

**City of Culver City, California
Agenda Item Report**

Meeting Date: 09/26/2011		Item Number: <u>J-2</u>	
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: Walker Study Implementation Report 2 – Discussion of Parking Meter Rate Increases, Hours of Operation Extensions, and Other Changes to Downtown On-Street Parking Meter Operations.			
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Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: Public Notification: (E-mail) Agenda and Meetings – City Council (09/21/11); (Advertisement) Culver City News (09/22/2011); (USPS) All Downtown Businesses within the Commercial Downtown Zone (09/19/11); (E-Mail) Meetings and Agendas – Redevelopment Agency (09/21/11); (E-Mail) Chamber of Commerce (09/21/11); (E-Mail) Culver City School District (09/21/11); (Letter) Downtown Neighborhood Association (09/21/11); (E-Mail) Downtown Business Association (09/21/11)			
Department Approval: Charles D. Herbertson (09/16/11)		City Attorney Approval: Carol Schwab (by H. Baker) (09/20/11)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (09/20/11)		City Manager/Executive Director Approval: John M. Nachbar (09/20/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and Agency Board discuss and provide input regarding the development of policies relating to the recommendations for on-street parking in the Comprehensive Downtown Parking Study prepared by Walker Parking (Walker Study). <u>BACKGROUND:</u> At the City Council meeting on January 24, 2011, the following objectives were identified for the management of the City's parking meters: 1. Promote parking turnover; 2. Serve as a means of equitable distribution of parking spaces where demand exceeds supply; 3. Manage the appropriate time and day restrictions of parking spaces for the benefit of majority of the block; 4. Decrease cruising/circling for parking and improve vehicle circulation; and 5. Generate revenue for the City.			

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At their July 12, 2010 meeting, the City Council and the Redevelopment Agency Board (Agency Board) considered the Walker Parking Study, including recommendations related to parking structure rates, on-street meters, parking enforcement, infrastructure improvements, parking administration, and City Hall parking. The City Council and Agency Board directed staff to return at future meeting(s) with detailed implementation reports for each of the major Walker Parking Study recommendations.

On May 2, 2011, the City Council, Agency Board, and Parking Authority considered an informational report on Walker Study recommendations for rate changes in the Downtown public parking structures. At this meeting, the City Council directed staff to return with two more informational reports, one focusing on on-street parking meters and one focusing on parking enforcement, prior to taking action on any of these three topics. This Agenda Item represents the informational report on on-street meters. Following this Item, there will be a third informational report on parking enforcement, and then the City Council will be asked to take action on all three of the topics (parking structure parking rates; Downtown on-street meters, meter rates, and hours of operation; and parking enforcement) as part of single, subsequent staff report.

DISCUSSION:

Walker Parking made a number of recommendations relating to on-street parking meters in the Downtown area. Below is a listing of their main recommendations and some additional considerations and staff recommendations.

1. Walker Parking Recommendation: Extend meter enforcement to 11pm daily, including Sunday

Currently, on-street parking meters are enforced to 6pm citywide from Monday-Saturday. Walker Parking observed that during times without enforcement, there was a very high occupancy at Downtown metered spaces. Although metered spaces were most impacted on weekends, Walker Parking recommended enforcing meters daily until 11pm to allow for consistency in enforcement and visitor expectations.

Staff Recommendation:

In reviewing the parking occupancy data collected by Walker Parking, staff concurs that enforcing meters until 11pm daily (Monday-Sunday) is desirable to promote parking efficiency and maintain consistency. Culver City Police Department anticipates that these additional hours will require hiring a new

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Parking Enforcement Officer. However, enforcement will be discussed further in a subsequent staff report by Culver City Police Department.

2. Walker Parking Recommendation: Meter all on-street parking spaces currently enforced through time limited parking policies

Walker Parking observed that there are approx. 42 unmetered locations Downtown and these locations tend to cause parking hot-spots. Walker recommended metering all on-street parking spots Downtown to avoid this problem and to better manage parking demand.

Staff Recommendation:

Staff concurs that unmetered parking Downtown should be metered. Staff is recommending metering these locations (the 45 Downtown locations identified as “immediate locations”¹) in a separate staff report to be presented this evening. Other Downtown locations, including loading zones (green, yellow, and white) are anticipated to be proposed for metering as part of a subsequent staff report dealing with “longer-term locations.” This subsequent staff report will be brought to City Council after community meetings are held.

