

# DOWNTOWN PARKING PROGRAM

City Council Regular Meeting

December 20, 2022



# Background

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- City initiated paid parking program in 2019
- Goals:
  - Manage on-street demand
  - Create an employee parking program
  - Cost-neutral by the 5<sup>th</sup> year
- In April 2022, Council directed staff to maintain current program in its current form and bring back later in year for review



# The Current Problem

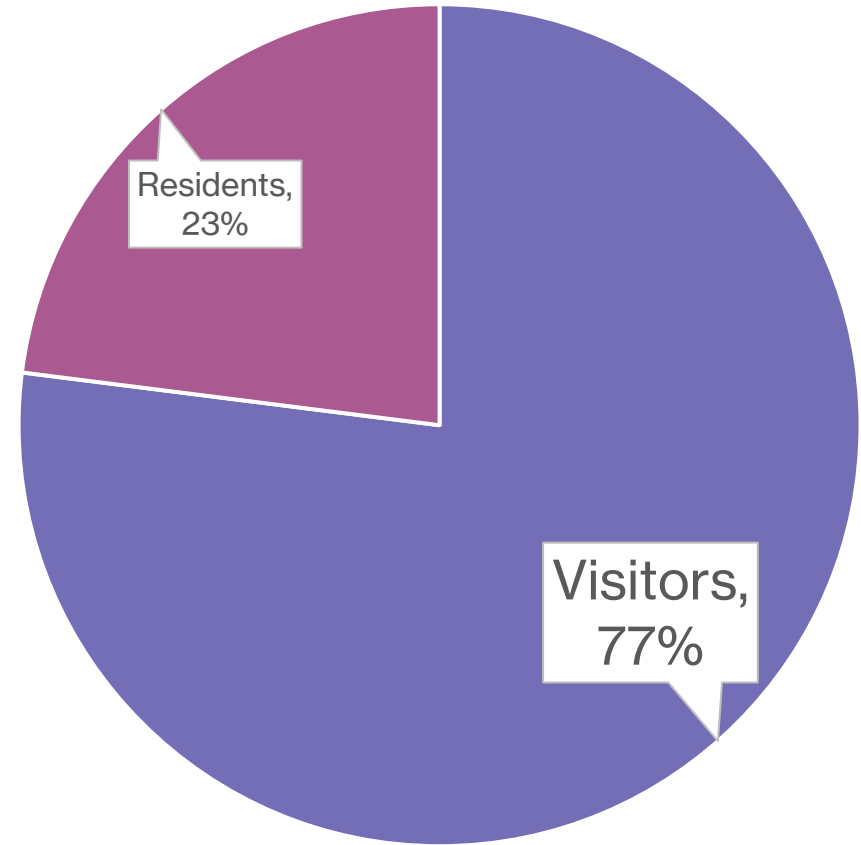


