

These parking programs and services were specifically developed to achieve the fundamental expectations of security, cleanliness and affordable/accessible parking based on the feedback from the downtown community. The next generation of parking programs and services will expand and enhance the customer experience while continuing to build on the fundamental expectations of the downtown community and solidify a parking infrastructure that will support future economic growth and encourage downtown investment.

DISCUSSION:

Restaurateurs and other establishments have been asking for a downtown valet service to support the needs of their clientele that want a convenient way to park and to enjoy their downtown experience whether it be attending live entertainment events, enjoying a meal, socializing with friends, conducting a business meeting, or attending a special event.

Over the last several months, Parking Services contacted local municipalities including Glendale, Long Beach, Santa Monica, Pasadena, Century City, Los Angeles and Beverly Hills to understand how their valet programs operate, identify the challenges, understand the fiscal impacts on the agency, and review the language and terms of their Request For Proposals (RFP). For the most part, valet services are expensive to operate due to high labor requirements and overhead expenses like liability insurance. The City of Beverly Hills has indicated that their valet programs are not directly generating net income; however, the valet programs are an essential service that delivers convenience, a positive customer experience, and generates additional sales tax revenue through the shops, restaurants and businesses patronized by the customers using valet parking.

Recently, Parking Services published a parking valet survey that utilized the City's social media accounts, Riverside Downtown Partnership's email contacts, and Park and Recreation's customer database.

The survey received 348 responses during a 10-day period and provided the following breakdown of information:

1. 38% of respondents are weekly visitors, 21% are daily visitors and 25% are monthly visitors
2. 55% of respondents would not consider valet services, but 45% say yes or maybe
3. 82% of respondents would pay \$10-\$15 for valet services and 18% would pay \$15-\$25+
4. 71% of respondents are more likely to use valet services if restaurants or merchants would validate
5. The percentage of respondents that would use valet services on Fridays 82%, Saturdays 89% and Sundays 57%
6. The percentage of respondents that would use valet services for concerts 47%, Fox Theatre events 58% and Festival of Lights 67%

Despite an overwhelming number of negative survey comments, Parking Services believes that establishing a downtown valet service would bolster the experience for patrons visiting downtown and provide marketing leverage for downtown establishments that want to participate in the valet service. The downtown valet service would offer a convenient method to access destinations such as restaurants, night clubs, businesses, or events. The downtown valet service will operate in designated on-street/off-street zones that will be established and approved by both Traffic Engineering and Parking Services Divisions.

Initially, the downtown valet service will be offered in highly visible on-street locations starting Friday evenings through Sunday evenings. Additional valet stand locations will be considered and determined based on consumer demand/requests, availability of on-street/off-street locations, special event requests/historical data, and the participation level of downtown establishments.

Vehicles will be parked and staged in underutilized public parking facilities, which may include on-street spaces, public surface lots, and/or public parking garages. The valet stands will always have a valet door person to greet and assist customers at each valet stand. Most of the valet drivers will be enroute to the vehicle staging area or already at the vehicle staging area awaiting a request to bring up a vehicle.

The downtown valet service will be scalable, up or down, to meet the parking demands during weeknights, weekends, and special events. The downtown valet service operating model will purposely utilize additional valet drivers to deliver the following:

1. Increase the valet driver's safety by eliminating the need to "run" through downtown to get to the staging area and bring up a vehicle.
2. Decrease vehicle traffic accidents as valet drivers will not have to drive fast to make up turnaround time because they will be located at the vehicle staging area, which cuts the trip distance by 50%.
3. Increase vehicle security as valet drivers will remain present at the vehicle staging area.
4. Decrease customer wait times as the valet drivers are immediately "bringing up" the vehicle when summoned.
5. Increase customer convenience, experience, and satisfaction as vehicles can be delivered to different valet stands if it's being offered that evening.

The downtown valet service will utilize a ticketless valet management system (paper valet tickets will be available if necessary) that will provide customer convenience through text-based communication (or through a link) and will not require an app to download. Customers using the valet management system will have the added benefit and convenience to manage their own valet experience by:

1. Using their cell phone as their valet ticket (reduce vehicle theft and lost tickets)
2. Validating at participating establishments (receive an immediate discount on the valet fee up to 100% or free valet parking)
3. Pre-requesting their vehicle (avoid checkout lines and reduce wait time)
4. Offering different vehicle pickup locations if available (minimize walking, increase safety)
5. Tracking vehicle status (customers remain informed about their vehicle)
6. Pay and tip from phone (convenience of mobile payment apps, cash is optional)

A Request for Proposals (RFP) will be published to obtain proposals from professional valet contractors that will operate the Park Riverside downtown valet service. The bids will be evaluated by panelists made up of City staff, downtown stakeholders, and downtown establishment/restaurant owners. Evaluation criteria may include, but would not be limited to:

