

**UPDATE ON PARKING GARAGE
ASSESSMENT OF ALL CITY OWNED
PARKING STRUCTURES AND
RECOMMENDED OFF-STREET
PARKING RATE RESTRUCTURE**

**City Council
November 1, 2021**





Recommendation

Department of Transportation

1. Find that this action is exempt from the California Environmental Quality Act (“CEQA”) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Accept the parking garage assessment reports from Wiss, Janney and Elstner Associates Inc. (WJE);

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Recommendation

Department of Transportation

3. Authorize the elimination of the 90 minute free parking period in all applicable City owned parking structures, and modifying the hourly rate structure to charge \$1 for the first two hours, \$2 for each subsequent hour with a daily maximum parking rate of \$12 at said structures starting July 1, 2022; and
4. Authorize the implementation of a validation system where local businesses can purchase parking validations for use in the City garages at rates to be determined in the City's General Fee Schedule;

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Background

Department of Transportation

- On May 15, 2019, the Department of Transportation released a Request for Proposals to solicit proposals to assess the physical conditions of the nine City-owned parking structures.
- On October 28, 2019, the contract was awarded to Wiss, Janney and Elstner Associates Inc. (WJE)
- WJE identified \$12,934,360 in needed repairs throughout the City's garage portfolio.
 - Approximately \$9,469,170 has been recommended to be completed by the end of FY24.
 - These items include:

Repair/Update Carbon Monoxide Exhaust Systems (currently in process at 3 garages)	\$480,000
Modernization of Aging Elevator Cars/Systems at 8 garages	\$2,420,000
New Rooftop Traffic Coating (Schoolhouse)	\$1,000,000
Improve Lighting at all 9 garages	\$2,100,000



Purpose of Assessment

Department of Transportation



Evaluate current conditions



Create 10-year maintenance plan



Opinion of Probable Costs



Serve the community



Methodology

Department of Transportation

- Review available documentation
- Field evaluation
- Laboratory testing
- Opinion of probable costs
- Reporting