1. Why is the Current Program Not Self-Sustaining?
2. Why is the Current Program Confusing and Complicated?

**BECAUSE WE OFFER  
FREE PARKING**

# Why a Paid Parking Program?

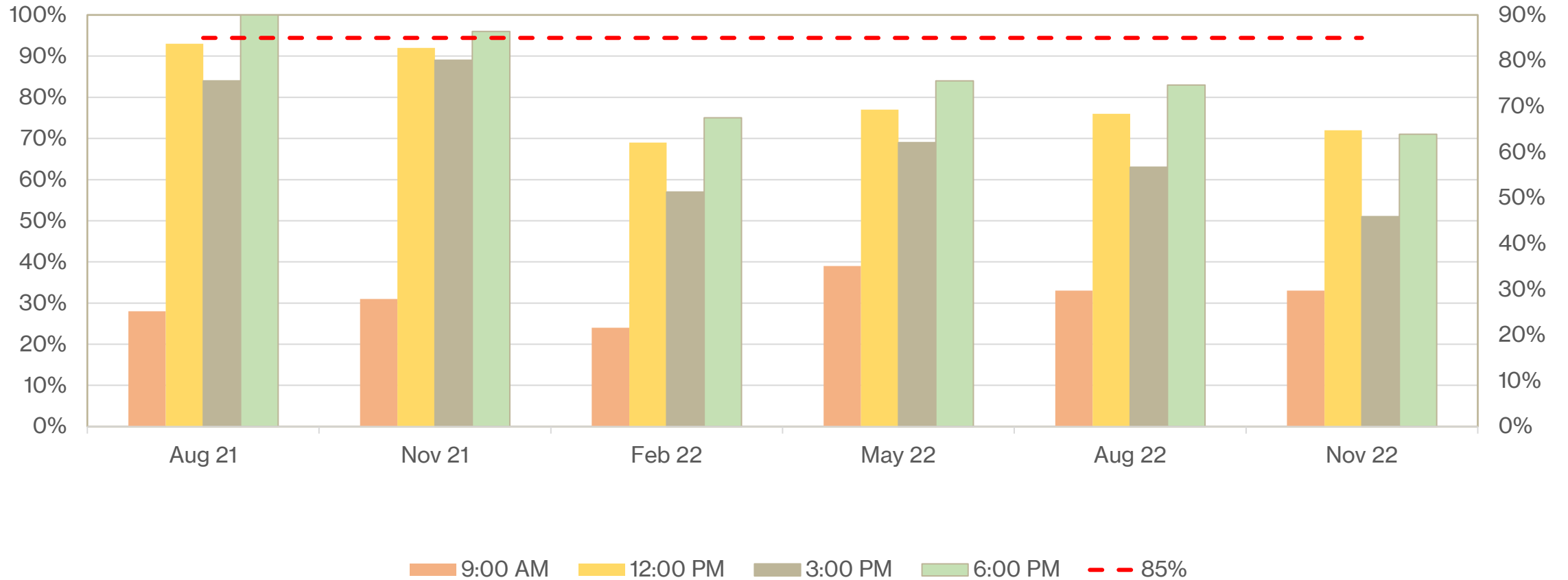
- Mitigates employees parking on-street
- Improve on-street availability for visitors, customers, and residents
- 77% of program paid by visitors<sup>1</sup>
- Does not adversely impact downtown businesses



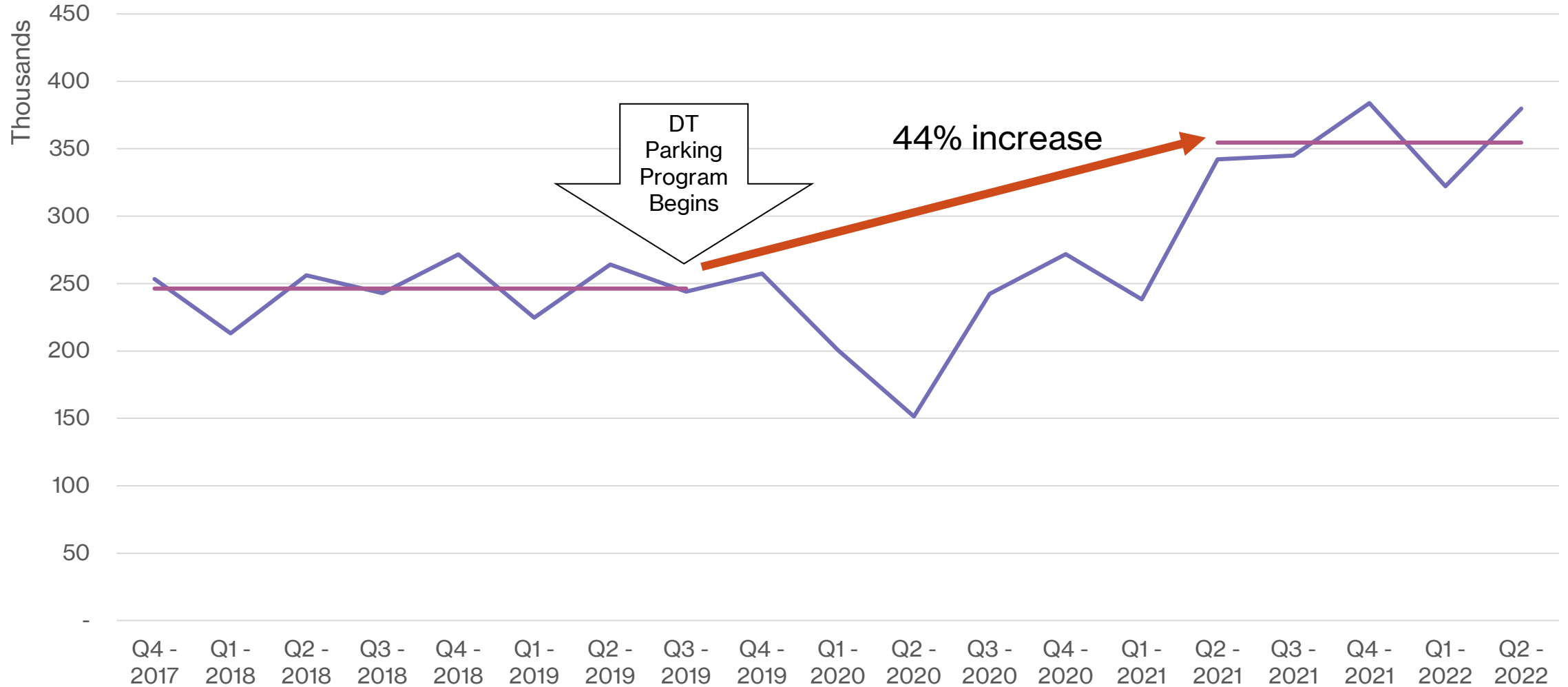
<sup>1</sup> – Based on FY 2021-22 Citation Data

