



City of Fredericksburg

CITY COUNCIL SPECIAL MEETING AGENDA TUESDAY, NOVEMBER 1, 2022 ~ 9:00 A.M. LAW ENFORCEMENT CENTER 1601 E. MAIN STREET FREDERICKSBURG, TEXAS 78624

Jeryl Hoover, Mayor
Tony Klein, Councilmember
Bobby Watson, Mayor Pro Tem

Sharon Joseph, Councilmember
Emily Kirchner, Councilmember
Clinton Bailey, City Manager

The City of Fredericksburg City Council will meet in a special session on Tuesday, November 1, 2022 at 9:00 a.m. Link to City of Fredericksburg YouTube Channel (Fredericksburg, Texas USA - YouTube <https://www.youtube.com/c/FredericksburgTexasUSA>).

The City Council welcomes citizen participation and comments at all City Council Meetings on Agenda Items.

Comment Card for Written or Verbal Comments - submitted by 4:00 p.m. the day before the meeting.

- i. Complete the Comment Card online at www.fbgtx.org;
- ii. Make sure to check the appropriate box (verbal or written);
- iii. Only one (1) agenda item per Comment Card.

Sign up in person between 8:30 a.m. and 9:00 a.m. at the meeting location.

- i. Only one (1) agenda item per Comment Card;
 - ii. Speakers will be limited to 3 minutes to speak. **Please Note:** The Mayor can reduce the number of minutes for any speaker during Public Comment on a single agenda item depending on the number of people who sign up for it.
 - iii. Any citizen with handouts should provide them to the City Secretary before speaking. If you wish the City Council to receive your handouts for the meeting, please provide ten (10) copies; if not, the City Council will receive your handouts the following day.
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1. CALL TO ORDER

2. INVOCATION

(George Studor, City resident)

3. PLEDGE OF ALLEGIANCE

4. CEREMONIAL MATTERS/PROCLAMATIONS/EMPLOYEE RECOGNITION

5. COUNCIL COMMENTS

6. ACTION ITEMS AND UPDATES

- A. Consider approval of City Council October 18, 2022, Regular Meeting Minutes (Shelley Goodwin, City Secretary)
(Agenda Packet Pages 3 - 12)

- B. Consider, discuss, and take possible action on Short-Term Rental uses, code violations, and enforcement matters, and consider possible initiation of a text amendment to the City's Zoning Ordinance related to same (Clinton Bailey, City Manager)
(Agenda Packet Page 13 - 14)
- C. Consider, discuss, and take action regarding the development of parking management strategies to address parking issues on and in the vicinity of Main Street (Clinton Bailey, City Manager)
(Agenda Packet Page 15- 78)

7. CITY MANAGER'S REPORT

- A. Town Hall Meetings
- B. Development Services Director
- C. Agenda Management Update

8. ITEMS FOR FUTURE AGENDA

(Agenda Packet Pages 79 - 80)

9. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Sections – 551.071 (Consultation with Attorney), 551.074 (Personnel Matters) and 551.072 (Real Estate).

- A. Consider and discuss the appointment, evaluation, reassignment, and/or duties of a public officer or employee, specifically the City Attorney [Sec. 551.074];
- B. Consider and discuss the purchase, exchange, lease, or value of real property, located in the vicinity of the intersection of East Main Street at Heritage Hills Drive, in the City of Fredericksburg, Texas [551.072];
- C. Consider and discuss The State of Texas, *ex rel.* Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in the 216th District Court [551.071(1)]; and
- D. Receive and discuss legal advice concerning applicable Texas and Federal case law related to municipal regulation of short-term rentals [551.071(2)].

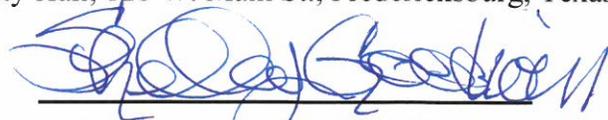
10. BUSINESS ITEM

The City Council will reconvene into Regular Session upon the conclusion of the Executive Session. The City Council may take action on any item posted in Executive Session, as necessary.

11. ADJOURN

CERTIFICATION

This is to certify that I, Shelley Goodwin, posted this Agenda at 4:50 p.m. on October 27, 2022, on the bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.


Shelley Goodwin, TRMC/CMC
City Secretary



City of Fredericksburg

CITY COUNCIL REGULAR MEETING MINUTES TUESDAY, OCTOBER 18, 2022 ~ 9:00 A.M. FIRE TRAINING ROOM 126 W. MAIN STREET FREDERICKSBURG, TEXAS 78624

Members Present:

Mayor Jeryl Hoover
Mayor Pro-Tem Bobby Watson
Councilmember Emily Kirchner
Councilmember Tony Klein
Councilmember Sharon Joseph

Members Absent:

None

City Staff Present:

Clinton Bailey, City Manager
Daniel Jones, City Attorney
Brian Vorauer, Police Chief
Lynn Bizzell, Fire Chief
Eric Whiting, Director of Information Technology
Garret Bonn, Interim City Engineer/Interim Director of Development Services
Kris Kneese, Interim Director of Public Works and Utilities
Andrea Schmidt, Parks & Recreation Director
Derek Seelig, Police Lieutenant
Braxton Roemer, Police Lieutenant
Justin Calhoun, Emergency Management Coordinator
Evan Williamson, Staff Engineer
Anna Hudson, Historic Preservation Officer
Ted Boyer, Code Enforcement Officer
Shelby Collier, Associate Planner
Leslie Embrey, Administrative Assistant
Shelley Goodwin, City Secretary

1. CALL TO ORDER

Mayor Hoover called the Regular Meeting of the Fredericksburg City Council to order at 9:00 a.m. on Tuesday, October 18, 2022. He announced the quorum had been met.

2. INVOCATION

Colby Friday, Pastor of Willow City Church, provided the Invocation.

3. PLEDGE OF ALLEGIANCE

Mayor Hoover led the Pledge of Allegiance.

4. CEREMONIAL MATTERS/PROCLAMATIONS/EMPLOYEE RECOGNITION

A. Hill Country Night Sky Month

Mayor Hoover read the Proclamation and proclaimed October as Hill Country Night Sky Month. He presented the proclamation to Lea Feuge, Public Information Officer.

B. Code Enforcement Officers Month

Mayor Hoover read the Proclamation and proclaimed October as Code Enforcement Officers Month. He presented the proclamation to Ted Boyer, Code Enforcement Officer (Ray Ortegon was unable to attend).

5. COUNCIL COMMENTS (551.0415)

Councilmember Watson announced that he attended the Joint Airport Commission Meeting and announced the following:

- T Hanger occupancy is 100% with 37 airplanes on waiting list
- Saturday, December 13th is the Santa Fly In Event
- Cross Wind currently has 39 students learning to fly
- May 20, 2023 is the 75th Anniversary of the Airport, more details will be available
- Fireworks that were rescheduled from July 4th will be held on October 28th with weather permitting

Councilmember Kirchner provided updates on the following items:

- Nine representatives from the City of Fredericksburg attended the Texas Municipal League Annual Conference in San Antonio. They attended sessions on a variety of topics and made great connections with other city staff and elected officials.
- The Friends of Fredericksburg Nature Center's Wings over Nature Center Event was held on October 9th with an estimated 100 people in attendance.
- Gillespie County Commissioner's Court discussed and set the pay rates for the November Election workers.
- Leadership Gillespie County will be holding a cemetery cleaning day with Der Stadt Friedhof on Saturday, October 22, 2022, from 8:00 a.m. – 12:00 p.m.; let her know if you are interested in helping.
- Bestfest was held on October 15th. She stated it was a great event, but the attendance numbers are not in yet.

Councilmember Klein announced that the Fredericksburg Food and Wine Fest is Saturday, October 22, 2022, at noon – 7:00 p.m. He encouraged everyone to attend or to volunteer to help; all proceeds go to the Market Square.

Mayor Hoover stated that the Fire Training Room is a temporary location, he noted the permanent location is the Law Enforcement Center starting Tuesday, November 1, 2022, at 9:00 a.m.

6. CONSENT

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF THE CITY COUNCIL.

A. Consider approval of City Council Minutes for the following meetings:

- i. October 4, 2022, Special Meeting**

B. Consider approval of the following purchases allocated in the Fiscal Year 2023 Budget:

- i. County Wide Radio System Purchase Agreement**

- ii. **Lease Purchase Agreements with BankFunding, LLC, for the acquisition of a Fire – EMS Radio System for the Fire and EMS Departments in the amount of \$1,124,625.00**
- iii. **Lease Purchase Agreement with BankFunding, LLC, for the acquisition of City vehicles and equipment in the amount of \$933,977.65**
- iv. **Parks Equipment – Groundsmaster 4000, Groundsmaster 5900, Workman with sprayer, Infield Groomer with a broom, and Workman for Marktplatz for an estimated total of \$386,246.84**
- v. **Renewing the construction Contract for the fourth time with Hazelett Concrete Contractors for the Sidewalk Program and other Concrete Flatwork Improvements**

Motion: A motion was made by Councilmember Watson seconded by Councilmember Joseph, to approve the Consent Agenda items 6 A. i. with corrections and B. i.-v. The City Council voted five (5) for and none (0) opposed on 6. A. i.- B. i.-iv. The motion carried unanimously. The vote on 6. B. v. was four (4) for, none (0) opposed, and one (1) abstained (Councilmember Klein). The motion carried.

7. ORDINANCES, RESOLUTIONS, AND PUBLIC HEARINGS

- A. **Request by Travis Jacko to consider a Land Use Change from Low-Density Residential (LDR) to Medium Density Residential (MDR) and a Zoning Change from (R-1) Single Family Residential to (R-2) Mixed Residential for properties located at 611 & 613 East Austin Street and 106 & 108 North Columbus Street (Z-2219)**

- i. **Presentation**

Garret Bonn, Interim Development Services Director/City Engineer, provided the history of the request, and an update from Planning and Zoning Commission.

- ii. **Hold a public hearing to receive comments for or against the request**

The public hearing was opened at 11:00 a.m. No one wished to speak.

The public hearing was closed at 11:01 a.m.

- iii. **Consider the approval of Ordinance 2022-32 adopting a change in the Comprehensive Plan of the City, specifically in the Land Use Map, as to lots located at 611 and 613 East Austin Street, and 106 and 108 North Columbus Street; changing said property from Low Density Residential (LDR) to Medium Density Residential (MDR); providing that the change become a part of the Comprehensive Plan and providing for an effective date**

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Kirchner to approve Ordinance 2022-32 adopting a change in the Comprehensive Plan of the City, specifically in the Land Use Map, as to lots located at 611 and 613 East Austin Street, and 106 and 108 North Columbus Street; changing said property from Low Density Residential (LDR) to Medium Density Residential (MDR); providing that the change become a part of the Comprehensive Plan and providing for an effective date. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

- iv. **Consider the approval of Ordinance 2022-33 amending the Zoning Ordinance of the City and changing the Zoning District as to lots located at 611 and 613 East Austin Street, and 106 and 108 North Columbus Street, situated in the City; Changing said property from Single Family Residential (R-1) to Mixed Residential (R-2); and providing for an effective date**

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Kirchner to approve Ordinance 2022-33 amending the Zoning Ordinance of the City and changing the Zoning District as to lots located at 611 and 613 East Austin Street, and 106 and 108 North Columbus Street, situated in the City; Changing said property from Single Family Residential

(R-1) to Mixed Residential (R-2); and providing for an effective date. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

B. Request by John Needham with Seco Enterprises, LLC, to consider an amendment to the Planned Unit Development Zoning District (PUD) to allow food sales and consumer convenience services as a Conditional Use for the Seco Development located at the southwest corner of the intersection of Friendship Lane and South Eagle Street (Z-2220)

i. Presentation

John Needham with Seco Enterprises, LLC. provided an update on the project. He noted the request is to amend the PUD for clean up and to add a Conditional Use Permit for food sales and essential services.

Garret Bonn, Interim Development Services Director/City Engineer, reviewed the history of the property and the original PUD. He also reviewed the CUP process and noted that Planning and Zoning Commission received one protest letter.

ii. Hold a public hearing to receive comments for or against the request

The public hearing was opened at 11:07 a.m.

Tom Musselman, City resident, spoke regarding the addition of food sales to the request. He noted that if this is a request for a destination place with sit down meals, then if approved the traffic and parking could create issues.

Garret Bonn, Interim Development Services Director/City Engineer, stated this request would be to approve a concept. The project will have to come back to get approval.

The public hearing was closed at 11:15 a.m.

iii. Consider the approval of Ordinance 2022-34 amending the Zoning Ordinance of the City to approve an amendment to the Planned Unit Development pertaining to 32.55 acres of land located at the southwest corner of Friendship Lane and South Eagle Street, situated in the City, to amend the Conditional Land Uses allowed in said Planned Unit Development

Motion: A motion was made by Councilmember Joseph, seconded by Councilmember Watson to approve Ordinance 2022-34 amending the Zoning Ordinance of the City to approve an amendment to the Planned Unit Development pertaining to 32.55 acres of land located at the southwest corner of Friendship Lane and South Eagle Street, situated in the City, to amend the Conditional Land Uses allowed in said Planned Unit Development. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

C. Request by Skip Preble to consider an amendment to the Planned Unit Development Zoning District (PUD) to allow hotel/motel as a principle permitted use in the CD District for the development known as Frieden located at 133 Otto Eckhardt Road (Z-2221)

i. Presentation

Garret Bonn, Interim Development Services Director/City Engineer, reviewed the project and the history of the property. He also noted Planning and Zoning Commission did not receive any protest letters and they approved the request unanimously.

Skip Preble, Developer, stated this request is for an amendment due to an error he made when he submitted the original request.

ii. Hold a public hearing to receive comments for or against the request

The public hearing was opened at 11:19 a.m.

No one wished to speak.

The public hearing was closed at 11:20 a.m.

- iii. **Consider the approval of Ordinance 2022-35 amending the Zoning Ordinance of the City to approve an amendment to the Planned Unit Development pertaining to approximately 219.4 acres of land located adjacent to US Hwy 87 South, situated in the City, commonly known as the Frieden Subdivision, to amend the uses allowed in the Commercial Zone of said Planned Unit Development**

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Watson to approve Ordinance 2022-35 amending the Zoning Ordinance of the City to approve an amendment to the Planned Unit Development pertaining to approximately 219.4 acres of land located adjacent to US Hwy 87 South, situated in the City, commonly known as the Frieden Subdivision, to amend the uses allowed in the Commercial Zone of said Planned Unit Development. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

D. Request by Skip Preble to consider a Zoning Change from R-1 Single Family Residential to R-5, Patio Home Residential for approximately 70.175 acres located at 256 Pyka Road (Z-2222)

i. Presentation

Skip Preble, Developer, provided a PowerPoint of a proposed subdivisions of Patio Homes. He also reviewed the traffic flow, entrances, and the age restriction projects with zero lot line. He noted the price range of mid \$500,000, restriction on STRs, and a dark sky community.

Garret Bonn, Interim Development Services Director/City Engineer, reviewed the property history and the zoning process. He stated Planning and Zoning Commission received nine protest letters which were mostly related to density. He stated this request is only for the consideration of the zoning.

ii. Hold a public hearing to receive comments for or against the request

The public hearing was opened at 11:30 a.m.

No one wished to speak.

The public hearing was closed at 11:31 a.m.

- iii. **Consider the approval of Ordinance 2022-36 amending the Zoning Ordinance of the City and changing the Zoning District as to approximately 70.175 acres located at 256 Pyka Road, situated in the City; changing said property from Single Family Residential (R-1) to Patio Home Residential (R-5); and providing for an effective date**

The City Council discussed the traffic, age restriction subdivision, and the shape of the roads.

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Joseph, to approve Ordinance 2022-36 amending the Zoning Ordinance of the City and changing the Zoning District as to approximately 70.175 acres located at 256 Pyka Road, situated in the City; changing said property from Single Family Residential (R-1) to Patio Home Residential (R-5); and providing for an effective date. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

E. Request by Gordon Sauer to consider a Conditional Use Permit per Section 3.220 to construct a Single-Family Residence on property located at 112 East Austin (Z-2223)

i. Presentation

Garret Bonn, Interim Development Services Director/City Engineer, reviewed the history of the property and the project. The Planning and Zoning Commission stated he did not receive any protest letters but did receive two letters in support of the project.

ii. Hold a public hearing to receive comments for or against the request

The public hearing was opened at 11:40 a.m.

No one wished to speak.

The public hearing was closed at 11:41 a.m.

iii. Consider the approval of the Conditional Use Permit

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Watson, to approve the Conditional Use Permit per Section 3.220 to construct a Single-Family Residence on property located at 112 East Austin. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

8. OTHER ACTION ITEMS AND UPDATES

A. Consider, discuss, and take possible action on Short-Term Rental uses, code violations, and enforcement matters, and consider possible initiation of a text amendment to the City's Zoning Ordinance related to same

Clinton Bailey, City Manager, stated at the recent Coffee with City Manager event, Short-Term Rental issues was the main topic with those in attendance. He noted after speaking with Mayor Hoover, this item was added to the Agenda.

Mike Mahoney, City resident, spoke in support to stricter changes to the Short-Term Rental Ordinance and enforcement.

Jeff Morin, City resident, spoke regarding issues with the Short-Term Rental software.

Mayor Hoover stated there is an issue with Granicus software connection, which is currently being addressed. He reviewed the STR process and enforcement issues that citizens have expressed to him. He noted that he feels the City Manager should be removed from the revocation process in the new Ordinance.

Councilmember Watson was involved in the development of the revised STR process. He stated he is not satisfied with the current STR enforcement and the software.

Councilmember Klein stated he would like to see the revocation of permit section to be strengthened.

Councilmember Kirchner stated there is a backlog of violations in Municipal Court. She inquired to the process of the Civil Administrative Hearing. She also expressed her concerns with the software, enforcement, and loopholes in the current Ordinance. She also stated that there should be a map on the City website that identify STRs and their contact information.

