



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

Date: January 16, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways & Means / Budget Committee
Subject: **Street Furniture Program Appropriation**

Recommendation:

- a) Passage of the accompany resolution increasing the Public Works – Transportation Agency appropriation in the Parking Fund (7500-6899) by \$100,000 for consultant costs to develop the Street Furniture Program with repayment revenues to come from future street furniture program franchise revenues.

Previous Directives:

- December 22, 2006 City Council – Authorize the Street Furniture Program and RFP issuance
- November 21, 2006 T&PW and PS&RS actions for graduate bench fee, define street furniture and program design process

Prepared by: Jon Wertjes, Director of Traffic and Parking Services, 673-2614
Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Jon Wertjes, Traffic and Parking Services

Permanent Review Committee (PRC) Approval _____ Not applicable X
Policy review Group (PRG) Approval _____ Not applicable X

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):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Community engagement will be sought.

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Comprehensive Plan: Coordination with Comp Plan efforts will be included.

Zoning Code: Not Applicable

Background/Supporting Information

On December 22, the City Council approved moving forward with the Street Furniture Program. Public Works has proceeded to move forward with a project team and hiring of a consultant according to the attached program organizational chart.

This consultant contract will result in an overall \$100,000 cost for year 2007.

Given that the furniture program was not funded in the 2007 budget, Public Works proposes the following funding strategy:

- The proposed furniture franchise is expected generate funding above the current shelter and bench revenues.
- The furniture program development costs should be an expense against these franchise revenues.
- The Parking Fund will create a new fund/agency/org number (proposed 7500-6899) for the street furniture to hold these up front development costs for eventual repayment.
- There will be two ways to pay back this Parking Fund – a) pay back with a one-time up-front franchise payment, or b) pay back over time with on-going franchise payment(s). Public Works and Finance will further discuss this pay back and request future City Council direction/authorization as needed.

Therefore, Public Works is requesting a 2007 operating appropriation for \$100,000 to the Parking Fund (proposed 7500-6899) to move forward with the consultant hiring. The 2008 consultant funding will be submitted in the overall 2008 budget process.

Resolution

Amending The 2007 Operating Appropriation Resolution

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the PW – Transportation Operating Agency in the Parking Fund (7500-6899) by \$100,000 for consultant costs to develop the Street Furniture Program with repayment revenues to come from future street furniture program franchise revenues.

Street Furniture Program Organizational Chart

