

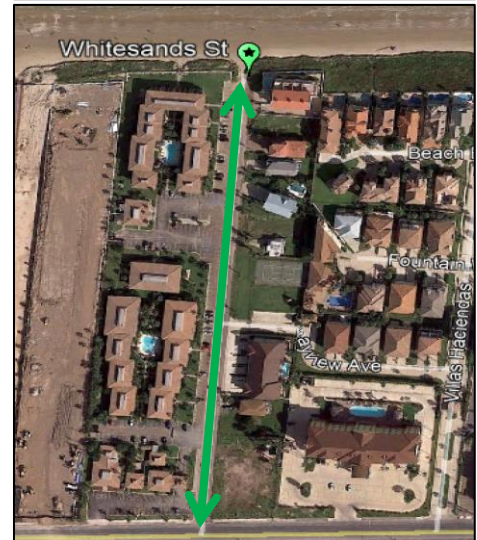
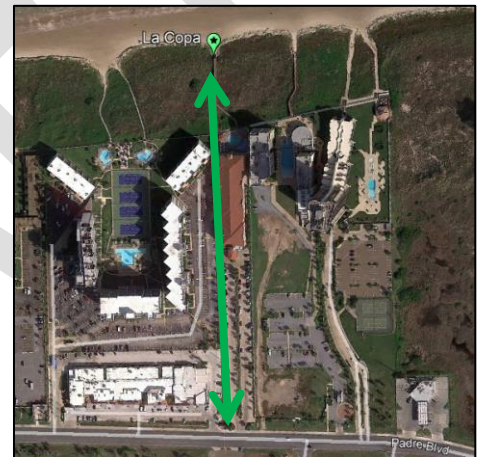
The City of South Padre Island proposes to establish a paid-parking program for the Gulf Coast beach located within the City’s boundaries. The program will utilize an internet/phone system for visitors to pay for their parking spaces. The revenue will be used to fund reasonable and necessary services and facilities directly related to the public beach.

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## **SOUTH PADRE ISLANDS CURRENT BEACH ACCESS PROGRAM:**

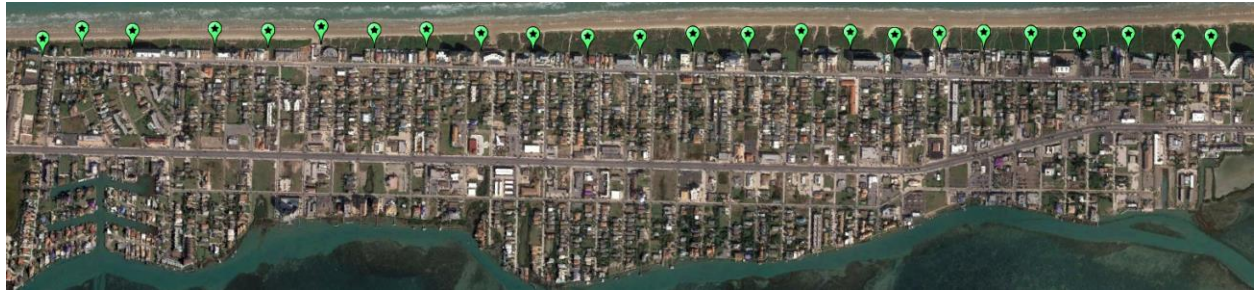
Presently there are a total of twenty-seven (27) City beach accesses maintained by the City of South Padre Island (City) and 1,910 parking spaces. Eight of the beach access parking lots are located off of Gulf Boulevard.

- The Pearl Beach Access lies within an easement located on the north property line of The Pearl Hotel. This beach access begins as a forty (40) foot-wide public ingress/egress easement at the Park Rd 100 frontage road and transitions to a ten (10) foot wide pedestrian access 301.11 feet west of the toe of the existing retaining wall. This access was dedicated at the encouragement of the State, to the Texas Conservation Foundation. The new Multimodal Facility serves as a draw for tourists and residents alike, increasing the importance of this particular access.
- Easement located on the north property line of La Copa. This ten (10) foot-wide public beach access was also dedicated as part of an agreed judgment with the State. This right-of-way will utilize the free parking provided by the City at the Multimodal Facility and between Padre Boulevard and Highway 100.
- White Sands Street is a public right-of-way. It is the City's northern most public beach access. Eight (8) public parking spaces are available along this right-of-way and parking spaces at Tompkins Park, only three-tenths of a mile south can also service this area. Use of Island Metro, the City's free bus service will also facilitate the use of this beach access.



