

DOWNTOWN PARKING MANAGEMENT GROUP

FIRST REPORT

Recommendations for New Parking Meter Technology and Varied Parking Time Limits and Rates

September 30, 2004

Issued to:

- **Parking, Traffic and Transportation Subcommittee of the Centre City Advisory Committee**
- **Budget/Finance Committee of the Centre City Development Corporation Board of Directors**
- **Centre City Advisory Committee**
- **Centre City Development Corporation Board of Directors**
- **City Council**

SUMMARY

The Downtown Parking Management Group ("DPMG") recommendations related to new parking meter technology and varied parking time limits and rates in downtown are:

1. The City should install new parking meter technology as part of a pilot program in the areas shown in red on the attached "Map, Downtown Parking Management Group, New Technology and Test Areas" or "Map".
2. The City should test varied parking time limits and rates in an effort to increase utilization of on-street parking in the areas shown in green on the Map.
3. The City Council should adopt a resolution which grants authority to the City Manager, in conjunction with the recommendations of the DPMG, to test varied parking time limits from one to nine hours within the areas shown in green on the Map.
4. The City Council should adopt an ordinance which grants authority to the City Manager, in conjunction with the recommendations of the DPMG, to test varied parking rates from \$0.50 to \$1.25 per hour within the areas shown in green on the Map.

BACKGROUND

In June 2003, the City Council directed the City Manager to form a Parking Task Force to make recommendations on various parking issues. In February 2004, the Parking Task Force reported back to the Land Use and Housing Committee ("LU&H"), a City Council committee, with its findings. The LU&H directed the City Manager to draft a Request For Proposals ("RFP") for a pilot program utilizing new technology for multi-space parking meter stations within the on-street parking system.

In April 2004, Councilmember Zucchet appointed the DPMG and directed it to review parking management, specifically in the downtown area. The DPMG's members include representatives of the Centre City Advisory Committee's Parking, Traffic and Transportation Subcommittee, the Business Improvement District Council, the Downtown Residents Group, the San Diego Padres and Centre City Development Corporation ("CCDC") staff (see Attachment 1, Downtown Parking Management Group—Member Roster). Three Business Improvement Districts (Little Italy Association, Downtown Partnership and Gaslamp Quarter Association) also serve as ad hoc members to the DPMG.

The DPMG has been meeting weekly since April 22, 2004. Primarily, the DPMG has focused its review and discussions on new on-street parking meter technology and varied time limits and rates for on-street parking. Working in conjunction with staff from various City departments, the DPMG has selected areas within downtown to implement a pilot program using multi-space parking meters. The Map indicates the selected areas in red (see Attachment 2, Map). The Map will be included in a RFP to be issued by the City Manager for selection of multi-space meter products, supporting equipment and software for operations, and installation of meter units. Using parking meter utilization data provided by City staff, the DPMG also identified areas to test varied parking time limits and rates in an effort to increase overall utilization of on-street parking. These test areas are shown in green on the Map.

DISCUSSION

New Meter Technology - At the City's request, the DPMG reviewed the draft RFP for multi-space meter technology and provided input to improve the document. In selecting areas to implement the pilot program using multi-space meters, the DPMG toured various downtown neighborhoods and solicited input from community groups such as the Centre City Advisory Committee ("CCAC"), the CCDC Budget/Finance Committee, and the various groups represented by the DPMG members. The DPMG also discovered that many parking meters had been removed from numerous downtown block segments prior to redevelopment construction projects, but the meters were not reinstalled after the construction was completed.

The Map illustrates the block segments where the multi-space parking meters would be located during the pilot program. The block segments are identified in red as Ballpark, Core and Marina 1. These block segments contain approximately 410 metered, on-street parking spaces. The pilot program block segments were spread across a broad portion of downtown in order to test the new technology in evolving neighborhoods (East Village/Ballpark District), as well as more established ones (Core and Marina).

The pilot program will provide several benefits to the management and operation of downtown's on-street parking system. In addition to using the new multi-space meters to replace single-head meters lost during construction projects, the electronic capability of the multi-space meters will allow greater flexibility in programming time limits and rates. Single-head meters removed within the pilot program area to make way for multi-space meters can be reused in other areas. Most importantly, the multi-space meter technology will utilize customer friendly systems for parking fee collections, including acceptance of a variety of payment options, such as credit/debit cards, cash and the City's "smart" parking cards.

The City will implement the pilot program after selecting the new technology through the RFP process, which will include DPMG representatives on the selection panel. The RFP is tentatively scheduled to be issued in mid-October. The new technology is anticipated to be selected and installed within the pilot program area by early 2005. If the pilot program proves successful, the new technology is anticipated to be made available city-wide over a multi-year period.

Varied Time Limits - Parking meter utilization data provided by City staff indicates that 54 percent of all downtown parking meters are used less than 40 percent of the time. Believing that there is a large demand for downtown parking that is provided by the employment base, residents, local visitors, tourists, conventions and special events, and evidenced by the success of a new privately-developed parking garage, the DPMG believes that this is a very low percentage of usage for on-street parking.

In an effort to increase overall utilization of on-street parking, the DPMG has developed recommendations to test two main variables related to meter use: time limits and rates. Both of these variables would need to be tested in order to determine one's effect upon the other, as well as how they may work cooperatively to increase utilization. A third variable, location, would also be considered in testing time limits and rates. The City's utilization data for downtown parking meters are shown in Table 1 (see Attachment 3, Table of Parking Meter Utilization Rates in Downtown). Using the data, the DPMG identified four areas where meters that are utilized less than 20 percent would be used for testing the time limits and rate variables. The proposed testing areas are spread throughout downtown neighborhoods and are identified in green on the Map as Cortez, East Village, Little Italy and Marina 2. The DPMG recommends that testing include varied time limits of one to nine hours within these areas.

