

REVIEW OF
THE ATHENS DOWNTOWN DEVELOPMENT AUTHORITY

Report to the Mayor & Commission

January 2013

Prepared by:

Auditor's Office
Unified Government of Athens-Clarke County

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January 17, 2013

Mayor and Commission
Unified Government of Athens-Clarke County
City Hall
301 College Avenue
Athens, Georgia 30601

Subject: Review of the Athens Downtown Development Authority (ADDA)

Dear Mayor and Commission:

Enclosed please find the Review of the Athens Downtown Development Authority as part of the Auditor's Office Work Plan. The report is divided into six chapters:

- I. **Project Overview** – explains the scope of the review, methods used during the audit, and provides a table of contents.
- II. **Overview of the Athens Downtown Development Authority (ADDA)** – describes the history governance, and organization of ADDA.
- III. **ADDA Operations** – focuses on ADDA operating budget, development issues, and efforts to market and promote downtown.
- IV. **Downtown Athens Parking System** – reviews the impact of changes in parking rates, fees, fines, and policies on revenue and expenditures.
- V. **Athens-Clarke County Downtown Services** – examines the most visible services to downtown merchants, residents, and visitors provided by Athens-Clarke County's Departments of Central Services, Police Services, and Solid Waste.
- VI. **Summary of Recommendations** – pages 26 and 27 list all recommendations found. Recommendations are made in the areas of governance, promotions/advertising of downtown, parking, sidewalk cafes, and permit management, and downtown cleanliness.

I wish to express my thanks to Kathryn Lookofsky and ADDA staff for their excellent cooperation, assistance, and patience during the course of the review. I would also like to recognize the effort of Tommy Houseman of the Auditor's Office and Laura Welch, formerly of the Auditor's Office.

OFFICE OF THE AUDITOR

I hope you find this report useful and I look forward to discussing it with you. Should you have any questions, please do not hesitate to contact me.

Very truly yours,



John A. Wolfe
Athens-Clarke County Auditor

Copy: Alan Reddish, Manager
Bill Berryman, Attorney
Jean Spratlin, Clerk of Commission
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Kathryn Lookofsky, ADDA Executive

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I. PROJECT OVERVIEW

A. PURPOSE AND AUTHORITY OF THE AUDIT

This audit of the Athens Downtown Development Authority (ADDA) was conducted at the request of the Mayor & Commission pursuant to Article IV, Section 4-104 and Article VII, Section 7-410 of the Charter of the Unified Government of Athens-Clarke County (ACC), Georgia, and the ordinance and policies guiding the conduct of reviews.

B. PROJECT SCOPE

The scope of this project included:

- Governance of ADDA, including its enabling legislation, charter, by-laws, board of directors, local ordinances, and state regulations.
- ADDA operations, including organization and staffing, financial administration, economic development and promotion of downtown, and parking contract management.
- Downtown Athens Parking System (DAPS) operations, including organization and staffing, rates and usage, and financial administration.
- Services provided to downtown by various departments of Athens-Clarke County, including Central Services, Police, and Solid Waste, among others.

C. METHODOLOGY AND TASKS

Various techniques were employed to provide a comprehensive review of the Athens Downtown Development Authority, including:

- Reviewed ADDA's enabling legislation, charter, and by-laws to gain an understanding of its mission, purpose, and powers;
- Reviewed local ordinances concerning the Central Business District (CBD);
- Reviewed requirements of the Department of Community Affairs Main Street Program;
- Interviewed members of the ADDA Board of Directors, as well as several past board members, to identify specific issues concerning downtown.
- Interviewed ADDA staff members to better understand reporting relationships, prioritization of tasks, and the relationship of ADDA to the Downtown Athens Business Association (DABA) and other stakeholders;

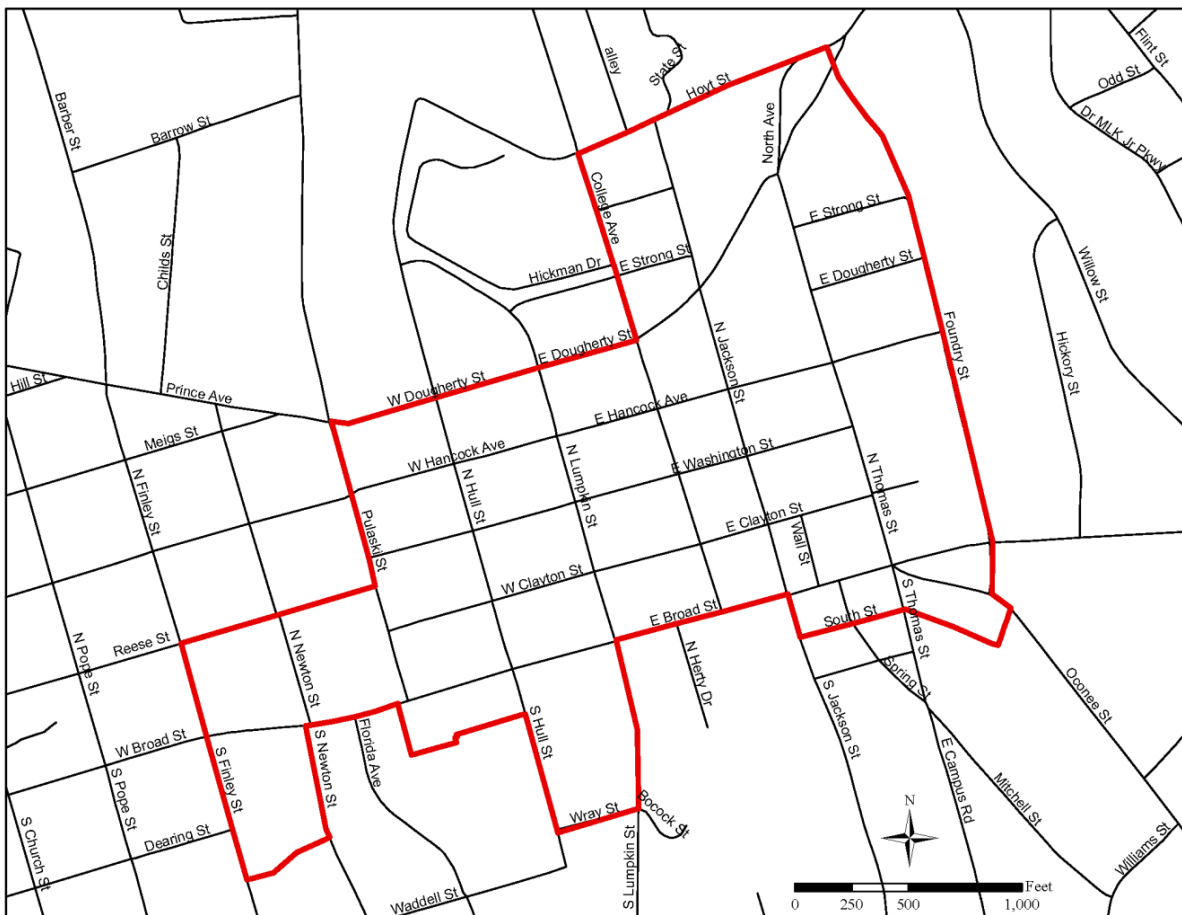
- Reviewed the financial administration practices employed by ADDA and DAPS;
- Analyzed budgets for ADDA and DAPS over several fiscal years;
- Analyzed the financial impact of changes in parking rates;
- Studied service provision in the Central Business District (CBD) currently offered by ACC departments, including Central Services, Police, and Solid Waste.
- Provided the ADDA executive director with a draft of the report for review and comment and to ensure accuracy.

II. OVERVIEW OF THE ATHENS DOWNTOWN DEVELOPMENT AUTHORITY (ADDA)

A. HISTORY

The Athens Downtown Development Authority was established by the Georgia General Assembly in 1977 to “acquire, construct, improve, alter, repair, and maintain properties” and to “undertake and oversee the revitalization and redevelopment of the urban, central city areas located within the downtown Athens Area.” The enabling legislation defined the geographic boundary of the ADDA as the area generally located north of Broad Street, east of Pulaski Street, south of Dougherty and Hoyt Streets and west of Foundry Street. (see Figure 1).¹

Figure 1: Current Boundary of the Athens Downtown Development Authority



¹ The area outlined in red depicts ADDA’s current boundary.

