

Land Use/Sustainability/ Resilience Committee

City of Arts & Innovation

TO: LAND USE / SUSTAINABILITY/ RESILIENCE COMMITTEE MEMBERS DATE: JULY 13, 2020

FROM: PUBLIC WORKS DEPARTMENT WARD: 1

SUBJECT: PUBLIC PARKING PROGRAM – REVIEW OF THE PUBLIC PARKING FUND AND CONSIDERATION OF A PARKING ECOSYSTEM SUSTAINABILITY PLAN FOR IMPROVEMENTS AND RATE ADJUSTMENTS– DIRECT SUBMITTAL

ISSUE:

Receive an update on the Public Parking Program; review the Public Parking Fund; and recommend that the City Council approve a Parking Ecosystem Sustainability Plan to improve the program, adopt rate changes, review hours of operation, and ensure its sustainability.

RECOMMENDATIONS:

That the Land Use/Sustainability/Resilience Committee:

1. Receive and file the Public Parking Program update; and
2. Recommend that the City Council approve the Parking Ecosystem Sustainability Plan to include program improvements and rate changes.

COMMITTEE RECOMMENDATIONS:

On June 13, 2019, the Transportation Committee considered the Public Parking Program Improvement report. Following discussion, Councilmember Gardner and Vice Chair MacArthur directed staff to return within 12 months with an update on parking technology solutions and to consider alternate parking program initiatives to (a) extend the hours of operation in the parking garages; and (b) implement a demand responsive rate structure in the parking garages.

BACKGROUND:

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

On January 24, 2017, the City Council received a report on a comprehensive SPP that detailed

recommendations to help the City prepare for future parking needs through progressive parking strategies. The goal of the SPP was to maximize the occupancy of existing and future parking supply. 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.

Since then, staff has provided City Council and the Transportation Committee with several program updates such as: data demonstrating how parking operations are impacted by downtown growth, the operational challenges and customer impacts caused by the technologically outdated parking equipment, the struggle to fund much-needed intelligent solutions, and recommendations to pursue strategies that will result in the program's financial sustainability.

DISCUSSION:

The goals of the Public Parking Program are to create an ecosystem where assets are managed effectively, intelligent technologies contribute to mobility and accessibility, identify short and long term goals for the parking system, and adopt best practices to improve operations and facilities to improve the customer experience and best serve local businesses. Because parking impacts the business, residential, and retail communities, parking management requires careful balancing of policy programs, such as Smart City initiatives, land use, economic development, and mobility to address the goals of stakeholders, including merchants, residents, visitors, employees, and city management.

In the City of Riverside, staff adopted SPP strategies within the Downtown to meet the needs and goals of stakeholders. For example, parking garage rates were lower compared to on-street parking meters, to provide turn over at the curb and incentivize long term parking in the parking structures. As such, when program components complement one another and when adjustments are made with a holistic approach, the parking management strategy has positive results in multiple program areas.

Although the approved SPP strategies made positive short-term impacts, the parking program faces challenges to reach maximum efficiency and long-term solvency.

This report is comprised of the program's current financial conditions with an analysis of the Public Parking Fund, discussion of the critical infrastructure needs, recommendations for a Parking Ecosystem Sustainability Plan (PESP), and a letter from Raincross Group Riverside with recommendations for the Public Parking Program to make facility and operational improvements (Attachment 3).

Public Parking Fund Analysis

The Public Parking Fund includes revenues and expenses related to two primary functions: 1) public parking operations encompassing the garages, surface lots and on-street spaces, and 2) enforcement. As it relates to public parking operations, during Fiscal Year 2018-19, one full year after the rate changes were implemented, the fund realized a net gain.

