



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 19, 2022

FROM: PUBLIC WORKS DEPARTMENT WARD: 1

SUBJECT: PUBLIC PARKING PROGRAM - ADOPT A RESOLUTION AMENDING RESOLUTION NO. 21322, EXHIBIT A TO REFLECT MODIFICATIONS TO THE PUBLIC PARKING PROGRAM'S DISCOUNT PERMIT, VALIDATION AND SPECIAL EVENT PROVISIONS, AND CONSIDER THE ADDITION OF A MONTHLY FLEX PERMIT

ISSUES:

Adopt a resolution to amend the Parking Rate and Hour Schedule to modify the Discounted Validation Booklets Program, the discounted Token Program, Discounted Employee Permit Program, create a Flex Monthly Permit, and establish a temporary moratorium to study and consider a Discounted Encroachment Meter Rate for Special Events.

RECOMMENDATIONS:

That the City Council:

1. Approve the following discounted program recommendations:
 - a. Modify the Discounted Validation Booklets Program to allow downtown businesses to purchase up to four validation booklets per month;
 - b. Modify the Discounted Token Program to allow downtown businesses to purchase up to 300 tokens per month; and
 - c. Modify the valid parking hours and wage eligibility requirement within the Discounted Employee Permit Program to allow for additional participation;
2. Create a Flex Monthly Permit for all downtown parkers with flexible parking hours;
3. Establish a temporary moratorium to waive parking fees for metered spaces impacted by the footprint of special events to allow staff to study and consider a discounted encroachment meter rate for special events; and
4. Adopt a resolution amending the Parking Rate and Hour Schedule to reflect modifications to the programs that offer discounted rates of the City's public parking.

BACKGROUND:

On February 15, 2022, following discussion, it was moved by Councilwoman Plascencia and seconded by Councilmember Cervantes to approve the Land Use, Sustainability, and Resilience Committee recommendation to: (1) receive and order filed 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; (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to City Council with a recommendation to award the Parking Access and Revenue Control Systems contract to replace outdated garage equipment; and, (5) include validated parking in Garage 6 on Tuesdays for those attending City Council meetings. The motion carried unanimously with Councilmember Edwards absent.

The Public Works Department was tasked with implementing the rate changes to take effect on July 1, 2022. With the public outreach conducted and as the information was disseminated, the downtown merchants expressed their need for modifications to the discounted programs.

DISCUSSION:

The City has offered discounted parking programs for the parking facilities since 2001. With the recent adoption of rates, the public has provided feedback which staff considered to recommend expanded discounted parking opportunities.

Discounted Validation Booklets Program – Valid in the Parking Garages

The validation program has been offered at a 50% discount since 2001. Currently, downtown businesses may purchase up to two (2) validation booklets per month and it is their discretion when they make the validation available to their patrons.

Validation Booklet	Market Value	Discount Price
50 ½ Hour Stickers	\$50.00	\$25.00
50 Hourly Stickers	\$100.00	\$50.00

Staff recommends the limit be increased from two (2) validation booklets to four (4) validation booklets per month in any combination of ½ Hour Stickers or Hourly Stickers.

Token Program – Discount Valid at On-Street Meters

Since 2007, the Token Program has enabled business owners to purchase tokens at a 50% discount to offer their patrons flexible parking options. This program is ideal for businesses not located near a public parking garage, those which have customers who prefer street parking, or those hosting on-site events who would like to accommodate attendees. Tokens have no cash value and are not intended to be sold to customers nor used by business owners and employees to park on street. Currently, Downtown businesses may purchase up to 200 tokens per month at the discounted rate and the minimum purchase is 100 tokens for \$50.

Staff recommends the limit be increased from 200 tokens per month to 300 tokens per month.

Discounted Employee Permit Program – Valid at Select Locations

In 2017, the City Council adopted the Discounted Employee Permit Program (DEPP) with the intent of offering part-time employees of commercial, retail, and entertainment businesses without their own parking facility an opportunity to park with a significant discount. Employees working

within the Downtown area bounded by Third Street to the north, Fourteenth Street to the south, Mulberry Street to the east, and Brockton Avenue to the west.