B. GOVERNANCE

ADDA was created by local constitutional amendment, which required ratification by the voters. The amendment defined ADDA's powers and the composition of authority members. ADDA was given the authority to levy property tax on properties within its boundaries. However, the amount that could be levied was restricted to one mil. This mil has been levied every year since ADDA's inception and currently generates approximately \$145,000 annually.

Under Georgia's current constitution, it is no longer possible to establish downtown development authorities by local amendment. Development authorities established under legislation adopted in 1992 are authorized to create special tax, fee, or assessment districts. In addition, directors of authorities established since 1992 are required to complete at least eight hours of training on downtown development and redevelopment programs.²

Board of Directors

The Athens Downtown Development Authority is governed by a seven-member board comprised of the following members as prescribed by its charter:

- Mayor of Athens-Clarke County;
- Commissioner of Athens-Clarke County, appointed by the Mayor;
- A representative from the Athens Area Chamber of Commerce (AACC);
- Two downtown Athens property owners, appointed by the Mayor & Commission; and
- Two downtown Athens business owners, appointed by the Mayor & Commission.

In order to be considered for appointment by the Mayor & Commission, the downtown property owners and the downtown business owners must be members of the Downtown Athens Business Association. The ACC Mayor, ACC Commissioner, and chairperson of the Chamber serve concurrent with their terms of office. The four downtown representatives serve two-year terms. There is no requirement for board members, other than the Mayor and ACC Commissioner, to be residents of Athens-Clarke County. Meetings of the Board of Directors are held on the second Tuesday of the month usually at the ADDA offices.

² Georgia Department of Community Affairs Downtown Development Manual.

State Regulations

As a recognized public corporation by the State of Georgia, ADDA's powers and mission are specified by the state:

- Revitalize and redevelop the central business district
- Finance projects in the CDB that "promote the public good and general welfare"
- Develop and promote, "trade, commerce, and employment opportunities"
- Issue bonds to finance projects to meet and promote the agency's mission

ADDA is a member of the Main Street Program operated by the Georgia Department of Community Affairs, and as such, is responsible for adhering to certain rules and regulations. As a member of the program, ADDA is required to employ the program's four-point approach, which requires that the board of directors have the following standing committees:

1. Design: Enhancing the physical appearance of the commercial district by rehabilitating historic buildings, encouraging supportive new construction, developing sensitive design management systems, and long-term planning.
2. Organization: Building consensus and cooperation among the many groups and individuals who have a role in the revitalization process.
3. Promotion: Marketing the traditional commercial district's assets to customers, potential investors, new businesses, local citizens and visitors.
4. Economic Restructuring: Strengthening the district's existing economic base while finding ways to expand it to meet new opportunities -- and challenges from outlying development.

Interviews with board members and staff indicated that ADDA's committees are not currently active and therefore not compliant with the rules of the Main Street Program.

Local Ordinances Enforced by ACC with Focus on Downtown

In addition to the quality of life ordinances that have county-wide application, several laws adopted by ACC are either specific to the Central Business District or have the greatest impact on downtown. The areas of greatest regulation as established in the code include:

Panhandling – specifies that begging and soliciting are not unlawful unless the person is aggressively accosting or forcing his or her company on another person.

Parking – parking rates for the College Avenue and Washington Street parking decks, all government owned surface lots, metered parking spaces, and any changes in fines for parking violations are approved by the Mayor & Commission.

Sidewalk cafés – regulates the fees, size, and use of sidewalk cafés on the public right-of-way.

Special Events - defines a special event and includes the submission requirements for applicants seeking a permit including proposed maps to identify street closures, setups, routes of races/parades/walks, etc.

Street Sales - defines street sales and designates the areas where they are permitted including areas within the Athens Downtown Tax District, on Baldwin Street, Jackson Street and Baxter Street, and other designated locations as determined by ACC. Sales are prohibited on the south side of East Broad Street between Lumpkin Street and Jackson Street or on the east side of South Lumpkin Street between Baldwin Street and Cedar Street.

RECOMMENDATIONS - GOVERNANCE

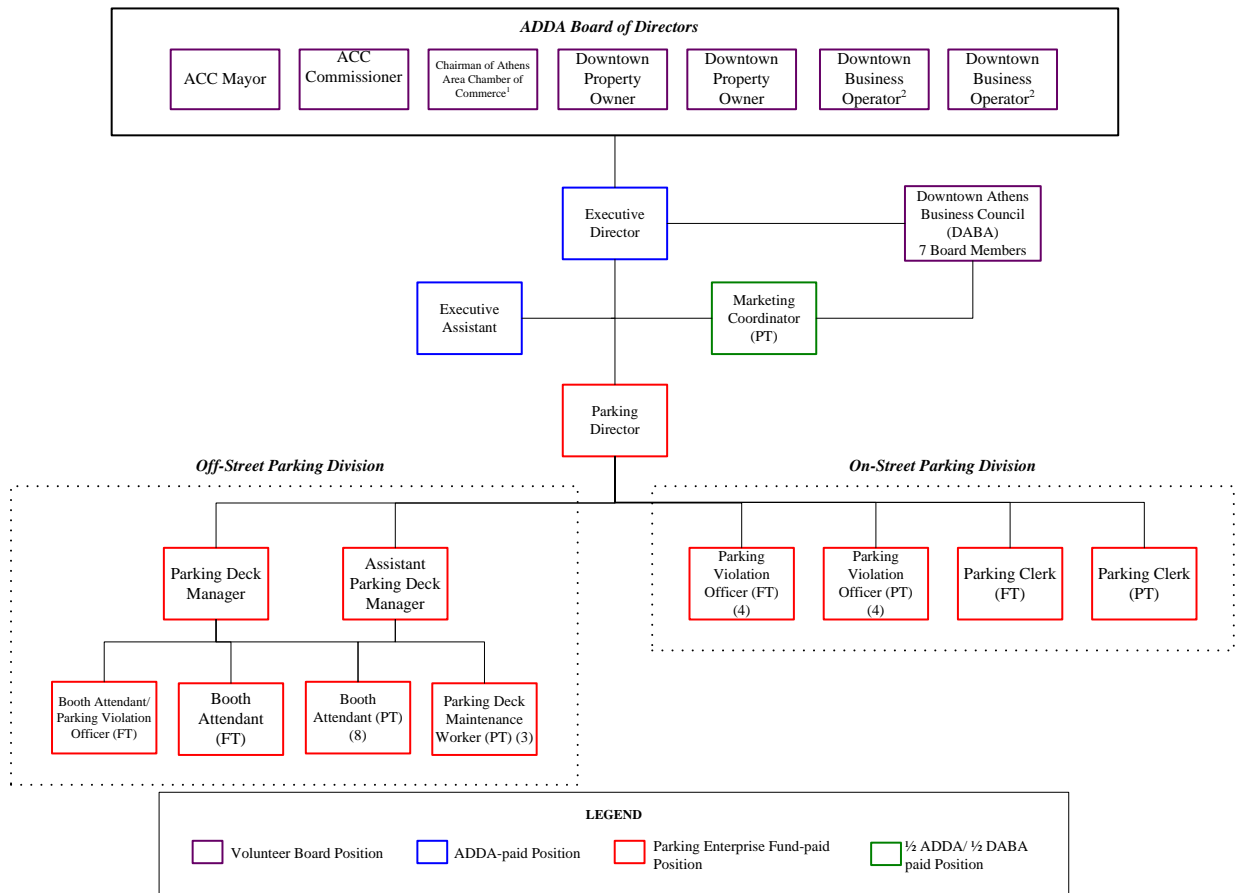
- Consider requesting that the Georgia General Assembly reestablish the authority under the 1992 legislation to provide greater flexibility in terms of funding and board membership and establish training requirements for the ADDA board of directors.
- Revisit the composition of the board of directors to ensure that no perceived conflicts of interest occur when negotiating or approving contracts for ADDA.
- Add other downtown stakeholders to the committees required for the Main Street Program certification.
- Provide routine enforcement of quality of life ordinances in the downtown area during evening, late night, and weekend hours.