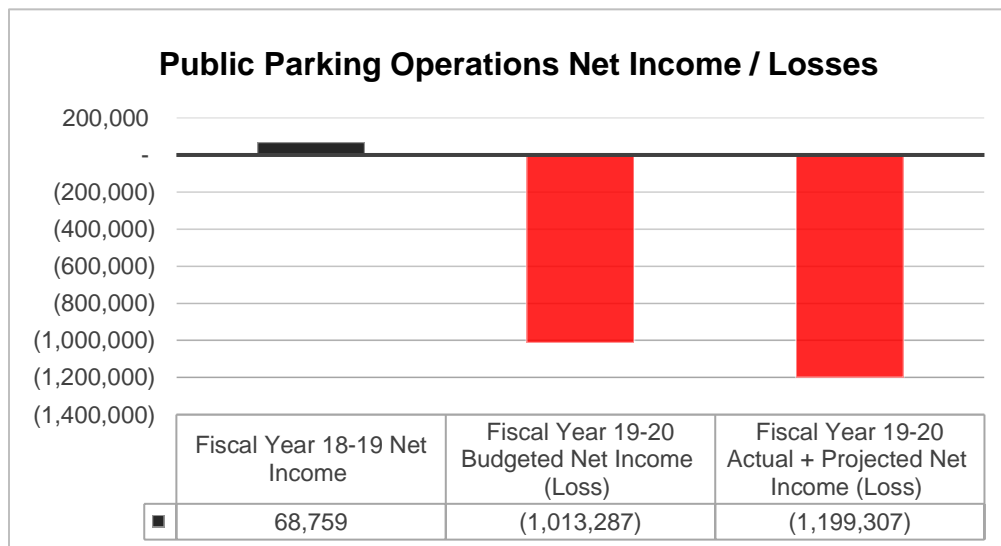
As shown below, the table for Fiscal Year 2018-19 indicates that parking operations had an overall net income gain of \$68,759.

Fiscal Year 2018-19 Parking Operations Actual Net Income (Loss)			
Type	Actual Revenues	Actual Expenses	Net Income (Loss)
Garages	\$2,798,686	\$4,054,674	\$(1,255,988)
Meters	1,391,470	304,727	1,086,742
Lots	558,452	320,448	238,004
TOTAL	\$4,748,608	\$4,679,849	\$68,759

COVID-19 & Projected Fiscal Year 2019-20 Financials

Parking revenues have declined sharply due to the stay at home order instituted as a result of the COVID-19 pandemic, compounding existing fiscal challenges in the Public Parking Fund. Parking operations ceased immediately in mid-March forcing the majority of attendants to adhere to the stay at home order and reducing garage operations to only safety related concerns (i.e. sanitizing elevators, litter removal, cleaning handrails, etc.). The fund operates on a very narrow margin, and partial use of fund reserves have been allocated for critical capital projects, equipment upgrades, maintenance, and repairs.

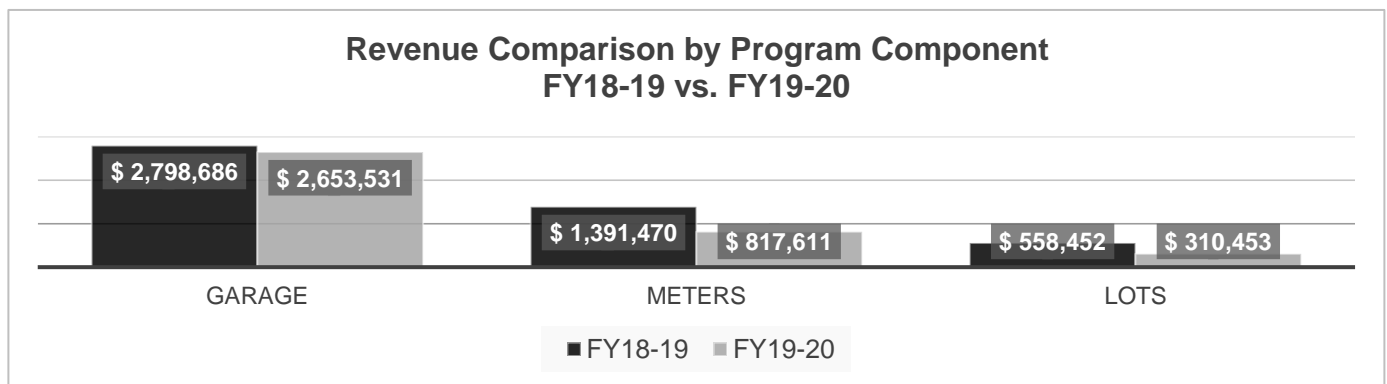
For Fiscal Year 2019-20, parking operations was projected to have a net income loss of \$(1,013,287); however, due to COVID-19 the losses through June 30, 2020 are projected at \$(1,199,307) or an increase of \$(186,020), placing an increased financial burden on the program. Below is a graphical representation of the net income loss due to COVID-19.



