

CITY OF OAKLAND

AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2007 NOV 15 PM 3:25

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Finance and Management Agency
DATE: November 27, 2007

RE: **A Resolution of Intention to Include in the 2008-2009 Master Fee Schedule (MFS) the Proposed Fee Increases to the Residential Permit Parking (RPP)**

SUMMARY

At the May 8, 2007 Finance and Management Committee, staff was directed to return to City Council with a plan for the community outreach process for increasing Residential Permit Parking (RPP) fees. At the September 11th Public Works Committee, Public Works staff recommended the implementation of a new preferential RPP area "L" on Panoramic Way, which increases the cost of running this program. A resolution of Intention has been prepared to include the proposed RPP fee increases in the 2008-09 MFS. The new fee rates will not be in effect until July 1, 2008. The community outreach process will include public notification and community meetings. The process is described in detail in the Key Issues and Impacts section of this report.

FISCAL IMPACT

The permit fee increase from the RPP is projected to generate \$145,434 in additional revenue for the General Purpose Fund (1010), Treasury Operation Organization (08721), Residential Permit Parking Account (42416) in Fiscal Year 2008-09. The above revenue projection is based on the new proposed RPP fee increase for different types of permits. The new fees will be in effect beginning Fiscal Year 2008-09. Please refer to Tables 1 and 2 in Key Issues and Impacts section for further revenue/expenditure projection details.

BACKGROUND

In 1986, the Oakland City Council adopted Ordinance No. 10689 C.M.S., which provided for the establishment of a Residential Permit Parking program in the City of Oakland. However, Residential Permit Parking fees have not been increased since the inception of this program, which was 21 years ago.

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Finance and Management Committee
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KEY ISSUES AND IMPACTS

Currently, the RPP program is not cost covered. Revenue generated from sales of the RPP, along with the additions of new RPP areas, continue to burden the financial operation of this program. Staff surveyed RPP fees from surrounding cities and their findings are summarized in the chart below. (Chart represents the fees for "Initial Residential" permits only and does not include the fees for other specialized RPPs.)

**Current Fees for Annual RPP
Surrounding Cities**

Cities	Fees
Alameda County	\$25.00
Berkeley	\$30.00
Oakland	\$25.00
San Francisco	\$60.00
San Jose	\$30.00
San Leandro (1st Permit)	\$20.00
San Leandro (2nd Permit)	\$40.00
Los Angeles	\$22.50
San Diego	\$35.00
Berkeley	\$23.00
San Jose	\$36.00

Staff plans to use the following strategies to reach and inform RPP residents of the new RPP fee schedule:

- Mail letters to residents
- Post the "Notice of Public Hearing" around the RPP neighborhoods, City buildings, public libraries, Parking Division's lobby and website.
- Hold community meetings in the public libraries and community centers

Staff will send out letters to all affected residents to inform them of the dates and places for the public hearings. In order to reach most of the residents in the eligible RPP areas, staff will hold several community meetings in the local public library branches and community centers by posting posters and flyers around neighborhoods, City buildings, local public libraries and the Parking Division's website.

Staff performed a cost analysis of the RPP program based upon the number of RPPs issued in FY 2006-07. Table 1 summarizes the current RPP cost/revenue. Table 2 recaps the proposed cost/revenue from the new fee increases.

Table 1.

Current RPP	
Estimated Cost of Processing and Materials FY 2007-08	(\$216,135)
Estimated Revenue Fees FY 2007-08	\$75,075
Costs Not Covered	(\$141,060)

Table 2.

Proposed RPP Fee FY 2008-09	
Estimated Cost of Processing and Materials FY 2008-09	(\$220,458)
Estimated Proposed Revenue Fees FY 2008-09	\$220,509
Cost Covered	\$51

The approximate number of RPPs issued in Fiscal Year 2007-08 was 6,284, with approximate revenue of \$75,075. Unlike the City of Berkeley where only one area is added to the RPP per year, the City of Oakland constantly expands its RPP areas by adding several areas in a given year. Since July 2006, at least ten areas, containing over 500 addresses have been added to the RPP program. In October 2007, Panoramic Way was added to the program and additional areas are pending approval and implementation.