# On-Street Demand

On-Street Core Historical Occupancy



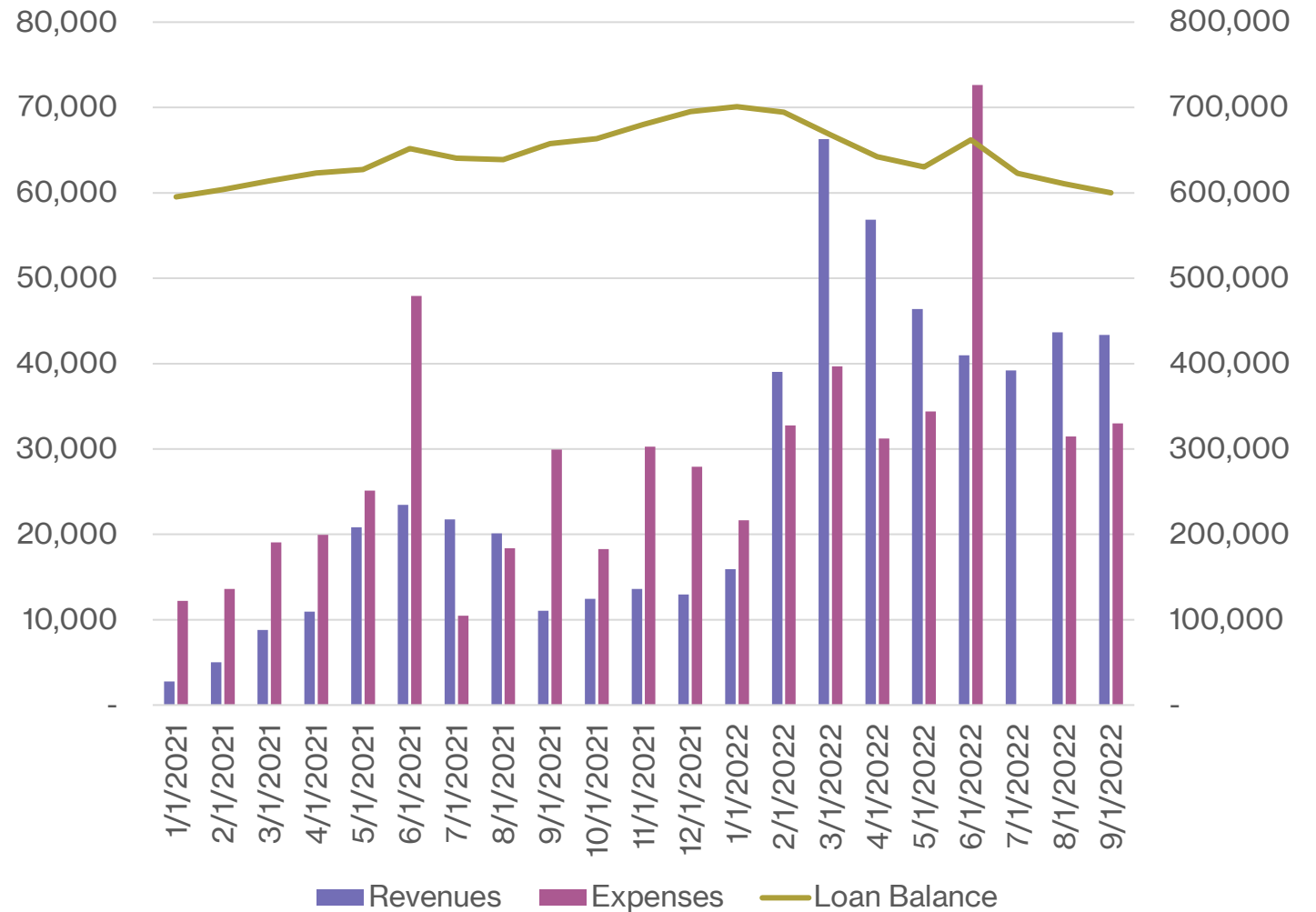
# Downtown Sales Tax Revenue



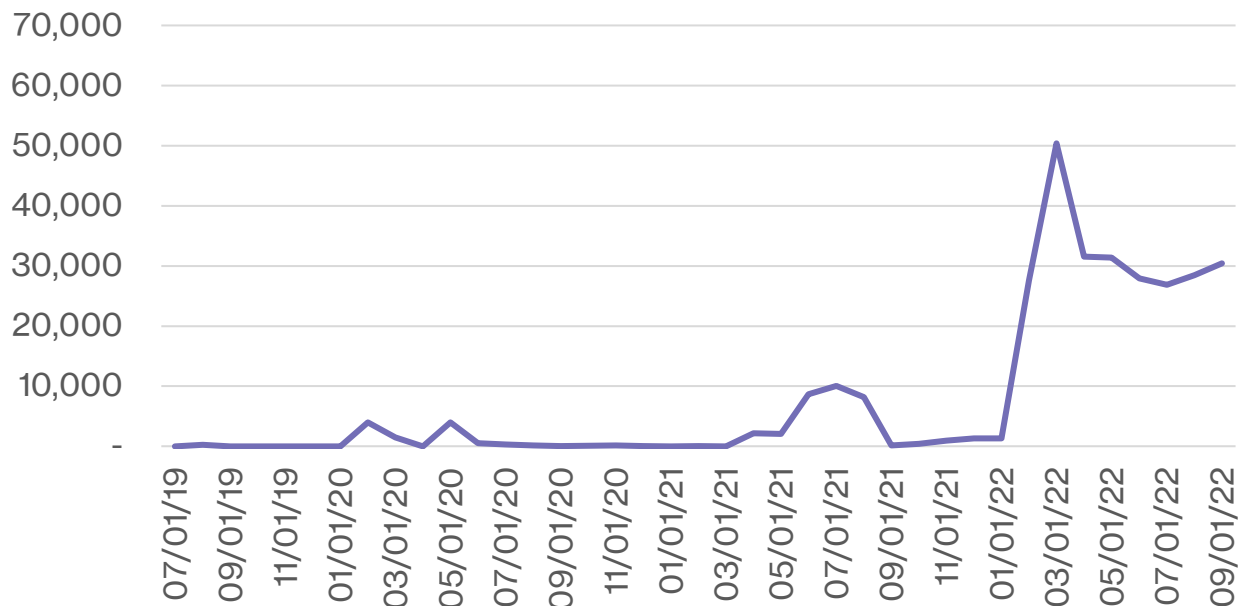
# Parking Fund Status

- General Fund Loan Balance on June 30, 2022: \$662,025
- Startup Costs (e.g., kiosk, technology, equipment, etc.): \$542,084
- FY 2021-22 Revenues: \$408,640 (Prior Year \$95,888)
- Since Jan. 1, 2021, the Program has a negative \$14,400 cash flow

