



ADMINISTRATIVE REPORT

TO: CITY COUNCIL

FROM: LARRY A. PATTERSON, CITY MANAGER

PREPARED BY: OFFICE OF THE CITY MANAGER

MEETING DATE: APRIL 7, 2014

SUBJECT: DOWNTOWN SAN MATEO PARKING MANAGEMENT PLAN

RECOMMENDATION

Accept the final report of the *Downtown San Mateo Parking Management Plan*, approve the implementation strategy for carrying out the plan's recommendations, and authorize staff to begin initial planning for a new downtown parking structure given future parking demand.

BACKGROUND

At the November 18, 2013 study session, the Council received a presentation on the draft report of the *Downtown San Mateo Parking Management Plan*. During a subsequent study session on February 3, 2014, the Council received information about proposed implementation actions for each general recommendation in the draft plan along with responses to additional Council comments. This plan is intended to design better parking management strategies that optimize the use of existing spaces, enhance the parking experience for customers, and identify and plan for future parking needs. The City worked with CDM Smith to develop the plan which involved a review of existing policies and practices, collection and analysis of data for public parking spaces to identify current usage, extensive engagement with key stakeholders and the general public, and estimates of future demand.

Following the February 3rd study session, staff has worked with CDM Smith to finalize the *Downtown San Mateo Parking Management Plan* and develop an implementation strategy that provides a roadmap of actions to create an integrated and comprehensive downtown parking program. Both documents are presented to the Council for consideration and represent the culmination of this planning process. Lastly, the Council recently affirmed the importance of downtown parking by identifying the implementation of the plan as one of the Council Priorities.

Final Report of Parking Management Plan

The Council is asked to accept the final report of the *Downtown San Mateo Parking Management Plan* which is included as Attachment 1. This report is similar to the draft report presented to the Council on November 18, 2013 with the following highlights of key findings and observations:

- *There is some available capacity in the parking system though it is limited at peak times.* Overall, downtown public parking occupancy ranges from a low of 13 percent (8:00-9:00 a.m. on weekends) to a high of 82 percent (1:00-2:00 p.m. on weekdays). Given this range, public parking facilities throughout downtown are at an occupancy level below the practical capacity of 85 percent occupancy based on current conditions though peak times are near 85 percent. The pace of continued downtown development could increase these occupancies.
- *On-street parking is more limited than off-street particularly in the evenings.* On-street parking demand does exceed 85 percent occupancy in the downtown core (defined generally as B Street, Ellsworth Street, 3rd Avenue, 4th Avenue, and part of 5th Avenue) particularly in the evening after enforcement hours end at 6:00 p.m. On-street parking in the downtown core reaches a high of 97 percent occupancy on weekday evenings and 94 percent occupancy on weekend evenings. Based on discussions with stakeholders, a number of these on-street spaces are used by employees. Despite these high on-street occupancies, there is capacity available in the City's off-street parking facilities.
- *Public is concerned about parking availability and desires enhancements to the parking system.* There is wide concern from stakeholders and the public about the availability of downtown parking along with recognition that the City's current parking rates are low and support for using a market-based pricing approach. There is also a strong desire for improved signage to parking facilities along with real-time parking information.
- *Parking system is financially solid though funding is limited for future improvements or facilities.* The financial condition of the parking system is healthy as parking revenues have increased 20% since 2009-10 to approximately \$2M and fully cover the current costs of parking operations and other downtown services including facilities and landscape maintenance and public safety positions. The parking fund has an available fund balance of \$4.5M generated through parking in-lieu fees and operating surpluses. However, there is not a dedicated source of funding at this time for providing future parking facilities or adding additional parking or downtown services.
- *City will need additional public parking spaces in the future.* Based on estimates of parking demand, the City will need up to approximately 400 additional public parking spaces over the next 10 years. This is based on the potential loss of 246 public spaces on the former Redevelopment Agency properties and if these spaces or a subset were retained, there would be a corresponding reduction in additional spaces needed. Implementation of measures to reduce the number of car trips downtown could also help reduce the number of new spaces needed. However, even with these measures, additional public parking spaces will be needed given the limits in the current system capacity and the increased pace of downtown development.

Based on these key findings and observations, the parking management plan includes a number of general recommendations to provide a framework for both policy and operational changes and enhancements to the downtown parking system. These general recommendations include:

- Develop Goals and Guiding Principles
- Refine Organization Structure
- Update Rate Policy and Pricing
- Simplify Parking Time Stays
- Extend Hours of Enforcement
- Identify and Communicate the Parking System
- Integrate Parking Technology
- Update In-Lieu Fees
- Explore Existing Public and Private Parking Supplies
- Partner with Businesses on Valet Parking
- Develop and Implement Garage and Lot Maintenance Plans
- Develop Funding Options for Future Needs
- Encourage Transportation Demand Management

One recommendation added following the February 3rd study session is “Explore Existing Public and Private Parking Supplies,” which was added due to the Council’s interest in exploring whether the Main Library garage and/or private facilities could provide additional public parking capacity. Staff has begun implementation of this recommendation and is determining the scope and timing of needed improvements to the Main Library garage to ensure safety and security to both the facility and patrons if the garage was open in the evenings after the building closed (using the garage during the day would likely conflict with library patrons). Though the location is an 8-10 minute walk from the center of downtown, the Main Library garage could help provide additional overflow supply in the evening when the current parking system exceeds capacity. Similarly, staff is currently working with private parking operators to determine interest and availability and in providing additional private garage spaces for public use. The most likely option would also be after-hours as most private garages are typically full until the evening.

