

TO: James L. App, City Manager  
FROM: Ronald Whisenand, Community Development Director  
SUBJECT: Downtown Parking Action Plan  
DATE: May 30, 2007

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Needs: For the City Council to receive further community input and approve a Downtown Parking Action Plan.

- Facts:
1. On March 6, 2007, the Council was presented with a draft Downtown Parking Action Plan (Council Report and Action Plan Memo Attached).
  2. The Draft Action Plan, which was based on an earlier downtown parking study and successful programs from other quality downtown communities, pointed out the importance of:
    - a. increasing parking turnover and managing available parking through metered time restricted parking;
    - b. maximizing underutilized downtown parking spaces by expanding the acceptable walking distance to 3-4 blocks or 2 ½ minutes; and
    - c. planning for the acquisition, construction, and maintenance of future parking facilities through implementation of a variety of funding sources including meter revenues and fines.
  3. While there appeared to be little community opposition to expanding the acceptable walking distance (Action Plan item 2b above), the Council heard from several Mainstreet Board Members of their opposition to installing parking meters in the downtown.
  4. The meeting concluded with no formal action being taken. The Council did express desire to continue to explore parking supply and financing options.
  5. While opinions vary on whether we have a sufficient supply of public parking in the downtown, a plan is needed to ensure that the City has sufficient parking to meet the future needs of our downtown and to address parking turn over (extended employee use of prime downtown parking spaces).

Analysis &  
Conclusion: The City's General Plan and Economic Strategy both call on the City to protect and grow the downtown as a community amenity. The development fabric of quality historic downtowns such as ours consists of multi-storied adjoining commercial buildings that create a pedestrian oriented shopping experience. Parking is provided for on the street and in strategically located public parking lots and/or parking structures

rather than breaking up the development pattern by being placed privately on individual parcels.

In order for the City to allow the downtown to develop and grow, an adequate supply of parking is necessary for employees, customers, and visitors. Parking, in addition to opportunities for alternative forms of transportation such as public transit, insures that our citizens can access downtown businesses and recreational opportunities.

As previously reported, the development of downtown parking is a very expensive undertaking for any city. The question is therefore not whether additional parking will be a benefit to the downtown, but rather how to pay for it.

As previously reported, municipal parking structures to meet the long term needs of active downtowns, cost approximately \$45,000 per parking space to build. Analysis attached to your March 6<sup>th</sup> Council Report estimated land acquisition and construction of a 500 space parking structure would cost approximately \$22.5 million. Maintenance of that facility has been estimated at \$300,000 annually.

At the March 6<sup>th</sup> meeting, Council asked whether an alternative of providing surfaced parking lots would be more cost effective. Since your last meeting, staff has calculated the cost of developing downtown parking, including property acquisition, demolition/site clean up, business relocation, and construction. The costs for such a lot have been estimated at just under \$3.5 million. While this figure is somewhat lower than that of a parking structure, it will only accommodate 40 new parking spaces (rather than 500) and results in a cost of \$86,500 per parking space (up from \$45,000).

Leasing of downtown property was also mentioned by at least one Councilmember as an option to explore. While leasing would relieve the City from the need to acquire the property (estimated at \$1.9 million), site demolition, clean-up, and construction would still cost the tax payers an estimated \$1.6 million. Lease costs for sufficient property to accommodate 40-50 parking spaces are estimated at \$6,000 per month (\$72,000/yr) and would adjust annually with the CPI. Finally, the City Attorney has indicated that it would be inappropriate for the City to enter into a private short term lease because public funds would be used to improve private property.

As the above analysis points out, downtown parking is an expensive proposition. While downtown merchants express the desire to maintain our long standing practice of maintaining and constructing “free parking,” the Council can see that “free parking” comes at a very high cost.

