



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: MARCH 21, 2017**

**FROM: PUBLIC WORKS DEPARTMENT** **WARD: 1**

**SUBJECT: PARKING PROGRAM – TWO YEAR IMPLEMENTATION PLAN AND AMENDMENT OF THE PARKING RATE AND HOUR SCHEDULE - RESOLUTION**

## **ISSUE:**

Adopt a resolution to amend the Parking Rate and Hour Schedule to facilitate a two-year implementation plan to modify rates and make enhancements to the parking program and ensure its sustainability.

## **RECOMMENDATION:**

That the City Council adopt a Resolution amending the Parking Rate and Hour Schedule to facilitate the two-year implementation plan which includes rate changes and program improvements.

## **BACKGROUND:**

In February 2016, the Public Works Department hired Dixon Resources Unlimited (Dixon) to assess the current parking conditions and develop a Strategic Parking Plan to help the city plan for future parking needs through progressive parking strategies to maximize the use of the existing parking supply. The plan provides an overview of existing conditions, evaluates current occupancy rates, considers the loss of parking related to several planned projects and recommends strategies for parking management, operations, technology and future long term capital needs.

The City's inventory of public parking facilities includes a variety of surface lots and garages within the study area which encompasses the area bounded by Third Street to the north, Fourteenth Street to the south, Mulberry Street to the east, and Brockton Avenue to the west. The study area includes 2,602 on-street parking spaces of which 1,030 are metered; 1,607 parking garage spaces; and 1,188 surface lot spaces.

Dixon assessed operations, occupancy rates and conducted three stakeholder meetings to identify needs and develop strategies for implementation. Dixon found that there is ample parking within a short walking distance of high occupancy areas and the average on-street rate occupancy was 40% on a Thursday and 37% on a Saturday. Utilization of parking garages was at its highest, 80% or higher at midnight on Thursday, Friday, and Saturday nights in Garages 1 and 2. Parking

in peripheral areas experienced lower occupancy levels.

An important element of developing the plan was obtaining stakeholder input. Dixon facilitated three stakeholder meetings where feedback was sought from the public regarding concerns, wishes, and priorities for the parking program. During the meetings, it was confirmed that the city's facilities are an important component of accommodating customers and visitors. The key issues raised by stakeholders included:

1. Safety and security in the parking garages
2. Increased wayfinding signage
3. Improved special event parking planning
4. More parking garages
5. More on-street parking near retail
6. Maintenance of facilities
7. Lack of parking near the museums
8. Increased timed loading zones near businesses
9. Meters, ease of use

When stakeholders were asked to rank the following five priority needs for the parking program they ranked them in the following order:

1. New parking garage
2. Security
3. Wayfinding signage
4. Automation
5. Upgraded parking meters

The recommendations in the strategy include updating the parking rates based on demand, to maximize utilization of the parking facilities and fund program enhancements such as security, maintenance and way finding as well as the long term capital facility needs. Through varied rates, the City can incentivize individuals to park in outlying areas that are currently underutilized and increase the availability of parking in areas that experience high demand.

On December 12, 2016, a proposed two year implementation plan was presented to the Utility Services/Land Use/Energy Development Committee for consideration. The Committee with Chair Mac Arthur, Vice Chair Soubrouse, and Member Gardner present, unanimously recommended that the City Council (1) review the Downtown Parking Strategic Plan; and (2) approve a two-year implementation plan to including rate changes and program enhancements.

On January 24, 2017, the City Council received and filed the Downtown Strategic Parking Plan as presented by Dixon and adopted a portion of the recommended changes in the Implementation Plan, approved some additional changes recommended by Council Members and requested that Public Works return to Council with additional information and potential changes to the Implementation Plan. The items approved by Council on January 24, 2017 included the following changes to be effective April 1, 2017:

1. A 50% rate increase for monthly reserved parking spaces.
2. Festival of Lights parking fee of \$5.00 pre-paid online and \$10.00 at entry for Switch-On Ceremony and Friday, Saturday, and Sunday nights.

3. Set a maximum of 200 discounted tokens per downtown business per month.
4. Changing the Justice Center meter operation end time from 6:00 p.m. to 5:00 p.m.
5. Adding a flat fee of \$5.00 at entry to all parking garages from 9:00 p.m. to 3:00 a.m. on Thursdays, Fridays and Saturdays.