**BEACH ACCESS SYSTEM:**

The remaining twenty-four (24) beach accesses under the City’s jurisdiction are located on Gulf Boulevard. The beach access cul-de-sac located on Gulf Boulevard are public rights-of-way. More details on beach access points and parking areas can be found in the City’s Beach Parking System Handbook (Attachment A) dated July 2018.



**CURRENT REVENUE:**

South Padre Island:

Three beach accesses provide free parking in the City. They include Harbor Circle, Surf Circle and Aurora Circle. The City’s current beach-related services and beach nourishment funds are solely funded through the Hotel Occupancy Tax (HOT). The City’s beach access and maintenance operations, beach patrol, and law enforcement costs are funded by the two percent that the City receives from the State. During the fiscal year 2017, the State HOT collections were \$1,913,208. The beach nourishment fund is funded by the ½ percent that is locally collected and during the fiscal year 2017, \$474,598 was collected. With the increasing costs for beach nourishment and walkover construction, the City has only been able to improve beach accesses over the last few years through grants supplied by the General Land Office (GLO).

Cameron County Fee Schedule:

The following fee schedule has been adopted by Cameron County Commissioners’ Court and approved by the GLO:

Pass Type	Current	Maximum
Day Use	\$10.00	\$12.00
30 Day Pass	\$25.00	\$25.00
Annual Pass	\$100.00	\$100.00

\*Military Veterans receive fifty percent off

**EXPENDITURES:**

	Total 2013	Total 2014	Total 2015	Total 2016	Average
Direct Supervision	\$67,915.00	\$67,915.00	\$87,284.00	\$70,052.15	\$ 73,291.54
Labor	\$203,172.64	\$228,749.26	\$155,756.00	\$275,357.48	\$ 215,758.85
Law Enforcement	\$216,937.26	\$278,090.79	\$324,378.00	\$166,087.54	\$ 246,373.40
Equipment Expense	\$137,321.20	\$194,609.60	\$86,897.00	\$258,326.15	\$ 169,288.49
Administrative Expense	\$21,000.00	\$21,000.00	\$21,000.00	\$157,252.74	\$ 55,063.19
Miscellaneous Supplies	\$64,454.33	\$60,575.08	\$500.00	\$40,844.87	\$ 41,593.57
Electricity-Annual Expense	\$2,102.00	\$2,102.00	\$2,102.00	\$2,102.00	\$ 2,102.00
Water-Annual Expense	\$4,254.00	\$4,254.00	\$4,254.00	\$4,254.00	\$ 4,254.00
Totals	\$717,156.43	\$857,295.73	\$682,171.00	\$974,276.93	\$807,725.02
Annual average for side street improvements					\$681,454.78
Beach Nourishment Annual Budget					\$650,000.00
Gulf Blvd & Beach Access improvements average 2012- 2018					\$615,000.00
Grand Total					<b>\$ 2,754,179.60</b>

**FREE PUBLIC PARKING:**

The City currently has a total of 829 parking spaces east of Padre Boulevard on the east side street and Gulf Boulevard rights-of-ways and beach access cul-de-sacs. Parking along the unimproved east side streets is currently restricted for safety reasons. As funds become available the City will continue to improve the east side streets to address safety concerns which would then make them available for public beach parking. Required improvements for unrestricted on-street parking include widening of the street with curb/gutter and a sidewalk. Thanks to the City of South Padre Island’s Master Thoroughfare Plan, street improvements are now in cue for improvements based on need.

The free public parking available to visitors comprises sixty-one percent of the City’s total available parking. The table outlines all the City free public parking areas. Additional information is available in the City’s Beach Parking System Handbook (Attachment A) date July 2018.