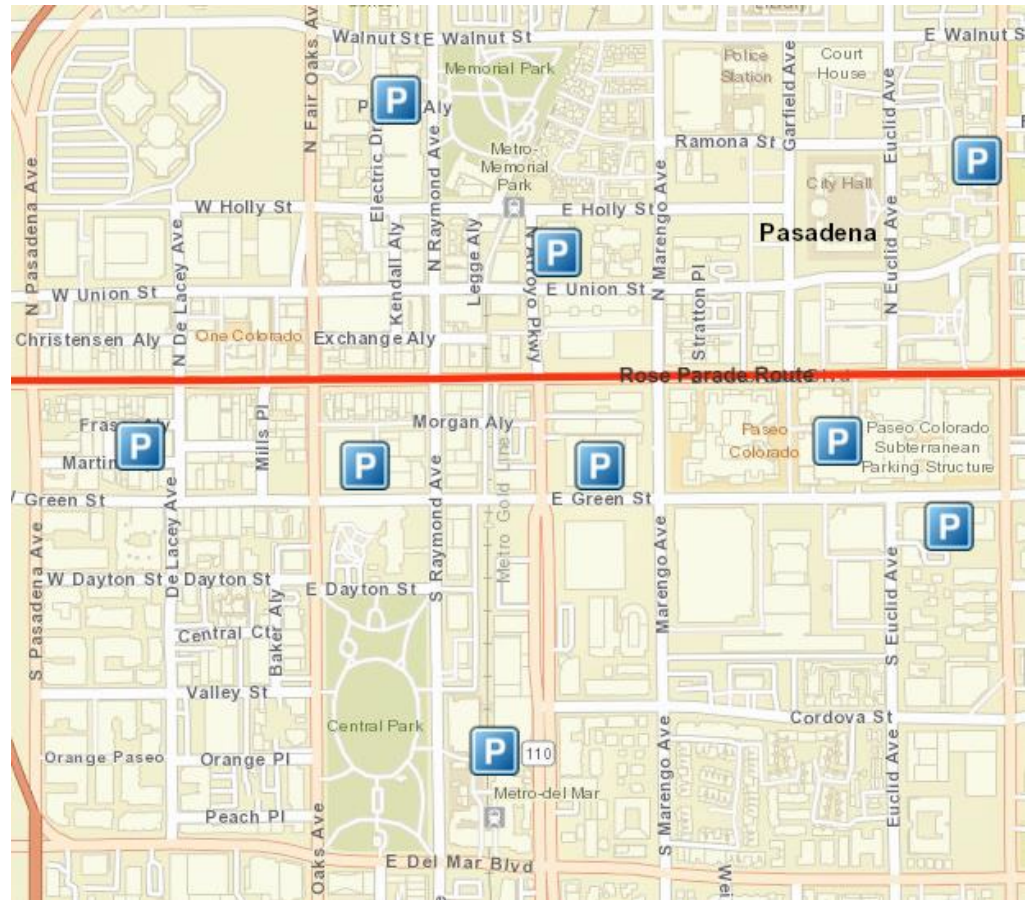


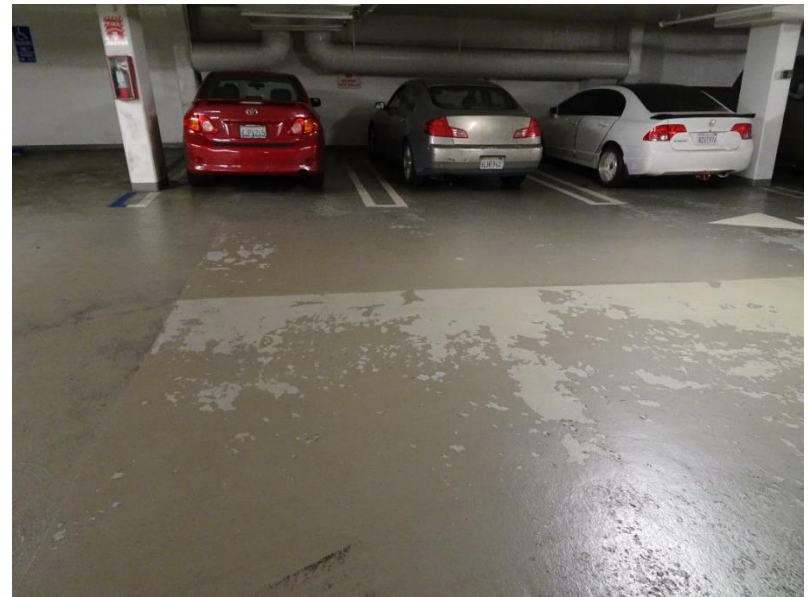


Locations

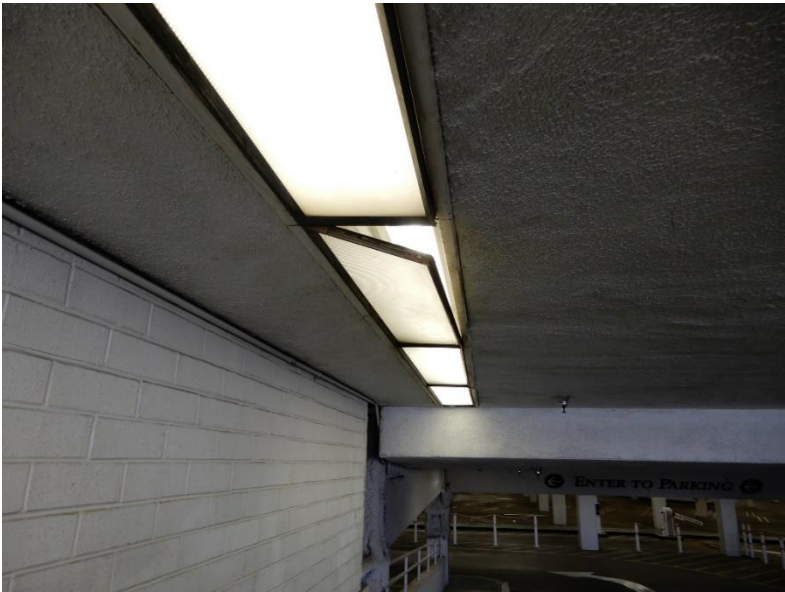
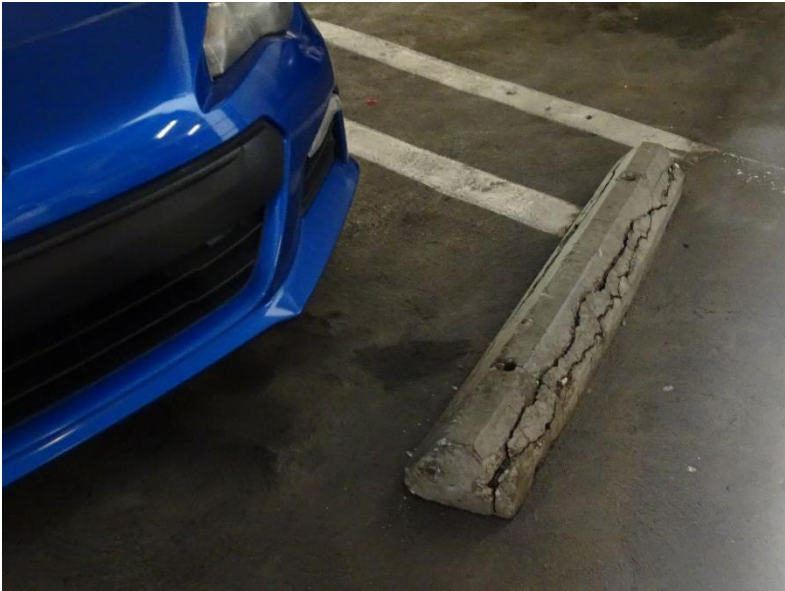
Department of Transportation