Council requested that staff return with additional information and analysis on the following items:

1. Details on how the proposed Discounted Employee Permit Program will be implemented for part time, minimum wage employees; and
2. A pricing structure proposal for on-street and off-street parking facilities that incentivizes long-term parking in the parking garages.

## **DISCUSSION:**

In response to the suggestions, comments and questions at the January 24, 2017 City Council Meeting, the proposed implementation plan has been updated and additional information is provided for consideration. These items include the efforts to incentivize long term parking in garages, proposed discounted employee permit program, disabled parking spaces, and short-term parking throughout downtown.

### **Structure Rates to Encourage Off-Street Parking**

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A key priority in the parking strategy is to implement measures to promote the use of on-street parking for short term visits, encourage turnover and maintain an occupancy rate of 80% or less. Keeping rates under 80% improves the overall parking experience and provides sufficient available on-street parking for those who prefer to park close to their destination and for disabled individuals. It is suggested that demand based pricing be implemented to help achieve this goal.

### **Hourly Rates**

Currently, the parking garages have rates that reflect the user fees implemented in 2010. As demonstrated in the table below, in the Justice Center area, the City garages are value priced compared to the on-street and surface lot rates. An individual electing to park in a garage a few blocks away for the full day will spend \$8 whereas parking on the street would cost \$15.00.

In the Non-Justice Center areas, the current fees in the parking garages incentivize short-term parkers who stay up to two hours with free parking for the first 90 minutes and \$2.00 per hour thereafter. However, individuals would benefit from parking on-street if they park between four and seven hours as shown in the comparison table below. Nevertheless, when a driver stays for 8 hours at either location, the cost is equal. The user will pay \$8.00 to park on-street and \$8.00 to park in the parking garage. With the current rate structure, users are paying the same price for a more convenient location in the Non-Justice Center area, thus parkers may be staying for prolonged periods, adding to a perception that there is inadequate on-street parking.

<b>Current Hourly Rates (adopted 2010) – Shown Cumulatively by Hour</b>			
<b>Hours Parked</b>	<b>Garages 7:00 a.m.–7:00 p.m. 90 min Free, \$1.00 per 30 min, \$8 max</b>	<b>Meters: On-Street and Lots Justice Center 7:00 a.m.–5:00 p.m.* \$1.50 per hour</b>	<b>Meters: On-Street and Lots Non-Justice Center 9:00 a.m.–5:00 p.m. \$1.00 per hour</b>
1	0 (60min Free)	\$1.50	\$1.00
2	\$1.00 (30min Free)	\$3.00	\$2.00
3	\$3.00	\$4.50	\$3.00
4	\$5.00	\$6.00	\$4.00
5	\$7.00	\$7.50	\$5.00
6	\$8.00	\$9.00	\$6.00
7		\$10.50	\$7.00
8		\$12.00	\$8.00
9		\$13.50	
10		\$15.00	

\*End time will be effective April 1, 2017.

To manage parking, we must apply the industry's best practice to address on-street parking. The approach is to create a cost differential between the garages and on-street parking that will incentivize long-term parkers to choose to park in the garages. This will create the turnover necessary to open up more on-street spaces and attract more potential customers to downtown.

The proposed rate structure below keeps parking garages at current rates with an \$8.00 maximum and increases the cost of metered parking on street and in surface lots. The maximum daily rate differential will be \$4 between the garages and the on-street Non-Justice Center areas, providing a 33% savings to park in garages, and the differential will be \$12 in the Justice Center area, providing a 60% savings to park all day in the garages. By managing the rates in the downtown area without implementing a time limit on-street, the City can offer users the option to choose between convenient parking and cost effective parking at a short distance.

