

**RESOLUTION NO. 75685**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE TO SET FORTH THE MASTER PARKING RATE SCHEDULE FOR MUNICIPAL ON AND OFF STREET PARKING FACILITIES TO EXPAND EXISTING PARKING INCENTIVE PROGRAMS AND PROVIDE OTHER PARKING PROGRAMS AND RATES THAT ALLOW FLEXIBILITY TO RESPOND TO CHANGING MARKET CONDITIONS AND TO REPEAL RESOLUTION NO. 75445 EFFECTIVE UPON CITY COUNCIL APPROVAL**

**WHEREAS**, the City of San José ("City") operates and maintains on and off-street parking facilities; and

**WHEREAS**, on June 17, 2010, the City Council adopted Resolution No. 75445 to approve changes to the Master Parking Rate Schedule to increase the meter rate in Parking Meter District 2, Parking Meter District 3 and Parking Meter District 4, increase the hours of operation in Parking Meter District 3, add a special event rate for the Market/San Pedro Square Garage for evening and weekend day events, add a new rate option for Parking Meter District 5, remove the Second/San Fernando Lot (Block 2) and Market/San Carlos Lot (Block 8), and remove the Casa del Pueblo Validation Program from the Master Parking Rate Schedule resolution; and

**WHEREAS**, this Master Parking Rate Schedule authorizes an additional free parking incentive program for non-City and non-Redevelopment Agency operated or funded Incubators, and provides other parking programs and rates that allow the flexibility to respond to changing market conditions;

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

**SECTION 1. DEFINITIONS**

- A. Municipal Off-Street Parking Facility(ies) means the following off-street parking facilities owned and/or operated by City:
1. The Almaden/Balbach Lot, consisting of the off-street surface parking facility owned by the Redevelopment Agency situated at the southeast corner of Almaden Boulevard and Balbach Street.

2. The Almaden/Woz Lot, consisting of the off-street surface parking facility owned by BP Almaden Associates, LLP, situated in the block bounded by Almaden Boulevard, San Carlos Street, Woz Way and the Guadalupe River.
3. The City Hall Parking Garage, consisting of the off-street parking facility situated in the block bounded by East Santa Clara Street, South Fourth Street, East San Fernando Street and South Sixth Street.
4. The Convention Center Garage, consisting of the off-street parking facility situated in the block bounded by Almaden Boulevard, Viola Avenue, Market Street and San Carlos Street.
5. The Old City Hall Lots, consisting of the off-street surface parking facilities situated in the blocks bounded by San Pedro, Hedding, Mission and First Streets.
6. The Fourth Street Garage, consisting of the off-street parking facility at the corner of East San Fernando Street and Fourth Street, which also contains retail space at street level and a Banquet Center on the top level.
7. The Fourth/St John Garage (The Employee Garage), consisting of the off-street parking facility situated in the block bounded by East Santa Clara Street, North Fourth Street, St. John Street and North Fifth Street.
8. The I-280 Lot, consisting of the off-street surface parking facility owned by Caltrans, situated in the block bounded by Reed Street, Almaden Boulevard, Grant Street and the Guadalupe River.
9. The I-280/First Street Lot, consisting of the off-street surface parking facility owned by Caltrans, situated in the block bounded by First Street, Second Street, Reed Street and William Street.
10. The Market/San Pedro Square Garage, consisting of the off-street parking facility situated in the block bounded by Santa Clara Street, Market Street, St. John Street and San Pedro Street.
11. The San Pedro/Bassett Lot, consisting of the off-street surface parking facility owned by the Redevelopment Agency situated in the block bounded by Julian Street, San Pedro Street, Bassett Street and Little Market Street.
12. The Second/San Carlos Garage, consisting of the off-street parking facility situated in the block bounded by Second Street, San Carlos Street, Third Street and the McAlister State Office Building.

13. The Third/Santa Clara Garage (The Globe), consisting of the off-street parking facility located south of East Santa Clara Street between Second Street and Third Street.
  14. The Third Street Garage, consisting of the off-street parking facility situated in the block bounded by St. John Street, Second Street, Santa Clara Street and Third Street.
  15. The Woz/87 Lot, consisting of the off-street surface parking facility owned by Caltrans, situated on the southwest corner of Woz Way and Route 87 (Guadalupe Expressway) off-ramp.
- B. The Arena A, B, C, & D Lots consists of the Municipal off-street surface parking facilities located adjacent to the HP Pavilion in San José ("Arena"). The parking rates set forth in this Resolution shall apply only when the City has the right to utilize these facilities pursuant to the Arena Management Agreement, which are days when there are no Arena events scheduled. The Arena Management Agreement expires July 31, 2018 and has one (1) five-year option to extend. The City's authority to set and charge parking rates at these facilities shall be subject to the terms and conditions of any such parking agreement.
- C. Class "A" Buildings are those buildings in the Downtown that provide on-site parking and meet their own parking needs based on the current parking requirements set forth in Title 20 of the San José Municipal Code.
- D. Class "B" Buildings are those buildings in the Downtown that do not have their own dedicated on-site or off-site parking to meet their parking needs based on the current parking requirements set forth in Title 20 of the San José Municipal Code.
- E. Class "C" Buildings are those historic buildings in the Downtown which have been renovated and do not have their own dedicated on-site or off-site parking to meet their parking needs based on the current parking requirements set forth in Title 20 of the San José Municipal Code.
- F. Clean-Air Vehicle means either one of the following types of vehicles: (1) vehicles that are eligible to apply for the State of California Carpool lane sticker for a single occupancy vehicle; or (2) any vehicle to which the City of San José has issued a tag identifying it as a Neighborhood Electric Vehicle ("NEV").
- G. Clean-Air Vehicle Program means a parking program which offers free parking at designated Municipal Off-Street Parking Facilities and On-Street Parking Meters throughout the City for Zero Emission Vehicles, as identified by the California Air

Resources Board, and registered in the City of San José; and Clean-Air Vehicles purchased after January 1, 2000 from a licensed auto dealership in the City of San José, and is established and operated as follows:

- The Clean-Air Vehicle Program commenced on July 1, 2007 and shall expire on June 30, 2011. The program may be extended by the Director annually thereafter, as long as the parking supply and demand supports continuation of the program.
  - The Director shall administer an application process for the program and distribute a Clean-Air Vehicle permit to qualified owners of Clean-Air Vehicles. The City shall charge a \$30 administrative fee for each new or replacement permit to cover the administrative cost of the program. The application for the Clean-Air Vehicle permit may require pertinent information from applicants such as, but not limited to, applicant's name, address, make, model, Vehicle Identification Number, Vehicle License Plate Number, point-of-sale receipts and copies of DMV registration.
  - Each Clean-Air Vehicle must display a Clean-Air Vehicle permit provided by the Director signifying that it is a Clean-Air Vehicle.
  - The Director is authorized to add or remove any Municipal Off-Street Parking Facility from the Clean-Air Vehicle Program as necessary.
- H. Director means the Director or designee, of the Department of Transportation, or the subsequent Director of the Department responsible for the City's Parking Program.
- I. Downtown and Downtown Core refer to the areas highlighted on Exhibit I.
- J. Downtown Incubator Program has the following meaning:
- The Redevelopment Agency's Downtown Incubator Program ("Incubator Program") is a program approved by the Redevelopment Agency Board to provide office space and business development and support services to start-up companies.
  - Participants in the Incubator Program include business entities whose businesses are accepted into the Environmental Business Cluster ("EBC"), U.S. Market Access Center (US MAC), Software Development Forum (SD Forum), and the San José Entrepreneur Center (eCenter), and are located in the San José Innovation Center at 100 East Santa Clara Street.

