

1. City Council Work Session Agenda

Documents:

[4-28-15 WORK SESSION \(REVISED\) AGENDA.PDF](#)

2. City Council Work Session Packet

Documents:

[COUNCIL WORK SESSION \(REVISED\) PACKET 4-28-15.PDF](#)



Revised (4-27-15)

**City of Ypsilanti
City Council Work Session Agenda
Tuesday, April 28, 2015
City Council Chambers, 1 S. Huron St., Ypsilanti, MI
WORK SESSION: 6:00 p.m.**

I. CALL TO ORDER –

II. ROLL CALL –

Council Member Anne Brown	P A	Council Member Robb	P A
Council Member Nicole Brown	P A	Council Member Vogt	P A
Council Member Murdock	P A	Mayor Edmonds	P A
Mayor Pro-Tem Richardson	P A		

III. INVOCATION –

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –

VI. AUDIENCE PARTICIPATION –

VII. REMARKS FROM THE MAYOR -

VIII. WORK SESSION –

- A. Parking System
- B. Economic Development
- C. Miscellaneous

IX. AUDIENCE PARTICIPATION -

X. REMARKS FROM THE MAYOR -

XI. ADJOURNMENT –



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Parking Enforcement System

Work Session

Tuesday, April 28, 2015

6:00 p.m.



BACKGROUND

Since 1997, the City has utilized a third party vendor for parking software. In December 2011, the City entered into contract with Duncan Solutions as the City's primary parking ticket vendor.

Under the agreement, Duncan was responsible for the computer program, base processing, notice generation, suspension of processing, updating and maintaining the parking ticket software (WinterGate), accepting payments, referring delinquent accounts to Professional Account Management for collection, and following up on collections. Parking tickets were purchased through Duncan Solutions as well. Payments for parking violations were accepted at the Treasurer's Office.

Payments in the WinterGate system did not download directly to Duncan Solutions, thus, the Treasurer's Office emailed a spreadsheet nightly to Duncan who would update the system for the next day.

On March 24, 2014 a letter was sent to Duncan terminating the contract. Duncan responded to this letter on April 24, 2014. The contract was terminated on May 3, 2014. The contract was terminated due to an enormous amount of citizen complaints with regard to receiving delinquent notices for tickets that had already reached the statute of limitation (six years) for collection, poor customer service, and an unreliable tracking system.

After termination of the contract, the City entered into an agreement with Clemis, which is a division of Oakland County's Department of Information Technology, to utilize their existing software to process parking violations. Under this new system, there was no charge for the Clemis access since it is already utilized by YPD. The parking functions were transferred to the Police Department, tickets changed from blue and white to red and white, and payments changed from Duncan Solutions and the Treasurer's Office to the 14-A District Court and the Police Department. Currently, the Police Department accepts payment for any old blue and white tickets (issued prior to July, 2014) under the contract with Duncan Solutions.

REVENUE

Currently, 14-A receives two-thirds of the revenue from parking fines, while the City receives one-third of the fines. The Treasurer's Office was given access to verify outstanding parking tickets in order to administer the parking permit program. During the switch from Duncan Solutions to Clemis, delinquent ticket payments were not collected due to our inability to decode the Duncan Software

OF TICKETS ISSUED

The past five-year average of tickets issued was about 7,099 (see table for history from 2004-2015).

METERS

Meter Revenue decreased from \$112,500.35 (FY 2013-14) to \$94,762.40 (FY 2014-15) primarily due to meters being in disrepair. (see table of meter revenue)

From a survey conducted of meters currently out of service, the total number is 145.

The cause of disrepair can be credited to outdated meters and jammed turn-styles due to incorrectly inserting of coins.

Solution:

Replace meters

- Installation of new digital meters
- 125 were ordered March 17th (awaiting arrival)
- 125 more will be ordered in June
- Replacement will begin in most troubled areas (near campus and downtown)

Update/Monitor repair process

Current process:

- Call DPS or YPD with meter number and problem
- Gilbert Perry checks the problem, corrects it and reports back to YPD or Janice Beckett who then contacts the customer of the outcome
- Parking Enforcement Officers keep a log of meters in disrepair and report them for repair
- Currently the only log being kept is by Parking Enforcement Officers
- Meter is repaired or switched out within 15 minutes
- 7 or 8 meters are repaired daily

PARKING COMMITTEE

City staff realized the need to improve the parking system and thus a Parking Committee was formed. The Committee explored the options of continuing with our current system or housing our own Parking System by using software customized to the City's needs.

Members of the Parking Committee reviewed the operations of the City of Ann Arbor's Parking system and Oakland University. After much discussion, the team met with Ken Kiley, IT Director for Oakland University Police Department for a demonstration and more review of their parking software and operations. The committee felt the system used by Oakland University was most similar to what the City is looking to accomplish; an in-house system managed by the City with real-time data and the ability to generate real-time reports.

SYSTEM UNDER DUNCAN

Required everything filter through Duncan. Duncan updated the system, placed payments, accepted payments, placed holds, etc. City had no control.

CURRENT PARKING SYSTEM

Currently operated out of Ypsilanti Police Department, Clemis emails a spreadsheet with the tickets that were issued from City handheld devices to 14A District Court. 14A District Court handles payments. The City has no access to the 14A system for reports of parking tickets issued, paid, or appealed.

PROPOSED PARKING SYSTEM

Under the proposed system, the Parking System would be operated out of the Clerk/Treasurer's Office. Clemis will continue to email a spreadsheet with the tickets that were issued from handheld devices by our Parking Enforcement Officers; however, it will be emailed to the Clerk/Treasurer's office. Once received, the daily spreadsheet will be uploaded to the parking software by staff.

Advantages:

Better Processing and Data Management:

1. Prepayment – Same Day Payment Processing
 - If a citizen wants to pay a ticket the same day it was issued, before the spreadsheet is sent, the software allows for pre-payment by manually entering the ticket number. Once the spreadsheet is sent the next day, the software will automatically pair the prepaid ticket with the unpaid ticket from the spreadsheet. If the prepaid ticket number doesn't match one from the spreadsheet, then it will be flagged.
 - The current system does not allow for same day ticket payment because the ticket will not appear until the following day.
 - Automatically creates a pdf receipt after a payment is processed.