Implementation Strategy

In addition to accepting the final report of the *Downtown San Mateo Parking Management Plan*, the Council is asked to approve the implementation strategy for carrying out the plan’s recommendations. This strategy is included as Attachment 2 and is structured around the following five elements that address the plan’s recommendations:

- *Consolidation of Parking Services.* The responsibility for managing the public parking spaces in downtown San Mateo and implementing the plan recommendations should be consolidated into a “Downtown Parking Manager” position to coordinate parking services, daily operations, and strategic implementation of policies and programs.
- *Policy and Municipal Code Actions.* To achieve a parking system that is market-based and responsive to customer needs, City policies and Municipal Code sections related to parking need to be revised to serve as a foundation for the downtown parking system.

- *Operations.* Building on a stronger organizational structure and updated policy and code foundation, numerous operational changes need to be considered for rates, time stays, enforcement hours, technology enhancements, and parking equipment.
- *Marketing and Communication.* Creating an integrated and comprehensive parking program and further investments in operations and infrastructure requires a higher level of communication with both customers and stakeholders.
- *Funding.* Given the cost of building new parking facilities, the City will need multiple sources of funding for these facilities and should begin exploring these options early in the implementation process.

The implementation strategy conveys key actions and a proposed sequence of implementing the parking management plan recommendations in phases from immediate (over the next 12 months) to longer-term (2-3 years). The focus of the first year of implementation is to hire a contract Parking Manager, create a parking advisory committee, revise parking policies and code sections for the Council's consideration, and begin making operational improvements. Staff plans to bring changes to policies and code sections to adjust parking rates and permits, change time stays, and other items to the Council this fall as part of the initial implementation. In addition, staff will pursue immediate "quick wins" in the coming months such as re-striping parking stalls on B Street to add more spaces, testing out the use of new parking equipment, beginning a car share pilot program to reduce car trips, and allowing after-hours public parking at the Main Library garage and select private garages.

Building on the first year, the second and third years of implementation would focus on continued operational changes, improved marketing, and planning and funding future parking needs. Implementation of specific items in future years may be accelerated based on organizational capacity or need. Lastly, given the importance of downtown parking and its connection to economic development, the City Manager's Office will oversee the management of the downtown parking system beginning in 2014-15.

At the February 3rd study session, Council requested additional information about making adjustments to parking pricing using a demand-based approach. As highlighted in the parking management plan, making adjustments to parking rates and permits using a demand-based approach is intended to link pricing to the 85% occupancy standard to better manage the parking system and encourage greater use of less occupied spaces. In addition, these adjustments will generate additional revenue to invest in improvements to the parking system. The implementation strategy includes an estimate of additional revenues from increasing on-street parking rates in the downtown core from \$0.50 per hour to either \$1.00 or \$1.25 per hour along with increasing the Central Garage rate to \$1.00 per hour while leaving other rates in place. These rate scenarios are estimated to produce an additional \$700-\$885K in parking revenues beyond the \$2M in revenues currently generated. These additional revenues would be allocated to improvements identified in the parking management plan with potential uses including:

- Dynamic signage at garages and parking sensors to provide real-time parking availability
- Improved parking equipment and pay stations
- New wayfinding signage to more easily find parking facilities
- Parking garage maintenance improvements and safety features such as security cameras
- Funding to assist with building future parking facilities
- Other physical improvements or services downtown

Initial Planning for New Parking Structure

Lastly, staff is requesting that the Council provide policy direction for staff to begin initial planning for a new downtown parking structure. Implementation of the Parking Management Plan recommendations will help the City better manage its existing parking supply in the near term. However, the plan indicated that there is increasingly limited parking capacity at peak times and the pace of downtown development seen in recent months could ultimately lead to more spaces needed in the next 3-5 years compared with the 400 new spaces over 10 years estimated in the Parking Management Plan. As a result, concurrently with implementing this plan, staff would like to begin the next phase of the downtown parking work program with planning for a future parking facility. This planning work would involve updating estimates of new spaces needed, confirming a potential location(s) for a new facility, identifying and determining funding options, and beginning initial design work. The City would also continue to work with the Oversight Board and the State Department of Finance on the disposition of the former Redevelopment Agency parking lots given their importance to both the current and future public parking supply.

BUDGET IMPACT

The total cost of implementing of implementing the parking management plan has not been identified as specific cost information will be developed and presented to the Council as elements of the plan are implemented. All costs will be funded from the Downtown Parking and Security Fund. An initial cost estimate for full implementation of the recommended parking technologies is approximately \$1M in one-time costs and \$360K in annual ongoing costs which includes parking availability signs at garages and major entrances to downtown, new pay stations for garages and lots, and expansion of real-time parking sensors to all 3,000 public spaces downtown. However, the final scope of implementing such technologies would be scaled and phased to match available revenues and the City is also exploring financing methods that would minimize upfront costs.

ENVIRONMENTAL DETERMINATION

Under CEQA Guidelines Section 15378, approval of this implementation strategy is not a project per CEQA as it will not have an impact on the physical environment.

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Attachment 1 – Final Report – *Downtown San Mateo Parking Management Plan*

Attachment 2 – Implementation Strategy – *Downtown San Mateo Parking Management Plan*

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