<b>Proposed Hourly Rates</b>			
<b>Hours Parked</b>	<b>Garages 7:00 a.m.–7:00 p.m. 90 min Free \$1.00 per 30 min</b>	<b>Meters: On-Street and Lots Justice Center 7:00 a.m.–5:00 p.m. \$2.00 per hour</b>	<b>Meters: On-Street and Lots Non-Justice Center 9:00 a.m.–5:00 p.m. \$1.50 per hour</b>
1	0 (60 min Free)	\$2.00	\$1.50
2	\$1.00 (30 min Free)	\$4.00	\$3.00
3	\$3.00	\$6.00	\$4.50
4	\$5.00	\$8.00	\$6.00
5	\$7.00	\$10.00	\$7.50
6	\$8.00	\$12.00	\$9.00
7		\$14.00	\$10.50
8		\$16.00	\$12.00
9		\$18.00	
10		\$20.00	

## Monthly Permit Rates

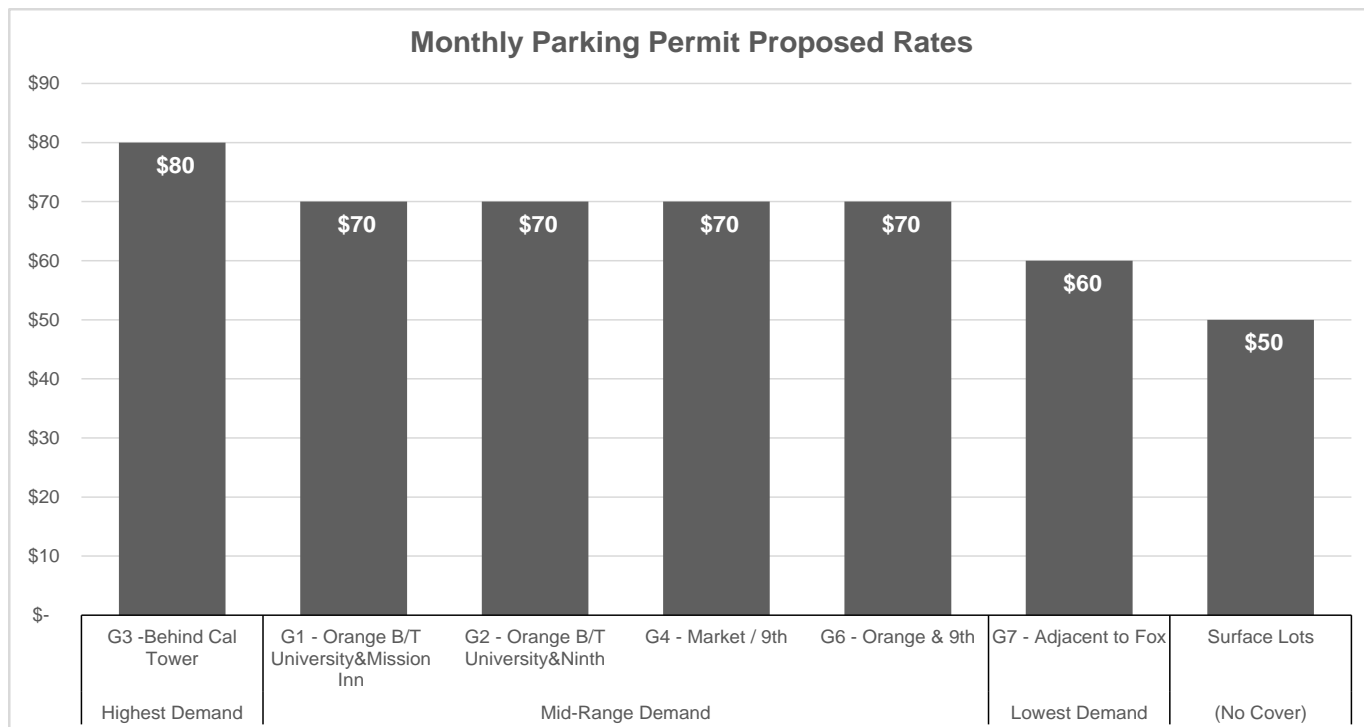
In addition to regular daily parking at an affordable cost, the parking program also offers monthly parking permits. In order to further the efforts to open up parking availability in high occupancy areas, it is recommended that varied rates for monthly permits be established. To encourage individuals to park in outlying facilities, lower monthly permit rates will be available in select facilities. Additionally, rates are proposed to be increased in select high occupancy facilities with extended wait lists.

