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REPORT TO THE CITY COUNCIL

ADOPTING A CONFLICT OF INTEREST CODE FOR COMMUNITY PARKING DISTRICT ADVISORY BOARDS

## INTRODUCTION

The California Government Code requires the City Council to adopt conflict of interest codes that direct public officials to disclose their financial interests if they hold positions in which they make decisions, or participate in making decisions, that may foreseeably have a material effect on those interests.

Conflict of interest codes help ensure that public officials, whether elected or appointed, perform their duties in an impartial manner. By disclosing relevant financial interests, public officials can determine whether a conflict exists and avoid participating in a matter. The Political Reform Act makes this information available to the public so it can serve as a watchdog and ensure government decisions are free from undue influence or improper motives.

With these goals in mind, the Council now must consider adopting a conflict of interest code for the City's six Community Parking District Advisory Boards (Advisory Boards). Although three Advisory Boards have been in existence since 1997 and three others since 2005, their members have not been required to file economic disclosures. Last year, however, the California Fair Political Practices Commission (FPPC) determined that Districts and their Advisory Boards are "local government agencies" that "are required to adopt and promulgate" a conflict of interest code. (See Calabrese Advice Letter No. I-08-067 (May 30, 2008) at 5.) Such a code must be adopted by the City Council in order to be effective. The California Government Code designates the City Council as the City's code-reviewing body with authority to approve a conflict of interest code. Cal. Gov't Code §§ 82011(c), 82003.

The City Attorney's Office had already drafted proposed code language, which was discussed by the Council in 2008 before the FPPC issued its opinion. The Council had returned the item to the City Attorney without taking action. (See Section II below.) The Downtown Community Parking District Advisory Board, which consists of the board of the Centre City Development Corporation, then adopted its own parking code language, cognizant that a code would not be effective until adopted by the City Council.



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The City Attorney's Office now brings a proposed Conflict of Interest Code back to the City Council for consideration. If adopted as proposed by the FPPC, the code will take effect immediately. Members of all six Advisory Boards will be required to file initial economic disclosures on the FPPC Form 700 within 30 days of receiving a related letter from the City Clerk's Office. For the three boards in existence since 2005, members and former members also will be required to file disclosures for each of the previous years they served on the board, as directed by the FPPC opinion.

Although we believe a code should be adopted to comply with the FPPC advice letter, we have found significant administrative and legal issues related to its implementation with regard to certain of the parking groups. Our discovery of many of these issues is the result of a new administration in this Office taking a fresh look at this matter. This Report provides background and then details those issues. Although the FPPC advised that a code be adopted, we address our concerns and offer several options for the Council's consideration. (See Section III.)

## DISCUSSION

### I. The City's Six Parking Districts

Since 1997, the City Council has approved resolutions creating six Community Parking Districts, each with a designated Advisory Board to oversee parking policy within the communities. Council Policy 100-18 provides that the Advisory Board for a community parking district may be "the existing board of a business improvement district, a redevelopment corporation, a community development corporation, or other nonprofit corporation approved by the City Council." Each Advisory Board must "comply with all State and Federal laws and regulations pertaining to nonprofit corporations, including making its annual filing of IRS Form 990 available to the public, and shall comply with State public records and open meeting laws with regard to the use of Community Parking District funds," according to the Council Policy. (See Council Policy 100-18, attached to this Report.)

These community boards have been given responsibility for managing 45 percent of the revenues generated by parking meters in the local parking districts. Council Policy 100-18 states that Community Parking District revenues "shall be primarily used to address parking supply and mobility issues. Improvements and activities that increase the availability, supply, and effective use of parking for residents, visitors, and employees within the adopted Community Parking Districts shall be the principal focus of expenditure of the funds." Acceptable uses of the funds are detailed in Municipal Code sections 82.08 and 82.09.

The FPPC cited the fact that Advisory Boards are empowered to make decisions regarding parking revenues – i.e., public funds – as a key reason Advisory Board members must disclose their economic interests. (See Calabrese Advice Letter at 8-9 (stating that, assuming the facts presented are accurate, "it appears that the Advisory Boards have some decisionmaking authority regarding the disbursement of funds.").)

The amount of such revenues, however, varies greatly between communities. The three newer districts do not yet generate parking meter revenues within their boundaries, while the Council recently authorized Fiscal Year 2010 appropriations to three others: up to $4.2 million in

revenues to the Uptown Community Parking District; up to $4.9 million to the Downtown District; and up to $786,000 for Mid City.

As set forth above, Council Policy 100-18 allows Community Parking Districts to select several different types of entities to serve as its Advisory Board. Each District has structured its board differently. As a result, application of a universal conflict of interest code will impact Advisory Boards differently. The six Advisory Boards are discussed below, with the groups that would be subject to the new Conflict of Interest Code highlighted in bold print.

### A. Community Parking Districts in Existence Since 1997

**Downtown**: The board of the **Centre City Development Corporation**, a redevelopment corporation, sits as the Advisory Board for the Downtown Community Parking District. The Centre City Development Corporation, however, is separately required to file Statements of Economic Interest under its own conflict code for the corporation. Of the six Community Parking Districts, only the downtown entity is managed by an Advisory Board that already is subject to a conflict code. The Advisory Board already has approved its own language for a Conflict of Interest Code, which is similar in part to the code now being presented to the City Council. At the time the board approved the language, it was aware that a code must be approved by the Council in order to be effective.[1] This entity oversees a significant amount of revenues generated by downtown parking meters.

