



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 15, 2022

FROM: PUBLIC WORKS DEPARTMENT WARD: 1

**SUBJECT: PUBLIC PARKING PROGRAM – PARKING ECOSYSTEM SUSTAINABILITY
PLAN AND AMENDMENT OF THE PARKING RATE AND HOUR SCHEDULE –
RESOLUTION**

ISSUES:

Receive a presentation on the Parking Ecosystem Sustainability Plan to improve the program and adopt a resolution to amend the Parking Rate and Hour Schedule to include changes to the program's rates and hours of operation.

RECOMMENDATIONS:

That the City Council:

1. Receive and file the Public Parking Program update;
2. Adopt a Resolution to revise the Parking Rate and Hour Schedule to include changes to the program's rates and hours of operation and amend Resolution 21322;
3. Direct staff to return to City Council with affected service contracts resulting from the modified hours of operation; and
4. Direct staff to return to City Council with a recommendation to award the Parking Access and Revenue Control Systems contract to replace outdated garage equipment.

COMMITTEE RECOMMENDATION:

On September 13, 2021, the Land Use, Sustainability, and Resilience Committee (Committee) was presented with a Public Parking Program Update and the Parking Ecosystem Sustainability Plan Part 2. Following discussion, the Committee voted unanimously to receive and file the update and recommended that the City Council approve the Parking Ecosystem Sustainability Plan Part 2.

BACKGROUND:

On June 13, 2019, the Transportation Committee directed staff to provide an update on parking technology solutions and recommend alternate parking program initiatives to extend hours of operation in the parking garages and implement a demand-responsive rate structure in the

parking garages.

On November 9, 2020, the Land Use, Sustainability, and Resilience Committee considered the Parking Ecosystem Sustainability Plan (PESP) Part 1, “Infrastructure and Equipment Needs”. Following discussion, the Committee directed staff to bring the PESP Part 2, “Parking Management Strategies and Demand Responsive Rates,” to the Land Use, Sustainability and Resilience Committee.

DISCUSSION:

This proposed PESP, as detailed in Attachment 1, presents an opportunity to finance critical parking infrastructure and maintenance needs, adopt strategies to improve customer service, support future development, enhance safety, and improve the financial sustainability of the Public Parking Fund.

Parking Management Strategies

The following strategies would facilitate parking, reduce congestion, and improve utilization.

1. **Maximize Limited Space:** PESP initiatives include strategies to reduce the number of reserved parking spaces, eliminate free parking, and deter long-term on-street parking.
2. **Hours of Operation:** The current operating hours fail to capture revenue from the evening parking demand. The current rate system offers free parking from 5:00 pm and 9:00 pm, which reduces parking availability in high demand areas and restricts the Public Works Department from capturing revenue during peak demand hours.
3. **Demand Based Pricing:** PESP initiatives include pricing to encourage a balanced distribution of parking demand across facilities. These initiatives would generate increased revenue to deploy equipment to facilitate smart parking strategies, automate services to extend operational hours, and enhance parking availability information.
4. **Garage Safety:** In response to input from the Riverside Downtown Partnership, the Public Works Department would pilot a safety program to fund two police officers for parking garage patrol on weekends for a year. The program would allocate \$116,000 to the Police Department to improve safety, minimize incidents, and encourage increased patronage to Downtown businesses and restaurants.

If adopted, the PESP is projected to deliver net revenues of \$110,000 in FY 2022-2023 to the Public Parking Fund should parking garage utilization increase to 60% of capacity at each facility. Table 2 depicts the projected Public Parking Fund Revenues and Expenditures for FY 2022-2023 with the PESP measures and not utilizing the remaining working capital.

Table 2

| Fiscal Year 2022-2023 Public Parking Fund (570) Projected Revenues vs. Expenditures with PESP | | | |
|--|--------------------|------------------------|------------------------------|
| Type | Projected Revenues | Projected Expenditures | Projected Net Revenue (Loss) |
| Operations – 4150 | \$6,910,000 | \$7,405,000 | (\$495,000) |
| Enforcement - 4151 | \$2,000,000 | \$1,395,000 | \$605,000 |
| Total | \$8,910,000 | \$8,800,000 | \$110,000 |

As parking utilization rates increase, the net revenues would increase. For example, if the parking utilization increases from 60% to 65%, the net revenue is anticipated to increase to \$386,000. At 70% parking utilization, the net revenue is projected to reach \$661,000.