2. Data Management and Search capabilities:
 - The parking software allows the user to search by date of issuance, time of issuance, status of ticket, ticket number, barcode, and license plate number.
 - Audit system tracks who processes the payment and the method of payment. It allows for multiple users with different levels of permission. Each user has a unique username and password. They can add notes to a ticket or process an appeal (if we desire). Citizens may be granted access to file an appeal *or pay for a ticket on the city's website if it's integrated with the parking software*. If a citizen pays online, it will automatically reflect in the parking software. If a citizen files an appeal for a parking fine, it will also automatically reflect in the system showing under review and all late fees will be held.
 - Fees and schedule dates are adjustable as we see fit. The software would automatically adjust the ticket price based on the fee schedule we set. It would be possible to add a fee for excessive violations. It would automatically add late fines according to the schedule we set. *The software generates past due notices (pdf format) and emails them automatically depending on the fee and time schedules.*

3. License plate look-up for delinquent tickets:
 - The city can coordinate with the Secretary of State office to receive a list of registered owners to unpaid ticket holders by matching them with their license plate numbers. Oakland University does this currently and the Secretary of State

provides them with the vehicle identification number (VIN), vehicle description, registered owner and their address on a monthly basis.

Oakland University Police Department has used this software for two years and it has led to a 70% collection rate along with an easier appeals process. The City of Rochester has also recently implemented the parking software.

4. Increase in revenue:

- Payments to vendor and court eliminated.
- No revenue sharing, unless an appealed ticket/citation.
- Over the last 10 years vendor payments ranged from \$23,064.80 to 93,447.84

City controlled Parking System:

- Most importantly, the City would be in control of its data. The software is ours and the data is real-time data. We will have the ability to generate reports, set auto generating late notices, and adjust late fines accordingly. System will always reflect to-date information.

5. Software Compatibility

- Web-based software which works on any modern computer with a standard web browser.

Recommendation

The Parking Committee recommends entering into a one-year agreement with Preferati with the option to extend.

We recommend that Parking Collection be relocated to the Treasurer's Office. This relocation would avoid the Police Department transferring cash daily to the Treasurer's Office as well as allow for greater efficiency and utilization of city resources.

The Treasurer's Office will utilize the old data to begin collections. A letter will be sent to those with delinquent tickets stating payment is due within 14 days or the account will be referred to collections. The committee is currently vetting collection agencies. (See list attached)

Currently, payments and collections are also held at 14-A District Court. We suggest that be discontinued because the city receives minimum revenue using this process. Eliminating the Court would allow the City to receive 100% revenue on tickets paid.

The Parking Bureau should be established in coordination with the Clerk/Treasurer's Office and the Police Department. The Police Department will continue with two parking enforcement officers and the Clerk/Treasurer's Office would remain the same, and

resume the responsibility for the collection of parking fines and management of the Parking System. Appeals will be handled, as previously, at 14-A District Court.

Cost for new system: Total start- up cost for the software is \$4,800 plus any customization; which includes the cost for the first year. Minor customization is included, only major changes are charged and we do not anticipate any major changes. A charge of \$1,500 is being added for the extrapolation of the old data into a format we can use for collection, equaling a total of \$6,300. After the first year, the software will cost \$400 per month. There would be no contractual agreements with Clemis or Oakland University Police Department. The city will have access to the parking data, even after termination of the contract.

About the Vendor:

Preferati, located in Portland, Oregon, has been developing and supporting custom software since 2003 and have a team of six engineers and support staff. Most requests for support are processed within 24 hours or faster, depending on the severity of the issue. They also provide support via email, phone calls and GoToMeeting sessions if needed or required. Preferati provides an export and backup of data at any time upon request.

TIMELINE

The goal is to have a new parking system by the next fiscal year beginning in July 2015.

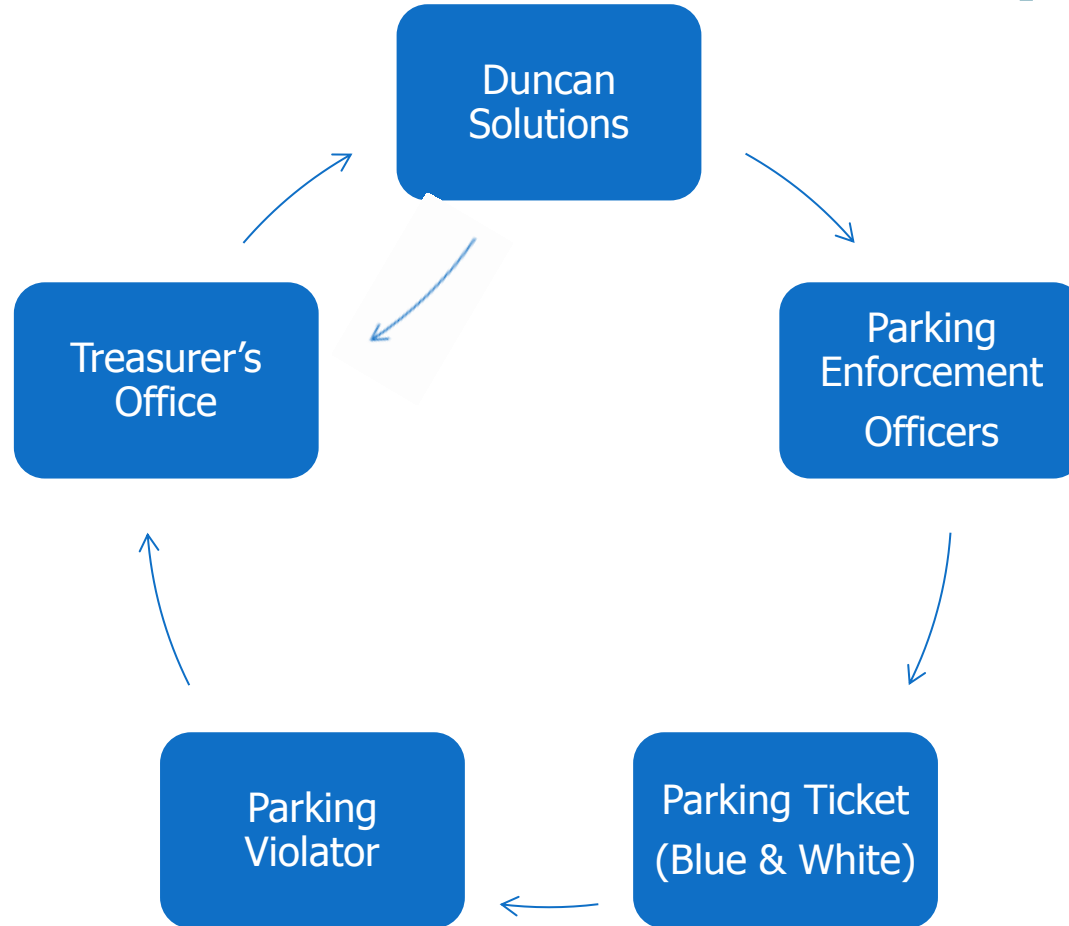


City of Ypsilanti

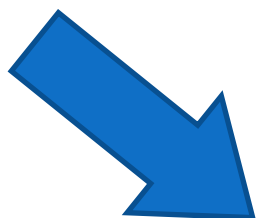
Parking Enforcement System

April 28, 2015

December 2011 - May 2014



Appeals: When a citizen wanted to dispute a ticket they would sign their name on the ticket, then the Treasurer's Office would send it to Duncan Solutions who would update their WinterGate system to reflect the changes.