Councilmember Joseph stated she has concerns with the software and enforcement but is not in support of a moratorium due to the impact it could have on the economy.

Randy Briley, City resident, spoke regarding the process the STR Alliance developed for violations and enforcement.

Tara Hutchinson stated there are restrictions when listing a STR on AIRBNB which conflict with the City's Ordinance.

Tom Musselman, City resident, reviewed the process used when reviewing the current STR Ordinance. He also noted that he nor the other Councilmembers at the time were informed that the Granicus version they were provided was a trial version.

Garret Bonn, Interim City Engineer/Interim Director of Development Services, reviewed the history of the STR software, Ordinance, and enforcement. He also noted the administrative adjudication process should be included in the potential changes, as it relates to violations and suspension/revocation.

Bill Snyder, City resident, stated when he had issues with a STR, he contacted the owner and they addressed the issue and the situation changed. He stated if the management companies are acting on the behalf of the owner, then they should be held accountable.

Glenn Treibs, City resident, encouraged the City Council to find a way to provide better enforcement of the ordinance.

Leonard Bentsch, City resident, stated he feels it is a cultural issue and that some owners do not care. He feels the best way to handle the issues is to have more policing.

Carol Hammersen, City resident, stated she feels the owners should have to appear in person when there is a violation. She also feels the more the violations a STR has, the steeper the fine should be.

The City Council agreed by consensus to look at new software.

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Joseph to initiate the process for Planning and Zoning Commission to review Ordinance 2022-13 to review (but not limited) to the following:

- Fine Schedule
- Suspension and Revocation process
- Noise violation
- Sections 13 and 5.401
- Contact definition
- All nuisance items (including Parking and lighting)
- Clean up 11 (b) and 7.710
- Administrative Adjudication process as related to violations and suspension/revocation
- Clarification on impervious cover
- Transferability of the STR permits

The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

B. Consider the approval of the appointment of Joe Mirsky as the Civil Hearing Officer

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Watson, to approve the appointment of Joe Mirsky as the Civil Hearing Officer. The City Council voted five (5) for and none (0) opposed. The motion passed unanimously.

C. Consider approval of a Collateral Assignment of the Chapter 380 Agreement, and a Ground Lessor's Subordination Agreement, related to the Ground Lease Agreement and Chapter 380 Agreement with the Former Texas Rangers Foundation

No action was taken on this item.

9. CITY MANAGER'S REPORT

A. Town Hall Update

Clinton Bailey, City Manager, stated the first meeting will be held on Thursday, October 27th. He asked that any City Councilmember interested in attending please contact him. He noted the meetings will be held on the 2nd and 4th Thursdays at 6:00 p.m.

B. City Manager Coffee Update

Clinton Bailey, City Manager, stated the City Manager's Coffees have become a popular event. He noted several attendees just come to listen and get informed. He also noted that he has been contacted by a County Commissioner who is interested in attending.

C. Comprehensive Plan Update

Clinton Bailey, City Manager, stated there are several outreach meetings scheduled for November as well as three focus groups.

10. ITEMS FOR FUTURE AGENDA

Mayor Hoover requested to add downtown parking to the November 1st meeting.

Councilmember Kirchner requested to add the City Manager's discussion list to the November 1st Agenda.

Clinton Bailey, City Manager, noted that the STR discussion item will be added to the November 1st Agenda.

11. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Sections - 551.074 (Personnel Matters) and 551.072 (Real Estate)

- A. Consider and discuss the appointment, evaluation, reassignment, and/or duties of a public officer or employee, specifically the hearing officer for the City's civil adjudication process (Sec. 551.074); and**
- B. Consider and discuss the purchase, exchange, lease, or value of real property, located in the vicinity of the intersection of East Main Street at Heritage Hills Drive, in the City of Fredericksburg, Texas (551.072)**

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Klein, to go out of the Special Meeting and into the Executive Session at 11:58 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to go out of the Executive Session and into the Regular Meeting at 12:12 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

12. BUSINESS ITEM

The City Council then considered Agenda Item #8.B.

13. ADJOURN

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to adjourn the Tuesday, October 18, 2022, City Council Regular Meeting at 12:16 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Jeryl Hoover
Mayor

Shelley Goodwin, TRMC/CMC
City Secretary



CITY COUNCIL MEMO

DATE: November 1, 2022

TO: Mayor and City Council

FROM: Garret Bonn – Interim Director of Development Services/City Engineer

SUBJECT: Review of Short-Term Rental Ordinance and Potential Revisions

Summary:

City Council and staff will discuss the current ordinance as it relates to Short Term Rentals (STR's) and potential revisions to address ongoing issues.

Recommendation:

N/A.

Background / Analysis:

Ordinance No. 2022-13 went into effect on April 1, 2022. This ordinance includes development and land use regulation amendments in multiple zoning districts for development across the City, including but not limited to, short term rentals, parking requirements, and permitted land uses. Council and staff will discuss positive and negative effects of the ordinance along with potential modifications to address ongoing issues.

Attachments:

-

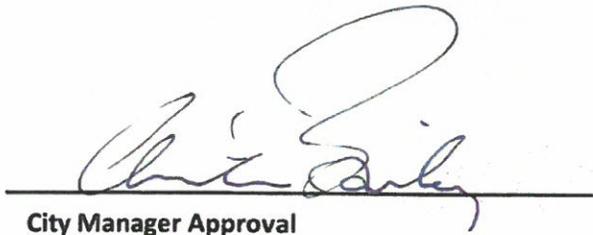
The City of Fredericksburg



Department Approval



City Attorney Approval



City Manager Approval



The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861



CITY COUNCIL MEMO

DATE: November 1, 2022
TO: Mayor and City Council
FROM: Clinton Bailey, City Manager
SUBJECT: Downtown Parking

Summary:

This item was requested by the Mayor during the regular City Council meeting held on October 18, 2022. This item is intended to be a discussion with the City Council regarding potential parking solutions on and in the vicinity of Main Street.

Recommendation:

Staff recommends the Council discuss this item and provide direction to City Staff regarding development of parking management strategies to address parking issues on and in the vicinity of Main Street.

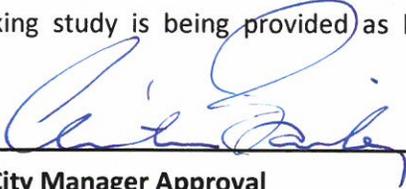
Background / Analysis:

Over the past several months Mayor Hoover and I have been approached by several members of the public who have ideas for implementing simple parking management strategies on Main Street. These strategies will be presented and discussed during the meeting.

The City of Fredericksburg

The Goodman Corporation completed a parking study for the City of Fredericksburg in 2021. The study was completed primarily to support the need for construction of a downtown parking/transit terminal. The study provides thorough background and analysis on current parking challenges, parking supply and demand and parking management strategies. The parking study is being provided as background information for this item.

Department Approval



City Manager Approval



Fredericksburg
THE TEXAS HILL COUNTRY

Texas Heart. German Soul.

CITY OF FREDERICKSBURG DOWNTOWN PARKING STUDY

PRESENTED BY THE GOODMAN CORPORATION

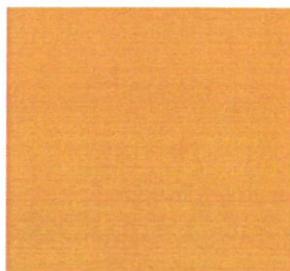
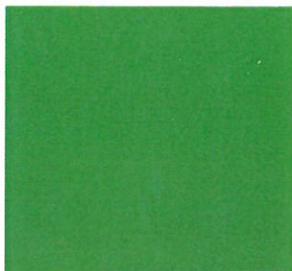
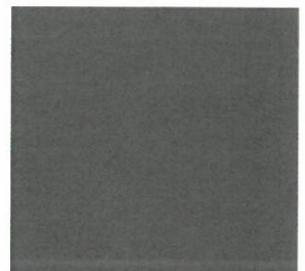
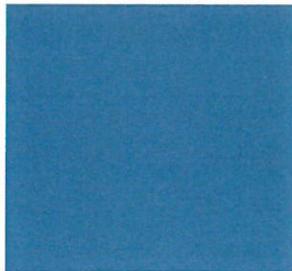
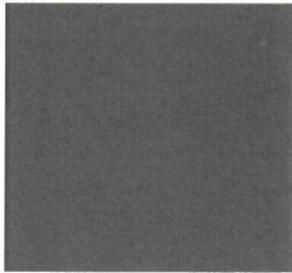
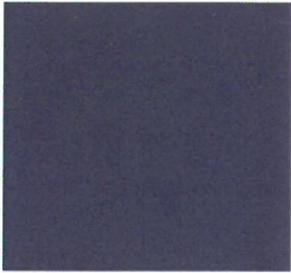
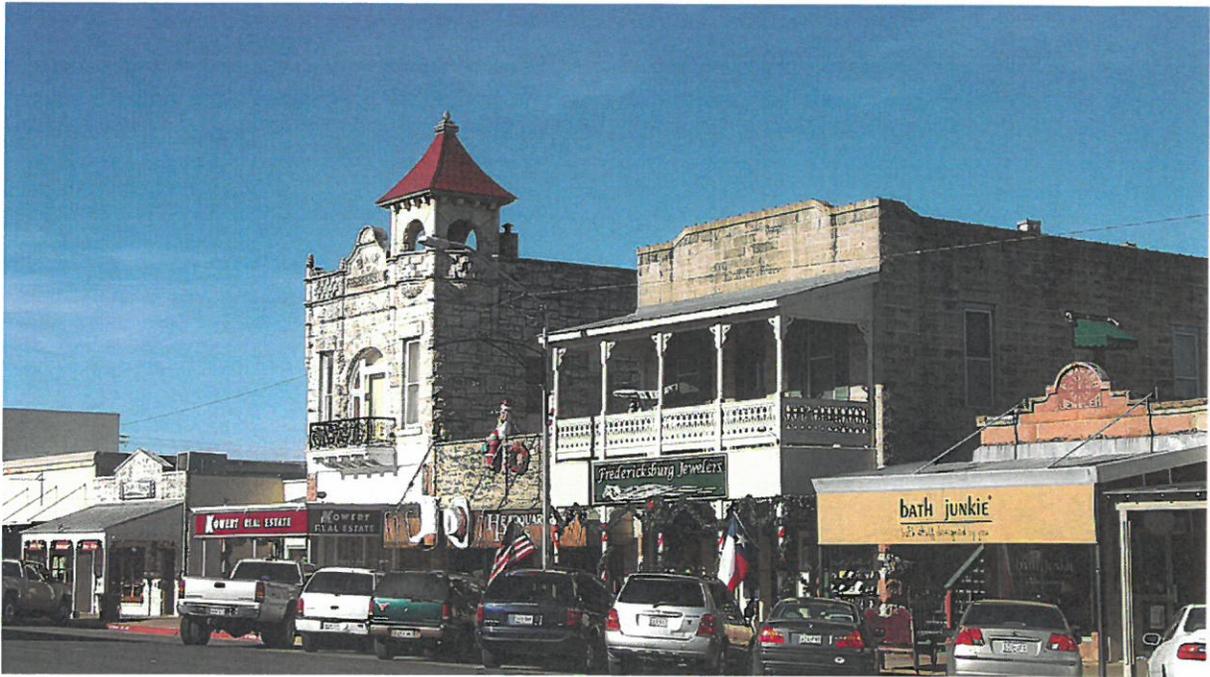


TABLE OF CONTENTS

Chapter One: Introduction.....2
 Background.....2
 Parking Study – Purpose and Need10
 Summary of Key Findings13
Chapter Two: Parking Challenges.....14
 Study Area16
 Parking Challenges.....17
Chapter Three: Parking Supply and Demand21
 Supply21
 Approach and Methodology.....22
 Study Area Parking Analysis.....24
 Demand25
 Current Study Area Parking Demand.....29
 Future Study Area Parking Demand (10-year Planning Horizon).....35
Chapter Four: Parking Strategies and Recommendations36
 City of Fredericksburg Parking Committee37
 Charging for Parking on Main Street37
 Provision of Alternante Surface Lots37
 Issuance and Enforcement of Residential Parking Permits38
 Construction of Central Transportation/Parking Facility.....38
 Revise Zoning / Development Regulations39
 Management of parking with Changeable Message Signs39
 Automated Parking Guidance Systems.....40
 Limitation of Parking Duration on Main Street41
Chapter Five: Stakeholder Input.....43
 Public Input.....43
 Conclusion46
Chapter Six: Parking Center and Transportation Terminal.....47
 Visitor Information Center: Conceptual Site49
 Fredericksburg downtown parking/transit terminal – Cost Estimates.....52
 Utilization Assumptions.....53
Chapter Seven: Finance and Implementation Strategy56
 Parking Terminal Finance Options56
 Grant Funding Pro Forma58
 Conclusion60

CHAPTER ONE: INTRODUCTION



Historic Main Street, Fredericksburg, Texas

BACKGROUND

The City of Fredericksburg is one of the top local and out of town visitor destinations in the State of Texas, attracting hundreds of thousands of visitors nationally. Established in 1846, the City of Fredericksburg was founded by the Mainzer Noblemen’s Society, a group of German-loyal colonists who established a series of hill country settlements, including the City of New Braunfels. Fredericksburg was named the “county seat” after formation of Gillespie County in 1848. Fredericksburg is also known for being the birthplace of Admiral Chester W. Nimitz who served as Commander of the United States Pacific Fleet during World War II.

With a current population of approximately 11,500, the City has one of the strongest tourism draws for its size. The City is strategically located at the crossroads of three major highways, US Highway 290, which spans over 260 miles from Houston to the City of Harper, Texas State Highway 16, which runs over 540 miles from the Mexican border to just south of Wichita Falls, and US Route 87, which is one of the longest north south US highways in the country, stretching almost 2,000 miles from northern Montana to Port Lavaca, Texas. All three highways interact with the City’s Main Street, which overlaps with Highway 290, running through the heart of downtown Fredericksburg. Top employers in Fredericksburg include Hill Country Memorial Hospital, Fredericksburg Independent School District, HEB Grocery and Gillespie County.

RESIDENTIAL CHARACTER



Food and Wine Festival, Fredericksburg, Texas

Using census data¹, a top-level examination of the residential population in and around Fredericksburg shows a variety of different groups. Residents of Fredericksburg are comprised of the following population group types:

Retirees - Residents take pride in fiscal responsibility and keep a close eye on their finances. Although income and net worth are well below national averages, residents enjoy going to the theater, golfing, and taking vacations. “Retirees” represent one of the fastest growing groups in the City, with the 65 year and older population growing 10% from 2000 to 2015. ²*Median Age 59*

Midlife Constants - Seniors, at or approaching retirement, with below average labor force participation and above average net worth. - *Median Age 49*

The Great Outdoors - Educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners with incomes slightly above the average US level. - *Median Age 50*

¹ Residential demographics derived from census block analysis with ESRI Tapestry Segmentation – www.esri.com/tapestry

² 2000 Year Census and American Community Survey (2015 ACS 5-year)

Comfortable Empty Nesters – Akin to “Baby Boomers”, this demographic earns a comfortable living and is now benefitting from years of prudent investing and saving. Their net worth is well above average. Many are enjoying the transition from child rearing to retirement. - *Median Age 47*

Old and Newcomers - Composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. - *Median Age 39*

Up and Coming Families – An influx of young families to start new ventures or to be close to aging parents appears to be a new trend in and around the City. They are ambitious, hard workers and willing to take some risks. This represents one of the fastest growing demographics in the country. – *Median Age 31*

GROWTH OF TOURISM

There are several indicators of tourism growth in Fredericksburg, including the following:



Sales Tax and HOT Tax Increases – The City’s Convention and Visitor Bureau has been compiling data in relationship to the City’s increases in Hotel Occupancy Tax (HOT) and Sales Tax. The City collects 7% HOT tax from all hotels, inns and B&B’s and takes a 1 ½ percent portion of Sales Tax. Table 1 below shows HOT and Sales tax from 2012-2016.

Table 1: Sales and Hotel Occupancy Tax History

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1 1/2% City Sales Tax	4,118,472.99	4,414,350.26	4,701,345.90	5,160,997.39	5,278,216.67
7% Hotel Occupancy Tax	1,832,194.09	2,058,357.45	2,308,195.81	2,469,095.47	2,789,687.43
Total Tax	5,950,667.08	6,472,707.71	7,009,541.71	7,630,092.86	8,067,904.10
Percent Increase		8.1%	7.7%	8.1%	5.4%

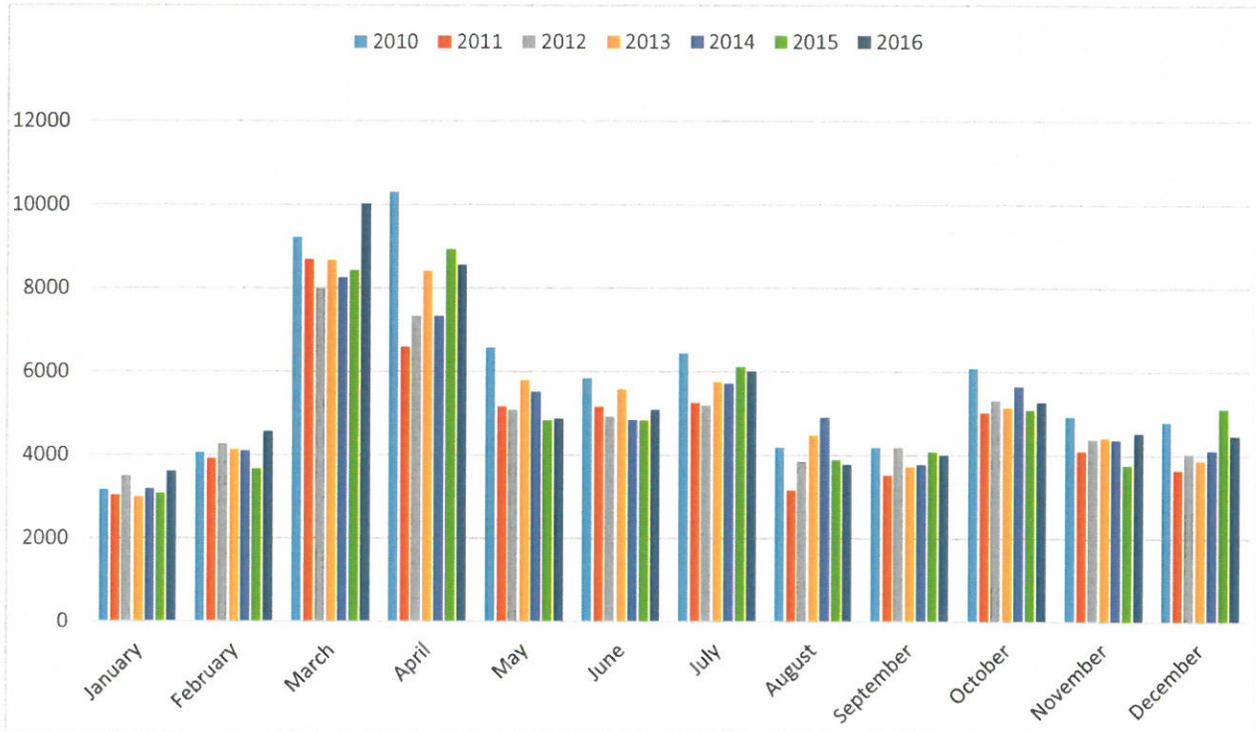
Note that from 2012 to 2016, revenue from HOT and sales taxes increased 26%, reflecting the increase in overnight visitation and visitor spending in Fredericksburg.

