



ALBANY PARKING AUTHORITY
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12/5/2020

**TO: Honorable Kathy Sheehan, Mayor,
Members of the Albany Common Council,
And City of Albany Budget Director, Michael Wheeler**

SUBJECT: 2020 3rd Quarterly Report

In accordance with the terms of the Comprehensive Parking Meter Licensure and Management Agreement and the Parking Enforcement Management Agreement (The Agreement) between the City of Albany and the Albany Parking Authority (APA), and in conjunction with City Treasurer's office, this report provides revenues, expenses, and the impact and effect of the parking meter program and the parking enforcement activities upon on-street availability for the third quarter of 2020.

Additional information including audited financial statements, board minutes, debt schedule, and budget reports can be found here <https://www.parkalbany.com/public-documents>

For the third quarter of 2020, the parking meter revenue was \$401,833 with expenses of \$254,882. This compares to third quarter revenues of \$703,310 and expenses of \$680,249 in 2019. While this shows some improvement in meter revenues compared to the second quarter of 2020, meter revenues still remain at between 50-60% of pre-Covid-19 levels.

Since COVID-19 related shutdowns started in late March 2020, there has been a sharp decline in daily and monthly off-street parkers. Despite the completion of the phased re-opening of the economy, we are still seeing a decrease of 16.76% in monthly garage customer base and a 67% decrease in our daily garage customers in third quarter 2020 compared to the same period in 2019. This represents a decrease of \$145,250 in revenue in the third quarter 2020 to the same period in 2019 for monthly garage customers.

More and more of our customer base use credit cards for their meter transactions. In 2015 credit card usage was 77.01% of all transactions, in 2016 this rose to 78.31%, in 2017 this rose to

79.7%, in 2018 this rose to 82.4%, and in 2019 this was 82.71%. For the third quarter 2020, credit card transactions at APA meters represented 82.59% of all transactions and year to date credit card transactions at the meters represent 84.23% of all transactions.

The ParkAlbany App continues to be a popular option among APA customers since its initial rollout in 2017 and then City-wide rollout in 2018. Currently the app has been downloaded 4,806 times in the third quarter of 2020 (60,453 downloads since inception) and is used on average 743 times per day (Q3, 2020), with the mobile app accounting for 50.01% of all usage (Q3, 2020).

The Authority continues to partner with the Downtown Business Improvement District to offer free parking after 5pm at all garages during the week, and free parking on weekends. This has been a boon to downtown businesses and a way to fight the stigma that there is “no parking” in downtown Albany.

The APA is required to maintain a 1.5 debt coverage ratio and continues to maintain excellent debt coverage ratios for its debt service. In 2016 the APA had a debt coverage ratio of 1.76, in 2017 it was 2.36, in 2018 it was 2.17, and in 2019 it was 2.60. In 2020, the APA is expected to have a 1.58 debt coverage ratio which is down from the 2.04 ratio that was projected. The current outstanding bond principal is \$7,630,000 and interest is \$1,261,030.78. Even with the financial downturn the APA has still been able to meet all its debt obligations.

In 2015, the APA took over the management of the Parking Enforcement Operations from the Albany Police Department. Since that time, ticket revenue is up and administrative costs have remained within budget. Ticket revenue was \$3,531,046 in 2016, \$3,413,575 in 2017 and \$3,733,220 in 2018. Ticket revenue for 2019 was \$3,997,529.

2020 total ticket revenue was budgeted at just under \$4M. Revenue collections obviously slowed after Mid-March 2020, and although 2Q numbers overall reflected this downturn, the third quarter of 2020 saw revenue rebound to \$1.02m, which is slightly over budget for the quarter. The third quarter totals realized that \$1.02M in revenue on 16,100 tickets paid, while 23,300 tickets were issued, 2,635 tickets were voided (\$128K), and 13,000 tickets were adjusted for a value of \$200K, with \$341K in APA reimbursable expenses. This compares to 2019 3Q revenues of \$955K on 16,400 tickets paid, 20,300 tickets issued, 2,257 tickets voided (\$269K) and \$310K in APA reimbursable expenses. (Previous figures for adjustments always reflected administrative, as well as adjudicated adjustments, i.e., corrected software errors and addition of DMV (scofflaw) and collection fees. The administrative adjustments for software errors have been greatly reduced over the past two years. However, the total adjustments on the attached spreadsheets continue to include positive adjustments for the addition of scofflaw and collection fees.)

The rebound in revenue from 2Q 2020 is welcome and occurred in spite of fewer tickets issued compared to 3Q 2019. Overall, because of the Amnesty and the very strong performance in enforcement revenues in 1Q 2020, ticket revenue has not been reduced as significantly as other City revenues. In fact, if 4Q 2020 performs the same as 3Q 2020, the numbers will reach our budgeted annual figures.

The APA and the Treasurer’s offices are continuing to monitor and evaluate the ticket vendor’s performance, and we are currently very close to finalizing an extension of the current contract. Collection efforts had been at full bore through mid-March, paused for 2 months, and then initiated again during and after the Amnesty, and have continued to bear fruit for the City.

Since the changeover to Passport, and the implementation of collections with our agent in December 2017, we have generated over \$1.25M in revenue from delinquent tickets with about \$333K collected through 3Q 2020.

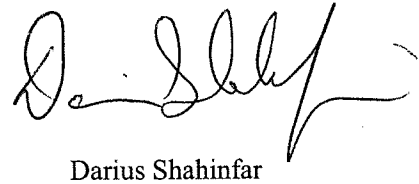
The partnership between the City and the APA is one that continues to be beneficial for both the City and those who live, work and play within the City's limits.

If you have any questions please don't hesitate to ask.



Jeffrey Sperry

Sincerely,



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Chairman, Albany Parking Authority

Treasurer, City of Albany