



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: April 18, 2015 REPORT NO: 15-047
ATTENTION: Honorable Council President and City Councilmembers
SUBJECT: Community Parking District FY2016 Annual Plans and Budgets
REFERENCE: City Council Policy (CP) 100-18

REQUESTED ACTIONS:

1. Approve the FY2016 Annual Plans & Budgets for the Downtown, Mid-City, Old Town, and Uptown CPDs. Copies of each Plan and Budget are on file with the Office of the City Clerk.
2. The CFO is authorized to transfer of funds from the CPD Funds to City Departments to implement the Annual Plans and to authorize the receipt, appropriation and expenditure by the respective City Departments of those transferred funds contingent upon FY2016 budget being approved.
3. The Mayor or designee is authorized to execute agreements and expend funds from the CPD Funds as needed but in accordance with the FY2016 Annual Plans and Budgets in order to implement the FY2016 Annual Plans & Budgets contingent upon FY2016 budget being approved.
4. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend the CPD Fund Balances and Interest Fund Balances relating to the Downtown CPD (DCPD), Uptown CPD (UCPD), Mid-City CPD (MCCPD), and Parking Meter Dist. Admin. Fund No. 200488 (CPD Admin Fund), from FY2015 for FY2015 or prior year expenditures anticipated to be processed in FY2016, with the thereafter remaining FY2016 Fund Balances and Interest Fund Balances relating to each of these CPDs and the City CPD Admin Fund to be carried forward to FY2016.
5. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend from the UCPD Fund for the FY2016 UCPD Program an amount not to exceed \$677,031 plus or minus any year-end adjustment to reconcile actual revenue and expenditures plus the remaining amount of the FY2015 Fund Balance and Interest Fund Balance carried forward to FY2016.
6. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend from the MCCPD Fund for the FY2016 MCCPD Program an amount

not to exceed \$67,703 plus or minus any year-end adjustment to reconcile to actual revenue and expenditures plus the remaining amount of the FY2015 Fund Balance and Interest Fund Balance carried forward to FY2016.

7. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend from the DCPD Fund for the FY2016 DCPD Program an amount not to exceed \$1,955,266 plus or minus any year-end adjustment to reconcile to actual revenue and expenditures plus the remaining amount of the FY2015 Fund Balance and Interest Fund Balance carried forward to FY2016.

8. The CFO is authorized and directed to appropriate and expend from the CPD Admin Fund for City administration of the CPD Program an amount not to exceed \$3,383,685 (Parking Projects and staffing) plus or minus any year-end adjustment to reconcile to actual revenue and expenditures plus the remaining amount of the FY2015 Fund Balance and Interest Fund Balance carried forward to FY2016.

9. That the Mayor or Designee is authorized to execute the FY2016 Operating Agreements (OA) with the ECBBIA in an amount not to exceed \$293,700 and UHCDC in an amount not to exceed \$51,354 for the operation of the FY2016 CPD program in the MCCPD; to execute the FY2016 OA with the Uptown Partnership in an amount not to exceed \$4,019,144 for the operation of the FY2016 CPD program in the UCPD; to execute the FY2016 OA with the Old Town Chamber of Commerce for the operation of the FY2016 CPD program in the Old Town CPD; and to execute a MOU with CivicSD in an amount not to exceed \$16,455,266 for the operation of the FY2016 CPD program in the DCPD contingent upon approval. The agreements shall incorporate the respective FY2016 Annual Plans & Budgets.

10. The Mayor or designee authorizes the Parking Inventory Management Loan Program, expending an amount not to exceed \$50,000 for each loan from the DCPD Fund for the FY2016 DCPD Program, contingent upon the CFO certifying that funds are available in FY2016 budget approval, for the sole and exclusive purpose of installing directional signs for parking availability and reducing traffic congestion.

STAFF RECOMMENDATION:

Approve all requested actions.