Visitor Center Attendance – One of the best indicators of tourism growth and annual visitation in the City is through examination of the City’s Visitor Center traffic. From 2010 to 2016, over half a million visitors checked into the City’s Visitor Center, located at the Convention and Visitor Bureau on 302 E. Austin Street. The Visitor’s Center also has a 120-space parking lot that is free for the public to use. Figure 1 displays the total number of visits each year from 2010 to 2016.



Fredericksburg Convention and Visitor Bureau Welcome Center

Figure 1: Fredericksburg Visitor Information Center Total Guests by Month 2010-2016

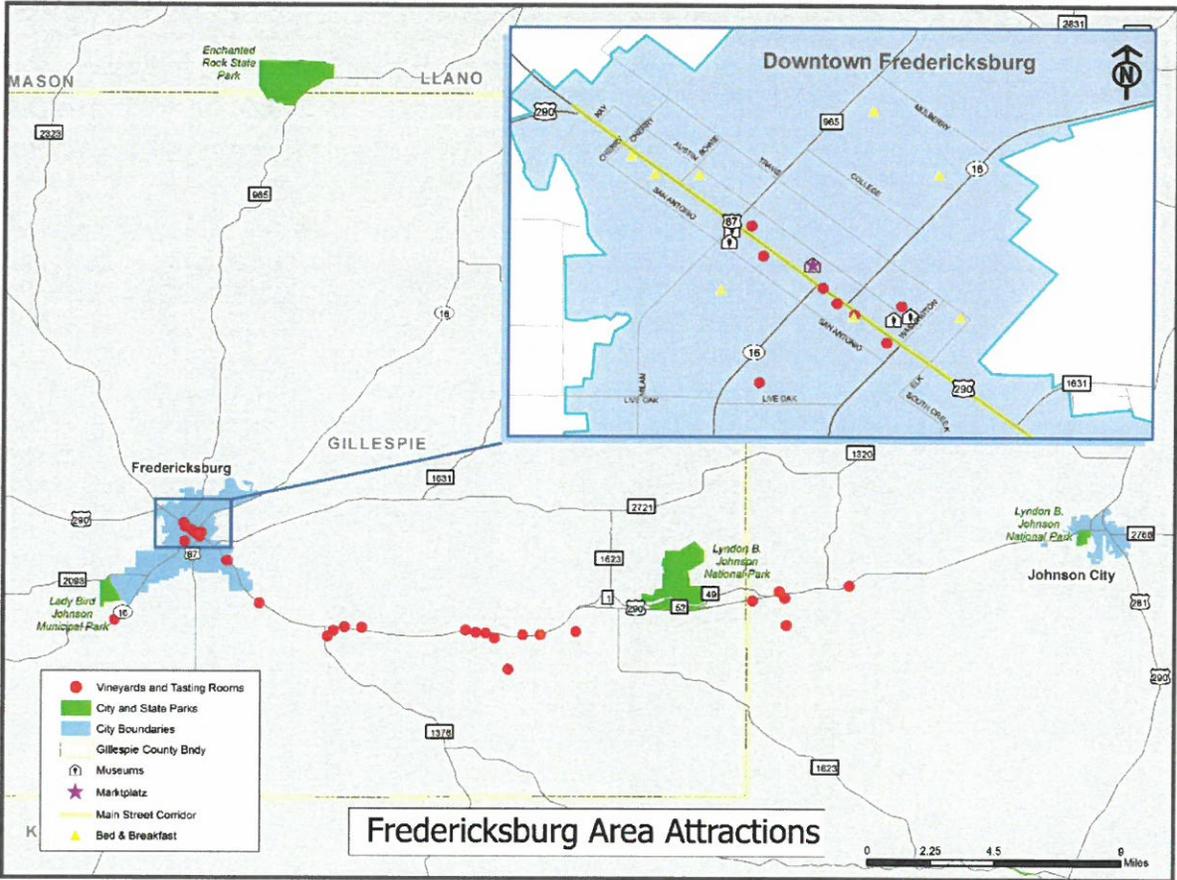


What is noteworthy about tourism and the City of Fredericksburg is that visitation is constant throughout the year with peak activity in the spring months of March and April.

The data from Figure 1 shows consistency in the increase in visitor activity every year from 2010 to 2016, featuring heightened visitation during the spring months, most likely attributed to spring break and the spring events detailed later.

AREA ATTRACTIONS:

Figure 2: Downtown Fredericksburg Area Attractions

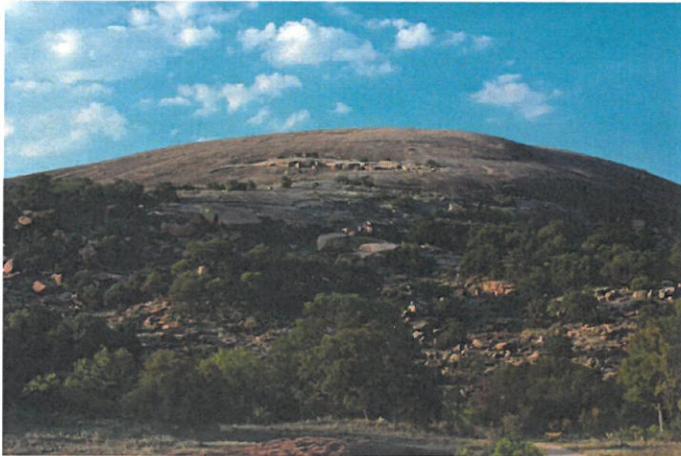


Main Street – City of Fredericksburg – One of the primary destination spots in the City is Fredericksburg’s historic Main Street. The entirety of Main Street stretches almost four (4) miles from end to end along Highway 290, which runs SE by NW through the City. The core of activity from visitors occurs on what’s known as the “golden blocks”, a 2000 ft. strip of three (3) blocks, both sides of the street, between Washington and Adams. This highly trafficked portion of Main Street is packed with local businesses located in historic structures, which include restaurants, shops, galleries, bars, and the National Museum of the Pacific War.



Nimitz Museum

National Museum of the Pacific War (Nimitz Museum) (150,000 visitors) – In 2016, the National Museum of the Pacific War, which includes the Admiral Nimitz Museum, had over 150,000 visitors. The museum is dedicated to all those who served in the Pacific War during WWII. It remains as the only institution in the continental US with an exclusive focus on the Pacific Combat Zone during WWII.



Enchanted Rock

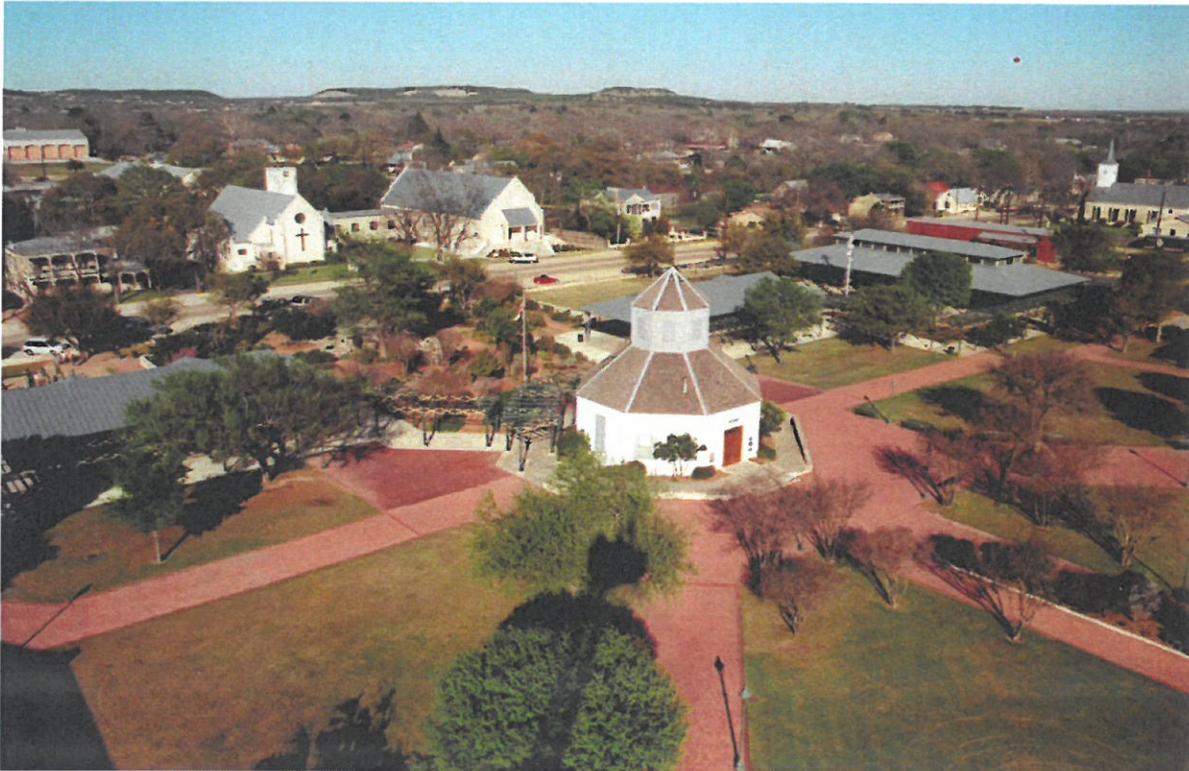
Enchanted Rock State Natural Area (over 338,000 visitors) – Enchanted Rock is located 17 miles north of Fredericksburg and saw over 338,000 visitors in 2016. Enchanted rock is a natural land mass comprised of a large granite “rock” that rises over 400 feet in elevation, reaching over 1800 feet above sea level. The Enchanted Rock State Natural Area is part of the Texas State Park system and was recorded as a Texas Historic Landmark in 1936. Many visitors visiting the park typically spend time in the City of Fredericksburg and are often

facilitated by tour bus companies who drop off and pick up in the City.

Texas Hill Country Wineries – The “Texas Hill Country Wine Trail” consists of a series of wineries that can be found throughout the area known as the Texas Hill Country. The majority of these wineries are clustered around the City of Fredericksburg and spread out throughout Gillespie County. A multitude of wine tour bus companies operate throughout Gillespie County and typically include time in Fredericksburg as part of their tour agenda. [Give some information regarding the number of wineries and growth if you have it.

Historic Sites and Museums – There are a variety of additional historic sites and museums in and around Fredericksburg, including the Pioneer Museum Complex, the Vereins Kirche Museum, Fort Martin Scott, Texas Rangers Heritage Center, Lyndon B Johnson State and National Parks, and Fredericksburg’s National Historic District walking tour.

Marktplatz – Marktplatz Park is the City of Fredericksburg’s market square and is located in the heart of downtown. The Park has a number of pavilions and hosts a variety of festivals, concerts and an ice skating rink during the holidays.



Marktplatz

Events and Festivals – Fredericksburg is known for the great many festivals that both occur annually and multi-annually. The largest draws over the last few years include Oktoberfest, the Crawfish Festival and the Lavender Festival. A complete list of festivals and estimated attendance can be found in Table 2 below.

Table 2: Fredericksburg Area Events and Attendance

EVENT	ESTIMATED ATTENDANCE *
SPRING	
Fredericksburg VFD Benefit Fish Fry - Marktplatz	Under 1,000
Hill Country Film Festival	Under 1,000
Spring Break Week	3,000 - 5,000
Lavender Festival	Approx. 6000
Lbj 100	Over 1,000
Hill Country Run Motorcycle Rally	Over 1,000
Hill Country Wine Trails: Wine and Wildflower	Under 1,000
SUMMER	
Horse Racing/Fair	Approx. 27,000
Crawfish Festival	Approx. 10,000
July 4Th Festivities/Parade	3,000 - 5,000
Food Truck Festival	Approx. 3,000
Gillespie County Fair Parade	Under 1,000
FALL	
Texas Mesquite Art Festival At Marktplatz	Under 1,000
Oktoberfest	Approx. 22,000
Food & Wine Fest	Approx. 4,000
Bestfest	Approx. 2,500
Hill Country Wine Trails: Texas Wine Month	Thousands
WINTER	
Hill Country Wine Trails: Wine Lovers	Thousands
Hill Country Wine Trails: Christmas Wine Affair	Under 1,000
Christmas Tree Lighting	Approx. 2,500
Luckenbach Hug In	Under 1,000
Light The Night Parade	Under 1,000
12/26 - 1/1	Holiday Activity
RECURRING	
Trade Days	Avg. 10,000 Weekend
Living History Reenactments	Avg. 1,000 Weekend0
First Friday Art Walk	Under 1,000
*Approximate Figures from the City of Fredericksburg Convention and Visitor Bureau	

PARKING STUDY – PURPOSE AND NEED



With an increasing number of visitors each year, the growth and success of Fredericksburg as a major attraction for visitors has created the need for a more organized approach to manage out of town visitor related traffic demand. The City has solicited the services of a consultant via RFP to conduct a Phase I Downtown Parking Study in order to gain a better understanding of the existing and future parking challenges, and to create a path forward toward a more organized approach to parking management and regulation. The Goodman Corporation (TGC) was selected to complete Phase 1 of the study which includes the following task items:



Project Kickoff – A meeting was conducted with members of the City and Chamber of Commerce to review the scope of work, establish the study area and identify the required data necessary to complete the scope items. The kickoff meeting and various discussions with the City and Chamber officials led to the study objectives presented in Figure 3 below.



Parking Supply and Demand Analysis – Data gathered regarding the supply of parking and analysis of supply and land use data would be utilized to determine parking demand in downtown Fredericksburg.



Development of Parking Strategy Alternatives and Policies – Using the results of the demand analysis, development of recommended parking strategies and policies to help mitigate the parking issues in downtown Fredericksburg.



Finance and Implementation Options – Methods to finance and implement the recommended parking strategies and polices.



Next Steps – Development of the work necessary in “Phase II” involving implementation of the recommendations from Phase I.

Figure 3: Overview of Study Projections



SUMMARY OF KEY FINDINGS:

Below is a summary of key findings within Phase I of the City of Fredericksburg Downtown Parking Study:

-  Existing and Future Demand for Parking, during peak periods, exceeds parking availability in key destination areas;
-  Comprehensive Parking Management is required to better organize parking availability for the various demand generators;
-  Better management of parking will mitigate residential encroachment, better direct visitors to parking availability, and provide for better parking enforcement;
-  Creation of a centralized Transportation/Parking facility can lead to better management of parking demand;
-  Out of town visitors and other non-residential users of parking should pay for parking resources both on Main Street and for use of a centralized parking garage;
-  Revenue from parking will pay for capital expenses, debt service, and enforcement.

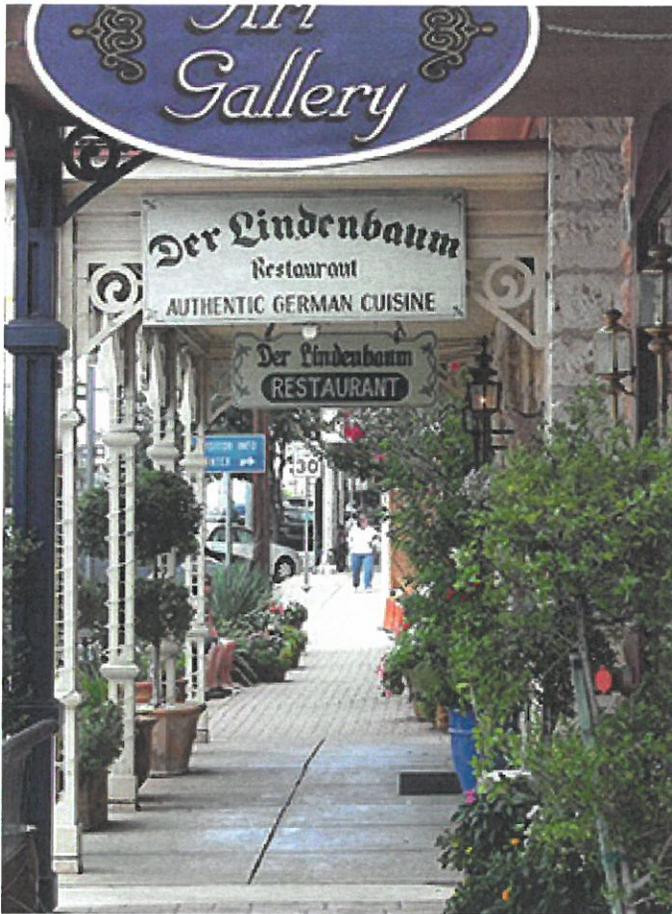
CHAPTER TWO: PARKING CHALLENGES



Historic Main Street

The City of Fredericksburg Downtown Parking Study was developed to help provide an organized approach to growing parking demand generated by visitors, particularly in and around the Main Street Historic area. The Goodman Corporation (TGC) project team has reviewed comprehensive data provided by the City, the Convention and Visitor Bureau and through prior parking and traffic studies. Input from City Council, Gillespie Economic Development Corporation, stakeholder collaboration (retail, lodging, and entertainment establishments), and the public has also been used to help form conclusions contained within the report.