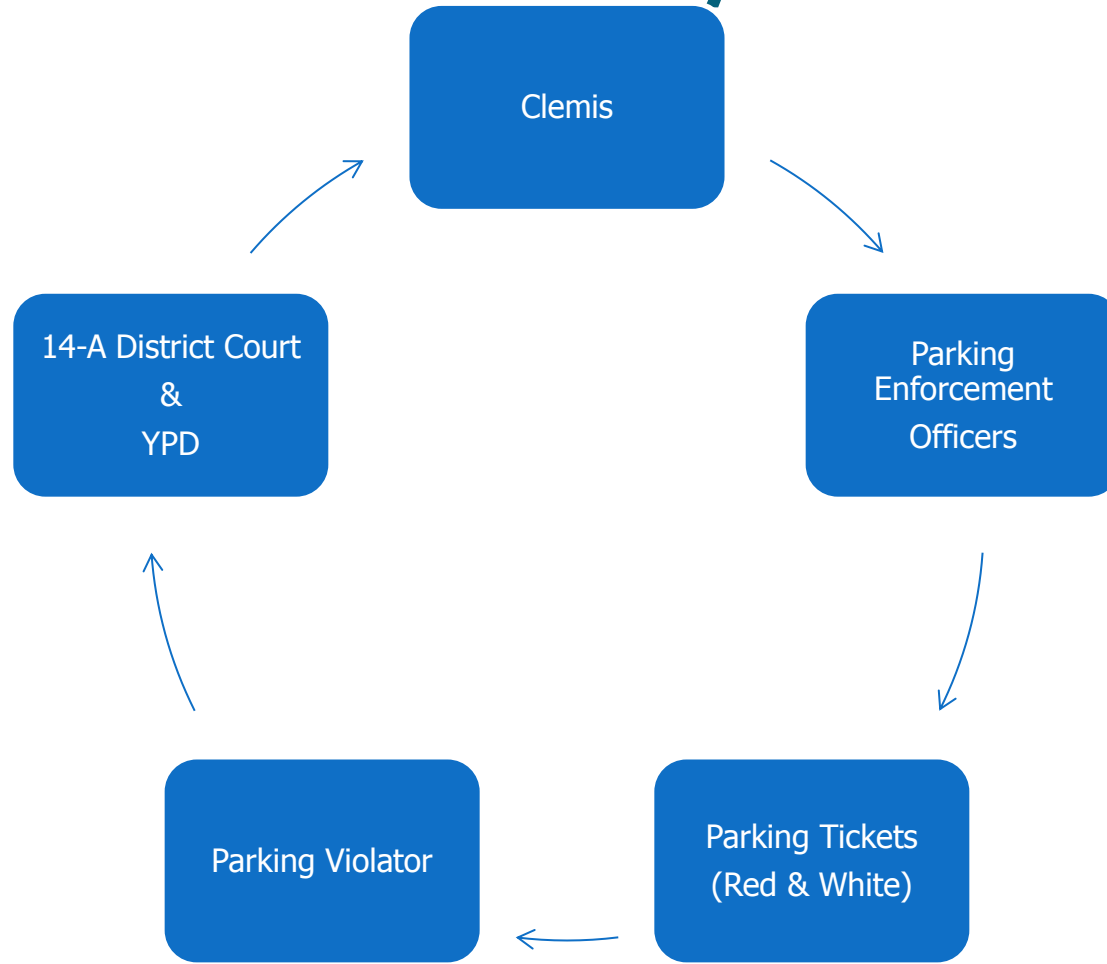


CLEMIS



Note: During the switch from Duncan Solutions to Clemis, Parking Enforcement was unable to cite parking violations which led to a substantial loss in parking revenue for the city.

