



**Subject: SUSPENSION OF PARKING AUTHORITY**

**Council Agenda: 05-08-12**  
**Item: 2.16**

<b>City Council Action Request</b>			
<b>Department:</b> Transportation	<b>CEQA:</b> Not a Project, File No. PP10-068(b), General Procedure & Policy Making	<b>Coordination:</b> Finance Department, City Attorney's Office	<b>CMO Approval:</b>  <b>Dept. Approval:</b> /s/ Hans F. Larsen
<b>RECOMMENDED ACTION:</b>			
Adopt a resolution in accordance with California Streets and Highway Code Section 32665 to suspend the Parking Authority of the City of San José.			
<b>BASIS FOR RECOMMENDATION:</b>			
<p>The Parking Authority of the City of San José was established by City Council Resolution No. 39541 on May 3, 1971, pursuant to California Streets and Highway Code 32500. The Parking Authority was established for the purposes of issuing bonds associated with construction of the City's Third Street Garage in the early 1970's. The Parking Authority was used again to issue debt in the mid 1980's for construction of the upper three decks on the Market/San Pedro Square Garage.</p> <p>When debt was issued for construction of the Fourth and San Fernando Garage in 2001, the City of San José Financing Authority ("Financing Authority") was the issuer of the bonds. Currently, and for the foreseeable future, there is no need for constructing additional public parking supply in the Downtown, and the General Purpose Parking Fund does not have the financial capacity to support additional parking debt. If debt were to be issued in the future, it is likely that the Financing Authority would be the issuer. However, to maintain maximum flexibility, in lieu of eliminating the Parking Authority, it is recommended that the Parking Authority be suspended, based on authority granted in the Streets and Highway Code Section 32665.</p> <p>Suspending the Parking Authority will eliminate the need for periodic meetings and reporting required by State laws and the Parking Authority by-laws. If it is determined in the future that it is advantageous to reinstate the Parking Authority, the City Council may do so at that time by resolution, under authority of the Streets and Highway Code Section 32665.</p>			
<b>COST AND FUNDING SOURCE:</b>			
Not Applicable.			
<b>FOR QUESTIONS CONTACT:</b> Laura Wells, DOT Deputy Director, 408-975-3725			