- K. Existing Business/Tenant for purposes of the 50% Discounted Parking Incentive Program means an individual or entity with an existing fully executed written lease agreement for a Downtown office or commercial retail building entered into on or before January 1, 2010 and has been purchasing at least one monthly parking permit in a City facility at the time of application; and that 1) relocates and enters into another written lease agreement for a different Downtown office or commercial retail building on or after January 1, 2010; or 2) executes a lease extension in their current Downtown office or commercial retail building on or after January 1, 2010.
- L. Incubator, Innovation Center, Shared Workspace Center, or Other Similar Entity (collectively, "Incubator") for purposes of the Incubator Free Parking Incentive Program means an entity that is structured to accelerate the successful development of start-up companies through an array of business support services, resources and office space. Typical support services may include a combination of flexible space and lease terms, shared administrative, IT, legal and/or banking services, business development guidance, networking and training opportunities, and access to venture capital firms. In order to be eligible for the Incubator Free Parking Incentive program, the Incubator must not be operated or funded by the City or Redevelopment Agency and must provide support to at least five or more (5) start-up companies.
- M. Neighborhood Electric Vehicle (NEV) means an electric, zero emission vehicle that is allowed on roads with posted speed limits of 35 MPH or less. NEVs are not eligible for the State of California Carpool Lane sticker because they are restricted from going over 35 MPH.
- N. New Business/Tenant means either a business/tenant that is locating into a Class "B" or "C" building in Downtown for the first time or a business/tenant that is relocating from an existing Downtown location and entering into a new lease in a Class "B" or "C" building at a different Downtown location.
- O. New Business/Tenant for purposes of the Free Parking Incentive Program means an individual or entity that has entered into a fully executed written lease agreement for a Downtown office or commercial retail building on or after January 1, 2010 and did not occupy a Downtown office or commercial retail building for at least three (3) months prior to January 1, 2010.
- P. Off-Street Parking means public parking in facilities, not on the public right-of-way, which are owned, leased, or otherwise controlled by the City of San José and/or the Redevelopment Agency.
- Q. On-Street Parking means designated metered parking in the public right-of-way within parking meter districts established by the City Council.

- R. Parking Administrator means the City staff person responsible for supervising and administering the City's parking program.
- S. Parking Incentive Program refers to various discounted monthly parking programs provided to qualified software and environmental companies, start-up companies in the Downtown Incubator Program, New Business/Tenants, and non-City or non-Redevelopment Agency operated or funded Incubators.
- T. Pavilion Garage refers to a privately owned and operated parking facility that is required through an agreement with the Redevelopment Agency to participate in any public parking program in effect by the City of San José, including the Downtown Parking Validation Program and the Downtown Cinema Validation Program.
- U. Redevelopment Agency Parking Facilities refers to the following parking facilities owned and operated by the Redevelopment Agency of the City of San José that participate in the Downtown Parking Validation Program and the Downtown Cinema Validation Program:
- Central Place Garage
  - Central Place Lot
  - Fountain Alley Lot
- V. Relocating Existing Business/Tenant for purposes of the Free Parking Incentive Program means an individual or entity with an existing fully executed written lease agreement for a Downtown office or commercial retail building entered into before January 1, 2010 and has not been purchasing monthly parking in a City facility at any time during the twelve (12) months prior to application; and that 1) relocates and enters into another written lease agreement for a different Downtown office or commercial retail building on or after January 1, 2010; or 2) executes a lease extension in their current Downtown office or commercial retail building on or after January 1, 2010.
- W. Social Service Provider means a non-profit group that serves the needs of children and families, the poor or homeless, immigrants, veterans, the mentally ill, the disabled, victims of crime or domestic violence, and persons dependent on alcohol or drugs through direct services.
- X. Software and Environmental Business means a business entity engaged in software and environmental business programs and development.

- Y. Special Event means a group activity including, but not limited to, a performance, meeting, assembly, contest, exhibit, ceremony, parade, festival or athletic competition.
- Z. Under-Utilized Municipal Off-Street Parking Facility means a Municipal off-street facility with excess monthly parking capacity when the Director determines that fifty percent (50%) or more of the parking spaces allocated for monthly parking are vacant according to City guidelines, and are reasonably expected by the Director to remain vacant for six (6) months. Once a facility no longer meets the criteria for being under-utilized, it shall automatically cease to be an Under-Utilized Municipal Off-Street Parking Facility.

## SECTION 2. RATES

- A. Off-Street Parking. The rates for off-street parking at the Facilities described above in Section 1 are set forth in Exhibit II, attached hereto, and incorporated and made a part hereof as if fully set forth at length in this Resolution.
1. The Director shall have the authority to adjust the maximum daily and monthly rates within the specified ranges shown on Exhibit II. An advisory review by the Downtown Parking Board is required before any adjustment of these rates. The Director's decision shall be final. The Director shall prepare an informational memo to the City Council before implementation of rate adjustments.
    - a. The maximum daily and monthly parking rates may be adjusted downward to the lowest level in the rate range at a facility where occupancy during the weekday peak hours (between 10 a.m. and 2 p.m.) is less than seventy percent (70%) for an approximate three (3) month period.
    - b. The maximum daily and monthly parking rates may be adjusted upward to the highest level in the rate range at a facility where occupancy during the weekday peak hours (between 10 a.m. and 2 p.m.) is greater than ninety percent (90%) for an approximate three (3) month period.
    - c. The maximum daily and monthly parking rates may be set at mid-point of the rate range at a facility where occupancy during the weekday peak hours (between 10 a.m. and 2 p.m.) is between seventy percent (70%) and ninety percent (90%) for an approximate three (3) month period.