Current System

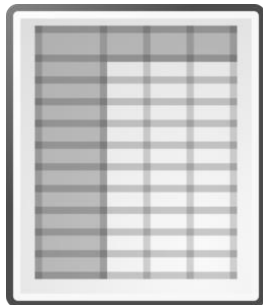


Note: Appeals are also done at the 14-A District Court

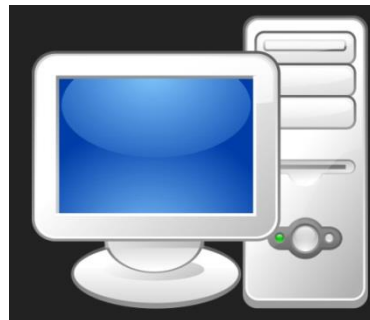
Payment Process



CLEMIS



Upload



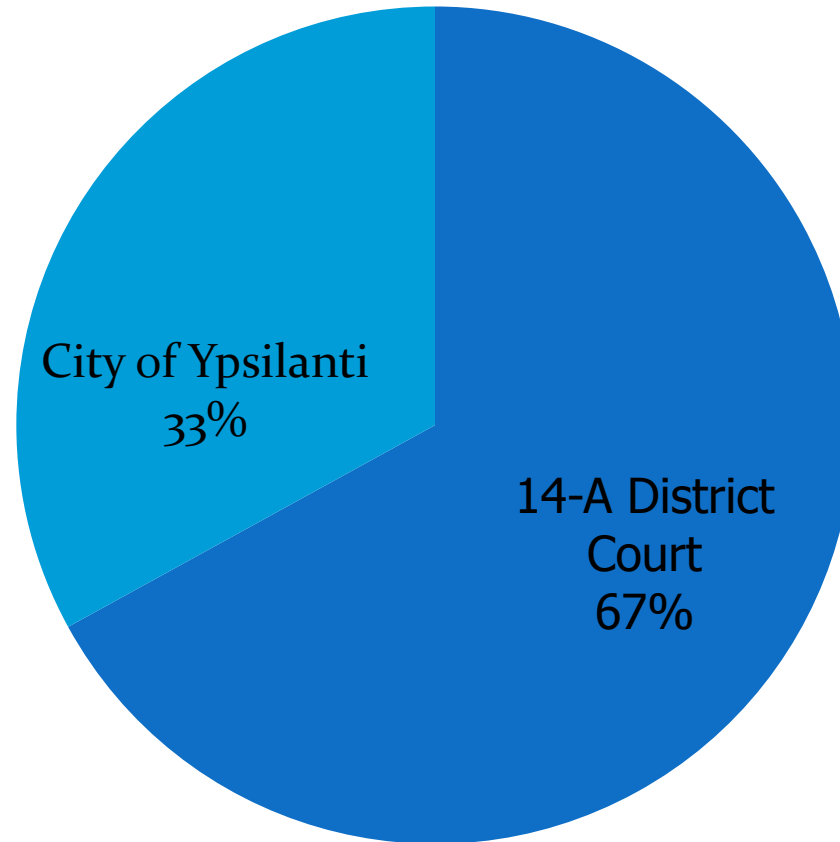
Parking
Violator



Treasurer's
Office

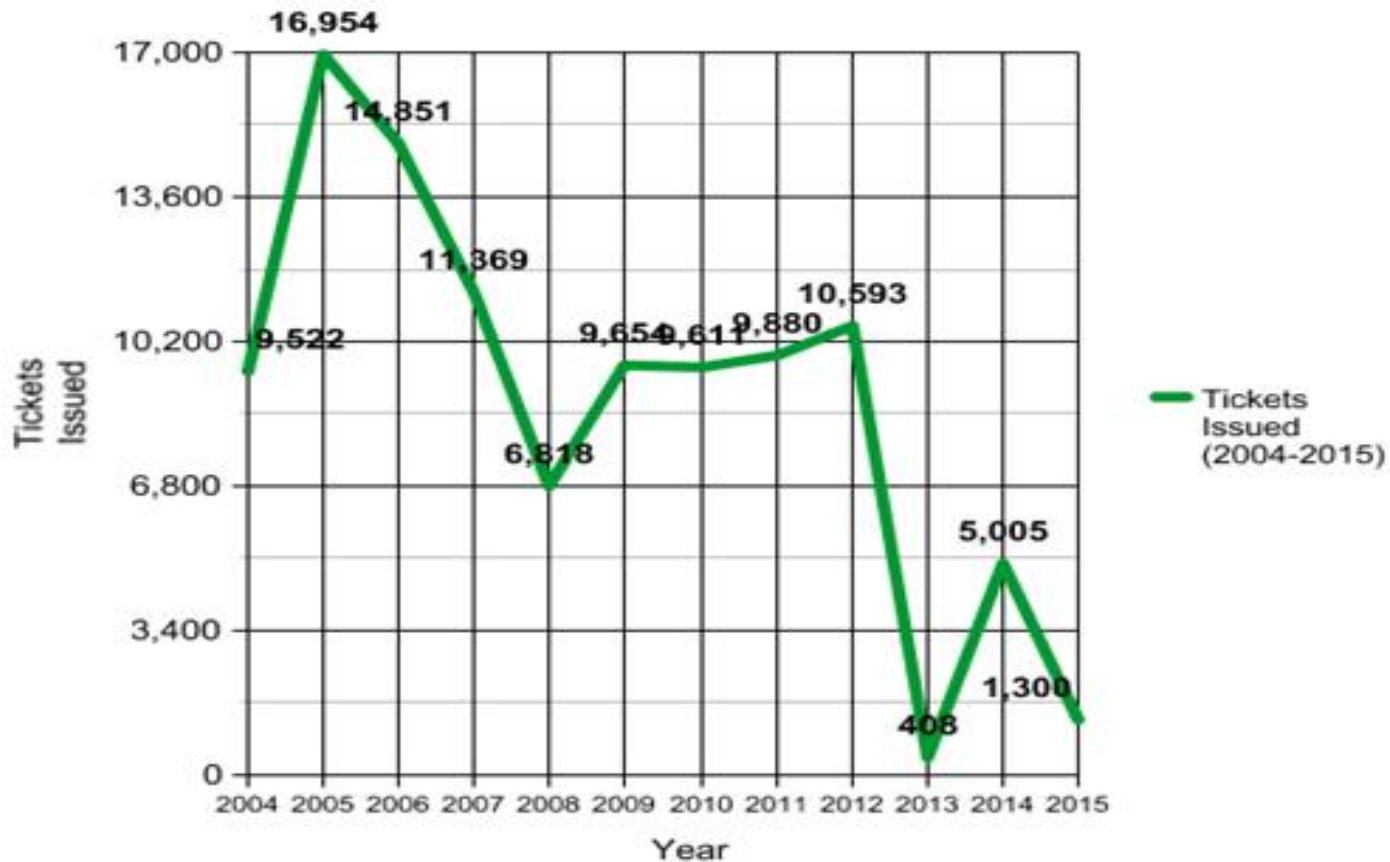


Revenue Distribution



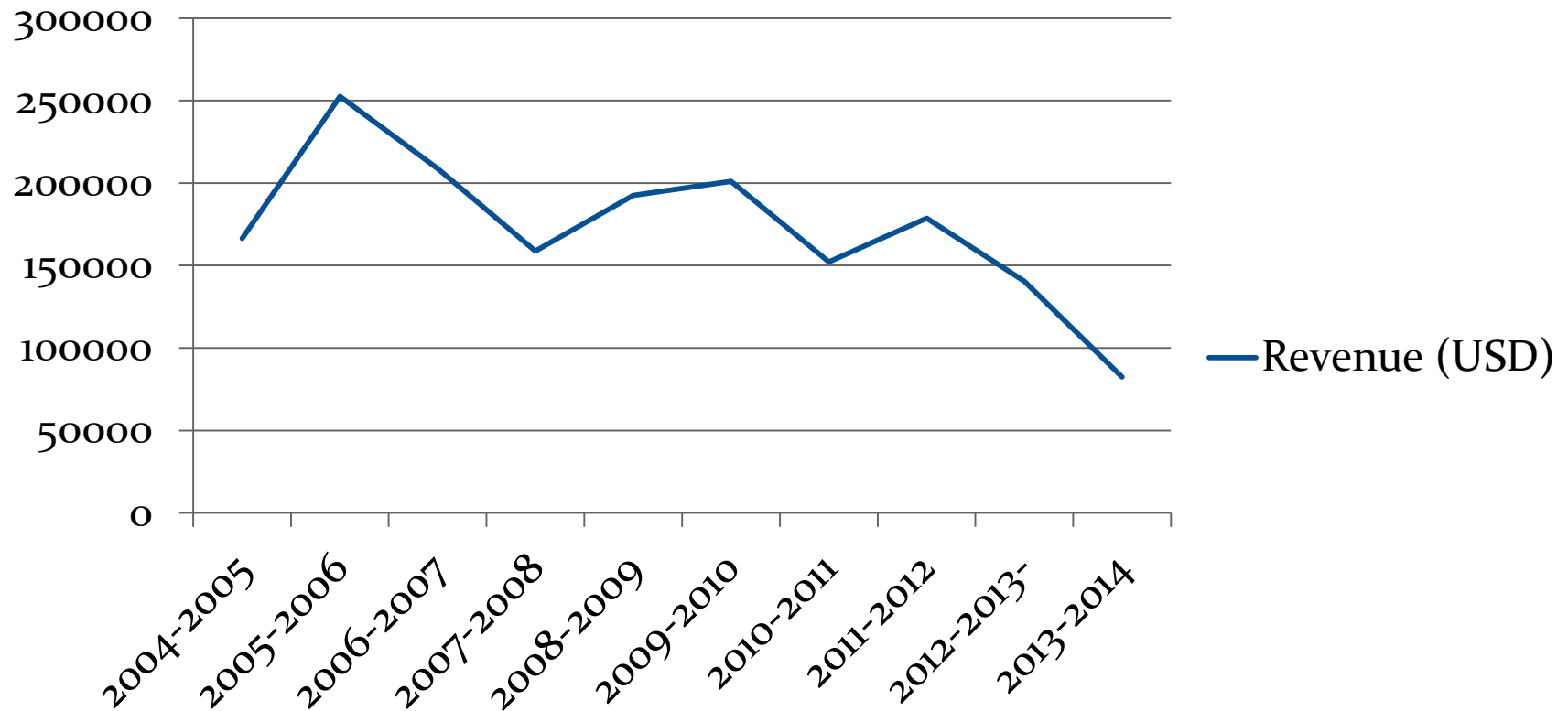
The actual revenue received is unknown. 14-A District Court issues the City a check monthly with our portion of revenue.

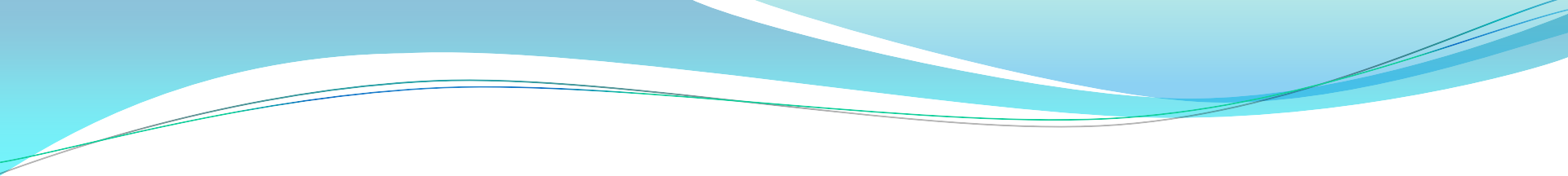
Parking Tickets Issued



Parking Ticket Revenue

Revenue (USD)





Cost

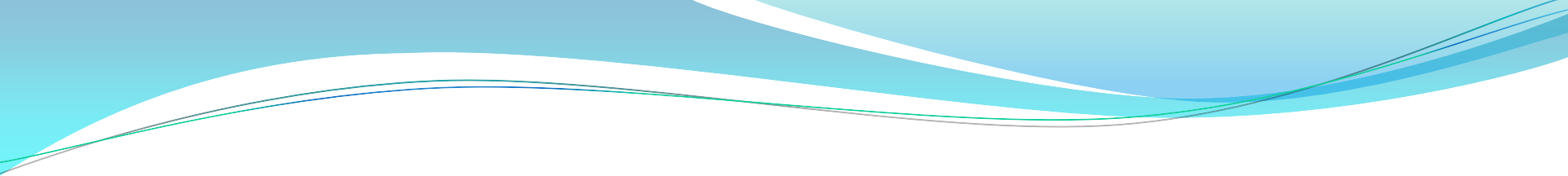
- Start-up cost: \$4,800 plus customization
- Data Extrapolation: \$1,500
- Total Costs: \$6,300
- Monthly fee: \$400

Benefits

- Prepayment
- Automatic pdf receipt
- Multiple users with different levels of access
- Extensive search engine
- City website integration for appeals and payments
- Past due notices are automatically generated
- Flexible fee schedule
- Coordinate with Secretary of State for a list of registered owners to unpaid ticket holders by matching them with license plate numbers
- No court fees (excluding those for appeals)
- Increased revenue due to city receiving 100% instead of 33%

Recommendations

- Enter into a one-year agreement with Preferati for parking software
- Return parking ticket collection to Treasurer's Office
- Appeals remain at 14-A District Court for now but in-house Appeals system should be explored.
