

Memorandum

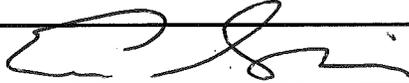
TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Hans F. Larsen

**SUBJECT: MASTER PARKING RATE
SCHEDULE AND PARKING
METER DISTRICT**

DATE: 05-24-10

Approved



Date

6/3/10

COUNCIL DISTRICT: 3

RECOMMENDATION

1. City Council adoption of a resolution to repeal Resolution No. 75331 and set forth the Master Parking Rate Schedule to:
 - a. Add a special event rate (\$5-7) for the Market/San Pedro Square Garage for evening and weekend day events.
 - b. Add a new rate option (\$1 per hour) for Parking Meter District 5 – Arena/Diridon Area.
 - c. Increase the meter rate in Parking Meter District 2 – East Santa Clara Street Neighborhood; Parking Meter District 3 – Japantown Neighborhood; and Parking Meter District 4 – First and Younger Neighborhood from \$0.50 per hour to up to \$1 per hour.
 - d. Extend the hours of operation in Parking Meter District 3 – Japantown Neighborhood by one hour from the current 9 am - 5 pm, to 9 am - 6 pm.
 - e. Remove the Second/San Fernando Lot (Block 2) and Market/San Carlos Lot (Block 8) and eliminate the Casa del Pueblo Validation Program from the Master Parking Rate Schedule resolution.
2. City Council approval of an ordinance amending Chapter 11.40 of Title 11 of the San José Municipal Code to modify the boundaries of the Arena/Diridon Area Parking Meter District and the Downtown Business Parking Meter District.

OUTCOME

1. The proposed Resolution will:
 - a. Establish an event rate at the Market/San Pedro Square Garage that will generate an estimated \$90,000 annually in the General Purpose Parking Fund, and provide funding for special event support costs.
 - b. Establish a \$1 per hour rate option for Parking Meter District 5 to provide an increase in parking availability for businesses in the River Street Historic District during HP Pavilion evening and weekend events.
 - c. Modify the meter rate and hours of operation in meter districts outside of the Downtown to be consistent with the Downtown meters that will generate an estimated \$246,000 per year in the General Purpose Parking Fund. Revenue in 2010-11 is estimated at \$220,000 to account for the time it would take to implement the changes.
 - d. Eliminate parking facilities and associated programs that are no longer a part of the City's Parking Program.

2. The proposed Parking Meter Ordinance amendment will expand the Arena/Diridon Area Parking Meter District as highlighted on Attachment A.

BACKGROUND

The City Manager's 2010-11 Proposed Operating Budget includes two proposals that require amending the Master Parking Rate Schedule resolution if the proposals are approved by the City Council. The specific proposals recommend establishing a special event parking rate at the Market/San Pedro Square Garage and increasing the meter rate and hours of operation in various non-Downtown core meter districts.

Over the past year the Department of Transportation (DOT) has also been responding to requests from existing and potential future businesses in the River Street Historic District to increase the availability of parking, especially evenings and weekends during events at the HP Pavilion.

Ownership of the Second/San Fernando and Market/San Carlos parking lots was recently transferred from the Redevelopment Agency to Sobrato Interests III. As of May 26, 2010, these parking lots are being privately operated.

ANALYSIS

The proposed amendments to the Master Parking Rate Schedule and Parking Meter Ordinance will provide for the following:

Special Event Parking Rate

A special event parking rate is proposed to be established at the Market/San Pedro Square Garage in the range of \$5 – 7. The special event rate would only be in effect after 6 pm, or on weekends between 6 am – 6 pm, during major events occurring in the Downtown or at the HP Pavilion. Currently, the Evening Flat Rate at this garage is \$3, and is scheduled to increase to \$4 on January 1, 2011 and to \$5 on January 1, 2013; and there is currently no charge on weekend days. The Special Event Parking rate for both evenings and weekend days would be set \$2 higher than the established Evening Flat Rate during major events.

The Market/San Pedro Square Garage is highly utilized by attendees of major events in the Downtown and at the HP Pavilion. The additional revenue generated during major events will enable a portion of currently General Funded costs associated with services provided by staff in DOT to be transferred to the General Purpose Parking Fund. Services provided during events support efficient and effective vehicular and pedestrian traffic circulation to ensure safety and to provide convenient and easy access to and from parking facilities, minimize traffic congestion, and traffic and parking intrusion into surrounding neighborhoods.

Arena/Diridon Parking Meter District

The boundaries of Parking Meter District 5 – Arena/Diridon Area are proposed to be expanded to include portions of streets that are currently in the Downtown Parking Meter District, as highlighted on Attachment A. To increase and enhance on-street parking availability in the River Street Historic District which is included in the expanded area, diagonal parking will be installed on the east side of N. Almaden Blvd. between Julian Street and Highway 87. The diagonal parking will increase the metered parking supply by 10 spaces. To better serve the surrounding businesses, the on-street parking meters in the River Street Historic District will be operational from 9 am to 9 pm, seven (7) days a week due to its close proximity to the HP Pavilion. The proposed hourly meter rate of \$1.00 per hour for the Arena/Diridon Area Parking Meter District will apply to the meters in this historic district.