C. ORGANIZATION AND STAFFING

The staff of ADDA is comprised of two groups that perform distinct functions: ADDA Operations and Downtown Athens Parking System (DAPS). An organizational chart depicting the current staffing is provided in Figure 2 on the following page. Day-to-day ADDA operations are conducted by two full-time employees, the executive director and executive assistant, and one part-time marketing coordinator, which is jointly funded from the Downtown Athens Business Association (DABA). The ADDA Board of Directors approves staffing for ADDA operations.

Staffing level for DAPS is approved by Athens-Clarke County as part of its annual budget adoption. Currently there are 10 full-time and 16 part-time employees authorized for the parking system. Because of budget limitations one full-time and five part-time positions are currently vacant.

Figure 2: Organization of the Athens Downtown Development Authority



III. ADDA OPERATIONS

A. OVERVIEW

ADDA attempts to ensure that many highly visible functions benefitting downtown Athens are performed. This requires working closely with multiple ACC departments and agencies at the local and state level, as well as with the business and property owners of downtown. In addition, ADDA continuously focuses on how to improve the downtown area, how to enhance business opportunities, and what can be offered to citizens and visitors. The main issues that ADDA is currently focused on include, but are not limited to:

Parking - ACC has contracted with ADDA for management of the downtown parking system, including two decks, three surface lots, and all on-street parking since FY93 (see section IV. Downtown Parking System Operation).

Master plan – ADDA approved in July to contract for the development of a master plan for downtown, which may result in a recommended expansion of the boundaries of downtown.

Promotions – ADDA coordinates promotion of downtown businesses and events via advertising, social media, networking, merchandising, and combining efforts with the Downtown Athens Business Association (DABA).

Property vacancies and downtown cleanliness – ADDA focuses on opportunities for economic development that will enhance the property values of downtown, improve the look of building facades and streetscapes, improve downtown cleanliness, and provide a better balance of business types given the limited amount of real estate within the district.

B. OPERATING BUDGET AND FINANCIAL ADMINISTRATION

ADDA operates on a July 1st through June 30th fiscal year. The executive director and staff must develop and administer two separate budgets, one for ADDA Operations and one for the Downtown Athens Parking System. The board of directors approves and monitors both budgets. However, the DAPS budget is also approved by ACC as part of its annual budget process.

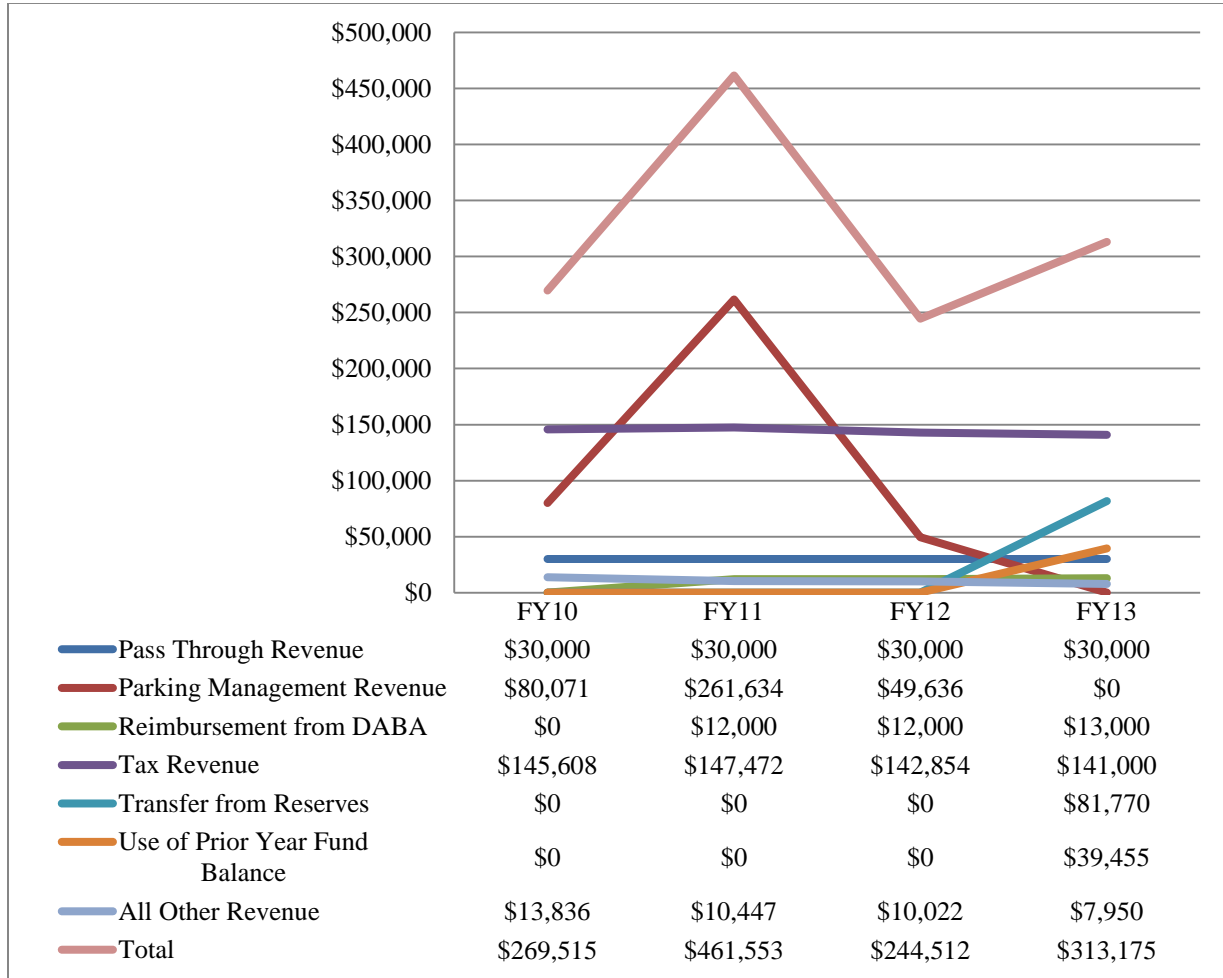
ADDA's operations budget has averaged approximately \$330,000 in revenue from FY10 to FY13.³ Expenditures average approximately \$287,000 for the same period. ADDA's revenue and expenditures were analyzed for this period to determine any fluctuations in revenue and expenditures.

³ Average based on FY10 – FY12 actual revenue and FY13 budgeted revenue.

Revenue

ADDA's revenue is generated from two sources, a one mil tax levy on properties located within downtown and from the parking management agreement with Athens-Clarke County. Figure 3 provides a summary of ADDA's revenues for the past three fiscal years and the amount anticipated for FY13. As can be seen, revenue has fluctuated greatly during this period, totaling \$461,553 in FY11 but only \$244,512 in FY12.

Figure 3: ADDA Revenue by Major Source, FY10 to FY13



Tax revenue from the one mil property tax levy has been the most consistent source of funding, generating approximately \$145,000 annually as noted. However, revenue from parking management has varied widely, peaking in FY11. The spike in revenue in FY11 was largely related to parking system changes that were implemented in the prior fiscal year. Beginning in July, 2009, parking meter rates increased from \$.25 per hour to \$.50 per hour and the fine for expired meters increased from \$3 to \$10 per violation. Enforcement was also expanded an additional hour each weekday. This revenue was collected throughout FY10. In addition, in January of 2010, past due parking tickets were submitted to a collections agency in order to secure payment.

After all expenses and revenues from the parking system were accounted for, including any advances ACC made to ADDA for parking management, “net revenue” was calculated in accordance with the parking management agreement. ADDA was entitled to 15% of the net revenue, which was paid by ACC in October of 2010 for any amount owed. Hence, the additional incentive for FY10 was accounted for as a FY11 revenue source.

In FY12, gross revenue from parking was approximately \$540,000 more than in FY11. However, net revenue was nearly \$850,000 less.⁴ This was primarily from the operating cost and debt service payment for the Washington Street parking deck, which became operational in FY12. In addition, the debt service payment on the College Avenue parking deck was included in determining “net revenue,” whereas in prior years had not been.