**Uptown: Uptown Partnership, Inc.**, a non-profit corporation, serves as Advisory Board for the Uptown Community Parking District. The partnership has prepared plans and recommendations for neighborhoods including Hillcrest, Middletown, Mission Hills and Park West. Council District 2 is seeking to add a new subgroup for the Bankers Hill area. The potential restructuring of the "sub-groups" within this district is a separate issue that should not affect the application of the code to the board members of the Partnership. Members of the subgroups would not file, as they are not recognized as the "Advisory Board" by Council resolution. (We also note that Council Policy 100-18 does not contemplate the districts being divided into "subgroups" and they are not recognized by the policy.)

**Mid-City**: This entity has the most complicated structure and this raises potential difficulties in applying the code. The Council's resolution creating the district designated the "**Mid City Parking Meter District Advisory Board**" (later renamed the Mid City Parking District Advisory Board) as the Advisory Board under Council Policy 100-18. A subsequent Memorandum of Understanding, however, was entered into between the Advisory Board and three other entities. The City is not a party to this Agreement. The MOU created three independent sub-districts that serve as the fiscal entities within the district: The **El Cajon Boulevard Business Improvement Association** serves as the Greater Mid-City Community Parking District advisory group. The **Greater Golden Hill Community Development Corporation** and the **University Heights Community Development Corporation** administer each respective community's portion of district revenues. Each of these three entities meets the

[1] The CCDC version of the Conflict of Interest Code for the Downtown parking group was drafted by an outside consultant as part of a larger revision to CCDC's own code. The code now presented to the City Council differs from CCDC's version, adding detail such as definitions and slightly different categorical requirements. The gist of the two codes is the same.

criteria set forth in Council Policy 100-18: one is an "existing board of a business improvement district," and the other two are "a community development corporation." However, they are not recognized by Council resolution as the "Advisory Board."

Under the proposed code, board members of each of these three entities also should be required to file statements of economic interest, because they are the "fiscal entities" assigned to the district by contract. This complicated arrangement can be viewed on the attached flow chart, which was provided by the El Cajon Boulevard Business Improvement Association. (See Attachment.) Moreover, our Office has been told that the actual "Advisory Board" has a looser structure, of members of each of the entities. It thus may well be that the "Advisory Board recognized by Council resolution (the "Mid City Parking District Advisory Board") is not the entity that should file disclosures. The Council may wish to consider a new resolution that restructures the Mid City district so that the three entities in the MOU are officially recognized as "Advisory Boards" for the district.

**Application of the code:** With regard to all three of the Community Parking Districts listed above, which each have been in existence since 1997, Advisory Board members would need to file an initial disclosure form within 30 days of receiving a related letter from the City Clerk's Office. They do not need to file statements for prior years.

**B. Community Parking Districts in Existence Since 2005**

**La Jolla**: **Promote La Jolla, Inc.**, is designated by Council resolution to serve as the La Jolla Community Parking District Advisory Board. There is a nine-member Committee, however, that has been serving as the group that decides parking policy in the community, despite the fact the City Council resolution recognizes Promote La Jolla, Inc. as the official "Advisory Board" for the community parking district. We understand that the nine-member committee has been working on policy and budgets, yet, to our knowledge, it has not been formally recognized by Council resolution or other contractual agreement with the City. Moreover, it does not appear to meet the criteria in Council Policy 100-18 that it be an "existing board of a business improvement district, a redevelopment corporation, a community development corporation, or other nonprofit corporation approved by the City Council." The interaction between the two entities has caused confusion, including by the FPPC, which stated that the nine-member board must file economic disclosures. We do not have any evidence that the FPPC knew or understood that the Committee is not recognized by Council resolution.[2] Despite the Committee's lack of recognition as the official Advisory Board, the Council may wish to direct our office to create a code for the nine-member Committee, if it is participating in making government decisions. The Council also may wish to consider a new resolution that restructures the La Jolla district, assuming it can do so and comply with Council Policy 100-18. This is a policy issue for the Council to decide.

**Old Town**: The **Old Town San Diego Chamber of Commerce** serves as the Advisory Board for the Old Town Community Parking District. The district was formed in June 2005 and

[2] The FPPC advice letter considered the issues facing the La Jolla Community Parking District and then concluded that its findings would apply equally to other parking districts. We have no evidence that the FPPC considered, or had facts regarding, the structure of the other five parking districts.

proposes to examine solutions to parking impacts within its boundaries. If a code is adopted, the board of this entity would be required to file disclosures.

**Pacific Beach: Discover Pacific Beach** is designated by Council resolution to serve as the Advisory Board for the Pacific Beach Community Parking District. It is served by a Cooperative Parking Committee representing the interests of the community. This Committee consists of a total of thirteen delegates including three from the Pacific Beach Town Council; three from Discover Pacific Beach, three from the Pacific Beach Planning Committee; and four at-large delegates from the four quarters of the community. However, similar to the structure in La Jolla, this Committee has not been formally recognized by Council resolution. This Committee also would not qualify to serve as the official Advisory Board, because it does not appear to be an "existing board of a business improvement district, a redevelopment corporation, a community development corporation, or other nonprofit corporation approved by the City Council." Here, as well, the Council and City staff may wish to consider how best to apply the code. It may be that Discover Pacific Beach board members are not all working on parking policy, despite the fact it is the entity recognized by Council resolution to do so.