The table below is a breakdown of Fiscal Year 2019-20 parking operations through May 31, 2020 by Garages, Meters and Lots. Due to COVID-19, all three areas were negatively impacted since mid-March and will continue to be impacted until operations and user activity has a semblance of normalcy.

Fiscal Year 2019-20 Parking Operations Actual and Projected Net Income (Loss)			
Type	Actual + Projected Revenues	Actual + Projected Expenses	Actual + Projected Net Income (Loss)
Garages	\$2,653,531	\$3,749,253	\$(1,095,722)
Meters	817,611	803,554	14,057
Lots	310,453	428,096	(117,643)
TOTAL	\$3,781,596	\$4,980,903	\$(1,199,307)

The graph below compares the revenue impact COVID-19 has had on the parking operations from Fiscal Year 2018-19 to Fiscal Year 2019-20.



Revenue projections were on track for Fiscal Year 2019-20 before the COVID-19 stay at home order impacted operations. Without the pandemic and assuming parking operations performed similarly to the last quarter of Fiscal Year 2018-19, then the actual net income loss would have been \$(234,748). The table below displays the projected net income loss without COVID-19.

Fiscal Year 2019-20 Parking Operations w/o COVID-19 Actual and Projected Net Income (Loss)			
Type	Actual + Projected Revenues	Actual + Projected Expenses	Actual + Projected Net Income (Loss)
Garages	\$2,998,657	\$3,748,653	\$(749,997)
Meters	1,319,604	803,554	516,050
Lots	427,294	428,096	(801)
TOTAL	\$4,745,555	\$4,980,303	\$(234,748)

In summary, as a result of the COVID-19 pandemic and stay at home order, parking operations for Fiscal Year 2019-20 may post a net income loss of \$(1,199,307), which will require the use of fund reserves. The Public Parking Working Capital for Fund (570) is anticipated to be \$1,322,852 at the end of Fiscal Year 2019-20.

Critical Infrastructure Needs

The Public Parking Program has an inventory of five parking garages, 14 surface parking lots, and 1,014 on-street parking spaces (see Attachment 2 for a parking facilities map). These parking assets provide a limited number of spaces that turnover thousands of vehicles throughout the year. With constant demand and an expanding economy, the Public Works Department has to modernize aging infrastructure and deploy smart technology to maximize use and return on investment. The program's infrastructure is made up of the capital equipment and physical structures required to run the program smoothly and maximize operations. To keep the program running efficiently and create a robust parking ecosystem, the priority infrastructure needs are as follows:

1. 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.

As time passes, equipment is breaking down more frequently and repair costs are increasing, or replacement parts are harder to secure. The fee computers and mainframe are having major issues and we are told the system is no longer licensed. The system was shut off to raise the gates for COVID-19, which caused the system to stop processing and storing occupancy and financial data. To get the systems up and running after being reset, it seems to be malfunctioning and will require the attendants to manually settle each customer's ticket upon exit.

The approximate cost to replace the system in the five garages is \$2,000,000, which includes a 10% contingency should City Council approve it.