2. The Premium Monthly Rate shall be computed by multiplying 1.5 times the Monthly Rate, and the Reserved Monthly Rate shall be computed by multiplying 2.0 times the Monthly Rate.
3. Under the Clean-Air Vehicle Program, Zero Emission Vehicles registered in the City of San José and Clean-Air Vehicles purchased after January 1, 2000 from a licensed auto dealership in the City of San José shall be entitled to free parking at designated Municipal Off-Street Parking Facilities as shown in **Exhibit II**. Each Clean-Air Vehicle must display a Clean-Air Vehicle permit provided by the Director signifying that it is a Clean Air Vehicle. All Clean-Air Vehicles parking at Municipal Off-street Parking Facilities shall adhere to the posted parking rules and regulations. The Director of DOT is authorized to extend the program, after June 30, 2011, on a year-to-year basis, if sufficient parking supply remains available to meet demand at the time of extension. If occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy, and other related indicators to determine if the program can continue or should be discontinued.
4. The Director is authorized to charge the following discounted monthly and semester parking rates to San José State University ("SJSU") students. SJSU students shall be eligible for these reduced parking rates only upon providing proof, sufficient to the Director, that they are currently enrolled in six (6) or more units at SJSU.
  - a. Fifty percent (50%) of the Regular Monthly Parking Rate at any facility that the Director determines is an Under-Utilized Municipal Parking Facility according to the definition in Section 1. These discounted rates are offered on a month-to-month basis only and are based on occupancy. The Director is authorized to suspend the program for any facility that is no longer an Under-Utilized Municipal Parking Facility or if the Director determines the program should be suspended because of parking occupancy, office occupancy, and other related financial or parking indicators.
  - b. Semester Permit Parking rate at the Second/San Carlos Garage or Fourth Street Garage. The discounted semester permit parking rate would be offered in the \$150 to \$175 range as determined by the Director prior to the beginning of each semester. The Director is authorized to suspend the program system wide or by facility if occupancy reaches 80% (system wide or by facility) or if the Director determines the program should be suspended because of parking occupancy, office occupancy, and other related financial or parking indicators.

5. The Director is authorized to charge fifty percent (50%) of the Regular Monthly Parking Rate to Downtown Merchants and their employees desiring to purchase monthly parking permits at any facility that the Director determines is an Under-Utilized Municipal Parking Facility according to the definition in Section 1. Merchants and their employees shall be eligible for this reduced parking rate only upon providing proof, sufficient to the Director, that their business or place of employment meets the criteria for the Downtown Parking Validation Program in Section 4.A.1 of this Resolution. These discounted rates are offered on a month-to-month basis only and are based on occupancy. These rates are terminable within thirty (30) days by the Director. These reduced rates are intended to manage retail employee parking demands within the Downtown parking inventory.
6. The Director shall publish a schedule of discounted rates for the programs in Sections 2.A.4 and 2.A.5 for those facilities meeting the definition of Under-Utilized Municipal Parking Facility. The schedule shall state the program under which the discount is being offered, the amount of spaces available at the discounted rate, the location of the parking spaces and the period of time the rate is valid. The schedule of discounted rates shall also state that the discount will not be applicable to any facility that no longer qualifies as an Under-Utilized Municipal Parking Facility according to the definition in Section 1.
7. The Director shall have the authority to add and/or remove parking facilities from the Master Parking Rate Schedule shown on **Exhibit II** as facilities are added or removed from the City's parking inventory. The rates charged at new parking facilities shall be the prevailing rate for other City-owned parking facilities in the parking rate zone in which it is located on **Exhibit III**.
8. The Director shall have the authority to adjust the Special Event Rate within the ranges shown on **Exhibit II** at the designated off-street parking facilities on a daily basis according to anticipated special event attendance, date of event, proximity of facility to event, and the area's general parking supply and demands.
9. The Director or Team San José, as applicable and in accordance with the written agreement between the City and Team San José executed on January 27, 2009, may set, reduce or increase the parking rates at the Convention Center Garage, including the Special Event Rate, Event In-Out Day Pass, Reserved Daily Parking Rate, and the Incremental Maximum Daily Rate within the specified ranges as shown on **Exhibit II** for events if it is determined that a reduction or increase is necessary to:

- a. optimize use of spaces in the Convention Center Garage; and/or
- b. attract events that contribute to the economic vitality of San José.

When the Director or Team San José, as applicable, considers a reduction of the Special Event Rate, Reserved Daily Rate, and the Incremental Maximum Daily Rates from the normal rate, the Director or Team San José shall assess the event's economic benefit, the projected number of parking spaces needed, and the demand for parking spaces at the Convention Center Garage.

10. Software and Environmental Business Parking Incentive Program -- Beginning on November 17, 2007 and ending on June 30, 2011, the Executive Director of the Redevelopment Agency or his/her designee shall accept applications from Software and Environmental Businesses to participate in the City's Parking Incentive Program. Qualified businesses will receive a fifty percent (50%) discount off the current monthly parking rate for twenty-four (24) months. If the parking incentive program is discontinued, the discount rate for existing participants will be continued for the full twenty-four (24) months. Permits cannot be sub-leased or transferred at a marked up rate. The Director of DOT is authorized to extend the program, after June 30, 2011, on a year-to-year basis, if sufficient parking supply remains available to meet demand at the time of extension. If occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy, and other related indicators to determine if the program can continue or should be discontinued.
11. Downtown Incubator Parking Incentive Program -- Beginning on November 17, 2007 and ending on June 30, 2011, the Executive Director of the Redevelopment Agency or his/her designee shall accept applications from start-up companies for the Incubator Program to participate in the City's Parking Incentive Program. Qualified start-up companies will receive a fifty percent (50%) discount off the current monthly parking rate, for a minimum twenty-four (24) month period, during the time that they are tenants and participants in the Incubator Program. Start-up companies participating in the Incubator Program beyond twenty-four (24) months will continue to receive a fifty percent (50%) monthly parking discount as long as the City continues the Parking Incentive Program. If the Redevelopment Agency terminates an incubator's lease or membership in the Incubator Program, the incubator will no longer be eligible for the fifty percent (50%) monthly parking rate discount. If the parking incentive program is discontinued, the discount rate for existing

participants will be continued for the full twenty-four (24) months. The Director of DOT is authorized to extend the discounted monthly parking program, after June 30, 2011, on a year-to-year basis, if sufficient parking supply remains available to meet demand at the time of extension. If occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director of DOT shall evaluate conditions including parking occupancy, office occupancy, and other related indicators to determine if the program can continue or should be discontinued.

12. New Business/Tenant Parking Incentive Program -- Beginning on July 1, 2007 and ending on June 30, 2011, the Director or his/her designee shall accept applications from New Business/Tenants to participate in the City's Parking Incentive Program. Qualified new businesses/tenants will receive a parking rate per space discount and pay \$75 per month (per space) for lease requests from 5 to 300 spaces for new businesses and tenants to the Downtown. The discounted rate is for a maximum twenty-four (24) months regardless of the date the lease was initiated prior to June 30, 2011. To obtain the reduced rate a minimum six-month lease period is required and thereafter a minimum of a month-to-month lease is required. Participation is restricted to tenants of Class "B" and "C" buildings or buildings without dedicated parking. The lease agreement is with the business/tenant and parking permits cannot be sub-leased or transferred. The Director or his/her designee shall retain the right to choose which Municipal Off-Street Parking Facility a company may use during the lease at any time and is authorized to extend the program after June 30, 2011, on a year-to-year basis, if sufficient parking supply remains available to meet demand at the time of extension. If occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy, and other related indicators to determine if the program can continue or should be discontinued.
  
