



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 3, 2020

FROM: PUBLIC WORKS DEPARTMENT WARD: 1

SUBJECT: THIRD AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF RIVERSIDE TO REDUCE THE USE OF PARKING SPACES FROM 200 TO 175, INCLUDING CANCELLATION PROVISIONS, AND EXTENDING THE PARKING LEASE TERMS IN GARAGE 6 (ORANGE SQUARE) TO JUNE 30, 2025

ISSUE:

Approve the Third Amendment to the Memorandum of Understanding with the County of Riverside to reduce the use of parking spaces from 200 to 175, including cancellation provisions, and extending the parking lease in Garage 6 (Orange Square) at 3901 Orange Street until June 30, 2025.

RECOMMENDATIONS:

That the City Council:

1. Approve the Third Amendment to the Memorandum of Understanding between the City of Riverside and the County of Riverside to reduce the use of parking spaces from 200 to 175, including cancellation provisions and extending the parking lease terms in Garage 6 at 3901 Orange Street until June 30, 2025; and
2. Authorize the City Manager, or his designee, to execute the Third Amendment to the Memorandum of Understanding with the County of Riverside including making minor and non-substantive changes.

BACKGROUND:

On May 24, 2011, the City Council approved the Memorandum of Understanding (MOU) with the County of Riverside (County) in an amount not to exceed \$90,000 for use of up to 150 County-owned parking spaces in Orange Square Parking Garage No. 6 at 3901 Orange Street from June 1, 2011, through June 1, 2013; and authorized the City Manager, or his designee, to execute the MOU.

On February 3, 2013, the City Council approved the First Amendment to the MOU with the County extending the use of 150 parking spaces in Garage 6 at 3901 Orange Street through June 1, 2017.

On December 15, 2015, City Council approved the recommendations of the City Council Transportation Committee to approve and authorize execution of the Second Amendment to the MOU with the County increasing the number of parking spaces from 150 to 200 spaces in Garage 6 (Orange Square) located at 3901 Orange Street for a total of \$203,750 from the Parking Fund and extending the term to June 1, 2020.

To accommodate the increasing demand of monthly public permit parking, City Council also adopted a resolution amending the Downtown Parking Rate and Hour Schedule to allow for monthly permit parking in Garage 6 (Orange Square) and Lot 27 located at 3482 Mission Inn Avenue.

The County owns 400 spaces in Garage 6 and the City leased 200 spaces for employee parking, monthly public permit parking, and transient public parking.

Under the terms of the MOU, the City pays the County \$25.00 per space per month plus the maintenance costs associated with the spaces.

DISCUSSION:

As a result of the COVID-19 pandemic, many precautions were implemented to reduce the spread of the virus including the option for select City employees to telecommute. As staff began to telecommute, the demand for employee parking declined in Garage 6.

The lessened demand for City employee parking prompted staff to analyze the use of the facility and review the terms of existing parking space lease agreement with the County. The result is a recommendation to revise the agreement, reducing the total number of leased parking spaces from 200 to 175, including a provision that allows the City to cancel the lease with a 30-day notice to the County, and to extend the lease through June 30, 2025.

Extending the contract will secure employee parking and allow the City to offer public parking for nearby businesses through 2025.

FISCAL IMPACT:

The total cost for extending the contract from July 1, 2020 to June 30, 2025 for the 175 City employee parking spaces is \$265,500. The cost of employee parking is paid from the Public Parking Fund Parking Services – Land and Building Rental account (4150000-423200). The Parking Fund (570) is reimbursed through the annual budget of the various Departments utilizing these parking spaces for their employees. It is unknown at this time what impact the COVID-19 pandemic will have on parking fund revenues; however, it is safe to assume that projected revenues will fall short and impact available fund balance.

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

Attachment: Third Amendment MOU – Parking Garage 6