2. Replacement of 157 Single-Space Meters

In 2009, the City awarded an agreement for the purchase of 157 single-space meters and the units were installed in early 2010. Although these meters are still functioning with 2G modems, the cellular service providers may only support 2G communications through the end of 2021. Telecommunication or coverage failures may prevent mobile application payments and prompt officers to issue unwarranted citations. In addition, the 2G modems are considered old technology and the manufacturer no longer supports or provides replacements. Per the manufacturer, the units have reached their end-of-useful-life and should be replaced.

To have a consistent on-street system, the spaces with single-space meters can be converted to multi-space pay station parking spaces. This would eliminate the single-space meters and instead, there would be approximately 22 multi-space pay stations and signs promoting touchless payments. The cost to purchase 22 multi-space pay stations is approximately \$194,000, including sales tax.

3. Deferred Maintenance of Parking Garages

The five parking garages range in age from 7 to 59 years and there is a significant amount of deferred maintenance, particularly in Garages 1 and 2. The parking garages should be inspected for concrete deterioration that affect the concrete durability, such as water intrusion. Over time, water intrusion triggers the steel in the concrete to corrode causing spalling and delamination that create trip and fall hazards.

Both parking facilities on Orange Street, Garage 1 located between Mission Inn Avenue and University Avenue, and Garage 2 located between University Avenue and Ninth Street, were



built in 1961 and constructed using cast-in-place post-tensioned concrete slabs and beams. With aging, the concrete in Garages 1 and 2 has deteriorated. Although the facilities have been inspected and deemed safe to keep operational, they need additional structural repairs that include girder reinforcement and at least one post-tension tendon replacement. The cost of these repairs is approximately \$650,000.

The photo taken by IDS Group shows an exposed tendon anchor in Garage 1.

The remaining three garages are made of concrete and to maximize their useful life, maintenance strategies need to be implemented. All facilities have a typical deterioration process where the infrastructure moves within three phases: 1) Preventative Maintenance Phase, 2) Repair Phase, and 3) Replacement Phase. With written plans and procedures to ensure proper long-term maintenance and strategies, the City can maximize the benefits of the infrastructure and ensure the facilities perform as expected. At this time, the City does not have the staff to perform infrastructure inspections and it would be prudent to bid for an experienced contractor to provide an infrastructure plan that will result in a direct return on investment.

These top three critical infrastructure needs would help modernize the program and address immediate needs. The technology infrastructure needs to be upgraded to smart technologies that promote touchless payments, communicate with digital wayfinding technology, and can be integrated with other intelligent mobility technologies to create the robust parking ecosystem our downtown deserves.

The most recent action towards moving the program into smart technologies was the award of an agreement on May 6, 2020, for the replacement of on-street multi-space pay stations that have reached their end of useful life. The machines were no longer supported by the manufacturer and could no longer process credit card payments in a secure manner. This technology replacement project is fully funded by the Public Parking Fund's working capital.

Other unfunded program enhancements include LED lighting retrofit, digital wayfinding, and car count signs at garage entrances.

Parking Ecosystem Sustainability Plan (PESP)

The SPP recommended that the City aim to achieve a financial sustainable parking program in order to address deferred maintenance, capital purchases, and construct another parking garage.

Dixon suggested that the City start by implementing rate adjustments, develop consistent pricing and rate increases for parking permits, and standardize the programs' parking operation policies to establish consistency. As a result, the City Council approved a two-year implementation of strategies and rates in March 2017.

The two-year implementation plan was intended to implement six parking strategies with well-communicated incremental rate changes over a two-year period. After the two-year period, it was clear the program's financial performance was insufficient to realize all the requested enhancements, cover the costs of the increasing operational costs, and plan for infrastructure investment. In recognition of this status, the Transportation Committee asked the Public Works Department to return within one-year to consider alternate parking strategies.

Approach & Methodology

The goal of the PESP is to apply parking management strategies with a holistic approach to each adjustment, much like a healthy ecosystem. Tactfully integrating strategies in individual program areas that will work together with other program components to create a synergy that effectively manages parking and mobility, while simultaneously fulfilling the critical needs and enhancements needed to improve the users' experience. Before detailing the strategies, one must understand driver and human behavior as it relates to finding a parking space.