**Application of the code:** According to the FPPC opinion, the Advisory Board members of these three Community Parking Districts (the entities in bold print above) need to make additional filings, because a related law requires retroactive filings from those who served entities formed after 2003.[3] Thus, if a code is adopted as the FPPC directed, members of these three Advisory Boards would file not only an initial disclosure form, but one for each prior year in which they served on the board. This also applies to anyone who previously served on one of the three boards but has since resigned.

## II. The Proposed Conflict Of Interest Code

### A. Prior Council Action

On February 26, 2008, the City Council considered a proposal to adopt a Conflict of Interest Code for the City's six Community Parking District Advisory Boards. Citizens had expressed concern that the La Jolla Community Parking District Advisory Board was proceeding with its business in violation of the state's Political Reform Act because it is a decision-making body but had not been made subject to a conflict of interest code. (We note, however, that the group at issue was the nine-member Committee referenced above, and not the Advisory Board designated by Council resolution, Promote La Jolla.)

The City Attorney's Office issued a memorandum December 14, 2007, later clarified in a letter dated December 17, 2007, that argued the Committee should have a conflict of interest code. This conclusion was based principally on Council Policy 100-18, which generally defines

[3] The FPPC Advice Letter interpreted California Government Code section 87302.6, which provides that a member of a board of a "newly created agency" shall file a statement of economic interests at the same time and in the same manner as other officials listed in the code. Thus, there is a duty to file an initial statement of economic interests not more than 30 days after one assumes office. The FPPC Advice Letter stated that FPPC regulation 18754 implements this, but defines "newly created agency" as one that came into existence on or after January 1, 2003. The FPPC interpreted these regulations to mean that members of the three Parking Advisory Boards created after January 1, 2003 must also file retroactive disclosures. (See Calabrese Advice Letter No. I-08-067 at 2, 13.)

the duties and powers of the Advisory Boards. (The prior opinion, however, never referenced the fact that the underlying resolution actually designated Promote La Jolla as the actual Advisory Board recognized by the City.) This Office then worked with the Committee, known as the La Jolla Community Parking District Advisory Board, drafting a proposed code at a series of publicly noticed meetings. Drafts of the code, as it evolved, were also shared with other parking boards, with invitation to comment through the City's staff liaison.

At the February 26, 2008 City Council meeting, Councilmembers suggested that the treatment of the Advisory Boards as decision-making bodies, subject to the Political Reform Act, was not their intent. Rather, Councilmembers suggested the boards were intended to be purely advisory. Councilmembers expressed concern that, if members were required to file Statements of Economic Interest, this would discourage citizen participation in these volunteer boards. This Office suggested the possibility of amending the Council Policy to remove decision-making authority from the Advisory Boards.

The City Council requested that the City Attorney return to the Council on April 15, 2008 to present two alternatives: (1) A proposed code; and (2) proposed revisions to Council Policy 100-18 to eliminate language that had led to the finding that the boards have decision-making authority, thus potentially eliminating the need for any of the members to file disclosures. On April 15, 2008, the City Council considered two proposed draft resolutions (R-2008-858, to approve the Conflict of Interest Code; and R-2008-859, to amend Council Policy No. 100-18) and returned both items to the City Attorney without taking action. The FPPC then issued its advice letter, stating that a code should be adopted for the six Advisory Boards.

Moreover, the FPPC made clear that simply revising the Council policy to change the authority of the parking boards would not eliminate the need to adopt a Conflict of Interest Code for the Advisory Boards. Rather, the FPPC relied upon the following rule: Where a board or commission is nominally "purely advisory," it will nonetheless be considered a decision-making agency under state law if "[i]t makes substantive recommendations that are, and over an extended period of time have been, regularly approved without significant amendment or modification by another public official or governmental agency." Cal. Code Regs. tit. 2 §18701(a)(1)(A)(iii).

City staff had reported to this Office that the Council has rarely or never rejected or modified an Advisory Board recommendation.[4] Attorneys in this office under the previous administration

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[4] Staff in the City Planning and Community Investment Department, which serves as a liaison to the Advisory Boards, suggested in 2008 that collaboration between staff and Advisory Boards occurred regularly, and that board recommendations are commonly shaped by this collaboration before boards finalize them and present them to the City Council. It was suggested by community members that this review might constitute "amendment or modification by another public official." This Office previously opined that it would not read the regulation this way. This Office previously opined that, in order to constitute independent review that will prevent application of the Political Reform Act, rejection or modification of board recommendations would have to occur <u>after</u> the board actually makes the recommendations. Second, while City Council modification or rejection of board recommendations would be relatively easy to analyze due to record-keeping under the Brown Act, informal shaping of those recommendations by staff would likely be impossible to fully document. Thus, board members and staff could suggest that staff had informally shaped board recommendations, despite lack of a record.

We note, however, that the prior administration did not appear to consider the differences in recommendations submitted by the six boards; rather, it ignored whether certain boards had even submitted plans and instead portrayed them all as the same. The FPPC opinion therefore treated all six boards the same in determining that each needed a code.

reviewed the legislative record and confirmed this for the FPPC. A prior report from this Office stated that since the first version of Council Policy 100-18 was created in 1997, and three districts (then called "Parking Meter Districts") were formed late that year, the City Council (so far as this Office was able to determine) never modified or rejected an Advisory Board recommendation. Rather, the report stated, the Council approved annual plans from the Advisory Boards without modification, on a dozen or more occasions.