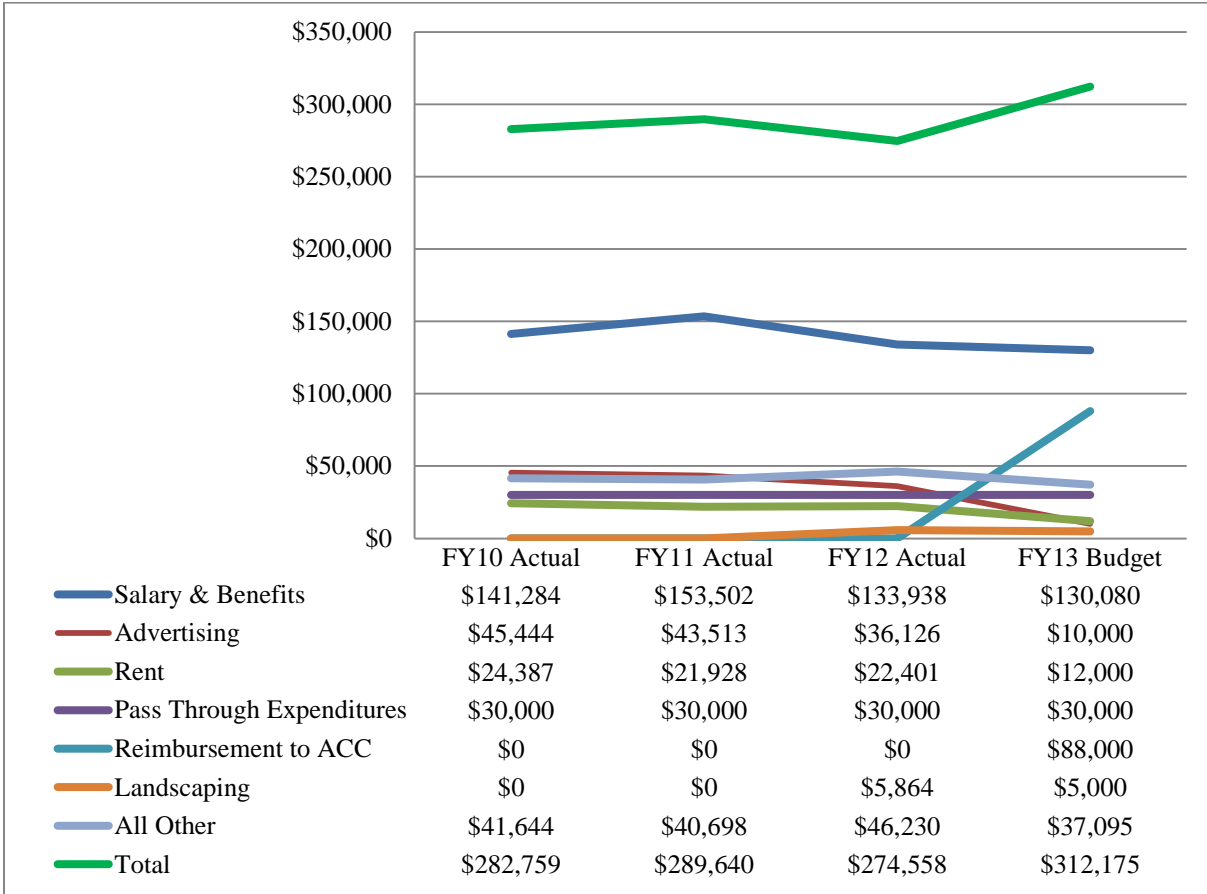
Expenditures

Figure 4 on the following page depicts actual expenditures for FY10 through FY12 and budgeted expenditures for FY13. Expenditures have remained relatively constant for ADDA over the past three fiscal years but are projected to increase in FY13. The increase in FY13 is largely the result of a reimbursement to ACC for advance payment of the parking management incentive in the prior fiscal year. All other major categories of expenditures are projected to decline: salary & benefits, advertising, and rent.⁵

⁴ The Parking Management agreement between ACC and ADDA provides that ACC receives 85% of the net revenue or the amount received in the prior year, whichever is greater. Unless FY13 net revenue exceeds FY12's, ADDA's compensation for management of the parking system will effectively be zero, which is the amount budgeted.

⁵ The original FY13 budget included \$25,000 in rent expense. However, after the budget was adopted, ADDA offices were relocated to the Chamber of Commerce building. The monthly rent payment for office space is \$1,000 per month.

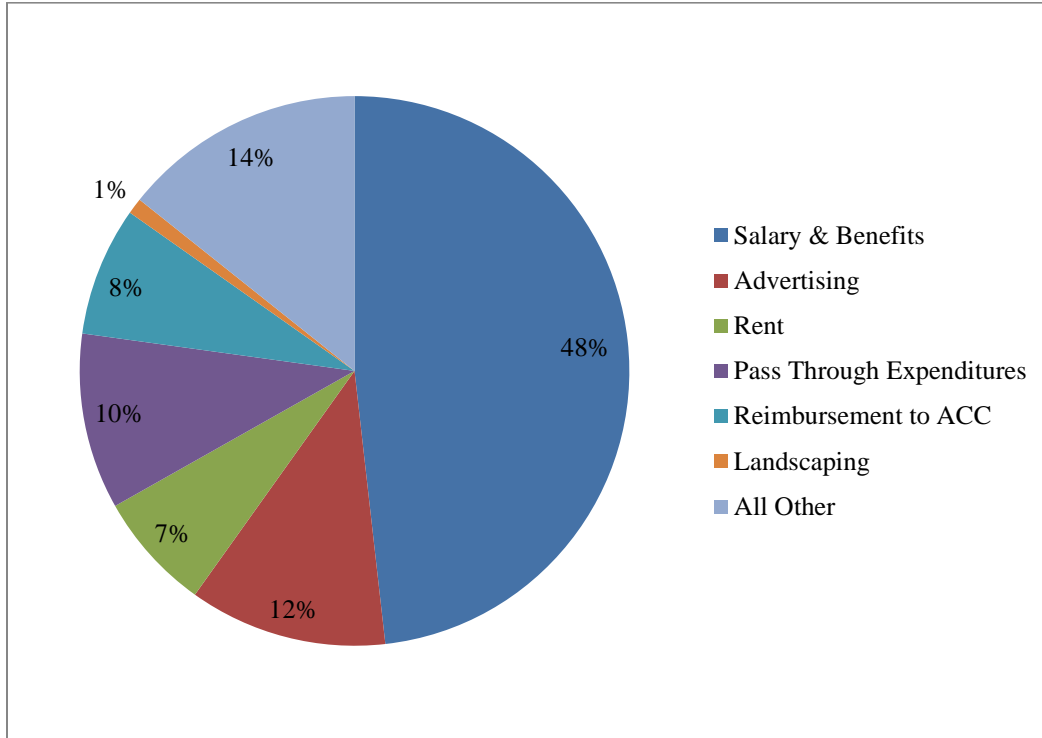
Figure 4: ADDA Expenditures FY10 to FY13



As a percentage of expenditures, salary & benefits have averaged approximately 48% of the total expense each year. Advertising has the next largest single category of expenditures, approximately 12% of the total each year. "Pass Through" expenses for garbage bags sold to downtown merchants and residents average approximately 10% of ADDA's annual budget.⁶ Rent averages approximately 8% of the agency's annual expenditures. All other expenses such as office supplies, website development, computer services, and consulting fees account for the remaining expenditures. Figure 5 on the following page graphically illustrates the average annual expenditures by major category in relation to one another.

⁶ Note: The cost is directly recouped by offsetting revenue.

Figure 5: Average Annual Expenditures by Major Category, FY10 to FY 13



Trends in ADDA Revenue and Expenditures

ADDA has enjoyed a budget surplus in prior fiscal years and has been able to accumulate a working reserve of approximately \$356,000. However, without reliable revenue from parking, ADDA may find it difficult to continue with many of its current initiatives such as downtown advertising, promotions, and College Avenue beautification efforts. The FY13 parking management agreement provides that ACC will advance no parking management payments until the end of the fiscal year, which may result in an increased reliance on using financial reserves to fund current year operations.

C. DEVELOPMENT

The Athens Downtown Development Authority (ADDA) is empowered by its enabling legislation to develop property within the downtown area that promotes the economic improvement and development or redevelopment of the downtown Athens area. They have the ability to “own, operate, maintain, sell, lease and mortgage” buildings and other kinds of property. They may also grant, loan, sell and lease any property they own to private persons and corporations if the authority agrees that the private persons or corporations will contribute to the economic health and development of the downtown area.