- Del Mar Station
- De Lacey
- Holly Street
- Los Robles
- Marengo
- Marriott
- Paseo Colorado
- Plaza Las Fuentes
- Schoolhouse











Estimated Costs per Garage

Department of Transportation

Garage	Estimated 10 Year Costs	Construction Date	Stalls	Levels	Elevators	Stairs	Below-Grade/ Above-Grade	Address
Paseo Colorado	\$2,895,982	1979	2000	2	5	13	Below	300 E Colorado Blvd
Schoolhouse	\$2,217,650	1988	901	6	2	4	Both	33 E Green Street
Marengo	\$1,824,760	1979	715	5	2	4	Above/Partial below	150 E Green Street
Marriott	\$1,277,768	1998	147	8	1	2	Both	171 N Raymond Ave
Del Mar Station	\$1,218,789	2003	1200	4	2	5	Below	198 S Raymond Ave
Holly Street	\$1,135,640	1973	615	6	2	2	Above	150 E Holly Street
Plaza Las Fuentes	\$947,490	1988	850	3	2	2	Below	135 N Los Robles Ave
De Lacey	\$730,358	1988	516	5	1	2	Both	45 S De Lacey Ave
Los Robles	\$685,923	1979	515	4	1	3	Above	400 E Green Street
Total	\$12,934,360	AVG 1986	7459					



Parking Garage Fund Status

Department of Transportation

- The City is obligated through various agreements to operate and maintain all City owned garages in a first class manner.
 - To do so, staff have determined that the work identified must be completed in a timely fashion.
 - We are addressing “life safety” items as funds are identified.
- The Parking Garage Fund (Fund 407) does not have the financial capacity to address all deficiencies.
 - Rates have been flat for the past 20 years.
 - Fund 407 was previously subsidized with Transient Occupancy Tax and redevelopment funds.
 - COVID impacts has transient parking revenues down as much as 75% at the peak of the pandemic, and currently down 20% from pre-pandemic levels.
 - Fund 407 is down a total of over \$14,000,000 in revenues since the pandemic started.
 - Expenses have increased 3% year over year since 2001

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Parking Garage Fund Status

Department of Transportation

- The Parking Garage Fund (Fund 407) does not have the financial capacity to address all deficiencies.
 - Increases in expenses over time mainly due to salary increases, materials and supplies and the cost of repairs and upgrades.
 - The fund balance is now almost completely exhausted and is down from over \$5,000,000 when the pandemic started.
- Due to 90 minutes free parking period, approximately 55% of the transactions in the Del Mar Station and Old Pasadena garages are free.
 - > Revenues have been barely sufficient to cover day-to-day operations.
 - > Lost revenue has contributed to Fund 407 balance not being sufficient to cover improvements to make the system a first class operation.
 - > Long-term strategic programs and improvements can not be implemented with current rate structure.