Varied Rates - The DPMG believes that it can use the data collected from varied time limits testing to determine what combination of time limits and rates will further increase utilization. Within the same proposed areas where varied time limits will be tested, the DPMG recommends testing varied rates within a range of \$0.50 - \$1.25.

There are potential impacts from the testing of varied rates. The following table is presented for illustrative purposes to indicate various scenarios that may impact revenue depending upon parking meter utilization and hourly rates in the four testing areas. The total number of existing meters within the four green testing areas is approximately 438 (306 meters are utilized less than 20 percent and 132 meters are utilized between 20 percent and 40 percent*). The table's first scenario shows estimated revenue if utilization was 0 percent. The second scenario shows estimated revenue at current utilization and hourly rates. The third scenario shows the estimated revenue if utilization increases to 70 percent at a rate of \$0.50 per hour, and the fourth and final scenario shows estimated revenue if utilization increases to 50 percent at a rate of \$1.00 per hour.

Meter Utilization Rate	Hourly Rate	Revenue/Year**
0%	\$1.25	\$0
Current*	\$1.25	\$434,625
70%	\$0.50	\$467,565
50%	\$1.00	\$667,950

** Based upon an available 10 hours per day/305 days per year

As part of the pilot program, non-replaced meters will be reinstalled. Any potential revenue reduction from testing time limits and rates will be offset by additional revenues from these meters. Other offsetting measures for potential revenue reductions are additional metered spaces resulting from the efficiency of the new technology and the reinstallation of single-head meters, displaced by the pilot program, throughout portions of downtown where they are missing.

During the varied time limits and rates testing, the DPMG plans to monitor the results frequently. If the testing indicates that utilization rates are falling, the DPMG will work with City staff to make adjustments on the necessary block segments to minimize any net reduction of revenues. The ability to reverse declining utilization will be necessary to limit any potential revenue reduction. Since the DPMG's goal is to increase meter utilization, the risk is considered minimal while there is significant potential for increasing both utilization and revenue.

PROCESS/NEXT STEPS

The new meter technology RFP is being finalized by City staff and is scheduled to be issued in mid-October. The new technology is anticipated to be selected and installed within the pilot program area by early 2005.

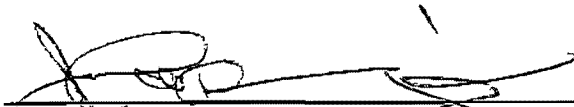
The proposed time limits and rates testing require approval by City Council through the adoption of a resolution and an ordinance. The DPMG is working with City staff on a resolution to authorize testing of varied time limits from one to nine hours in the proposed test areas. The DPMG is also working with City staff on an ordinance to authorize testing of varied rates from \$0.50 to \$1.25 in the proposed test areas. Prior to City Council consideration of a resolution and ordinance, the DPMG is issuing its recommendations through this report for the review of and approval by the following entities:

- CCAC Parking, Traffic and Transportation Subcommittee
- CCDC Budget/Finance Committee
- CCAC
- CCDC Board of Directors
- City Council.

DPMG members will also inform their respective constituencies about their recommendations and request input from them.

If City Council approves the resolution and ordinance, implementation within the testing areas will occur expeditiously as determined by the City Manager in conjunction with the DPMG recommendations. The DPMG, working with City staff, will provide outreach to the public and the property and business owners affected by the testing. The varied time limits and rates testing would conclude in conjunction with the end of the new technology pilot program. The DPMG and City staff will issue a report of the pilot program and varied time limits and rates testing results for CCDC, the City Manager and City Council to use in future planning.

Respectfully submitted,



John Cunningham
Vice Chair, Downtown Parking Management Group

Attachments:

- 1 Downtown Parking Management Group--Member Roster
- 2 Map, Downtown Parking Management Group, New Technology and Test Areas
- 3 Parking Meter Utilization Rates in Downtown

Attachment 1

DOWNTOWN PARKING MANAGEMENT GROUP MEMBER ROSTER

<u>Name:</u> _____	<u>Organization:</u> _____
Scott Kessler, Chair	Business Improvement District (BID) Council
John Cunningham, Vice Chair	Centre City Advisory Committee
East Village Representative (Vacant)	Centre City Advisory Committee
Bill Keller	Centre City Advisory Committee
John Lawrence	Centre City Advisory Committee
Paul Robinson	Centre City Advisory Committee
Nicolas Watson	Centre City Advisory Committee
Frank Alessi	Centre City Development Corporation
Gary Smith	Downtown Residents Group
Erik Judson	San Diego Padres
Kevin Casey, Ex Officio	Downtown Partnership (BID)
Jimmy Parker, Ex Officio	Gaslamp Quarter Association (BID)
To Be Appointed, Ex Officio	Little Italy Association (BID)

Other Participants: _____

John W. Collum	Centre City Development Corporation
Julio Fuentes	City of San Diego
Mario Sierra	City of San Diego
Michele St. Bernard	City of San Diego
Deborah Van Wanseele	City of San Diego
Cliff Yarges	City of San Diego

Attachment 3

Parking Meter Utilization Rates in Downtown

Number of Parking Meters	Percentage of All Meters	Utilization Rate
608	19%	< 20%
1,120	35%	21% - 40%
1,184	37%	41% - 60%
288	9%	61% - 100%
3,200	100%	