In order to finance its activities, the authority may borrow money and issue “notes, obligations and revenue bonds” as well as sell property and use proceeds from the 1 mil levied within downtown. Currently, there is no limit on the amount of revenue bonds or other obligations which the Authority may issue. However, the bonds must be approved and guaranteed by ACC. The only bonds issued by ADDA to date have been for the Washington Street parking deck.

ADDA conducts formal and informal discussions with businesses seeking to develop property in downtown. In addition, staff regularly fields calls from potential investors looking for property in downtown to locate their business. Staff apprises them of current market rates and helps connect them to landlords and/or real estate agents.

The Executive Director, representing the ADDA, participates in contract negotiations related to development downtown. For example, in 2009 the Executive Director was part of the team that negotiated the design of the Washington Street Parking Deck; A Leadership in Energy and Environmental Design (LEED) Gold certified mixed-use parking facility.

Master Plan

As noted earlier, ADDA is currently developing a master plan for downtown for possible adoption in 2013. The plan will include the following⁷:

- A Proposed Land Use Plan (existing plus infill and change)
- An Open Space Plan
- A Street Plan / Transportation Plan
- An Infrastructure Plan (general recommendations)
- An Illustrative Plan (picture of the future downtown)

Four Athens Tech Incubator

Four Athens, LLC (Four Athens) is a for-profit “tech incubator” started in 2011. In October 2012 ADDA entered into a Start-up Company Rent Subsidy Program Management Agreement with Four Athens. ADDA agreed to subsidize rental space for Four Athens at a minimum of \$1,000 per month or \$50 per tenant office, whichever is larger.

The agreement provides for a maximum cash outlay by ADDA of \$30,000 for the first year of the agreement. Currently, there are 15 tenants receiving the subsidy from ADDA.

⁷ <http://downtownathensmasterplan.wordpress.com/about-the-planning-process/>

D. MARKETING AND PROMOTIONS

ADDA spends a significant amount of time promoting the use of downtown Athens. Staff utilizes traditional advertising methods such as print and radio, as well as new social medial tools like Facebook and Twitter. In addition, staff continually solicits feedback from downtown merchants and other local stake-holders. ADDA’s advertising budget averaged approximately \$41,600 annually for the three prior fiscal years. However this amount was reduced to \$10,000 in FY13.

Social Media

ADDA staff maintains a website that provides information on downtown businesses, parking services, and a calendar of downtown events. In addition, the website provides links to other community resources related to economic development, cultural activities, community groups, local government, and the University of Georgia (UGA).

ADDA staff also initiated a social networking campaign utilizing Facebook (approximately 13,800 followers) and Twitter (approximately 8,600 followers), initiated an e-newsletter and listserv to improve communication within the Downtown community, and developed and presented “A Downtown Field Guide to Social Media” at the Georgia Downtown Conference.

Advertising

ADDA staff is responsible for marketing and branding downtown to the local community and beyond. Marketing outreach for downtown includes printed ads, radio spots, and partnering with the Athens Convention and Visitors Bureau (CVB). Facebook and Twitter links are included in all advertising efforts, as well as on business cards and the website. Additional efforts include:

- Advertising in diverse markets and publications including; Metro-Atlanta and the larger Southeast region, Southeastern Conference (SEC) student newspapers, and the Georgia Magazine, which is circulated into 134 of Georgia’s 159 counties.
- Marketing the downtown area via print and other media, ADDA actively facilitates relationships on behalf of downtown with the general public, numerous businesses, government departments, and community and civic organizations.
- Conducting Familiarization “Fam” Tours of downtown to educate event planners, University of Georgia orientation leaders, University employees, and others about downtown Athens. Staff also represents ADDA at local community events, through attendance at regional meetings and serving on advisory boards.

Special Events

Special events are an important part of the promotions process. ADDA oversees the Downtown Athens Breakfast with Santa, the Downtown Athens Blue Sky Concert Series, and the UGA Student Orientation Leaders Tour. ADDA also plays a vital role in helping plan festivals and events that take place in downtown, but that are organized by an outside group such as AthFest, the Twilight Bike Race, and the Hot Corner Festival. For example, AthFest was incubated by ADDA and was eventually able to grow into its own 501(c)3 organization. Currently ADDA is working with Four Athens and Athens-Clarke County to develop an annual “tech” conference. ADDA staff has also partnered with Hot Corner organizers to expand the Hot Corner Festival as well.

RECOMMENDATIONS – PROMOTION/ADVERTISING

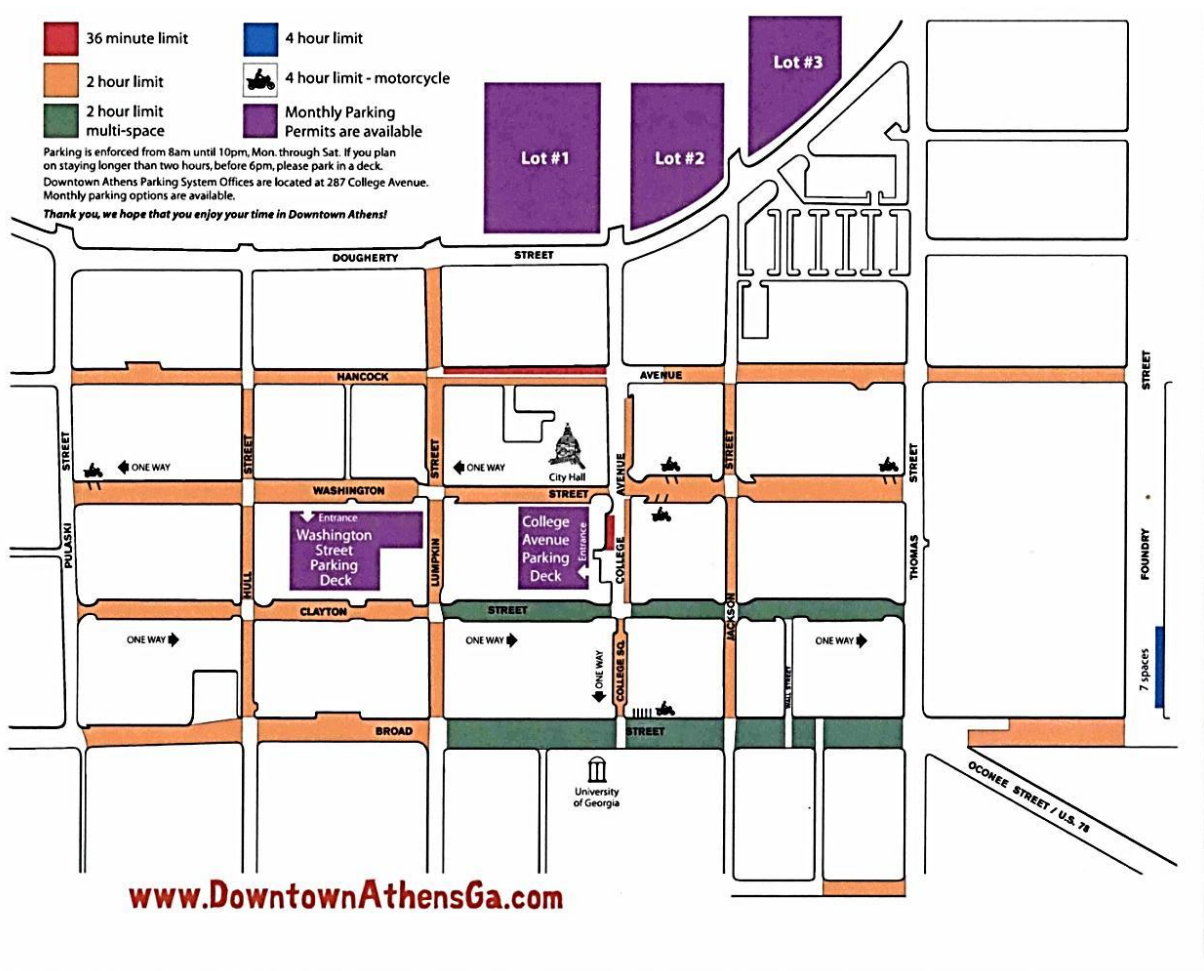
- Continue with the current marketing strategies that include social media.
- Monitor the funding for advertising and promotions to ensure that the amounts allocated are adequate to promote downtown.