3. Walker Parking Recommendation: Set parking meter rates above structure rates; increase meter rates from \$1.00 to \$1.50 per hour

Walker Parking recommended encouraging long-term parkers to park in a public parking structure rather than a convenient curbside space by making metered parking more expensive than the hourly rate at the parking structures. Walker Parking suggested setting meter rates at \$1.50 per hour and adjusting them as necessary over time.²

Staff Recommendation:

Staff concurs that it is advisable to raise on-street meter rates above those in the parking structures in order to increase the availability of the meters for shorter-term parking. Staff suggests that the on-street rates should be tied to the parking structure rates and should remain at \$0.50 above the highest hourly parking structure rate. So, since rates are currently \$1.00 an hour at the parking structures (after the free period), staff recommends increasing rates to \$1.50 per hour at the on-street meters Downtown. Anytime the City

¹ We are able to add 45 parking spaces, which is more than Walker Parking identified, because we reduced the length of the red curb areas.

² Walker Parking suggested that \$1.50 is an appropriate rate, but indicated that Council could start with \$1.25 per hour if they wanted to make a more gradual change.

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Council raises the rates in the parking structures, staff suggests concurrently raising on-street meter rates accordingly.

One challenge with increasing on-street meter rates is that given our current meter type (which accepts either cash or parking key) parkers will need to have more change on hand. Staff recommends that Downtown meter rates should be raised along with the installation of parking meters that accept credit cards throughout Downtown to increase customer convenience. The City Council Adopted Budget for Fiscal Year 2011/2012 includes funding for the installation of these meters Downtown. Public Works is currently testing a couple new technologies and vendors for parking meters that accept credit cards and anticipates making a final recommendation by the end of the year. When a parking meter company's product is recommended, staff anticipates purchasing the parking meters based on another agency's publicly-bid purchase (as permitted by the Culver City Municipal Code), if possible, in order to reduce the time to deploy to the field.

4. Walker Parking Recommendation: Eliminate parking time restrictions at metered spaces

Walker Parking recommended allowing parkers to pay for as much parking as they like rather than limiting payment to a specific period of time (i.e. 2 hours). In order to encourage turnover, Walker Parking suggested using tiered meter rates (for example, the first two hours might be one rate, the third hour a higher rate, and the fourth hour an even higher rate).

Staff Recommendation:

Staff believes that tiered parking meter rates may provide a valuable tool for encouraging parking turnover and may reduce the need for time restrictions in Downtown. This pricing strategy is used to provide flexibility to patrons to finish their business and concurrently encourage a change in parking behavior by using incrementally higher rates to discourage the use of the most convenient street spaces to "store" vehicles. Staff recommends that a tiered parking rate structure should be tried Downtown. However, it may need to be modified in loading zones, as short-term turnover is such a high priority in those zones that pricing may not be sufficient to control parking duration.

5. Walker Parking Recommendation: Establish a goal of 85% peak meter occupancy in the Downtown commercial zone

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The purpose of increasing enforcement and meter rates is to encourage parking space turnover with the goal of always having some convenient curbside parking available for short-term parkers. Walker Parking recommends the City set a benchmark of 85% peak occupancy at metered spaces. The City would need to periodically review meter occupancy and adjust meter rates to reach the benchmark.

Staff Recommendation:

Staff concurs with the goal of 85% occupancy. The new meters should facilitate the tracking of occupancy trends. Staff anticipates using this technology to monitor occupancy and will return at a later date with recommendations to reach the overall goal of 85% occupancy.³

Parking Intrusion

Walker Parking did not specifically examine the residential neighborhood surrounding the Downtown. However, Walker Parking advises that parking intrusion into the Downtown-adjacent residential neighborhood may occur should meter rates be increased.

Currently streets within the Downtown residential neighborhood are either eligible for residential parking restrictions or already are residentially restricted. As part of the Town Plaza development, the Planning Commission approved Conditions of Approval, including the creation of a “free neighborhood permit-parking program, with parking restriction on Irving Place and Van Buren Place and other local streets as needed during peak cinema attendance hours to prevent downtown visitors from consuming all available neighborhood parking spaces.” In recognition of that Condition of Approval, staff recommends providing free permits to the Downtown-adjacent neighborhood bounded by Ince Boulevard on the east, Duquesne Avenue on the west, Culver Boulevard-Washington Boulevard on the north, and La Ballona Creek on the south, should they choose to opt-into the Linwood Howe Residential Parking District, which covers this area, and was already approved by Council on Monday, November 17, 2008.