13. Beginning on July 1, 2007 and ending on June 30, 2010, the Director has the authority to offer Class "B" and "C" Buildings, or buildings without dedicated parking the ability to lease one (1) parking space per 1,000 square feet of office space, up to a maximum of 150 parking spaces per office complex (e.g. cluster of office buildings co-located). The lease rate is \$100 per space per month. If the building owner does not have a specific tenant to apply the long term parking lease, the building owner may secure the lease for \$25 per month per space while seeking a tenant and once the tenant is secured and the parking spaces activated the \$100 rate will be charged. The lease term is available for up to sixty (60) months regardless of the date the lease was initiated prior to June 30, 2010. The Director shall retain the right to choose which Municipal Off-Street Parking Facility a company may use during the

lease and is authorized to extend the program, after June 30, 2010, on a year-to-year basis, if sufficient parking supply remains available to meet demand at the time of extension. If occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy, and other related indicators to determine if the program can continue or should be discontinued.

14. New Business/Tenant or Relocating Existing Business/Tenant - Free Parking Incentive Program – Beginning on April 6, 2010 and ending on June 30, 2011, Director shall accept applications from New or Relocating Existing Businesses/Tenants to participate in the City's Free Parking Incentive Program. Each qualified New or Relocating Existing Business/Tenant will receive free parking in a Downtown Municipal Off-Street Facility, as determined by the Director, for a maximum of fifty (50) parking permits and up to a maximum of twenty-four (24) months. The actual number of months of free parking will be equal to one-half the length of the parking lease agreement that is executed between the applicant and City as set forth below. For example, a New or Relocating Existing Business/Tenant that fully executes a forty-eight (48) month Downtown building/office lease and a separate forty-eight (48) month parking lease agreement with City would be eligible to receive twenty-four (24) months of free parking and required to pay the regular monthly rate for the remaining twenty-four (24) months. The Director has the authority to execute leases for up to a six (6) year term; however, the maximum term for the free parking portion of the lease is twenty-four (24) months. A detail summary of the program is set forth in Exhibit V.

- a. In order to be eligible for the program, New or Relocating Existing Business/Tenant shall sign a parking lease agreement provided by the City that establishes the length of term, the number of months of free parking, the number of months of paid parking at the City's regular established rate, a one month deposit per parking permit at the regular monthly parking rate, penalties for early termination, and additional fees assessed as set forth in detail in Exhibit V.
- b. Director shall assess which Municipal Off-Street Parking Facility the New or Relocating Business/Tenant will use during the duration of the parking lease agreement. Director is authorized to extend the program, after June 30, 2011, on a year-to-year or month-to-month basis, if sufficient parking supply remains available to meet demand at the time of extension. Other factors that will be considered by the Director in determining whether to extend the parking incentives

include the fiscal status of the General Purpose Parking Fund and the economic need for the incentive programs in the Downtown. Additionally, if occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, Director shall evaluate conditions including parking occupancy, office occupancy and other related indicators to determine if the program can continue or should be discontinued. If the program is discontinued, the terms and conditions of existing parking lease agreements will remain in full force and effect.

15. Existing Business/Tenant - 50% Discount Parking Incentive Program – Beginning on April 6, 2010 and ending on June 30, 2011, Director shall accept applications from Existing Business/Tenant to participate in the City's 50% Discount Parking Incentive Program. Each qualified Existing Business/Tenant will receive a 50% discount on parking off the regular established monthly rate in a Downtown Municipal Off-Street Parking Facility, as determined by the Director, for a maximum of fifty (50) parking permits and up to a maximum of twenty-four (24) months. The actual number of months of the 50% discounted parking will be equal to one-half the length of the parking lease agreement that is executed between the applicant and City as set forth below. For example, an Existing Business/Tenant that fully executes a forty-eight (48) month Downtown building/office lease agreement and a separate forty-eight (48) month parking lease agreement with City would be eligible to receive twenty-four (24) months of 50% discounted parking and required to pay the regular monthly rate for the remaining twenty-four (24) months. The Director has the authority to execute leases for up to a six (6) year term; however, the maximum term for the 50% discounted parking portion of the lease is twenty-four (24) months. Director is authorized to enter into leases with qualified Existing Businesses/Tenants for a maximum of 500 parking permits system-wide. A detail summary of the program is set forth in Exhibit V.
  - a. In order to be eligible for the program, Existing Business/Tenant shall sign a parking lease agreement provided by the City that establishes the length of term, the number of months of free parking, the number of months of paid parking at the City's regular established rate, a one month deposit per parking permit at the regular monthly parking rate, penalties for early termination, and additional fees assessed as forth in detail in Exhibit V.
  - b. Director shall assess which Municipal Off-Street Parking Facility the Existing Business/Tenant will use during the duration of the parking lease agreement. Director is authorized to extend the program, after

June 30, 2011, on a year-to-year or month-to-month basis, if sufficient parking supply remains available to meet demand at the time of extension. Other factors that will be considered by Director in determining whether to extend the parking incentives include the fiscal status of the General Purpose Parking Fund and the economic need for the incentive programs in the Downtown. Additionally, if occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy and other related indicators to determine if the program can continue or should be discontinued. If the program is discontinued, the terms and conditions of existing parking lease agreements will remain in full force and effect.

16. Non-City and Non-Redevelopment Agency operated or funded Incubator Free Parking Incentive Program – Beginning on December 14, 2010 and ending on June 30, 2011, Director shall accept applications from Incubators to participate in the Incubator Free Parking Incentive Program. Each qualified Incubator will receive free parking in a Downtown Municipal Off-Street Parking Facility, as determined by the Director, for up to one-half the duration of the Incubator's written office lease agreement for Downtown building/office space, for a maximum of fifty (50) parking permits and up to a maximum of thirty-six (36) months of free parking. The actual number of months of free parking will be equal to one-half the length of the parking lease agreement that is executed between the Incubator and City as set forth below. For example, a qualified Incubator that fully executes a seventy-two (72) month Downtown building/office lease agreement and a separate seventy-two (72) month parking lease agreement with City would be eligible to receive thirty-six (36) months of free parking and required to pay the regular monthly rate for the remaining thirty-six (36) months. Should the Incubator cease to use any, or all of the parking permits provided to them by City at any time during the term of their parking lease agreement, the Incubator may be released from the terms of the agreement requiring the purchase of parking permits during the paid portion of the lease, as long as the Incubator provides written proof of maintaining office space within San José as an Incubator through the term of their parking lease agreement.
  - a. In order to be eligible for the program, qualified Incubators shall sign a parking lease agreement provided by the City that establishes the length of term, the number of months of free parking, the number of months of paid parking at the City's regular established rate, a one month deposit per parking permit at the regular monthly parking rate, and additional fees assessed as set forth in detail in Exhibit VI.

