



# **Agenda Report**

## **Fullerton City Council**

**MEETING DATE:** APRIL 16, 2019

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**SUBMITTED BY:** KENNETH A. DOMER, CITY MANAGER

**PREPARED BY:** TED WHITE, COMMUNITY DEVELOPMENT DIRECTOR

**SUBJECT:** DOWNTOWN PARKING – NIGHTTIME PAID PARKING PILOT PROGRAM, ASSOCIATED PROFESSIONAL SERVICES AGREEMENT AND ACCOMPANYING ACTIONS

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### **SUMMARY**

Consideration of the Downtown nighttime paid parking pilot program operational parameters and an associated Professional Services Agreement (Agreement) with SP+ for parking management services, including administration of the pilot program. The Agreement would serve as the master document for the performance of parking management services between the City and SP+ on an as-needed basis and can include the procurement of products and services on the City's behalf. Accordingly, this action also includes consideration of two budget adjustments related to the procurement by SP+ for products and services for the Police and Public Works Departments. The City Council is also considering amending the Fullerton Municipal Code to expand parking citation authority.

### **RECOMMENDATION**

1. Authorize the City Manager to execute the Professional Services Agreement with SP+ for parking management services, approve the scope and costs for the management and implementation of the Downtown nighttime paid parking pilot program and appropriate \$55,050 from the General Fund and recognize additional revenue of \$28,500 for Fiscal Year 2018-19.
2. Adopt Resolution No. 2019-XX:

**RESOLUTION NO. 2019-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, ESTABLISHING THE DOWNTOWN NIGHTTIME PAID PARKING PILOT PROGRAM**

3. Approve the use of \$58,000 in asset seizure funds and corresponding budget adjustment 19-0069 from the Asset Seizure Fund Balance for the purchase of two license plate readers for use by City parking control officers and aides to increase the efficiency of citywide parking enforcement. (Attachment 3)
4. Approve budget adjustment 19-0058 in the amount of \$21,000 from the Building Maintenance Fund Balance for the reinstatement of the warranty and maintenance on the previously purchased kiosk pay stations in the SOCO parking structure. (Attachment 4)
5. Introduce Ordinance No. XXXX for first reading by title only and waive further reading of the Ordinance. (Attachment 5)

ORDINANCE NO. XXXX - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, AMENDING SECTION 8.48.040 OF THE FULLERTON MUNICIPAL CODE PERTAINING TO CITATION AUTHORITY

#### PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement/s:

- Fiscal and Organizational Stability
- Public Safety
- Infrastructure and City Assets.

#### FISCAL IMPACT

##### **Downtown Nighttime Paid Parking Pilot Program**

The pilot program will have two types of costs, those required to start the program and those that are incurred on a weekly basis for the on-going operations of the pilot program. Start-up costs for the program are \$34,770. These costs include equipment, signage and staffing. Recurring weekly costs are \$5,070 for equipment, staffing and operations. A detailed description of costs are provided as Attachment 7 to this report.

Within the pilot program boundary, there are approximately 1,900 spaces in the public parking lots and structures. (For comparison, in the entire Downtown there are 4,030 spaces in the public parking lots and structures and an additional 1,630 on-street spaces). Assuming that on average 25% (475) of the pilot program spaces generate fees nightly, weekly revenue is estimated conservatively at \$7,125. Weekly net income is therefore projected at \$2,055.

The start-up costs will be recovered during week 17 of the pilot program. At the end of week 24, the pilot program is projected to generate \$14,550. For Fiscal Year 2018-19, costs are \$55,050 with projected revenues of \$28,500. For Fiscal Year 2019-20, costs are \$101,400 with projected revenues of \$142,500.

Were the paid parking parameters to continue unchanged for the remainder of the year, total profit would be \$72,090. Without start-up costs in year 2, for example, the same limited program parameters could generate \$106,600.

### **Parking Enforcement Improvements**

The \$60,000 payment by the Police Department for the purchase of two car-mounted license plate recognition systems is an expense that is being funded from asset seizure funds, but could ultimately be recovered through parking citations, discussed in detail below.