Visitor generated traffic including autos, motorcycles, school and tour buses, and lodging industry participants, all focus on several primary destinations on Main Street. Museums such as the National Museum of the Pacific, Pioneer Museum and other venues also generate significant traffic. In addition, there are numerous events and festivals which generate large crowds and, hence, increased demand for available parking.



Historic Main Street

Free parking along the core of Main Street and adjacent side streets is in short supply during peak demand, causing encroachment into neighborhoods and many other conflicts. The fight for free parking on Main Street is also exacerbated by retail store employees who park in premium spaces and the parking needs of “bed and breakfast” establishments which rely on Main Street parking for their guests. Although there are various parking lots that provide free public parking, the continued growth in Fredericksburg visitation and increased demand for parking require more innovative parking solutions which can accommodate the various interests of local residents, owners of Main Street businesses and out of town visitors.

To properly assess existing and future parking demand requirements, the TGC project study team has established a project impact area, as

depicted in Figure 4. The boundaries of this area were created after discussion with the City and other stakeholders. The study area includes the western portion of Main Street which, while currently underdeveloped, is the next logical area of Fredericksburg that can attract out of town visitors. The study area also includes close in residential neighborhoods which have been impacted by visitor parking encroachment, due to the lack of available parking.

Figure 4: Exhibit Map of Study Area



STUDY AREA

Based on discussions with the City, a study area was established to encapsulate the area of downtown and surrounding blocks that were impacted the most by the City’s parking issues. The study area is bordered by Travis St., Ufer St., Kay and Lee Streets as depicted above. Establishing the study area enables the project team to utilize the latest census, demographic, land use, and other data to project existing and future parking demand and the availability of existing parking spaces to meet the demand in the most organized manner. Supply and Demand is discussed in Chapter Three.

PARKING CHALLENGES

Numerous parking challenges have been identified through discussion with City Manager, City Departments, retail establishments, City residents, event center and other stakeholders. Some of the challenges are as follows:

The City of Fredericksburg is faced with an ever-increasing influx of visitors. Out of town visitor activity occurs during the week, on weekends and on several event days throughout the year. Visitors, in addition to local residents, typically seek parking near the core of downtown, where there are a variety of clothing shops, museums, wine shops, antique shops, restaurants, and other attractions. The demand for parking in this core area is greater than available surface lot and public on street parking spaces. Future projections of parking demand and availability, based on TGC analysis, indicate that the deficiency of available parking resources in the core area will grow unless the City employs a comprehensive parking strategy, which may include development of significant parking resources close to the core area of attraction.

The demand for parking in the core areas during peak parking demand has created several challenges which the City is attempting to address through this Downtown Parking Study. The challenges include, but are not limited to the following:

Main Street Parking Competition: The most coveted available public parking is directly on Main Street. Main Street is also part of an active state highway, U.S. 290, which accommodates an average of 13,700 vehicle movements daily. Many of these vehicles are commercial trucks which create safety issues with pedestrians as well as visitors and locals looking for available parking. During stakeholder discussion, it was evident that Main Street parking, and any potential regulation of same, is the most controversial component of a future City Parking Management Strategy. Bed and Breakfast Inns rely on Main Street to supply guest parking which, otherwise, would be located far less conveniently. Main Street retail businesses rely on available public parking to enable local and out of town shoppers to park directly in front or near their stores. Only about 160 spaces are available directly in front of the highest concentration of businesses on Main Street, forcing most to park on side streets and elsewhere. There are no parking limitations on these spaces as well as any of the street parking located downtown. Based upon stakeholder discussion and observed habit, some employees who work in the Main Street retail businesses park on Main Street thereby reducing the number of available public parking spaces for shoppers;



Residential Encroachment: During peak periods, out of town visitors seek parking in the surrounding residential areas, often removing on street parking inventory for Fredericksburg residents. It is noteworthy that the Fredericksburg Main Street attraction corridor is surrounded by residential development. Stakeholder input has recognized the problem, but a solution creates challenges in the areas of enforcement, and providing

flexibility to residents so that guests and visitors are eligible to park in the neighborhood without fear of violating parking restrictions;



Delivery Vehicles: There is a lack of consensus on the impact of delivery vehicles on Main Street traffic and congestion. While there are some conflicts between delivery vehicles and other auto/truck/pedestrian traffic along the Main Street corridor, most deliveries occur during off-peak hours. It was generally agreed that the establishment of specific delivery zones on side streets directly off Main Street might alleviate any existing conflicts;



Motorcycles: There is some discussion regarding creation of “designated” areas for motorcycle parking. Currently motorcycles park in public parking spaces. It is thought that creation of designated parking areas for motorcycles will free up parking spaces for autos. TGC is looking further into this possibility and potential areas for strategic designated motorcycle parking.



School Buses: A visit to historic Fredericksburg is a field trip for many schools in the region. The National Museum of the Pacific averages approximately 10,000 school children annually. The Pioneer Museum, Fort Martin Scott, the Texas Rangers Heritage Center, and The LBJ State and National Parks all have school trip activity to some degree and want increased activity. School buses currently park

on a lot behind the Visitor Information Center. School buses also park around Marktplatz for picnic lunches. A centralized and protected location for school buses to drop off children and park during School tours is desirable.

Tour and Inner-city Buses; There are a number of tour companies, particularly for wine tours, that pick up and drop off in the downtown Fredericksburg area. Although some tour operators comply with City directives, and handle pick up and drop off in designated areas such as the Visitor's Center, many will use public roads and some residential to manage this activity.



Oversized Vehicle Parking/drop-off/loading – The City has issues with oversized vehicles, including RV's, tour buses and school buses, parking in areas that inhibit the flow of traffic and in some cases, restrict normal vehicular parking. In particular, oversized vehicles pose a problem during pick up and drop off in the visitor's center. RV overnight parking has been an issue in the Visitor Center lot, as opposed to many surrounding RV parks with ample parking designed to accommodate oversized vehicles.





Where do I park? – The City lacks directional signs at locations where out of town visitors begin to enter the core of the Main Street area which, if implemented, can more specifically direct those seeking parking to a location which mitigates parking congestion and conflict.



Parking Enforcement – The City has a parking ordinance which needs to be modified based upon the policy decisions made as a result of this Study. The recommendations contained herein will require the City to make difficult choices regarding the creation of an organized and more regulated parking environment from the current laissez-faire environment. It is clear from stakeholder input, including the public and City officials, that the City of Fredericksburg requires a

more organized and defined system of managing parking.

CHAPTER THREE: PARKING SUPPLY AND DEMAND



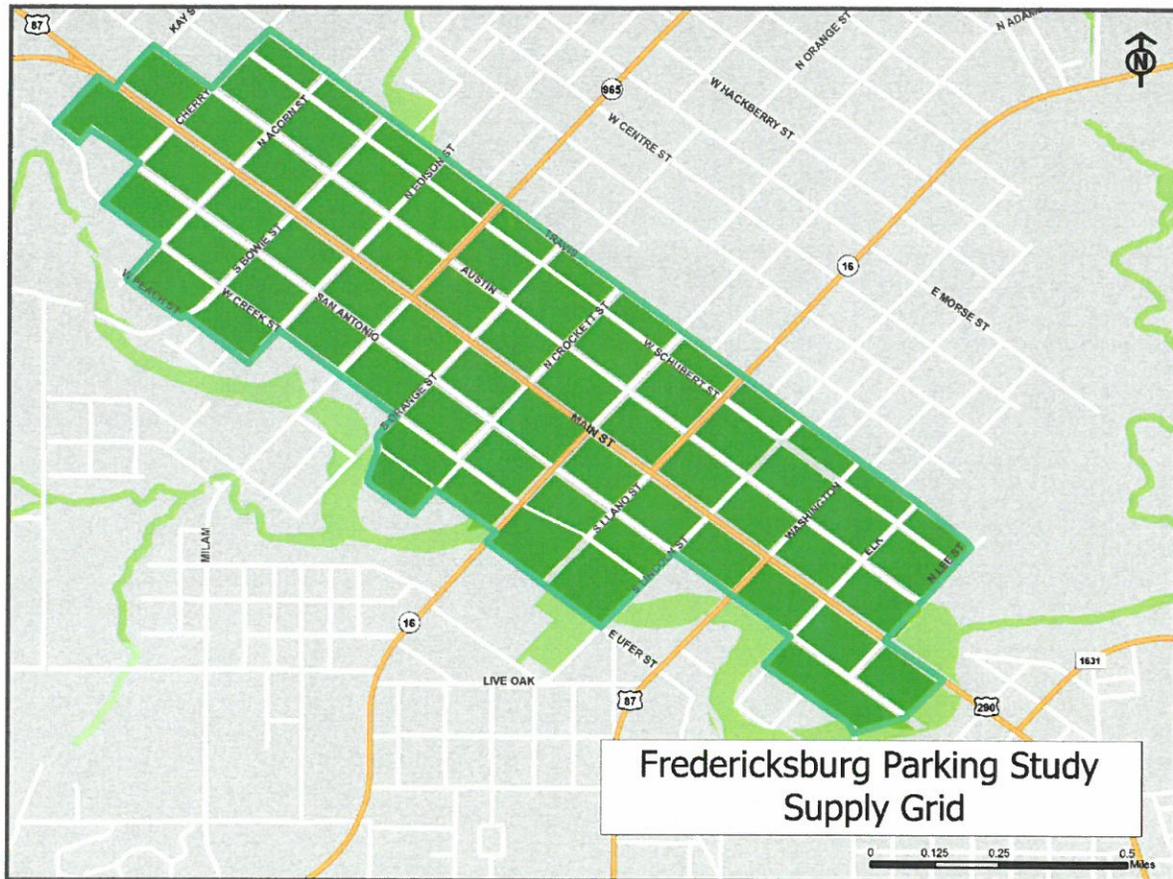
Historic Main Street at night

SUPPLY

A critical step towards addressing the parking challenges that the City of Fredericksburg is currently facing involves understanding supply and demand as it relates to parking within the defined study area. Prior to conducting demand analyses, a study of parking supply must be completed within the same study area. The following section details the approach and methodology to conducting the supply analysis, as well as the results.

APPROACH AND METHODOLOGY

Figure 5: Fredericksburg Parking Supply Grid



The total supply of parking within the study area was made through examining the various types of parking that exist downtown and in the surrounding areas. Parking spaces were typified as follows:

- **On Street Residential** – Unmarked Street parking in front of residences;
- **On Street Commercial** – Marked, striped or parallel, parking in front of or in close proximity to local area businesses;
- **Off Street Public Parking** – Non-street parking in lots that are designated open to the public at all times;
- **Off Street Private Parking** – Non-street parking in local business lots that are designated open to the public after business hours, typically including full weekend use.

The study area was broken down into a grid (see Figure 5) based on the existing block structure, which for the majority of blocks was fairly uniform in length and width. Utilizing the grid, parking spaces were initially counted via online aerial maps and Google Street View. Each parking supply space that was counted was inputted into the

assigned grid. In the event of obstruction, in which a count of parking spaces were difficult to determine in a specific area, City officials and local area businesses were contacted for verification. In some cases, a site visit was necessary to ensure as accurate of a count as possible.

Counting marked spaces represented the easiest task while unmarked spaces, the majority of parking represented in the study area, required the use of a calculation of linear feet per block face. The following assumptions were used in calculating unmarked spaces:

- Length of car/truck – 16 linear feet (LF)
- Clearance between cars and block ends – 6LF
- Total car plus clearance – 22LF
- Average east-west block length – 640LF
- Average north-south block depth – 430LF
- Average driveway length – 10LF

The tabulated data, gathered from observing available parking, was applied against the above assumptions. The results of the data tabulation are summarized in Table 3 below.

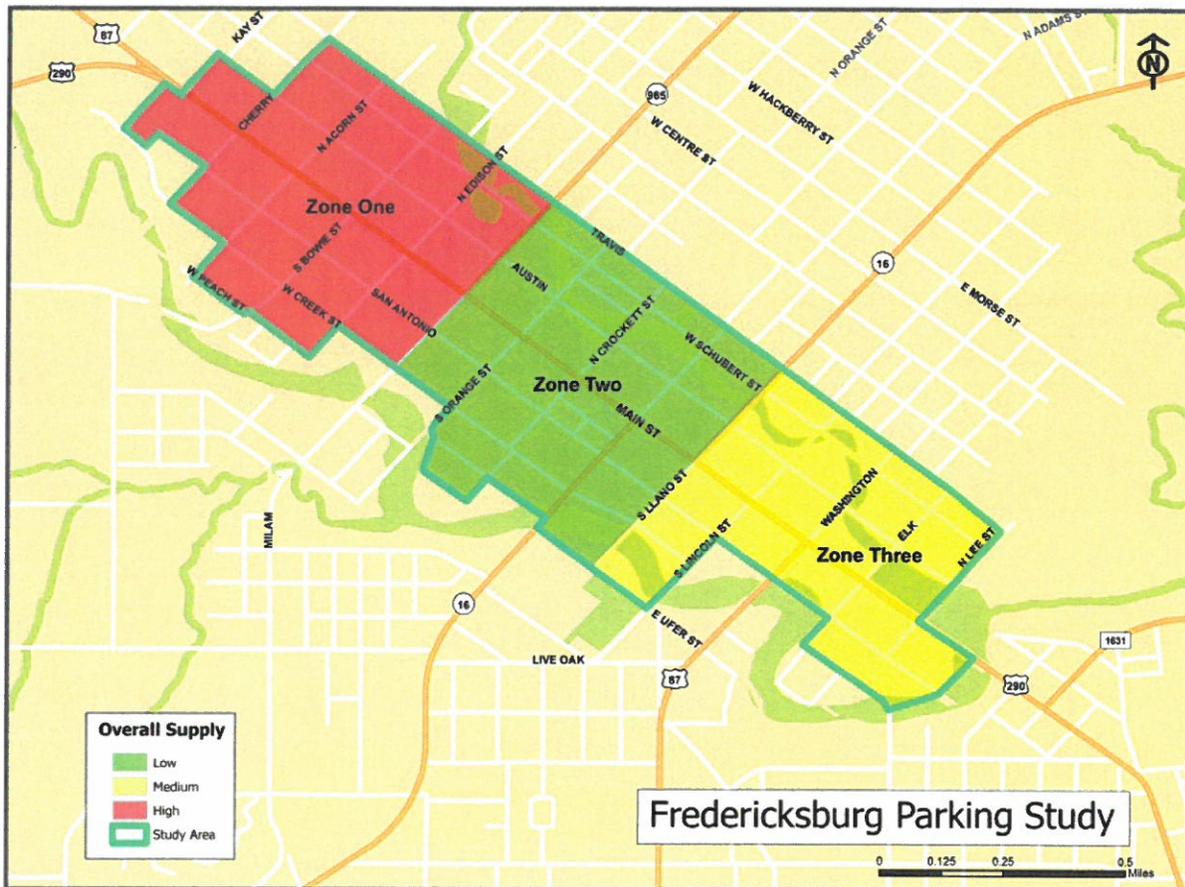
Table 3: Study Area Parking Analysis

STUDY AREA PARKING ANALYSIS	
TOTAL ON-STREET PARKING SPACES	4,702
“Commercial” or “marked” spaces	1,878 of 4,702
“Residential” or “unmarked” spaces	2,824 of 4,702
TOTAL OFF-STREET PARKING SPACES (private and public)	481
TOTAL WEEKDAY SUPPLY	5,009
TOTAL WEEKEND SUPPLY	5,183

Note that the weekend supply results include off-street parking from private business lots where weekend parking is free and open to the public. One example of this includes several downtown bank parking lots within the study area.

Figure 6 below shows how the overall supply was spread in the study area. Generally, ample supply was concentrated on the west end of the study area (Zone One) while supply was lacking in the center of the study area (Zone Two).

Figure 6: Fredericksburg Parking Study – Overall Supply Zones



DEMAND

PROCESS AND ASSUMPTIONS

Parking demand in the study area is estimated by using data and calculation from the Gillespie County Central Appraisal District (GCAD) Improvement/Building Class CD and the 4th Generation Institute of Transportation Engineers (ITE) Parking Generation Manual. Using field work and scientific methodologies, the ITE Parking Generation provides parking generation rates per land use by weekday, Saturday and Sunday. GCAD parcel level data is collected and assigned a land use type that directly or closely correlates to the ITE land use categories.

To ensure quality, parcel data was further examined to ensure the appropriate land use category was matched between GCAD and ITE. Assumptions were used when data compatibility was weak. The assumptions are as follows:

- When data for one of the three days/time periods was not available for a category, it was interpolated from another data;
- Auto Service garage land use is assumed as a general light industrial land use in the ITE manual;
- Residential is assumed as a single family and one dwelling unit in the ITE manual;
- Motel is calculated using occupied rooms. Two motels in the study area were used to determine the number of rooms for hotels that do not provide the numbers of rooms on its website in the study area. An occupancy rate of 50% for weekdays and 90% for weekends is applied to the overall parking demand for motels;
- Church demand in the ITE manual is very high for weekdays. The ITE manual says it is 3.79, one site cited in the manual says 1.17; this number this is used for weekday and Saturday demand.
- Retail is assumed as the 'Shopping center' land use in the ITE manual;
- Office land use is assumed to have 10% of weekday demand for Saturdays only and 0% for Sundays.
- Museum use is assumed to have a generation of 1.32 per 1,000 square feet for Sundays

FINDINGS

Aggregate parking demand is approximately 6,000 for weekdays, Saturdays, and Sundays. Weekdays range from 5,300-6,480, Saturdays range from 5,150-6,300, and Sundays range from 5,360-6,540.