- b. Director shall assess which Municipal Off-Street Parking Facility the Incubator will use during the duration of the parking lease agreement. Director is authorized to extend the program, after June 30, 2011, on a year-to-year or month-to-month basis, if sufficient parking supply remains available to meet demand at the time of extension. Other factors that will be considered by Director in determining whether to extend the parking incentives include the fiscal status of the General Purpose Parking Fund and the economic need for the incentive programs in the Downtown. Additionally, if occupancy reaches eighty percent (80%) (either system wide or by facility) at any time during the program, the Director shall evaluate conditions including parking occupancy, office occupancy and other related indicators to determine if the program can continue or should be discontinued. If the program is discontinued, the terms and conditions of existing parking lease agreements will remain in full force and effect.

17. Introductory Monthly Parking Rate – Businesses or individuals that have not purchased a monthly permit to park in a City facility for at least three (3) months prior to relocating to a City facility, are eligible for a 25% discounted monthly parking rate for a period of up to six (6) consecutive months at a Underutilized Municipal Parking Facility as determined by the Director. The Director is authorized to suspend the program system wide or by facility if occupancy reaches 80% (system wide or by facility) or if the Director determines the program should be suspended because of parking occupancy, office occupancy, and other related financial or parking indicators. If the introductory rate is suspended, the discount rate for existing participants will be continued for the full six (6) months.

Any parking permits issued by the City pursuant to this Resolution shall not be assigned, leased, or sold to any third party, except as specified herein.

- B. On-Street Parking. The rates for on-street parking as defined in Section 1 are shown on **Exhibit IV**, attached hereto and incorporated and made a part hereof as if fully set forth at length in this Resolution.

Under the Clean-Air Vehicle Program, Clean-Air Vehicles purchased after January 1, 2000 from a licensed auto dealership in the City of San José shall be entitled to free parking at all On-Street Parking Meters throughout the City. Each Clean-Air Vehicle must display a Clean-Air Vehicle permit provided by the Director signifying that it is a Clean-Air Vehicle. All Clean-Air Vehicles parking at On-Street Parking Meters shall adhere to the posted time restrictions.

### **SECTION 3. OFF-STREET RESIDENTIAL PARKING PROGRAM**

- A. The "Off-Street Residential Parking Program," shall be administered by the Director pursuant to the requirements set forth herein.
- B. Upon proper application of an owner or tenant of a legal, residential unit that is located Downtown, the Director shall, subject to the requirements set forth herein, sell such person a Residential Parking Permit. The Residential Parking Permit shall authorize the permit holder to access the participating Municipal Off-Street Parking Facilities as follows: (1) between the hours of 5:00 p.m. to 8:00 a.m. weekdays, (2) all day on weekends and official government holidays, and (3) up to twenty (20) weekdays per year from the hours of 8:00 a.m. to 5:00 p.m.
- C. The Director is authorized to determine which Municipal Off-Street Parking Facilities will participate in the Off-Street Residential Parking Program. For each Municipal Off-Street Parking Facility, the Director shall make this determination based upon the demand for the Off-Street Residential Parking Program at that Facility, the availability of parking spaces to accommodate the Off-Street Residential Parking Program, and the appropriateness of this type of parking at the Facility.
- D. For each Municipal Off-Street Parking Facility participating in the Off-Street Residential Parking Program, the Director shall make available only the number of Residential Parking Permits that can be accommodated at the Facility without impacting other parking uses.
1. The Director shall sell only one (1) Residential Parking Permit for each residential unit. The Director shall sell the Residential Parking Permits on a first-come, first-served basis.
  2. Notwithstanding the foregoing, if the Director determines that the number of Residential Parking Permits available at a participating Municipal Off-Street Parking Facility exceeds the number of residential units for which permits are sought, the Director may sell multiple permits to each residential unit. However, any Residential Parking Permits in excess of one permit shall be subject to immediate termination and revocation by the Director in the event the Director determines such termination and revocation is necessary to accommodate a subsequent increase in demand.
- E. The cost of the Residential Parking Permits for the participating Municipal Off-Street Parking Facilities is set forth in **Exhibit II**, attached and incorporated herein. The monthly rate for the Off-Street Residential Parking Permit Program shall be 50% of the Monthly Rate for the Municipal Parking Facility.

- F. The Director may terminate or revoke a Residential Parking Permit for any reason upon ninety (90) days' notice. The Director may terminate or revoke a Residential Parking Permit for cause upon thirty (30) days' notice. Notwithstanding the foregoing, the Director may terminate or revoke a Residential Parking Permit immediately for failure to pay or for the reason set forth in Section 3.D.2 of this Resolution. Residential Parking Permits shall be subject to renewal at the times specified by the Director, provided that such renewals shall occur within a maximum period of three (3) years after permit issuance.
- G. The Director is authorized to promulgate reasonable rules and regulations with regard to the administration of the Off-Street Residential Parking Program.

#### **SECTION 4. VALIDATION PROGRAMS**

- A. The Director shall administer the following parking validation programs:
1. Downtown Parking Validation Program. This program provides a maximum of two (2) hours of validated parking for each customer on a 24 hours a day/7 days a week basis.
    - a. Only businesses in the Downtown Core whose primary business is retail, restaurant, Social Service Provider, nightclub or bar ("Qualified Business") may qualify to participate in this program.
    - b. Qualified Businesses may purchase validations at a rate of \$5 for every 100 twenty-minute validations, or its equivalent one hour and two hours validation booklets or bundles.
    - c. The parking facilities participating in the Downtown Parking Validation Program are as follows:
      - Central Place Garage
      - Central Place Lot
      - Convention Center Garage
      - Fountain Alley Lot
      - Fourth Street Garage
      - Market Street/San Pedro Square Garage
      - Pavilion Garage
      - Second/San Carlos Street Garage
      - Third/Santa Clara Garage (The Globe)
      - Third Street Garage

- d. New qualifying businesses opening within the Downtown Core shall receive up to twelve (12) free validation books or its equivalent each month for the first six (6) months of business operation to encourage their participation in the Downtown Parking Validation Program. Each book equals 2,000 minutes and 12 books equal 400 hours of validation. Requests for additional validation books beyond the initial twelve (12) free validation books will be honored at a cost of 15 cents for each hour of validation.
  - e. Downtown Parking Validations cannot be sold and/or distributed to any third party.
  - f. Validation stamp/coupons are not accepted at Municipal Parking Facilities that charge a pre-paid rate at entry. Under special circumstances the Director has the authority to accept validations on a pre-arranged basis.
2. Downtown Cinema Validation Program. The Downtown Cinema Validation Program provides a maximum of three (3) hours and thirty (30) minutes of free parking to patrons of cinemas in the Downtown Core area.
- a. Downtown Cinema Validations may be redeemed at participating parking facilities after the starting time of the first scheduled cinema/movie at any Downtown cinema as determined by the Director.
  - b. Downtown Cinema Validations are limited to redemption at parking facilities determined by the Director to serve the patron needs of the Downtown cinemas. The Director may add parking facilities to this list as they open and serve cinema/movie patron needs. Currently, the following parking facilities have been determined to serve cinema patron needs, based on ease of access and capability to accommodate present usage by patrons of cinemas/movies:
    - Central Place Garage
    - Central Place Lot
    - Fountain Alley Lot
    - Fourth Street Garage
    - Market Street/San Pedro Square Garage
    - Pavilion Garage
    - Second/San Carlos Street Garage
    - Third/Santa Clara Garage (The Globe)
    - Third Street Garage

The Director may remove any of the above facilities from the Downtown Cinema Validation Program if they close, are developed into non-parking facilities, or no longer meet cinema/movie patron needs.

