

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2007 NOV - 1 PM 2:03

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: November 6, 2007

RE: **A Supplemental Report Regarding an Ordinance to Establish a Temporary, Three Year Mixed-Used Preferential Permit-Parking Program for the Jack London District (JLD) and a Recommendation to Amend the Master Fee Schedule to Establish a Fee of \$166 Annually for each JLD Permit**

SUMMARY

This supplemental report corrects an attachment to the report on the proposed mixed use parking program for the Jack London District (JLD). It also addresses questions that have been received concerning the use of revenue from parking tickets to fund the program and therefore underwrite the costs of the annual parking permit fee, and presents a minor language change regarding when the ordinance would become effective. Another option for folding this program into the larger permit parking program is also identified, once an analysis of actual costs of program administration is completed. The City Council had previously directed staff to initiate such an evaluation as part of the mid-cycle budget review.

FISCAL IMPACTS

Staff has presented a cost range for the parking permits, based on assumptions regarding how many permits are sold, which in part is a function of how much the permits cost. In addition, the options presented incorporate different methods of how the one time costs, such as a new parking control vehicle, are amortized over the three year period. All permit cost options result in a cost neutrality and cover the entire cost of the program, including implementation, administration, enforcement, and termination. The specific options are presented in the key issues section of this staff report. The supplemental report corrects Attachment B to the original report, the Jack London Permit Parking Estimated Costs.

KEY ISSUES AND IMPACTS

Fee Structure Correction. Program costs are divided into two categories: one time (hard costs) of approximately \$ 104,500 and on-going, annual costs of approximately \$ 131,020, not \$ 94,400 as

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originally reported (please refer to Revised Attachment B – Estimated Permit Parking Costs). Therefore, for the three year period, total program costs are estimated at \$ 235,520, including a three percent annual cost of living adjustment in years two and three of the program.

The corrected annual operating costs change the proposed initial annual parking permit fee from \$ 144 permit fee (based on 900 permits sold/year) to \$ 184. If the fee is based on 1000 permits being sold, then the annual amount would be \$ 166. The Jack London District Association (JLDA) has requested that the first year fee be as close to \$ 150 as feasible. If the Council decides to base the fee on the 1000 permit baseline, then the two succeeding years may need a larger fee hike in order for the three year program to remain cost neutral. The corrected table with the projected new fees/year is presented below. Progressive baseline permit numbers have been included for comparison, along with an estimate of a one year cost recovery for the one time costs.

CORRECTED

Table 1: Estimated Annual Cost of Parking Permits – Jack London District

Annual and Fixed Costs/Year	Number of permits 400/cost	500/cost	600/cost	700/cost	800/cost	900/cost	1000/cost
Year 1 \$131,020 operating cost \$ 34,833 one time cost amortized over 3 years \$ 165,853 total	\$ 415	\$ 331	\$ 277	\$ 236	\$ 208	\$ 184	\$ 166
If entire one time cost recovered during Year 1 \$ 235,520 total	\$ 589	\$ 471	\$ 393	\$ 336	\$ 295	\$ 262	\$ 236
Year 2 \$ 170,829 operating cost \$ 34,833 one time cost amortized over 3 years \$ 205,662 total	\$ 514	\$ 412	\$ 342	\$ 294	\$ 257	\$ 228	\$ 206
Year 3 \$ 175,954 operating cost \$ 34,833 one time cost amortized over 3 years \$ 210,787 total	\$ 527	\$ 422	\$ 352	\$ 301	\$ 264	\$ 234	\$ 211

Use of Parking Ticket Revenue to Underwrite Parking Permit Costs. Questions have been raised by JLD representatives about whether parking ticket revenues can be used to underwrite the annual parking permit cost. First, there is an overall policy question about whether such a practice is wise given the dynamic nature of parking ticket revenues based on initial establishment, where parking ticket revenues would likely be higher, and where they would level off. Parking tickets are not used primarily as a revenue generating activity. Rather, they are intended as a disincentive in order to change the behavior of the driver.

Second, there is no specific data available based on a 1,000 parking space baseline, and therefore the parking ticket revenue would be difficult to project. The revenue assumptions also depend on the specific number of spaces that are two hour versus four hour time limited. In the four hour zones, the parking technician will likely be able to mark the tire once, so the assumption of issuing 10 citations/day cannot be validated. For these reasons, staff cannot support the use of assumed parking ticket revenue to underwrite the costs of this temporary mixed use program. If the City Council is interested in pursuing this idea, they could direct the City Administrator to have staff complete the following actions:

- Collect data during the first year of operation to project ticket revenues. This information could be presented during the annual monitoring period when the number of permits sold is also reviewed.
- As part of the overall evaluation of the City's permit parking program, the parking ticket revenue could also be assessed and incorporated into some of the annual fee alternatives.