- Begin collections in-house and explore and secure a third party collection agency if needed.



Questions?

Parking Meter Revenue

Fiscal Year	Revenue (USD)
2000-2001	\$77,246.76
2001-2002	\$68,742.44
2002-2003	\$73,636.29
2003-2004	\$82,345.71
2004-2005	\$70,607.39
2005-2006	\$93,743.40
2006-2007	\$88,795.54
2007-2008	\$85,941.78
2008-2009	\$80,803.10
2009-2010	\$95,134.50
2010-2011	\$109,415.47
2011-2012	\$120,481.22
2012-2013	\$136,680.09
2013-2014	\$112,500.35
2014-2015	\$94,762.40

Parking Tickets Issued

Year	Tickets Issued
2004	9,522
2005	16,954
2006	14,851
2007	11,369
2008	6,818
2009	9,654
2010	9,611
2011	9,880
2012	10,593
2013	408
2014	5,005
2015	1,300
Average	8,830

Company Name	Address	Telephone #
Credit Bureau of Ypsilanti Inc	25 S. Huron St. Ypsilanti, MI 48197	734-483-1130
Ann Arbor Credit Bureau Inc	311 N. Main St. Ann Arbor, MI 48104	734-665-6173
TRG Account Services	592 N. Mill St. Plymouth, MI 48170	734-354-0156

Terms of Collection

Contingency based:

25% for tickets under 6 months

33.3% for tickets under 1 year

50% for tickets over 1 year, under \$100, installment payments or legal accounts



Accounts shall be collected at a contingency rate of 33.3%. Exceptions to this contingency fee are:

- A) Accounts with a service date of 18 months or older at the time of placement at 40%.
- B) Accounts listed with an initial balance of \$100 or less 50%.
- C) Skip-trace accounts, accounts forwarded to an ACA affiliate bureau, or referred to legal at 50%.
- D) Returned checks, secondary placements, and leases at 50%.

