



ALBANY PARKING AUTHORITY  
25 ORANGE STREET  
ALBANY, NEW YORK 12207  
Telephone (518) 434-8886

JEFFREY SPERRY  
CHAIRMAN OF THE BOARD

MATTHEW PETER  
EXECUTIVE DIRECTOR

5/8/2020

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

**SUBJECT: 2020 1st 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 first 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 first quarter of 2020 the parking meter revenue was \$660,581 with expenses of \$619,722. This compares to first quarter revenues of \$674,277 and expenses of \$675,423 in 2019. While the meter revenue was relatively consistent with what was budgeted for much of the first quarter of 2020, March 2020 saw a significant decrease in actual revenue compared to what was budgeted of approximately \$80,000 to \$100,000. This decline is attributed to the meters being turned off as of March 23<sup>rd</sup>, 2020 due to the coronavirus epidemic and the shelter in place orders.

One of the primary goals of the meter program is to encourage long term parkers to park in garages and help create turnover in street parking so that businesses can attract customers. To this extent, short term meter use continues to expand and the occupancy of the three downtown garages continue to increase. We are seeing a moderate .2% increase in monthly parkers at the end of the first quarter of 2020 compared to the same period in 2019. Daily parker numbers have seen a 37% decrease when compared to the same time period in 2019 as there was a temporary increase in on site trainings for many large customers in 2019 that have since stopped. In

addition, the COVID-19 pandemic led to a rapid decrease in daily customers at the end of the 1<sup>st</sup> Quarter 2020, which was not seen in 2019.

More and more of our customer base uses credit cards for their meter transactions. In 2015 credit card use 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 first quarter of 2020 our meter credit card transactions reflect 83.46%.

The Authority finalized the replacement and upgrading of its on-street meter system. For 2019 the Authority has purchased and installed an additional 11 Parkeon multi-space meters at a cost of \$60,500 and 72 additional IPS single-space meters to replace aging Duncan single-space meters that were coin only.

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 5,356 times in the first quarter of 2020 (53,177 downloads since inception) and is used on average 1,170 times per day (Q1, 2020), with the mobile app accounting for 46.72% of all usage (Q1, 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 2.04 debt coverage ratio. The current outstanding bond principal is \$8,760,000.00 and interest is \$1,482,956.53.

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 flat. 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 ticket revenue was budgeted at \$4,000,000, including handicapped fines and boot charges. For the first quarter 2020 enforcement revenue has been \$1,111,895. While this is largely on track, March saw a decrease in anticipated ticket revenue. It is at this point unclear how the prolonged COVID-19 pandemic will affect the annual budgeted amount.

First Quarter figures remained relatively on target as it represents mostly normal processes before the COVID-19 pandemic effected daily operations.

Although revenue collections slowed a bit after Mid-March 2020, 1Q numbers overall were on target. For the first quarter of 2020, enforcement revenues totaled \$1,111,895 on 17,763 tickets paid, 22,494 tickets issued, 2017 tickets were voided (\$211K), 10,362 tickets were adjusted for a value of \$160K, and \$400,710 in APA reimbursable expenses. This compares to 2019 first quarter revenues of \$993,520 on 15,513 tickets paid, 17,949 tickets issued, 1,689 tickets voided (\$178k), and \$390,757 in APA reimbursable expenses. (The figures for adjustments always reflect administrative, as well as adjudicated, adjustments, and thus cannot be considered a fully

representative sample of adjustments made by the PVB or the Courts. However, the administrative adjustments have been greatly reduced over the past two years leading to more accurate adjustment data.)

Despite a slower December in 2019 than earlier months, we saw very strong performance in enforcement revenues in early 2020 due to the corrections and adjustments of a series of smaller issues that have allowed a stronger push on booting and collections on outstanding tickets, as well as a significant increase in tickets written. In fact, March revenues were the third highest monthlies since 2018, in spite of a significant slowdown over the last 2 weeks of the month.

Since the beginning of April, collections and the issuance of tickets has slowed, although we have seen a slight rebound in the past 2 weeks based on the late fee amnesty program. We are hopeful that the program will both provide an opportunity for individuals to pay their tickets at a lower cost and continue parking revenues for the City.

2018 overall figures: 60K tickets paid, \$3.731M in revenue collected; 72k tickets issued:  
2019 overall figures: 64.7k tickets paid, \$3.998M in revenue, and 83.9K tickets issued.

The APA and the Treasurer's offices are continuing to monitor and evaluate the ticket vendor's performance, and we are currently negotiating an extension of the current contract. Collection efforts had been at full bore through mid-March but have paused. However, the Collections Agent, will be taking an active role in advising those with delinquent tickets of the Amnesty, and will supplement continuing collections.

Since the changeover to Passport, and the implementation of collections with our agent in December 2017, we have generated over \$1.35m in revenue from delinquent tickets, with about \$720k collected in 2019 alone. In addition, collections were initiated on delinquent Red Light Camera tickets, which has generated about \$27k to date with about \$8k in actual RLC revenue for the City.

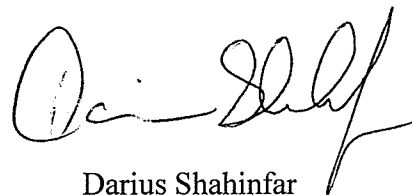
The partnership between the City and the APA is one that continues to be beneficial for both the City and those who live, work and play within the City's limits.

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

Sincerely,



Jeffrey Sperry



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Chairman, Albany Parking Authority

Treasurer, City of Albany