

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: June 11, 2025

TITLE: DISCUSS POSSIBLE IMPLEMENTATION OF A HOTEL EMPLOYEE PARKING PROGRAM AT THE 17TH STREET GARAGE (G5).

RECOMMENDATION

The City Administration ("Administration") supports the implementation of a hotel employee parking program at the 17 Street Municipal Parking Garage (G5) or another municipal parking garage in proximity, such as the Pennsylvania Avenue Municipal Parking Garage (G9), and recommends that the Finance and Economic Resiliency Committee ("FERC" or "Committee") discuss this item and consider the options provided herein.

BACKGROUND/HISTORY

On February 3, 2025, at the request of Commissioner Joseph Magazine, the Mayor and City Commission ("City Commission") referred agenda Item C4 AN to the FERC, to discuss the possibility of the City of Miami Beach ("City") implementing a hotel employee parking program at the 17 Street Municipal Parking Garage (G5) for a daily rate of \$5.00.

Currently, the City offers two (2) parking options for employees of Miami Beach businesses and hotels:

- 1) Employees or employers can purchase monthly access cards at the prevailing rate of \$128.00 per month to park at any garage in the vicinity; and
- 2) Employees or employers can purchase monthly municipal permits at certain parking lots in proximity at the prevailing rate of \$91.00 per month.

In addition, since 2008, the City offers a parking program for employees of businesses located along the Lincoln Road commercial corridor. Lincoln Road employees can choose to participate in the Employee Voucher Coupon – Lincoln Road ("EVC-LR") Program, which provides a reduced daily parking rate. This program allows employees to park at the 17 Street Municipal Parking Garage (G5) for a maximum daily rate of \$8.00. To participate in the EVC-LR Program, employers must register with the City's Parking Department and act on behalf of their employees. Once registered, employers will receive pre-programmed validation coupons. These coupons can be used at the facility's pay-on-foot stations in conjunction with the garage ticket. Employees who park for more than four (4) hours will be able to use the coupons to pay the reduced daily rate of \$8.00 upon exit. Currently, approximately six (6) commercial establishments are participating in the EVC-LR program, utilizing approximately 900 employee vouchers on a monthly basis. The City staff will conduct additional outreach with the Lincoln Road Business Improvement District to ensure all current commercial and business establishments on and around Lincoln Road are aware of the EVC-LR program.

Furthermore, the Parking Department is currently working with various restaurants in the South of Fifth neighborhood to explore feasible parking options for their employees. Two (2) options are

being considered as part of a pilot program, including purchasing permits to park in the Alton and Fifth parking garage at a cost of \$100 per month plus taxes and/or the South Pointe Elementary School parking lot at a cost of \$90 per month plus taxes. Discussions with the restaurant managers to further refine the parameters of the pilot program are ongoing.

ANALYSIS

The 17 Street Municipal Parking Garage (G5) is located at 640 17 Street in a high-traffic area with numerous hotels, restaurants, and commercial establishments. As a result, the demand for parking spaces has steadily increased, particularly during peak periods and major events such as Art Week, Boat Show, etc. Hotel employees who work in proximity to G5 sometimes park at on-street metered spaces with a higher rate than garages and which could be better utilized by visitors and customers.

The Administration understands that hotel employees often face challenges in finding available economical parking spaces near their place of employment, leading to longer commutes, increased frustration, and, in some cases, the unauthorized use of residential spaces or parking in designated no parking areas. This not only impacts the employees but also contributes to congestion and challenges in managing the overall parking demand in the area.

In preparation for this discussion item, the Administration is exploring options for a potential program that would address the growing concern over parking availability for employees in key areas of the City, particularly around the 17 Street Municipal Parking Garage, which serves as a critical parking structure for visitors, residents and businesses. The potential program seeks to offer a dedicated parking solution for hotel employees working in the immediate area, with the goal of improving overall parking efficiency, supporting local businesses, and reducing congestion in the area. However, several factors must be considered before proceeding with the implementation of a hotel employee parking program at the 17 Street Municipal Parking Garage, or another proximate municipal parking garage.