Collection Rate of 36%, 50% for accounts that require legal action

[illegible]



City of Ypsilanti

Economic Development

Economic Development Goals

2015 Priority Goals (SEMCOG 2/15)

Goal 2: Maximize economic development by leveraging community assets and partnerships.

Measures:

- Track progress of Water Street Developments...
- Prioritize projects in the Parks Master Plan and link with CIP Investment and other resources

Top 5 Priorities

1. Prioritize Water Street property sales and management.
2. Approve and begin implementing 5-year plan on restructuring debt.
3. Promote development of Water Street anchor projects.
4. Ensure Police and Fire Staffing levels meet the needs of the community.
5. Create a marketing strategy that emphasizes the unique assets of Ypsilanti, including EMU, museums, parks, and safety.

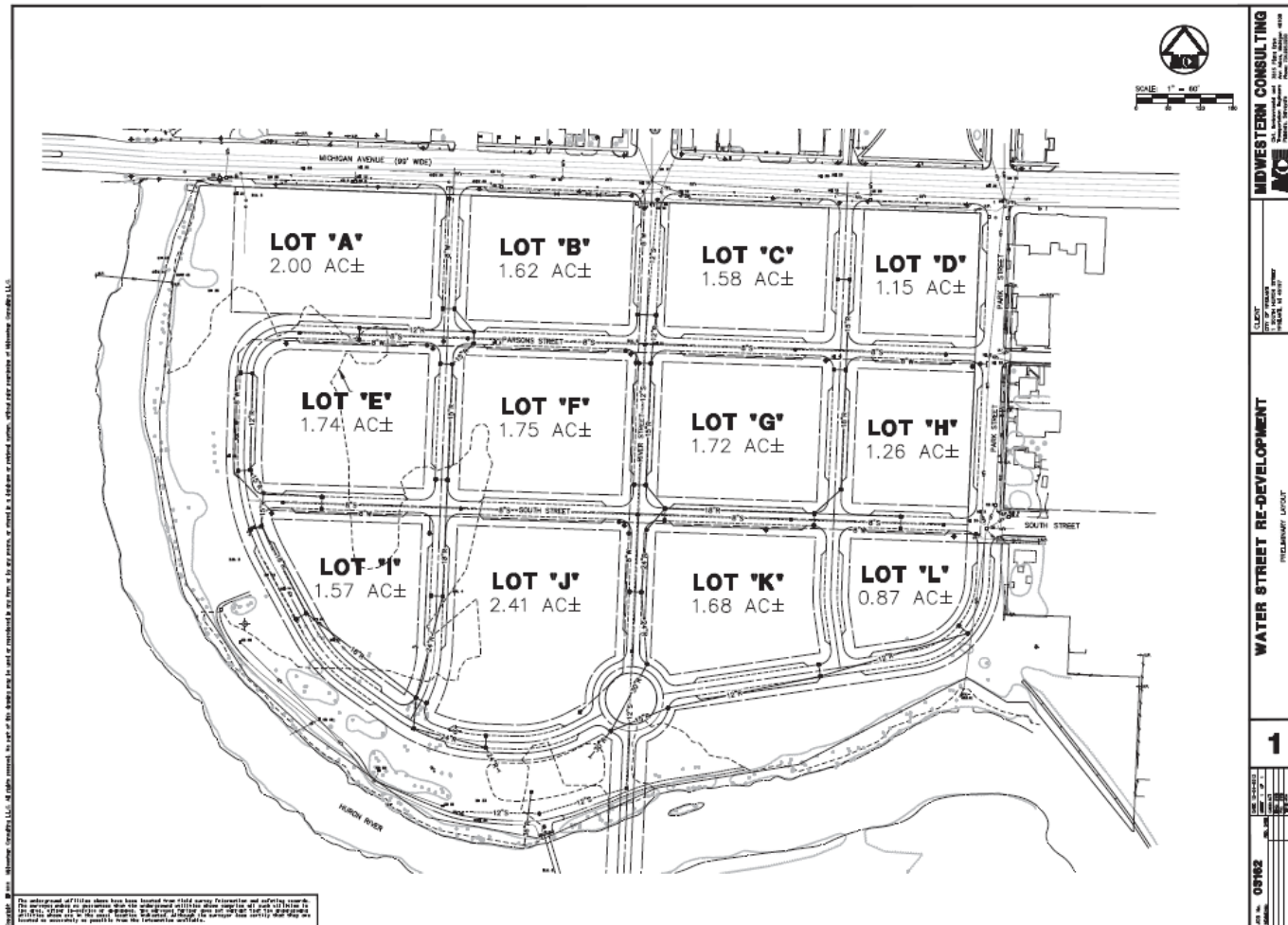
Water Street

City's marketing efforts increased based on approval of Master Plan

- Completing engineering
- Updating and maintaining marketing materials
- Created Brownfield Plan
- Council finalizing grid layout
- Preparing amendments for final approval