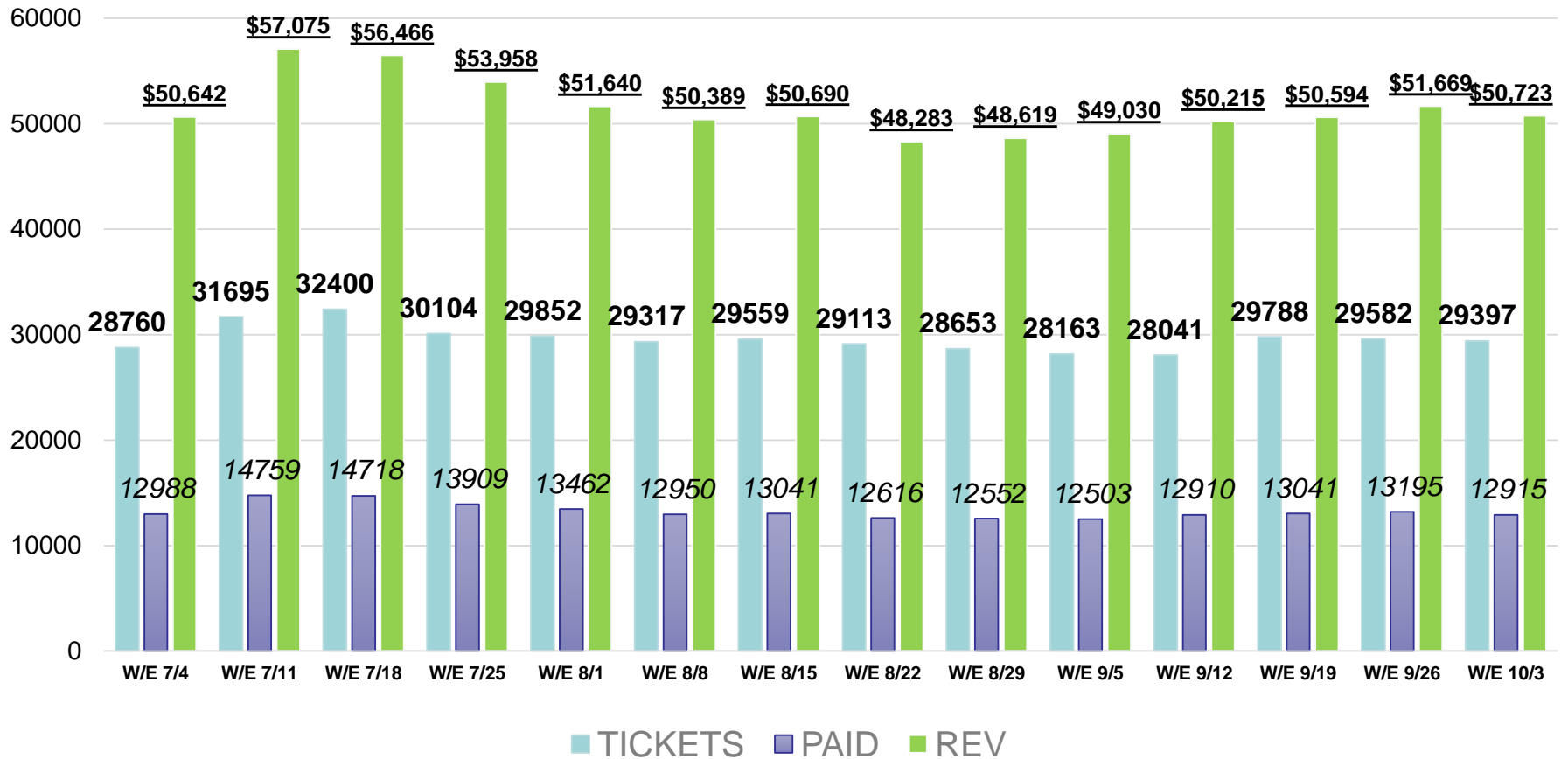
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FY2022 – Transient Parking Trends