See figures 7, 8, and 9 to reflect weekday, Saturday and Sunday demand.

Figure 7: Fredericksburg Parking Demand Analysis – Weekday

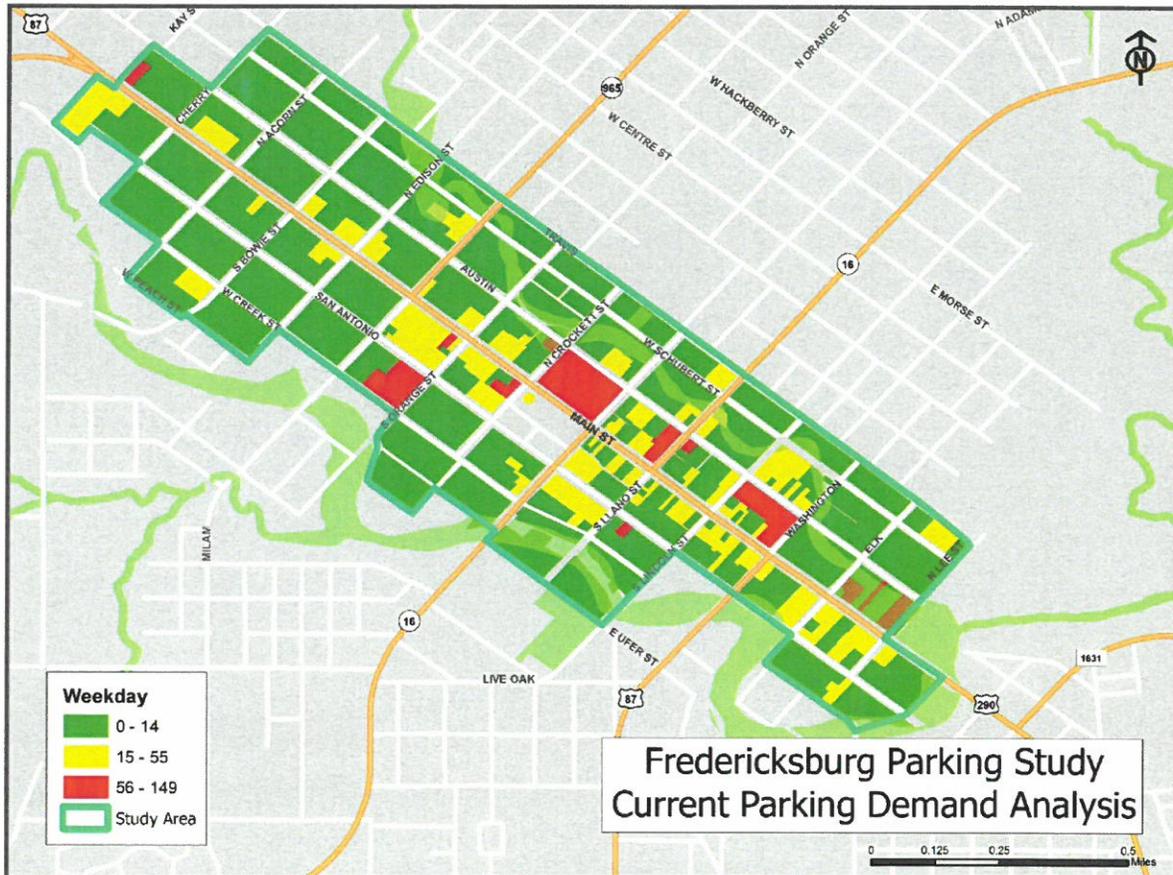


Figure 8: Fredericksburg Current Parking Demand Analysis – Saturday

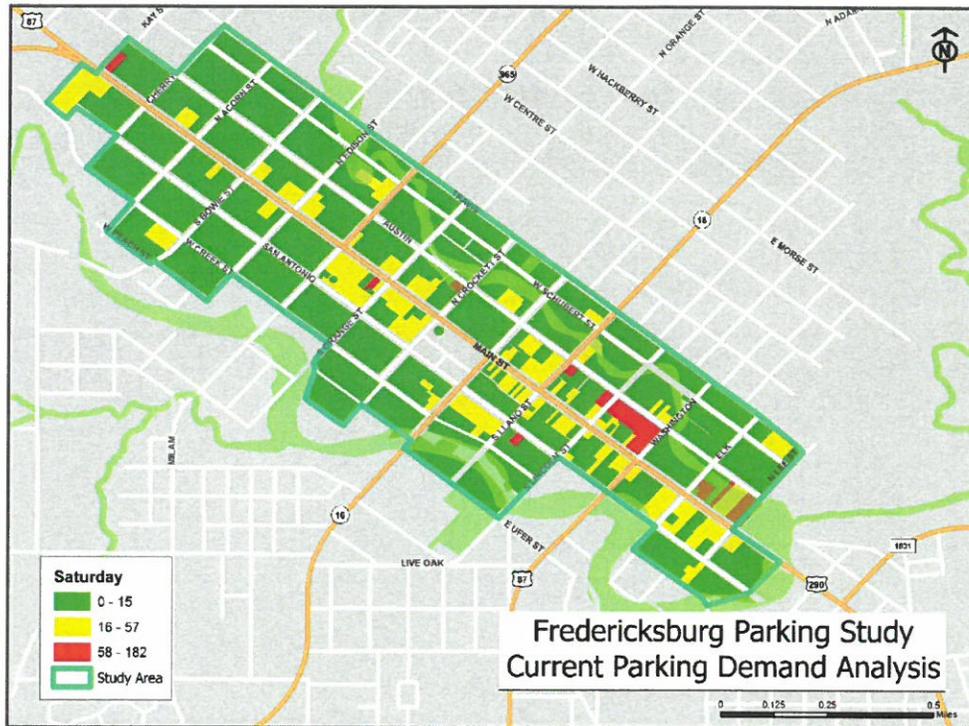


Figure 9: Fredericksburg Current Parking Demand Analysis – Sunday

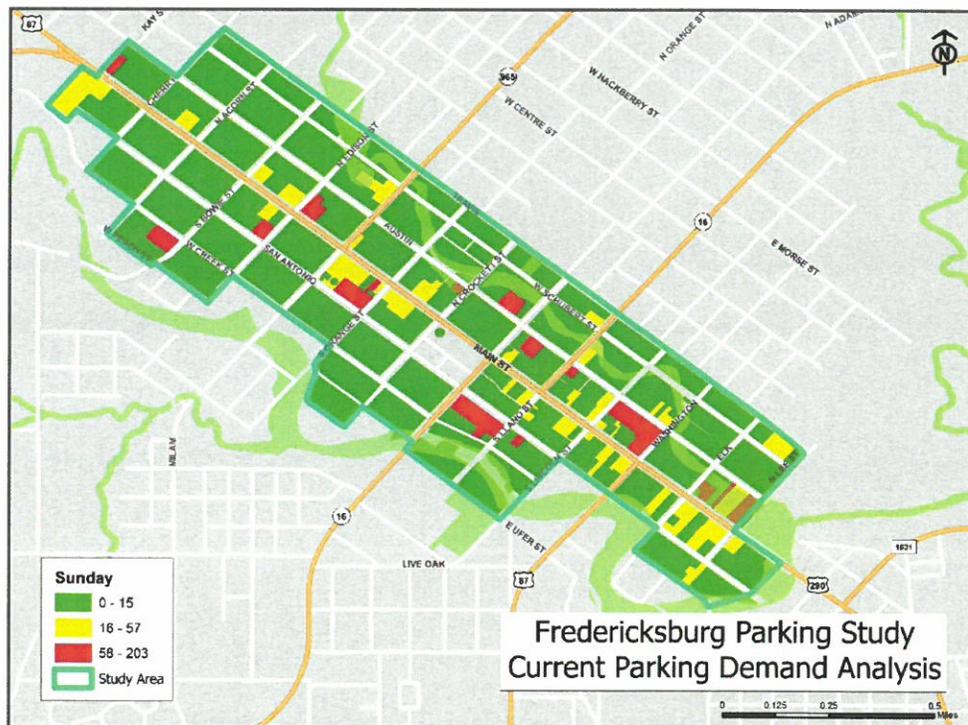


Table 4 shows the aggregate demand by broad land use category for the study area, with a +/- 10 percent range on the projected number generated through the process of using the ITE manual. Overall, residential land uses are responsible for most the parking demand in the downtown Fredericksburg

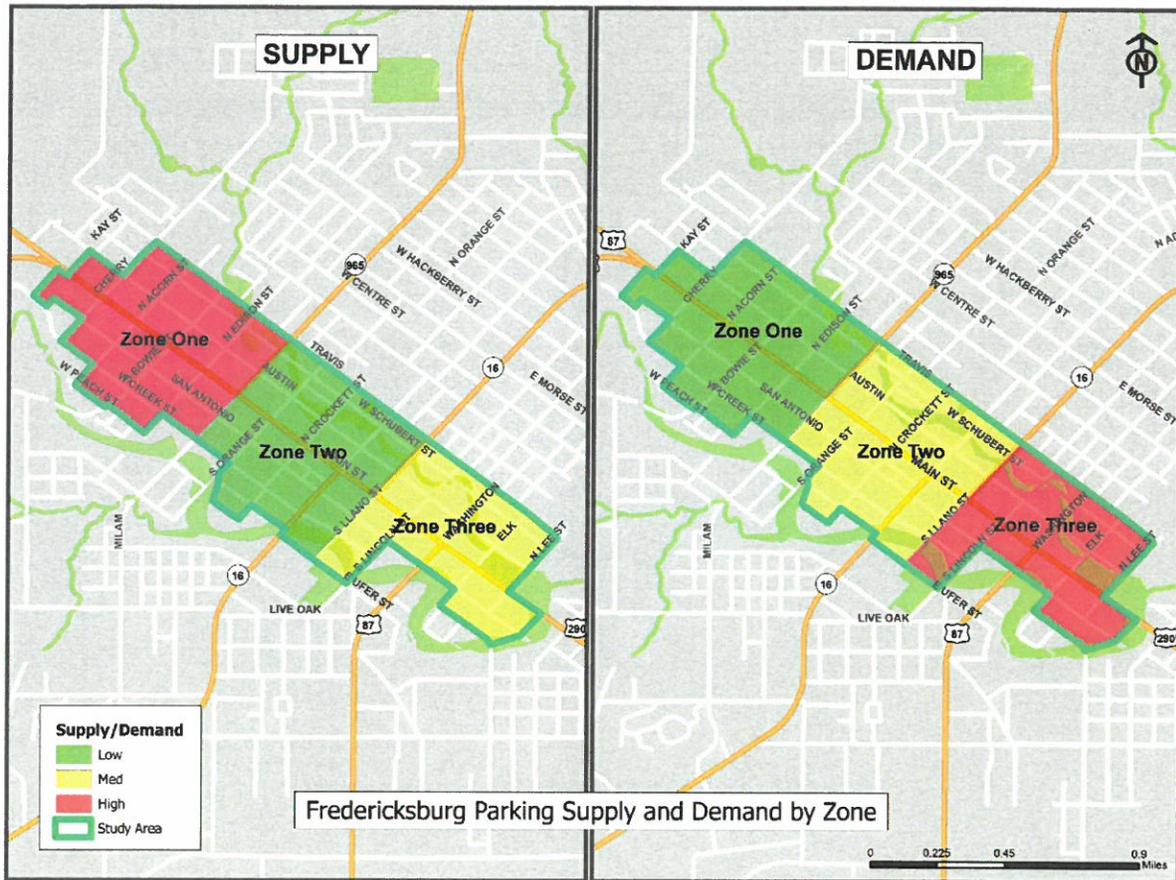
Table 4: Current Study Area Parking Demand

CURRENT STUDY AREA PARKING DEMAND									
LAND USE	WEEKDAY			SATURDAY			SUNDAY		
Institutional	320	to	390	260	to	320	1,140	to	1,390
Industrial	50	to	60	30	to	40	30	to	40
Motel/Hotel	60	to	80	110	to	140	110	to	140
Office	710	to	870	150	to	180	-	to	-
Residential	1,660	to	2,020	1,660	to	2,020	1,660	to	2,020
Restaurant/Entertainment	1,150	to	1,410	1,440	to	1,760	1,330	to	1,620
Retail	1,350	to	1,650	1,500	to	1,840	1,090	to	1,330
Total	5,300	to	6,480	5,150	to	6,300	5,360	to	6,540

DEMAND ZONES:

Corresponding with Supply Zone Figure 10 shows both the supply and demand zones side-by-side as a point of comparison to illustrate where general supply and demand is in the study area. Although the most supply appears to be in the center zone of the study area, the most demand is generated from parcels on the eastern zone.

Figure 10: Fredericksburg Parking Study – Supply and Demand Zones



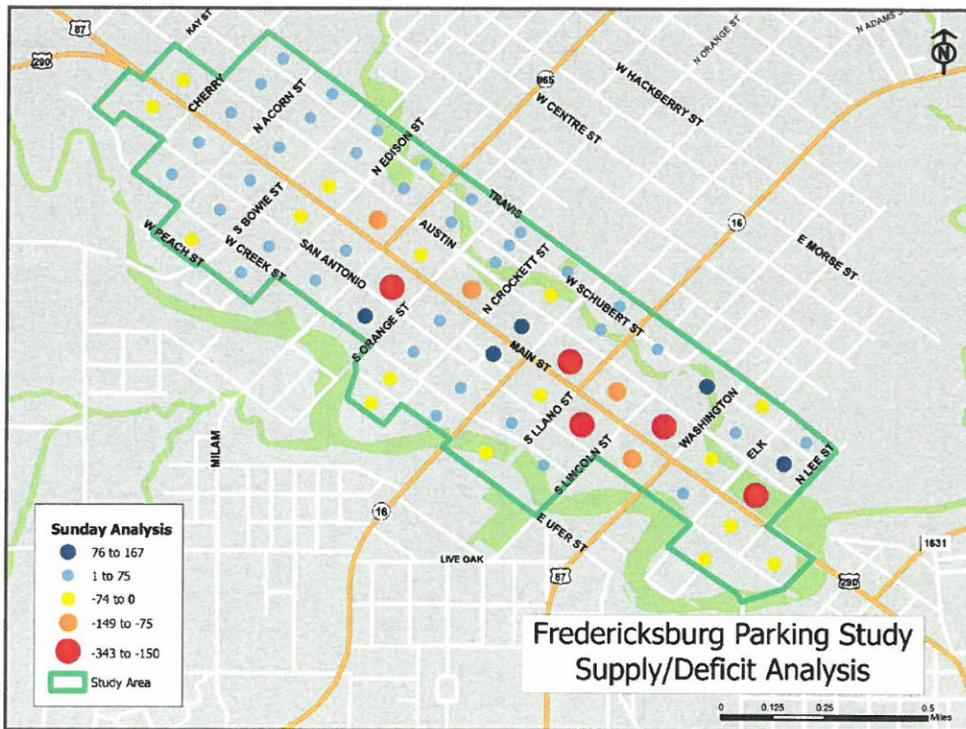
SUPPLY AND DEMAND ZONES

To better understand Fredericksburg’s existing parking needs, the supply and demand were compared to determine where there are surpluses and deficits at a block level. This comparison allows for an understanding of where parking is sufficient to meet the existing demand, and where additional supply might be needed. The blocks showing the largest deficits would be target areas for an increase in parking supply.

Figures 11, 12, and 13 show the supply and demand balance for weekdays, Saturdays, and Sundays. For all three-time periods, the greatest deficits are concentrated in the eastern portion of the study area: along Main Street, east of Milam Street and Route 965.

Additional parking facilities should be considered in the areas with the highest imbalances of demand vs. supply.

Figure 13: Fredericksburg Parking Study Supply/Deficit Analysis - Sunday



FUTURE DEMAND

Future demand³ was projected for a 10-year planning horizon. It is assumed that residential and office space in the study area will remain constant, and only other uses will experience an increase in demand.

The annual growth rate used in the analysis is 6%; this number is derived from tax revenue increase and traffic count increases in the study area. Traffic data is available from the Texas Department of Transportation from 2010 to 2015; the AADT counts are for both directions on the roadway. The counts in the study area, both on the Main Street (US 290) and the adjacent side streets show an approximate annual growth of 6% over the five-year period. Similarly, city sales tax and hotel occupancy tax, when accounting for inflation, also increase in a similar range between 2012 and 2016. Thus, 6% is assumed to be the annual growth rate for the 10-year planning horizon. This factor was applied to all land uses in the study area other than office, medical offices and residential.

The west side of Main Street between Kay Street and Bowie Street has vacant parcels with the potential for future development. There are 4 parcels directly on Main Street that are zoned as commercial; the future analysis

³ Traffic data is available from the Texas Department of Transportation from 2010 to 2015“ the footnote is: <http://www.txdot.gov/inside-txdot/division/transportation-planning/maps.html>

assumes development of these parcels. Based on adjacent parcels, approximate square footage was derived for the potential improvements on these lots. Each of the four parcels are assigned a retail use (shopping center) and restaurant land use from the ITE manual; the average of the parking rate is used to estimate future demand. For these four parcels, average demand ranges from 140-175, depending on the day.