BACKGROUND:

Community Parking Districts (CPD's) are authorized under City Council Policy (CP) 100-18, adopted on March 4, 1997 and most recently amended on March 18, 2011. CP 100-18 establishes a "Community Parking District Program" that allows communities, with the approval of the City Council, to implement parking solutions in neighborhoods that face serious parking challenges. This Policy allocates a net 45 percent of parking meter revenues to the community from which it is generated. At present, the City has six CPD's: Downtown, Uptown, Mid-City, Old Town, La Jolla, and Pacific Beach. However, only the first four districts have parking meters, or paid parking lots, and hence parking revenue.

Pursuant to state law, the use of CPD funds must primarily relate to parking or the control and management of traffic (including vehicular, bicycle, or pedestrian traffic) which may affect or be affected by the parking of vehicles within parking meter zones. Therefore, as outlined in CP 100-18, CPD funds are dedicated for improvements and activities that increase the availability, supply, and effective use of parking for residents, visitors, and employees. Under CP 100-18, the City also recovers appropriate and eligible expenses and sets aside funding for future eligible expenses in a special Parking Fund.

Based on previous City Attorney memorandums, Parking Projects funding may be accumulated over time for future capital improvements (such as parking meter replacement), or may be used for parking or traffic control and management related to parking.

Each CPD has a designated advisory board responsible for making recommendations to the City on parking-related matters, and as applicable, for developing plans and expending allocated revenue in accordance with CP 100-18. The advisory boards operate through a non-profit organization and those CPDs with revenue contract with the City to manage CPD funds.

DISCUSSION:

Mid City Community Parking District (Mid City CPD)

While in 1997, the City created an overarching CPD for Mid-City with one advisory board, that advisory board recommended and approved a Memorandum of Understanding in 1999 that was entered into by three constituent non-profits to each act as the responsible fiscal entity to carry out the CPD Program for their respective geographic portions of the CPD. The El Cajon Boulevard Business Improvement Association (ECBBIA) serves as the Greater Mid City Community Parking District advisory group. The Greater Golden Hill (GHCDC) and University Heights Community Development Corporations (UHCDC) administer their respective portion of the district revenues. The Mid City CPD has developed a revenue sharing plan for these three communities. The advisory board meets on occasion to address common parking concerns. However, separate Annual Plans and Budgets have been submitted by ECBBIA and UHCDC. Due to the very small amount of funding available to GHCDC for FY2016, no agreement is proposed.

The goals of the Mid City CPD are to improve the community by increasing parking options, ensuring safe and friendly streets, increasing pedestrian activity, advancing alternative transportation options as it pertains to managing parking and traffic, affecting and affected by parking meter zones.

Projects:

- There is a current effort for the Mid City CPD to identify opportunities for the increase and better management of the existing parking supply. Additional parking opportunities include; segments along Mississippi Street, Kansas Street, Utah Street, Myrtle Street and Euclid Avenue.

- University Heights is working in collaboration with the University Heights Maintenance Assessment District on expanding the width of the sidewalk along Adams Avenue between Park Boulevard and Mission Cliff Drive.

Accomplishments:

- The parking district has been working on expanding 90 degree head-in parking through all the side streets along Adams Avenue, El Cajon Boulevard and University Avenue. To date, 50 new parking spaces have been striped in the Mid City area and an additional 130 stalls are currently being processed by the City.
- To date, 85 new parking spaces have been striped in the University Heights area and a potential of an additional 88 stalls are proposed along Mississippi Street, Georgia Street and Campus Avenue.

Uptown Community Parking District (Uptown CPD)

Uptown Partnership, Inc., a non-profit corporation, is the advisory board for the Uptown CPD which was created in 1997. Uptown Partnership, Inc has prepared implementation guidelines that include recommendations for several Uptown neighborhoods, including: Hillcrest, Middletown (Five Points/International Restaurant Row), Mission Hills and Bankers Hill. Their plans address parking inventory/supply, traffic circulation, public information, public transit and comprehensive system management as it pertains to managing parking and traffic, affecting and affected by parking meter zones.

Projects:

- The Uptown CPD has identified more than 500 additional parking space gains within the district boundary. These gains will be achieved by changing parking to angled or head-in.
- The Uptown CPD has set aside funding to cover the costs for the long term maintenance of the safety enhanced landscaping and lighting proposed as part of the SANDAG bike plan along Fourth and Fifth Avenues.

