

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: May 7, 2025

TITLE: REFERRAL TO THE FINANCE AND ECONOMIC RESILIENCE COMMITTEE TO CONSIDER IMPLEMENTING A PARKING HOLIDAY DURING SLOWER MONTHS OF THE YEAR.

RECOMMENDATION

The City Administration ("Administration") supports the potential implementation of a parking discount program as an opportunity to support local businesses in the City and provide parking relief for consumers during the slower months of the year while preserving the Parking Department's fiscal interests and complying with the City's parking bond covenants.

The Administration recommends that the Finance and Economic Resiliency Committee ("FERC" or "Committee") discuss and consider the two (2) non-mutually exclusive options provided herein to implement a parking discount program for consumers during slower months of the year.

BACKGROUND/HISTORY

On February 3, 2025, at the request of Commissioner Alex Fernandez, the Mayor and City Commission ("City Commission") referred an agenda item (C4 AK) to the FERC to discuss the possibility of implementing a parking holiday in the City of Miami Beach ("City") during slower months of the year.

In an effort to enhance the economic vibrancy of the community and support local businesses during the slower months of the year, the sponsor has proffered the concept of a parking holiday in the City. The initiative would involve suspending parking fees during specific months to help encourage greater patronage of local businesses and improve the overall economic environment in the City.

It is important to note that the Parking Department cannot unilaterally waive parking fees due to restrictions in the City's parking bond covenants. Given these restrictions, the Parking Department is proposing two (2) alternative options that align with the objectives of a parking holiday while maintaining fiscal and legal integrity and compliance with the current parking bond covenants.

ANALYSIS

The Parking Department is committed to exploring creative solutions that balance the needs of the community, the businesses, and the City's fiscal responsibilities regarding its parking bond covenants. Therefore, given the constraints on the City's ability to completely waive parking fees, the Administration is exploring two (2) alternative parking discount options for FERC's consideration. The two (2) parking discount options described below are not mutually exclusive and are intended to encourage consumers to visit local stores and businesses while still ensuring that parking remains financially viable for the City.

Option 1 - Discounted Parking Rates at Municipal Garages with Proof of Purchase

Under this option, the Parking Department would offer discounted parking rates at municipal garages to individuals who show proof of purchase (i.e. current receipt) from a local business upon exiting the garage. A parking discount with proof of purchase would ensure that the City still collects some revenue from parking, albeit at a reduced rate. It is important to note that this parking discount option would only apply at municipal garages and not parking lots as the latter do not have Parking Department personnel on-site or a mechanism (such as the blue boxes at the garage exits) for customers to show proof of purchase and obtain a parking discount.

Option 2 – Discounted Parking Rates at all Parking Facilities Via Promotional Codes Through Parking Mobile Apps

The Parking Department has begun exploring the use of promotional (“promo”) codes through the two (2) vendors currently providing parking mobile application services to the City (ParkMobile and PayByPhone). This option would offer an after-the-fact promo code to the customer with a proof of purchase from a local business. This option would be applicable at all municipal parking garages, municipal parking lots, and on-street metered parking spaces. The promo code system offers flexibility, applying to a broad range of parking facilities and locations, which could potentially benefit businesses and customers in more areas of the City. Customers would need to download and use the parking mobile app(s) to be eligible to receive a discount promo code.

The two (2) options described above aim to provide financial relief for consumers while ensuring that parking remains accessible and that turnover rates are balanced. Local businesses would benefit from increased visitation, while the impact to parking revenues would be limited. It would be essential to determine the appropriate level of parking discount to incentivize economic activity during slower months of the year, maximizing benefits for local businesses while minimizing impacts to parking revenues and operations. Careful consideration would also need to be given to which parking locations and commercial areas of the City would benefit most from the implementation of a discounted parking program during the City’s slower months.

The effectiveness of a parking discount program would depend on striking the optimal balance between encouraging local business activity without significantly affecting parking revenues. A careful analysis is needed to determine this balance. In addition, identifying which areas of the City would benefit the most from these parking discounts, such as high-traffic zones near shopping areas, or if the program should apply citywide. The logistics of verifying proof of purchase and administering parking discounts via mobile apps or garage staff would need to be planned thoroughly to ensure fairness and efficiency.

FISCAL IMPACT STATEMENT

TBD

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

N/A

CONCLUSION

The Administration supports the potential implementation of a parking discount program as an opportunity to support local businesses in the City and provide parking relief for consumers during the slower months of the year while preserving the Parking Department's fiscal interests and complying with the City's parking bond covenants. Careful planning and analysis are needed to fine-tune the development and implementation of a parking discount program for consumers to ensure the program meets the needs of all stakeholders.

To facilitate this discussion, the Administration is proffering two (2) non-mutually exclusive options for consideration by the FERC.

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

Yes

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Parking

Sponsor(s)

Commissioner Alex Fernandez

Co-sponsor(s)

Condensed Title

DISCUSS POSSIBLE IMPLEMENTATION OF A PARKING HOLIDAY. (Fernandez) PK