Figure 14: Future Weekday Demand Analysis

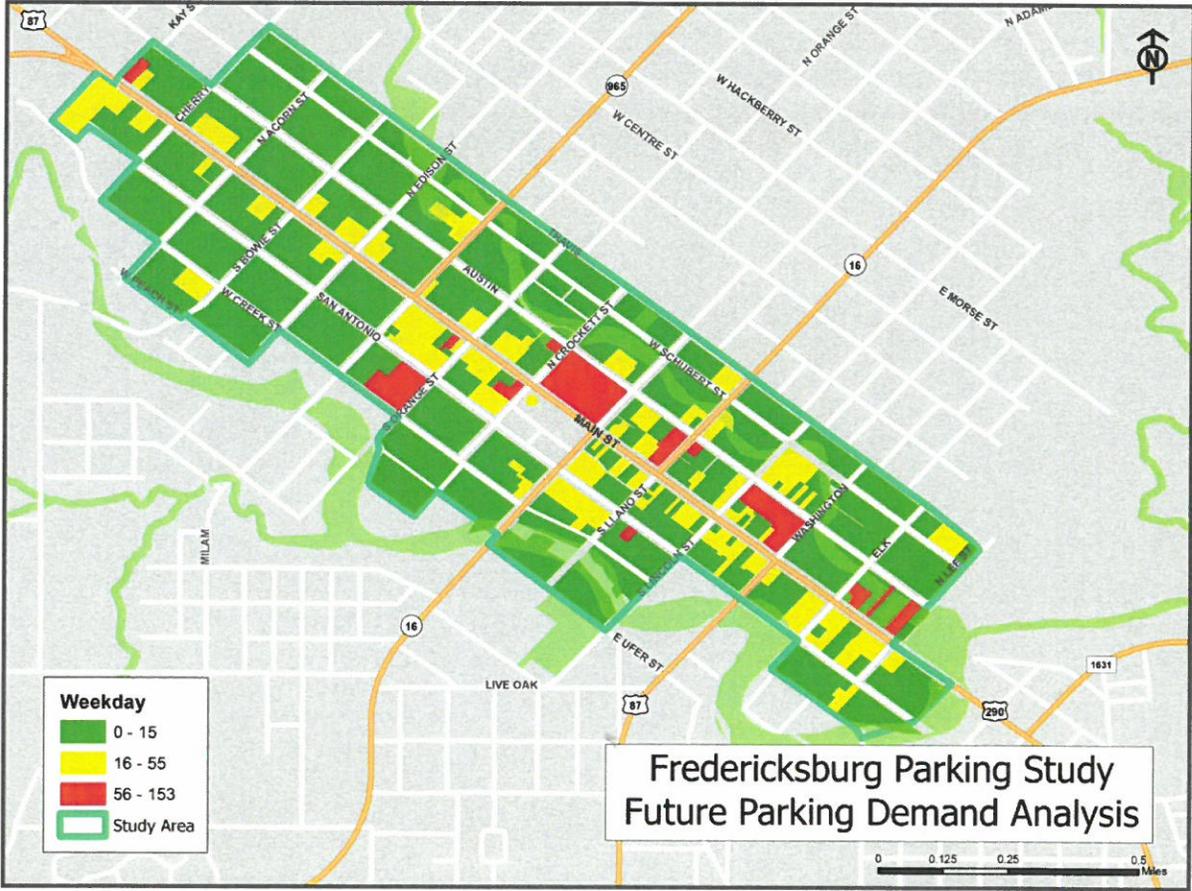


Figure 15: Future Saturday Demand Analysis

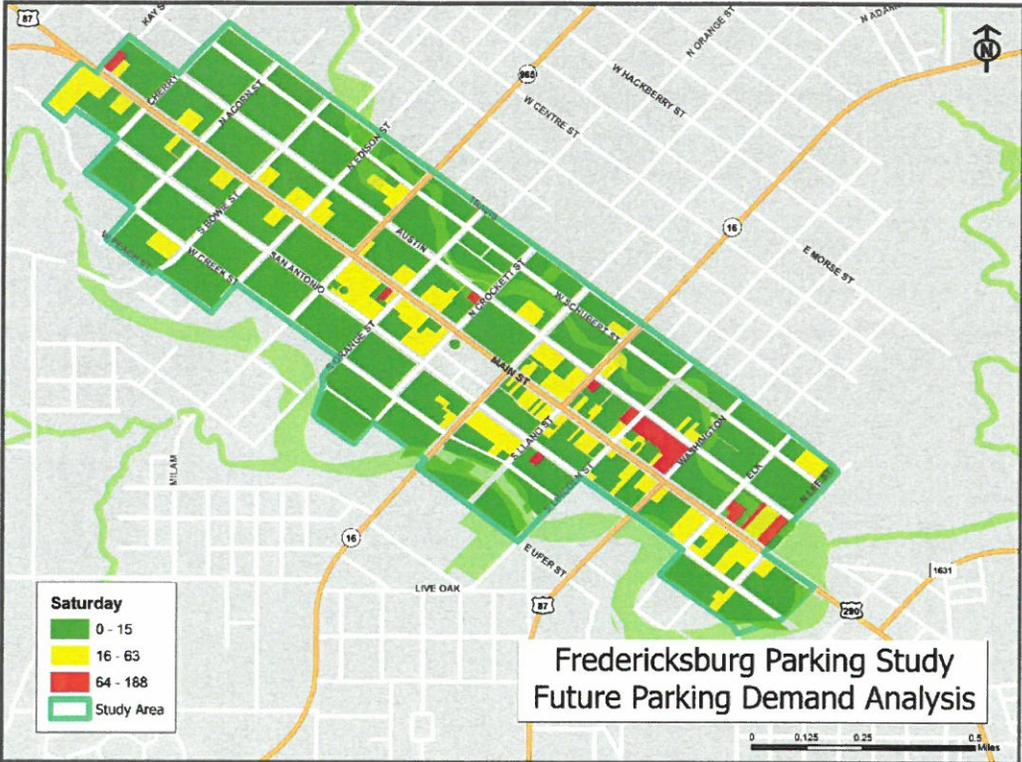
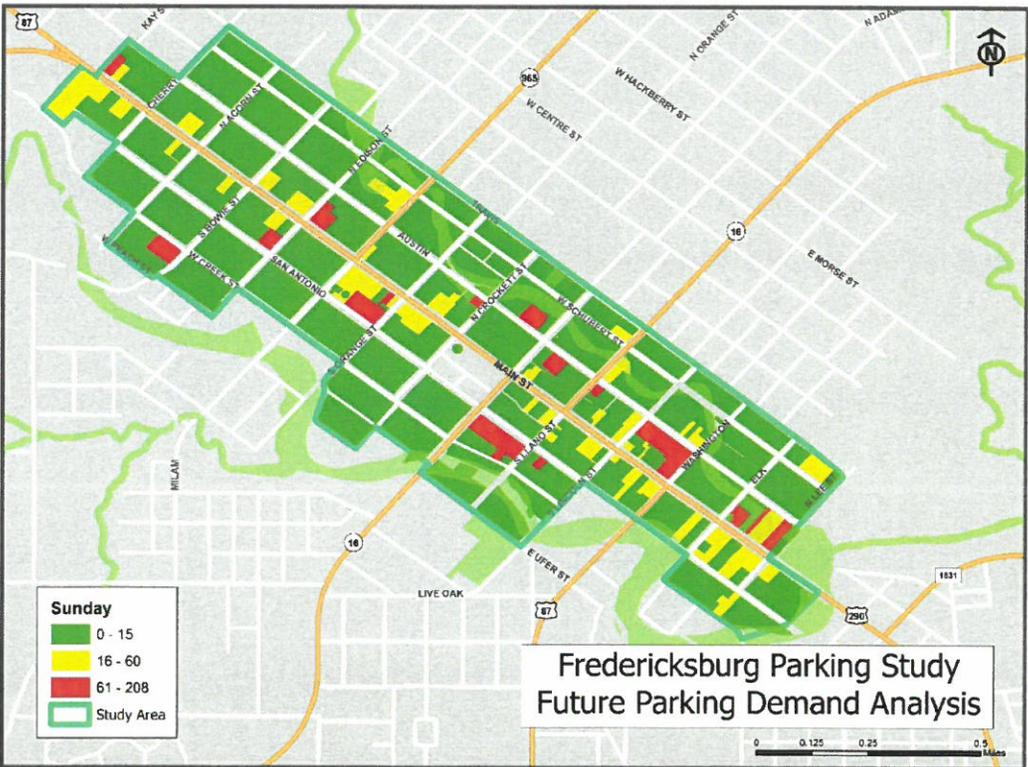


Figure 16: Future Sunday Demand Analysis

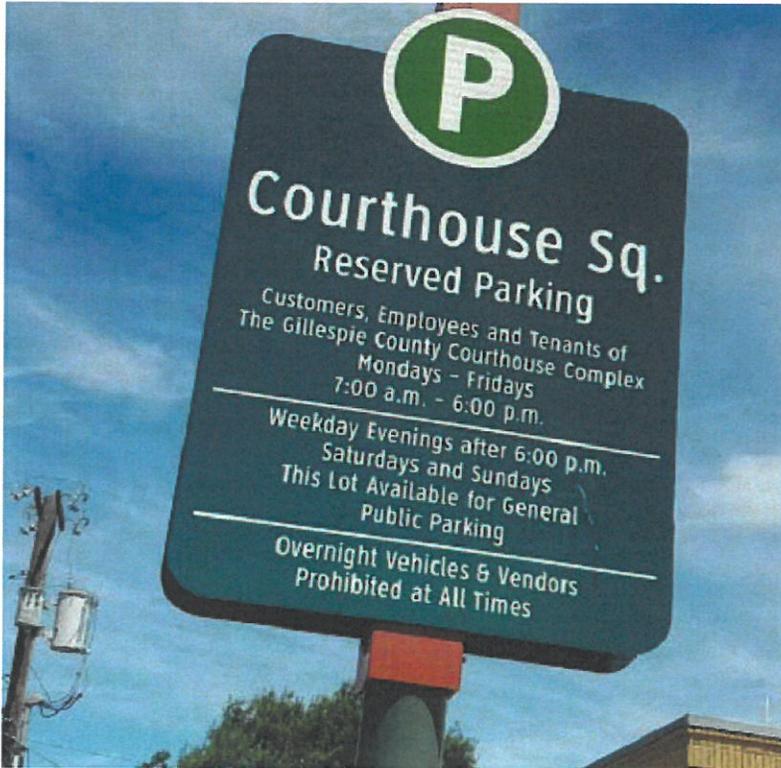


The future demand for all parcels is shown below in Table 5.

Table 5: Future Study Area Parking Demand (10-Year Planning Horizon)

FUTURE STUDY AREA PARKING DEMAND (10-YEAR PLANNING HORIZON)									
Land Use	Weekday			Saturday			Sunday		
Institutional	570	to	700	470	to	570	2,040	to	2,490
Industrial	90	to	110	60	to	70	60	to	70
Motel/Hotel	110	to	140	200	to	240	200	to	240
Office	900	to	1,100	230	to	290	-	to	-
Residential	1,660	to	2,020	1,660	to	2,020	1,660	to	2,020
Restaurant/Entertainment	2,130	to	2,600	2,660	to	3,250	2,450	to	3,000
Retail	2,490	to	3,040	2,770	to	3,390	2,020	to	2,470
Total	7,950	to	9,710	8,050	to	9,830	8,430	to	10,290

CHAPTER FOUR: PARKING STRATEGIES AND RECOMMENDATIONS



Gillespie County Courthouse Parking Complex Sign

Representatives of The Goodman Corporation have met with numerous stakeholders, conducted a public meeting, and met with City Council to discuss a myriad of potential parking strategies which can be used to better manage parking demand within the City of Fredericksburg.

There are several parking strategies which can be implemented to provide better management and organization of Fredericksburg downtown parking demand. It is important to note that each of the following parking strategies has advantages and disadvantages.

Some strategies will raise revenues for the City, but also require a higher level of traffic and parking enforcement. Some strategies would restrict parking in certain areas at certain times during the week and day. Some strategies would direct visitors seeking parking to parking resources which best meet their specific destinations. The following are a list of potential strategies and the advantages and disadvantages associated with each.

CITY OF FREDERICKSBURG PARKING COMMITTEE

ADVANTAGES:

- Committee comprised of City Officials and Stakeholders
- Can assist in development and implementation of selected parking strategies
- Can recommend potential capital expenditures related to parking management

DISADVANTAGES:

- Committee members will have to dedicate time and effort toward success
- Committee will receive and must respond to citizen complaints

CHARGING FOR PARKING ON MAIN STREET (FIXED OR VARIABLE RATES; SHORT TERM IMPLEMENTATION)

ADVANTAGES:

- Appropriate for Downtown Fredericksburg to the relatively high number of visitors to the City who desire access to the shops, eateries and destinations along Main Street
- Need to conduct a fare analysis to determine appropriate rates
- The City of Fredericksburg should establish marketable parking rates which generate sufficient revenue to cover the cost of capital equipment, maintenance, enforcement and a reasonable return of net revenue to the City
- Pay and Display kiosks will reduce capital costs

DISADVANTAGES

- Will require capital equipment, enforcement, signage and fare collection
(Pay and Display Stations accept cash credit and pay by phone)
- City needs to conduct a public education campaign to inform all user groups of proposed changes *(as well as the rationale behind the changes)* well before the policy take effect

PROVISION OF ALTERNANTE SURFACE LOTS, WHICH MAY OR MAY NOT CHARGE TO PARK (SHORT TERM IMPLEMENTATION)

ADVANTAGES:

- Appropriate for the adjacent residential neighborhoods to Downtown Fredericksburg
- Will assist in preserving the quality of life for residents
- Requires clearly marked signage of residential areas to avoid confusion for visitors

- Alternate to paid parking in core area

DISADVANTAGES:

- Requires clearly marked signage of residential areas to avoid confusion for visitors
- Will require resources to enforce consistently
- City needs to conduct a public education campaign to inform all user groups of proposed changes (*as well as the rationale behind the changes*) well before the policy take effect

ISSUANCE AND ENFORCEMENT OF RESIDENTIAL PARKING PERMITS (SHORT TERM IMPLEMENTATION)

ADVANTAGES:

- Appropriate for the adjacent residential neighborhoods to Downtown Fredericksburg;
- Will assist in preserving the quality of life for residents;
- Requires clearly marked signage of residential areas to avoid confusion for visitors.

DISADVANTAGES:

- Will require physical permits / stickers to be made available for resident's cars as well as transferrable permits for the residents to provide to their personal visitors
- Will require resources to enforce consistently
- City needs to conduct a public education campaign to inform all user groups of proposed changes (*as well as the rationale behind the changes*) well before the policy take effect

CONSTRUCTION OF CENTRAL TRANSPORTATION/PARKING FACILITY IN PROXIMITY TO CORE DEMAND AREA (LONG TERM IMPLEMENTATION)

ADVANTAGES:

- Provides maximum supply of parking to serve core area
- Opportunity for ground-level retail
- Multiple design/façade options available to ensure parking structure fits within the context of Downtown Fredericksburg
- Creates an opportunity to consolidate and control tour bus activity

DISADVANTAGES:

- Requires minimum site size
- Will require public safety and enforcement presence

REVISE ZONING / DEVELOPMENT REGULATIONS REGARDING ON- AND OFF-STREET PARKING (SHORT TERM IMPLEMENTATION)

ADVANTAGES:

- Provides proper legal context for enforcement measures
- Consider as adjunct to City Council implementation of short and long-term Parking Strategy
- Enables existing and new business certainly regarding parking availability

DISADVANTAGES:

- Will require enforcement and Stakeholder coordination
- Could vary by street, zone, or neighborhood
- Interest of Stakeholders, which varies, must be considered

MANAGEMENT OF PARKING THROUGH A COMBINATION OF THE ABOVE WITH CHANGEABLE MESSAGE SIGNS TO BETTER DIRECT DEMAND AS VISITORS APPROACH THE DOWNTOWN AREA (SHORT TERM IMPLEMENTATION)

ADVANTAGES:

- Appropriate for Downtown Fredericksburg due to the number of visitors who are generally unfamiliar with the layout and availability of parking options in the area
- Will reduce traffic congestion due to users circling to find a parking spot
- Will help enhance traffic safety along busy corridors
- Useful during large event occurrences

DISADVANTAGES:

- Requires capital, maintenance, and enforcement resources
- Will need to adhere to TxDOT guidelines if implemented on state facilities.



AUTOMATED PARKING GUIDANCE SYSTEMS (SHORT TERM IMPLEMENTATION)



Automated Parking Guidance Systems (APGS) - are becoming important tools in managing parking in areas of high demand such as airports, resort areas, activity centers and other high capacity venues. The APGS technology utilizes dynamic and changeable message signs to guide motorists to parking availability within their desired destinations. The changeable message signs can direct motorists to those areas where parking exists and is available. As the motorist gets closer to the designated parking area, the signage will indicate the availability of parking spaces either on a facility, level or space basis. The APGS system will also measure parking demand and provide data regarding number of vehicles parked, time of day, duration of parking and other valuable data sets so that the City of Fredericksburg can better estimate the need for additional parking resources and the area of the City within which to target same.

The major entry points for travel demand to the core of Main Street area would receive “Dynamic” wayfinding signs which will be located along the major entry points to Fredericksburg (Main Street at both ends, State Highway 16, etc.) to guide tour vehicles to surface lot and/or structured parking facilities, and to notify them of the amount of available parking spaces. Depending on the level of APGS monitoring, the facility signage will either indicate that parking is available, number of spaces, and, in a structure Facility, level availability or specific space availability.

ADVANTAGES:

- A guidance system from roadway to parking space;
- Valuable data regarding parking demand and utilization
- Better organized and managed parking resource use/availability

DISADVANTAGES:

- The capital cost of the APGS system
- Manual monitoring of system, and changeable message signs
- Maintenance cost of the APGS system

LIMITATION OF PARKING DURATION ON MAIN STREET (NOT RECOMMENDED)

ADVANTAGES:

- Appropriate for Downtown Fredericksburg due to the number of day/weekend visitors that frequent the City
- Ensures parking spaces turn over on a periodic basis to prevent a single user from occupying a prime parking spot for long durations (*this is particularly a problem with employees of storefronts in Downtown environments*)
- Normally done in concert with paid parking (would be more difficult to implement and monitor without paid parking; but not impossible)

DISADVANTAGES:

- If implemented, need to make sure other options for longer-term parking are readily accessible to users
- Will require resources to ensure consistent enforcement, additional signage and new capital equipment to implement
- City needs to conduct a public education campaign to inform all user groups of proposed changes (*as well as the rationale behind the changes*) well before the policy takes effect

REDUCE DEMAND FOR PARKING IN THE DOWNTOWN MAIN STREET CORE AREA

Background: During consideration of various parking strategies several stakeholders have mentioned the potential strategy of reducing demand for parking within the downtown core area to ease congestion and demand for parking spaces. Ideas such as development of the west end of Main Street and peripheral parking with transit shuttles might be future components of such a strategy. However, it is important to note that the development of the west end of Main



Street doesn't diminish demand for existing parking, but would increase parking demand on the west end of the Main Street corridor and the need, perhaps, for additional parking. The idea of peripheral parking and increased pedestrian/transit connectivity is a way to decongest the core area.

