

capacity and provide input for Budget Engagement Commission and/ or City Council consideration. After discussion, the Committee voted to receive and order filed the report on public parking program improvements and funding options to maximize existing parking inventory capacity and forward to the Budget Engagement Commission and/ or City Council for consideration; and direct the Public Works Department to return within 12 months to the City Council Transportation Committee with an update on parking solutions and an analysis of the alternate parking program initiatives to (a) extend the hours of operation in the parking garages; and b) implement a demand responsive rate structure in the parking garages. Motion carried with Chair Soubirous voting "No".

BACKGROUND:

On May 16, 2017, the City Council approved the Measure Z 2016-2021 Five-Year Spending Plan that included estimated debt service costs beginning in Fiscal Year (FY) 2018/19 on an anticipated \$15 million debt issuance for Downtown Parking Garage rehabilitation and expansion. On June 12, 2018, the City Council approved a revised spending plan that delayed Measure Z spending on the item to FY 2020/21. To date, the specific use of Measure Z funding for parking garages has not been defined and the issuance of debt has not been pursued.

On January 24, 2017, the City Council received a report on a comprehensive Strategic Parking Plan (SPP). The SPP was designed to help the City prepare for future parking needs through progressive parking strategies, as well as maximize the occupancy of the limited existing parking supply. A number of recommended enhancements have been implemented and periodic updates have been shared with the City Council. However, the SPP's recommendations to update parking technologies and equipment have not yet occurred due to financial constraints to the Parking Fund, despite the efficiencies such items could realize.

During a November 13, 2018 SPP update before the City Council, a discussion arose regarding changing parking dynamics in the downtown core, particularly relating to the recent growth at and around the Fox Entertainment Plaza. Staff was directed to return to the Transportation Committee for further discussion on the impacts of the outdated equipment to downtown parking operations and the Parking Fund.

DISCUSSION:

As presented in April to the Transportation Committee (Attachment 1), the public parking operation costs are not self-supporting. In addition to the rising operational costs, there are immediate program needs that cannot be funded and are impacting the public's downtown experience.

Below are the three items that are imperative to the program's continued functionality during Fiscal Year 2019-20.

1. Deferred maintenance of aging Garages 1 and 2

Both of the parking facilities on Orange Street, Garage 1 located between Mission Inn Avenue and University Avenue and Garage 2 located between University Avenue and Ninth Street, were built in 1961 and constructed using cast-in-place post-tensioned concrete slabs and beams. A recent inspection of these garages identified the need for more structural repairs than originally

anticipated, including but not limited to post-tension cable replacements and girder reinforcement.

The cost of these repairs is approximately \$600,000, which includes a 10% contingency.

2. Multi-pay station (meters) replacement

The current multi-pay stations (meters) are over 10 years old. Today, of the 79 units in the field, 40% of the multi-pay stations are unable to process credit cards and soon, the remaining inventory will no longer be compatible with modern technology nor supported by the manufacturer. In preparation for this, the City issued Request for Proposal No. 1792 for Multi-Space Parking Pay Stations which is nearing completion.

The cost of this equipment is approximately \$650,000 - \$800,000. A specific cost will be determined once a vendor is selected. The estimated range does not include installation and disposal fees of old equipment.

3. Garage entry and exit system equipment replacement

The parking entry and exit systems in the City’s five (5) Public Parking garages were installed in 2012. This system is comprised of the parking garage gates (arms), cashiering and reporting system. Unfortunately, the company is no longer manufacturing parts and the system is now obsolete. Recently, key components within the equipment have broken down and there are no parts available to keep the system operational, which is negatively affecting the customer’s experience. The City will publish Request for Proposal No. 1955 for the equipment replacement of the five (5) garages.

The cost of a basic equipment replacement is estimated at \$200,000 per garage, totaling approximately \$1,000,000. This preliminary figure does not include premium equipment or installation costs, which will require the removal of attendant booths, lane adjustments and/or conduit installation. Proposers are required to provide construction costs in their proposals and the exact costs will be presented to City Council.

Other unfunded program enhancements include LED lighting upgrades, digital wayfinding, additional security, and garage concrete preventative maintenance to protect the decks.

FISCAL IMPACT:

Staff is requesting the supplemental appropriation to reallocate funds from its current designation for Downtown Parking Garage estimated debt service costs to the much-needed Public Parking Program improvements identified herein. The financial impact is a reduction to available Measure Z fund balance in FY2019-20 of \$3,500,000. The overall impact of this action over the life of the 2018-2023 Measure Z Five-Year Spending Plan does not result in additional funding only an acceleration of the previous approved project funds. The following chart compares the Downtown Parking Garage Funding Item from the 2018-2023 Measure Z Five-Year Spending Plan with the proposed reallocation and budget adjustment requested herein:

Parking Garage	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Five-Year Total
Current Plan	\$-	\$807,550	\$1,533,265	\$1,533,267	\$3,874,082
Proposed Revision	\$3,500,000	\$-	\$-	\$374,082	\$3,874,082

The updated Spending Plan (Attachment 3), inclusive of all Council-approved allocations as of June 29, 2019, projects an ending reserve balance of \$7.8 million at June 30, 2019. The budget adjustment would require a one-time use of Measure Z available fund balance in Fiscal Year 2019/20.

Prepared by: Kris Martinez, Public Works Director
Approved as to availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Rafael Guzman, Assistant City Manager

Attachments:

1. Transportation Committee Report 04/11/19
2. Transportation Committee Report 06/13/19
3. Measure Z Spending Plan – As published for FY 2019-20
4. Presentation