Successful programs do exist for cities to finance long term parking strategies while minimizing significant impacts to limited capital improvement budgets. The closest example exists in the City of San Luis Obispo where the community has planned several parking lots and structures in and around their downtown. They have constructed a total of three parking structures to date to accommodate planned downtown redevelopment and have a fourth structure in the early planning stages.

These parking facilities are paid for using bond financing. To avoid costly impacts on their General Fund revenues, the bonds are financed by the users of the facilities. The breakdown on bond repayment is as follows:

- Parking meter revenues – 36%
- Parking structure revenue – 32%
- Parking fines – 20%
- Leasing of commercial space associated with the parking structure – 6%
- Other sources such as parking in lieu fees – 6%

While they may not be popular with downtown merchants, it is hoped that the Council can see that parking meter revenues and fines are a critical financing strategy for cities that choose to plan for downtown parking. Also as previously stated by your downtown parking consultant, parking meters are one of the only proven methods to control parking behaviors through pricing strategy. Parking experts agree that proper pricing is an effective tool to ensure adequate parking always exists for the people who need access to the downtown.

Fiscal

Impacts: Implementation of a Downtown Parking Action Plan will have fiscal impacts that need to be calculated. The costs to prepare necessary parking management and financing strategies, will not be known until proposals are received from firms with expertise in this area. These firms will also provide recommendations on meter design, placement, and pricing to address city needs and user convenience concerns.

Options:

- a. Direct staff to implement a Downtown Parking Action Plan including seeking proposals from individuals qualified in parking management. The Downtown Parking Action Plan shall contain the following principles:
  - Increase parking turnover and manage parking availability in the downtown through metered time restricted parking.
  - Maximize underutilized downtown parking spaces by expanding the acceptable walking distance to 3-4 blocks or 2 ½ minutes.
  - Plan for acquisition, construction, and maintenance of future parking facilities through implementation of a variety of funding sources including meter revenues and fines.
- b. Amend, modify, or reject the above option.

Attachments:

1. March 6, 2007 Council Report
2. January 30, 2007 Action Plan Memo

**Attachment 1**  
**March 6, 2007 Council Report**

TO: James L. App, City Manager  
FROM: Ronald Whisenand, Community Development Director  
SUBJECT: Downtown Parking Action Plan  
DATE: March 6, 2007

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Needs: For the City Council to implement a Downtown Action Plan.

- Facts:
1. On January 16, 2007, the Council directed staff to report on the next steps to implement a Downtown Parking Strategy.
  2. The identified steps for the strategy were outlined in the Council's 2002 Downtown Parking and Circulation Analysis and Action Plan prepared by the firm of Kimley-Horn.
  3. The 2002 study evaluated our downtown parking issues, parking habits of downtown business owners and users, and offered a series of solutions to make sure that sufficient parking will exist for a growing downtown. A summary of those issues and recommendations is contained in the attached Downtown Parking Memorandum dated February 12, 2007.

Analysis &

Conclusion: As outlined in the Kimley-Horn study, the City needs the following to effectively manage our downtown parking needs:

- Increase parking turnover and manage parking availability in the downtown through metered time restricted parking.
- Maximize underutilized downtown parking spaces by expanding the acceptable walking distance to 3-4 blocks or 2 ½ minutes.
- Plan for acquisition, construction, and maintenance of future parking facilities through implementation of a variety of funding sources including meter revenues and fines.

Implementing such a program will require outside assistance in identifying (a) meter options, locations and pricing strategies; (b) requirements for staffing associated with enforcement, collection and maintenance; (c) various financing tools; and (d) areas where possible property acquisitions should be concentrated.

Fiscal

Impacts: Implementation of the above strategy will have impacts that need to be calculated. The costs to prepare necessary parking management and financing strategies, will not be known until proposals are received from firms with expertise in this area.

Options:

- a. Confirm the 3-point parking action plan outlined above and direct staff to prepare a Request for Proposal for its implementation.
- b. Amend, modify, or reject the above option.