Drivers typically seek to park at the most convenient space closest to their destination, even if it requires circling. In many areas of the City, parking opportunities serve competing interests for varying users including employers, employees, residents, and visitors going to the same general area. Once parked in a high-demand zone, pattern and behavior demonstrate there are no incentives to move the vehicle, or to park elsewhere when parking is free. This natural human behavior reduces access to high-demand parking spaces, meanwhile more vehicles are driving in circles searching for available free parking spaces. This type of behavior contributes to an inefficient system which creates congestion, increases safety concerns, contributes towards motorist frustration, and contributes towards increased emissions/pollution. Thus, parking management strategies are used to adjust driver behavior to effectively maximize limited spaces and provide a more pleasant experience to the public.

Parking Strategies

The below strategies will allow drivers to park quicker, reduce congestion, cause less distractions, reduce the likelihood of injury or harm to pedestrians and bicyclists, and improve utilization.

1. Demand-Based Pricing

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 is a method of utilizing market pricing principles to enhance conditions by dispersing vehicles into underutilized facilities. As displayed in the example table below, parking facilities within the downtown core, during the Festival of Lights season or during the evening rate hours of operation, that experience a high occupancy would have a premium value for a parking space in the highest demand area.

2019 - Festival of Lights Vehicles in Public Parking Garages								
Garage	Capacity	Opening Weekend	Dec. 5-8	Dec. 12-15	Dec. 19-22	Dec. 26-29	Total Vehicles	Average Turn Over Rate Per Space
G1	170	531	778	725	861	781	3,676	22
G2	155	565	569	661	568	512	2,875	19
G3	292	909	938	1,149	1,172	962	5,130	18
G6	538	747	397	862	1,012	467	3,485	6
G7	397	962	909	896	721	731	4,218	11
Total	1,552	3,713	3,591	4,292	4,334	3,453	19,383	15

Demand-based pricing is a tool for managing on-street parking spaces. These spaces are a premium asset that can be used by businesses to comply with social distancing requirements and will soon begin to be converted into parklets. As such, the demand for the remaining spaces will increase causing cars to circle for a limited number of on-street spaces, if the spaces are free. However, by implementing a rate increase sizeable enough, it will affect the behavior sought, which is reduce the number of vehicles circling near parklets and will allow restaurant patrons to enjoy the downtown experience without delay.

To achieve program goals, demand-based pricing is reliant upon hours of operation.

2. Hours of Operation

The current operating hours leave many opportunities to avoid paying for parking in downtown, increasing occupancy at high demand areas and times. To begin gauging parking usage, we review the hours of operation end time at meters and garages, which is currently set to 5:00 p.m. on weekdays.

On-street spaces are always the first to be used, and vehicles then enter the closest parking facilities to find that parking which is also free after 5:00 p.m. Although we prefer long-term parkers in the garages, free parking in the facility will likely result in the facility reaching maximum capacity. The circling behavior is carried into the closest garage as drivers continue to seek the closest and most convenient space to their destination. Consequently, the on-street spaces are full, the closest garages to main attractions or entertainment venues are also full, and in combination with free parking, there is no incentive for vehicle turnover at the peak of parking demand.

The strategy is to combine the demand-based pricing with hours of operations. By implementing these strategies in unison at both the on-street and off-street parking facilities, parking availability will improve. The volume of vehicles will enter underutilized facilities, reducing congestion in high-demand areas while capturing potential revenue opportunities.