Parking Meter Rates and Hours of Operation

In San José, as in many cities, on-street parking spaces are considered premium parking and are the most preferred parking option for visitors and customers. Parking meters also serve as the most effective tool in turning over short-term parking spaces so multiple customers can use the space throughout the day.

The City has over 2,400 on-street parking meters, the majority of which are in the Downtown, with about 750 meters outside of the Downtown. The non-Downtown meters are located in: Parking Meter District 2 – East Santa Clara Street Neighborhood; Parking Meter District 3 – Japantown Neighborhood; and Parking Meter District 4 – First and Younger Neighborhood (former City Hall area).

The meter rate for various non-Downtown core meters are proposed to increase from \$0.50 to up to \$1 per hour; and the hours of operation for the meters in Parking Meter District 3 (Japantown) are proposed to be extended by one hour to 6 pm. The \$0.50 per hour rate for non-Downtown core meters has been in place since 1989. Costs associated with meter collections, operations, maintenance and upgrades have increased significantly over the past 20 years. Meters in the downtown core area have been \$1.00 per hour since 2002.

The current hours of operations for parking meters in Japantown are 9 am – 5 pm. Extending the hours of operation for meters in Japantown by one hour will be consistent with the 9 am – 6 pm operating hours for all other meters in the City. As with the other parking meter districts, the extended hour of operation may create more availability of the most convenient on-street parking spaces for patrons of the businesses and restaurants in the core of Japantown.

Second/San Fernando and Market/San Carlos Parking Lots

The Master Parking Rate Resolution amendment removes reference to these parking lots as they are no longer operated as part of the City's Parking Program. Additionally, the City's Casa del Pueblo Validation Program will be eliminated as this program was only available at the Market/San Carlos Lot.

EVALUATION AND FOLLOW-UP

DOT will provide an update in February 2011 to the Downtown Parking Board on the implementation of the various proposals in this memorandum.

POLICY ALTERNATIVES

The Master Parking Rate Schedule is a dynamic document that requires periodic updates for clarification and enhancements and provides the structure for various parking programs that support the vitality of the Downtown and various parking meter districts, and to generate revenues for operation of the Parking Program and funding for the General Fund. The City Manager's 10-11 Proposed Budget includes various operating and capital reductions in the Parking Program to offset declining revenues. If Council chooses to not approve any or all of the changes proposed in this memorandum, the General Purpose Parking Fund would be further strained with a reduction of up to approximately \$340,000 annually in anticipated revenues, likely requiring additional program adjustments in 2010-11.

PUBLIC OUTREACH/INTEREST



Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum will be posted on the City's website for the City Council meeting. The 2010-11 budget proposals were presented to the Downtown Parking Board on May 5, 2010. The diagonal parking plan and proposed meter operations in the River Street Historic District were coordinated with businesses in this community. The proposed \$1 per hour meter rate and extended hour of operation in Japantown was presented at the Japantown Business Association meetings on April 29 and May 4, 2010. The majority of business representatives at the Japantown meetings were against these proposed changes. The Casa del Pueblo Senior Housing Center was notified of the change in ownership of the Market/San Carlos Lot.

COORDINATION

This report has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

The Master Parking Rate Schedule needs to be amended to implement proposals submitted by the City Administration for 2010-11 for the parking meter rate increase in non-Downtown core meter districts and for the change in hours of operation in the Japantown meter district, and to establish the special event rate at the Market/San Pedro Square Garage. The new boundaries of the Arena/Diridon Area Parking Meter District and \$1 per hour rate option will help to support business needs in the River Street Historic District.

COST SUMMARY/IMPLICATIONS

The estimated revenues that will be generated on an annual basis in the General Purpose Parking Fund include: \$90,000 for the \$5-7 special event rate at the Market/San Pedro Square Garage, \$5,000 for applying the \$1 per hour rate option to meters in the River Street Historic District, \$224,000 for increasing meter rates up to \$1 per hour in non-Downtown core districts, \$22,000 for extending the hours of operation for Japantown meters to 6 pm.

HONORABLE MAYOR AND CITY COUNCIL

05-24-10

Subject: Master Parking Rate Schedule & Meter District

Page 6

CEQA

Statutorily Exempt, File No. PP10-067 (a), CEQA Guidelines Section 15273, Rates, Tolls, Fares and Charges.

/s/

HANS F. LARSEN

Acting Director of Transportation

For questions please contact Joe Garcia, DOT Division Manager at 535-3833.

Attachment

Arena / Diridon Area Parking Meter District