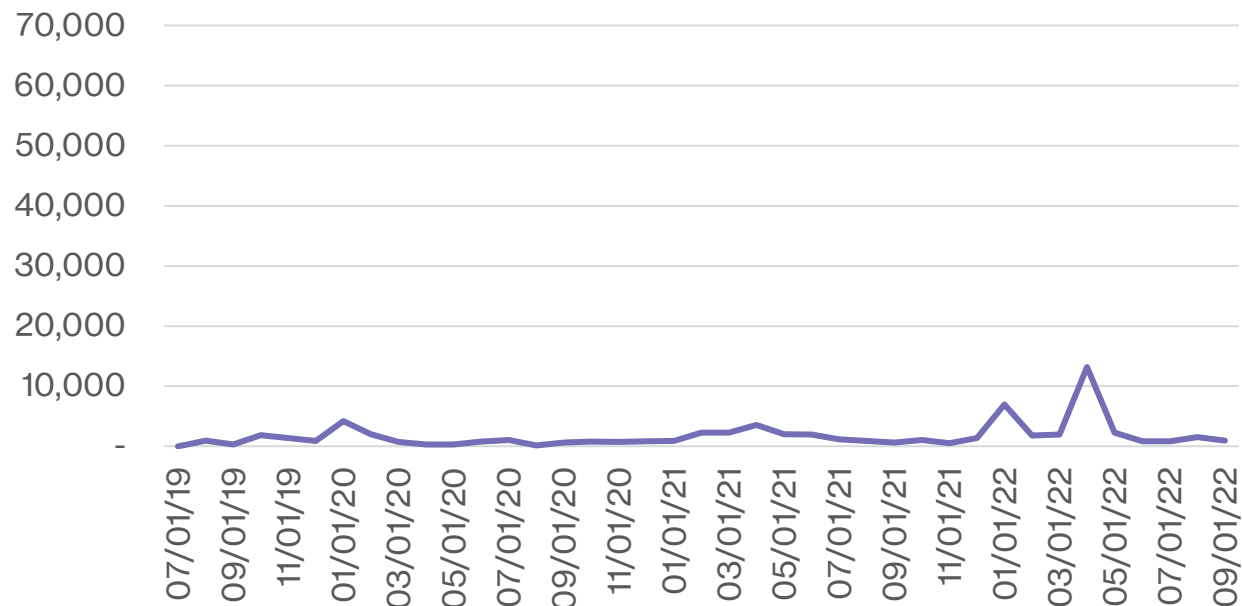
Parking Revenues, Expenses and Loan Balance