3. Maximize Limited Space

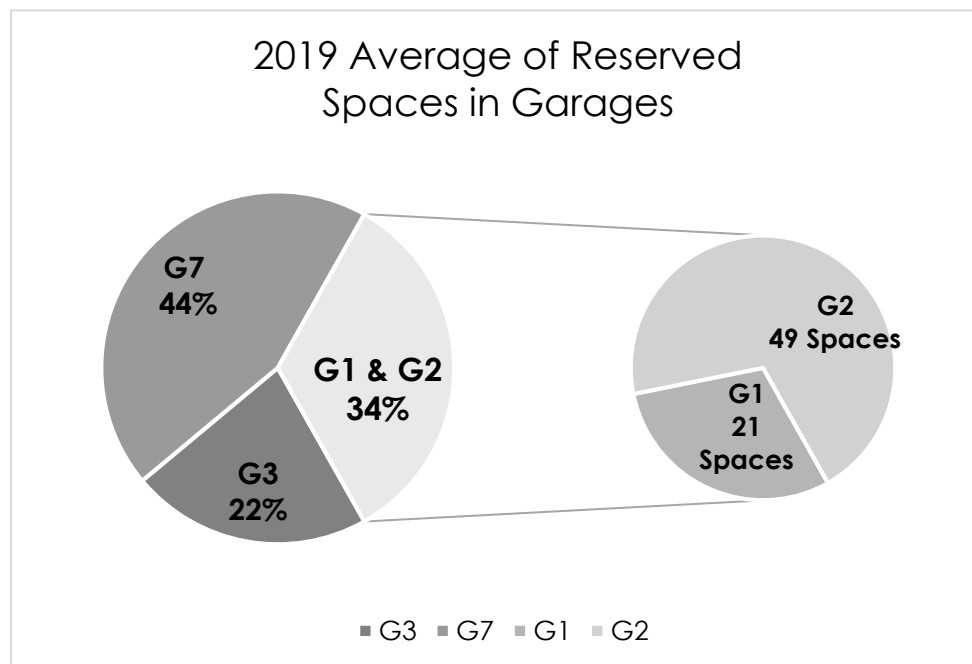
The SPP provided recommendations to maximize efficiency and effectiveness of the existing and future parking supply. The SPP also included solutions addressing feedback received at stakeholder meetings, including concerns related to Garages 1 and 2. Despite their limited supply, age, and high occupancy, they were referred to as primary parking locations. Today, these facilities continue to be the most consistently occupied due to their convenient location.

To discuss the high demand in Garages 1 and 2, we will analyze the Reserved parking spaces in these facilities. Currently, customers can purchase a Reserved parking space in Garages

Garage	Total Spaces	Average Reserved
G1 (b/w Mission Inn & University)	170	21
G2 (Across Post Office)	155	49
G3 (CalTower)	292	46
G7 (Fox)	397	92

1, 2, 3, and 7. The Reserved parking spaces are \$135 per month and are valid Monday-Friday from 5:00 a.m. to 6:00 p.m., whether the customer needs the space or not, the space is earmarked for that customer only. The customer has a guaranteed empty space on the first couple of levels, and if it is occupied by another vehicle, the customer calls for parking enforcement to issue a citation. The average monthly rate for all other spaces at the daily maximum would be \$160, and the customer would have to travel through the facility to find an available space.

Garage 1 has a capacity of 170 spaces and Garage 2 has a capacity of 155 spaces and combined they accommodate 34% of the total Reserved parking spaces.



To maximize the use of limited space, the SPP recommended the City eliminate the limited use Reserved parking spaces as they tie up spaces that could turnover and be shared by multiple customers. The strategy is to reduce the number of Reserved parking spaces through attrition by charging more than the daily maximum for a premium reserved space.

Rates

The last rate increase was approved by City Council in 2017, which was the first adjustment since 2010. The adopted two-year implementation plan approved rate increases in different program areas. The initial rate increase was effective July 1, 2017 and the subsequent rate increases took effect on July 1, 2018. The rate increases impacted six separate program areas have not seen changes between two to three years. However, in the same span of time, our downtown

environment has dramatically changed with increased retail, hotel, and residential development placing new and increased parking demand on existing facilities.

This proposed PESP includes three years of incremental rates addressing all three strategies with annual adjustments to bring the parking program into a strong financial position that will ultimately contribute towards a vibrant and healthy downtown.