ADVANTAGES

- Would Decongest the demand for parking in the core area;
- May reduce the need to construct additional parking;
- Promotes more pedestrian connectivity;
- Enables visitors to avoid driving into the downtown core

DISADVANTAGES

- Would require transit shuttle connectivity to downtown core area;
- Transit connectivity would require City subsidies (might be offset by user fees);
- Peripheral parking areas would need to be established and secure;
- Would require directional signage;
- Would require marketing campaign and information materials

CHAPTER FIVE: STAKEHOLDER INPUT



PUBLIC INPUT

Given the tight-knit community of Fredericksburg, engagement of the public has been an important component of the parking study. Growing tourism and similarly growing parking challenges have impacted residents in their day to day activities. Having the citizens of Fredericksburg provide feedback regarding their challenges and potential parking solutions is a key ingredient to achieve a successful parking management strategy.

MARCH 2017 PUBLIC MEETING

On Monday, March 13th, 2017, representatives of the City and The Goodman Corporation (TGC) conducted an open house discussion regarding the City of Fredericksburg Downtown Parking Study. The City opened the discussion with an introduction regarding the parking study and introductions to TGC. TGC gave a presentation covering the following topics:

- Introductions: The team of TGC and Walter P. Moore
- Stakeholders: A list of stakeholders involved with the project
- Study Area Map: Confines of the study area
- Overview of Study Objectives: Goals of the study

- Major Demand Centers: A list of attractors to the City, particularly Main Street
- Parking Resources: A list of current parking resources
- Potential Parking Strategies: Conceptual strategies that may be included in study
- A collection of photos of parking meters and transit and parking facilities
- Next Steps of the Study
- Q&A Session

In addition to TGC, Jay Morales with Alamo Rapid Transit (ART) stopped by and spoke about a potential commuter service between the City and Kerrville, at no cost to the City. The comments in the room after his introduction reflected a positive reaction to the potential of this service. The estimated cost was \$6 each way for the passenger.

During the Q&A session, TGC fielded numerous questions and comments from the general public and stakeholders. The following is a summary of comments that resulted from the session:

GENERAL PARKING COMMENTS AND CONCERNS:

- General concern about business and Bed and Breakfast parking space allocations. Not nearly enough per entity;
- Dedicated motorcycle parking – One individual believed that creating dedicated motorcycle parking would help open up auto spaces normally taken up by motorcycles;
- Some individuals thought shuttles to peripheral parking lots would be a better solution than additional parking spaces;
- It was noted that there typically is extra parking, un-used even, during highly attended events, on the far west end of Main Street;
- Large vehicle parking on Main Street and in Visitor’s Center, specifically buses and RV’s, can create a parking problem in which multiple spaces are taken;
- Several noted safety concerns when backing out on Main Street from angled parking. The topic of “back-end” angled parking came up (a la S. Congress in Austin) and several attendees expressed their displeasure;
- A few attendees said that if peripheral lots are to be created, pedestrian infrastructure must be even and contiguous to Main Street areas;
- One attendee expressed that the churches sometimes have events (weddings, etc.) which require substantially more parking than availability, particularly on Sundays;
- A gentleman from the Nimitz Museum said that they have just opened a 180+ space parking lot with trolley connection available to the public during non-conflicting times;

- One individual suggested the City consider creating an auto free pedestrian zone for Main Street. However, this idea was quickly discounted due to several issues, not the least of which is that Main Street is a state highway;
- Some participants consider achieving a "relief" route for trucks to be more important than parking issues;
- The idea of a centralized parking facility with shuttles was received well, although there were differing opinions about how close or how far this facility should be from Main Street;
- Encroachment into neighborhoods is a recognized problem. This topic brings up questions about costs related to enforcement of residential permits and how visitors to residents would be accommodated to avoid ticketing.

NEGATIVE ASPECTS EXPRESSED IN RESPONSE TO THE IDEA OF PAID/METERED PARKING:

- Loss of charm;
- Impact to local residents;
- Time limit on visitation, particularly on Main Street;
- Initial capital cost of meters.

POSITIVE ASPECTS OF PAID/METERED PARKING:

- Limitation of time on main street;
- Redirect out of town visitors to long term parking lots, garage, to free up Main Street for shorter term parking;
- Generate revenue to offset the cost of enforcement.

CONCLUSION

The meeting was well attended and almost everyone in the room participated and had an opinion. Specific stakeholders, wine tour operators, retail and bed and breakfast business owners along Main Street were, as expected, very protective of their turf. TGC will follow up with specific stakeholders who have requested further dialog.

MAY 2017 SPECIAL CITY COUNCIL MEETING

On May 1st, 2017, a special City Council meeting was held in City offices to discuss progress regarding development of the City of Fredericksburg Downtown Parking study Plan. TGC gave a presentation presenting data and information to cover the first four study objectives identified in Chapter One:

Determine Parking Supply – TGC presented the results of the parking supply analysis, conducted as described in Chapter Three.

Conduct Parking Demand Analysis – TGC displayed the results of the parking demand analysis through “heat maps” that identified parking demand concentration, surplus and deficit, and a comparison of supply and demand by zone.

Identify Future Demand – TGC also identified where future demand was projected to take place within the study area, giving a 10-year projection for both weekday and weekend parking demand.

Identify Parking Deficiencies – TGC used the supply and demand analyses to identify where parking deficiencies were within the study area, which mostly existed on the eastern portion of the study area.

The presentation also included the following:

- A summary of public input from the March 13th open house discussion.
- Potential top-level parking strategies and solutions to current parking issues.
- Parking garage concepts at the City’s Visitor Center location, with multi-level site plans.

CHAPTER SIX: PARKING CENTER AND TRANSPORTATION TERMINAL



Galveston Transit Terminal, Galveston Texas

Parking Strategy Recommendations contained in Chapter Four include the development and construction of a dedicated Centralized Transportation/Parking facility with accommodations for 250 to 400 automobiles, tour buses, School buses, transit connectors, etc.

In this context TGC has identified several potential locations for a centralized transportation and parking facility. The focus has been on property which is controlled by the City of Fredericksburg. During the course of this study Gillespie County indicated that the county also needs a future parking structure thereby opening up the possibility of a jointly developed facility which will be explored in Phase 2 of this study effort.

Figure 17: Fredericksburg Potential Parking Center and Transportation Terminal Sites



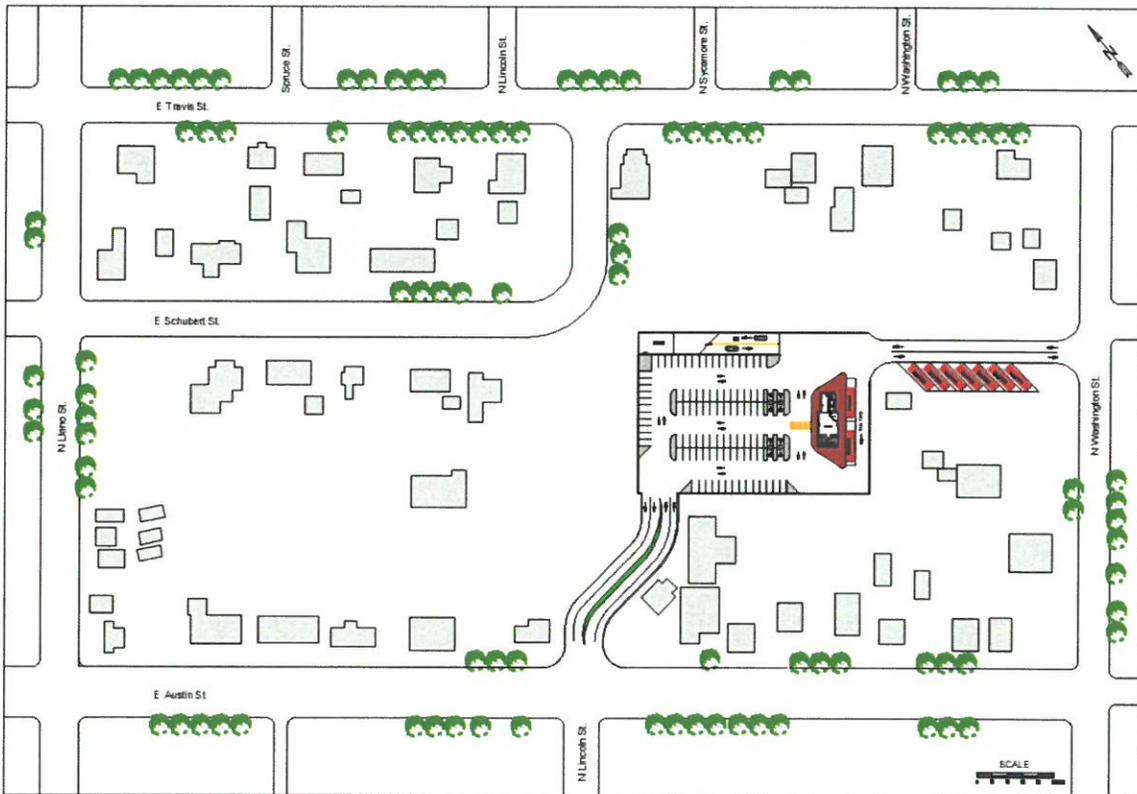
Based on the existing and future parking demand data contained within Chapter 3, there is sufficient need for a centralized parking facility with a capacity of 250 – 400 spaces located in close proximity to the portion of the City generating the highest demand. The most ideal site reviewed at this juncture is a City owned parcel of property adjacent to the existing Visitor’s Center.

TGC has completed an analysis of existing parking inventory available through public and private spaces to accommodate existing and future parking requirements for visitors and residents. Our analysis includes a present day and ten (10) year projected parking demand to include the location of high demand areas for weekdays, Saturdays and Sundays. These demand projections indicate that the management of existing and future parking can best be achieved through the development of a combined parking facility/multi-modal (trolley) terminal which would accommodate between 250 and 400 parking spaces. The preliminary site selection analysis conducted in Task 4 confirms that the City owned location adjacent to the Visitor Center (see conceptual site plan in Figure 18) is strategically located to accommodate existing and future parking demand which has direct accessibility via

pedestrian access to major demand areas. TGC has reviewed other potential sites for a parking facility including smaller city owned parcels and County property. However, the preferred location with sufficient land to accommodate a future transportation center is the property located next to the Fredericksburg Visitor's Center. The following includes finance and implementation options for the conceptual parking and transportation facility presented in Chapter Six.

VISITOR INFORMATION CENTER: CONCEPTUAL SITE

Figure 18: Fredericksburg Parking Center and Transportation Terminal Conceptual Site Plan – Ingress/Egress



Details of the conceptual site plan (number of spaces on each floor), are outlined in the figures below:

Figure 19: Fredericksburg Parking Center and Transportation Terminal Conceptual Site Plan: First Floor

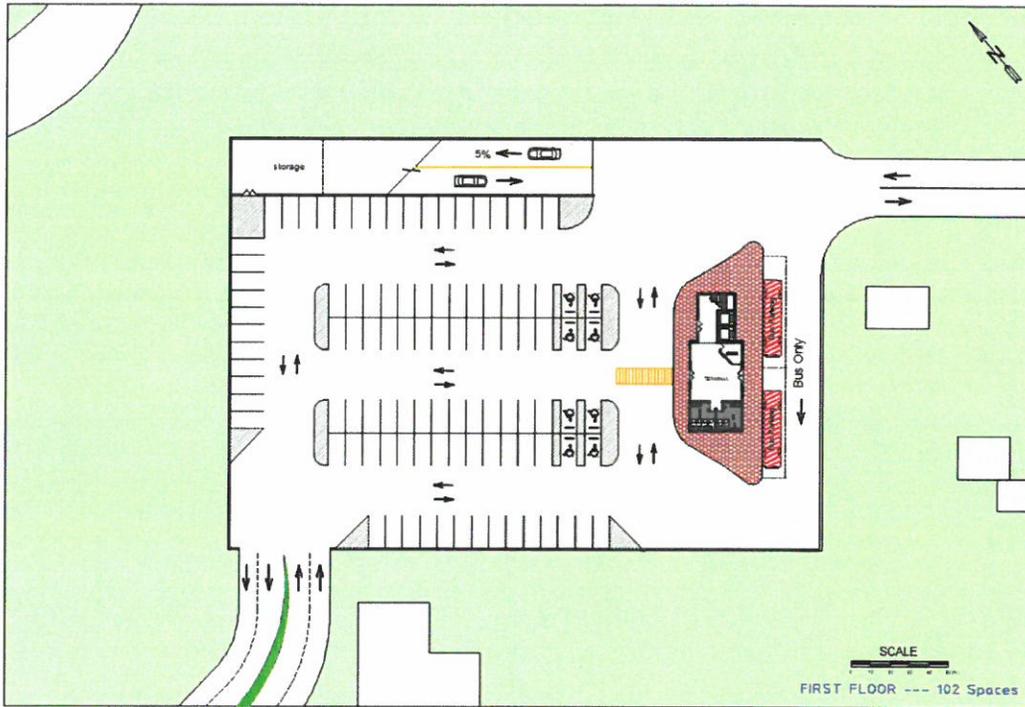


Figure 20: Fredericksburg Parking Center and Transportation Terminal Conceptual Site Plan: Second Floor

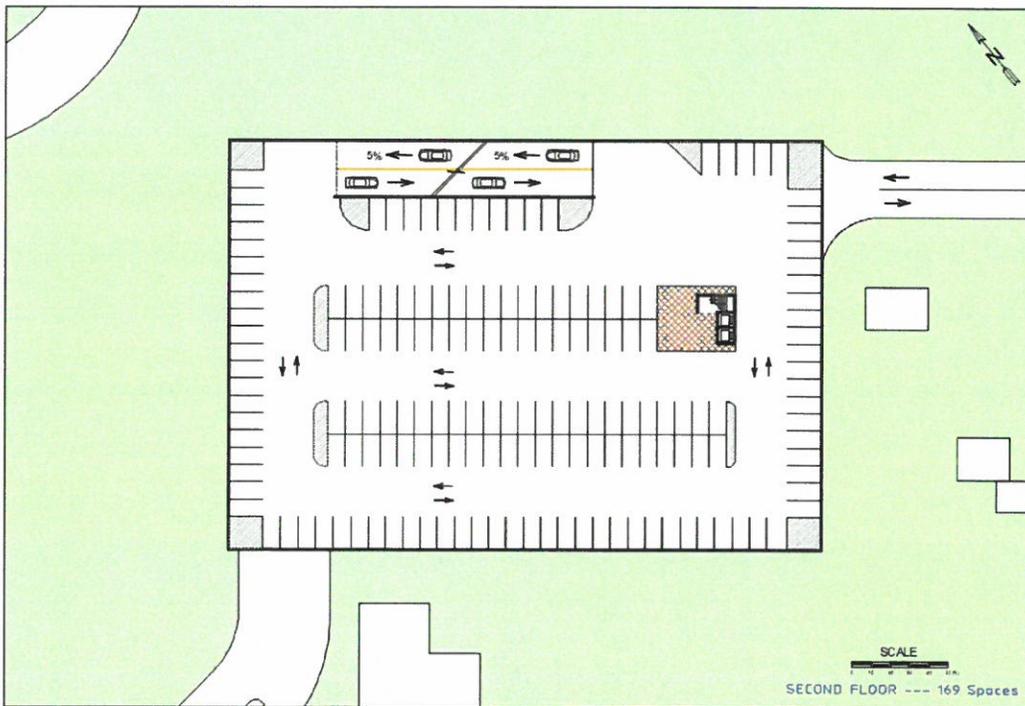
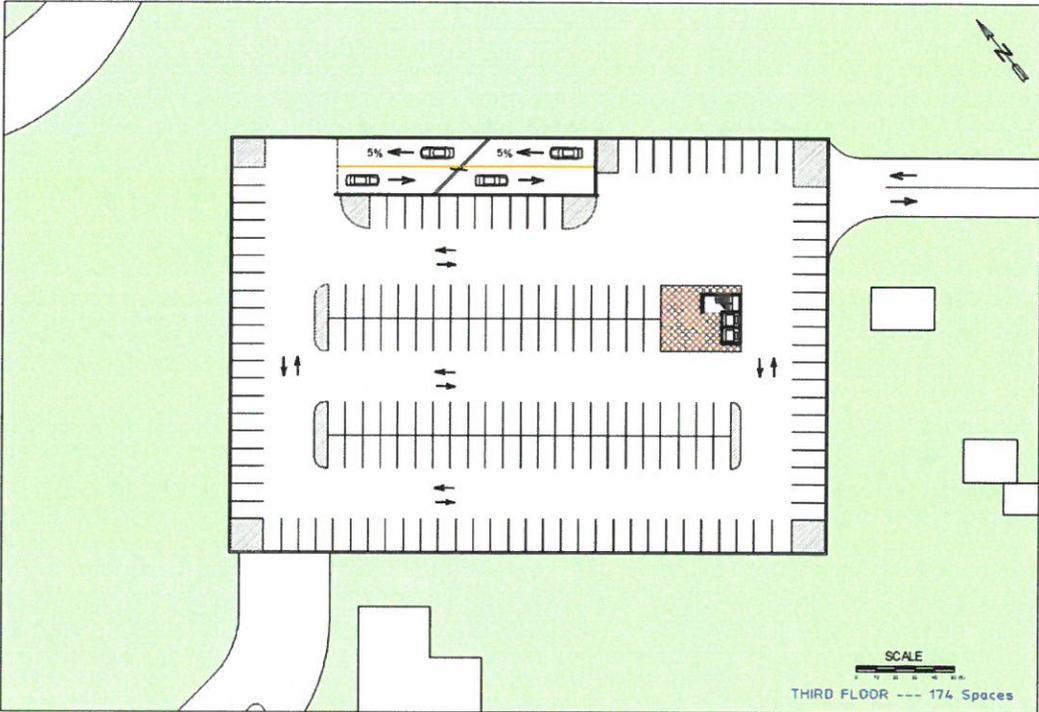


Figure 21: Fredericksburg Parking Center and Transportation Terminal
Conceptual Site Plan: Third Floor



TGC has completed a preliminary site plan and elevation (two to three stories) for a future transportation/parking center which can accommodate automobiles, tour and school buses, local trolleys and shuttles and other modes of transportation. TGC has estimated the preliminary cost of a proposed facility, based on parking industry standards, which is used herein to provide the City with potential financial strategies for future development of the facility. Land value is not considered as part of the estimated costs. To make this strategy viable, it is assumed that the City will incorporate the parking management recommendations made in Chapter 4. It is also important to note that the capital cost of the proposed facility will vary depending on the City's decision to construct two (2) v three (3) levels of parking deck. The following estimated capital cost (Table 5) is based on a three (3) level facility.

