

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

Meeting Date: <u>01/23/12</u>		Item Number: <u>J-1</u>	
JOINT CITY COUNCIL AND PARKING AUTHORITY BOARD AGENDA ITEM: 1) Consideration of Parking Fee Increases for Downtown Public Parking Facilities, Downtown On-Street Parking Meter Rate Increases and Other Changes to On-Street Parking Operations Pursuant to the Walker Parking Downtown Parking Study; and 2) Adoption of Related Resolutions.			
Contact Person/Dept.:		Phone Number:	
Christopher Evans/CDD;		(310) 253-5744	
Todd Tipton/CDD;		(310) 253-5783	
Helen Kerstein/PW;		(310) 253-5618	
Gabe Garcia/PW		(310) 253-5633	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Meetings and Agendas – City Council (01/19/12); (USPS) All Downtown Businesses within the Commercial Downtown Zone (01/10/12); (USPS) Residents of Downtown Neighborhood (01/10 /12); (E-Mail) Chamber of Commerce (01/10 /12); (E-Mail) Culver City School District (01/10 /12); (E-Mail) Downtown Neighborhood Association (01/10 /12); OliverMcMillan (01/10 /12); Downtown Business Association (01/10 /12); (Publication) Culver City News (01/12/12, 01/19/12)			
Department Approval: Sol Blumenfeld CDD(01/17/12) Charles D. Herbertson PW ()		City Attorney/Parking Authority Counsel Approval: Carol Schwab (by H. Baker) (01/18/12)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (01/18/12)		City Manager/Executive Director Approval: John Nachbar (01/19/12)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and the Culver City Parking Authority Board (Authority Board) approve the implementation of recommendations consistent with the Comprehensive Downtown Parking Study prepared by Walker Parking (Walker Parking Study) as follows: 1. Adopt respective resolutions implementing fee changes to Public Parking Facilities in the Downtown Commercial Zone: a. At the Watseka and Cardiff Parking Structures, eliminate the two hours free parking period and institute a \$1.00 per hour fee up to the current \$8.00 per day maximum; b. At the Ince Parking Structure, eliminate the two hours free parking period and institute a one hour free parking and \$0.50 per hour fee thereafter, up to the current \$8.00 per day maximum;			

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- c. Eliminate “additional two-hour free” parking with a Pacific 12 Theater validation and substitute with a maximum charge of \$2.50; and
 - d. At the Canfield Parking Lot, and the Cardiff and Watseka Parking Structures, increase the monthly employee parking rate by \$10.00.
- 2. Adopt a resolution implementing one or more of the following changes to on-street meters in the Downtown Commercial Zone:
 - a. Extend meter enforcement to 11pm; and/or,
 - b. Extend meter enforcement to Sunday; and/or,
 - c. Set on-street parking meter rates at \$0.50/hour above the highest parking structure hourly rate, which would be \$1.50, if the recommended fee changes for the structures are approved; and/or,
 - d. Set a goal of 85% peak-period on-street parking meter occupancy.
- 3. Authorize the issuance of up to two free residential Preferential Parking Permits to the Linwood Howe Residential Parking District, consistent with the Conditions of Approval for the Town Plaza Development.

BACKGROUND:

On May 2, 2011 and September 26, 2011 the City Council and Redevelopment Agency Board reviewed findings from the Walker Parking Study related to downtown parking garage and parking lot rates and on street parking. The City Council and Agency Board generally supported the recommendations and directed staff to provide additional information related to parking enforcement.

In a separate report to the City Council, the Police Department will present parking enforcement recommendations. After considering the parking enforcement recommendations, staff requests the City Council and Authority Board consider adoption of respective resolutions instituting new downtown parking garage and parking lot rates and implementing changes to on street parking meters in the Downtown Commercial Zone.

DISCUSSION:

Public Parking Structures

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The City Council and Authority Board are asked to consider adoption of respective resolutions implementing fee changes related to Downtown public parking facilities (the three Downtown public parking structures and the Canfield Parking Lot). The following proposed fee changes were previously considered by the City Council, Redevelopment Agency Board and Authority Board on May 2, 2011. Staff has modified them to address City Council, Agency Board, and Authority Board concerns expressed at that time:

1. At the Watseka and Cardiff Parking Structures, eliminate the two hours free parking period and replace it with \$1.00 per hour fee;
2. At the Ince Parking Structure, eliminate the two hours free parking period and replace it with a one hour free parking period and a \$0.50 per hour fee thereafter, up to the daily maximum of \$8.00; and

The Parking Study recommended that no free period be maintained at the Ince Parking Structure; however, during the May 2, 2011 consideration of this recommendation, the City Council, Redevelopment Agency Board and Authority Board generally supported maintaining a one hour free period.

3. At the Canfield Parking Lot, and the Cardiff and Watseka Parking Structures, increase the monthly employee parking rate by \$10.00¹.