The City recognizes the need to expand parking along Padre Boulevard not only to improve access to the Gulf beach but also to provide access to local businesses to support the City’s Form-Based Code. In 2011, the City adopted a zoning ordinance known as Form-Based Code. The ordinance provides for an alternative to conventional zoning. It places the focus on the form of development as opposed to use. It promotes mixed-use development pedestrian use of the streets along with transit. With the new code, the City is moving towards the multi-modal use of the streets. The approach will focus on additional parking lots that will accommodate persons visiting the City, enjoying the local commerce and natural resources.

Parking Location	ADA	Public	Total	Free parking	Paid Parking
SPI Convention Center	9	447	456	456	
SPI Birding Center	4	109	113	113	
Thompkins Park	2	21	23	23	
SPI Post Office	2	86	88	88	
SPI City Hall	7	111	118	118	
SPI Multi Modal	6	120	126	126	
South Lot (La Copa)	0	27	27	27	
Beach Access Cul-de-Sacs	23	227	250	23	227
Gulf Blvd. R.O.W	7	310	317	7	310
Improved East side streets	0	292	292	0	292
Contributed by County Parks for Shores Development	0	100	100	100	
<b>Totals</b>	<b>60</b>	<b>1850</b>	<b>1910</b>	<b>1081</b>	<b>829</b>
<b>FREE PARKING</b>					
<b>PAID PARKING</b>					

The majority of the free parking located on Padre Boulevard is west of the Boulevard. To local officials and residents, Padre Boulevard is the City’s Main Street. To State officials, it is often viewed as a highway; hence its designation of Highway 100. However, Highway 100 is the Main Street in Port Isabel and Los Fresnos. On the forefront of City initiatives is the walkability of Padre Boulevard. City officials are working closely with the Texas Department of Transportation to construct medians and crosswalks for the entire length of the City. Our goal is to make South Padre Island a walkable city for our residents and visitors and provide ample parking amenities for this population. The Padre Boulevard Median and Sidewalk Project will be completed by the end of 2020 providing both amenities from the causeway landing all the way to the City’s most northern limits.

Similarly, the City encourages the common approach to beach parking that is used in numerous communities. This approach is for the driver to drop off their passengers at a beach access, find a place to park and then walk to meet the passengers on the beach. This same process is used when it is time to leave. Rarely, in populated areas are beach users able to park in front of the beach that they will access without paying a fee for beach parking.

In compliance with Chapter 681 of the Texas Transportation Code persons with disabilities are exempt from the payment of any fees if the vehicle is displaying an appropriate license plate or disabled parking placard. This does not permit parking at a time when or a place where parking is prohibited.

**FREE TRANSPORTATION:**

The “Island Metro”, the City’s free bus system, is integral to public access to South Padre Island’s public beaches. As the City becomes more congested, the City will move to direct parking to large public lots and assist the public in accessing the City through the Island Metro, bicycle and pedestrian traffic. Presently, the Island Metro runs seven days per week. Two routes provide service to the beach accesses after going by the off-beach parking areas. It goes directly to Gulf Boulevard heading south providing access to 24 of the City’s 27 beach access points.

An illustration and more details on the Island Metro’s dedicated beach route can be found in the City’s Beach Parking System Handbook (Attachment A) dated July 2018.

**BEACH USER FEE PROGRAM:**

**Fee Schedule:**

Hourly Rate Max	\$2.00
Seasonal Pass Max	\$150.00

The City proposes to initiate an internet-based paid parking system for beach parking on Gulf Boulevard in conjunction with a beach parking permit program. The Beach User Fee will be required year-round on South Padre Island, the City plans on running the program from 8:00 AM to 8:00 PM. The City will implement a \$2.00 charge for 1 hour of use. Details on fees and charges are in the below table. In compliance with Chapter 681 of the Texas Transportation Code persons with disabilities are exempt from the payment of any fees if the vehicle is displaying an appropriate license plate or disabled parking placard. This does not permit parking at a time when or a place where parking is prohibited.