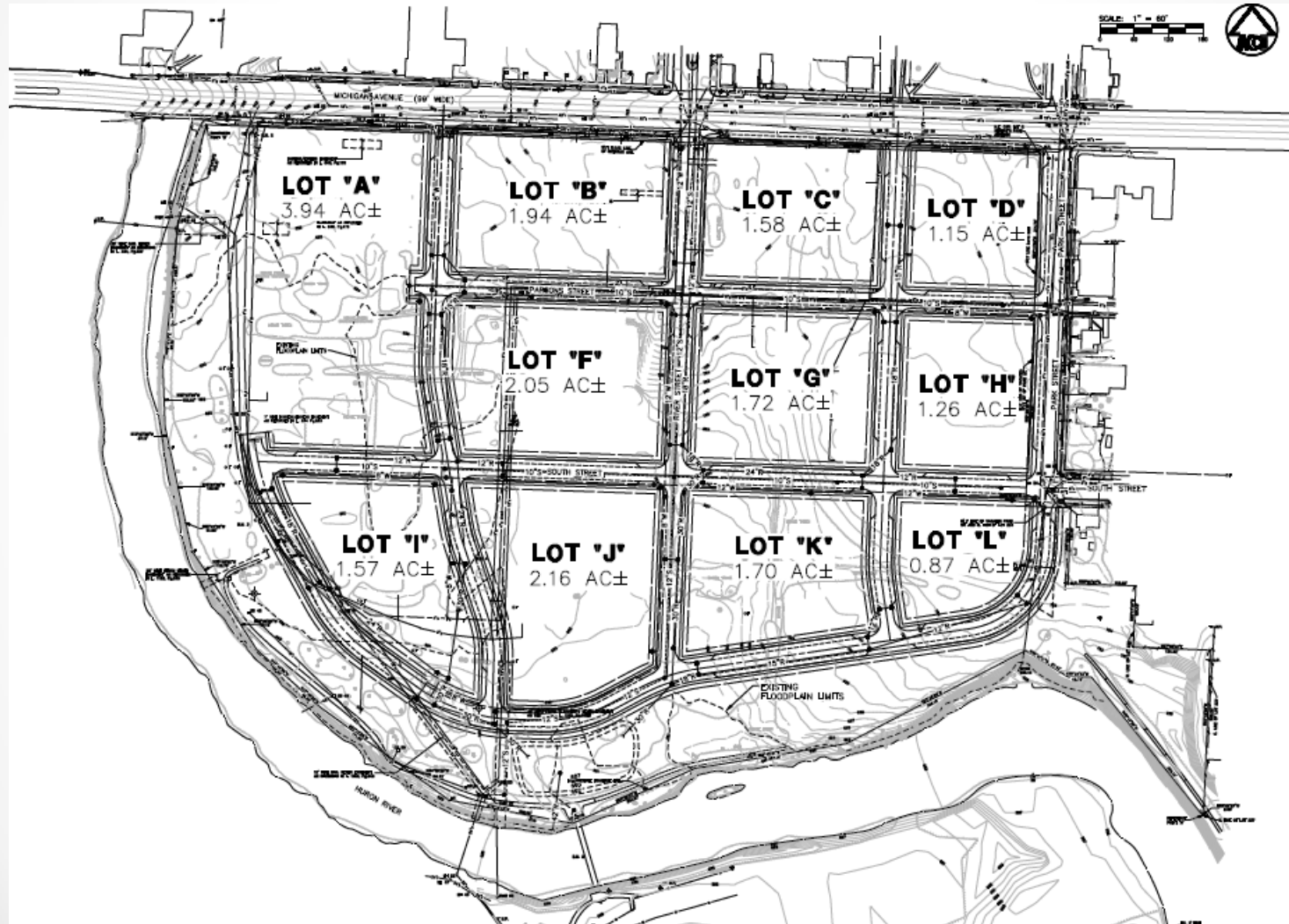
Water Street

- Original Layout



Water Street

- Proposed Layout



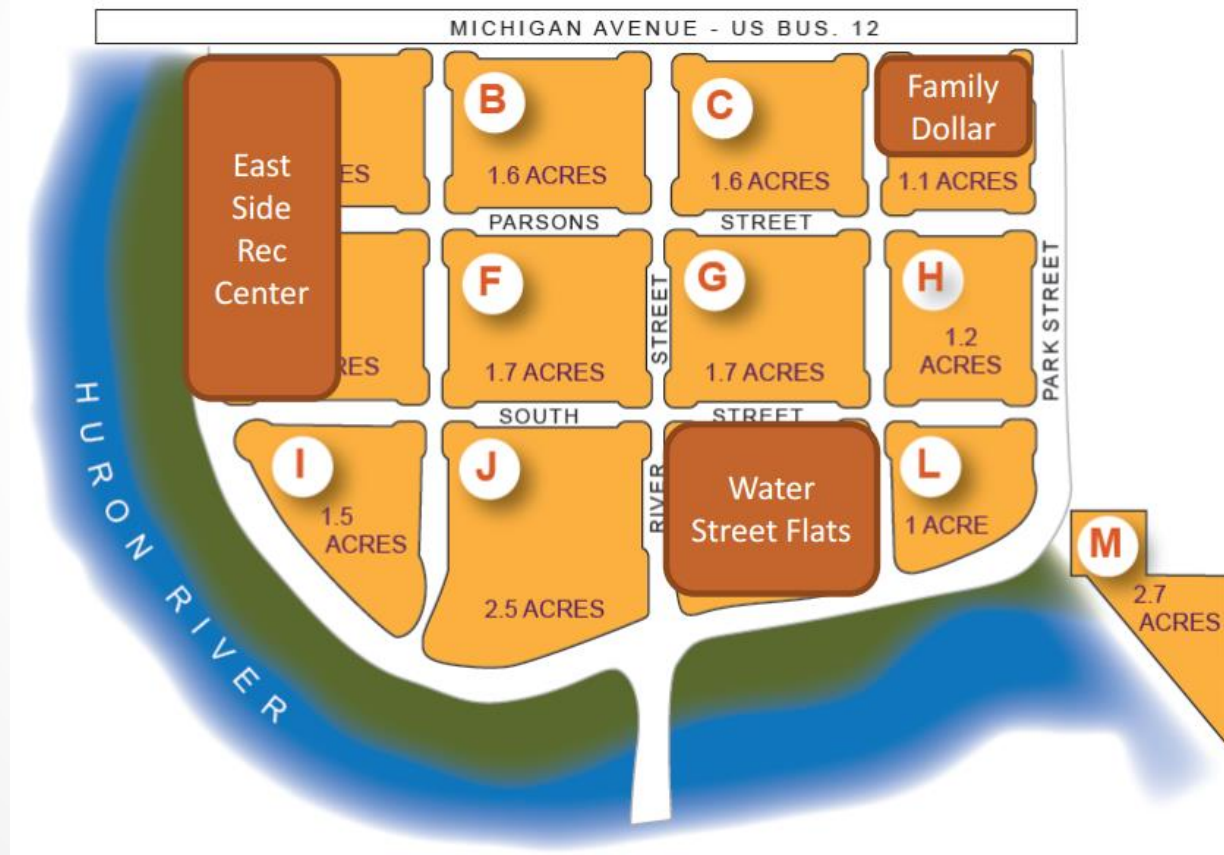
Water Street

Site Plan Alterations:

1. Created Lot "A" to meet the needs of the proposed Recreation Center anchor development.
2. Adjusted adjoining lots to meet site requirements identified in the Zoning Ordinance and making them slightly larger. (Lots "B" and "F")
3. Adjust north/south streets to ensure conformity with MDOT requirements.
4. Removed roundabout at south end of River Street and created "T" intersection.
5. Designed site drainage to conform with all requirements.

