b>\$41,280.63</b> |

- The on-street metered parking has generated a surplus in only 1 of the last 3 years.

### On Street Meters - Revenues & Expenses FY2010-FY2012

|                        | FY2010               | FY2011              | FY2012             |
|------------------------|----------------------|---------------------|--------------------|
| <b>INCOME</b>          | \$283,342.37         | \$237,588.24        | \$299,132.50       |
| <b>EXPENSES</b>        | \$343,436.00         | \$245,372.72        | \$245,372.72       |
| <b>SURPLUS/DEFICIT</b> | <b>(\$60,093.63)</b> | <b>(\$7,784.48)</b> | <b>\$53,759.78</b> |

- Both garage and meter revenues are allocated against expenses associated with the operation of the parking system. However, atypical for most cities and parking authorities is that revenue derived from parking citations from expired meters or other parking violations is allocated to the General Fund. Over the last 3 years, this revenue source has accounted for over \$1.8 million per year.

- The governance of the off-street lots and 4 parking garages is delegated to the Off-Street Parking Board (OSPB), an Executive Board per City Ordinance. Accordingly, it is the OSPB that sets the rates at the parking garages and the 9 off-street lots.
- On-street parking rates (curbside meters) are set by the City Council.
- Ideally, both on-street and off-street rates should be controlled by a single entity since they are complementary and integral to an effective parking program. There needs to be a relationship between the cost to park on-street and the cost to park in a garage or off-street lot.
- Worcester’s curbside parking meter revenues were lowest among the following cities: Providence RI, Portland ME, Hartford CT, Portsmouth NH, Manchester NH, Springfield MA, Concord NH, Keene NH and Nashua NH. This is directly attributable to the low rates of most of Worcester’s on-street meters.

**Curbside Meter Comparisons**

| <b><u>CITY</u></b>   | <b><u>2010 POP.</u></b> | <b><u>METER REVENUE</u></b> |
|----------------------|-------------------------|-----------------------------|
| Portsmouth, NH       | 21,233                  | \$1,400,000                 |
| Manchester, NH       | 109,565                 | \$1,092,000                 |
| Concord, NH          | 42,695                  | \$ 773,399                  |
| Keene, NH            | 23,409                  | \$ 398,731                  |
| Nashua, NH           | 86,494                  | \$ 314,429                  |
| <b>Worcester, MA</b> | <b>181,045</b>          | <b>\$ 299,132</b>           |

- There are many other benchmarks contained in the report that clearly underscore that Worcester has not remained competitive in providing parking services and suggestions as to how Worcester’s system could be improved.

**The study’s key recommendations are as follows:**

- **Operate the Parking System as an enterprise account. All revenues, including meter citations, should be directed to the enterprise account as should all expenses.**
- **Establish a New Parking Management Structure under the direction of one experienced parking professional to create a single point of contact responsible for oversight and coordination of parking planning, operations, and finances.**
- **Place the governance of all parking related functions into a single entity (perhaps a commission) and empower it with full authority over all aspects of on-street metered parking and off-street public parking in garages and lots.**

- **The remaining recommendations of the report are of lesser importance than the structural changes noted above. They are contained in the report and can be reviewed there.**

### **Conclusion**

The current Parking System is in need of immediate re-structuring and reform to meet the demands of the public and to fulfill its role as a complimentary component to economic development and business growth. This reformation will ensure a sustained financial platform going forward and will provide the public parking services that one would expect in a growing, urbanized downtown and Canal District. The implementation of the above recommendations represents the most significant and important steps that can be taken to reform the Worcester's parking operations.

I would be pleased to discuss this matter with you at your convenience

Sincerely,



Robert L. Moylan Jr., P.E.  
Commissioner of Public Works and Parks  
[#2412 Parking Program Assessment Study]

Attachment

c: Thomas F. Zidelis, Chief Financial Officer  
Paul J. Moosey, Assistant Commissioner/Engineering