Staff compared the proposed parking fees to those charged in other cities and found they were comparable (see Attachment 3).

On-Street Meters

The City Council is also asked to consider adoption of a resolution implementing changes to on-street parking meter operations, including one or more of the following options considered at the September 26, 2011 meeting:²

1. Extend meter enforcement to 11 pm.
2. Extend meter enforcement to Sunday.

The parking data collected as part of the Walker Parking Study indicates that occupancy of on-street meters is very high on Sundays, exceeding 95% for much of the day. Given this occupancy information, it appears that parking demand could be managed better if meters were enforced on Sundays. However, some concerns were expressed about the potential effects, particularly on local businesses, of metering on Sundays.

3. Set on-street parking meter rates at \$0.50/hour above highest parking structure hourly rate, which would be \$1.50/hour, if the recommended fee changes for the structures are approved.

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4. Set a goal of 85% peak-period on-street parking meter occupancy.

Consistent with Walker Parking's recommendations, staff is asking the City Council and Authority Board to adopt a goal of 85% occupancy during peak periods, as set forth in the proposed Resolution. This occupancy rate should have the effect of leaving sufficient empty on-street parking spaces, which will largely eliminate drivers' need to circle the block in search of parking. Staff anticipates examining parking occupancy data periodically. If the data collected indicate that parking occupancy deviates significantly from this goal of 85% peak-period occupancy, staff will return to the City Council and Authority Board with recommendations for achieving it.

These recommendations may include, for instance, changes to the parking meter rate structure such as higher or lower parking rates and rates that vary by time of day and/or day of week. They may also include the implementation of tiered rates and the elimination of parking time restrictions at on-street metered spaces, consistent with another recommendation of the Walker Parking Study.

During the City Council's September 26, 2011 meeting when Walker Parking's recommendation to implement tiered rates and remove parking time restrictions at on-street metered spaces was discussed, there were some concerns about its implementation, especially without the use of parking meter sensors to ensure parking turnover. Recognizing the merit in these concerns, Public Works staff suggests that this recommendation be considered at a later date if the 85% peak-period occupancy goal has not been reached and when the Department has more confidence in the reliability and cost-effectiveness of the integrated technology.

Additionally, during the September 26, 2011 meeting, staff presented a recommendation, which, along with the recommendations presented separately in this evening's Enforcement Report, should help mitigate concerns regarding potential parking intrusion into the residential neighborhood adjacent and south of Downtown, resulting from the implementation of the other recommendations in the Walker Parking Study:

1. Authorize the issuance of free residential parking permits to the Linwood Howe Residential Parking District consistent with the Conditions of Approval for the Town Plaza Development.

As part of the Town Plaza development, the Planning Commission adopted 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

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neighborhood parking spaces.” In recognition of that Condition of Approval, staff recommends providing up to two free permits per household to the residential neighborhood adjacent to and south of Downtown and 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-in to the Linwood Howe Residential Parking District approved by the City Council on Monday, November 17, 2008.

NEXT STEPS:

Public Parking Structures

Should the City Council and Authority Board adopt respective resolutions increasing fees at the Downtown public parking facilities, staff will work with the Culver City contracted parking management consultant, Modern Parking, to implement the fee increase. Staff estimates a three month implementation process. The implementation steps are as follows:

1. Provide 45-day notice to all monthly employee parkers at the Cardiff and Watseka Parking Structures;
2. Purchase and install new parking rate signage;
3. Obtain and install credit card readers at each attendant booth. Modern Parking advises that increased transactions will result in the need for credit card readers; and
4. Return to the City Council and Authority Board six months after implementation to report on parking revenues, parking volumes and business impacts.

Staff will return to the City Council and Authority Board to discuss the use of anticipated parking revenues, the legal requirements related to those revenues, the capital improvements recommended in the Walker Parking Study and an implementation schedule. Such discussions may occur during the budget process. Walker Parking Study capital improvement recommendations include:

1. Installation of pay-on-foot technology (POF) at the public parking structures;
2. Functional design changes at the public parking structures;
3. Installation of parking access-control equipment at the entrance to City Hall, parking structure level P-1;

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4. Development of a fund to address deferred maintenance at the parking structures; and
5. Development of a coordinated City-wide parking management system.

As part of that discussion item, staff will include discussion of OliverMcmillan's request for continued free parking validation for Culver City Pacific 12 Theaters' parkers and proposed parking structure maintenance services to be amended to the Modern Parking contract.

On-Street Meters

Should the City Council approve a resolution raising on-street hourly parking meter rates in the Downtown Area to \$0.50 above the highest hourly public parking structure rate, which would be \$1.50, if the recommended fee changes for the structures are approved, staff anticipates a roughly one month implementation process. On December 12, 2011, the City Council approved a contract with IPS Group for the purchase of credit card accepting meters for the Downtown. The contract has been signed and it is anticipated that meters will be received and installed in February. Once these new meters are in place, the rates can be changed remotely and with little effort.