Ordinance Provision Regarding Date of Effectiveness of the Program. The original draft of the ordinance contains a three year time limit, starting the date that the ordinance becomes effective. The JLD representatives have suggested that the effectiveness date be changed to when the actual parking permit program becomes operational. Staff suggests that in order to clearly establish a specific start and end date, that a 120 day lag be incorporated into the language as well. This change results in the following language shown in strikethrough and underline; this revision has been incorporated into the updated proposed ordinance:

Section 10.45.140

This ordinance shall terminate and become null and void from the date three years after it becomes effective. The effective date of the ordinance shall be 120 days after adoption.

Ordinance Provision Regarding Required Findings Under State Law. Staff have been advised of express language that should be included in the ordinance to conform with California Vehicle Code § 22507, which requires that local authorities find that a preferential parking program not adversely affect parking conditions for residents and merchants in the area. The final Whereas paragraph of the updated proposed ordinance has had the required language added, as shown here in underline:

WHEREAS, the City Council affirms that the public safety, health, convenience, prosperity, and general welfare will be furthered by the establishment of the three year mixed use parking permit program so that there is an agreed upon solution to the temporary problem of increased demand for a limited number of on-street spaces used by residents, employees and visitors of the Jack London District; and the Council finds that the Interim Mixed Use Parking Permit Program for the Jack London District will not adversely affect parking conditions for residents and merchants in the area; now, therefore

Additional legislative action required to facilitate program implementation. Should the proposed ordinance be enacted, two additional steps will be asked of the Council during the period of up to

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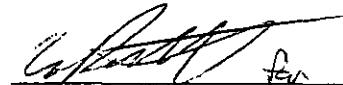
120 days after initial enactment but prior to the program effective date, as described in Section 10.45.140. First, staff would return to Council with a resolution to amend the Master Fee Schedule to incorporate the permit fees established. And second, staff would return to Council with a resolution to implement new parking limits on currently unrestricted streets in the Mixed Use Parking Permit Program for the Jack London District, listing each street affected, , and codifying the fines authorized for violations of the time limit restrictions by non-permit holders, in order to make sufficient parking available for permit holders.

Staff have been advised that Sunshine Ordinance compliance dictates that these required additional actions cannot be taken in the proposed legislation before you now.

ACTION REQUESTED OF THE CITY COUNCIL

To consider the corrections to the program costs, parking permit fees and minor language change to the ordinances, and to direct staff to return after enactment to obtain Council authorization to amend the Master Fee Schedule and to codify the street range and fines for violations under the program.

Respectfully submitted,



Claudia Cappio
Development Director
Community and Economic Development
Agency

APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the City Administrator

Attachment:

Revised Attachment B – Corrected information on one time and annual program costs

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	City of Oakland
Parking Division	
JACK LONDON DISTRICT PERMIT PARKING ESTIMATED COSTS	

Description	Cost
<u>ONE-TIME COSTS</u>	
1 Enforcement Vehicle	\$ 31,000
1 Radio for Parking Control Technician	\$ 2,500
1 Global Positioning System (GPS) for Parking Enforcement Vehicle	\$ 1,000
SUB-TOTAL	\$ 34,500
<u>ONGOING COSTS</u>	
.5 FTE Public Service Representative	\$ 36,666
1 FTE Parking Control Technician	\$ 69,192
Admin. Cost (approx. 3 hours / day for 2 months)	\$ 4,800
Parking Enforcement Supervisor (approx. 3 hours per week)	\$ 5,463
Annual Vehicles Maintenance	\$ 6,395
Application materials, Permits, postage	\$ 3,000
Distribution to Alameda County-\$5 / tkt pd (court, jail & state fund)	\$ 5,000
Annual GPS service fee	\$.504
SUB-TOTAL	\$ 131,020
TOTAL One Time & Ongoing Costs	\$ 165,520

INTRODUCED BY COUNCILMEMBER _____
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APPROVED AS TO FORM AND LEGALITY

John A. Rogers
City Attorney

OAKLAND CITY COUNCIL

ORDINANCE No. _____ C.M.S.