The monthly permit rates are currently the same in all the garages and monthly permits in surface lots are discounted by 37% less than the daily max. In analyzing the occupancy of Garage 3 (behind Cal-Tower) and Garage 7 (adjacent to the Fox) we see the differences between the highest and lowest parking demand facilities. Both structures have 43% of the facility allocated to monthly permit holders and they are one block apart but divided by Market Street. Nevertheless, Garage 3 is consistently sold out and there is a long waiting list. In contrast, Garage 7 has more than 50% of the monthly permits available. Applying a demand based parking rate methodology to the garages, staff proposes to increase the monthly permit rate to \$80 in Garage 3 and maintain the rate at \$60 in Garage 7.

The other parking garages located within the downtown core each have a waiting list, but they are not as extensive as Garage 3 so a rate of \$70 is proposed for Garages 1, 2, 4, and 6.

With the demand based rates, the public can choose to park in the highest demand facility for \$20 more than the lowest demand facility. And for \$10 more than the lowest demand facility, parkers can elect to use the garages in the core area which remain both affordable and convenient.

Furthermore, the surface lots also offer monthly permit parking which is currently \$40 per month. It is proposed that the rate be increased to \$50 to reflect their increased value.



### Discounted Employee Permit Program

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It is proposed that the Discounted Employee Permit Program (DEPP) be offered to part-time employees of commercial, retail, and entertainment business without their own parking facility 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. The permits would be valid Monday through Friday from 5:00 a.m. to 5:00 p.m.

As originally proposed, the program would have been made available only to part-time minimum wage employees. In order to capture additional low wage earners, the proposal has been modified to allow permits for part time employees whose wage is less than \$15 per hour. This will also allow for consideration of tips that may be received by minimum wage earners.

To verify eligibility, an employee would be required to apply in person and submit the application to the City's parking operator with their driver's license, registration, current paycheck stub, and a signed employer verification form. Unpaid interns or volunteers will not be required to submit a paycheck stub. Upon verification, one permit will be issued to the applicant and valid at one designated location for the specified vehicle. The proposed DEPP location options will include the following locations:

1. Surface Lot 33 (Convention Center)
2. Surface Lot 40 (Adjacent to Previous RTA Terminal)
3. Surface Lot 50 (Previous RTA Terminal)
4. Garage 7 (Fox Entertainment Plaza)
5. Garage 2 (Orange between University & Ninth)
6. Surface Lot 3 (10th Street behind El Sarape)

The permits will be sold upon availability by location and a space cannot be guaranteed. Abuse or misuse of the permit will result in revocation of the permit.

### Short-Term Parking

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Downtown Riverside has a variety of free short-term parking available to the public with 66 short-term on-street spaces with the following designations:

1. Freight Loading Zone (yellow curb) – 24 locations
2. Green Loading Zone (green curb with time limit) – 32 locations
3. Passenger Loading Zone (white curb) – 10 locations

The green and white curb parking spaces are strategically located to accommodate short-term parkers who need to quickly patronize locations such as coffee shops and take-out restaurants. The yellow loading zones were installed to accommodate large vehicles such as those that bring supplies to the downtown businesses. The city considers requests for additional short term parking spaces on a case-by-case basis.

To further address this concern, city staff will evaluate the use of the current short-term parking

locations and consider other potential new locations to determine if any additional parking spaces may be warranted. If additional spaces are identified as needed, they would be submitted to the Transportation Board and City Council at a later date for consideration.

Additionally, there are time limited time spaces in several parking garages and surface lots with 20-minute, 1-hour, 2-hour and 3-hour parking restrictions. These spaces have been instituted over time based on specific needs at each location.

During development of the recommendations for City Council consideration, the Public Works Department received a request from City Library staff to extend the three-hour time limit for the free parking area in the Library Lot to have it end at 7:00 p.m. instead of the current end time of 5:00 pm. This free parking is intended to accommodate library visitors and extending the time will better accommodate the operational hours of the library. The proposed amendment to the rate and hour schedule includes this change.

### *Downtown Disabled Persons' Parking*

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During the City Council discussion of the parking program, comments arose regarding the need for additional Americans with Disabilities Act (ADA) compliant spaces downtown. A review of the City's surface lots and parking garages was completed and it has been verified that all facilities have the required number of ADA compliant designated disabled parking spaces that provide proper accessibility. These spaces do not have any time limits and are available on a first-come first-served basis. Due to the need to provide accessibility for the spaces, they are located at corner locations close to accessible ramps.