These considerations include:

- **Capacity of the 17 Street Municipal Parking Garage (G5)**

One of the first considerations is the available capacity at the 17 Street Municipal Parking Garage. G5 is designed to accommodate a high volume of vehicles, however, its overall capacity and demand during peak times must be analyzed to determine if/how parking dedicated for hotel employees would impact the availability of spaces for visitors and customers. While the 2024 Walker Parking Master Plan determined the G5 garage has a utilization rate of 50%-69%, historically, G5 reaches capacity during several major special events throughout the year. Another related disclosure to capacity/inventory would be the potential construction of a padel court at the rooftop of the garage that would utilize approximately 180 spaces and draw padel players to park in the garage.

- **Space Allocation**

Determining how many parking spaces should be designated for hotel employees is critical. A balance must be struck to ensure hotel employees have adequate parking on a daily basis without overcrowding or diminishing the garage's effectiveness for the general public. A portion of the garage, likely in a less utilized location such as the rooftop, could be set aside for employee parking. Additionally, another garage in close proximity, such as the Pennsylvania Avenue Municipal Parking Garage (G9), could potentially be used to accommodate additional parking for area employees.

- **Pricing and Fees**

Implementing a hotel employee parking program could involve charging a discounted rate to participating hotel employees. The City Commission would need to consider how to structure the pricing model. Options include offering daily and/or monthly rates at a reduced price compared to general public parking, providing flexibility and affordability for employees. However, in developing a rate structure for hotel employees, it is important to note that the existing EVC-LR parking program offers a maximum daily rate of \$8.00 in the 17 Street Municipal Parking Garage. Additionally, registered residents currently pay a discounted rate of \$1.00 per hour (i.e. \$8.00 for eight (8) hours).

- **Registration and Eligibility**

Similar to the existing EVC-LR program, a registration process will be necessary to ensure that only eligible employees are registered/permitted to participate in such a program. This could involve requiring proof of employment to obtain a virtual employee parking permit. Ensuring that the registration process is user-friendly, accessible, and transparent will be crucial to the program's success.

- **Feedback from Hotels**

Engaging with local hotel operators will be key in shaping the program's design. Feedback on the feasibility and potential impact of the proposal will be essential in determining whether such a program would be well-received by customers.

If directed by the FERC, the Administration is prepared to evaluate the feasibility of a hotel employee parking program and recommends the following steps:

- **Stakeholder Engagement**

Organize meetings or surveys to gather feedback from hotel operators and employees. Their input will be valuable in shaping the final structure of the program and ensuring that it meets the needs of all stakeholders.

- **Analysis**

Conduct a thorough feasibility analysis to assess the current capacity and demand at the 17 Street Municipal Parking Garage (and potentially the Pennsylvania Avenue Municipal Parking Garage). The analysis should include the number of hotel employees in the area, potential number of registrants, and the projected impact on the surrounding parking supply and demand.

- **Program Design**

Develop the details of the program, including space allocation, registration and eligibility process, pricing structure, and the duration of employee permits. Consider offering options for daily or monthly parking permits.

- **Implementation and Pilot**

Launch a pilot program to test the effectiveness of the proposal. A pilot program would allow the Parking Department to gauge employee and community response, refine any aspects of the program, and make adjustments before full-scale implementation.

- **Ongoing Monitoring and Adjustments**

Continuously monitor the effectiveness of the program and make any necessary adjustments. Collect data on parking utilization, feedback from hotel employees, and the

impact on parking and traffic in the area to ensure that the program is meeting its objectives.

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

A potential hotel employee parking program at the 17 Street Municipal Parking Garage (G5), or proximate facility such as the Pennsylvania Avenue Municipal Parking Garage (G9), presents a valuable opportunity to address parking challenges for hotel employees in a high-demand area while supporting local businesses and hotel operations. By providing a parking program for hotel employees, the City can potentially reduce congestion, increase parking availability for visitors, and enhance the overall efficiency of the parking garage. As the FERC considers this proposal, it is important to engage stakeholders, conduct a thorough feasibility analysis, and ensure that the program is designed in a way that meets the needs of hotel employees while effectively balancing the needs of residents and customers.

The above information is presented to the FERC for discussion and input. The Administration supports the implementation of a hotel employee parking program at the 17 Street Municipal Parking Garage (G5) or another municipal parking garage in proximity, such as the Pennsylvania Avenue Municipal Parking Garage (G9).

Applicable Area

South Beach

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 Joseph Magazine

Co-sponsor(s)

Condensed Title

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AT THE 17TH STREET GARAGE (G5). (Magazine) PK