Department of Transportation

90 MINUTE FREE GARAGE TREND 2021

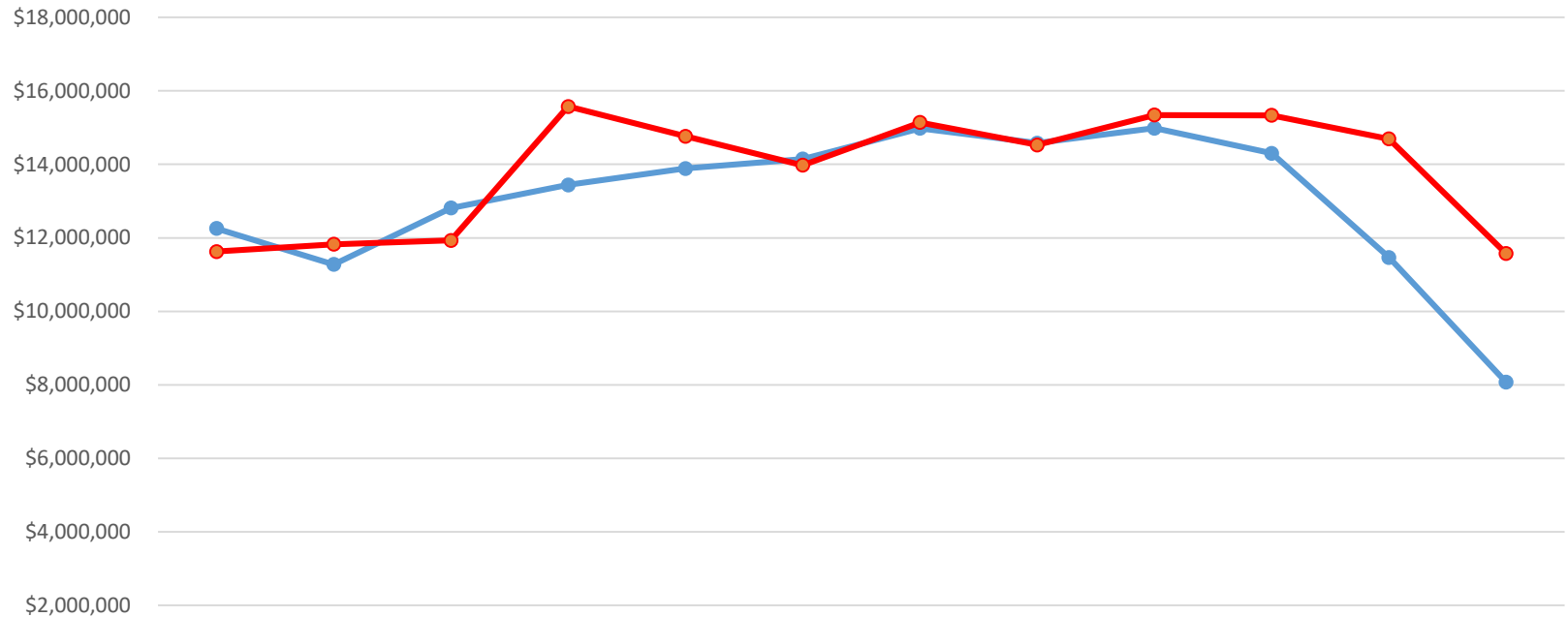




Fund 407 Revenues and Expenses FY10-21

Department of Transportation

Garage Revenues and Expenses



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All Garage Revenues	\$12,255,212	\$11,277,811	\$12,811,138	\$13,442,251	\$13,889,435	\$14,144,946	\$14,979,221	\$14,579,066	\$14,982,729	\$14,300,744	\$11,467,115	\$8,074,634
All Garage Expenses	\$11,629,429	\$11,826,266	\$11,929,340	\$15,574,536	\$14,765,576	\$13,974,683	\$15,140,757	\$14,526,316	\$15,340,850	\$15,332,379	\$14,693,089	\$11,571,586

