



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 13, 2018

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

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

ISSUES:

Receive an update on the Public Parking Program two-year implementation plan and adopt a resolution to amend the Parking Rate and Hour Schedule to modify the end time of the parking garage evening hours of operation and update the language for clarity.

RECOMMENDATION:

That the City Council:

1. Receive an update on the Public Parking Program;
2. Approve the implementation of the following additional Strategic Parking Plan recommendations:
 - a. Replacement of the garage access and revenue systems; and
 - b. Modify the end time of parking garage evening hours of operation;
3. Discuss the strategic alternate parking program initiatives and direct the Public Works Department to analyze the strategies for future implementation; and
4. Adopt a resolution amending the Parking Rate and Hour Schedule to reflect the modified end time of parking garage evening hours of operation and update the parking rate and hour schedule language for clarity.

COMMITTEE RECOMMENDATIONS:

On June 14, 2018, the Transportation Committee with Chair Soubirous and Vice Chair Mac Arthur present, considered the Public Parking Program Two-Year Implementation Update. Following discussion, the Committee unanimously recommended to (1) receive and file the Public Parking Program Two-Year Implementation Plan update; (2) recommend that the City Council approve the implementation of the following additional recommendations: (a) replace

the garage access and revenue systems; (b) modify the end time of the parking garage evening hours of operation; and (3) forward to City Council discussion on the alternate program initiatives.

BACKGROUND:

In 2016, the Public Works Department Public Parking Services Division contracted with Dixon Resources to conduct a study and develop a comprehensive Strategic Parking Plan (Plan) that would help the City prepare for future parking needs through progressive parking strategies and to maximize the use of the existing parking supply.

The Plan outlined a phased-in approach which included 18 items related to rate increases and nine items related to parking experience enhancements. Findings and recommendations were initially presented to the City Council on January 24, 2017. City Council directed the Public Works Department to return with additional information for consideration.

On March 21, 2017, City Council reviewed the additional information and approved an alternate plan with a two-year implementation term, which included six incremental rate changes and six program enhancements over a period of two fiscal years. To date, all rate changes have been fully implemented, including the new Discounted Employee Permit Parking program. The approved enhancements encompassed safety measures and program improvements related to customer service. The items being evaluated for feasibility and affordability are lighting, wayfinding and maintenance.

DISCUSSION:

As requested by City Council, this program update is comprised of the implemented program changes and enhancements as approved. In addition, within this report, staff (1) recommends two additional Parking Plan strategies that can be implemented upon approval; and (2) presents alternative program initiatives as they were recommended in the Plan for Council's feedback and future consideration.

As a discussion point, the Committee requested staff to provide a summary of a marketing overlay between Public Parking and the Fox Performing Arts Center as well as a brief overview of the garages' use.

Lastly, the amendment of the Parking Rate and Hour Schedule will reflect the recommended program changes and updated language for clarity.

Public Parking Program Update

All the parking strategies implemented thus far have supported active management of the City's parking assets to reach program goals. The five items below are an example of the Council approved initiatives:

1. On-Street & Surface Lot Hourly Rates – The City's goal to promote turnover and make spaces available was achieved. The number of on-street parking transactions was reduced and an increase of patronage in the parking structures was recorded. The number of long-term on-street and surface lot parking was reduced and we succeeded in redirecting those parkers to appropriate parking facilities based on their intended lengths of stay. Long-term

parkers (typically employees or commuters) are now being redirected to parking structures that have less priority of serving short-term business needs, especially short-trip retail and commercial parking needs.

2. Festival of Lights (FOL) – The FOL parking fee was in effect on Friday, Saturday, and Sunday nights as of Switch-On Ceremony and throughout the duration of the event. The rate of \$5.00 pre-paid online and \$10.00 drive-up fees were announced to the businesses with the assistance of the Chamber of Commerce, Riverside Downtown Partnership (RDP) and the FOL website. The use of the pre-pay online value rate increased by approximately 35% from the previous year. This strategy proved to be successful in maximizing the use of limited spaces during another successful FOL season.
3. Security Measures – When Dixon facilitated the stakeholder public forums, one of the highest priorities was to have a visible security presence. Thus, the City entered into an agreement with Streetplus in July 2017 to provide security services in the downtown area. Streetplus personnel provide dedicated security patrols in the parking structures on selected dates during peak times. They engage pedestrians and motorists and provide them with information and directions, as needed. In addition, Parking Services has requested that Republic Parking System (RPS), the City's parking management contractor since July 1, 2018, to continue to subcontract with RDP for Downtown Ambassador patrols in the parking garages during weekdays and weekends to maximize a security presence in the parking garages.
4. Discounted Employee Permit Parking Program – The intent of this program is to provide low-income wage earners a monthly permit at the discounted rate of \$25, which is valid at a designated location between 5:00 a.m. and 5:00 p.m. Although the program has been marketed to the downtown employees, since its inception on July 1, 2018, no discounted permit applications have been submitted. The City will continue to promote this program as an option to the downtown employees.
5. Value Priced Monthly Parking Permit (based on Demand and Utilization) – The parking structures within the core of downtown did not experience a decrease in demand of monthly parking permits when the rate was increased by \$10 in Garages 1, 2, and 6 and increased by \$20 in Garage 3, which is the most utilized, thus the premium rate. Although we succeeded to incentivize parkers to utilize Garage 7 with no rate changes, the demand for Garage 3 increased. In fact, the waiting list for Garage 3 increased to 167 names from 151, which is an increase of 16 names since the Plan was published in 2016. The demand for monthly parking permits in both Garages 7 and 3 was affected by the closure of Lot 42 for the Stalder project, which had 91 parking spaces and nearly 40 monthly permit holders. The increase of monthly parking permit holders and the Food Lab opening changed the parking dynamics in Garage 7. Therefore, as more data is collected and measured, consideration of program adjustments as a response to these changing conditions will increase the efficiency of the limited parking spaces.