IV. DOWNTOWN ATHENS PARKING SYSTEM

A. OVERVIEW

There are approximately 2,008 public parking spaces in the downtown Athens area. ACC contracts with ADDA to manage the operations of the Downtown Athens Parking System (DAPS). DAPS has two divisions: on-street parking and off-street parking. The on-street parking division is responsible for the enforcement of parking ordinances and collection of parking meter and ticket revenues. This division also collects fees for construction parking permits, loading zone permits, and "boot" wheel locking devices. The off-street parking division operates the College Avenue and Washington Street parking decks and three (3) surface lots. Figure 6 provides a map of the downtown parking system managed by ADDA.

Figure 6: Map of Downtown Athens Parking System Options



On-street Parking

There are approximately 773 on-street metered spaces managed by ADDA in downtown. Currently, parking is enforced Monday through Saturday, 8:00 a.m. until 10:00 p.m. On-street parking rates are 75 cents per hour. Motorists may stay in on-street parking spaces for a maximum of two-hours between 8:00 a.m. and 6:00 p.m. After 6:00 p.m. they may purchase more than two hours.

Parking Decks

ACC owns four parking decks in downtown Athens; the Classic Center parking deck, the College Avenue parking deck, the Courthouse parking deck, and the Washington Street parking deck. Each deck caters to a particular group of motorists. These decks are located within approximately 1,500 feet of one another and are managed by three different governmental agencies. Each parking deck provides hourly, daily, and monthly parking for visitors, employees, and residents of downtown and each has different parking rates and operating hours. ADDA manages two of the parking decks:

- *College Avenue Parking Deck* - the College Avenue parking Deck provides 336 spaces to motorists working and shopping downtown. Its hours of operation are from 7: 00 a.m. until midnight Monday and Tuesday, 7:00 a.m. until 1:00 a.m. Wednesday through Friday, and 8:00 a.m. until 1:00 a.m. on Saturday. A reduced rate of \$5 is charged upon entry after 7:00 p.m. Wednesday through Saturday. On UGA home football game days ADDA charges \$40 to park in the deck. The parking deck rates, for special events may be temporarily changed at the discretion of the ACC Manager.

A total of 223 spaces are available for lease on a monthly basis. The charge is \$100 per month for a reserved space on the first level (downtown merchants and employees pay a reduced rate of \$80 per month). The rate for unreserved spaces on the upper levels is \$75 per month (downtown merchants and employees pay a reduced rate of \$60). Currently, there are approximately 150 motorists on a waiting list for a space in the deck. In addition, there are 55 motorists waiting for a space on the first level. Anyone with a leased space may park in the deck at any time, including on UGA football game days for no additional fee.

- *Washington Street Parking Deck* – The Washington Street parking deck opened in 2012 and provides 540 parking spaces, retail space on the ground floor, and office space on the top floor. There are 269 spaces designated for monthly rental and the remaining spaces are available for hourly customers, Baston-Cook Development tenants and Bank of America. Although the rates are the same as the College Avenue deck, the evening hour parking rate isn't charged upon entry because the Washington Street deck is equipped with an auto pay station for customers to pay upon exit.

Surface Lots

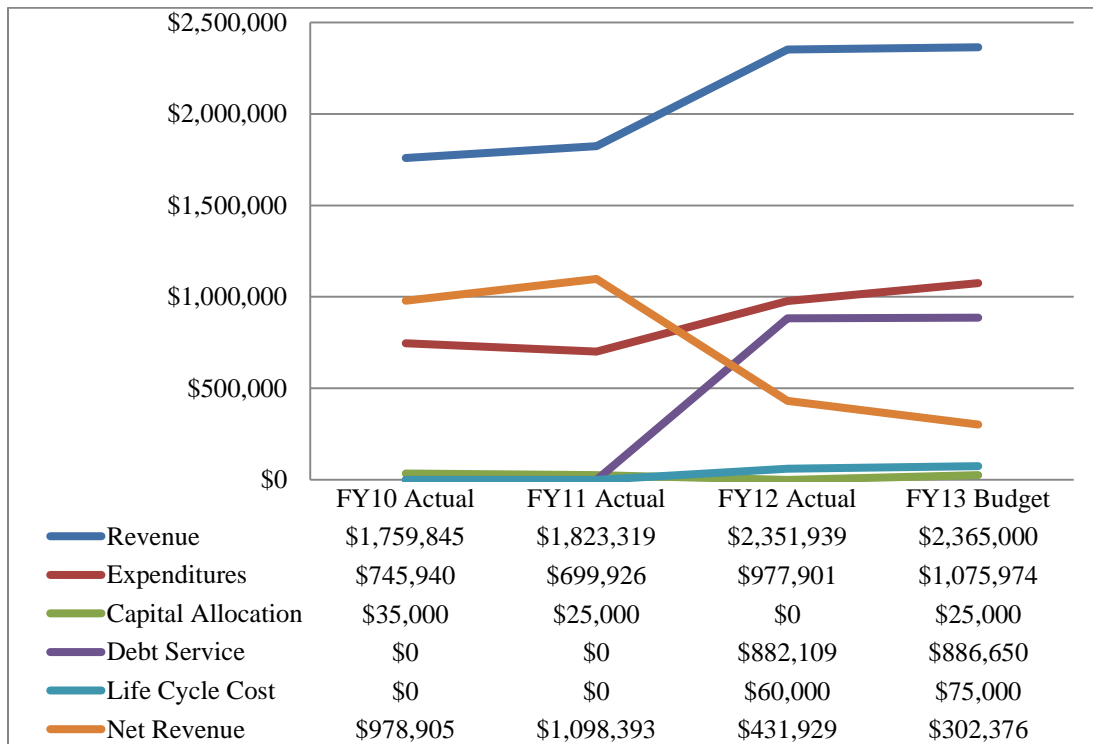
ADDA manages three ACC public surface lots with a combined total of 359 spaces. The monthly rate is \$20 to \$40, depending on location and whether or not the motorist is a downtown merchant or employee.

B. OPERATING BUDGET AND FINANCIAL ADMINISTRATION

Total budgeted expenditures for downtown parking services are approximately \$2,062,000 in FY13. Operating costs are estimated at \$1,076,000 and debt service and capital cost approximately \$986,650. FY13 budgeted revenue totals \$2,365,000.

Figure 7 depicts actual revenue, expenditures, and “net revenue,” as determined by the contract between ACC and ADDA for FY10 through FY12 and the amounts budgeted for FY13.⁸ While total revenue has increased by approximately \$600,000 during this period, net revenue has declined. As noted earlier, the decrease in net revenue is largely the result of increased operating expenses associated with the Washington Street parking deck, approximately \$530,000 in debt service for the deck, and approximately \$354,000 in debt service for the College Avenue parking deck.

