

RESOLUTION NO. 26-2019

Moved by: Wanda R. Williams

A Resolution authorizing the City of Harrisburg to negotiate and enter into a Parking Agreement with the Harrisburg Downtown Improvement District, Inc. and the County of Dauphin to offset certain downtown parking meter and enforcement revenues.

WHEREAS, in direct response to ongoing concerns raised by merchants, patrons, citizens and visitors to the downtown area, the City of Harrisburg (the "City") determined that to promote the health and growth of the downtown the City should enter into a joint agreement to discontinue the payment of downtown parking meters for the last two (2) hours of the effective period for meter enforcement, from 5:00 p.m. to 7:00 p.m., Monday through Saturday; and

WHEREAS, after public meetings, discussions and the opportunity for input on the matter, the Council voted to approve Resolution 8 of 2018, authorizing the City to enter a one-year Memorandum of Understanding with the Harrisburg Downtown Improvement District, Inc. and the County of Dauphin to allow for the discontinuance of the certain meter payments for a one-year period by collectively offsetting the projected losses in meter and enforcement revenue to the Parking System; and

WHEREAS, it was determined that the annual amount to offset the loss in meter and enforcement revenue would be a total of two hundred seventy thousand dollars (\$270,000), which the parties shared with contributions of \$50,000 from the Downtown Improvement District, \$110,000 from the County of Dauphin and \$110,000 from the City; and

WHEREAS, the parties have determined that the discontinue of the payment of downtown parking meters from 5:00 p.m. to 7:00 p.m., Monday through Saturday, brought about an overall positive impact for the merchants, patrons, citizens and visitors to the downtown parking area and the parties wish to continue with the agreed program; and

WHEREAS, Trimont Real Estate Advisors/P.K. Harris Advisors, Inc, the contracted Asset Manager for the Parking System, advised of their willingness to continue this aspect of the parking program at the same annual cost of two hundred seventy thousand dollars (\$270,000), which the parties in turn would agree to share with contributions in the amount of \$50,000 from the Downtown Improvement District, \$110,000 from the County of Dauphin and \$110,000 from the City; and

AMENDED

WHEREAS, the City was previously presented with a DRAFT Parking Agreement that reflects the terms of the 2018 Memorandum of Understanding and better states the parties' intentions on the issues relating to parking tax related to the free downtown evening parking program and the same forms the framework for the proposed 3-year Parking Agreement attached hereto; and

WHEREAS, the City has allocated funds in the FY 2019 Budget to satisfy the continued contribution; and

WHEREAS, in addition to the Free 5-7 PM Downtown Parking Program, the City previously had secured an agreement for free 4-hour Saturday meter parking in the City on Saturdays, which is currently operated under the LUVHBG APP, at no cost to the City; and

WHEREAS, the LUVHBG Free 4-hour Saturday Program was originally adopted in an effort to promote and increase customers, diners, shopping, visitors and use of amenities in the City that had been observed to be negatively impacted by the transfer of the Parking system; and

WHEREAS, the LUVHBG APP program has been successful over the last several years, with increased numbers of users of the program; and

WHEREAS, the Asset Manager has advised that they now may seek to offset what they deem revenue losses from the Saturday LUVHBG program; and

WHEREAS, the City has not agreed that a payment should be required to continue the LUVHBG program and the same will not be part of the Parking Agreement on 5 to 7 PM Free Downtown Parking Program; and

WHEREAS, the proposed continuation of the 5 to 7 PM Free Downtown Parking at meters shall be for a three-year period, as more specifically set forth in the proposed Parking Agreement attached hereto as Exhibit A; and

WHEREAS, the Council of the City of Harrisburg finds that it is in the best interest of the City to continue the parking-related programs to better promote the fiscal health of the City and make its amenities in its downtown more readily available to all.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF HARRISBURG, that the City of Harrisburg is authorized to

AMENDED

negotiate and enter into a Parking Agreement consistent with the terms set forth herein and in the attached agreement.

BE IT FURTHER RESOLVED the City shall agree to continue the 5 to 7 PM Free Downtown Parking Program for a period of three (3) years with an annual City contribution that must be equal to the County of Dauphin and which may not exceed \$110,000.

BE IT FURTHER RESOLVED the City shall continue discussions to retain the Saturday LUVHGB parking program and the same shall not be part of this Parking Agreement.

BE IT FURTHER RESOLVED that the Mayor is authorized to separately negotiate for the continuation of the Saturday LUVHGB parking program in an effort to continue the program as currently operating at no cost so to better promote the use of City amenities and thereby contributing to the overall fiscal stability of the City and, in turn, the Parking System.