Attachments:

January 30, 2007 Action Plan Memo

## Memorandum

To: Mayor and Council  
From: Ronald Whisenand, Community Development Director  
CC: Jim App, City Manager  
John Falkenstien, City Engineer  
Date: 01/30/07  
Re: Downtown Parking Action Plan

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At the January 16, 2007 City Council meeting, staff was asked to develop a Downtown Parking Action Plan based upon findings contained in the 2002 Downtown Parking Study. In addition staff was asked to formulate some financing options for parking strategies based on findings contained in the Downtown Parking Study and the experience of other cities.

This Action Plan contains three components. The first restates parking issues and recommended solutions contained in the 2002 Downtown Parking and Circulation Analysis and Action Plan prepared by Kimley-Horn and Associates, Inc. The second looks at the status of the Council's Parking Action Plan that grew out of the Kimley-Horn study. Various parking program financing options will be addressed in the third and final section.

### A. 2002 Downtown Parking and Circulation Analysis and Action Plan

#### 1. Summary of Identified Parking Issues:

- There are a sufficient number of parking spaces downtown (3,000) to meet the current customer and employee demand but many of the spaces are not located in the areas where people want to park.
- There are currently no regularly enforced time restrictions that limit how long a vehicle can be parked in a public parking space. Employees, and to a lesser extent, customers, park for long periods of time in spaces (average 4.75 hours per day per space) that could be utilized better and for shorter time periods by customers.
- Turnover of an average parking space in the downtown occurs every 5 hours on the weekdays as opposed to every 2 hours on Saturday and Sunday. The longer weekday duration is a typical characteristic of spaces used by employees.
- Downtown employees and customers expect to be able to park within one block (approximately 1 minute) of their destination. This "expected walk distance" results in the perception that there are not enough parking spaces, and the belief that this

shortage decreases business activity. *Note – the national average expected walking distance in a downtown setting is about 3-4 blocks, or 2 ½ minutes.*

- Peak/100% parking demand in the downtown core is evident for only 2 hours per weekday between 11 am and 1 pm. Employee parking occupies many of the prime “customer” spaces.

2. Recommended Parking Solutions:

- Based on an expected walk distance of one block and prolonged stay of each parker, approximately 100 more spaces were needed in the downtown core in 2002. The immediate solution to this focused parking problem is either expand the acceptable walking distance to the use national averages or restrict the length of time a vehicle can be parked in some of the space around the park area in order to increase parking “turnover.”
- Sufficient parking to meet this need could be provided by increasing parking turnover (decreasing the average length of time a vehicle is parking without moving), increasing the actual number of public parking spaces, or a combination of increased turnover and additional supply. Example: Limiting time available for each parker from its current 4.75 hour average to 2.33 hours would increase effective downtown parking from 6,000 to 12,000 per shopping day.
- Based on future downtown redevelopment and growth, and **assuming there is no change in the expected walk distance nor management of existing space use**, approximately 350 additional parking spaces would be needed in the downtown area to accommodate future parking demand (by 2007).
- Longer-term solutions (*2012 and beyond*) to increase the public parking supply may be necessary for future development and redevelopment plans to be successful. These solutions include enforced, time restricted spaces to increase parking turnover and additional public parking spaces.
- There are three actions to accommodate long-term demand: implementing enforced time restrictions and parking meters to better manage parking habits, expand the average walk distance, and finance additional parking. *The effects of expanding the expected walking distance is shown in Exhibit A. The effect that time-restricting parking could have on the downtown core is shown in Exhibit B.*

B. **Downtown Parking Action Plan**

Following the preparation and presentation of the 2002 Kimley-Horn Parking Study, the Council adopted a “Downtown Parking Action Plan.” Short, Mid, and Long-Term action items were approved but fell short of many of the recommendations contained in the Kimley-Horn Study. Recommended parking solutions that failed to gain support at the time of adoption included

expanding the average walking distance and enforcing time restricted parking in the downtown core. A December 2005 status report is attached as Exhibit C.