### **SOCO Structure Maintenance and Warranty**

The \$21,000 payment by the Public Works Department for the reinstatement of maintenance and warranty fees for the previously purchased kiosk payment stations in the SOCO parking structure is an expense that could ultimately be recovered under the Parking Management Plan, discussed in detail below.

### **BACKGROUND**

On August 21, 2018, the City Council approved the basic parameters of a 90-day Downtown nighttime paid parking pilot program (pilot program) as follows:

- **Location:** Public parking lots and structures generally bounded by Wilshire Avenue on the north, the railroad tracks on the south, Malden Avenue on the west and Pomona Avenue on the east.
- **Days and Times:** Thursday, Friday and Saturday nights between 9:00 PM or 10 PM and 1:00 AM (modified by City Council from the original recommendation of 8:00 PM).
- **Parking Fee Rate:** \$5 flat fee with the potential for adjustments based on demand, not to exceed \$10.

The City Council also authorized Staff to release a Request for Qualifications (RFQ) to procure parking management professional services, including implementation of the pilot program, and to bring an agreement with the successful RFQ respondent to City Council for review and approval.

### **DISCUSSION**

#### **A. Professional Services Agreement**

The RFQ was prepared and released on October 15, 2018 with responses due on November 19, 2018. The RFQ, provided as Attachment 8 to this report, identified a broad skill set to assist the City with the pilot program as well as equipment and technology needs. The City received inquiries from six firms, and ultimately received responses from four firms. An internal review team from Community Development and Public Works evaluated the four responses. In January 2019, interviews were conducted with the two highest ranked firms. SP+ ([www.spplus.com](http://www.spplus.com)) was selected as the parking management company based on the qualifications of the firm and key personnel, recent experience providing comprehensive parking management services, experience working with local government and fee rates.

The City and SP+ will enter into a standard Professional Services Agreement (Agreement). A template approved by the City Attorney is provided as Attachment 9 to this report. The Agreement would serve as the master agreement for the performance of parking management services between the City and SP+. SP+ would provide supporting details and costs on a project-by-project basis as requested by the City. The Agreement will be for an initial period of three years with an option to extend for an additional two years if SP+ performs to the satisfaction of the City during the initial period. The Agreement will support needs of the Community Development, Public Works and Police Departments.

### **B. Downtown Nighttime Paid Parking Pilot Program**

Beginning in February 2019, staff of the Community Development, Public Works, and Police Departments began working with SP+ to finalize the implementation details of the pilot program, targeted to begin on Thursday, June 6, 2019.

During this process, three goals for the pilot program were identified:

- Collect data and feedback regarding parking behaviors in Downtown and any potential impacts to businesses and surrounding residential communities as a result of the introduction of paid parking.
- Demonstrate that parking fees have the potential to be a revenue source that can be reinvested in Downtown operations and maintenance.
- Inform and assist in determining the feasibility of a more permanent approach to paid parking on City-owned parking assets in Downtown.

The details of the implementation program are as follows:

- **Duration:** In order to best meet the goals of the pilot program, Staff and SP+ propose to expand the duration of the program from 90 days to up to 180 days. The additional time has the benefit of capturing data during the summer months as well as after college classes resume for the fall semester. The additional time will provide an opportunity to report back to the City Council following the first 90 days, while continuing to collect data. Modifications to the program may also be considered at this time while the program is on-going.
- **Paid Parking Spaces:** Paid parking will be located on the nine surface lots and two parking structures centrally located in four quadrants (labeled A – D in Figure 1) to serve evening patrons consistent with the concentration of businesses open after 10:00 PM. These parking facilities provide approximately 1,900 spaces within a 1/4 mile of the Harbor / Commonwealth intersection (less than a five minute walk, where a five minute walk is a standard measure of walkability).