- c. Downtown Cinema Validations are to be provided to patrons of Downtown cinemas/movies for scheduled showings at no charge.
- d. The Downtown Cinema Validation Program shall not be effective at parking facilities that participate in the Downtown Free Parking Program.
- e. Downtown Cinema Validations shall not be distributed to cinema employees, secondary uses within a cinema (such as café or restaurant patronage), or sold and/or distributed to any third party.

3. Technology Museum Validation Program. The Technology Museum Validation Program enables patrons of the Technology Museum to park at the incremental rate at the Second/San Carlos Garage and the Convention Center Garage up to a maximum of \$5.00 a day.

- B. The City, through the Director, may enter into written agreements with any person, corporation, association, organization or entity for the validation of customer or client parking so long as such agreements are pursuant to at least one of the above-mentioned validation programs.
- C. The Director is authorized to promulgate reasonable rules and regulations with regard to the administration of each of the validation programs.

#### **SECTION 5. ALTERNATE USE OF PARKING FACILITIES**

Pursuant to the "Guidelines for Events Held on City-Owned and City-Operated Parking Facilities, including Redevelopment Agency Public Parking Facilities," adopted by the City Council on September 4, 2001 (hereinafter, "Guidelines"), events approved by the City's Chief Development Officer may be authorized on certain City-owned and/or operated parking facilities. The daily rates for use of the parking facilities made available for events in accordance with the Guidelines are as follows:

- A. For all parking facilities except Almaden/Woz Parking Lot charging a flat daily rate, the daily fee will be twice the daily rate per space used.
- B. For parking facilities charging an hourly rate, the daily fee will be the established daily maximum rate per space used.

- C. For parking facilities during periods when a facility primarily provides free parking, the daily fee will be \$6 per space used.

**SECTION 6. RULES AND REGULATIONS**

The Director is authorized to promulgate reasonable rules and regulations for operation of the parking facilities described in Section 1, including, but not limited to, collection procedures.

**SECTION 7. PRIOR AGREEMENTS**

Agreements which the City entered into pursuant to the terms of any prior Resolution establishing rates and charges for the use of parking facilities mentioned above shall remain in full force and effect until expiration or hereafter amended or terminated by the City.

**SECTION 8. EFFECTIVE DATE/REPEAL**

Resolution No. 75445 shall be repealed with the adoption of this Resolution. Any other resolution containing terms and conditions inconsistent with those contained herein are hereby repealed.

ADOPTED this 14<sup>th</sup> day of December, 2010, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,  
KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.



CHUCK REED  
Mayor

ATTEST:



LEE PRICE, MMC  
City Clerk

# EXHIBIT I - DOWNTOWN AND DOWNTOWN CORE



...downtown 2.dgn Sep. 29, 2009 16:12:37

## EXHIBIT II – MASTER PARKING RATE SCHEDULE – OFF-STREET PARKING

<u>Facility</u>	<u>Rates</u>
<b>Market/San Pedro Square Garage</b> <sup>a, c, d, f</sup> Monthly Rate Nighttime Monthly Rate Daily Incremental Rate Special Event Daily Flat Rate Maximum Incremental Daily Rate Evening after 6PM Special Event Flat Rate Evening Flat Rate after 6PM Weekend Day Rate and Major Holidays 6AM to 6PM Weekend Special Event Day Flat Rate 6AM to 6PM	\$100 Specified Range (\$75 - 125) \$25 - \$50 \$0.75 per 20 minutes \$5 - \$15 \$15 Specified Range (\$12 - 18) \$5 - \$7 \$2 - 5 Free \$5 - \$7
<b>3<sup>rd</sup>/Street Garage</b> <sup>a, c, d, f</sup> Monthly Rate <b>2<sup>nd</sup>/San Carlos Garage</b> <sup>a, c, d, f</sup> Nighttime Monthly Rate Daily Incremental Rate Special Event Flat Rate Maximum Incremental Daily Rate Evening Flat Rate after 6PM Weekend Day Rate and Major Holidays 6AM to 6PM	\$100 Specified Range (\$75 - 125) \$25 - \$50 \$0.75 per 20 minutes \$5 - \$15 \$15 Specified Range (\$12 - 18) \$2 - 5 Free
<b>Convention Center Garage</b> <sup>a, g</sup> Monthly Rate Special Event Rate Event In-Out Day Pass Daily Incremental Rate Weekend day before 6PM Incremental Rate Maximum Incremental Daily Rate Non-Event Evening Flat Rate after 6PM Daily Flat Rate for Reserved Parking Space	\$100 Specified Range (\$75 - 125) \$10 Specified Range (\$0 - 25) \$10 - 30 \$1.00 per 20 minutes \$.50 per 20 minutes \$25 Specified Range (\$10 - 25) \$2 - 5 \$0 - 50
<b>Fourth Street Garage</b> <sup>a, b, e, f</sup> Monthly Rate Nighttime Monthly Rate Daily Incremental Rate Maximum Incremental Daily Rate Evening Flat Rate after 6PM Weekend Day Rate and Major Holidays 6AM to 6PM Banquet Center Visitor Rate	\$100 Specified Range (\$75 - 125) \$25 - \$50 0.75 per 20 minutes \$15 Specified Range (\$12 - 18) \$2 - 5 Free Up to 2 hours: \$3 Specified Range (\$3 - 4) 2-4 hours: \$6 Specified Range (\$6 - 8) 4-6 hours: \$9 Specified Range (\$9 - 12) 6-8 hours: \$12 Specified Range (\$12 - 16) 8-10 hours: \$15 Specified Range (\$15 - 18)
<b>Almaden/Woz Lot</b> <sup>a, g</sup> Monthly Rate Maximum Daily/Evening Flat Rate Special Event Rate Daily Flat Rate for Reserved Parking Space Non-Parking Use Flat Rate	\$75 Specified Range (\$50 - 100) \$3 - 10 \$3 - 25 \$3 - 50 \$20 per parking space
<b>Almaden/Balbach Lot</b> <sup>a, g</sup> Monthly Rate Special Event Rate Maximum Daily/Weekend/Evening Flat Rate	\$75 Specified Range (\$50 - 100) \$3 - 25 \$3 - 7