Part of the assumptions factored into the 2016 Strategic Parking Plan included public parking spaces available (inventory) to remain constant - 1,607 parking garage spaces, 1,188 surface lot spaces and 1,030 on-street metered spaces. Thus, initial revenue estimates were prepared with unchanging number of spaces available. Since the March 2017 Council meeting, the parking inventory has been reduced by 179 spaces, from 3,825 to 3,646, a 5% reduction due to downtown development. Additionally, the Public Works Department has become aware of the

potential elimination of more existing public parking spaces due to proposed future development.

If all of the proposed future development projects occur, it will result in the elimination of over 900 spaces, a decrease of 26% from current available parking inventory. The financial impact would be a reduction in annual net revenue of \$360,000. Therefore, the feasibility of implementing enhancements previously approved in a timely manner is being reevaluated as the Public Parking Fund's budget will be affected by the loss of 900 parking spaces.

Additional Plan Recommendations

Public Works recommends the following actions to continue to improve the customers' experience when visiting downtown Riverside:

Replacement of the garage access and revenue systems

The parking entry and exit system referred to as the access and revenue control equipment in the parking garages was installed in 2012 and the Federal ADP products are now obsolete. The company that manufactured the parking products announced their decision to close its parking manufacturing operation in late 2014. This system is comprised of the parking garage gates (arm), cashiering and reporting system.

The cashiering equipment that processed credit card payments stopped receiving updates and it is no longer compliant with payment card industry standards. Thus, external credit card payment terminals were purchased in late 2016 until a replacement system could be installed. In addition, as the equipment ages it is experiencing more frequent break downs and it has been extremely challenging to find parts and services to keep the system operational affecting our ability to provide a positive customer experience.

New technologies available allow for pay-on-exit capabilities and allow alternative payment options such as mobile payments, merchant validation, special event rates, and discount/promo codes. This technology reduces the exit time when there is a mass exodus of patrons at the end of the work day or after a special event, such as a live event being released from the Fox Performing Arts Center. The estimated cost to replace aging, obsolete equipment is approximately \$230,000 per garage.

Modify the end time of parking garage evening hours of operation

The current hours of operation for the evening rate of \$5.00 per entry at all parking garages are from 9:00 p.m. to 3:00 a.m. on Thursdays, Fridays and Saturdays.

To support cost saving measures, staff recommends changing the evening rate hours of operation to end at 1:00 a.m. instead of 3:00 a.m. due to the limited number of entries into the parking garages after 1:00 a.m. Statistics indicate that the garages have an average of approximately 11 vehicles per hour entering to park during the last two hours. The City would save personnel costs spent on attendants staffing the entrance of the facilities by changing the evening operation hours end time from 3:00 a.m. to 1:00 a.m. After that hour, most of the activity in the garages is related to departures when Streetplus security staff and RDP Ambassadors are to be actively monitoring the facilities.

July 2018 – Vehicle Entries at All Parking Garages by Day (Average)			
Hours Captured	Thursday	Friday	Saturday
1am – 2am	8	15	16
2am – 3am	6	9	10

The proposed modification of the evening rate hours of operation requires an amendment of the Parking Rate and Hour Schedule.

Alternate Program Initiatives to Explore

To continually further the goals of the public parking program and in response to the changing conditions downtown, Public Works recommends the following strategic planning alternate parking program initiatives. Due to the complexity of these initiatives, with City Council's guidance, these items can be individually analyzed and assessed for future implementation.