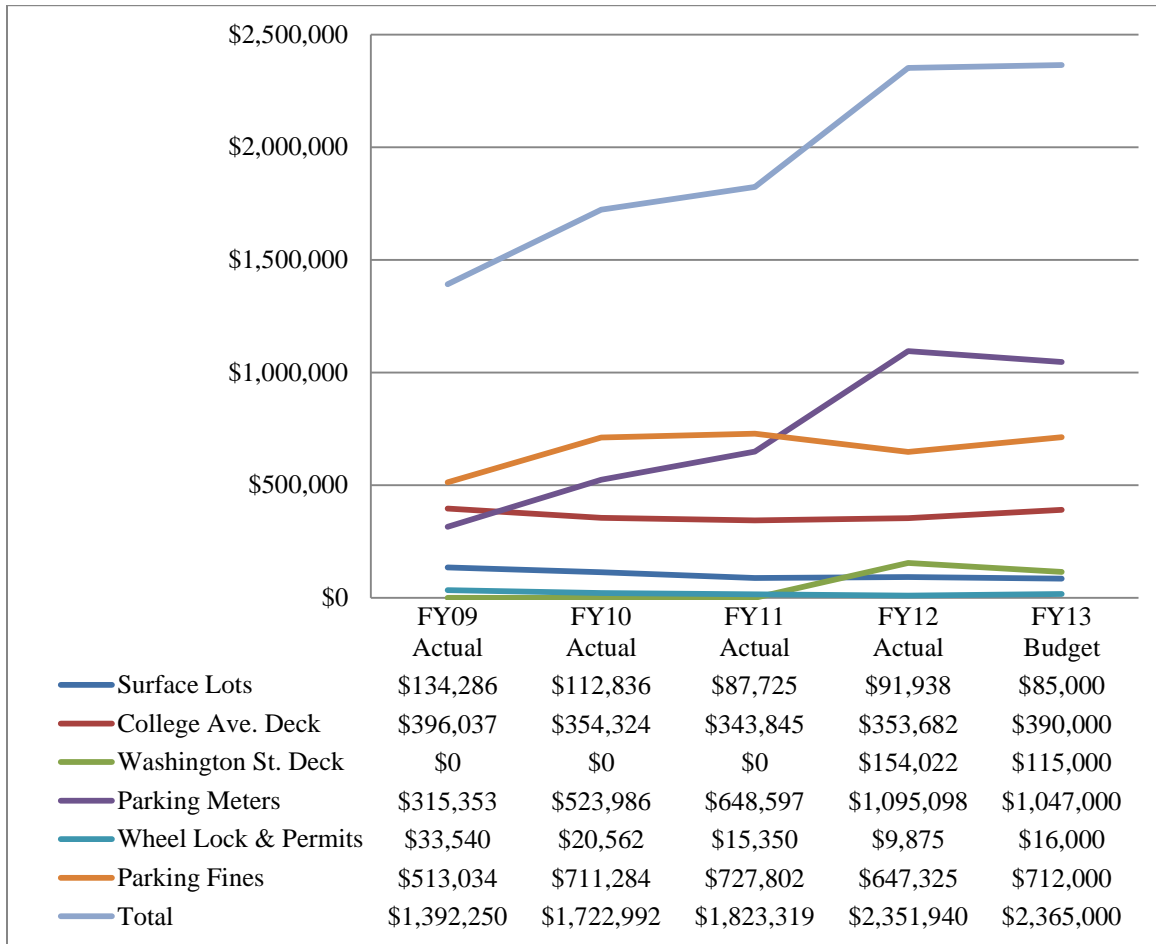
Figure 7: Downtown Parking Services Revenue and Expenditures, FY10 to FY13



⁸ Prior to FY12, the debt service payments for the College Avenue parking deck were not included in determining “net revenue.”

Figure 8 depicts the annual parking revenue by source from FY09 and budgeted for FY13.⁹

Figure 8: Downtown Parking Revenue by Source, FY09 to FY13



Revenue from the Washington Street parking deck is projected to generate approximately \$115,000 in FY13. However, revenue from the College Avenue parking deck and income from the surface parking lots are projected to decline by approximately \$55,000 compared to the amount generated in FY09. The decline in surface lot revenue can be attributed to the construction and opening of the Washington Street deck, which displaced the most central of the downtown surface lots.

The decrease in income from the College Avenue parking deck may be associated with the change in both metered and hourly deck rates. As noted earlier, beginning in FY10, the hourly rate to park in a metered space increased from \$.25 to \$.50. Also, the length of time that someone could continuously park in the same space was uniformly established at two hours.

⁹ The College Avenue parking deck generated \$50,400 in revenue in FY09 and \$36,853 in FY10 for the commercial lease space in the deck. Responsibility for managing the lease space was transferred to the Central Services Department in FY11. This revenue was excluded from the analysis in order to compare changes in parking revenue.

Prior to FY10, approximately 200 of the metered parking spaces were restricted to one-hour time limits. The hourly rate to park in the deck increased from \$1 after the first 30 minutes to \$1.50 after the first 30 minutes. Hence, the price for short-term parking remained cheaper in the metered spaces compared to the parking deck, but the maximum time allowed to park in the metered spaces increased throughout downtown. One could park for two hours in a metered space for \$1 compared to \$3 to park in the deck for same period of time.

Table 1 depicts the change in revenue by source. Overall, parking revenue increased by an estimated \$972,750 from FY09 through FY13. However, changes in on-street parking rates, policies, and hours of operation accounted for nearly 96% of the projected increase in parking revenue.

Table 1: Change in Parking Revenue

Source	Change from FY09 to FY10	Change from FY10 to FY11	Change from FY11 to FY12	Change from FY12 to FY13	Change from FY09 to FY13
Surface Lots	-\$21,450	-\$25,111	\$4,213	-\$6,938	-\$49,286
College Ave. Deck	-\$41,713	-\$27,541	\$26,899	\$36,318	-\$6,037
Washington St. Deck	\$0	\$0	\$154,022	-\$39,022	\$115,000
Parking Meters	\$208,633	\$124,611	\$446,501	-\$48,098	\$731,647
Wheel Lock & Permits	-\$12,978	-\$5,212	-\$5,475	\$6,125	-\$17,540
Parking Fines	\$198,250	\$16,518	-\$80,477	\$64,675	\$198,966
Total	\$330,742	\$83,265	\$545,683	\$13,060	\$972,750

RECOMMENDATIONS - PARKING

- Document the cost of ADDA staff to provide parking management for possible allocation to the parking services contract in determining net cost and net revenue.
- Consider developing market-based parking meter rates for downtown based on utilization zones.
- Consider adjusting monthly parking deck rates based on demand.
- Evaluate the advantages of ACC managing the parking system.

V. ATHENS-CLARKE COUNTY DOWNTOWN SERVICES

A. OVERVIEW

Downtown presents special circumstances for all of the departments involved in providing it with services. The mix of businesses and use of downtown has changed over the years but government service levels have been reactive in adjusting to the changes. While most departments provide service to downtown, three departments provide the most visible service to downtown merchants, residents and visitors: Central Services, Police, and Solid Waste.

B. CENTRAL SERVICES DOWNTOWN SERVICE PROVISION

ADDA works closely with the Central Services Department to encourage the permitting of events that enhance the downtown experience, encourage pedestrian traffic, and do not compete with existing businesses. For example, the Athens Farmer's Market was approved to use the sidewalk area around City Hall on a weekly basis during the growing season.

Central Services provides landscaping, oversees the Community Enhancement and Downtown Enhancement programs, provides support for special events, and manages the parking contract with ADDA and the Courthouse Parking deck. The department is also responsible for a number of permits that have a direct impact on downtown:

Special Events, Sidewalk Cafes & Downtown Permit Management

Permitting for special events is managed by the Central Services Department, although ADDA is heavily involved in promotion of the related events. Central Services also administers most permits for the downtown area such as street and sidewalk vendor permits, publication rack permits, and permits for sidewalk cafes.

Special Events Permits - There were 27 permitted special events downtown in 2011. Applicants seeking a special event permit must complete an application and pay a \$25 application fee. Permit fees are determined after review of the application. The Central Services Department requires applications to be submitted no less than two months prior to, or more than one year prior to, the date of the event.

The permit review process takes approximately 30 days (depending on the size and nature of the event). During the review, requirements and costs for clean-up, restroom facilities, security, street closures, etc., are determined. ACC departments taking part in the review include the Police, Fire, Solid Waste, and Transportation & Public Works departments. In addition the Executive Director of the ADDA is consulted.

Central Services, after consulting with other stake-holders, may approve or deny a permit application. Currently, there are six special events per year that require closing College Square. The parking system is reimbursed by the permit holder for the lost revenue on parking meters. In addition, the permit holders must pay for electricity and additional police protection, if necessary.

Sidewalk Vendors and Sidewalk Sales - A fixed number of permits are available to street and sidewalk vendors. The permits are valid for four months and issued on January 1st, May 1st, and September 1st. Holders of a valid permit are provided with an option to renew at the end of the four-month period. Currently, there are 15 sites for street vendors. The fee for a sidewalk vending permit is \$100 plus \$20 per merchant identification badge.

Each downtown retail business is allowed one sidewalk sale per four-month period. The fee is \$25 and is limited to 14 consecutive days. Currently, only one merchant routinely conducts such a sale.