³ At this time, staff does not recommend trying dynamic pricing, where parking meter rates at different times throughout the day are adjusted automatically on a periodic basis based on parking demand (similar to SFPark in San Francisco or ExpressPark in LA). However, at some point in the future, if the San Francisco and LA projects move beyond the testing phase and are successful, the City may want to consider implementing something similar.

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Concerns regarding the level of enforcement of the residential permit districts are sometimes brought up. As mentioned earlier, enforcement will be addressed further in a subsequent report on parking enforcement by the Culver City Police Department.

FISCAL ANALYSIS:

Walker Parking makes it clear that the primary motivation behind rate and hour of operation changes is to improve parking management. However, they do provide an estimate of the additional revenue from their suggested changes. The following table presents Walker Parking's estimated revenue increases from its recommended rates and hours of operation.⁴ For example, they estimate that if the City Council were to approve extending the parking meter enforcement to 11pm daily (including Sunday) and raising parking meter rates to \$1.50/hr. Downtown, it would generate an additional \$158,000 in revenue (62.5% increase). Walker Parking makes several assumptions regarding how parking demand and revenues will vary depending on the policy in order to come up with these estimates.⁵ While it is impossible to determine in advance whether these assumptions are correct, they appear to be reasonable.

It is also important to note that there would most likely be additional costs related to increased hours of enforcement and additional meter collection efforts as meters would fill up quicker at \$1.50/hr than they do at \$1.00/hr.

⁴ Walker's estimates are based on projected FY 09/10 revenues. However, FY 10/11 revenues were similar, so the estimates are likely to still be relatively accurate.

⁵ Walker's assumptions, include:

- "1. Current parking revenue for the Downtown area roughly consists of that contained in the following routes provided by the City's Finance department: Culver, Main; Culver, Cardiff; Culver, Watseka; Irving, Van Buren; Media Park;
2. Extending the enforcement of parking meters until 11:00 PM, a 50% increase in daily operating hours, will result in an increase in meter revenue of 25%;
3. Enforcing parking meters on Sunday will increase weekly meter revenue by 7.5%;
4. Increasing meter rates to \$1.50 per hour will not result in a proportional increase in revenue as the higher rate is likely to divert parking demand to off-street parking and other modes of transportation."

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	Walker Estimate of Total Revenue Generated	Walker Estimate of Incremental Revenue
Projected FY 2009 (\$1.00/hr)	\$253,270	\$0
<u>Recommendation:</u>		
Increase rate to \$1.50/hr (30% revenue increase)	\$329,251	\$75,981
Extend meter operations to 11:00pm @ 1.00/hr (25% increase)	\$316,588	\$63,318
Extend meter operations to 11:00pm @ 1.50/hr	\$392,569	1\$39,299
Extend meter operations to Sunday @ 1.00/hr	\$272,265	\$18,995
Extend meter operations to Sunday @ 1.50/hr	\$348,246	\$94,976
Extend meter operations to Sunday 11:00pm @ 1.00/hr	\$335,583	\$82,313
Extend meter operations to Sunday 11:00pm @ 1.50/hr	\$411,564	\$158,294

It is important to point out that these estimated revenues, should they be realized, are not without costs. The process of physically increasing rates can be done at minimal cost. However, as mentioned earlier, as rates increase, it becomes increasingly inconvenient for patrons to find sufficient change to pay for them. As a result, staff recommends updating the parking meter technology, which will create significant one-time capital and on-going costs. The capital costs, which are estimated to be roughly \$150,000, have been included in the CIP budget (Project No. T1109). However, funds will have to be budgeted annually for the on-going costs, which are anticipated to be roughly \$20,000.

Additionally, if the extended hours of operation are to be consistently enforced, new enforcement resources will be required. The Police Department estimates that one Parking Enforcement Officer will be needed to handle the additional enforcement periods at a burdened cost of approx. \$71,000/year. Additionally, the Police Department has indicated that if the additional enforcement periods are combined with the installation of additional parking meters as proposed in another staff report this evening, additional collection personnel might be required. The burdened cost of an additional Community Service Officer/RPT is approx. \$58,000/year.⁶

⁶ As this is a RTP position, it is budgeted for 2,028 hours/year.

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ATTACHMENT:

1. Excerpt from Town Plaza/Screenland and Ince Boulevard Public Parking Structure Conditions of Approval, Resolution No. 2000-P002

MOTIONS:

That the City Council and Agency Board:

1. Discuss the policies relating to the recommendations for on-street parking in the Comprehensive Downtown Parking Study prepared by Walker Parking (Walker Study); and,
2. Direct the City Manager/Executive Director as deemed appropriate.