RESOLUTION NO._____

WHEREAS, the Austin City Council's Land Use and Transportation Committee has examined potential models for the creation of a parking enterprise system to expand the supply of publicly-available parking and generate a long-term funding source for investments in pedestrian, bicycle and transit infrastructure, and trails; and

WHEREAS, the City of Austin is authorized under State law and the City Charter to finance, own and operate parking facilities to carry out a municipal purpose, including the provision of public parking; and

WHEREAS, the creation of a parking enterprise fund can provide the mechanism for planning, budgeting, and accumulation of future parking receipts that can be invested in pedestrian, bicycle and transit infrastructure, trails, and parking infrastructure after covering the costs of parking operations and maintenance; and

WHEREAS, the City Council desires to create a self-supporting, market-driven parking enterprise system that finances and owns structured parking; and

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WHEREAS, the City Council also desires to ensure that the parking enterprise be eligible for federal transit reimbursements and other state and federal grants; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Austin City Council directs the City Manager to create the Austin Parking Enterprise (Enterprise) to finance, own and operate structured parking and to fund investments in pedestrian, bicycle and transit infrastructure, and trails, consistent with policies and criteria set forth in Exhibit A.

BE IT FURTHER RESOLVED:

The City Manager is directed to evaluate consolidation of existing publicly-owned parking facilities into the Enterprise and report back to the City Council's Land Use and Transportation Committee not later than the Committee's May 2008 meeting.

BE IT FURTHER RESOLVED:

The City Manager is directed to research opportunities for federal and state transit funding and reimbursements, and to present an analysis of these

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opportunities and steps or designations necessary to pursue them to the City Council's Land Use and Transportation Committee not later than the Committee's May 2008 meeting.

ADOPTED:_____, 2008 ATTEST**:** _____
Shirley A. Gentry
City Clerk

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Exhibit A

Austin Parking Enterprise

Policies and Criteria

The Austin Parking Enterprise (Enterprise) is authorized to finance, own and operate structured parking and fund investments in pedestrian, bicycle and transit infrastructure, and trails, consistent with the following policies and criteria:

1. Authorization. The Enterprise may finance and own structured parking and fund investments in pedestrian, bicycle and transit infrastructure, and trails.

   a. The Enterprise shall initially operate as a city enterprise fund. For purposes of financing, owning and operating parking structures, the Enterprise may incorporate as a local government corporation or such other legal entity or structure as may be subsequently approved by the Austin City Council, including a City department. The creation of the Enterprise as a legal entity may be deferred until it is necessary to carry out its operations (e.g., issuing debt to finance a parking structure).

   b. The Enterprise is authorized to commence operations immediately.

   c. The Enterprise may consider opportunities to purchase existing structured parking and to build free standing garages.

   d. The Enterprise shall run and operate the parking garage planned as part of the Seaholm Power Plant redevelopment, subject to any terms and conditions included in the Seaholm master development agreement with the Seaholm developer, and any publicly owned parking garage approved in the Green Water Treatment Plant redevelopment.

   e. The Enterprise is not limited to the Seaholm and Green projects, and the Enterprise is not geographically limited as to where it may consider otherwise eligible projects.

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f. The Enterprise may consider developing eligible projects in addition to Seaholm and Green, including financing and owning structured parking in the following areas:

i. downtown;

ii. land within the City's Transit-Oriented Development zones;

iii. land within ¼ of a mile of planned rail lines;

iv. North Burnet-Gateway "Second Downtown; and

v. South Congress Avenue.

2. Operations. The Enterprise's parking activities should include the following:

a. The Enterprise may consider opportunities to finance, own and operate garages built in conjunction with:

i. private developments;

ii. development of City-owned land; and

iii. agreements with other public agencies.

b. The Enterprise should seek to maximize the availability of public parking in all garages owned and operated by the Enterprise.

i. Public parking. The Enterprise may finance more parking spaces than are required for an associated private development as a way to fulfill the Enterprise's mission of providing expanded public parking capacity.

ii. Tenant parking. When the Enterprise finances parking built in conjunction with a private development, the Enterprise should seek covenants guaranteeing that tenant parking will obtain parking through the garage as a way to minimize financial risk.

iii. Shared parking. When the Enterprise finances parking built in conjunction with a private development, the Enterprise should seek to maximize shared parking through arrangements where

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spaces are reserved for tenant parking during a portion of the day and for public parking during the remaining portion of the day.

c. All of the Enterprise's financial activities in financing parking should be arms length transactions. The Enterprise is not authorized to use eminent domain.

d. The Enterprise should charge market prices.

e. The Enterprise shall evaluate use of advanced technologies, including installing TxTag entry systems and plug-in hybrid fueling stations.

f. Every parking facility owned, operated, or financed by the Enterprise must demonstrate that it will likely generate excess funds to the Enterprise after deducting the cost of operating and maintaining the parking facility, the payment of debt service on obligations issued to finance the construction of the parking facility, any required payments to a private developer, and the deposit of any reserves that may be required in the sale of the obligations financing the acquisition and development of the parking facility (Net Revenues).

g. The Enterprise may earn income from tenant parking either through direct contract agreements with tenants or through per-space fees paid by the owner of the associated private development.

3. Criteria. The Enterprise should only seek to finance, own or operate parking facilities that demonstrate that the facility will likely generate Net Revenues to the Enterprise.

4. Urban design. Every parking structure financed by the Enterprise shall incorporate high quality urban design, such as:

   a. ground-floor active uses;

   b. wrapped parking; and

   c. building underground where financially feasible.

5. Use of funds. Net Revenues from the Enterprise may be used for only the following:

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a. Transit. Pedestrian, bicycle, rail and transit system capital costs.

b. Trails. Costs associated with acquiring land for and development of trails and adjacent open space, and native habitat restoration along these trails.

c. Parking. Capital costs for financing the construction of additional parking capacity.

d. Additional Authorized Uses. Other costs specifically designated by the Austin City Council or governing body of the Enterprise, with approval by the Austin City Council, authorized by an Enterprise financing document.

6. Amendment to Policies and Criteria. These policies and criteria may be amended from time to time by action of the Austin City Council or the governing body of the Enterprise, subject to approval by the Austin City Council.

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