



City of Palo Alto

City Council Staff Report

(ID # 5472)

Report Type: Consent Calendar

Meeting Date: 2/23/2015

Summary Title: BAO for Lot R Valet Parking

Title: Approval of Continuation of Valet-Assist Services at Lot R for the Remainder of FY2015 and Adoption of a Budget Amendment Ordinance in the University Avenue Parking Permit Fund in the Amount of \$30,000

From: City Manager

Lead Department: Planning and Community Environment

Recommendation

Staff recommends that Council approve the continuation of the Parking Valet Service program at Lot R (Alma/High Street) garage for the balance of Fiscal Year 2015 and adopt a related Budget Amendment Ordinance in the University Avenue Parking Permit Fund in the amount of \$30,000.

Executive Summary

Since early 2014, Staff has been making significant efforts to address the City's parking and traffic challenges, especially around the Downtown Commercial core. One of the components of the overall strategy is to improve the utilization of the City's existing parking garages and lots. In February of 2014, City Council approved a three year contract with SP Plus (Contract C14152025) and established a one-year trial valet-assist program in the Alma/High Street garage which could facilitate an increase in the number of cars parked in the permit spaces of the garages from 134 to 179 (an increase of 45). The Lot R program has been successful in parking between 20 and 30 people per day on most days, allowing City staff to sell more permits for the garage than could otherwise be accommodated.

Background

Recognizing that maximizing garage utilization was a critical component of the overall parking strategy for Downtown, Council approved a three-year contract with SP Plus on March 3, 2014, and approved funds to move forward with the program at Lot R for a trial period. This contract expires on March 2, 2017, and includes pricing for all four City-owned Downtown garages (Lot R, CC Garage, Lot S and Lot CW).

Additional parking supply strategies in various stages of evaluation and implementation by Staff

are listed in the table below:

Fig. 1 Parking Supply Strategies	
New Parking Garages	Staff evaluated the potential for public/private collaboration to construct additional parking garages in the Downtown and California Avenue business districts. Council directed staff to return with a scope of work for an RFP for a publicly funded garage on Lot D early in 2015.
Satellite Remote Parking	Council authorized consideration of the potential for an additional 132 parking spaces along the segment of Embarcadero Road east of Highway 101 in August of 2014. A consultant is working with staff on a preliminary design and analysis of potential traffic impacts.
Valet-Assist Programs	An update on the Lot R Valet-Assist program trial is provided in this staff report.

In addition to the parking supply strategies, City staff are also working on a number of parking management strategies including parking guidance systems for lots and garages and new parking wayfinding signage to assist visitors and customers in locating available parking.

Maximizing the number of vehicles which can be parked at existing facilities is critical, especially as the Downtown Residential Preferential Parking (RPP) program will be implemented in early 2015. The RPP program will restrict non-resident parking in neighborhoods and is expected to consequently increase parking demand in Downtown garages. Additionally, construction of a new garage on Lot D may take several years, so in the interim existing parking assets should be utilized to their fullest potential. In light of this, Staff recommends continuing the trial Lot R valet-assist program for the remainder of FY2015. Staff also plans to return to Council as part of the 2016 budget process with a recommendation to expand the scope of the SP Plus contract to include implementation of valet-assist programs at the Cowper Webster garage, the Civic Center garage and the Bryant/Lytton garage, concurrent with RPP implementation.

Discussion

The Lot R valet program is staffed by two valet attendant staffers, stationed at the third floor of the garage beginning at 9:00am on weekdays. When the permit spaces of the garage are close to full, the attendants direct permit parkers to park in the drive aisles of the garage in a manner which still allows vehicles to enter and exit. The motorists provide their key to the attendant, and the attendant may move the vehicle during the day to accommodate other vehicles. The motorist receives their key back from the attendant when they return to the garage.

The program has allowed permit sales in the garage to increase from 241 at the beginning of 2014 to 330 at the writing of this report. Additionally, occupancy studies conducted by city staff

between March and November of 2014 show that Lot R has consistently been more full than all of the other garages, ostensibly due to the valet-assist program. Continuing the program will assist the City in ensuring that Lot R continues to achieve high parking occupancy levels and that the current level of permit sales for the garage can be maintained.

Resource Impact

The Fiscal Year 2015 Adopted Operating Budget for the University Avenue Parking Permit Fund included a budget of \$90,000 for valet operations during the trial period only. Staff is requesting a BAO in the amount of \$30,000 to continue the Lot R trial program through the end of FY2015. Staff plans to return to Council with a recommendation to extend the Lot R program for FY2016, and potentially to expand the program to other garages. It should also be noted that the implementation of the Lot R program has allowed the sale of 89 additional permits at Lot R, which results in additional revenues for the Parking Assessment District of \$41,474. While this does not offset the total cost of the SP Plus yearly fee for Lot R services which is approximately \$104,000, the loaded cost of constructing an additional 89 parking spaces (at approximately \$60,000 each) exceeds 5 million dollars.

Environmental Review

The proposed action would allow for continuation of an existing program and is exempt from review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities).

Attachments:

- Attachment A: Budget Amendment Ordinance xxxx for Parking Valet Program (DOCX)

Attachment A

ORDINANCE NO. xxxx

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO
AMENDING THE BUDGET FOR FISCAL YEAR 2015 TO
PROVIDE ADDITIONAL APPROPRIATION OF \$30,000 IN
THE UNIVERSITY AVENUE PARKING PERMIT FUND FOR THE
CONTINUING PROVISION OF A PARKING ATTENDANT
PROGRAM FOR FISCAL YEAR 2015.

The Council of the City of Palo Alto does ordain as follows:

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Council on June 16, 2014 did adopt a budget for Fiscal Year 2015; and

B. At the time the 2015 Adopted Budget was being considered by the City Council, the Planning and Community Environment Department was piloting a valet parking program at Lot R (Alma/High Street) garage as approved by the Council on February 14, 2014 as part of a series of near term parking strategies aimed at helping to alleviate concerns from adjacent residential areas regarding spillover parking; and

C. After the one-year pilot program, 89 additional parking permits were sold which resulted in approximately \$42,000 at a cost of \$104,000.

SECTION 2. The sum of Thirsty Thousand Dollars is hereby appropriated for the continuation of the Trial Parking Attendant Program at Lot R for the remainder of the fiscal year offset with a corresponding decrease of the ending fund balance in the University Avenue Parking Permit Fund.

SECTION 3. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 4. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED: Enter Date Here

AYES:

NOES:

ABSENT:

ABSTENTIONS:

NOT PARTICIPATING:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Senior Assistant City Attorney

City Manager

Director of Planning, Community,
and Environment

Director of Administrative Services