1 Hour	
Beachgoer Charge	\$ 2.00
Convenience Fee	\$ (0.12)
Transaction Fee	\$ (0.25 + 2.9%)
City of SPI	\$ 1.57

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**PASSPORT:**

Passport labs' mobile payment for parking platform, will enable a beach-goer to pay via an app, online or by Interactive Voice Response (IVR) for parking on an hourly rate. This system will span any available public parking space located on Gulf Boulevard, improved side streets and all beach access cul-de-sacs. Among Passport's available payment options are all major credit and debit cards (Visa, MasterCard, Discover, and AMEX), PayPal and Passport's digital closed-loop wallet.

Passport maintains PCI-DSS Level 1 (V. 3.2) compliance, which is the highest standard of credit card safety. No sensitive information is stored or transferred to the Passport database. The only information that is stored in the database are names, phone number and email addresses. All credit card information is stored in an isolated card storage database. That data is encrypted and tokenized to reduce the risk of credit card fraud in the event of a breach.

Passport, visitors will be able to pay for their parking from their smartphones, either through the Passport Parking application if the parkers have an Android or Apple device, or through a mobile-optimized companion website, which mimics the Parking application. The registration process through the application is a seamless and intuitive experience, with the first parking session with registration takes less than 2 minutes and each subsequent parking session may be initiated in 10 seconds or less. If a visitor does not have a smartphone, they will be able to utilize Passport's IVR system. The Interactive Voice Response (IVR) system enables mobile payment of parking while still encouraging the use of the application to begin a session. With IVR, visitors will call a local number and respond to commands using touch-tone prompts. The first session started by a visitor will end with a prompt to create a PIN. Thereafter, the system will recognize the phone number and request the PIN, thereby recalling all payment and vehicle information. All options are a convenient way for visitors to manage their account from laptops or desktop computers.

**Estimated Sales with Passport Labs Inc:**

The estimated net revenue to be generated from the parking program in its first year is \$680,243. This estimated revenue is calculated using a proforma from a peer coastal community and financial information obtained through the Request for Proposal (RFP) process.

The City plans on running the program year round (52 weeks) and charging between the hours of 8 am to 8 pm. The parking fee is \$2.00 for 1 hour.

A six-hour stay would break down as follows;

A visitor would be charged \$12.00 to park their vehicle.

City of South Padre Island would receive total parking fee of \$11.88

City of South Padre Island would pay .60 cents per purchase for convenience and transaction fees.

Projected Revenue to the City of South Padre Island

\$11.28 per average transaction

**ANNUAL PARKING PASSES:**

The City will charge a fee up to \$150 per year for an annual pass. The annual pass fee is similar to the current rate under Cameron County. Passes will be available at City Hall during the week and the Visitor’s Center and Police Station/Multimodal during weekends.

Estimated Sales of Seasonal Parking Permits:

The City South Padre Island has more than 2,800 permanent residents. The City estimates that only twenty percent of permanent residents would purchase an annual parking pass. Given that the Island is a half mile wide at its widest, the beach is a relatively short walk from all areas on the Island. The City estimates the sale of an additional 800 annual passes.

Estimated Annual Passes			
	Estimated passes	Cost per pass	Gross Profit
Residents	400	\$150	\$60,000
Other	400	\$150	\$60,000
			\$120,000

**NECESSITY FOR BEACH USER FEE:**

The fees are necessary to address several serious issues and problems that pose public health and safety risks. These issues continue to occur year after year associated with beach-related services and include: (1) the struggle of dealing with the excessive, unsightly and unsanitary accumulation of trash on the beaches; (2) ability to provide a safe and adequate parking in the limited space adjacent to the beach along Gulf Boulevard; (3) and the necessity to bring all identified beach accesses to a usable condition and have funds to maintain them on an annual basis.

As a result, the City of South Padre Island has implemented several abatement initiatives that are consistent with TAC §15.8 such as:

- a. Creating a beach maintenance crew that is strictly to address the litter problem, maintain the trash receptacles, maintain the beach accesses, and the dune walkovers;
- b. Creating the Shoreline Department that employs a the Shoreline Director, Program Coordinator and Grant and Special Projects Administrator whose jobs are to oversee shoreline maintenance activities and provide information to the City Council when making decisions that impact the beach or bay;
- c. Creating a seasonal beach patrol that patrols the beaches for swimmers in distress and provides basic first aid when needed.