The FPPC, informed of these facts before it issued its opinion, has thus stated that a modification of the Council Policy to strip the Advisory Boards of their nominal decision-making authority would not suffice to exempt them from filing statements of economic interest. The boards would have to establish new practices of being purely advisory before a code could be rescinded.

Thus, we recommend that a code be adopted, to comply with the FPPC opinion. We also recommend, however, that the Council consider the differences between the various boards and consider alternatives to implementing it at this time for certain of the boards (see below).

### B. Provisions of the Conflict of Interest Code

California law holds that a government entity must balance the public's interest in full disclosure of the economic interests of public officials (to shed light on potential conflicts of interest) against the privacy rights of the individuals who must disclose their holdings. Case law requires that financial disclosures be tailored to the interests that may be affected by the person's decision-making authority. Codes also cannot be drafted too narrowly to capture essential information that must be disclosed to the public. Thus, this Office drafted a code that it believes is appropriately tailored to the boards' duties.

The Political Reform Act also is clear in stating that consultants who contribute to governmental decisions are "public officials" and thus subject to the Act's conflict of interest and disclosure requirements. Cal. Gov't Code §82048 ('Public Official' means every member, officer, employee ***or consultant*** of a state or local government agency. (Emphasis added.)) Category 4 of the proposed code, regarding consultants, is thus a standard provision of City conflict of interest codes. This category does, however, contain a provision permitting the City to exempt individual consultants from disclosure upon a finding that such individuals "perform duties that are limited in scope" and do not contribute to governmental decisions in a manner that would give rise to a state law disclosure requirement. We bring this to your attention because certain Advisory Boards do employ consultants who may become additional designated filers.

## III. Administrative and Legal Issues with Implementing the Conflict of Interest Code

In the process of preparing to bring the code back to the City Council, our office has researched the history of the districts and interviewed City staff regarding the effect that the code will have on several offices. We thus raise these issues for your consideration:

### A. Potential Filers Will Be Difficult to Identify and City Staff Will Take on the Burden of Enforcement.

With the exception of the CCDC board, which already files economic disclosure statements, the City Clerk does not know the identity of the potential filers. The rough estimate

is that there could be 80 to 100 additional people who would have to file economic disclosure statements between the six Parking Districts.[5] This includes some board members who may no longer serve on the three boards created in 2005, but who the FPPC has indicated would need to provide retroactive filings for each of the years that they did serve. City staff would need to locate all of these potential filers and get their contact information to the City Clerk.

The City Planning and Community Investment Department serves as the liaison to the Parking Districts. It is therefore in the best position to work with the individual districts to compile the lists of potential filers from each of the affected entities. The lists would need to include all relevant contact information (name, address, phone numbers and email addresses) so the City Clerk can send out letters explaining the process and filing deadlines. These names would be added to the list of City employees and members of City boards and commissions that the Clerk's Office already must track to ensure they file initial, annual and leaving office statements. It is also significant that these names could change at any time – when a board has an election, for example. Thus, the Advisory Boards and the City Planning liaison would need to ensure groups are constantly providing updated information to the City, so the Clerk can keep lists current. If these filers do not timely submit disclosure statements, the Clerk would then turn over their names for enforcement.

Moreover, if an Advisory Board employs consultants, those names will need to be given to City Planning staff to make a determination as to whether they, too, must file. If they are designated as filers, the City Clerk also must track their filings or turn over their names for enforcement.

These administrative acts will have a staffing and budgetary impact on the City Clerk and City Planning staffs. If potential enforcement is to be conducted by the Ethics Commission or City Attorney's Office, there would be an additional administrative impact.

### B. The Designated Advisory Board for La Jolla is Not the Nine-Member Committee, but Promote La Jolla.

As set forth above, the FPPC letter indicates that the "nine-member board" in La Jolla should file, although the recognized Advisory Board is Promote La Jolla. It may well be that it is the Committee that is making the decisions regarding parking policy in La Jolla, but we have found no record of Council action to formally recognize the group. Moreover, the group's structure does not meet the criteria of Council Policy 100-18. Thus, it appears that Promote La Jolla is the entity that must file. Moreover, there are unresolved issues regarding Promote La Jolla related to a recent audit.

The Council may wish to revisit the structure of the La Jolla district and its administration. As of the writing of this memorandum, our office is not aware of the specific

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[5] The City Clerk's office already must monitor an estimated 400 community volunteers who must file annual statements of economic interest because they serve on City boards, commissions and Project Area Committees. If fully implemented, this code could lead to a 20 percent to 25 percent increase in the number of such citizen filers that the Clerk's office must track and, when necessary, report to the Ethics Commission or City Attorney's Office for enforcement.

division of duties between Promote La Jolla and the nine-member board, and defers to City Planning staff for that explanation.

### C. The Designated Advisory Board for Pacific Beach is not the Cooperative Parking Committee, but Discover Pacific Beach.

As explained above, Discover Pacific Beach is designated by Council resolution to serve as the Advisory Board for the Pacific Beach Community Parking District. But here, too, there is a different entity that appears to be making the policy decisions: the 13-member Cooperative Parking Committee. However, similar to the structure in La Jolla, this Committee has not been formally recognized by Council resolution.

### D. The Fiscal Entities for Mid City are Entities Whose Members Should File Disclosures.

As referenced above, the Mid City Community Parking District has a very different structure than the one contemplated by the Council creating it. The attached flow chart explains the structure. Our office recommends that the fiscal entities be asked to file economic disclosures. We are not aware of precisely what actions the Mid City Parking District Advisory Board has taken and cannot recommend here whether it should also be a filer. We defer to City Planning staff to explain the division of responsibilities between the groups.