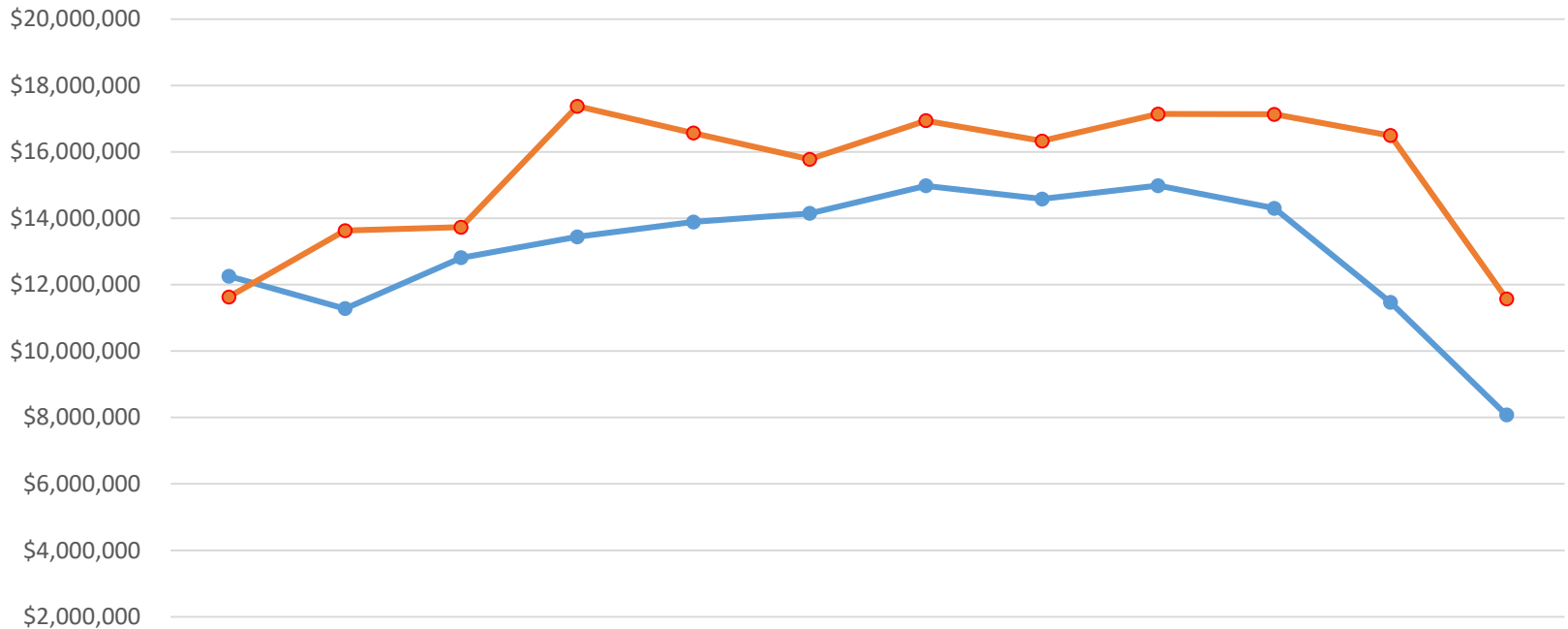
—●— All Garage Revenues —●— All Garage Expenses



Fund 407 Revenues and Expenses FY10-21

Department of Transportation

Garage Revenues and Expenses with Walker Study Fully Funded



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All Garage Revenues	\$12,255,212	\$11,277,811	\$12,811,138	\$13,442,251	\$13,889,435	\$14,144,946	\$14,979,221	\$14,579,066	\$14,982,729	\$14,300,744	\$11,467,115	\$8,074,634
Expenses with Walker	\$11,629,429	\$13,626,266	\$13,729,340	\$17,374,536	\$16,565,576	\$15,774,683	\$16,940,756	\$16,326,316	\$17,140,850	\$17,132,379	\$16,493,089	\$11,571,586

—●— All Garage Revenues —●— Expenses with Walker



Recommended Fee Restructure

Department of Transportation

- **Elimination of the 90 minute free period at all applicable garages**
 - > Includes the Old Pasadena garages and the Del Mar Station garage
- **Establish rates in those garages of:**
 - > \$1 for the 1st two hours
 - > \$2 for each subsequent hour
 - > \$12 daily maximum (in all garages except Plaza Las Fuentes)

