

The proposed increase in parking fines

The Bethlehem Gadfly Parking, Serious Issues August 6, 2019

(100th in a series of posts on parking)

100!

Wow!

Gadfly was on a pretty good roll there for a while examining [the draft document](#) about the proposed \$16.8m Polk Street Garage that the Bethlehem Parking Authority presented to City Council at the July 2 meeting.

The BPA plans to sign formal documents for construction of the garage at their August 28 Board meeting.

The BPA plans to return to Council with the final presentation of their document either tonight or at the August 20 meeting — that is, before the document signing.

When BPA returns to Council, the issue of the parking fine rate structure will also have to be settled.

Let's think about that piece of the action now.

Reminder of the back story:

- There is a division of revenue responsibility: the Mayor controls parking meter rates, City Council the fines.

- Originally, Council controlled both revenue streams, but Council voluntarily delegated the meter stream to the Mayor in the late 1980s.
- The two rate structures should exist in a logical relation, so that the threat of fines compels adherence to paying at the meters.
- When meter rates go up, logically the fine rates should go up in tandem, in proper proportion.
- Because of a conflict between Council and the BPA last fall, the meter rates went up 50% on January 1 but the fines did not increase at all.
- Currently, then, there is no real punishment for not feeding the meter, no real incentive for “turnover” of spaces that is important for business customer flow.

The BPA plans to again ask Council to raise the fines. For instance, a \$10 fine would become \$15.

Some more back story:

- The BPA is an independent entity that manages parking in the City.
- The BPA must live on/within the revenue it raises.
- BPA revenue comes from curbside meters, fines, and the garages.
- To finance the building of garages, BPA must have sufficient revenue for debt service.
- It makes fiscal sense for the BPA to put money aside for new capital projects and capital repairs.

Are you with the Gadfly so far? Faithful followers in the know will jump in if he does not have things right.

Now here's the interesting situation.

- In that draft document presented July 2, the BPA says it doesn't need the increase in fines to finance the PSG. It has enough revenue just with the meter increase.
- And the BPA proposes to finance the PSG with a private loan, not a bond that the City (taxpayers) would have to back.

Yet the BPA is going to ask for the fines increase anyway.

Now is that ok?

If you were City Council, would you approve?

The BPA will probably argue, perhaps among other things, that

- The current situation defeats the objective of fostering necessary "turnover" in spaces for business purposes.
- The rates proposed are perfectly and properly in line with our comparison cities, which is one reason why the meter rates were raised in the first place.
- Another garage expenditure — the repair or replacement of the Walnut Street Garage — is in our very near future at a similar \$16m figure, and surplus revenue realized will be applied there.
- The current situation is simply absurd, which, they will remind, several members of Council recognized when the fine

rate increase was voted down late last year. Council will be a laughing-stock if they don't approve the fine increases.

- Repealing the meter increase and returning to the 2018 system is also absurd: the loss of a projected increase of 2019 meter revenue over 2018 of \$292,378 would mean that the BPA will need a taxpayer-backed bond instead of floating a private loan.

Strong case for raising the fines.

As much as Gadfly would like to see a rollback and residents saving at the meters if the fine revenue is not immediately necessary, it doesn't look possible.

Agreed?

Gadfly missing anything?

Chew on this, and let Gadfly know if you see this differently.

And now we can get back to the main issue — the Polk Street Garage itself.