



FOR COUNCIL MEETING OF:  
AGENDA ITEM: \_\_\_\_\_

June 8, 2009  
4.2 (b)

TO: MAYOR AND CITY COUNCIL  
THROUGH:  LINDA NORRIS, CITY MANAGER  
FROM:  TONY MOUNTS, DIRECTOR  
ADMINISTRATIVE SERVICES DEPARTMENT  
SUBJECT: ADOPTING THE BUDGET AND SETTING THE TAX FOR THE DOWNTOWN  
PARKING DISTRICT" FOR FY 2009-10

**ISSUE:**

Shall the City Council Adopt Resolution No. 2009-56, "Adopting the Budget and Setting the Tax for the Downtown Parking District" for FY 2009-10?

**RECOMMENDATION:**

Staff recommends that City Council Adopt Resolution No. 2009-56, "Adopting the Budget and Setting the Tax for the Downtown Parking District" for FY 2009-10.

**BACKGROUND:**

Salem Revised Code (SRC) 7.110 requires the Council, by resolution, to adopt a budget for the Downtown Parking District and set the tax for each fiscal year. The Downtown Parking District was established in 1976 to provide funding for economic promotion and public parking within the downtown core. Operation of the District is the responsibility of the City Council. The Downtown Advisory Board (Board) provides comments and recommendations to the Council on District policies, as well as recommendations on a budget for the operation and administration of the District. The Board's recommended budget was forwarded to the City Council for consideration and approval along with the City Manager's recommended budget.

**FACTS AND FINDINGS:**

The City Manager recommended a FY 2009-10 operating budget (including carryovers) of \$2,217,690. The budget includes a 5% increase in tax rates within the District for FY 2009-10; from \$124.47 to \$130.69 per parking space, and from \$170.34 to \$178.86 for the minimum tax rate. Per SRC 7.135 all non-exempt businesses shall pay a minimum tax, even if a lower tax or no tax is due based on the tax calculation method.

**RESOLUTION NO 2009-56**

**A RESOLUTION ADOPTING THE BUDGET AND SETTING THE TAX FOR THE  
DOWNTOWN PARKING DISTRICT FOR FISCAL YEAR 2009-2010**

**Whereas**, SRC 7.010 establishes a Downtown Parking District in the area more particularly described therein, to finance and administer a program of economic promotion and public parking within the Salem central business district; and

**Whereas**, pursuant to SRC 7.010, each person who is not exempt from municipal taxation under state law, and who engages in a profession, occupation, or business in the Downtown Parking District shall pay to the City of Salem a tax for each tax year to finance the operation and administration of the Downtown Parking District, computed in the manner provided by SRC 7.090-7.250; and

**Whereas**, SRC 7.100 provides that the City Council of the City of Salem shall, on or before June 30 of each fiscal year, adopt by resolution a budget for the Downtown Parking District and set the tax for the ensuing fiscal year;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

**Section 1.** Pursuant to SRC 7.110, the amount of money necessary to finance the operation and administration of the Downtown Parking District for the fiscal year beginning July 1, 2009, and ending June 30, 2010, is \$2,217,690. The budget for the Downtown Parking District, including the amounts necessary to finance the operation and administration of the Downtown Parking District plus carryover, is attached hereto as "Exhibit 1," which is attached hereto and incorporated herein by reference.

**Section 2.** Pursuant to SRC 7.110 and SRC 7.135, for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

The rate of tax for the district is \$130.69 per parking space.

The total tax levied for the fiscal year beginning July 1, 2009, and ending June 30, 2010, to finance the operation and administration of the Downtown Parking District is \$373,550.

The amount of total tax levied for the district apportioned to the Chemeketa Parkade parking structure operation and administration is \$97,289.41 and that the percentage of the total tax levied attributed to the operation and administration of the Chemeketa Parade parking structure is 26.04%.

The amount of total tax levied for the district apportioned to the Liberty Square parking structure operation and administration is \$57,282.55 and that the percentage of the total tax levied attributed to the operation and administration of the Liberty Square parking structure is 15.33%.