### E. The Council May Wish to Consider Alternatives to Enacting the Code for all Six Parking District Advisory Boards at this Time.

Given the administrative and legal issues outlined above, the Council may wish to take action other than enacting the conflict of interest code for all six entities.

We suggest the following options for the Council's consideration:

- Enact the code as is with regard to each of the six entities, which would follow the direction provided by the FPPC. The Council, however, must recognize that, in some situations, the entities whose board members serve as "filers" may not be those who are actually working on parking policy. Thus, this would seem to be at odds with the legal purpose of economic disclosures – so that citizens can see the potential conflicts of those in the position to make government decisions.

- Enact the code at this time only for those entities that do not have structural issues. The code could be enacted for the Downtown and Uptown groups, and possibly for Mid City. The Council could consider changing the designation of the Advisory Boards of the other groups by resolution at a later date.

- Change the retroactive filing requirement. Although there is a retroactive filing requirement for groups that have been in existence since 2003, we understand that certain of those groups may not have submitted any plans to the City. Thus, the FPPC may have suggested this without full understanding of the facts related to

these three Community Parking Districts. It may not be appropriate to impose the retroactive filing requirement on such groups, but we cannot determine this without further investigation of the facts related to the history of the three groups and whether they have submitted plans. We also may wish to consider returning to the FPPC with additional facts and to seek a supplemental opinion.

- Modify Council Policy 100-18 to render the Advisory Boards truly "advisory" and seek to eliminate the need for some or all of the boards to file disclosures. This may not be possible for all districts. We previously brought a revised Council Policy to the Council for consideration.

- Approve new resolutions that either restructure or further explain the structure of the entities that are not following the form originally intended by the formation documents and resolutions.

- Hold a public workshop at the Council committee level so the public may provide input about the parking advisory groups and their future direction. Conduct fact-gathering and consider the possibility of changing the status of certain of the groups to render them purely advisory. Consider the future role of City staff in the management or oversight of such groups.

Once the Council provides policy direction as to how it wishes to treat the Advisory Boards, our office and City Planning staff can further address each of these issues.

## CONCLUSION

The FPPC Advice Letter and the current structure of the Parking Boards warrant adoption of a conflict of interest code. The City Attorney's Office submits a proposed Conflict of Interest Code modeled after those in effect for similar City boards and commissions. A code will allow the City to comply with California law and to allow the public to monitor decisions to ensure they are free from undue influence or improper financial motivations.

Although we propose a code that potentially could be applied to all six Parking Boards, we believe that issues regarding the structure of some of the Boards should be the subject of further discussion. The Council may choose to enact the conflict of interest code with regard to some or all of the boards at this time. Alternatively, the Council may wish to revise Council Policy 100-18, as was previously proposed. The Council also could return the item to City staff for more work regarding the structure of the parking entities before enacting a code. If the Council desires, it could also consider making changes so that the Advisory Boards are truly

"advisory" and thus should not be subject to a code. We offer the suggestions above for your consideration, as these are policy matters to be addressed by the Council.

Respectfully submitted,

Sharon Spivak
Deputy City Attorney

SBS:lkj
Attachments
RC-2009-24

CITY OF SAN DIEGO, CALIFORNIA

# COUNCIL POLICY

CURRENT

SUBJECT: COMMUNITY PARKING DISTRICT POLICY
POLICY NO.: 100-18
EFFECTIVE DATE: November 15, 2004

## PURPOSE:

The intent of this Policy is to provide a mechanism whereby communities unable to meet existing parking demands may devise and implement parking management solutions to meet their specific needs and resolve undesirable parking impacts. This Policy anticipates that such communities, at their initiative, and with the approval of the City Council, can be responsible for establishing and managing a Community Parking District. This Policy specifies the procedures to be followed to establish a Community Parking District. This Policy also provides for, and specifies the procedures under which, certain parking management-related revenues earned by the City within the geographic boundaries of an existing or newly designated Community Parking District may be allocated to the Community Parking District to implement and manage improvements that address parking impacts. This Policy is not intended to reduce existing City revenue streams derived from various parking management-related fees, citations, permits, etc. Any references in this Policy to allocating a portion of parking meter or other parking management-related fees to Community Parking Districts is intended to apply only to new or prospective revenues. This Policy will be implemented in a manner that precludes any reduction or diminishment of City revenues.

## POLICY:

A. Establishment of Community Parking Districts

1. A community planning group or a business improvement district may submit to the City Manager a request to form a Community Parking District when existing City mechanisms for implementing parking management solutions have been insufficient or such mechanisms do not exist within the community. The City Manager shall convey all such requests, along with the Manager's recommendation regarding each, to the City Council or any of its committees for its consideration. In the event that an organization submits a request that affects an existing Community Parking District, the City Manager will present the request to the board of the existing Community Parking District prior to forwarding the request to the City Council or any of its committees for action. A request to form a Community Parking District shall contain each of the following:

   a. A map or other description of the geographic area proposed to be designated as a Community Parking District.

   b. Data to verify that the proposed geographic area is in fact adversely impacted by parking demands. Such data may be provided by a parking study commissioned by the City Manager or by a qualified private traffic engineer who would be required to submit his/her data and findings to the City Manager for review; a

combination of project-specific parking studies which, in the aggregate, present credible information regarding parking impacts in the geographic area; or such other information as the City Manager may determine to be credible and persuasive.