AN ORDINANCE OF THE CITY OF OAKLAND ADDING CHAPTER 10.45 OF THE OAKLAND MUNICIPAL CODE ENTITLED "INTERIM MIXED USE PARKING PERMIT PROGRAM FOR THE JACK LONDON DISTRICT" TO IMPLEMENT A TEMPORARY, THREE (3) YEAR PREFERENTIAL PARKING PERMIT PROGRAM

WHEREAS, in June 2006, the Jack London District Association requested that the City consider a permit parking program due to the immediate past and pending changes in the Jack London District and the consequent increase in on-street parking demand, including the closing of the Amtrak lot, the increased residential and commercial development and the large number of presently unregulated on-street parking spaces; and

WHEREAS, after a series of City Council meetings and community meetings an agreement was reached on an interim mixed use parking permit program for a time period of not more than three years to account for the construction of a new parking garage on the Amtrak parking lot; and

WHEREAS, on June 6, 2007, the Finance and Management Committee of the City Council directed staff to prepare an ordinance establishing an interim mixed use parking permit program for the Jack London District roughly bounded by Brush Street, Embarcadero Street, Oak Street and Fifth and Fourth Streets; and

WHEREAS, on October 16, 2007 a public hearing was held before the City Council to review and consider the ordinance establishing a mixed use parking permit program for the Jack London District; and

WHEREAS, the City Council finds that the establishment of this mixed use parking permit program will serve the public interest by regulating and managing approximately 1,000 currently unregulated parking spaces in the Jack London District, thereby creating turnover for increased retail and business activity and accommodating the needs of employees, residents and visitors to the District through the permit parking system; and

WHEREAS, the City Council further finds that establishment of the mixed use parking permit program will result in better use of the limited supply of on-street parking and will provide opportunity for district residents and employees to use available spaces; and London's cabin to highlight Jack London and his association with the waterfront, as well as other historical features of Jack London Square and the waterfront, such as the Potomac; and

WHEREAS, the City Council affirms that the public safety, health, convenience, prosperity, and general welfare will be furthered by the establishment of the three year mixed use parking permit program so that there is an agreed upon solution to the temporary problem of increased demand for a limited number of on-street spaces used by residents, employees and visitors of the Jack London District; and the Council finds that the Interim Mixed Use Parking Permit Program for the Jack London District will not adversely affect parking conditions for residents and merchants in the area; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The following chapter is hereby added to the Oakland Municipal Code entitled:

"Interim Mixed Use Parking Permit Program for the Jack London District."

10.45.10 Legislative Purpose

The ordinance codified in this chapter is enacted in response to a severe, temporary problem within the Jack London District caused by the long term parking of motor vehicles on the streets of this District. Due to historic development patterns such as lot line to lot line warehouses and the designated historic importance of the district, many properties do not have off-street parking. As set forth in Section 10.44.020, such long term parking by people outside of the immediate area threatens the health, safety and welfare of the residents, employees and visitors to the Jack London District. This problem is exacerbated by the pending construction of a large parking structure on the land now occupied by the Amtrak surface parking lot, thereby further decreasing the overall amount of parking available to Amtrak users during the course of the construction. It is therefore temporarily necessary to manage the existing on-street parking supply more effectively through the establishment of two and four hour time restricted parking and at the same time establishing a mixed use permit parking system so that residents, employees and visitors to the District will be provided an opportunity to park near their residence, place of business or other commercial establishment. For the reasons set forth in this chapter, an interim system of mixed use permit parking shall not be applicable to any other area in the City until and unless another ordinance is enacted allowing such a system City-wide.

10.45.20 Legislative Findings

A. Findings. The City Council finds, as a result of evidence and public testimony generated by staff and the Jack London District Association that the continued viability of the Jack London District depends on the preservation of safe, healthy and attractive neighborhoods and commercial areas. The City Council further finds that one factor that has detracted from the safety, health and attractiveness of the Jack London District is the excessive and burdensome practice of non-residents to the Jack London District parking motor vehicles for extended periods of time therein on the streets within the District. Since at any one time a large surplus of motor vehicles over the available on and off street parking spaces exists in the Jack London District due to construction activities, changes in development patterns and the impending temporary loss of the Amtrak surface lot, this condition temporarily detracts from a healthy and vital urban community. An interim system of mixed use permit parking will serve to reduce the number of non-residents parking in the Jack London District and thus promote the general public welfare. The system of interim mixed use parking, as enacted by the ordinance codified in this chapter will serve to promote the safety and health of the residents,

employees, business owners and visitors to the Jack London District by reducing vehicle travel, noise and pollution; promoting improvements in air quality, the convenience and attractiveness of urban residential living, and the increased use of mass transit facilities available now and in the future.

10.45.30 Definitions

All definitions as used in this chapter shall reference the definitions used in Chapter 10.44.020 with the following additions:

- a. "Jack London District Designated Mixed Use Permit Parking Area" means any street upon which the City Council imposes parking limitations pursuant to the authority granted by this chapter within the Jack London District.
- b. "Employee of Business" means an employee of an enterprise or establishment used for the purpose of conducting a business located in the designated Jack London District Designated Mixed Use Permit Parking Area.