### C. Parking Costs and Financing Options

- Based on 2005 figures, municipal parking costs approximately \$45,000 per parking space. A 500-space structure on a 45,000 square foot site, for example, would cost \$22.5 million. Surface lots cost less to improve but would require large areas of valuable downtown real estate in order to achieve sufficient parking to meet long term parking needs and significantly disrupt pedestrian shopping patterns.
- Operations and maintenance costs for a parking structure include cleaning, lighting, maintenance, repairs, security services, landscaping, fire control, elevators, access control, fee collection, enforcement, insurance, labor, and administration. Based on 1999 ITE figures and adjusted for inflation, annual maintenance average about \$600/space. Maintenance costs for a 500 space parking structure would be \$300,000 annually.

No single financing mechanism can cover the full cost of construction and operation of a parking structure. Rather a combination of sources will be required in order to provide adequate funding. Funding sources must include in lieu fees, parking meter revenue, parking enforcement fines, and parking lot/structure fees.

Many jurisdictions, finance construction of parking structures using bonds funded through parking meter revenues and fines. In fact, San Luis Parking Fund revenues consist of 36% meter collections, 32% parking structure revenues, 20% fines, and less than 6% from other sources such as in-lieu fees (see Exhibit D).

Other options could include:

- Parking District/Special Assessments – Special assessments could be charged to real property in the parking district based upon the benefit of a parking structure to downtown businesses. A special assessment would require the support of the owners of the proposed district. Annual assessments in the range of \$2,000-\$6,000 per business could assist making bond payments for the construction and maintenance of a parking structure.
- Sales Tax Increase – A voter-approved, City-wide sales tax increase could provide an additional revenue stream to assist making bond payments for the construction and maintenance of a parking structure. *NOTE: A 500-space structure costing over \$22,000,000 would carry a debt service requirement of approaching \$2,000,000 per year.*
- Redevelopment Agency Participation – Downtown Paso Robles falls within the City's redevelopment area. As new development occurs Downtown, tax increments will accrue to the Redevelopment Agency. Some portion of this tax increment funding may be available for parking structure financing. However, a substantial portion of Redevelopment funds is already committed to existing projects.



**Summary:**

Parking availability can be expanded through proper management of the existing spaces, changing shopper and downtown employee habits, and by increasing supply. The steps required to increase parking are known and have been implemented successfully in many California communities:

- Implement time restricted metered parking in the downtown to increase the turnover in available parking making it more available to users of the downtown, encourage employees to park away from prime spaces, and to begin the needed funding for additional parking to meet the City's longer-term parking needs.
- Expand the expected walking distance standard to 3-4 blocks to take advantage of underutilized public parking away from the downtown core.
- Continue to look for areas to create more angled parking to increase the supply of on-street parking such as the easterly side of Pine Street between 6<sup>th</sup> and 11<sup>th</sup> Streets

**Exhibits:**

- A. Expanded range of parking options by using national average walking distance
- B. Effect of time-restricted parking on the downtown core
- C. Downtown Parking Action Plan Status Report
- D. San Luis Obispo Funding Example