**Figure 1 – Paid Parking Locations**



**Free Parking Spaces:** Free parking, as shown on Figure 2, will be provided on five surface lots and two parking structures east of Pomona Avenue (875 spaces) and north of Chapman Avenue (345 spaces). Additionally, there are approximately 340 on-street parking spaces within the pilot program boundary. These parking facilities provide approximately 1,560 spaces within a 1/4 mile to a 1/3 mile of the Harbor / Commonwealth intersection (just over a 5 minute walk).

**Figure 2 – Free Parking Locations**



- **Time:** New parkers arriving at or after 9:00 PM in the paid lots will be subject to the parking fee. Anyone parked prior to 9:00 PM will not be subject to the fee.
- **Fee:** The parking fee will be a \$5 flat fee.
- **Pay Kiosks:** Patrons will park, enter their license plate number in a Luke kiosk pay station located in the lot or structure in which they are parked and pay the fee. Each lot or structure will have a minimum of one kiosk. Parking lots will not be access-controlled and no ticket will be required to be displayed in the vehicle. To facilitate data collection and improve the efficiency of enforcement, the kiosks will run throughout the day to provide the existing time-limited parking free of charge. Instructional signage will be placed in the parking facilities and on the kiosks. Kiosks also provide a less costly solution than staffed payment booths and remove security concerns with onsite cash collection.
- **Pay by App:** SP+ will also offer parkers the ability to pay by app. Through the app, incentives for first-time users (i.e. free parking for first time users) will be offered to increase user acceptance and awareness.
- **Staffing and Enforcement:** SP+ will provide five employees on duty during the hours of the pilot program including one supervisor, two lot ambassadors focusing on customer assistance and trouble-shooting and two enforcement personnel in vehicles. The pilot program will consist of two phases for purposes of enforcement, as follows:
  - i. **Phase 1 – Information and Orientation:** During the first two weeks of the pilot program, enforcement personnel will provide courtesy warnings and information about the pilot program to vehicles identified for non-payment.
  - ii. **Phase 2 – Operational Oversight and Enforcement:** Beginning the third week and on-going through the remainder of the pilot program, the two enforcement personnel will monitor and issue citations to vehicles identified for non-payment as designated by the Chief of Police.
- **License Plate Recognition (LPR) Technology:** SP+ staff will utilize license plate recognition (LPR) technology to quickly read the license plates of cars parked in the lots and structures. LPR technology provides for an efficient way to identify and cite those vehicles that do not pay the required fee. SP+ will provide two vehicles equipped with LPR systems for the duration of the pilot program.
- **Data Collection:** In addition to the daily count information from kiosk use, three broader parking counts will be taken on Thursday, Friday and Saturday nights at 11:00 p.m. (peak usage). The first will obtain baseline counts prior to the start of the pilot program. The second will take place during the second week of the program. The third will take place during week twelve. Parking counts will be taken of the paid parking lots and structures, the free lots and structures identified above, City Hall parking lots and the predominantly residential streets abutting the pilot program (Whiting between Harbor and Highland, Wilshire between Malden and Highland and Pomona and Lemon, Amerige between Pomona and Lemon, Pomona between Amerige and Whiting and Walnut and Truslow between Harbor and Highland).

Counts will also be taken on the number of courtesy notices and citations issued daily.

- **Public Education:** SP+ will provide a City-branded webpage to provide information on the pilot program, including maps on the location of the paid and free parking spaces, a contact email and phone number and the link to download the payment app. A corresponding hard copy flyer will also be produced and provided to downtown businesses for their use. Additionally, businesses will be provided with talking points to use to answer customer questions. Information on the pilot program will also be provided to the Fullerton Tribune, Observer, Fullerton College and Cal State Fullerton. New signs will also be installed at entrances to lots and structures along with directional signs to and a sign at each kiosk pay station.
- **Monitoring:** The parking counts collected will provide comparison data to determine whether the program has any significant impacts on overall parking demand and / or spill-over effects on the surrounding residential neighborhoods. Through the webpage, feedback can be directly provided through an email or phone call. The webpage will also include a short survey to solicit experience with the program.
- **Short-term Parking:** To facilitate the diverse needs of the Downtown businesses during the pilot program, short-term (no-fee) parking areas will be identified for pick-up and delivery in each surface lot that abuts businesses (A-1, A-2, B-2, B-3, C-1, C-4, and D-2) as well on a portion of the 100 block of the south side of Commonwealth Avenue, east of Harbor Boulevard.