### 44030 - Parking Fines

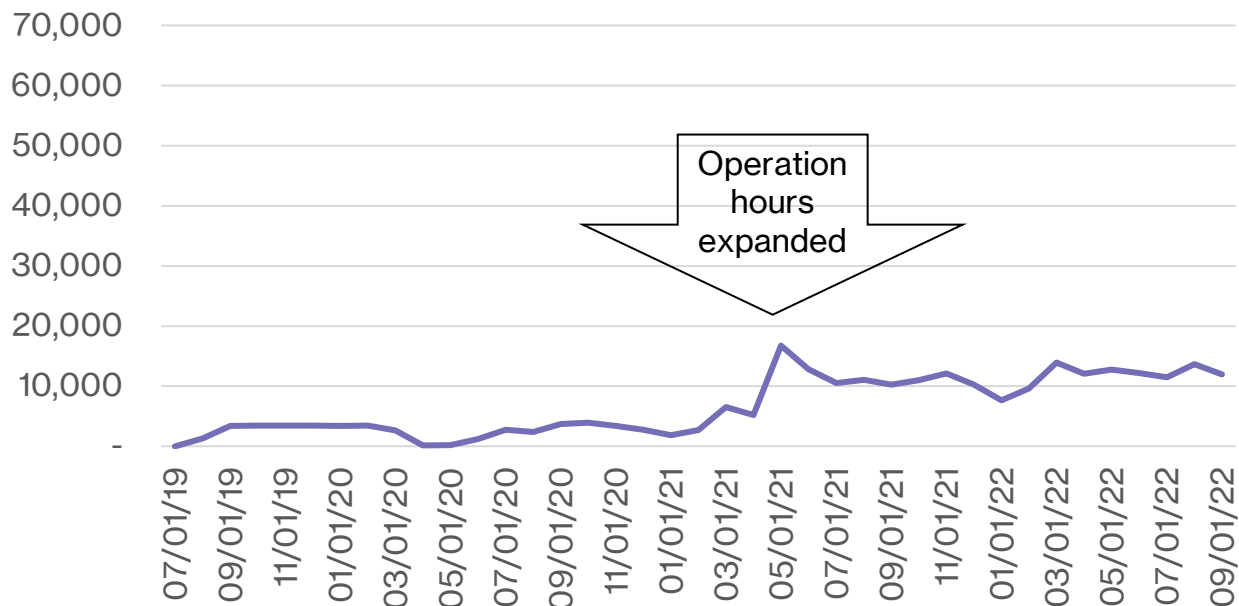


### 47115 - EE Permit Revenue

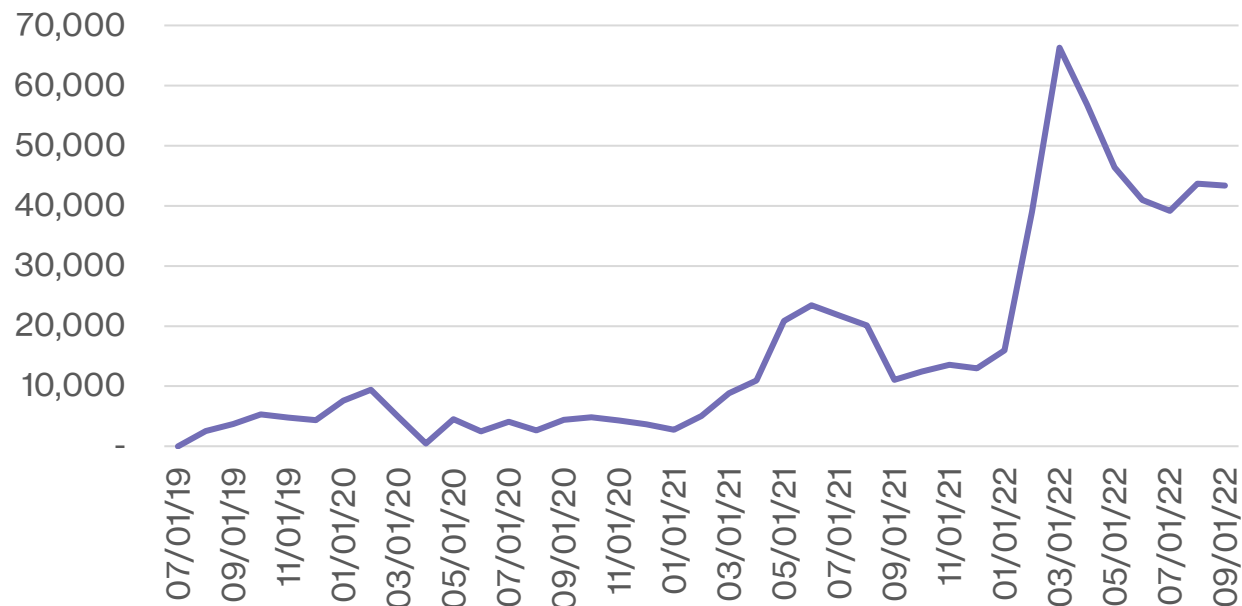


Attachment 5

### 47116 - Downtown Parking Revenue



### Total

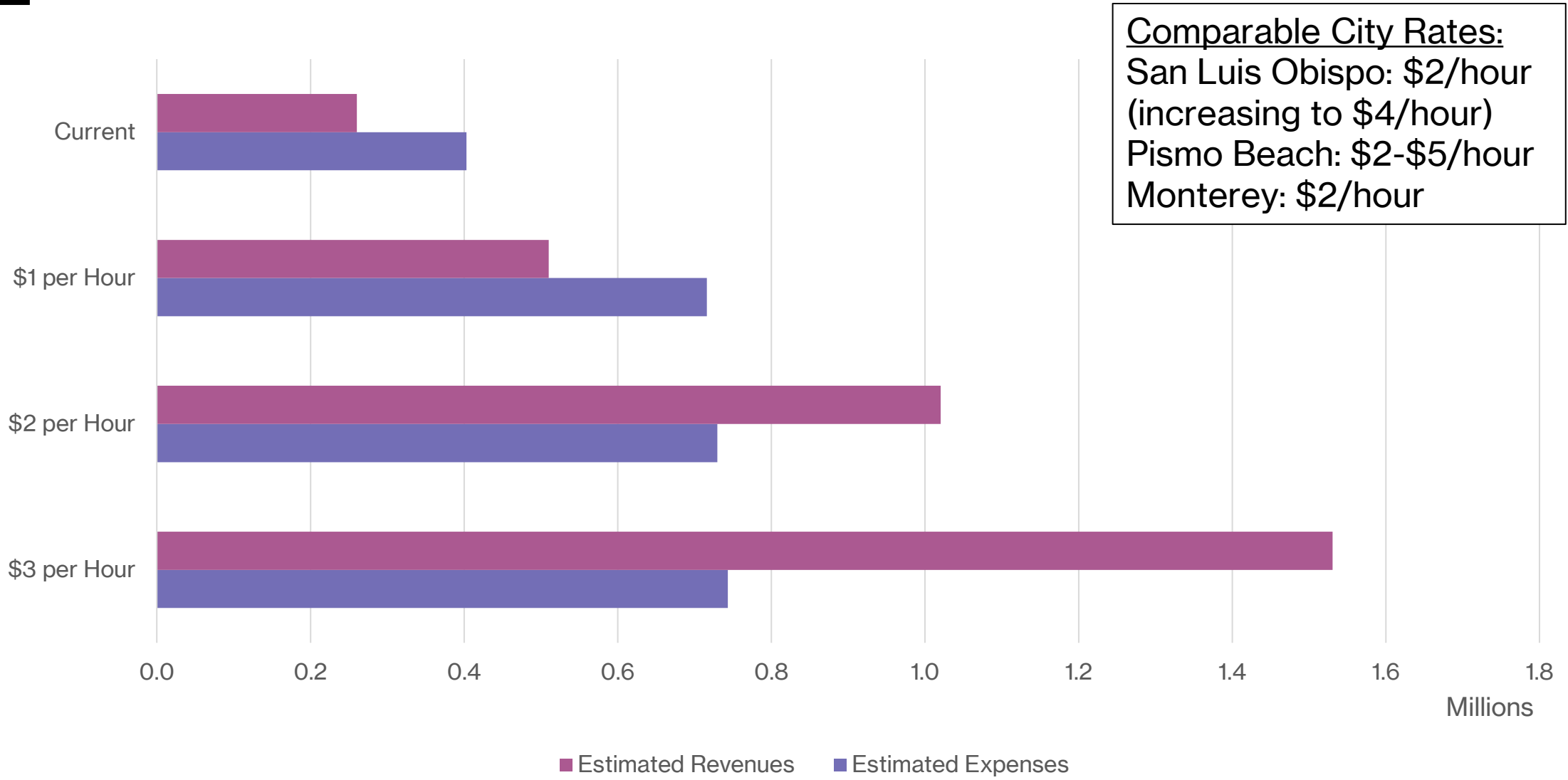




## Parking Revenues, Expenses and Loan Balance (excludes start-up costs & enforcement revenue)



# Paid Parking Forecast Financials



# Free App Discontinuation



The WayToPark app is being discontinued 12/31/22 and is no longer supported



Our current vendor, Flowbird is offering an updated app with optional pay by text and QR code