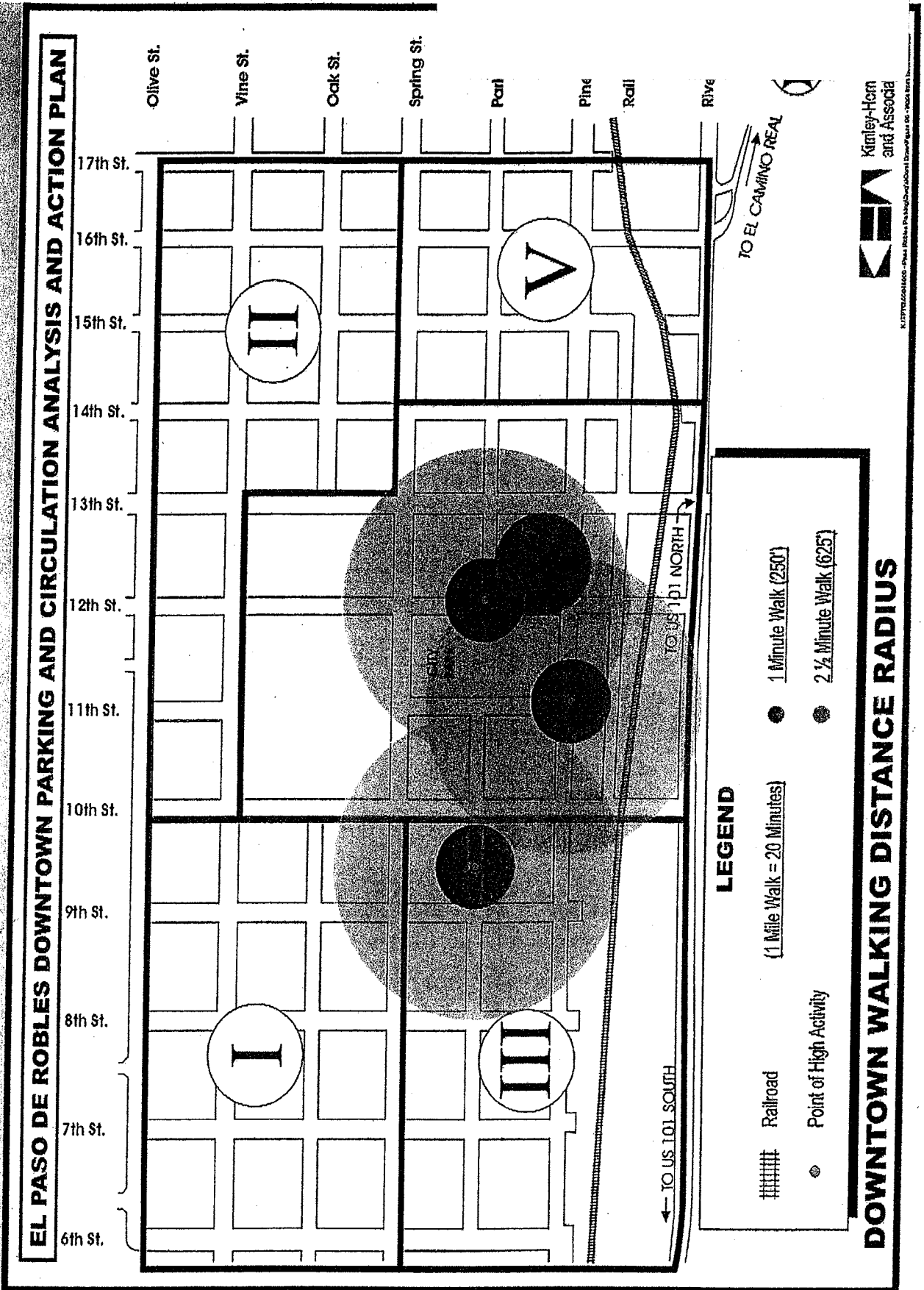


Figure 5

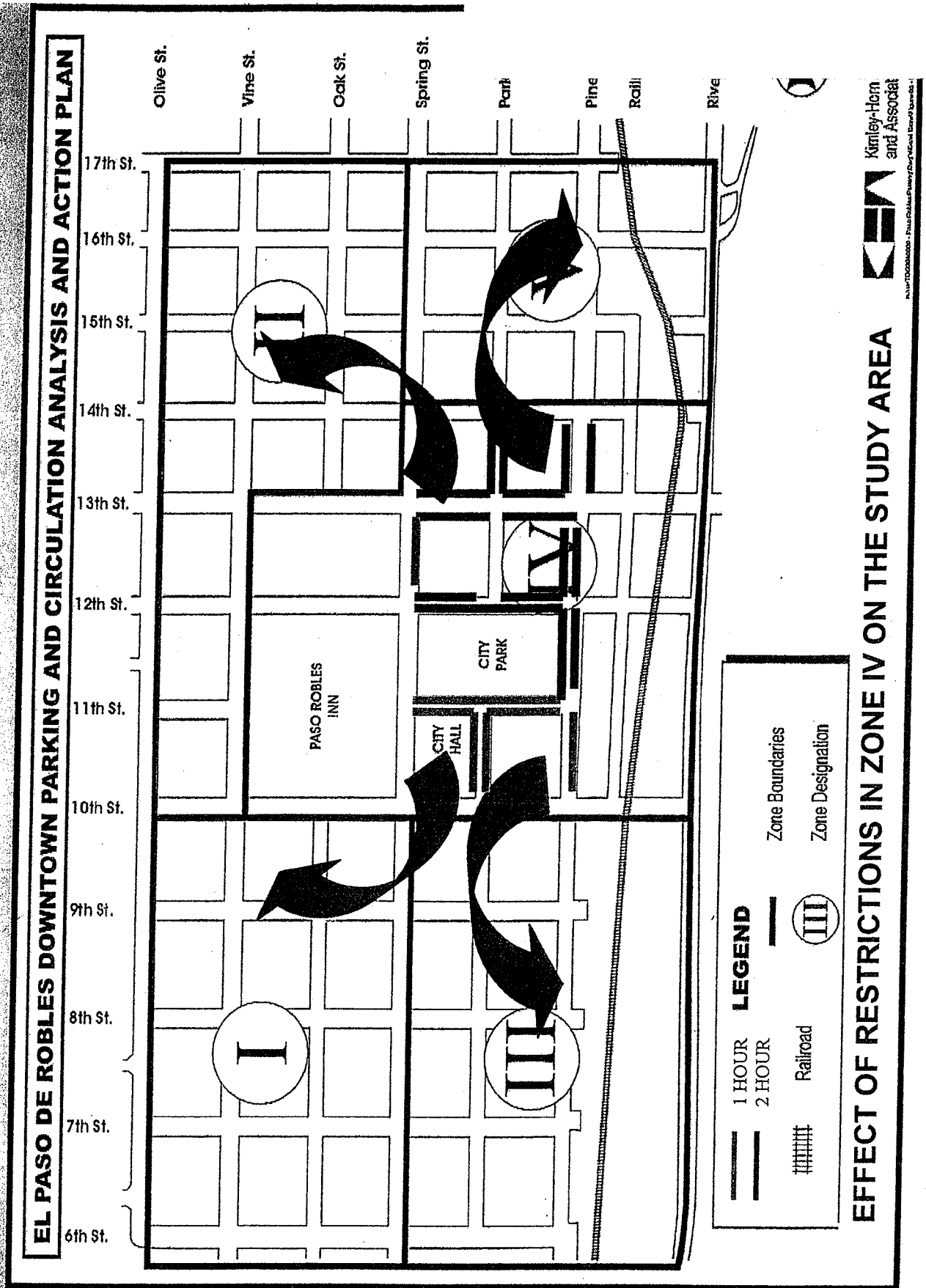


Figure 10

**Paso Robles Downtown Parking Action Plan**  
(and Status Report as of December 2005)

**Short-Term (2002-2005); current / projected demand for 100 spaces:**

- Provide angled on-street parking where feasible. **(Done; created 115 spaces)**
- Propose a budget in FY 03-04 for new/additional signs for parking lots. **(Done)**
- In cooperation with Main Street, mark curb faces in selected blocks to designate on-street parking spaces “for customers”. **(Was concluded to be not feasible / effective)**
- Allow loading zones to be established by the Streets & Utilities Committee. **(Done)**
- Establish a City Council ad hoc Committee to review options for ways to provide more off-street parking spaces (particularly in the form of parking lots that could later be used for parking structures). Considerations shall include potential locations and costs for the City to lease and improve vacant properties as interim locations for additional off-street parking. **(Done; preparation of a financing study which is now underway)**
- Direct staff to prepare the appropriate paperwork to extend the current favorable parking ratio that expires in December 2003 to December 2005. **(Done)**
- Encourage Main Street to work with downtown merchants to formulate and implement programs that provide incentives for employees to park outside of the downtown core area. (To the extent that these programs are successful, it may not be necessary to pursue less attractive and more expensive measures to free up customer parking in the downtown core area.) **(City staff understands Main Street made efforts but with limited success)**
- Do one of the following:
  - a. Determine to rely on business owners to control the parking of their employees, thereby freeing up additional on and off-street parking spaces for customers, for a three-year period (ending December 31, 2005). Prior to the close of the three year period, review the potential need for time restricted parking; **(Done; little perceived success)** or
  - b. Direct staff to prepare a FY 03-04 budget proposal to enforce parking time limits. The time limits would restrict parking between 10 AM and 2 PM weekdays and would apply to areas identified in the Kimley-Horn study:
    - i. No time limits in public parking lots at 12<sup>th</sup> & Railroad, Spring between 12<sup>th</sup> and 13<sup>th</sup>, and south of City Hall, and along 11<sup>th</sup> Street and outside of the core area defined below in ii, iii, iv.
    - ii. A time limit of 4 hours on Spring and Pine Streets south of 12<sup>th</sup>.
    - iii. A time limit of 2 hours on Park & Pine Streets from 12<sup>th</sup> to 14<sup>th</sup> Street and in the parking lot east of Marv’s Pizza.

## **Paso Robles Downtown Parking Options**

- iv. A time limit of 4 hours on 12, 13, and 14<sup>th</sup> Streets.
  - When development occurs at the NE and SE corners of 4<sup>th</sup> and Spring Streets, propose a budget for modifying lane configurations to channel a lane of traffic east on 4<sup>th</sup> Street and north on Pine Street. **(May be implemented with new Development plans)**

### **Mid-Term (2006-2009); projected demand for 350 additional spaces:**

- Reevaluate the need for time-restricted parking (if not established in the short-term program or if there is a perceived need to consider expansion of either the time limits or geographic area to which they apply).
- Consider whether or not to further extend the favorable parking ratio for new development in the downtown area. **(Will be considered before 12/31/05)**