Accomplishments:

- A universal valet program located at the corner of India Street and Winder Street was launched in FY2014 for the Five Points community. This program is partially funded by restaurant owners and paying customers. The valet program is a safe and convenient resource that relieves on-street parking and reduces congestion in the area. The program has been successful and the valet operators/staff will be expanding to accommodate the existing demand.
- The Hillcrest Trolley launched in FY2013 with stops along Washington Avenue, Normal Street, University Avenue, and First Street. It is currently a free service operating Friday

through Saturday evenings from 6:00 pm to 10:00 pm, and on Sundays from 9:00 am to 2:00 pm. The program has been successful and will be extending trolley services during the weekday lunch period.

Downtown Community Parking District (Downtown CPD)

The Downtown CPD was established by the City in 1997 in order to invest in and manage public parking assets within downtown San Diego. The Downtown CPDs goals are to increase and manage the existing supply of public on-street and off-street parking, enhance signage and way-finding, bike infrastructure, calm traffic, reduce congestion, promote walking and biking, and provide for pedestrian safety improvements as it pertains to managing parking and traffic, affecting and affected by parking meter zones. Since the inception of the Downtown CPD, CivicSD has managed to leverage parking meter revenue with property tax increment and other revenues in order to fulfill the mission of the Downtown CPD.

Projects:

- A parking garage is proposed at the future East Village Green site, spanning two blocks in East Village on F Street and G Street between 13th Street and 14th Street. The Downtown CPD has set aside funds for the future East Village Green west block garage. Approximately \$4.3 Million has been earmarked for the project, and each year, additional parking meter funds will be set aside to finance the full project.
- CivicSD and the Downtown San Diego Partnership will be exploring the idea of implementing a Downtown Circulator Shuttle. The concept behind the shuttle is that it would reduce the demand for parking on interior streets and surface lots by allowing visitors convenient and accessible mobility throughout downtown. This would encourage visitors to park in the peripheries of the parking district or to use public transportation to travel downtown. CivicSD may subsidize the up-front capital costs and/or operations of an on-demand shuttle system.

Accomplishments:

- CivicSD continues to explore options for introducing an electronic parking information system to direct and inform motorists of available parking facilities. Two systems have already been installed at the 6th&K Parkade and Park It On Market parking garages. With installation of the equipment, car count data can be converted in to utilization reports and ultimately transmitted as real-time parking availability information to websites and mobil applications.
- A new and updated Wayfinding System has been designed to improve vehicular and pedestrian wayfinding throughout Downtown to facilitate easier and more efficient movements; maximize use of parking facilities; and minimize unnecessary internal vehicular movements. In December 2014, the Wayfinding Project went out for bid. The contract is expected to be awarded in the Spring of 2015, with construction starting in the Fall.

Old Town CPD

The Old Town San Diego Chamber of Commerce is the designated advisory board for the Old Town CPD. The district was formed in June 2005. The Old Town CPD has provided an annual plan and budget for the operation and maintenance of an existing public parking lot. Since the revenue is generated from an off-street lot and not on-street parking meters, the revenues are not subject to exactly the same requirements as on-street parking meter revenue.

CPD	Estimated Revenue	Carry Over From Previous Years
Downtown	\$1,955,266	\$11,839,000
Uptown	\$677,031	\$5,800,000
Mid City (ECBBIA)	\$47,392	\$586,899
Mid City (UHCDC)	\$12,864	\$176,101
Old Town	\$17,500	N/A

City CPD Funds

Pursuant to CP 100-18, 55% of net parking meter revenues are retained by the City in the CPD Admin Fund for current or future eligible activities or improvements such as new parking technologies.

City staff completed the full installment of new technology single space meters in March 2015. These new meters have wireless technology which communicates in real-time with a back office management system. At any time authorized users can see:

- Meter status
- Amount of coin in the meter
- Battery level
- Any issues (coin jams, communication issues etc)
- Rate/time configuration
- All transactions

Because City staff can see all transactions and actual amount of coin in the meter collection from meters can be performed only when needed. This provides a tremendous increase in efficiency as the traditional model called for meter collection to occur for every single meter, each time, on every route.