Strategy 1 Demand Based Pricing			
Description:	1.1 Demand responsive pricing for Festival of Lights - by proximity to Mission Inn		
	1.2 Parking Hours of Operation for Festival of Lights extended to include parking lots		
January 1, 2021 (Phase 1)		January 1, 2022 (Phase 2)	January 1, 2023 (Phase 3)
Garages Flat Entrance Fee Thurs & Fri 7p.m. – 1a.m. Sat & Sun 11a.m. – 1a.m. G1 & G3 – \$20 G7 – \$15 G2 & G6 – \$10 Prepaid by 10/1: \$10 Prepaid by 11/14: \$5 Parking Lots - \$10		Garages Flat Entrance Fee Thurs & Fri 7p.m. – 1a.m. Sat & Sun 11a.m. – 1a.m. G1 & G3 – \$25 G7 – \$20 G2 – \$15 G6 – \$10 Prepaid by 10/1: \$10 Prepaid by 11/14: \$10 Parking Lots - \$15	Garages Flat Entrance Fee Thurs & Fri 7p.m. – 1a.m. Sat & Sun 11a.m. – 1a.m. G1 & G3 – \$30 G7 – \$25 G2 – \$20 G6 – \$15 Prepaid by 10/1: \$10 Prepaid by 11/14: \$15 Parking Lots - \$15
Description:	1.3 Incremental daily rate increase in all facilities		
	1.4 Create premium and value rates at facilities based on demand		
January 1, 2021		January 1, 2022	January 1, 2023
All Garages - \$12 Daily Max Daily/ \$10 Flat Rate - vehicles entering from 8 p.m. to 1 a.m.		All Garages - \$16 Daily Max Daily/ \$10 Flat Rate - vehicles entering from 8 p.m. to 1 a.m.	G2 & G6 - \$16 Daily Max G1, G3 & G7 - \$20 Daily Max Daily/ \$12 Flat Rate - vehicles entering from 8 p.m. to 1 a.m.
Description:	1.5 Reduce Daytime Weekday Monthly Parking Permit waiting list		
	1.6 Introduce Nighttime Weekday Monthly Parking Permit		
January 1, 2021		January 1, 2022	January 1, 2023
G1, G2, G6, & G7- \$105 G3 - \$120 Lots - \$85 Daytime Permit: Valid 6 a.m. to 6 p.m. Nighttime Permit: Valid 6 p.m. to 6 a.m.		G2, G6, & G7- \$130 G1 & G3 - \$160 Lots - \$110 Daytime Permit: Valid 6 a.m. to 6 p.m. Nighttime Permit: Valid 6 p.m. to 6 a.m.	G2, G6, & G7- \$160 G1 & G3 - \$190 Lots - \$110 Daytime Permit: Valid 6 a.m. to 6 p.m. Nighttime Permit: Valid 6 p.m. to 6 a.m.
Description:	1.7 Introduce a weekend daytime and weekend nighttime monthly permit		
January 1, 2021		January 1, 2022	January 1, 2023
Weekend Day Permit Saturday & Sunday 6 a.m. to 6 p.m. G3 - \$58 All other garages - \$48 Weekend Night Permit Friday 6 p.m. to Monday 6 a.m. All garages \$72		Weekend Day Permit Saturday & Sunday 6 a.m. to 6 p.m. G1 & G3 - \$95 All other garages - \$75 Weekend Night Permit Friday 6 p.m. to Monday 6 a.m. All garages \$116	Weekend Day Permit Saturday & Sunday 6 a.m. to 6 p.m. G1 & G3 - \$120 All other garages - \$95 Weekend Night Permit Friday 6 p.m. to Monday 6 a.m. All garages \$144