- Budget funds for acquisition and design of a facility to expand the number of off-street parking spaces within Area IV (as defined in the Kimley-Horn report). The location of the additional off-street parking would be based on opportunity for purchase of land. Property would be improved for surface level parking as an interim measure, with future structured parking as a long-range plan.
- Once the 13<sup>th</sup> Street bridge project is complete, as a trial measure, close off 13<sup>th</sup> Street for a two-week period in the block between Railroad and Park Streets, installing traffic counting devices elsewhere to determine the patterns of traffic that result from the change. This trial would include installing directional signs at 10<sup>th</sup> and 16<sup>th</sup> Streets, designed to channel traffic to Riverside and Creston Roads. Depending upon the outcome of the trial (measured in terms of reasonable success in redirecting traffic), consider the budget for a permanent barrier.

### **Long-Term (2010 and beyond); projected demand for 550 more spaces:**

- Reevaluate the need for time-restricted parking (if not established in the short-term program or if there is a perceived need to consider expansion of either the time limits or geographic area to which they apply).
- Consider whether or not to further extend the favorable parking ratio for new development in the downtown area.
- Design and construct one or more multi-level parking lots to service Area IV as defined by the Kimley-Horn Report.
- Plan for and implement measures to direct Spring Street traffic east to the Riverside Avenue corridor, based on a new rail underpass or overpass being constructed at 4<sup>th</sup> and Pine / Riverside.

# Parking Fund Revenues

2005-06 Parking Revenues: \$3.5 Million

