



City of Grand Island

Tuesday, January 8, 2019

Council Session

Item E-3

Public Hearing on Applications Received for Operation of Private Parking Facilities, Establishing Vehicle Offstreet Parking District No. 3, and Disestablishing Parking District No. 1

Council action will take place under Ordinance item F-1.

Staff Contact: Jerry Janulewicz

Council Agenda Memo

From: Jerry Janulewicz, City Attorney

Meeting: January 8, 2019

Subject: Downtown Offstreet Parking

Presenter(s): Jerry Janulewicz, William Clingman, and Chad Nabity

Background

On June 30, 1975 with the adoption of Ordinance No. 5854, the Grand Island City Council established the Downtown Improvement and Parking District, commonly referred to as Parking District No. 1, as authorized by the Downtown Improvement and Parking District Act of 1969. The district's purposes included acquisition, maintenance and operation of offstreet parking, improvement and decoration of public places, promotion of public events, architectural improvements, and public improvements within the district.

The ordinance provided that district expenses were to be funded through the imposition of occupation taxes on the owners or users of space within the district based upon the square footage of the business or professional office that was utilized by customers, patients, and clients. Excluded from payment of occupation tax were religious organizations and political subdivisions. Additionally, the ordinance excluded non-public areas from the calculation of square footage. In essence then, the tax burden was roughly proportional to the retail and patient/client service area maintained by the taxpayer. While this tax burden scheme likely served the downtown businesses well in the 1970's when retail and professional offices were the norm, there has been considerable shift in downtown uses since then, including residential, storefront churches, and businesses having numerous employees yet little or no customer service area. To be sure, a few properties maintain private parking areas for use by customers, clients, and employees. However, most owners and businesses and many residents must rely upon on-street and public offstreet parking within the parking district. Indeed, the area included within the district is one of only two areas in the city where zoning regulations do not require private parking.

In 1979 the Downtown Improvement and Parking District Act of 1975 was repealed with the enactment of the Business Improvement District Act, which provided that any downtown improvement and parking district created prior to May 23, 1979, shall thereafter be governed by the Business Improvement District Act. The City's later

creation of the Downtown Business Improvement District results in some confusion regarding the relative duties, responsibilities and functions of the two districts.

Over the course of the last three years, if not longer, downtown businesses and property owners expressed concerns regarding what they perceived as an unequal and unjust distribution of the tax burdens for downtown offstreet parking. To address their concerns, city staff proposed creation of a new offstreet parking district and disestablishment of the current Parking District No. 1. The new offstreet parking district, if created, would be funded through an annual levy of special assessments based upon the gross building square footage within the district. The levy would be assessed against all properties irrespective of whether owned by political subdivisions, private parties, or religious organizations, with credits or offsets provided for private parking spaces.

The proposed ordinance, if approved and adopted by council, would broaden the tax base, provide for a more equitable distribution of the financial burden for operation of offstreet parking, and provide an assessment scheme that is easy to understand with square footage area based upon the county assessor's data.

Discussion

Public Hearing on Private Ownership and Operation: Before a city may commence a program to construct, purchase, or acquire a proposed offstreet parking facility or facilities, notice shall be given, by publication once each week for not less than thirty days, inviting application for private ownership and operation of offstreet parking facilities, which notice shall fix a date for a public hearing on any application received. If no application or applications have been received or if received, the same have been disapproved by the governing body of such city after a public hearing concerning such applications, then such city may proceed in the creation of the offstreet parking district. As of the time of preparing this memo, no applications have been received by the city for private ownership and operation of downtown offstreet parking.

Public Hearing on Creation of Offstreet Parking District: A public hearing before the city council on creation of the district is required. Not later than the hour set for the hearing any owner or any person interested in any real estate within the proposed district may severally or with other owners file with the city clerk written objections to the thing proposed to be done, the extent of the proposed district, or both, and every person so interested shall have a right to protest on any grounds and to object to his real estate being included in the district, and at such hearing all objections and protests shall be heard and passed upon by the mayor and city council.

Objections to Establishment of District. If the owners of the record title representing more than fifty percent of the taxable valuation of all of the taxable real property included in the proposed district or districts and who were such owners at the time the notice of hearing on objections to the creation of the district was first published file with the city clerk within twenty days of the first publication of the notice written objections to the formation of the district, such district shall not be formed.

If objections are not filed by owners of such fifty percent of the taxable valuation of all of the taxable real property and if the mayor and city council find, after considering any other protests and objections that may be filed and after considering the evidence presented at the hearing, that the public health, welfare, convenience, or necessity requires the formation of such an offstreet parking district and facilities, then such district shall be formed by ordinance. If the mayor and city council find that the boundaries as set forth in the resolution and notice include land which should not be included, then the ordinance shall fix the boundaries of the district so as to exclude such land. No objections to creation of the district were filed with the City Clerk either within 20 days of the first publication nor thereafter.

Adoption of Ordinance. Following public hearing, Council may proceed with adoption of the proposed ordinance. If adopted, the ordinance would accomplish the following: Establish Vehicle Offstreet Parking District No. 3; disestablish the Downtown Improvement and Parking District (Parking District No. 1) and repeal relevant city code sections; and transfer 2018-19 budget authority from Parking District No. 1 to Vehicle Offstreet Parking District No. 3.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the ordinance
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council adopt the proposed ordinance

Sample Motion

Move to approve Ordinance No. 9718.