BE IT FURTHER RESOLVED that the Mayor, City Controller and other appropriate City officials are authorized and directed to take all steps necessary to further effectuate the purpose of this Resolution.

Seconded by: *[Signature]* = Dave Madden

Passed the City Council April 23, 2019

Wendy R. Williams
 President of City Council

Attest *[Signature]*
 City Clerk

	YEAS	NAYS
MR. ALLATT	<u>7</u>	
MS. BOWERS	<u>6</u>	
MS. DANIELS	<u>6</u>	
MS. GREEN	<u>6</u>	
MR. MADSEN	<u>6</u>	
MR. MAJORS	<u>6</u>	
MS. WILLIAMS	<u>6</u>	
	Yeas	Nays
	<u>76</u>	<u>0</u>

EXHIBIT A

**PARKING AGREEMENT BETWEEN AND AMONG THE HARRISBURG DOWNTOWN
IMPROVEMENT DISTRICT, INC., THE COUNTY OF DAUPHIN AND
THE CITY OF HARRISBURG**

THIS AGREEMENT, is entered into by and among the Harrisburg Downtown Improvement District, Inc., a non-profit entity formed and existing under the Neighborhood Improvement District Act with principal offices located at 22 N. 2nd Street, Harrisburg, Pennsylvania 17101 (hereinafter "DID"); and the County of Dauphin, a third-class county existing under the laws of the Commonwealth of Pennsylvania with principal offices located at 2 S. 2nd Street, Harrisburg, Pennsylvania 17101 (hereinafter "County"); and the City of Harrisburg, a third-class city existing under the laws of the Commonwealth of Pennsylvania with principal offices located at 10 N. 2nd Street, Harrisburg, Pennsylvania 17101 (hereinafter "City").

WHEREAS, a parking meter charge is made for parking at meters in the Downtown Business District of the City served by the DID, an area as set forth both as a narrative and as a map in Exhibit "A", attached hereto and made a part hereof (hereinafter "Downtown Business District"); and

WHEREAS, the parking meter charges after 5 p.m. puts businesses in the Downtown Business District at a competitive disadvantage to other competing hospitality entities; and

WHEREAS, the Downtown Business District has a hospitality industry that has been challenged by the said parking meter charges; and

WHEREAS, all parties to this Agreement (hereinafter the "Agreement"), in order to aid the Downtown Business District and protect the jobs and taxes generated by it, have provided for a period during which established parking meter charges were set at zero from Monday through Saturday after 5 p.m., which commenced in March 2018 (the "Test

Period Rates”), in an attempt to improve and encourage the hospitality industry in the Downtown Business District in the City of Harrisburg; and

WHEREAS, it was understood by the parties that the revenue generated by parking meters use and enforcement in the Downtown Business District serviced by the DID after 5 pm on Monday through Saturday was approximately \$270,000.00 prior to the Test Period; and

WHEREAS, the parties provided to the Trustee for the holders of the Pennsylvania Economic Development Financing Authority’s Parking System Revenue Bonds (Capitol Region Parking System) of 2013 sufficient funds to replace that reduction in parking meter revenue (the “Test Period Revenue Reduction Amount ”) in the identified area as a result of the establishment of the Test Period Rates for that initial one (1) year period to allow a study of the impact of the Test Period Rates on the hospitality industry in the Downtown Business District.

WHEREAS, the parties determined that the Test Period was beneficial and so wish to continue the practice for a three (3) year period, subject to the respective review of each party.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. PREAMBLE. The Preamble hereto is incorporated herein as fully as if set forth.

2. FUNDING AFTER 5 P.M. PARKING CHARGES. Each party hereto agrees to jointly fund this program and to pay the amounts allocated to it under this Agreement to SP+ for transfer to Trustee for deposit into the Revenue Fund under the Indenture in order to offset the Revenue Reduction Amount for the next three (3) year period of the program, from _____, 2019 through _____, 2022, in exchange for

maintaining the same initial Test Period Rates. The \$270,000.00 per annum funding shall be allocated as follows: \$110,000.00 from County, \$110,000.00 from City and \$50,000.00 from the DID. It is the understanding of the parties that these payments shall be applied by SP+ as parking revenue, and not as parking enforcement upon receipt by SP+.

3. FUNDING OF 4-HOUR FREE SATURDAY LUVHBG PROGRAM. In addition, the parties acknowledge that the Parking Asset Manager has proposed a change in the multi-year 4-hour free Saturday meter parking program, currently known as the Saturday LUVHBG Program that pre-dates the 5-to-7 PM Free Downtown Parking Program and that the proposal remains an open issue. The parties acknowledge and agree that the LUVHBG Program has been beneficial to the downtown merchants and hospitality industry, bringing additional Saturday patrons and visitors. The parties agree to cooperate to assure the continuation of the LUVHBG Program without additional charge or underwriting by taxpayers in order to maintain and grow the beneficial impact on the local economy.