The pilot program implementation has been designed to address the operational questions and concerns raised at the August 2018 City Council meeting. A summary of these points and how they have been addressed in the pilot program are provided in Attachment 10 to this report.

Additionally, the following public outreach efforts have occurred.

- **Community Meetings:** A meeting was held on May 21, 2018 for property owners, business owners and other interested parties to introduce preliminary recommendations on Downtown Parking as prepared by Fehr and Peers to the Downtown stakeholders. Approximately 35 people were in attendance. The community meeting, along with a number of subsequent individual and group meetings throughout June, July and August 2018, produced an informative dialogue that shaped the recommendations brought forward to the Transportation & Circulation Commission and City Council in 2018.

Additionally, Staff and SP+ have held focused stakeholder meetings to discuss the next steps related to pilot program implementation and operational concerns expressed at the August 2018 City Council meeting. Specifically, on March 6, 2019 meetings were held for the Downtown restaurant owners, CF Dance Academy and a representative of Downtown residents who utilize public parking facilities overnight.

- **Downtown Game Plan Webpage:** The Downtown Game Plan webpage was launched following the May 2018 Community Meeting and is being updated as new information is available. Interested parties are also directly able to sign up on the

webpage to receive updates, including meeting notices, through govDelivery. govDelivery messages were sent to the Game Plan mailing list for the August 21, 2018 and March 19, 2019 City Council meetings. A message was also sent to provide notification of the continuance to the April 16, 2019 City Council meeting.

- **Hearing Notices:** In advance of the Transportation & Circulation Commission meeting, on July 9, 2018, hearing notices were mailed to property owners and business locations. In total, 511 notices were mailed to property owners (93) and business locations (418). The notice provided a summary of the proposed changes and provided a link to the Game Plan webpage. The same mailing list was used for the City Council meetings, mailed August 9, 2018 and March 6, 2019. The March 19, 2019 City Council meeting was also advertised in the Fullerton Tribune on March 7, 2019. New notices for the April 16, 2019 meeting were not required as consideration was continued to a date certain, however, notices were mailed April 4, 2019.

### **C. Parking Enforcement Improvements**

The City's Parking Control Officers currently enforce the Downtown's daytime time-limited parking regulations by chalking tires and manually observing the presence of parking permits. This method is time consuming and can be circumvented causing a lack of consistent enforcement. A key first step to better management of the City-owned parking assets in the Downtown is regular and consistent enforcement of time-limited parking.

As part of the RFQ for parking management services, the City requested that the successful firm make recommendations on technology solutions to increase the efficiency of parking regulation enforcement. SP+ recommends the use of an LPR system – the industry standard in parking regulation enforcement – to drastically cut the enforcement time and increase the efficiency of the Parking Control staff. The LPR system creates time-stamped digital records by license plate while driving at a regular pace through a lot or structure or down the street (digital chalking). Unlike with manual chalking, license plates can be read digitally from either side of the car and at speeds up to 160 mph. When the Parking Control Officer / Aide returns, the LPR system will automatically flag any vehicle parked beyond the time limit for that location. The Parking Control Officer / Aide will validate the citation or dismiss it for a vehicle displaying an Employee Parking Permit.

SP+ is a partner with Vigilant Solutions, vendor of license plate recognition systems already in use for investigations by the Police Department. SP+ was able to negotiate on the City's behalf for the procurement of two car-mounted LPR systems to be used by Parking Control Officers / Aides. A budget transfer in the amount of \$58,000 is requested to fund the payment to Vigilant Solutions to purchase the systems. The transfer takes funds from the asset seizure fund balance and programs them specifically for the equipment purchase.

Although changes to the Daytime Employee Parking Permit system are not included as part of this request, it should be noted that as a future separate task, the LPR system can interface with a permit issuance system that would allow for the electronic purchase



of parking permits. Permit holders would register associated license plates, omitting the need for physical permits and manual verification by Parking Control staff.