c. A conceptual plan for how the Community Parking District will be managed, including, but not limited to:

(1) The legal entity proposed to be designated as the Community Parking District Advisory Board for the purpose of managing the District. The City Council may designate as the District Advisory Board the existing board of a business improvement district, a redevelopment corporation, a community development corporation, or other nonprofit corporation approved by the City Council. As wide a representation of community interests within the proposed geographic area as is possible shall be sought;

(2) How community input will be obtained and incorporated into the management of the District;

(3) The sources and amounts of District revenues;

(4) Examples of or proposed improvements that would address the District's parking impacts;

(5) Anticipated financing for these improvements, provided that no existing financing obligations or commitments shall be jeopardized or restricted; and

(6) A first year budget.

2. Prior to consideration of the proposal by the City Council or any of its committees, the requesting entity shall make the proposal publicly available for review and shall conduct a noticed public meeting for affected citizens in the proposed Community Parking District. The requesting entity shall also provide notice of this public meeting to all affected Community Planning Groups.

3. Geographic areas that, prior to December 31, 1997, were established as Parking Meter Districts are hereby now designated as established Community Parking Districts, and the organizations designated by the City Council as Parking Meter District Advisory Boards are hereby now designated as the established Community Parking District Advisory Boards.

4. The Community Parking District Program shall be administered by the City Manager. On an annual basis, 5% of the Community Parking District Program allocation as

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listed in the City Budget will be allocated to the City Manager to be applied to the City's administrative costs of the program.

B. Revenues Subject to Allocation to a Community Parking District

1. A percentage of the total parking meter revenues generated within each Community Parking District shall be allocated to that Community Parking District on an annual basis. The percentage shall be forty-five (45%) each fiscal year. In addition to this 45% allocation, the City may allocate all or a portion of the parking management-related revenues to a Community Parking District on a case-by-case basis. Such additional revenues may be allocated to a Community Parking District so long as all of the following requirements are met:

   a. Any City administrative costs necessary to implement and collect the fees are fully recovered;

   b. The City conducts, or causes to be conducted, an analysis of the proposed use(s) of the additional parking management-related revenues, and the analysis indicates that the amount allocated, along with any other authorized revenues, is sufficient to implement and manage the proposed use(s);

   c. The amount allocated is no more than necessary to implement and manage the proposed use(s); and

   d. The City determines through a fiscal impact analysis that the Community Parking District's proposed use(s) is/are in the City's long-term best interest.

2. For the purpose of this Policy, City revenues which may be allocated to a Community Parking District in addition to parking meter revenue, if any, may include:

   a. Fees paid by users to park in a facility operated by the Community Parking District;

   b. Valet parking fees;

   c. Residential or shopper parking permit fees;

   d. Parking in-lieu fees levied on new development; and

   e. Any other authorized fees obtained to regulate parking in a Community Parking District.

3. Community Parking District revenues shall be allocated to each Community Parking District based on the percentage of average annual gross collections generated within each District. Monies collected will be disbursed pursuant to the adoption and

approval of an implementation plan submitted to the City Council, as provided in section C below. The Community Parking District Program Administrator shall maintain a map and other relevant data showing the location of each parking meter, revenue earned by each meter, and other revenue sources, for the purpose of projecting and verifying parking management-related revenues allocable to each District.

4. The City will conduct an annual fiscal year-end reconciliation of actual parking management-related revenues. To the extent that actual revenues are less than or greater than the approved budget estimate, the difference will be incorporated in the following fiscal year's Community Parking District allocation.

C. Use of Allocated Community Parking District Funds

1. An allocation of parking meter or other parking management-related revenue to a Community Parking District shall be made only from new or prospective revenues resulting from meter installations or the implementation of other parking management activities within the District, and the allocation shall not result in any reduction of current City revenues or anticipated increases in City revenues.

2. Community Parking District revenues shall be primarily used to address parking supply and mobility issues. Improvements and activities that increase the availability, supply, and effective use of parking for residents, visitors, and employees within the adopted Community Parking Districts shall be the principal focus of expenditure of the funds. Community Parking District revenues shall be used in accordance with Municipal Code §82.08 and §82.09 and may be used for such purposes as, but not limited to, the following:

   a. Increasing the parking supply (e.g., self-parking, valet-parking, on-street parking, surface parking, and structured parking lots). This may include the acquisition of land, project design, financing, construction, and/or operation of public parking facilities.

   b. Managing the existing parking inventory, including such measures as, but not limited to, parking evaluations, reconfiguration of existing on-street parking inventory, residential permit parking programs, employee parking programs, enforcement, and/or mitigation of any adverse effects resulting from the implementation of such program(s).

   c. Providing mobility information such as signing, marketing, and communicating the location, availability, cost, etc. of district-wide parking options.

   d. Providing funding for community shuttles within the boundaries of the Community Parking District.

e. Promoting alternative forms of transportation to reduce parking demand (e.g., community shuttles, public transit, bicycling, and walking).

f. Providing for extraordinary maintenance and landscaping activities associated with or required by any of the activities listed above.

g. Providing for extraordinary security activities associated with or required by any of the activities listed above.

3. Community Parking District revenues shall supplement, and not supplant, existing City funding sources and program revenues for each District.