10.45.40 Permit Parking Exemption

- a. A motor vehicle on which is displayed a valid Jack London District Designated Mixed Use Parking Permit, as provided for herein, shall be permitted to stand or be parked within the Jack London Mixed Use Parking Permit Area for which the permit has been issued without being limited by time restrictions established pursuant to this chapter. Any motor vehicle which does not display such permit shall be subject to the Jack London District Designated Mixed Use Parking Permit regulation and consequent penalties in effect for such area.
- b. A Jack London District Designated Mixed Use Parking Permit shall not guarantee or reserve the holder thereof an on-street parking space within the Jack London District Designated Mixed Use Parking Permit Area.
- c. This chapter shall not be interpreted or applied in a manner which shall abridge or alter regulations established by authority other than this chapter.
- d. This chapter shall not exempt the permit parking holder to leave standing his or her vehicle for more than seventy-two (72) hours.

10.45.50 Jack London District Designated Mixed Use Permit Parking Area

This chapter hereby designates the Jack London District Designated Mixed Use Permit Parking Area, as set forth in Exhibit A to this ordinance, for a period not to exceed three years from the date of adoption.

10.45.060 Modification after Designation of the Jack London District Designated Mixed Use Permit Parking Area

The City Council may, by resolution, modify the existing boundaries of the Jack London District Mixed Use Permit Parking Area based upon documentation from the Traffic Engineering Services Division, the Jack London District Association or other party that it is in the public interest to modify the boundary during the three year period of operation of the Jack London Mixed Use Parking Permit Program.

10.45.70 Issuance of Jack London District Mixed Use Parking Permits

- a. Jack London District mixed use parking permits shall be issued by the Finance and Management Agency in accordance with requirements set forth in this chapter. Each such permit shall be designed to state or reflect thereon identification of the Jack London District Mixed Use Parking Permit Area as well as the license number of the motor vehicle for which it is issued. No more than one Jack London District mixed use parking permit shall be issued to each motor vehicle owned or leased for which application is made.
- b. The Finance and Management Agency shall issue Jack London District mixed use parking permits with a term of one year from the date the Jack London District Designated Mixed Use Parking Permit Area becomes effective.
- c. One Jack London District mixed use parking permit may be issued for each vehicle owned, leased or under the continuing custody of any person who can demonstrate that they are currently a resident, employee, business owner or a representative of a neighborhood serving establishment located within the Jack London District Designated Mixed Use Parking Permit Area.
- d. Renewal of Jack London District mixed use parking permits shall be subject to the same conditions imposed on new permits.
- e. The Finance and Management Agency is authorized to issue such rules and regulations, not inconsistent with this chapter, governing issuance and display of Jack London District mixed use parking permits.
- f. Any person to whom a Jack London District mixed use parking permit has been issued pursuant to this chapter shall be deemed to be a Jack London District mixed use parking permit holder.

10.45.80 Visitor Permits

The Finance and Management Agency shall issue visitor parking permits for the Jack London District Designated Mixed Use Parking Permit Area in accordance with chapter 10.44.080 of the Oakland Municipal Code.

10.45.90 Parking Permit Fees

Initial purchase, renewal, replacement of lost, stolen or damaged Jack London mixed use parking permits shall be subject to the fees set forth in the City of Oakland Master Fee Schedule. The fee for each visitor parking permit shall be as set forth in the City of Oakland Master Fee Schedule.

10.45.100 Posting of Jack London District Designated Mixed Use Parking Permit Area

Upon adoption of this ordinance, the Director of Public Works shall cause appropriate signs to be erected in the Jack London District Designated Mixed Use Parking Permit Area, indicating prominently thereon the time limitation, period of day for its application, and conditions under which permit parking shall be exempt therefrom.

10.45.110 Revocation of Jack London District Mixed Use Parking Permit

The revocation provision set forth in Chapter 10.44.110 shall apply to the Jack London District Mixed Use Parking Permit Program.

10.45.120 Violation and Penalty

The violations and penalty provision set forth in Chapter 10.44.120 shall apply to the Jack London District Mixed Use Parking Permit Program.

10.45.130 Chapter Interpretation

The Community and Economic Development Agency Director or his or her designee shall have the discretion in the implementation and interpretation of this chapter.

10.45.140 Three Year Time Limit

This ordinance shall terminate and become null and void three years after it becomes effective. The effective date of the ordinance shall be 120 days after adoption.

Section 2. Conflicting Legislation. Except as specifically set forth herein, this ordinance suspends and supersedes all conflicting City of Oakland resolutions, ordinances, plans, codes, laws and regulations.

Section 3. Severability. If any article, section, subsection sentence, clause or phrase of this ordinance or exhibit is held to be invalid or unconstitutional, the offending portion shall be severed and shall not affect the validity of remaining portions which shall remain in full force and effect.

Section 4. Codification. This Ordinance shall be codified in the Oakland Municipal Code.

Section 5. Effective Date. This ordinance shall become effective 120 days after adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California