1. Extend the hours of operation in the parking garages. Because the metered hours of operation end time is currently set to 5:00 p.m., the public utilizes those spaces as they drive into downtown after 5:00 p.m. Once those spaces are all occupied, the vehicles then enter the parking facilities as parking is free after 5:00 p.m. The current operating hours are such that it leaves many opportunities to avoid paying for parking in downtown Riverside, increasing occupancy at high demand times. In turn, this creates an operational impact due to parking inventory reductions and the volume of vehicles entering the facilities while not effectively managing potential revenue opportunities.
2. Continue to allocate the sale proceeds of the parking facilities' to the Public Parking Fund to compensate for lost assets' revenues. However, with the demand for downtown parking increasing, proceeds need to be sufficient to make up for the long-term impacts of permanently eliminating annual parking revenue streams.
3. Review the parking fine base amount as recommended in the Plan. In 1990, the parking fine amount was set to \$25 and with pass-through cost, the average citation amount for the City of Riverside is currently \$41. A brief survey of 15 municipalities in the area reflects that the average citation amount among the agencies is \$52 (Exhibit 1). With the City Council's support, staff will survey additional municipalities and report back with recommendations for any proposed fee changes.
4. Assess a surcharge on new development that replaces parking facilities. A study to assess the surcharge of lost parking revenues should be conducted to assign a cost to each parking space removed from inventory. Funds received from surcharges would be used to identify and construct new parking facilities. In lieu of a surcharge, the developer could be required to provide replacement parking facilities in exchange for new development.
5. Implementing a demand responsive rate structure in the parking garages based on location and occupancy will provide value rate pricing in underutilized facilities and premium rates in the facilities with high occupancy. Applying this strategy will help to disperse the vehicles into the underutilized facilities, thus promoting the other garages for future use. For example, during the Festival of Lights or during the evening rate hours of operation, the facilities within the downtown core that experience a high occupancy would have a premium value for a parking space in the highest demand area.

Transportation Committee Inquiries

The Transportation Committee members recommended that Public Works provide additional information regarding the following items:

1. Marketing overlay with the Fox Performing Arts Center – Live Nation, Inc. operates the Fox Performing Arts Center by scheduling events in the 1,600 seat theater. The tickets for event shows are sold through Ticketmaster and prior to each event Live Nation sends an email to all ticketholders to provide information regarding parking and other events that may impact the Fox Performing Arts Center attendees' experience. When customers purchase event tickets at the box office, the customer will be provided downtown parking information to ensure all attendees are aware of their parking options. Lastly, RPS is creating a website allowing the visitor to browse for nearby parking facilities based on the downtown attraction. With these combined efforts, the seamless experience of those attending events at the Fox Performing Arts Center will result in positive social media postings encouraging others to visit downtown.
2. The purpose of the downtown visitors is difficult to determine as there are multiple options when visiting downtown Riverside. Nevertheless, parking behaviors indicate that drivers seek the closest facility to their final destination. Therefore, staff analyzed July 2018 parking activity during the peak evening parking hours by facility. The actual data shows a majority of the vehicles entered the garages between the hours of 7:00 p.m. and 8:00 p.m., which may indicate downtown visitors arriving to dine.

July 2018 – Vehicle Entries at All Parking Garages by Day (Actuals)			
Hours Captured	Thursday	Friday	Saturday
6pm-7pm	225	281	377
7pm-8pm	416	474	506
8pm-9pm	279	393	364
*9pm-10pm	128	266	338
10pm-11pm	107	322	462
11pm-12am	122	356	487
12am-1am ¹	67	180	268
Total Vehicles	1,344	2,272	2,802

*Start of the \$5 upon entry parking fee. 1. Table reflects the proposed end hour of 1:00 a.m.

In analyzing the parking weekend volume, each Saturday evening in July brought on average, over 700 vehicles into the five parking structures, reaching 45% occupancy of the total available garage parking spaces (Exhibit 2). Furthermore, on average, Garages 1 and 2 experienced the most use of all the garages. Considering that these two facilities have a combined 325 total number of parking spaces and together, they accommodated over 468 vehicles on a typical Saturday evening in July. While in contrast, a short distance away, Garage 6 with 538 parking spaces received on average, 38 vehicles on a typical Saturday evening.

With this data, we can determine the high demand times of the public parking facilities and evaluate when the City can benefit from a demand responsive rate structure to help distribute parkers into the underutilized facilities.

Parking Rate and Hour Schedule

The proposed changes to the end time of the evening rate is reflected in the Parking Rate and Hour Schedule. In addition, as an administrative clean up related to updated language, it is recommended the City Council amend Resolution No. 21322 as follows:

1. Remove the different effective dates reflecting phased-in rates to make it easy to read;
2. Clarify that the monthly and reserved permits are valid Monday through Friday;
3. Clarify that the Discounted Employee Permit Parking Program permit is valid Monday through Friday;
4. Add an effective move-in date for residents who are eligible to receive a downtown residential permit;
5. Remove incorrect meter times of operation; and
6. Update all of the meter hourly rates for consistency throughout the document.

FISCAL IMPACT:

The fiscal impact of the additional Plan recommendations include the estimated cost of \$230,000 per garage to replace the garage access and revenue equipment. However, this action will require staff to prepare and release a request for proposal for competitive bidding and will be brought back to City Council to award the project.

Modifying the parking garage evening hours of operations to end at 1:00 a.m. instead of 3:00 a.m. would result in approximately \$28,000 in annual savings.

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availability of funds: Edward Enriquez, Interim Chief Financial Officer/Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Concurs with;



Mike Soubrious, Chair
Transportation Committee

Attachments:

1. Exhibit 1 – Survey of Parking Citation Amount
2. Exhibit 2 – Graphs of Average Occupancy in the Garages by Evening
3. Schedule
4. Downtown Parking Map
5. Resolution
6. Presentation