4. The cost of new meters or other parking related equipment and their installation in existing and proposed Community Parking Districts will be shared between the City and the Community Parking District based upon the percentage by which the meter revenues are shared as described in sections B above, unless otherwise proposed in the Community Parking District plan and approved by the City Council.

5. The use of solar-powered parking technology shall be encouraged.

D. Community Parking District Management

1. Annually, each Community Parking District Advisory Board shall develop, through community input, and recommend to the City Council an annual improvement/ implementation plan and budget for the next year. Approval of the Community Parking District plan and budget shall rest with the City Council. Such approval may be granted by authorizing the City Manager to execute a written Agreement between the City and each Community Parking District Advisory Board, or through the annual citywide budgetary approval process.

2. A Community Parking District plan shall include each of the following:

a. How community input will be obtained and incorporated into the management of the District;

b. A budget, including the sources and amounts of District revenues and how each are proposed to be used; and

c. Proposed improvements to address the District's parking impacts, and their proposed financing.

3. In addition to proposed improvements, if any, the plan may include recommendations regarding the following:

CURRENT

a. Parking meter rates, hours of meter enforcement, parking meter time limits, and additions or removals of parking meters;

b. Establishment or removal of time limited parking areas;

c. Implementation of valet parking fees, residential or shopper permit parking fees, and in-lieu fees;

d. The acquisition of any private property for a public purpose necessary to implement the plan; and

e. Any other relevant matters pertaining to the effective management of parking demand within the District.

4. Each Community Parking District Advisory Board shall comply with all State and Federal laws and regulations pertaining to nonprofit corporations, including making its annual filing of IRS Form 990 available to the public, and shall comply with State public records and open meeting laws with regard to the use of Community Parking District funds.

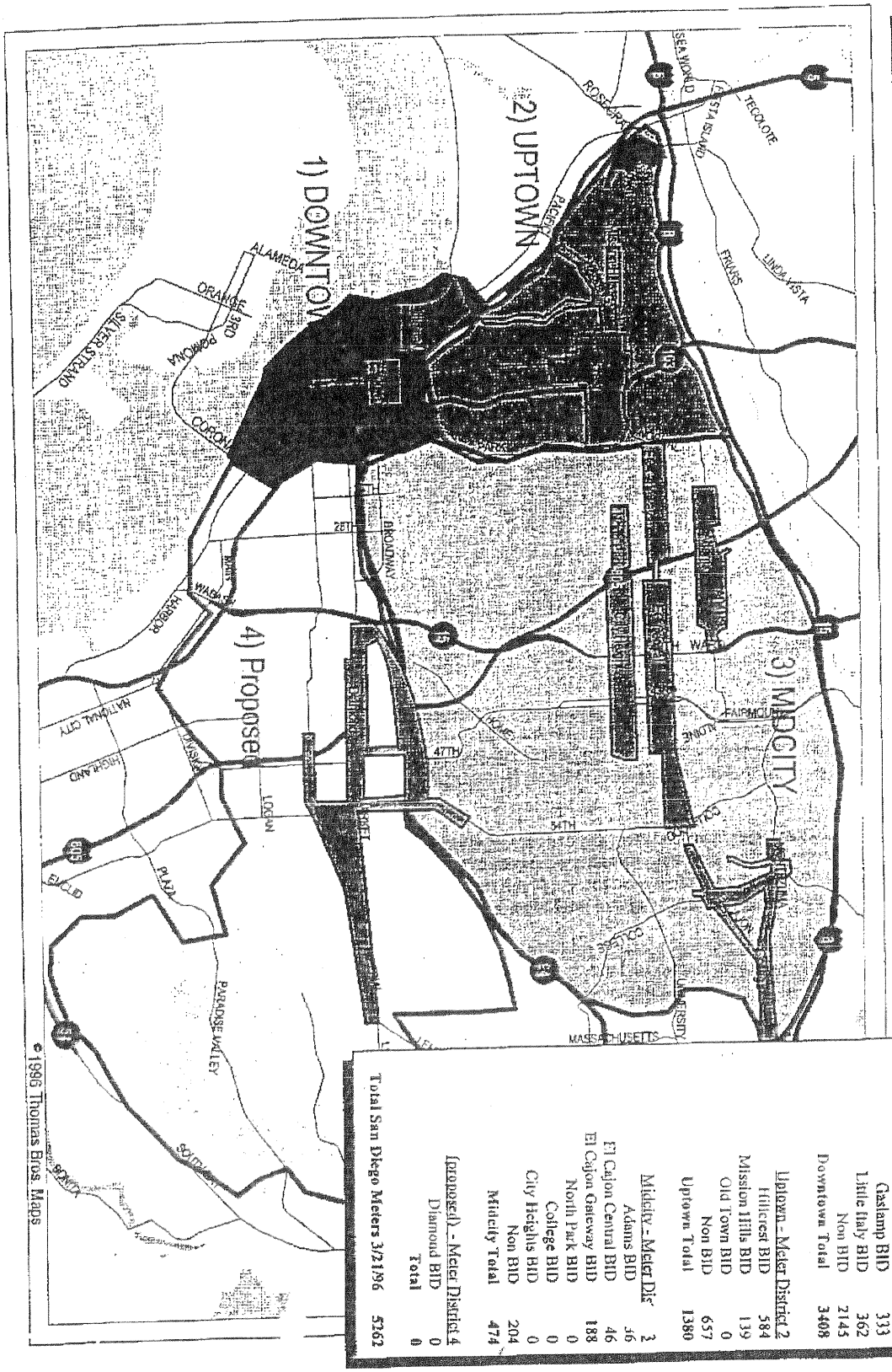
5. Each Community Parking District shall be provided a seat on the City's Parking Advisory Board, and each Community Parking District Advisory Board shall recommend a member of its board to fill the seat.