Table 5: Fredericksburg Parking Center and Transportation Terminal Conceptual Site Plan – Cost Estimates

FREDERICKSBURG DOWNTOWN PARKING/TRANSIT TERMINAL – COST ESTIMATES		
ITEM	COST	COMMENTS
Site Preparation	\$202,500	8,100 SY x \$25 ⁴
Structured Parking	\$5,950,000	350 spaces at \$17,000 ⁵
Bus Terminal + Site Improvements	\$700,000	\$200 / per square foot at 3,500 square feet ⁶
Soft Costs	20%	PS&E, Construction Phase Services, Material Testing
Contingency	20%	Standard conceptual cost contingency
Total	\$9,593,500	

⁴ TxDOT Statewide Average Unit Low Bid Price (June 2017)

⁵ Average of Houston and Dallas Structured Parking Cost + Inflation Factor

⁶ Recent construction cost estimates for terminals in Houston-Galveston region

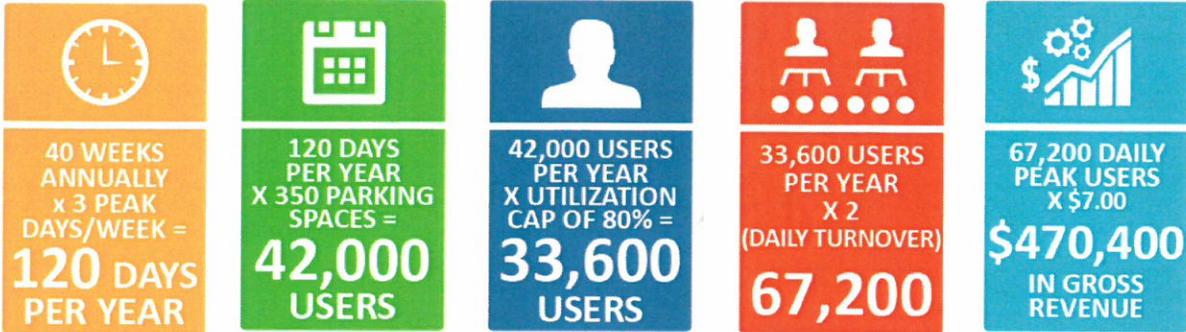
UTILIZATION ASSUMPTIONS

Table 6: Utilization Assumptions

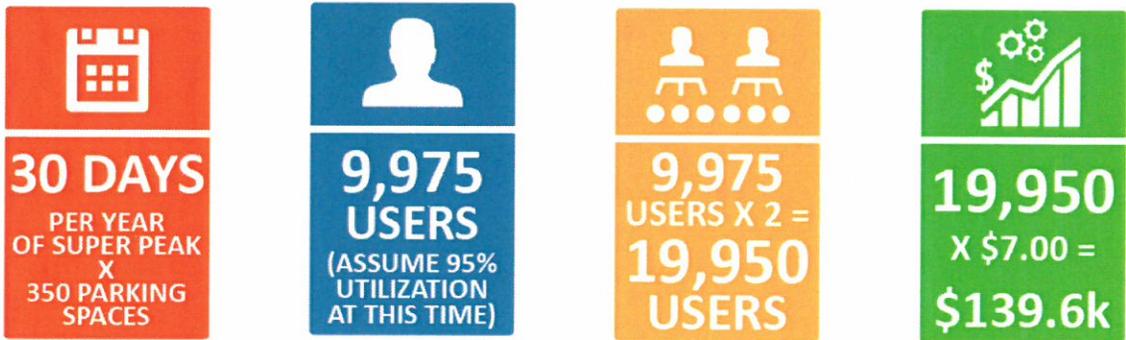
UTILIZATION ASSUMPTIONS		
AREA	AMOUNT	COMMENTS
Available Spaces	350	Based off conceptual design
Peak Turnover	2 x per day	Conservative estimate for commercial garage
Non-Peak Turnover	1 x per day	Conservative estimate for commercial garage
Average Utilization During Peak Periods	80%	Conservative estimate based off tourism demand
Average Utilization During Non-Peak Periods	5%	Conservative estimate based off tourism demand
Peak Periods	Friday – Sunday, 40 weeks / year	Conservative estimated based off tourism demand
Super Peak Periods	30 days per year	Conservative estimated based off tourism demand

PRELIMINARY REVENUE PROJECTIONS

REVENUE CALCULATION DURING PEAK PERIOD



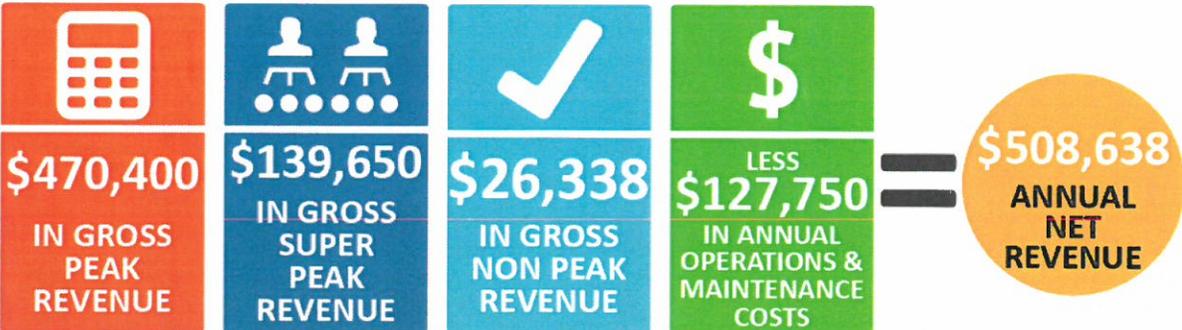
REVENUE CALCULATION DURING SPECIAL EVENT (SUPER PEAK)



ANNUAL OPERATIONS AND MAINTENANCE COSTS



ANNUAL NET REVENUE



STRAIGHT LINE AMORTIZATION



= 19 YEARS

**FIFTY YEAR GROSS REVENUE
(LESS CONSTRUCTION COSTS & ESTIMATES FINANCING FEES)**



= \$11,431,875

**FIFTY YEAR GROSS REVENUE
(ESTIMATED USEFUL LIFE OF STRUCTURE)**

\$\$\$ = \$25,431,875

CHAPTER SEVEN: FINANCE AND IMPLEMENTATION STRATEGY



Ground Breaking

PARKING TERMINAL FINANCE OPTIONS

CITY ISSUES DEBT:

Assumption is a twenty (20) year Certificate of Obligation (CO) or other debt instrument. A CO is recommended for this situation due to requirements related to the need for a referendum for general obligation bonds.



\$10,000,000 x 1.4 coverage rate for interest, reserve, and contingencies = **\$14,000,000**
\$14,000,000 divided by 20 years = **\$700,000 annual debt service**
Less parking revenue (net annual outlay) = **\$191,363**

CITY ISSUES DEBT:



Assumption is a twenty-five (25) year debt instrument.
\$560,000 annual debt service
Less parking revenue (net annual outlay) = **\$51,363**

CITY ISSUES DEBT:



Assumption is a thirty-year (30) year debt instrument.
\$466,667 annual debt service
Less parking revenue (net annual outlay) = **(\$-41,971)**

PARKING ENTERPRISE FUND:



The City may choose to set up a parking enterprise fund which would manage revenues and expenses related to implementation of the Fredericksburg Downtown Parking Strategy. In addition to parking revenues derived from parking garage related fees, the City may also deposit parking revenues derived from surface public parking “pay and display stations”, permits granted to tour bus operators, parking fines and other revenue resources. The Parking Enterprise Fund might also be used to support the financial resources necessary for the extra enforcement necessary to protect parking encroachment in residential neighborhoods, and the monitoring of parking violations along the Main Street area. This fund would also primarily be used to support the debt service on any financing device the City might use to construct a new parking facility.

PUBLIC - PRIVATE PARTNERSHIP:



City develops a formal Request for Proposal (RFP) from potential private sector partners who have their own financing capability which would not require the City to pledge its full faith and taxing authority (full, faith, and credit). The utilization of a RFP would also ensure full and open competition and would allow a formal submission by any unsolicited proposers to date. The proposed RFP would identify several potential City or publicly owned locations which would be provided to the private equity partner through a forty (40) year lease hold interest. The RFP would set forth City design criteria for terminal development, bonding, construction, and operation. The City would provide concurrence for parking rates, changes in rates, and accommodation of special parking needs. The City would be able to use a set amount of free parking spaces for other parking demand requirements. The utilization of a RFP will yield the greatest competition and enhance the chance of the City getting the best possible deal.

This approach puts the majority of the risk on the developer but would also prevents the City from capitalizing on an estimated \$11.4M in revenue over the entire useful life of the facility.

CITY-COUNTY “SHARED” USE PARKING FACILITY DEVELOPMENT:



Gillespie County has been considering the development of a new parking facility to accommodate county existing and future parking requirements. The County and the City both own property which may accommodate the future development of parking which serves both entities. The idea of “shared” use makes sense due to the nature of City and County parking requirements. The City peak parking demand requirements are generally focused on weekends and holidays. County parking requirements are generally needed Monday through Friday during the weekday. The City should fully explore the potential of this shared use opportunity.

FEDERAL/STATE MOBILITY FUNDING POTENTIAL:



Federal funding is available to support parking which is linked to public transportation. Because the City of Fredericksburg is considered a rural community (less than 50,000 population) federal funding is available through the Texas Department of Transportation (TxDOT) from several resources and, potentially, through national infrastructure programs. Potential options for federal and state support include the following resources:

- TxDOT Discretionary Rural Transit funding;
- TxDOT Federal Intercity Bus funding (would require a partnership with an Intercity Bus Carrier like Greyhound);
- Federal Transit Administration Bus and Bus Facilities Program;
- TIGER Rural Infrastructure Program.

The application of discretionary mobility funding would typically provide up to 80% in grant funds for reimbursement of costs. This reimbursement could be applied to design, construction, or both, but typically application of funding only to construction phase activities will yield the highest likelihood of funding assistance. Assuming 85% of the total costs are related to construction and construction phase design services/activities, the funding pro forma is as follows.

Table 7: Grant Funding Pro Forma

GRANT FUNDING PRO FORMA		
ENTITY	COST	COMMENTS
Total Cost	\$9,593,500	
Eligible Cost	\$8,154,475	85% of Total Cost
Federal	\$6,523,580	80% of Eligible Cost
Local	\$3,069,920	Remainder

Note that federal funding can be combined with a local debt obligation issued by the City or a public-private partnership where the developer would provide the local costs and would be reimbursed with the federal funds. In a public-private partnership this is a way to incentivize private participation while minimizing (or eliminating) local contribution. The cost in this scenario is related to time (corresponding with the availability of grant resources) and administration (corresponding with federal/state requirements).

SPECIAL DISTRICT/380 AGREEMENT, ETC.:**380 AGREEMENTS**

The term “Chapter 380” is a reference to chapter 380 of the Texas Local Government Code (LGC). This chapter of the LGC authorizes Texas municipalities to provide assistance and incentives related to economic development. Texas municipalities can provide these incentives through the form of direct grants, loans, city services (to include infrastructure) or even through the provision of staff.

For a municipality to provide these types of assistance, the project must serve the purpose of promoting state or local economic development by stimulating business and commercial activity. The Texas Constitution also requires that the expenditure of all City funds must serve a “public purpose.” This requirement flows down to Chapter 380 funds as well.

To enter into a 380 agreement, a municipality must establish via ordinance an economic development program pursuant to Chapter 380 of the LGC. This program essentially outlines what the LGC authorizes a municipality to do under Chapter 380 and how the municipality will administer the program. To establish a simple program, municipalities may just state that they will “provide loans, grants, and/or matching funds under any or all sections of Chapter 380 of the LGC to qualified applicants upon approval by City Council/Commission on a case-by-case basis⁷.” 380 agreements offer significant flexibility to municipalities in how they desire to structure the agreement. For example, 380 agreements allow for the conditioning of funding on estimated sales tax revenue generated, or by even refunding that sales tax directly to the entity that generated it.

Note that there is no duration on the amount of time that a 380 agreement can remain in place. Additionally, there are no restrictions on the source of the funds utilized to fund a 380 agreement, so long as they are derived from any source lawfully available to the municipality under its charter. In other words, a 380 agreement, developed on a case-by-case basis, provides the City with near unlimited flexibility (based upon the established criteria within the 380 ordinance) in how much or how little it wants to influence certain development activities.

Utilization of a 380 agreement to further incentivize a public-private partnership is a recommended course of action. Rather than prescribe an approach in the RFP, it is instead recommended to leave the door open for the proposers to request certain concessions in their RFPs which could be provided via a 380 agreement.

⁷ There are several examples of publically available Economic Development Program Ordinances available: <http://www.houstontx.gov/ecodev/380/99-674OrdinanceEcoDev.pdf>

EXAMPLE 380 MECHANISMS:

The City could capture all sales tax generated through the sale of parking in the garage. These sales taxes could be rebated back to the developer over a set period of time in order to further defray private costs on the back end of the financing deal.

The City could capture an amount of sales/property tax revenue in an area around the garage over present day value. All or some of this value could be provided to the developer over a set period of time in order to further defray costs on the back end of the financing deal.

SPECIAL DISTRICTS

Similarly, the City could also create a Tax Increment Reinvestment Zone or a Municipal Management District in order to generate revenue to offset costs associated with the parking garage (to include parking management on Main St.) In this situation, a TIRZ would work nearly identically to a 380 agreement and would likely generate additional controversy over and above the creation of a 380. However, a TIRZ and/or Management District could function in a role that goes over and above the parking garage aspect to enforce and control on-street parking within a certain area and also provide funding for associated improvements such as maintenance, security, landscaping, pedestrian lighting, and additional infrastructure.

CONCLUSION



The pro forma referenced above is a conceptual estimate of project implementation costs given the conceptual planning done. It is recommended that in order to finalize an implementation strategy, a workshop (or series of workshops) be held with the City Council and other key stakeholders in order to answer the following questions:

- What is the appetite of the City for the creation of a TIRZ, Management District, and/or 380 agreements?
- What is the appetite of the City to enter into a public-private partnership via a formalized process?
- **What is the desired timeline for implementation?** The City has indicated its' intent to incorporate the development of a Transportation/Parking Center within the City's five (5) year Capital Improvement Budget. The Phase 2 work proposed by TGC would encompass the pursuit of alternative federal and state funding to help support development of the proposed facility and a more detailed and targeted financial plan.

Future Agenda Worksheet
November 15, 2022 – December 20, 2022

	CITY COUNCIL MEETING DATES & FUTURE AGENDA ITEMS	ACTION	PRESENTER
	Tuesday, November 15, 2022 (Regular Meeting)		
1	November 1, 2022, Minutes	Consent	Shelley
2	Marktplatz Paver Phase II award of bid	Approval	Andrea
3	2023 employee holiday schedule	Approval	Shelley
4	N. Llano Storm Sewer (TWDB Grant & Loan) Project Drainage Revenue Bond	Ordinance	Garret
5	Z-2225 – 507 Cora STR Facility CUP	Public Hearing/Approval	Garret
6	Z-2226 – 406 N. Orange STR Unoccupied CUP	Public Hearing/Approval	Garret
7	Z-2227 – New Fisd Middle School Campus - Rezone	Public Hearing/Approval	Garret
8	Water/Sewer Main Replacement Project - Construction Contract Extension	Approval	Kris
9	Equipment Purchase – VM and Electric Bucket Trucks, Tractor/shredder for Sanitation	Consent	Kris
10	Contract Lease Purchase Finance – 2	Resolutions	Laura
	Tuesday, December 6, 2022 (Work Session or Special Meeting)		
1	November 15, 2022, Regular Meeting Minutes	Consent	Shelley
2	Events on Market Square	Discussion	Andrea
	Tuesday, December 20, 2022 (Regular Meeting)		
1	December 6, 2022, Minutes	Approval	Shelley
	FUTURE AGENDA ITEMS		
1	Lady Bird Johnson Golf Course Lease	Approval	Clinton
2	Capital Improvement Fund in General Fund (postponed from 5-16-2022)	Resolution	Laura
3	Naming rights for Market Square	Approval	Andrea
4	Boards and Commissions (EDC & 1 Market Square Redevelopment vacancy & 1 HRB vacancy)	Appoint	Shelley
5	Mass event rentals and fees at Market Square	Discussion	City Council
6	Sports Park, Fees and Facilities	Discussion	Andrea
7	W. Live Oak Zoning & Land Use Change	Public Hearing & Approval	Garret
8	CVB Lease Agreement	Approval	Clinton

Future Agenda Worksheet
November 15, 2022 – December 20, 2022

9	Performance Agreement – Altstadt Phase I	Approval	Evan
10	East Main Street Waterline Project - Construction Contract Bid Award	Approval	Kris