1. Professional Qualifications (valet experience, municipality references, safety history, industry reputation, staff retainage/turnover rates, customer service, etc.)
2. Financial Reporting (revenue deposits, invoice process, financial documents, etc.)
3. Marketing (how will the valet contractor promote the valet service to downtown establishments, what dedicated resources will be provided, present/past campaigns, etc.)
4. Staffing (breakdown how the staff will be screened, trained, allocated, scheduled, minimal

- staffing backup plan, uniform attire, etc.)
5. Management and Support (onsite supervision/management, accounting staff, human resources, risk management, safety manager, training coordinator, etc.)
 6. Logistics and Planning Techniques (explain process, who is involved, how is this managed, equipment storage, daily operation plan, what equipment will be used to communicate, are transportation vehicles being provided, etc.)
 7. Customer Support (who can the customer contact, when are they available, where are they located on/off-site, toll-free number, who handles claims, claims process, claims history, etc.)
 8. Security (how are the vehicles to remain secure, how are the keys protected, how do you handle if a key or vehicle is lost or stolen?)

The RFP for the Park Riverside downtown valet service will require the professional valet contractor to respond to the following requirements/specifications, but not limited to:

1. The Park Riverside downtown valet service operating model
2. Planned and potential operating days/hours
3. Reporting of baseline metrics and measures
4. Financial Reporting and Deposits
5. Daily Reporting/Deposits
6. Monthly invoicing
7. Valet management system and hardware maintenance
8. Valet station equipment and storage
9. Uniform/Laundrying
10. Required supplies
11. Billable monthly rate
12. Staff training
13. Transportation equipment
14. Coordinating daily operations
15. Work harmoniously/communicate effectively with Parking Concepts and Parking Services
16. Safety protocols/reporting/record

The Park Riverside downtown valet service shall have the flexibility to move valet stand locations, establish quantity of valet stands needed, determine vehicle staging area, and dynamically adjust valet service fees based on the parking demands and activities in the downtown area. The Park Riverside downtown valet service will be continuously measured and evaluated throughout the first 12-months of operation whereas necessary program adjustments will be made to refine the service to deliver the best results.

STRATEGIC PLAN ALIGNMENT:

This proposal aligns with **Strategic Priority 6 – Infrastructure, Mobility, and Connectivity** and aims to ensure safe, reliable infrastructure that benefits the community and facilitates connection between people, places, and information. The Park Riverside downtown valet service aligns with the goals listed below:

Goal 6.2 – Maintain, protect and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

Goal 6.3 - Identify and pursue new and unique funding opportunities to develop, operate,

maintain, and renew infrastructure and programs that meet the community's needs.

Furthermore, this Park Riverside downtown valet service program aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The Park Riverside downtown valet service will provide tangible value for the downtown community and visitors, enhancing the downtown experience, providing ease of parking, and increasing public safety.
2. **Equity** – The Park Riverside downtown valet service will be available to the public, and will be offered to all downtown establishments to participate in.
3. **Fiscal Responsibility** – The Park Riverside downtown valet service will follow a competitive bid process by publishing a Request for Proposal. The proposals will be evaluated by a panel represented by downtown stakeholder(s), business owner(s) and City staff. The Park Riverside downtown valet service will be budgeted through the operating expense of the Public Parking (570) Fund.
4. **Innovation** – The Park Riverside downtown valet service will utilize text-based technology to best manage and communicate the valet process to the customers and establishments. The Park Riverside downtown valet service will be highly visible, operate in strategic locations on-street/off-street with a high degree of flexibility to meet downtown daily demands and special event needs.
5. **Sustainability & Resiliency** – The Park Riverside downtown valet service will be subsidized by the Public Parking (570) Fund until enough demand offsets the operating costs. The hospitality industry and ancillary businesses will benefit from an influx of new clientele, which will generate tax revenues for the General Fund.

FISCAL IMPACT:

There is no immediate fiscal impact associated with this report.

The Park Riverside downtown valet service is not initially forecasted to be cost neutral or profitable as staffing and overhead costs are expected to exceed the valet revenues. Parking Services will incorporate the valet survey results to help shape the valet operating model. Operating costs will be initially determined through the RFP process and the associated fiscal impact will be presented to City Council for approval. A revised financial forecast will require 12 months of operation, which will assist in determining the fiscal sustainability of the Park Riverside downtown valet service. The Parking Services Division will strive to reach 100% cost recovery while offering the Park Riverside downtown valet service and customer experience that will result in attracting more visitors and investors to downtown, benefiting downtown businesses and generating additional tax revenues for the City's General Fund.

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Attachment: Presentation