Staff anticipates periodically reviewing the parking occupancy data from the new meters. And, as described previously, if the data suggest that parking occupancy deviates significantly from the 85% goal, staff will return to the City Council with recommendations for obtaining it, including changes to parking meter rates, if necessary.

Should the City Council approve extending the operation of the on-street meters to 11 pm everyday (including Sunday), staff anticipates a roughly six month implementation process to allow time for the Police Department to hire additional enforcement and collection personnel.

If the City Council approves the issuance of free residential parking permits to the Linwood Howe Residential Parking Permit District, consistent with the Town Plaza Conditions of Approval, residents will not be issued refunds for previous permits, but will be allowed up to two free permits when they next renew them or first purchase them, which will be effective and free beyond the "peak cinema attendance hours".

FISCAL ANALYSIS:

Public Parking Structures

Projected revenue estimates for implementation of the Parking Study recommendations are provided below. These revenue projections do not include

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potential revenues from film production and event parking. If implemented, parking facility fee increases are anticipated to generate approximately \$1.4 million in net new revenue annually.

Both the Cardiff Parking Structure and the Ince Parking Structure are subject to restrictions on the expenditure of revenues in excess of operation and maintenance costs. These restrictions limit expenditures to finance improvements to the parking structures. Prior to expending any excess revenues resulting from the Walker Parking Study implementation, staff will perform a review of the restrictions and return to the City Council and Authority Board for direction.

Ongoing maintenance and operations of the Downtown parking structures are approximately \$900,000 annually (Ince \$575,000; Cardiff \$175,000; Watseka \$150,000)³. These costs include light repair and the parking management contractor fee. They do not include maintenance performed by Public Works staff or contract oversight and property management activities by Community Development staff. They also do not include depreciation costs for future replacement costs. Revenues generated by increased parking fees may be used to off-set these costs.

Modern Parking estimates a one-time cost of \$11,000 (\$3,000 for training/materials and \$8,000 in additional credit card related equipment). Sufficient funds are available in the Property Management General account (48191000) to fund the increased one-time cost.

On-Street Meters

If the Walker Parking Study's recommended changes to on-street parking in the Downtown Commercial Zone are implemented, the estimated revenues are as follows:⁴

	Walker Estimate of Total Revenue Generated	Walker Estimate of Incremental Revenue
Projected Fiscal Year 2009/2010 (\$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	\$139,299
Extend meter operations to Sunday @ 1.00/hr	\$272,265	\$18,995
Extend meter operations to Sunday @ 1.50/hr	\$348,246	\$94,976

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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

These changes are anticipated to have an impact on enforcement and collection. That impact has been addressed in this evening's report to be presented by the Police Department. Additionally, a portion of this revenue may be needed to fund the on-going operational costs of the credit-card enabled parking meters.

ATTACHMENTS:

1. Public parking structure fee report, dated May 2, 2011;
2. On-street parking meter report, dated September 26, 2011;
3. Matrix comparing parking rates of other cities; and
4. Proposed Resolutions.

MOTION:

That the City Council:

1. Adopt a resolution authorizing parking fee increases pursuant to the Walker Parking Study for Downtown parking facilities (Canfield Parking Lot, and the Ince and Watseka Parking Structures;

Or

2. Not authorize parking fee increases.

That the Authority Board:

1. Adopt a resolution authorizing parking fee increases pursuant to the Walker Parking Study for the Cardiff Parking Structure. ;

Or

2. Not authorize parking fee increases.

And

That the City Council:

1. Adopt a resolution regarding on-street parking meters in the Downtown Commercial Zone:

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- a. Extending parking meter enforcement to 11pm;

And/Or

- b. Extending parking meter enforcement to include Sundays;

And/Or

- c. Setting parking meter rates at \$0.50 above highest parking structure hourly rate, which would be \$1.50, if the recommended fee changes for the structures are approved;

And/Or

- d. Setting a goal of 85% peak-period on-street parking meter occupancy in Downtown Commercial Zone;

And

That the City Council:

1. Authorize the issuance of up to two free residential Preferential Parking Permits to the Linwood Howe Residential Parking District, consistent with the Conditions of Approval for the Town Plaza Development;

Or

That the City Council:

1. Direct staff as otherwise deemed appropriate.

NOTES:

¹ Current monthly parking rates at the Cardiff and Watseka Parking Structures are \$60.00 for 5-day access and \$80.00 for 7-day access.

² The Parking Study also recommended metering all Downtown on-street parking spaces currently enforced through time-limited parking policies. This recommendation is currently being implemented in Downtown separately as part of the new "immediate" parking meter installations approved by Council on September 26, 2011 and will continue to be implemented through the future "longer-term" meter installations that will be considered following community meetings for other areas of the City.

³ These costs do not include City staff costs, or deferred maintenance costs.

⁴ These estimates are based on a number of assumptions, as described in the September 26, 2011 staff report. These assumptions appear to be reasonable.