HISTORY:

Adopted by Resolution R-288408 03/04/1997
Amended by Resolution R-299836 11/15/2004

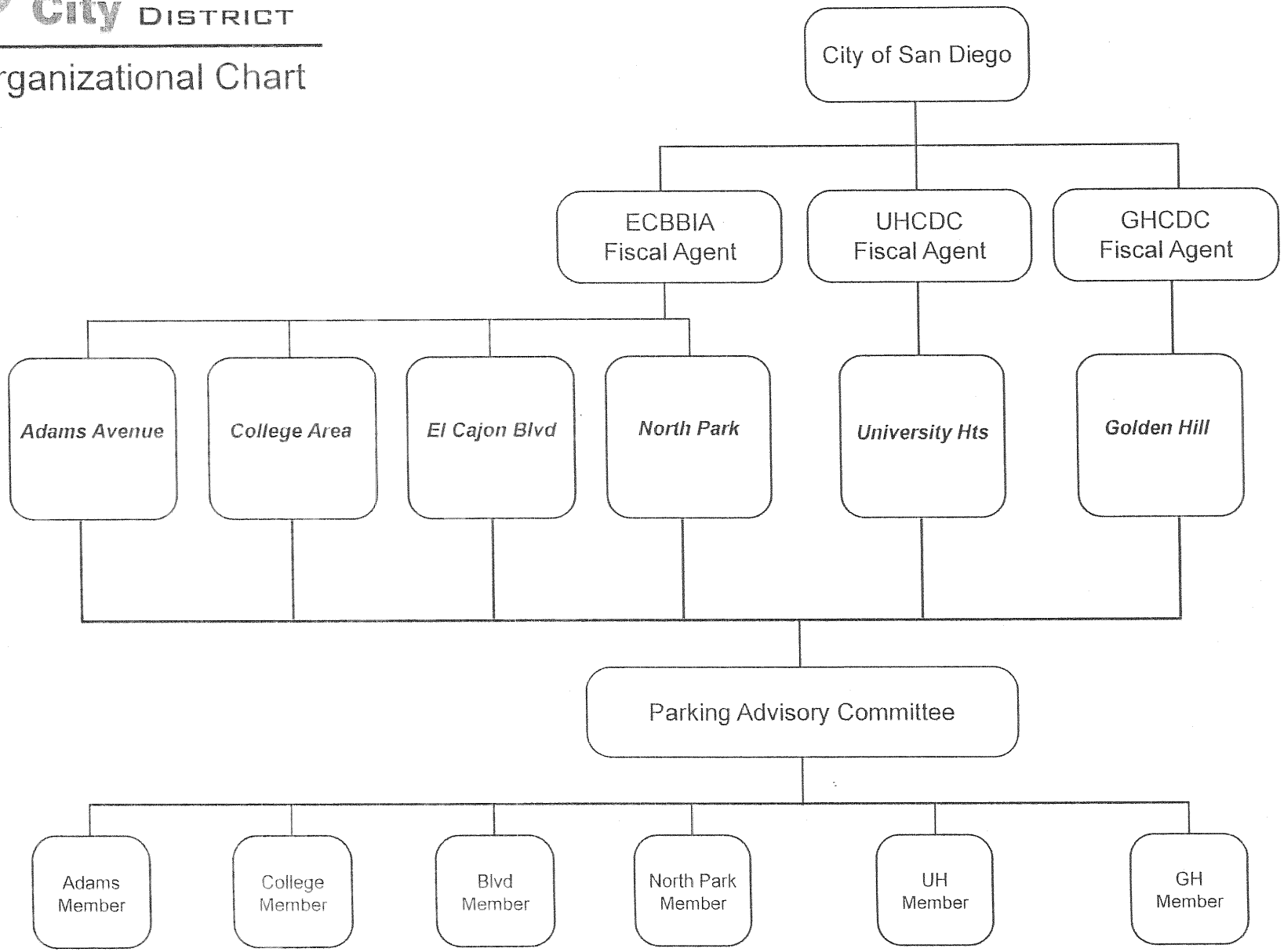
CURRENT

# Parking Meter District Map




**SAN DIEGO METER INFORMATION**

| | |
|---|---|
| Downtown - Meter District 1 | |
| Downtown BID | 568 |
| Gaslamp BID | 333 |
| Little Italy BID | 362 |
| Non BID | 2143 |
| **Downtown Total** | **3408** |
| Uptown - Meter District 2 | |
| Hillcrest BID | 584 |
| Mission Hills BID | 139 |
| Old Town BID | 0 |
| Non BID | 657 |
| **Uptown Total** | **1380** |
| Midcity - Meter Dis | |
| Adams BID | 2 |
| El Cajon Central BID | 46 |
| El Cajon Gateway BID | 188 |
| North Park BID | 0 |
| College BID | 0 |
| City Heights BID | 0 |
| Non BID | 204 |
| **Midcity Total** | **474** |
| (proposed) - Meter District 4 | |
| Diamond BID | 0 |
| **Total** | **0** |
| **Total San Diego Meters 3/21/96** | **5262** |

Mid City Community Parking District

# Organizational Chart