

MEMORANDUM

TO: Jonathan Freedman, Chair, Select Board
FROM: Jamie Errickson, Deputy Town Administrator, Operations
CC: Melissa Malone, Town Administrator
DATE: November 18, 2020
RE: **Business Parking Fees 2021**

For calendar year 2020, 305 parking permits were issued at a cost of \$385 each. Due to the pandemic, parking in Natick center was impacted in 2020, with lower demand on overall spaces, commuter spaces, and business spaces. Since we are unsure what will happen in 2021, making significant adjustments to the parking permit program at this time is not recommended. There are still ongoing costs to maintain the Town-owned lots, including snow/ice removal, insurance, staff time (enforcement), basic maintenance, and other costs, that remain despite demand.

With this in mind, I am recommending making no change to the cost of business permits for the 2021 calendar year, keeping the rate at \$385 annually.

Below is a breakdown of estimated revenue and expense for calendar year 2021 for the business parking pass program, assuming 305 passes sold for the entire year. The Town does prorate passes (monthly) for those purchased for less than a full year. At this time, Town Staff is not able to confirm demand for business passes in 2021, so the estimated revenue is a best-case scenario.

Revenue:

- Assuming 305 passes sold for the entire year at cost of \$385/pass: **\$117,350.00**

Expense:

- Total Estimated Costs: **\$39,000.00**
 - Snow and ice removal estimate (\$27,000.00)
 - Administrative cost (\$12,000.00)
 - Estimated insurance \$500.00
 - Estimated town staff time \$2,000.00
 - Estimated enforcement \$3,600.00
 - Miscellaneous \$4,000.00
 - Estimated cost of permits \$2,000.00

Revenue less expense: **\$78,350.00**