



Request for City Council Committee Action From the Department of Public Works

Date: January 17, 2006
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee
Subject: Lane Use Policy Fee Changes Outside the Central Business District

Recommendation: Increase the obstruction fees for sidewalks and alleys outside the Central Business District to 15 cents per lineal foot

Previous Directives:

- 2005 Lane Use Report & Amendment of Right-of-Way Obstruction Permit Fee Structure
- Petn No. 266994/Resolution 2001R-230
- Obstruction Permit Fee Structure by adopted resolution April 17, 1997
- Right of Way Ordinance 96-OR-125 & 126 April 11, 1997

Prepared by: Doug Maday, Traffic and Parking Services

Approved by: _____
Klara A. Fabry, P.E., City Engineer, Director of Public Works

Presenters: Doug Maday, Traffic and Parking Services

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|----------------------------------|----------------|----------------|--------------|
| Permanent Review Committee (PRC) | Approval _____ | Not applicable | <u> X </u> |
| Policy review Group (PRG) | Approval _____ | Not applicable | <u> X </u> |

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget
 Action requires an appropriation increase to the Capital Budget
 Action requires an appropriation increase to the Operating Budget
 Action provides increased revenue for appropriation increase
 Action requires use of contingency or reserves
 Business Plan: Action is within the plan. Action requires a change to plan.
 Other financial impact (Explain): *Pursuant to adoption of the 2006 Budget, Public Works is proposing methods to generate revenue from no-parking signs and increased sidewalk closure fees (page 494 Mayor's Recommended Budget states "\$150,000 -- New Revenue")*
 Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable
City Goals: Not Applicable
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

The current fee structure for use of the City of Minneapolis Right of Way for sidewalk closures is \$0.10 per lineal foot outside of the Central Business District (CBD) and \$0.25 per lineal foot within the CBD. The \$0.10 and \$0.25 values apply for closure of alleys as well.

Given the City's pedestrian friendly measures that would emphasize not closing such facilities, and pursuant to the 2006 budget adoption that recommends Public Works generate new revenue, Public Works is proposing to raise the closure fees for sidewalks and alleys outside of the Central Business District.

We recommend an increase to \$0.15 (from \$0.10) per lineal foot for the sidewalk and alley costs for arterial streets to make it consistent with the fee structure that is being charged for arterial parking lane closures. This proposal will make the sidewalk, parking lane, bike lane, and alley fees uniform both outside and within the Central Business District (respectively \$0.15 and \$0.25). Moving lane fees will remain at their higher cost.

Based on 2003 (\$253,400) and 2004 (\$270,569) arterial sidewalk revenue, we estimate that this change could yield \$125,000 to \$135,000 per year assuming that the demand for sidewalk closures does not decrease. In addition, there are very few bike lanes outside of the CBD and the alley fees are new, therefore, Public Works does not have any accurate means to estimate their potential contribution in revenue.

Below are the existing and the proposed changes to the Obstruction fees.

Moving Lane

50 cents a lineal foot for arterial (*no change*)
1 dollar a lineal foot for the CBD (*no change*)

Sidewalk

~~40~~ **15** cents a lineal foot for arterial
25 cents a lineal foot for the CBD (*no change*)
Sidewalk charges are from intersection to intersection no matter the footage closed.

Parking Lane

15 cents a lineal foot for arterial (*no change*)
25 cents a lineal foot for the CBD plus lost revenue of parking meter if applicable (*no change*)

Bike Lane

15 cents a lineal foot for arterial (*no change*)
25 cents a lineal foot for the CBD (*no change*)

Alley

~~40~~ **15** cents a lineal foot for arterial/residential
25 cents a lineal foot for the CBD (*no change*)

Recommendation

Increase the obstruction fees for sidewalks and alleys outside the Central Business District from \$0.10 to \$0.15 per lineal foot.