Without adopting the PESP, the Public Parking Fund is projected to have a net loss of \$1,321,000 in FY 2022-2023, which may require the General Fund to subsidize the Public Parking Fund. Table 3 projects the Public Parking Fund Revenues and Expenditures for FY2022-23 without PESP measures.

Table 3

| Fiscal Year 2022-2023 Public Parking Fund (570) Projected Revenues vs. Expenditures without PESP | | | |
|---|--------------------|------------------------|---------------------------|
| Type | Projected Revenues | Projected Expenditures | Projected Revenues (Loss) |
| Operations – 4150 | \$3,833,000 | \$5,759,000 | (\$1,926,000) |
| Enforcement - 4151 | \$2,000,000 | \$1,395,000 | \$605,000 |
| Total | \$5,833,000 | \$7,154,000 | \$(1,321,000) |

The project expenses in Table 3 are lower compared to Table 2 as it excludes the Parking Access Revenue Control System and police officers for the weekend parking garage patrols.

Future Staff Actions

With the approval of the PESP and expanded operating hours, attendants would work additional hours until the new smart parking access system is installed. Therefore, staff recommends that City Council direct staff to return with:

1. An amendment to the Parking Management Services contract with Parking Concepts Inc. to expand the scope of work to include the new hours of operation; and
2. A recommendation to award RFP #1955 for an agreement to procure and install a Parking Access Revenue Control Systems as soon as funding is available.

Parking Rate and Hour Schedule

The proposed changes as demonstrated in the PESP are reflected in the Parking Rate and Hour Schedule. In addition, it is recommended that the Council adopt a Resolution with the following changes:

1. Correct the title of the document from Parking Hour Schedule to Parking Rate and Hour Schedule;
2. Adjust the Discounted Employee Parking Permit (DEPP) program's maximum qualifying salary from \$15/per hour to \$18/per hour, increase the permit cost from \$25/per month to \$50/per month, and clarify that the DEPP is valid Monday – Friday from 6:00 am to 6:00 pm;
3. Implement a \$25 replacement fee to cover administrative costs to replace lost or stolen key cards for monthly and reserved parking patrons;
4. Add a limit of two validation books per month to be purchased by Downtown businesses; and
5. Add a Bus parking rate of \$50 per 24 hours in Lot 33.

STRATEGIC PLAN ALIGNMENT:

This project supports **Strategic Priority 5 – High Performing Government**, which aims to provide world class public service that is efficient, accessible and responsive to all; and **Strategic Priority 6 – Infrastructure, Mobility, and Connectivity**, which aims to ensure safe, reliable infrastructure that benefits the community and facilitates connection between people, places and information. It also meets **Goals 5.2, 5.4, 6.2, 6.3, and 6.4**.

Furthermore, the PESP aligns with each of the five Cross-Cutting Threads:

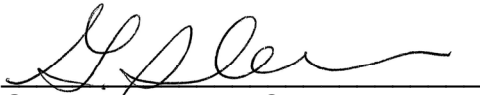
1. **Community Trust** – PESP strategies reflect a careful set of policy programs that have been discussed at numerous public meetings and directly with stakeholders.
2. **Equity** –The PESP balances affordability to the public with the City's operational needs.
3. **Fiscal Responsibility** – The PESP manages parking by promoting turnover to create accessible parking and capture revenue opportunities.
4. **Innovation** – The PESP targets installation of parking equipment that will integrate parking availability to mobile applications and vehicle navigations systems.
5. **Sustainability & Resiliency** – The reduction in motorist circulation between garages in search of parking will cut down on greenhouse gas emissions, and LED garage retrofits will reduce energy use.

FISCAL IMPACT:

The total fiscal impact of the action is \$110,000, if approved. This will be reflected in FY 2022/23 with an estimated revenue increase of \$110,000 to the Parking Fund at a 60% parking utilization rate.

Prepared by: Gilbert Hernandez, Public Works Director
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Concurs with;

A handwritten signature in black ink, appearing to read 'G. Plascencia', written over a horizontal line.

Gaby Plascencia, Chair
Land Use, Sustainability, and Resilience Committee

Attachments:

1. Parking Ecosystem Sustainability Plan
2. Presentation
3. Downtown Parking Facilities Map