The meters in the back office also contain location information, for example, the specific Community Parking District, neighborhood, and sub areas. This allows authorized users to easily view and sort data by these fields. City staff can also change the configuration (rate/time limits) of any single meter, or group of meters from the back office. Traditionally that could have only been done by visiting each meter, one by one.

The new meters also send text/email messages directly to the City's Parking Meter Operations staff with alerts of any issues (coin jams, outages, errors etc) which allows for the timely dispatch of a technician to address these issues.

The new single space meters currently accept:

- Coin
- Credit Card (Visa and MasterCard)
- City of San Diego pre-paid parking card

City Treasurer staff is currently working on the implementation of a pilot project to also accept mobile payments on these single space meters. Mobile payments work on a smart phone application which customers can use to purchase time at City meters.

Future parking projects may include smart multi-space meters (new and retrofits) and sensors. Other eligible expenses include activities and improvements which pertain to managing parking and traffic, affecting and affected by parking meter zones.

CPD Performance Audit

A performance audit of the CPD program was conducted by the Office of the City Auditor in FY2015. The report provided three recommendations on ways to improve the program which are shown below:

Recommendation #1: To fully manage program administration and to ensure the continuity of program operations, we recommend that Economic Development:

- Develop formal, documented guidance that fully details the processes used to account for parking meter revenues and implement parking-projects for the Community Parking District program to enable a successful transfer of institutional knowledge to future staff assigned to administer this program.

Recommendation #2: To fully measure and manage program outcomes, Economic Development should:

- Adopt, and monitor appropriate Community Parking District performance measures to support the information monitoring needs of key program stakeholders, including City Council, City Management, Community Parking Districts, and other interested parties; and
- Periodically report the performance of the Community Parking District program to key program stakeholders, including City Council, City Management, Community Parking Districts, and other interested parties.

Recommendation #3: Economic Development should establish written procedures that encompass:

- Monitoring of (revenues and) expenditures from CPD funds to enable key program stakeholders, including City Council, City Management, Community Parking Districts, and other interested parties to monitor CPD performance;
- Strengthened monitoring procedures to enable Economic Development staff to have access to the status of City-implemented projects in progress in order to plan and report on those accomplishments in the respective CPD annual plans.
- Process and quality assurance procedures to monitor program activities and outputs, and enable communication between City departments to resolve compliance and quality issues with the staff and managers regarding City's use of 55% share of parking meter revenue.

The Economic Development Department management reviewed the City Auditor's recommendations and submitted a response memorandum in agreement with the findings of the audit on November 5, 2014. City staff are currently in the process of addressing each recommendation.

CONCLUSION:

The item approves the Annual Plans and budgets for the FY 2016 Community Parking District program and allows for the transfer, appropriation and expenditure of parking meter funds by the Chief Financial Officer for such purposes. It also determines the revenue-area demarcation within the Uptown CPD and authorizes the Mayor to execute specified operating agreements for the Community Parking Districts.

FISCAL CONSIDERATIONS: This action authorizes the transfer, appropriation and expenditure (via agreements/MOU) of CPD funding of an estimated \$2,700,000 for the CPD funds and \$3,383,685 for the City's CPD Admin and projects fund which the City Council previously appropriated in the FY2015 Annual Budget plus the carry-over from previous years and any year-end adjustments within the CPD funds. There is no new fiscal impact to the City.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

Contracts or agreements associated with this action are subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION: Council approved FY2015 CPD Annual Plans and Budgets via Resolution R-309138 recorded July 28, 2014.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: CPD Advisory Boards hold regular meetings and provide information via newsletter or on-line, and considers and votes on the Annual Plan and Budget at a public meeting. Also, CPD representatives sit on the citywide Parking Advisory Board and provide updates at meetings that are noticed and open to the public.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Direct beneficiaries of this action include the administering non-profits: Civic SD; ECBBIA; Uptown Partnership, Old Town San Diego Chamber of Commerce and UHCDC. Other beneficiaries are motorists, residents, and businesses within each CPD.

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