## **USER FEES SUPPORT ENHANCED MANAGEMENT PRACTICES:**

The City of South Padre Island continues to maintain adequate and safe beach access for the public which are subsidized through the collection of HOT. The addition of a Beach User Fees collected will support expenditures associated with both long-term and short-term enhanced beach management practices such as:

### Short-Term:

- a. Seasonal staffing to support the influx of visitors during peak times including law enforcement, lifeguards, code enforcement and maintenance workers.
- b. Expanded beach cleaning activities:
  - Increase the hand collection of litter.
  - Purchase beach equipment that lessens the maintenance activities impacts to the beach/dune system.
  - Create educational signage for the public related to beach maintenance.
- c. Beach access and Walk-over preventive maintenance:
  - For improvement and general maintenance of designated beach access points. By installing parking, rinse stations, drinking water and walkovers.
  - The City will use funds to rehabilitate older beach access walkovers that are in need of repair.

### Long-Term:

- a. The City will utilize the funding to maintain the streets and parking infrastructure that will serve the public as part of this Beach User Fee Plan.
- b. The City currently only has two public restrooms on Gulf Boulevard Improved public sanitation by the provision of portable restrooms or other mobile restroom solution along the beach or access points located in the City. Given our seasonal nature of demands for public sanitation mobile restrooms are the most adaptable to our fluctuating demands. (One to three years depending on HOT revenue and grant availability.)
- c. Beach access enhancements:
  - The City currently has twenty-seven beach accesses of which eleven have an improved dune walkover, seven are improved with access matting, four are emergency vehicle accesses, three are unimproved nature trails and two are accessible via a short set of stairs. Of the twenty-seven accesses, six of them could be improved for an approximate increase of 100 parking spaces in those cul-de-sacs.

**CITATION OF ALL LEGAL AUTHORITY:**

**LEGAL AUTHORITY AUTHORIZING COLLECTION OF FEES:**

Section 63.053(b) of the Texas Natural Resource Code allows governing body of a municipality to charge reasonable fees that do not exceed the cost for the provision and maintenance of public beach related facilities and services necessary to implement such plans, including but not limited to parking, public health and safety, environmental protection and matters contained in the certified beach access plans, and that do not unfairly limit access to and use of such beaches. Title 31, Texas Administrative Code, Rule 15.8 sets forth requirements to be met for Beach User Fees.

**BEACH ACCESS CHARGE AUTHORIZATION:**

The City is authorized to charge a beach user a fee in exchange for providing services to beach users in general. A Beach User Fee may only be imposed if the fee is reasonable, taking into account the cost to the local government of providing public services and facilities directly related to the public beach. A reasonable fee is one that recovers the cost of providing and maintaining beach-related services. In addition, any fee collected for off-beach parking to provide access to and from the public beach is considered a Beach User Fee.

**AUTHORIZATION SCHEDULE:**

In order to establish and maintain quality beach-related services and facilities for the preservations and enhancement of access to and from the beach and safe and healthy use of beaches by the public, the following fee schedule is proposed for adoption by the City Council:

- Hourly fee of up to \$2.00/hour
  - A visitor would be charged \$2.00 to park their vehicle for one hour.
    - Parking Fee: \$2.00 for 1 hour.
    - Convenience Fee: .12 cents
    - Credit Card Transaction fee: .25 cents +2.9%
- Up to \$150.00 fee for an annual pass
  - Gulf Boulevard Rights-of-Way, Improved side streets, and beach access cul-de-sacs, with the exception of all ADA parking spaces and regular parking spaces available at Harbor Circle, Surf Circle and Aurora Circle that will be available as free parking

**STATE STANDARDS CONSISTENCY:**

**PROPOSED FEE IS CONSISTENT WITH STATE STANDARDS:**

The beach user fee cannot exceed the necessary and actual cost of providing reasonable beach-related public facilities and services, unfairly limit public use to and from public beaches in any manner, is not inconsistent with Title 31, Texas Administrative Code, Rule §15.8 or the Open Beaches Act; or discriminates on the basis of residence.