The proposed RPP fees will only cover the current inventory of RPP areas. It will not cover the cost of additional RPP areas going forward. It should be noted that with the addition of new RPP areas, enforcement and operations will continue to create larger variances between revenue and expenses.

SUSTAINABLE OPPORTUNITIES

Economic: This program provides parking turnover to businesses, residents and employees throughout the designated RPP areas.

Environmental: There are no environmental impacts as a result of the proposed RPP fees.

Social Equity: The proposed program does not discriminate across social boundaries and will provide parking accessibility for residents, merchants and employees.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no impact to disabled or senior citizen access.

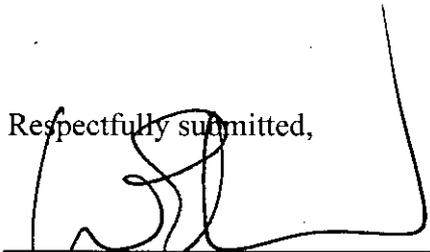
RECOMMENDATION (S) AND RATIONALE

Staff recommends that the City Council approve the proposed RPP fee increases. These fee increases are necessary to cover the cost of the program.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution of intention authorizing the City Administrator or her designee to amend the 2008-09 MFS to include the increased RPP fees, in order to cover the cost of running this program.

Respectfully submitted,



WILLIAM E. NOLAND

Director, Finance and Management Agency

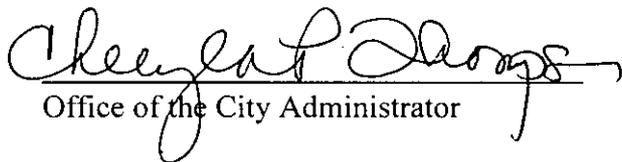
Reviewed by:

Francine Larkrith-Thompson
Parking Division Manager

Prepared by:

Shahla Azimi
Revenue Analyst

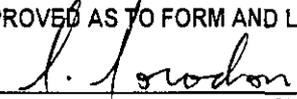
APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:



Office of the City Administrator

INTRODUCED BY COUNCILMEMBER _____

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City Attorney

RESOLUTION NO. _____ C.M.S.

**A RESOLUTION OF INTENTION TO INCLUDE IN THE 2008-2009
MASTER FEE SCHEDULE (MFS) THE PROPOSED FEE
INCREASES TO THE RESIDENTIAL PERMIT PARKING (RPP)**

WHEREAS, the City of Oakland wishes to preserve the livability, social, and economic stability of the City; and

WHEREAS, the City of Oakland has a duty to enforce parking violations as set forth by the Oakland Municipal Code; and

WHEREAS, the Residential Permit Parking fees have not been increased since the inception of this program, which was 21 years ago; and

WHEREAS, the Oakland City Council establishes and amends RPP fees by adopting the City of Oakland Master Fee Schedule ordinance, which is amended annually, or as required; and

WHEREAS, the Oakland City Council wishes to notify the public of its intention to increase RPP fees, effective beginning the 2008-2009 fiscal year; now, therefore be it

RESOLVED: That the City Administrator is authorized to include in the Fiscal Year 2008-2009 Master Fee Schedule ordinance the following increases

RESIDENTIAL PERMIT PARKING FEE

Initial (Residential)	Current Fee	Proposed Fee
Purchase Between January 1 and June 30	\$17.50	\$30.00
Purchase Between July 1 and December 31	\$25.00	\$60.00
Renewal (Annual Residential)		
Purchase Between January 1 and June 30	\$15.00	\$50.00
Initial (Business)		
Purchase Between January 1 and June 30	\$37.50	\$55.00
Purchase Between July 1 and December 31	\$75.00	\$110.00
Renewal (Annual Business)	\$75.00	\$110.00
Replacement of Lost or Damaged Permit	\$10.00	\$30.00

Visitor Permit

One Day

\$1.00

\$2.00

14-day

\$5.00

\$20.00

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