#### **D. SOCO Structure Maintenance and Warranty**

The SOCO structure became operational in 2012. A Parking Management Plan (Plan) exists for the SOCO structure to ensure that it provides adequate, safe, convenient and economical parking for transit users, secondarily to provide parking for employees and patrons of local businesses and thirdly to support Transit Oriented Development at and near the structure. The Plan, Attachment 11 to this report, provides guidance for pricing and other operations decisions in managing the structure. The Plan recognizes that off-street parking is rarely available to patrons free of charge. Moreover, a covered parking structure commands a premium reflecting both customer benefits and higher operational costs. It recognizes that a pricing structure should cover operating costs for security, enforcement, marketing, signage, commuter conveniences, maintenance, cleaning and structural repairs while at the same time providing a tiered rate structure based on user type and commensurate with similar transit parking structures. The Plan established a free introductory period after which regular operations would commence and fees would be charged.

To facilitate implementation of the Plan, the parking structure was constructed with eight Luke kiosk pay stations. However, the kiosk pay stations were never activated and operating costs have never been recovered.

As part of the RFQ for parking management services, the City requested that the successful firm be able to assist the City in making the Luke system in the SOCO structure operational.

SP+ is a partner with T2, the manufacturer of the Luke pay stations. Because the machines had never been turned on, SP+ was able to negotiate on the City's behalf to forgo the payment of the annual warranty and maintenance fees that would have been due beginning in 2012. The City will instead pre-pay the next two years of warranty and maintenance at discounted rate and T2 will perform the necessary upgrades to provide operational pay stations. A budget transfer in the amount of \$21,000 is requested to fund the payment to T2 to reinstate the warranty and maintenance on the previously purchased machines. The transfer takes funds from the building maintenance fund balance and programs them specifically for the SOCO parking structure.

The 816-space SOCO parking structure is included in the pilot program so that each quadrant with nighttime activity is treated equally with respect to paid parking. The kiosk pay stations would be initially programmed only to charge the \$5 fee during the pilot program. However, separate from the pilot program, Public Works will revise the Plan, using the guidance it contains to set fees in consultation with OCTA, Amtrak, and Metrolink such that at the conclusion of the pilot program, these pay stations can be re-programmed and remain operational to collect the fees established by the updated Plan. The fees would set up an on-going funding mechanism to offset the operational costs associated with the SOCO parking structure.

### **E. Fullerton Municipal Code Amendment – Citation for Violation**

The Fullerton Municipal Code Section 8.48.040 (Citation for Violation) currently grants parking citation authority only to Police Officers and Parking Control Officers. The Police Department is in the process of supplementing its staff of Parking Control Officers with Parking Control Aides. Additionally, SP+ staff will also be issuing citations during the pilot program. A code amendment is needed to grant authority to Parking Control Aides and others designated by the Chief of Police. The following amendment is proposed. Added text is identified with an underline; deleted text with a ~~strikethrough~~.

*All police officers, ~~and~~ parking control officers and parking control aides of the City and others as designated by the Chief of Police shall be and are authorized to give citations to any and all persons violating any of the provisions of this chapter. Violations of this chapter are civil parking penalties owed to the City subject to the provisions of Chapter 17 of the California Vehicle Code.*

#### Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Resolution No. 2019-XX to establish the Pilot Program
- Attachment 3 – Budget Transfer No. 19-0069 for Asset Seizure Funds
- Attachment 4 – Budget Transfer No. 19-0058 for Building Maintenance Funds
- Attachment 5 – Ordinance XXXX to amend FMC 8.48.040
- Attachment 6 – Ordinance XXXX to amend FMC 8.48.040 Redlined
- Attachment 7 – SP+ Scope and Costs for Pilot Program
- Attachment 8 – Request for Qualifications to provide Parking Management Services
- Attachment 9 – Draft Professional Services Agreement
- Attachment 10 – Questions and Answers on Operational Scenarios
- Attachment 11 – FTC Parking Structure Parking Management Plan (2012)