## EXHIBIT II – MASTER PARKING RATE SCHEDULE – OFF-STREET PARKING

<u>Facility</u>	<u>Rates</u>	
<b>Woz/87 Lot</b> <sup>a, g</sup>	Monthly Rate Special Event Rate Daily/Evening Flat Rate	\$30 Specified Range (\$15 - 60) \$3 - 25 \$3 - 7
<b>San Pedro/Bassett Lot</b> <sup>a, f</sup>	Monthly Rate Daily/Evening Flat Rate	\$30 a Specified Range (\$15 - 60) \$3 - 7
<b>Old City Hall Lots</b>	Special Event Rate	\$5 Specified Range (\$5 - 15)
<b>Arena Lots (Non-Arena Events)</b> <sup>a</sup>	Monthly Rate Daily Flat Rate	\$30 Specified Range (\$15 - 60) \$3 - 7
<b>City Hall Garage</b> <sup>b</sup>	Daily Incremental Rate Special Event Rate Maximum Daily/Evening Flat Rate	0.75 per 20 minutes \$3 - 25 \$15 Specified Range (\$12 - 18)
<b>4<sup>th</sup>/St John</b>	Evening Flat Rate after 6PM Friday/Saturday Evening Rate 6pm to 10pm Sunday-Thursday	\$2 - 5 Free
<b>I-280/First Lot</b> <sup>a</sup>	Monthly Rate Daily Flat Rate Weekend/Evening Rate after 6PM	\$30 Specified Range (\$15 - 60) \$3 - 7 Free
<p><b>a</b> The Director of Transportation, following a review by the Downtown Parking Board, may modify the monthly rate within the specified range.</p> <ul style="list-style-type: none"> <li>• Residential Parking Program Monthly Rate is computed at 0.5 times the normal monthly rate for any given facility.</li> <li>• Premium Parking Monthly Rate is computed at 1.5 times the normal monthly rate for any given facility.</li> <li>• Reserved Parking Monthly Rate is computed at 2.0 times the normal monthly rate for any given facility.</li> </ul> <p><b>b.</b> The 4<sup>th</sup> Street Garage and City Hall Garage are not included in the programs described in Section 2.A.10 through 2.A.17.</p> <p><b>c</b> Facility eligible for participating in the Parking Incentive Programs for Software and Environmental businesses and the Downtown Incubator Program at 50% of the current parking facility monthly parking rate and New Business/Tenants at \$75 per month, \$50 or FREE.</p> <p><b>d</b> Evening rate after 6PM shall be \$3.00 effective January 1, 2009 and may, at the discretion of the Director, be increased every 2 years by \$1.00, up to a maximum of \$5.00 by January 1, 2013. All parking facilities not listed shall remain at the current rate structure.</p> <p><b>e</b> First hour free after 6PM.</p> <p><b>f</b> Facility eligible for participants in the Clean-Air Vehicle Program.</p> <p><b>g</b> Facility charges during holidays.</p>		

# EXHIBIT III – PARKING RATE ZONES

75685



CITY OF SAN JOSE PARKING FACILITIES	PARKING RATE ZONES IN DOWNTOWN SAN JOSE		
	MONTHLY RATE	RATE RANGE	
EXISTING PARKING	ZONE A	\$100	\$75 - \$125
	ZONE B	\$75	\$50 - \$100
	ZONE C	\$30	\$15 - \$60

**EXHIBIT IV – MASTER PARKING RATE SCHEDULE –  
ON-STREET PARKING**

<u>Area</u>	<u>Rates</u>
<b>Parking Meter District 1a – Downtown</b> (as defined in Municipal Code Section 11.40.200B)	<b>\$1.00 per hour 9:00 AM – 6:00 PM Monday – Saturday Except Sundays and Holidays</b>
<b>Parking Meter District 1b – South First Street/University</b> (as defined in Municipal Code Section 11.40.210B)	<b>\$1.00 per hour 9:00 AM – 6:00 PM Monday – Saturday Except Sundays and Holidays</b>
<b>Parking Meter District 2 – East Santa Clara Neighborhood</b> (as defined in Municipal Code Section 11.40.220B)	<b>\$1.00 per hour 9:00 AM – 6:00 PM Monday – Saturday Except Sundays and Holidays</b>
<b>Parking Meter District 3 – Japantown Neighborhood</b> (as defined in Municipal Code Section 11.40.230B)	<b>\$1.00 per hour 9:00 AM – 5:00 PM * Monday – Saturday Except Sundays and Holidays</b>
<b>Parking Meter District 4 - First and Younger Neighborhood</b> (as defined in Municipal Code Section 11.40.240B)	<b>\$1.00 per hour 9:00 AM – 6:00 PM Monday – Saturday Except Sundays and Holidays</b>
<b>Parking Meter District 5 - Arena/Diridon Area</b> (as defined in Municipal Code Section 11.40.250B)	<b>\$0.00-\$25.00 Flat Rate or \$1.00 per hour As specified at Meter</b>

\* Parking Meter District 3 Hours of Operation will extend to 6:00 PM effective July 1, 2011.

<b>New and Relocating Existing Business/Tenant</b>	
Program	Free Downtown parking to New Business/Tenant or Relocating Existing Business/Tenant.
Qualified Businesses/Tenants	New Business/Tenant or Relocating Existing Business/Tenant as defined in this Resolution.
Parking Lease Term	Equivalent to the new or extended building lease term, or less than the new or extended building lease term where applicant submitted application after commencement of the new or extended building lease term.
Parking Lease Monthly Rate	<p>Free period (first half) of parking lease is free (maximum of two years)                      Paid period (second half) is at the regular parking rate set forth in this Resolution (100% rate), e.g.:</p> <p>6 year building lease: 2 years free; &amp; 4 years @ 100%                      4 year building lease: 2 years free; &amp; 2 years @ 100%                      3 year building lease: 18 months free; &amp; 18 months @ 100%</p>
Deposit	One month deposit is required for each parking permit at the current regular rate for all free parking permits (e.g. 25 permits x 1 month x \$100 = \$2,500). Deposit will be applied to the last month payment under the parking lease, or used to offset any assessed fee. Deposit(s) required prior to execution and amendments of agreement.
Early termination of Parking Lease, or Reduction in Parking Permits	<p>If a business terminates the parking lease early, or utilizes on average more free parking permits during the free period of the parking lease, than the purchase of full priced permits during the paid period, a fee will be assessed as follows:</p> <ol style="list-style-type: none"> <li>1. 50% of the value of the free parking utilized if the lease is terminated during the free period.</li> <li>2. 50% of the difference between the average number of free parking permits used during the free period and the number of permits purchased at the commencement of the paid period, at the then regular rate, for the remaining months of the lease.</li> <li>3. 50% of the value of the remaining months on the parking lease or the remaining value of the parking spaces, at the then current rate, if the lease is terminated, or the number of parking spaces purchased is reduced, during the paid period.</li> </ol>

**EXHIBIT V – PARKING INCENTIVE PROGRAMS****75685**

Adding Parking Permits	Parking permits may be added during the term of the parking lease as follows: <ol style="list-style-type: none"><li>1. Permits added during the free period of the parking lease will be free for up to a maximum of 50 permits through the end of the free period.</li><li>2. Permits added in excess of 50 permits during the free period of the parking lease, or added during the paid period, will be separate from the parking lease and paid at 100% of the then regular rate.</li></ol>
Maximum Free Monthly Permits	Each New Business/Tenant may receive up to a maximum of 50 free monthly permits.
Transfers	Parking lease agreement and parking permits are non-assignable and non-transferrable.
Eligible Parking Facilities	With the exception of the Fourth & Street Garage, all Municipal Off-Street Parking Facility are eligible at the discretion of Director.
Approval	Director shall review all applications and approve all businesses eligible for the parking incentive program and administer the parking lease program as set forth in this Resolution.