Strategy 2 Hours of Operation			
Description:		2.1 Implement consistent hours of operation in the City's garages	
January 1, 2021 (Phase 1)		January 1, 2022 (Phase 2)	January 1, 2023 (Phase 3)
All Garages Monday – Friday Hourly Rates or Daily Max for entry between 7a.m. – 1a.m. Saturday – Sunday Hourly Rates or Daily Max for entry between 11a.m. – 1a.m.		Hourly rates or Daily Max charged 24/7 upon installation of smart parking access revenue control systems	No Change
Description:		2.2 Eliminate public confusion during weekend events as to whether City will charge in garages	
January 1, 2021		January 1, 2022	January 1, 2023
Saturday & Sunday Hourly rate or Daily Max for entry between 11 a.m. - 1 a.m. Daily/ \$10 Flat Rate 8 p.m. to 1 a.m.		Hourly rate or Daily Max 24/7 upon installation of smart parking access revenue control systems	No Change
Description:		2.3 Induce turnover at on-street spaces and surface lots	
January 1, 2021		January 1, 2022	January 1, 2023
Monday through Saturday 7 a.m. to 8 p.m. Except City Holidays		No Change	Monday through Saturday, 7 a.m. to 10 p.m. Except City Holidays
Strategy 3 Maximize Limited Space			
Description:		3.1 Decrease the number of Reserved parking spaces through attrition	
January 1, 2021 (Phase 1)		January 1, 2022 (Phase 2)	January 1, 2023 (Phase 3)
Garages and Surface Lots Reserved Rate \$205/month		Garages and Surface Lots Reserved Rate \$320/month	Garages and Surface Lots Reserved Rate \$400/month
Description:		3.2 Phase out Free Parking	
January 1, 2021		January 1, 2022	January 1, 2023
Free for first 60 minutes; and then subject to Hourly rates up to the Daily Max Daily/ \$10 Flat Rate - vehicles entering from 8 p.m. to 1 a.m.		Free for first 30 minutes; and then subject to Hourly rates up to the Daily Max Daily/ \$10 Flat Rate - vehicles entering from 8 p.m. to 1 a.m.	Hourly rates up to the Daily Max Daily/ \$12 Flat Rate – vehicles entering from 8 p.m. to 1 a.m.

The PESP components present an opportunity to address the critical infrastructure needs, strategies to improve customer service, support future development, and improve financial performance.

Program enhancements include LED lighting retrofit of the garages, digital wayfinding, car count signs, integration with mobile applications, 24-hour security patrols, and an updated strategic parking plan to continue to support future development growth.

Raincross Group Riverside

The Raincross Group's primary goal is to help Riverside remain a vibrant city spearheaded by effective leaders. They aim to be a catalyst for positive change and will collaborate to formulate community goals and plans and provide input on items that affect the city. As such, the Raincross Group Riverside submitted a letter (Attachment 3) with recommendations for improvements and changes to the public parking program as it pertains to downtown parking.

FISCAL IMPACT:

The approval of the Parking Ecosystem Sustainability Plan as recommended will provide fund stability and enough working capital over the long term.

Projected PESP Financial Impact	January 1, 2021 (Phase 1)	January 1, 2022 (Phase 2)	January 1, 2023 (Phase 3)
Revenues ¹	\$6,990,000	\$7,591,000	\$9,047,000
Expenses ²	\$3,536,000	\$1,413,000	\$1,509,000
Projected Net Revenues	\$3,454,000	\$6,178,000	\$7,538,000

¹Revenues in Phase 2 assume the parking garage smart system is installed by January 1, 2022 to allow for a 24-hour operation.

²Expenses in Phase 1 includes the projected \$2,000,000 cost of the parking garage smart system and \$194,000 for meter replacement project.

As the revenues are realized, with City Council approval, the critical infrastructure needs of the program will be procured, and a distribution model will be established for the anticipated revenue stream. The SPP recommended an allocation of 50% to fund future parking developments, 25% for enhancements, and 25% to support the existing operation.

Prepared by: Kris Martinez, Public Works Director
 Certified as to
 availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
 Approved by: Rafael Guzman, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Presentation
2. Downtown Parking Facilities Map
3. Raincross Group Riverside Letter