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Recommended Fee Restructure

Department of Transportation

- Staff will work with local businesses to create a validation program so they can provide parking to customers.
- As part of efforts to complete the Parking Strategic Plan, DOT and our consultant Dixon Resources Unlimited have completed the following outreach efforts:

Citywide Parking Strategic Plan Outreach	
Internal & External Stakeholder Meetings	June - July 2020
Neighborhood Association Meetings	August 2020
Citywide Pasadena Parking Survey	August 2020
Internal & External Stakeholder Meetings	April - June 2021
Commercial District & Business Association Meetings	May - July 2021
Business Community Survey	June - July 2020
Business Community Site Visits	June 2021



Stakeholder Support

Department of Transportation

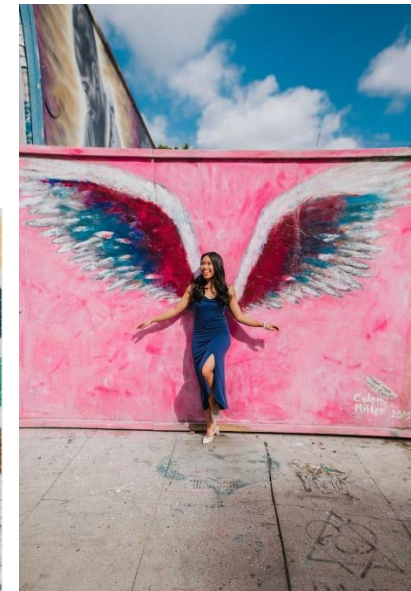
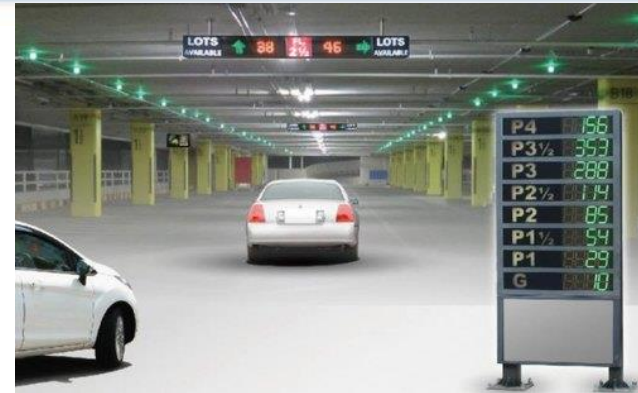
- On October 21, 2021, DOT staff presented the proposed rate adjustments to the Old Pasadena Parking Zone Meter Advisory Commission.
 - > The Commission voted to support the recommended rate adjustments.
- On October 28, 2021, DOT staff presented the proposed rate adjustments to the Board of Directors of the Old Pasadena Management District.
 - > The Board of Directors voted to support the recommended rate adjustments.



Benefits of This Action

Department of Transportation

- A healthy Fund 407 would be used to:
 - > Address identified deferred maintenance issues
 - > Reestablish fund reserves
 - > Improve maintenance/service levels
 - Additional security, maintenance and custodial coverage
 - Paint interior/exterior of garages
 - Full deep clean of facilities
 - > Provide 1st class amenities
 - Parking guidance system
 - Public art/social media “destinations”
 - Improved/updated signage
 - Marketing





Fiscal Impacts

Department of Transportation

- If the changes are approved, we anticipate an increase to revenues of approximately \$2,900,000 annually.
- We expect to end FY22 with a negative fund balance of approximately -\$1,500,000.
- If the recommendations are not approved, we expect to end FY23 with a negative fund balance of approximately -\$3,200,000.