Sidewalk Cafés - Applicants must complete a sidewalk café application and pay a \$100 application fee. If the application is approved, the applicant pays \$1 per square foot to obtain their permit. As part of the application the applicant must provide a sketch of the rigid, fixed rails demarking the café area. Central Services reviews the sketch and, if the permit is approved, inspects the installed rails for compliance with the sidewalk café ordinance. There are currently 65 sidewalk cafés.

Enforcement of the sidewalk café ordinance generally rests with Central Services with assistance from either the Community Protection Division or the Police Department. Café permit holders are required to keep the space clean, free from glass, and to maintain a log available for government inspection documenting that the café area is pressured washed at least one every three months.

Publication Racks - There are currently 170 publication boxes that can be leased for an annual permit fee of \$65 per box. Vacant boxes are available on a first-come, first-serve basis. Demand for the public boxes has declined overtime and approximately 30% are currently vacant. Vacant boxes are targets for graffiti and the placement of unauthorized materials such as flyers, trash, and have been used to store the personal belongings of homeless individuals.

RECOMMENDATIONS - SPECIAL EVENTS, SIDEWALK CAFES & DOWNTOWN PERMIT MANAGEMENT

- Enforce all provisions of the sidewalk café ordinance to ensure that café areas are cleaned as specified and that no non-permitted materials are used for serving food and beverages in the cafes.
- Reevaluate the number and pricing of publication boxes. Consider removing some of the boxes and adjusting rates to reflect low-demand areas.

Landscape Management

The Landscape Management Division of Central Services maintains the rights-of-way and grounds of public buildings. Routine maintenance includes pruning downtown trees and shrubberies and maintaining downtown planters. In 2011 ADDA entered into an inter-agency agreement with ACC. The agreement allowed ADDA to provide for an enhanced level of landscaping and maintenance for the eight planters located on College Square that would otherwise be provided by ACC.

Other services provided by Landscape Management for downtown include installation of holiday lighting, hanging seasonal and special event banners, and erecting and decorating the community Christmas tree. The banners and holiday lighting repair are funded through the Community Enhancement Program.

Parking

Central Services manages the parking contract with ADDA as discussed earlier. ACC provides major life cycle maintenance for the parking decks.

Downtown Enhancement Program (DEP)

An initial \$60,000 in ACC parking revenue was placed in the DEP account for capital projects. DEP funds were used to buy the pay and display parking meters for Clayton and Broad Streets. The fund is no longer funded at the full \$60,000 and all expenditures require Mayor & Commission approval.

Community Enhancement Program (CEP)

A total of \$60,000 was appropriated from the Hotel/Motel tax to fund special events downtown. Money is allocated to an established list of projects. In addition, \$6,500 in contingency funds is set aside for projects recommended by ADDA for approval by Central Services. The list of projects, and any additions to the list, require approval by the Mayor & Commission. The use of contingency funds to supplement pre-approved projects is at ADDA's discretion without further approval.

C. POLICE

ADDA receives regular communications from the police officers stationed downtown. In addition, the executive director works with the police department staff to conduct continuous analysis and research regarding ways to promote safety and enhance the service level currently offered by ACC.

The Downtown Operation Section of the Athens-Clarke County Police Department (ACCPD) is comprised of fifteen officers when at full strength. Currently, there are thirteen officers assigned to the section. The officers work out of an approximately 4,000 square foot sub-station located in

the College Avenue parking deck. Officers primarily patrol on bicycles, but the section also has at its disposal, a transport van, two fleet cars, and seven assigned vehicles.

Events held throughout the year require the assignment of additional officers to the downtown section. The size of the event determines the additional level of staffing required to police the event. For example, University of Georgia (UGA) football games require an additional 6-10 officers, while the annual Twilight Criterion typically requires an additional 45 officers.

In the past several years, the downtown section has added more “zones” to the downtown patrol area. These include; Bethel Midtown Village, Holiday Inn and Holiday Inn Express, east on Broad to Willow Street (including the Greenway), and west of downtown to include Finley Street.

In addition to the assigned personnel, ACCPD operates sixteen (16) cameras as part of the Downtown Public Safety System. The Downtown Substation has an additional four (4) cameras (two perimeter, two interior), and Bethel Midtown Village has twelve (12) cameras viewable from the ACCPD headquarters.

D. SOLID WASTE

One of most frequently mentioned issues by ADDA board members involved the cleanliness of downtown sidewalks, which is the responsibility of the ACC Solid Waste department. ACC devotes two full-time litter control technicians to downtown Monday through Friday and two part-time technicians assigned on the weekend. The technicians work from 5:00 a.m. until 2:00 p.m. They are responsible for removing litter and debris from the streets and sidewalks, emptying public trash cans, responding to calls for grease removal from commercial customers, and pressure washing sidewalks as time allows. If one of the litter technicians is absent or should a position become vacant, the Solid Waste department typically does not have the staff resources available for reassignment to downtown on a temporary basis.

This level of service appears to be inadequate given the high volume of usage of downtown during the evening and night hours, changes in the mix of businesses downtown, and the increase in the number of authorized sidewalk cafes. For example, in 2002 there were 45 restaurants and 39 taverns/bars in downtown compared to 61 restaurants and 63 tavern/bars in 2012. Similarly, the number of sidewalk cafes has increased from 33 in 2005 to 65 in 2012.

Multiple observations of downtown streets and sidewalks at varying times and days were conducted. Observations indicated multiple violations of ACC’s litter ordinance including discarded cigarette butts, broken glass in public planters, other refuse on sidewalks and streets, and the use of glass in the sidewalk cafes. In addition, instances of what appeared to be leakage from trash bags and other refuse containers onto the sidewalks and streets of downtown were noted. Additional resources have been requested by Solid Waste in prior years as part of the budget process to address these issues but no additional funding has been appropriated by ACC.

RECOMMENDATIONS - CLEANLINESS

- Consider amending the ACC litter ordinance to clarify that the sidewalk area(s) persons owning or occupying places of business are responsible for keeping free of litter includes non-paved areas such as tree pits and grass strips. In addition, consider expanding the area merchants are responsible for to include the gutter areas (18 inches from the curb into the street) in front of their place of business.
- Consider amending the ACC smoking ordinance to require all commercial business owners or operators that vend food, alcohol, or cigarettes provide smoking litter receptacles approved by the ACC Fire Department.
- Reconsider the Solid Waste Department's prior request for additional resources for downtown cleaning operation.

VI. SUMMARY OF RECOMMENDATIONS

Governance

- Consider requesting that the Georgia General Assembly reestablish the authority under the 1992 legislation to provide greater flexibility in terms of funding and board membership and establish training requirements for board of directors.
- Revisit the composition of the board of directors to ensure that no perceived conflicts of interest occur when negotiating or approving contracts for ADDA.
- Add other downtown stakeholders to the committees required for the Main Street Program certification.
- Provide routine enforcement of quality of life ordinances in the downtown area during evening, late night, and weekend hours.

Promotions/Advertising

- Continue with the current marketing strategies that include social media.
- Monitor the funding for advertising and promotions to ensure that the amounts allocated are adequate to promote downtown.

Parking

- Document the cost of ADDA staff to provide parking management for possible allocation to the parking services contract in determining net cost and net revenue.
- Consider developing market-based parking meter rates for downtown based on utilization zones.
- Consider adjusting monthly parking deck rates based on demand.
- Evaluate the advantages of ACC managing the parking system.

Special Events, Sidewalk Cafes & Downtown Permit Management

- Enforce all provisions of the sidewalk café ordinance to ensure that café areas are cleaned as specified and that no non-permitted materials are used for serving food and beverages in the cafes.

- Reevaluate the number and pricing of publication boxes. Consider adjusting rates to reflect low-demand areas.

Cleanliness

- Consider amending the ACC litter ordinance to clarify that the sidewalk area(s) persons owning or occupying places of business are responsible for keeping free of litter includes non-paved areas such as tree pits and grass strips. In addition, consider expanding the area merchants are responsible for to include the gutter areas (18 inches from the curb into the street) in front of their place of business.
- Consider amending the ACC smoking ordinance to require all commercial business owners or operators that vend food, alcohol, or cigarettes provide smoking litter receptacles approved by the ACC Fire Department.
- Reconsider the Solid Waste Department's prior request for additional resources for downtown cleaning operation.