The parties to this Agreement expressly acknowledge that they do not intend this Parking Agreement to require any payment(s) to fund the LUVHBG Program.

4. FUNDING CONTINGENT ON ONGOING ELIMINATION OF AFTER 5 P.M. PARKING CHARGES. Funding by each Party hereto is contingent upon the continuation of a 5-to-7 P.M. Free Downtown Parking Program. Payments of the allocated amount by each Party shall be made in advance in an amount equal to one quarter of such Party's allocation, with payments anticipated to be made on or about the 1st of May, August, November, and February for each year of this Agreement, with each entity responsible solely for its proportionate share as identified in this Agreement.

In the event any Party has not paid its required amount within 10 days of when due, that Party shall be deemed in breach of this Agreement. The Trustee shall be a third party beneficiary hereof and shall have the right to enforce the payment obligations of each Party under this Agreement to the extent such payment was not made when due.

5. CITY'S WAIVER OF CITY PARKING TAX. The City currently imposes and receives a tax for general revenue purposes equal to twenty percent (20%) on all parking meter revenues received in the Downtown Business District (the "City Parking Tax"). To the extent a tax could be deemed payable by any of the three (3) tax-funded entities by signing onto this Agreement, the City agrees to irrevocably waive the imposition of the City Parking Tax on all payments made by any Party pursuant to this Agreement.

6. INDEPENDENT ENTITIES. Each Party to this Agreement shall be responsible for its individual contribution and no Party shall be responsible for the contribution of any other Party hereto. Notwithstanding anything contained herein, each of the Parties hereto are and shall remain independent tax entities and this Agreement shall not create any employment, agency, partnership or joint venture relationship and, no Party hereto may incur debts or financial obligations in the name of any other party hereto.

7. PERFORMED ACCORDING TO LAW. All activities performed by any Party hereunder shall be performed in accordance with all applicable statutes and ordinances and in conformity with law. By execution hereof, the undersigned do indicate that they have followed all necessary procedures, laws and rules for binding the entity with which they are identified in this Agreement.

8. INTERPRETATION. This Agreement and the attachments hereto constitute the full and complete understanding and agreement between the Parties hereto. No provision hereof shall be construed to create any rights in any third party not a party to this Agreement other than the Trustee. This Agreement may only be altered in writing signed by the Parties hereto. This Agreement shall be interpreted and construed in accordance with the laws of the Commonwealth of Pennsylvania. A resolution of any conflicts or disputes arising hereunder shall be under the jurisdiction and venue of the Dauphin County Court of Common Pleas.

---SIGNATURE PAGE TO FOLLOW---

WITNESS:

HARRISBURG DOWNTOWN
IMPROVEMENT DISTRICT, INC.:

Todd Vander Woude, Executive Director

ATTEST:

DAUPHIN COUNTY BOARD OF
COMMISSIONERS:

Chad Saylor, Chief Clerk

Jeffrey T. Haste, Chairman

Mike Pries, Vice-Chairman

George P. Hartwick, III, Secretary

APPROVED FOR FORM
And LEGALITY

CITY OF HARRISBURG:

Neil A. Grover, Solicitor

Eric Papenfuse, Mayor

Charles DeBrunner, Controller

INTER

OFFICE

MEMO

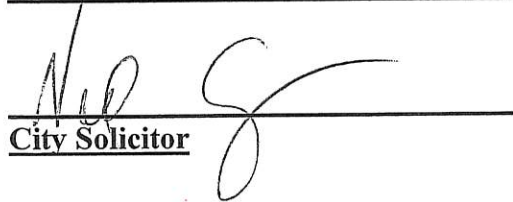
To: HARRISBURG CITY COUNCIL
From: Kirk Petroski, City Clerk
LEGISLATIVE APPROVAL FORM

Date:

LEGISLATIVE APPROVAL FORM/CERTIFICATE OF ACCEPTANCE

BILL NO. -2018 RESOLUTION NO. 20-2018

THE ABOVE LISTED ITEM WAS WRITTEN AND PREPARED FOR FINAL INTRODUCTION AT THE HARRISBURG CITY SOLICITOR'S OFFICE ON:


City Solicitor


April 5, 2019
Date

Requested by Department/Bureau: Mayor

Department/Bureau Contact Person: Mayor

For Action on or before:

The attached was received in the Office of the City Clerk for introduction on

Received by: 

Date: 4-23-19