Fiscal Impacts

Department of Transportation

- Negative fund balance would result in additional service and maintenance cuts which would impact service levels and cleanliness
 - Options could include closing/selling facilities
 - Fund would need general fund dollars to continue to operate
 - » Would compete with other programs that rely on general fund dollars (Police, Fire, Public Works, Health)
 - Reduction in services
 - » OPMD management contract
 - » Security services
 - » Garage Staffing
 - » Deferred maintenance



Impacts to Parkers

Department of Transportation

90 MINUTES FREE PRICING STRUCTURE CHANGE

<u>Current Cost Scenario</u>		<u>Proposed Cost Scenario</u>	
Up To 90 Minutes	FREE	Up To 90 Minutes	\$1
Up To 2 Hours	\$2	Up To 2 Hours	\$1
Up To 2.5 Hours	\$2	Up To 2.5 Hours	\$3
Up To 3 Hours	\$4	Up To 3 Hours	\$3
Up To 3.5 Hours	\$4	Up To 3.5 Hours	\$5
Up To 4 Hours	\$6	Up To 4 Hours	\$5
Up To 4.5 Hours	\$6	Up To 4.5 Hours	\$7
Up To 5 Hours	\$6	Up To 5 Hours	\$7
Up To 5.5 Hours	\$6	Up To 5.5 Hours	\$9
Up To 6 Hours	\$6	Up To 6 Hours	\$9
Up To 6.5 Hours	\$6	Up To 6.5 Hours	\$11
Up To 7 Hours	\$6	Up To 7 Hours	\$11
7-24 Hours	\$6	7-24 Hours	\$12



Impacts to Parkers

Department of Transportation

Pricing Scenarios and Change Impact

- More than 60% of all patrons would pay only \$1 for parking.
- Approximately 25% of patrons would pay less for parking under the new structure.
- Parking for 45 minutes currently is free and under the new structure would cost the patron \$1.
- Parking for 1 hour and 45 minutes currently costs \$2 and under the new structure would cost the patron \$1 resulting in a savings of \$1.
- Parking for 2 hours and 15 minutes currently costs \$2 and under the new structure would cost the patron \$3.
- Parking for 2 Hours and 45 minutes currently costs \$4 and under the new structure would cost the patron \$3 resulting in a savings of \$1.



Fund Sheet if Recommendations Approved

Department of Transportation

407 Off-Street Parking Facilities

Preliminary Fund Appropriation Report

	FY 2019	FY20	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Total Actual	Total Actual	Estimated Actual	Revised Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
BEGINNING BALANCE	2,161,794	6,209,032	3,999,156	521,725	(3,638,888)	(4,124,190)	(2,170,676)	1,231,759	4,376,810
REVENUES									
TOTAL REVENUES	16,786,756	11,467,117	8,074,634	12,592,411	15,583,720	15,639,807	15,696,111	15,753,066	15,810,247
EXPENSES									
Personnel Expense	995,969	996,519	1,075,614	1,139,877	1,182,052	1,223,424	1,244,834	1,275,955	1,320,613
Services and Supplies	10,551,695	10,746,674	8,300,866	10,161,029	8,243,477	8,326,317	8,492,584	8,662,186	8,835,191
Capital Outlay	-	-	-	3,161,130	4,407,625	1,906,915	243,808	342,946	300,624
Internal Service Charges	429,886	487,909	588,749	457,903	489,871	503,837	506,637	521,116	537,897
Interest	750,694	646,450	346,727	415,214	381,980	349,311	316,517	303,365	293,281
Trans To Capital Projects Fund (CIP)	795,087	108,248	-	83,000	-	-	-	-	-
TOTAL EXPENSES	13,558,331	12,985,799	10,311,956	15,501,153	14,705,005	12,309,804	10,804,380	11,105,568	11,287,607
NET INCOME	3,228,425	(1,518,682)	(2,237,322)	(2,908,742)	878,715	3,330,003	4,891,732	4,647,499	4,522,641
NON-INCOME BUDGET ADJUSTMENTS									
LT Debt Principal Payment	(1,001,079)	(1,229,750)	(1,240,044)	(1,251,872)	(1,364,017)	(1,376,489)	(1,489,297)	(1,502,448)	(1,000,000)
Other Changes to Balance Sheet Accts	(3,028,595)	538,557	(65)	-	-	-	-	-	-
TOTAL BUDGET ADJUSTMENTS	818,812	(691,193)	(1,240,109)	(1,251,872)	(1,364,017)	(1,376,489)	(1,489,297)	(1,502,448)	(1,000,000)
ENDING BALANCE FOR APPROPRIATION	6,209,032	3,999,156	521,725	(3,638,888)	(4,124,190)	(2,170,676)	1,231,759	4,376,810	7,899,450