In February 2022, the maximum wage for the DEPP was modified to allow permits for part time employees whose wage is less than \$18 per hour. The hourly wage was aligned with the low-income categories for a family of two, as published by the United States Department of Housing and Urban Development. The permits are valid Monday through Friday from 6:00 a.m. to 6:00 p.m.

Staff recommends increasing the wage limit from \$18 per hour to \$21 per hour and modifying the valid hours from 6:00 a.m. to 6:00 p.m., daily, allowing the applicant to select a 12-hour period of work. This temporary increase will allow staff to conduct additional research and receive stakeholder feedback to consider additional changes, if any.

The permits will continue to be sold at underutilized locations; spaces cannot be guaranteed for those with Discounted Employee Parking Permits. Abuse or misuse of the permit will result in revocation of the permit.

Lastly, to add the same level of flexibility to other downtown parkers, staff recommends a Flex Monthly Permit, that allows parkers to select a 12-hour parking period in one garage. The proposed cost is \$215 per month, which includes a management recovery cost.

Temporary Moratorium for Special Event Coordinators – Valid at Metered Spaces

Establish a temporary moratorium to waive metered parking for the footprint impacted by the registered special events to allow staff time to study and consider a discounted encroachment meter rate for special events. In order to be eligible, special events must:

- Stage and take place within the public right-of-way;
 - Only metered stalls impacted by the event footprint to include but not limited to road closure(s), vendor stalls, staging area, etc. will be considered for a parking fee waiver.
 - Metered stalls utilized by event attendees and organizer parking are not eligible for fee waiver.
- Secure a special event permit through the City of Riverside; and
- Occur on a weekend, holiday, during Festival of Lights, or on a weekday after 5:00 p.m.

The moratorium will go into effect immediately and a discounted Special Event rate program will be brought to City Council for consideration within 120 days.

STRATEGIC PLAN ALIGNMENT:

The proposed purchase contributes to **Strategic Priority 3 – Economic Opportunity**. By working with the Downtown business community to adjust the recently adopted parking program elements, the City is furthering **Goal 3.3**: Cultivate a business environment that welcomes innovation, entrepreneurship and investment.

This item aligns with the five Cross-Cutting Threads as follows:

1. **Community Trust** – This item is being brought forth in response to community feedback regarding the recently updated parking program elements.

2. **Equity** – Expansion of the Discounted Employee Parking Program will provide broader access to parking facilities for qualifying Downtown employees making a maximum of \$21 per hour.
3. **Fiscal Responsibility** – The Parking Services Division will monitor the implementation of these programs alongside the fiscal health of the Parking Fund.
4. **Innovation** - The proposed program revisions will allow the Parking Fund to move towards stability while providing flexibility for Downtown businesses.
5. **Sustainability and Resiliency** - The proposed program revisions are neutral towards this cross-cutting thread.

FISCAL IMPACT:

The projected fiscal impact of the actions is listed below.

1. **Discounted Validation Booklet Program:** The total fiscal impact will vary based on participation. Assuming twenty (20) participating businesses purchase the maximum of four (4) 50-sticker booklets per month, the annual transient parking net revenue loss is estimated at approximately \$50,400 per year. This estimate nets the validation booklet rate revenue against the loss of transient parking revenue.
2. **Token Program:** The total fiscal impact will vary based on the number of additional tokens purchased at a 50% discount. Assuming ten (10) businesses participate in the program every month, the annual net revenue loss is estimated at approximately \$6,000 per year.
3. **Discounted Employee Permit Parking:** The total fiscal impact will vary based on participation in the Discounted Employee Permit Parking (DEPP) program. Assuming fifty (50) employees participate in the DEPP program per month, the annual transient parking net revenue loss is estimated at approximately \$115,200 per year. This estimate nets the DEPP program rate of \$50 per permit against the loss of transient parking revenue.
4. **Flex Monthly Permit:** The total fiscal impact will vary based on participation and the hours selected by the parking customer. Due to the uncertainty of any level of participation, staff is unable to report an estimated fiscal impact on this item.
5. **Temporary Moratorium for Special Event Coordinators:** The fiscal impact of a temporary moratorium depends on the resulting number of special events held within the next 120 days. The Parking Fund was not charging for the metered spaces prior to the July 1, 2022 parking meter changes. Staff will study and provide a detailed estimate upon return to the City Council.

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

Attachments:
1. Resolution
2. Presentation