Water Street

- Current Commitments



Water Street

- **Family Dollar:** Completed, Grand Opening coming soon



Water Street

- **Eastside Recreation Center:** *In Active Development*, site engineering, architectural renderings and site plan in design underway.



Water Street

- **Riverwalk Commons:** *In Development*, State tax credits approved, Planning Commission conditionally approved, new site plan being created to address Plan Commission comments.



Water Street

NEXT STEPS

- Marketing remaining 9 Parcels
- 22.64 acres total (6.48 acres taken/16.16 acres remain)
- Interest is coming from both local and regional developers for mixed use and residential developments
- Reassess cost per acre based on upcoming, needed infrastructure improvements

Water Street Site Improvements

- Mid-Block Crossing (Michigan Avenue)
 - TAP grant secured, engineering designs completed, application and bid letting expected by August, 2015.
- Huron River pedestrian bridge
 - Bids have been received and are under review. Costs will be analyzed and matched with appropriate funding sources.
- Border to Border Trail on Water Street Property
 - Bids have been received and are under review. Costs will be analyzed and matched with appropriate funding sources.
- Electric line relocation
 - Staff working with DTE to get finalized cost for relocating and burying main electric service through and supplying entire site. Plans are being created, costs are being estimated, and final plans expected by May, 2015. Costs will be analyzed and matched with appropriate funding sources.

Other Developments

Angstrom Property – 126-128 Spring Street

- An out-of-state company has expressed interest in this property for a new less-intensive industrial use.
 - MEDC coordinating site selection and development
 - Competing against other Michigan cities
 - June decision date expected
- Multiple additional inquiries are being vetted

Other Developments

DTE Solar Array

- DTE is currently doing their due diligence on an Ypsilanti site. We expect to know the results within 30 days.
- DTE will provide site plan and information should they seek to proceed.

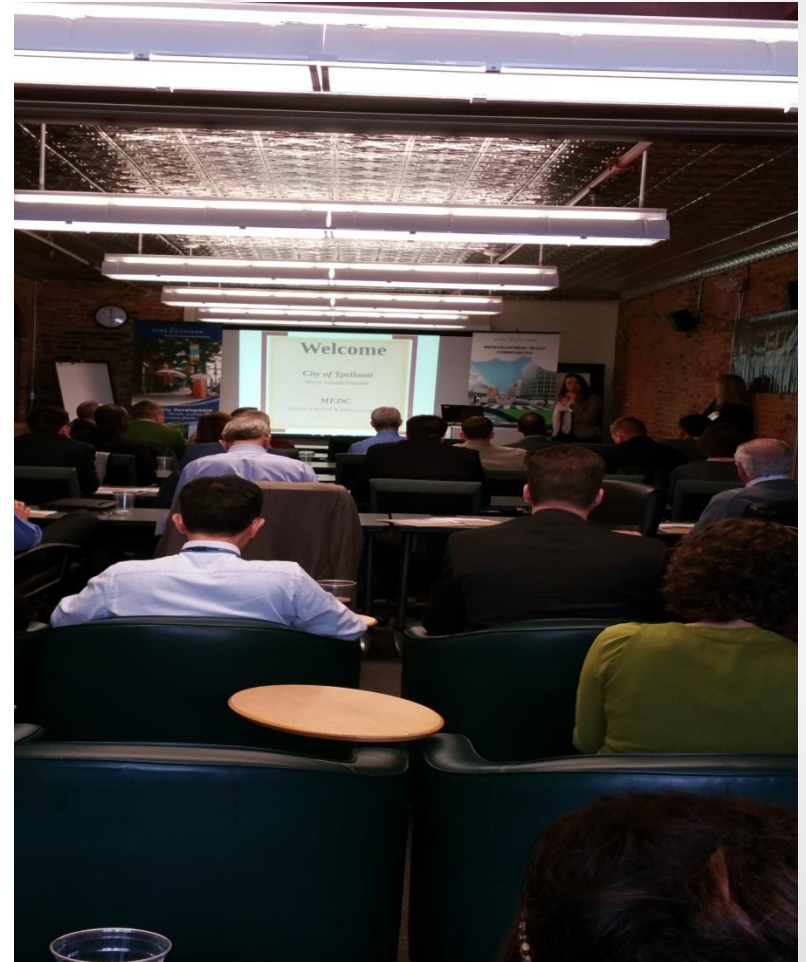
Other Developments

- N. Washington Microbrew – 124 Pearl
- N. Washington Incubator Space – 10 N. Washington
- Thompson Block
- Freighthouse
- Farmers Market
- Adventures In Homebrewing – 580 Mansfield
- Smith Furniture Rehabilitation – 15 S. Washington
- New construction for financial institution
- Expansion of Ypsilanti Food Coop – 312 N. River

Marketing

Ypsilanti Developers Forum

- State of Michigan, Washtenaw County, Ann Arbor SPARK, City Officials and other interested parties coordinated a Developer Forum creating interest in downtown properties
- Over 40 developers in attendance
- 5 sites toured with realtors



Next Steps

Goals	Action Steps	Timeframe
Prioritize Water Street Property Sales and Management	• Increase marketing • Create/Upgrade marketing plan • Finalize site plan • Complete site improvements	• 3 months • 6 months • 3 months • 12 – 18 months
5-year plan for restructuring debt	Primary component of the Water Street debt obligation beginning 2014: \$1,400,000.00 CDBG component of Water Street debt obligation beginning 2017: \$300,000.00 Currently projected annual Water Street debt obligation: \$1,700,000.00 Refinancing of Water Street debt obligation Refinance and restructure the reduced Water Street debt principal - \$9,000,000.00 - to a loan duration of 15 years at a 3% interest rate. This yields savings of \$622,000.00 per year. Adjusted annual Water Street debt obligation: \$1,400,000.00 Savings from principal reduction, refinancing and restructuring: <u>(\$622,000)</u> Remaining annual Water Street debt obligation: \$778,000.00	5 year plan/2 years
Promote development on Water Street Anchor projects	• Work with County Parks and Recreation to facilitate development of Rec. center • Continue to develop second anchor to enhance marketability of site	• Ongoing • Ongoing

Additional Action Steps

- Create, present and approve strategy for disposition of city-owned property
- Update, present and approve marketing plan/strategy for City
- Present Target market analysis (MSHDA) to local and regional developers
- Compile and analyze vacant property throughout City
- Secure Redevelopment Ready Community (RRC) certification
- Engage with EMU and WCC on marketing strategies and collaborations