The City fee will apply to parking spaces adjacent to the public beach this includes east and west sides of Gulf Boulevard, improved side streets, and beach access cul-de-sacs identified. All other parking areas west of Gulf Boulevard will remain free to the public to use in addition to the 62 spaces identified as free parking previously in the plan. The off-beach parking areas will be serviced by a dedicated beach route that will run 365 days a year from 8 a.m. – 8 p.m.

The Beach User Fee will not exceed the necessary and actual cost of providing reasonable beach-related public facilities and services. The Beach User Fee will not unfairly limit public use to and from the public beaches. The beach user fee does not discriminate on the basis of residence and is consistent with Title 31, Texas Administrative Code, Rule §15.8 and the Open Beaches Act.

**ENFORCEMENT:**

The City of South Padre Island will create a separate division of the Shoreline Department to enforce the paid parking plan. Parking violations expressly related to the paid parking plan will be enforceable under an ordinance to be passed by the City Council and in compliance with the City of South Padre Islands Police Department Standards. The division will consist of at least three employees solely dedicated to operating and enforcing the paid parking system. This shall include the collection of monies from kiosks and its subsequent processing through the Finance Department, providing in-person and over-the-phone assistance, and enforcement of proper parking regulations. The division will have task specific vehicles to allow for a small footprint while maintaining the ability to idle for long periods of time and run the several necessary computer systems.

**USE OF BEACH USER FEE REVENUES:**

Revenues generated from Beach User Fees shall be used only for beach-related services. In accordance with TAC §15.2(11), “beach-related services” means reasonable and necessary services and facilities directly related to the public beach which are provided to the public to ensure safe use of and access to and from the public beach, such as vehicular controls, management, and parking (including acquisition and maintenance of off-beach parking and access ways); sanitation and litter control; lifeguarding and lifesaving; beach maintenance; law enforcement; beach nourishment projects; beach/dune system education; beach/dune protection and restoration projects; providing public facilities such as restrooms, showers, lockers, equipment rentals, and picnic areas; recreational and refreshment facilities; liability

insurance; and staff and personnel necessary to provide beach-related services including, but not limited to, reasonable administrative costs and accounting directly attributable to beach-related services as limited by TAC §15.8(f). Beach-related services and facilities shall serve only those areas on or immediately adjacent to the public beach.

**RECIPROCITY AGREEMENT:**

The City and Cameron County have entered into an interlocal agreement (PENDING). Each party will recognize its own Beach Parking Permit system and be responsible for enforcement within their respective jurisdictions. Neither will be required to acknowledge or accept the other's permit within their jurisdictional limits.

**SIGNAGE:**

The City shall assure that all free and user fee-based access for parking and payment locations are clearly identified with signs at all access areas including the off-beach parking areas. Signage will be posted in Spanish and English.

**REPORTING ADMINISTRATIVE COST AND ACCOUNTING:**

The following methods shall be used for administering and reporting beach user fee accounting:

- a. The City will submit quarterly reports of the revenues and expenditures from Beach User Fee accounts within 60-61 days after the end of the quarter.
  - January 31
  - April 30
  - July 31
  - October 31
- a. No more than ten percent of Beach User Fee revenues shall be expended in one fiscal year on reasonable administrative costs related to beach-related services. Administrative Costs are restricted to the direct costs of providing support for beach services such as supervisors who are directly involved in providing services, then his or her time is eligible, further, accounting, record keeping, personnel services, legal services, insurance and organizational management is eligible.
- b. Revenue/Expenditure Accounting. The City will establish a separate "fund" in the City's budget for all expense of revenue activities occurring on City beaches. Revenues will be maintained and accounted for separately and not commingled with any other funds so that fee collections may be directly traced to expenditures on beach-related services.
- c. Beach User Fee revenues shall be maintained and documented individually for each beach user fee and account balances and expenditures shall be documented according to generally accepted accounting principles.
- d. Annual operating and capital budgets will be established based on anticipated revenues and any excess revenues at year-end will be credited to the following year's operating and capital budgets.