The amount of total tax levied for the district apportioned to the Marion Square parking structure operation and administration is \$161,088.23 and that the percentage of the total tax levied attributed to the operation and administration of the Marion Square parking structure is 43.12%.

The total customer parking demand in the Downtown Parking District is 2809 spaces. This determination takes into consideration the total customer demand by the taxpayers in the Downtown Parking District less the number of free off-street customer parking spaces provided by the taxpayers within 200 feet of the district.

The minimum tax shall be \$178.86.

Section 3. This resolution is effective July 1, 2009.

ADOPTED by the City Council this 8th day of June, 2009.

ATTEST:

City Recorder

Approved by City Attorney: \_\_\_\_\_

Checked by: B. Brown

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EXHIBIT A  
**DOWNTOWN PARKING FUND BUDGET**  
 (170-64-30-10-00)  
 FY 2009-10

**Department: Urban Development**  
**Cost Center: Downtown Parking**  
**Cost Center No: 64-30-10**

**MGR REC**  
**FY 09-10**

**RESOURCES**

<b>Beginning Fund Balance</b>	\$	305,200	
<b><u>Operating Revenues</u></b>			
Parking tax collections	\$	373,550	(2)
Parking Rent		557,220	(3)
Leasehold reimbursement – From Chemeketa Leasehold		160,000	
Interest		3,720	
<i>Total Operating Revenues</i>	\$	1,094,490	
<b><u>Reimbursements</u></b>			
Non-Operating Revenues			
Urban Renewal Agency (capital projects)	\$	818,000	(1)
<i>Total Reimbursements</i>	\$	-	
<b>TOTAL RESOURCES</b>	\$	2,217,690	

**EXPENDITURES**

**Regular Maintenance/Operation of Structures:**

Landscape maintenance (Parks)	\$	2,700
Striping, meters (Transportation)		1,000
Miscellaneous downtown repairs		1,000
Maintenance services (Facilities)		98,700
Additional maintenance from condition assessment		25,090
Maintenance materials and supplies		32,410
Maintenance contracts		47,850
Electricity		94,000
Insurance		20,270
<i>Total Regular Maintenance and Operation</i>	\$	323,020

**Maintenance of District:**

Refuse disposal	\$	37,000
Streetscape maintenance contract		-
Refuse container maintenance (Transportation)		1,760
<i>Total Maintenance of Parking District</i>	\$	38,760

Security:

Security services (Parking Services)	\$	348,010	
Materials and supplies		60,870	
<i>Total Security</i>	\$	408,880	

Administration and Overhead

Parking permit administration (Parking Services)	\$	35,610	(4)
Parking management: downtown survey, consulting		12,000	
Admin and board support (Urban Development)		73,420	
Materials and supplies (Urban Development)		-	
Indirect Cost Allocation Plan		103,080	(5)
<i>Total Administration and Overhead</i>	\$	224,110	

Marketing and Promotions

Economic improvement district support (Go Downtown Salem)	\$	100,000	
Total Operating Expenditures	\$	1,094,770	

Capital Projects:

Top deck repair of parkades	\$	500,000	
Liberty Square Parkade elevator jacks		190,000	
Marion Square Parkade elevator jacks		228,000	
<i>Total Capital Projects:</i>	\$	918,000	

CONTINGENCIES	\$	204,920	(6)
TOTAL EXPENDITURES	\$	2,217,690	
ENDING BALANCE	\$	-	

- (1) Riverfront Downtown Urban Renewal Agency grant for capital projects, \$818,000 with the Parking Fund contributing \$100,000. Projects include top deck repairs at parkades, Liberty Square elevator jacks, and Marion Square elevator jacks.
- (2) Revenue estimate includes a five percent increase over FY 2008-09 rates.
- (3) Estimated increase in permit revenues due to increases in permit parking rates for all structures.
- (4) Costs of sale, administration and management of parking permits (parking rent) is allocated between parking fund and general fund based on number of permits.
- (5) 2009-10 increased from 2008-09 because of an overcharge refund in 2008-09.
- (6) Additional \$2 adjustment for rounding within document.