<b>Existing Businesses/Tenants</b>	
Program	50% discounted Downtown parking for Existing Business/Tenant.
Qualified Businesses/Tenants	Existing Business/Tenant as defined in this Resolution.
Parking Lease Term	Equivalent to the new or extended building lease term, or less than the new or extended building lease term where applicant submitted application after commencement of the new or extended building lease term.
Parking Lease Monthly Rate	<p>Discounted period (first half) of parking lease is 50% of the regular parking rate set forth in this Resolution (maximum of two years);                      Paid period (second half) is at the regular parking rate set forth in this Resolution (100% rate), e.g.:</p> <p>6 year building lease: 2 years @ 50% discount; &amp; 4 years @ 100%                      4 year building lease: 2 years @ 50% discount; &amp; 2 years @ 100%                      3 year building lease: 18 months @ 50% discount; &amp; 18 months @ 100%</p>
Deposit	One month deposit is required for each parking permit at the current regular rate for all free parking permits (e.g. 25 permits x 1 month x \$100 = \$2,500). Deposit will be applied to the last month payment under the parking lease, or used to offset any assessed fee. Deposit(s) required prior to execution and amendments of agreement.
Early termination of Parking Lease, or Reduction in Parking Permits	<p>If a business terminates the parking lease early, or utilizes on average more discounted parking permits during the discounted period of the parking lease, than the purchase of full priced permits during the paid period, a fee will be assessed as follows:</p> <ol style="list-style-type: none"> <li>1. 50% of the value of the discounted parking utilized if the lease is terminated during the discounted period.</li> <li>2. 50% of the difference between the average number of discounted parking permits used during the discounted period and the number of permits purchased at the commencement of the paid period, at the then regular rate, for the remaining months of the lease.</li> <li>3. 50% of the value of the remaining months on the parking lease or the remaining value of the parking spaces, at the then current rate, if the lease is terminated, or the number of parking spaces purchased is reduced, during the paid period.</li> </ol>

**EXHIBIT V – PARKING INCENTIVE PROGRAMS****75685**

Adding Parking Permits	Parking permits may be added during the term of the parking lease as follows: <ol style="list-style-type: none"><li>1. Permits added during the discounted period of the parking lease will be at a 50% discount for up to a maximum of 50 permits through the end of the discounted period.</li><li>2. Permits added in excess of 50 permits during the discounted period of the parking lease, or added during the regular rate paid period, will be separate from the parking lease and paid at 100% of the then regular rate.</li></ol>
Maximum Discounted (50%) Monthly Permits	Each New Business/Tenant can receive up to a maximum of 50 discounted monthly permits.
Transfers	Parking lease agreement and parking permits are non-assignable and non-transferrable.
Eligible Parking Facilities	With the exception of the Fourth Street Garage, all Downtown Municipal Parking Facility are eligible at the discretion of Director.
Approval	Director shall review all applications and approve all businesses eligible for the parking incentive program and administer the parking lease program as set forth in this Resolution.

## EXHIBIT VI – PARKING INCENTIVE PROGRAMS

<b>Non-City and Non-Redevelopment Agency Incubators</b>	
Program	Free Downtown parking for Non-City and Non-Redevelopment Agency Incubators.
Qualified Entities	Non-City and non-Redevelopment Agency operated or funded Incubators supporting the concurrent development of 5 or more start-up companies.
Parking Lease Term	Equivalent to the new building lease term, or less than the new building lease term where applicant submitted application after commencement of the new building lease term.
Parking Lease Monthly Rate	Free period (first half) of parking lease is free (maximum of three years) Paid period (second half) is at the regular parking rate set forth in this Resolution (100% rate), e.g.:  6 year building lease: 3 years free; & 3 years @ 100% 4 year building lease: 2 years free; & 2 years @ 100% 3 year building lease: 18 months free; & 18 months @ 100%
Deposit	One month deposit is required for each parking permit at the current regular rate for all free parking permits (e.g. 25 permits x 1 month x \$100 = \$2,500). Deposit will be applied to the last month payment under the parking lease, or used to offset any assessed fee. Deposit(s) required prior to execution of parking lease agreement or amendments thereto. Any unused portion of the deposit will be returned to the applicant at the end of the parking lease agreement term.
Early termination of Parking Lease, or Reduction in Parking Permits	If Incubator terminates the parking lease prior to the expiration, or utilizes on average more free parking permits during the free period of the parking lease than the purchase of full priced permits during the paid period, <u>and</u> has not maintained its office space in San José for the full duration of the parking lease agreement, a fee will be assessed as follows: <ol style="list-style-type: none"> <li>1. 50% of the value of the free parking utilized if the lease is terminated during the free period.</li> <li>2. 50% of the difference between the average number of free parking permits used during the free period and the number of permits purchased at the commencement of the paid period, at the then regular rate, for the remaining months of the lease.</li> <li>3. 50% of the value of the remaining months on the parking lease or the remaining value of the parking spaces, at the then current rate, if the lease is terminated, or the number of parking spaces purchased is reduced, during the paid period.</li> </ol>

**EXHIBIT VI – PARKING INCENTIVE PROGRAMS****75685**

Early release from Requirement to Purchase Parking Permits	Fees set forth above for early termination or reduction in parking permits will not apply if Incubator requests to be release from purchasing parking permits during the paid period and provides written documents to demonstrate that it maintains office space in San José through the entire term of the parking lease agreement.
Adding Parking Permits	Parking permits may be added during the term of the parking lease as follows: <ol style="list-style-type: none"><li>1. Permits added during the free period of the parking lease will be free for up to a maximum of 50 permits through the end of the free period.</li><li>2. Permits added in excess of 50 permits during the free period of the parking lease, or added during the paid period, will be separate from the parking lease and paid at 100% of the then regular rate.</li></ol>
Maximum Free Monthly Permits	Each Incubator may receive up to a maximum of 50 free monthly permits.
Transfers	Parking lease agreement is non-assignable and non-transferrable, except Incubator may assign parking permits to start-up companies locating within Incubator's office space.
Eligible Parking Facilities	With the exception of the Fourth Street Garage, all Downtown Municipal Parking Facility are eligible at the discretion of Director.
Approval	Director shall review all applications and approve all entities eligible for the parking incentive program and administer the parking lease program as set forth in this Resolution.