Additionally, in early 2015, the Public Works Department installed twenty-four (24) diagonal on-street disabled spaces to provide sidewalk accessibility in on street spaces within the public right-of-way. The spaces are in compliance with the 2010 Americans with Disabilities Act (ADA) parking ratio of number of disabled spaces to total number of spaces. The disabled parking spaces are clearly marked with both paint markings and signs. The spaces are free, un-metered spaces with no time limits. Additionally, any individual with a disabled placard may park in any metered space at no charge.



On-Street



Parking Garage

## Two-Year Implementation Plan

In order to address the stakeholder's number one key issue, which is the item of safety and security concerns, it is recommended that safety measures be implemented including contracting for security guards to patrol the facilities, installing cameras where feasible, enhancing lighting in the facilities, and posting signs indicating security patrols are occurring within and around the facility. Together, they are a common approach of improving the safety of both the users and their vehicles.

The goal to implement the security measures and other requested items will require that the parking rates be sufficient to financially support the expenditures. The rate recommendations represent a holistic approach to the management of parking and parking rate changes that will not only provide for the needs of the program but also improve the availability of parking.

The proposed two-year implementation plan includes the rate increases and enhancements that are recommended for consideration in the following table.

Proposed 2-Year Implementation Plan				
Parking Program Areas		Current	July 1, 2017	July 1, 2018
On-Street and Surface Lot Hourly Rates				
1	Justice Center	\$1.50	\$2.00	
2	Non-Justice Center	\$1.00	\$1.50	
Surface Lots				
3	Monthly Permits	\$40	\$50	
Garages				
Monthly Permits:				
	Garage 1 (Orange B/T University & Mission Inn)	\$60		\$70
	Garage 2 (Orange B/T University & 9 <sup>th</sup> )	\$60		\$70
4	Garage 3 (Behind Cal-Tower)	\$60		\$80
	Garage 4 (Ninth at Market)	\$60		\$70
	Garage 6 (Ninth at Orange)	\$60		\$70
	Garage 7 (Adjacent to Fox)	\$60		\$60
Other				
5	Discounted Employee Permit Program Day Permits 5 a.m. - 5 p.m., Mon-Fri	N/A		\$25
6	Special Events - Fee upon entry User fees implemented when expected to use 600+ spaces	N/A		\$5
Enhancements				
7	Add RTA & Greyhound lots as Temporary lots to Parking Inventory as Lots 50 & 51		\$2,000	
8	Provide Enhanced Security Services		\$75,000	\$45,000
9	Branding, Signage, Facility Maintenance		\$104,000	
10	Wayfinding, Lighting		\$45,000	\$65,000
11	Phase 1 of 3 for meter replacement			\$300,000
12	Future Years – Fund Capital Improvements such as potential new garages and Phases 2&3 for meter replacement.			\$400,000

The recommendations provide a structured plan to fund the necessary parking initiatives. The revenues from the modified rates will be used to improve the program from a maintenance aspect, overall services to the public, and enhancements as requested by stakeholders.



The downtown area is growing at a significant rate with new buildings and more events, bringing visitors to the area and affecting parking. During stakeholder meetings, the need for new parking facilities was strongly voiced to accommodate both daytime and evening parking. With the rate structure as proposed, the revenues in future years will provide some additional funding to support new parking garages, but the funding will not be enough to cover the full cost of debt service for such a facility, which would likely be approximately \$1 million per year, depending on the size of the facility.

A comprehensive marketing program will be launched with the implementation plan components to begin taking effect July 2017.

### **FISCAL IMPACT:**

As recommended, the proposed rate adjustments are anticipated to increase the Parking Fund revenue by \$303,000 in FY 17/18 and by \$411,000 in FY 18/19. This additional revenue may be partially off-set by up to \$300,000 per year due to anticipated loss of parking spaces due to development. Implementation of the proposed security, wayfinding and maintenance improvements in fiscal year 17/18 is estimated to be \$226,000 annually, which is to be funded by previously approved rates. The improvements proposed for fiscal year 18/19 are estimated to be \$411,000 and will be incorporated into the future budget for that year.

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Certified as to  
availability of funds: Scott G. Miller, PhD, Chief Financial Officer/City Treasurer  
Approved by: Al Zelinka, FAICP, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

### **Attachments:**

1. Resolution
2. Parking Rate and Hour Schedule
3. Presentation
4. Parking Strategy Executive Summary Report