There are many other app options available



# Addressing Parking for Locals

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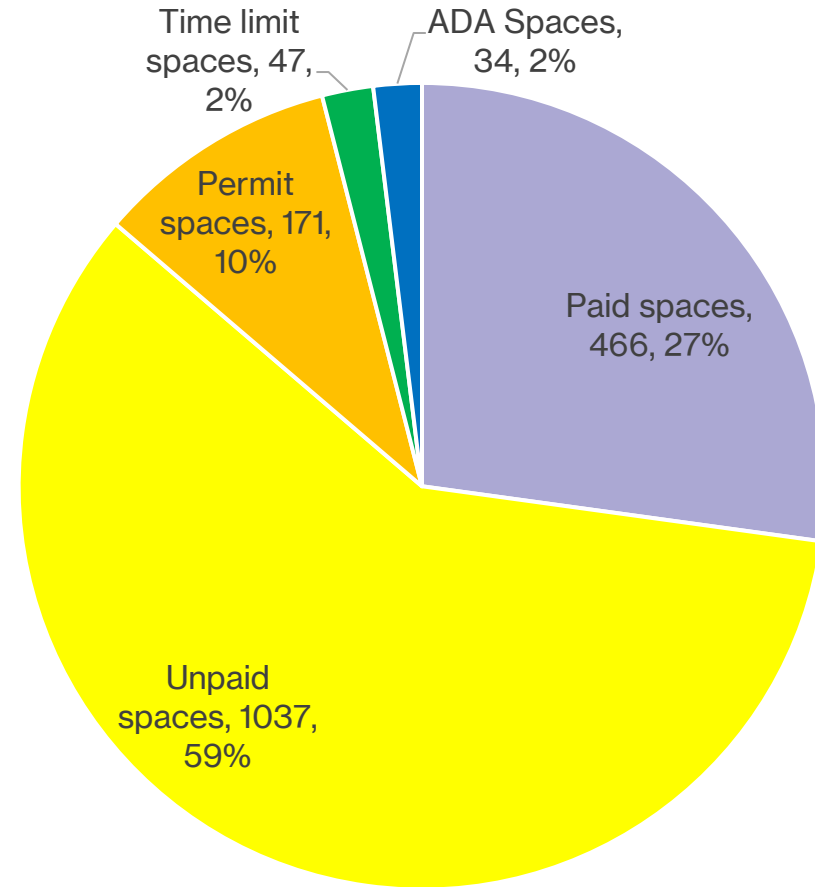
No Changes to Senior/Employee Parking

Where to Park for Free

Conversion of City Hall/Train Station Lots

Exploring Locals Coupon/Credit Option

# Downtown Parking Spaces



# Addressing Parking for Locals

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Exploring Locals Coupon/Credit Option – still incurs costs

Offer free parking on dates when locals frequent Downtown – (e.g., Pioneer Day, Holidays, etc.)

*"Parking garages are seldom built as freestanding commercial ventures because parking revenues cannot cover the cost. In a study of 8 municipal parking agencies in the Middle Atlantic and New England states, Hebert Levinson found that the annual operating revenue per space ranged between 26 and 36 percent of the annual cost per new garage space." Shoup, The High Cost of Free Parking.*

- Current demand does not justify a parking garage
- Capital costs
  - Who pays? Local Voter-Approved Bonds? Existing Revenues?
  - At what opportunity cost?
- Cost estimates between \$36,000 and \$44,000 per space
- San Luis Obispo's new structure under construction @ **\$134,000 per space** and requires system-wide rate increases to subsidize

# Conclusion and What's Next?

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- Staff Recommendation:
  - Approve eliminating free parking within existing paid parking zones;
  - Increase hourly rate to \$2 per hour
  - Remove permit parking area within the City Hall/Library and train station parking lots
  - Upgrade parking system-related technology
  - Implement local's program, subject to future City Council review