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CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

NANCY J. NADEL
Councilmember
District # 3

(510) 238-7003
FAX (510) 238-6129
TTY (510) 238-741

SUPPLEMENTAL STAFF REPORT

July 1, 2008
Oakland City Council
Oakland, CA

RE: Adopt An Ordinance Amending Ordinance No. 12809 C.M.S. (Master Fee Schedule), As Amended, To Modify Permit Fees Assessed By The Parking Division For The "Interim Mixed-Use Parking Permit Program For The Jack London District," As Follows: (a) Modify The Cost Of One-Day Permits From One Dollar (\$1) To Ten Dollars (\$10); And (b) Modify The Cost Of Two-Week Permits From Five Dollars (\$5) To Fifty Dollars (\$50), In Order To Maintain the Program's Cost-Neutrality.

Dear Council President De La Fuente and City Councilmembers:

On June 24, 2008, the Finance and Management Committee heard the above-referenced item, an Ordinance to modify Visitor Permit Fees in the Jack London District Permit Parking Program, from \$1 to \$5 for one-day permits, and from \$5 to \$50 for 14-day permits. The Staff Report regarding this item is attached.

At the Committee meeting, relevant financial information (e.g., costs, revenue) was presented by Francine Larkrith-Thompson, Parking Division Manager, Finance and Management Agency. For your reference, for the discussion at the July 1, 2008 City Council meeting, I would like to submit the following information provided at the Committee meeting and subsequently provided to my office in writing from the Traffic Division Manager:

- On December 18, 2007, the Council of the City of Oakland adopted Ordinance 12847 C.M.S., adding Chapter 10.45.50 of the Oakland Municipal Code, entitled "Interim Mixed-Use Permit Parking Program for the Jack London District." At that time, staff was directed to make the Residential Parking Program (RPP) cost-covered and an annual fee was calculated with the assumption that 1,000 RPP permits would be purchased at \$150 per permit for the first year.

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- The one-day and two-week permits were not similarly adjusted in the Master Fee Schedule, as it was the Division's experience that these permits were rarely purchased.
- During the initial permit implementation process for the Jack London District, 350 monthly permits were purchased, at \$150 each, totaling \$52,500. In addition, 1,012 one-day permits were purchased for \$1 each, totaling \$1,012 and 160 two-week permits were purchased for \$5 each, totaling \$800 for a combined total of \$54,312.
- Until such time that the revenue from the sale of Jack London District permits reaches the approved revenue projection approved by Council, the Parking Division does not have the funds to purchase the one-time costs of the vehicle or full-time Parking Control Technician.
- To date, the Parking Division has issued 201 citations at a value of \$14,070, and collected \$3,962 in citation revenue.

Also for your reference, we would like to provide you with the costs of implementation and operation of the Jack London District Permit Parking Program, which was included in the Staff Report presented to Council by the Community and Economic Development Agency on February 19, 2008:

Costs of Program:

- The revised Attachment B of the supplemental Agenda Report of November 6, 2007 (included as Attachment B to this report) itemized Program costs into two categories: one-time hard costs of approximately \$34,500 (to purchase the Enforcement Vehicle, radio and GPS system); and on-going, annual costs of approximately \$131,020, (to pay for staff, administration and maintenance).
- First year costs are estimated to be \$142,520, which amortizes the cost of the one-time hard costs over the three years.
- The total program costs are estimated to be \$439,500, which includes a three percent (3%) annual cost of living adjustment in years two and three of the program.
- The cost analysis in the November Agenda Report determined that if the fee is based on 1,000 permits being sold, then the annual amount of the fee would be \$166. The Jack London District Association (JLDA) requested that the first year fee be as close to \$150 as feasible. After considering comments from the Jack London District Association following introduction of the November Agenda Report, it was determined that a \$150 fee was appropriate for the first year's fee, which would cover both one-time hard costs and on-going costs in the first year.

Finally, one of the alternatives the Finance and Management Committee discussed on June 24, 2008, was the possibility of prohibiting Visitor Permits altogether in the Jack London District Permit Parking Program. If the Council considers this as an alternative, the Traffic Services Division notes that there are residential units within the current boundaries of the permit

parking area, and those residents (as residents in other permit parking areas city-wide) will need Visitor Permit for visiting family members, etc.

Respectfully submitted,

Nancy J. Nadel

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City Councilmember, District 3

Prepared by:
Marisa Arrona
Policy Analyst for
Councilmember Nancy J. Nadel

Francine Larkrith Thompson
Parking Division Manager
Finance and Management Agency