



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Josh Rowan
Director, Oakland
Department of
Transportation

SUBJECT: Montclair Parking Facilities Operating
Agreement **DATE:** December 15, 2025

City Administrator Approval


Jestin Johnson (Dec 30, 2025 10:00:53 PST)

Date: 12/30/2025

RECOMMENDATION

Resolution Authorizing An Agreement With The Montclair Village Association For The Operation And Management Of The La Salle Garage, Located At 6235 La Salle Avenue, And The Scout Lot, Located At 2250 Mountain Boulevard For A Period Of Five Years At An Annual Compensation Amount Of \$295,200 (Including \$275,000 In Reimbursable Operating Expenses And \$20,200 In Management Fees And Customer Service Incentives) For A Total Not To Exceed Contract Amount Of \$1,476,000, Waiving The Competitive Proposals/Qualifications (RFP/Q) Solicitation Requirement, Waiving The Local/Small Local Business Enterprise (L/SLBE) Requirement, And Adopting Appropriate California Environmental Quality Act (CEQA) Findings

EXECUTIVE SUMMARY

The recommended City Council actions would waive the City's advertising and competitive request process and authorize the City Administrator to execute a new contract with the Montclair Village Association ("MVA") to operate and manage two City-owned off-street parking facilities in the Montclair commercial district, ensuring that these facilities continue to support the economic vitality of the area and the needs of visitors, commuters and residents. The City has partnered with MVA for more than four decades in providing value-added off-street parking services in support of a vital, sustainable Montclair commercial district.

BACKGROUND/LEGISLATIVE HISTORY

MVA is a merchant-based Business Improvement District made up of approximately 230 retail and service businesses located in Oakland's Montclair District. MVA's predecessor organizations, the Montclair Garage Commission and the Montclair Business Association, were instrumental in getting the Montclair garage built in 1976 and expanded in 1988.

In 2013, the City Council passed Resolution No. [84742 C.M.S.](#), finding that it was still in the best interests of the City to waive the formal advertising and competitive selection

requirement of the purchasing ordinance and to enter into a new contract with MVA for parking management.

In 2014, the City Council passed Resolution No. [85105 C.M.S.](#), authorizing a three-year agreement between the City and MVA, including a two-year extension.

In November 2019, the City Council passed Resolution No. [87918 C.M.S.](#), authorizing a three-year agreement between the City and MVA, including a two-year extension.

ANALYSIS AND POLICY ALTERNATIVES

Over the past decade, MVA has proven to be a reliable vendor, providing parking operation and facility management services for the City's two off-street parking facilities in the Montclair commercial district, La Salle Garage and Scout Lot.

As in the past, the professional services agreement will include detailed maintenance standards and schedules covering cleaning, painting, and landscaping as well as general repair and maintenance that MVA will be responsible for, and which are treated as reimbursable expenses (see **Attachment A**). Under the previous contract and consistent with City Council direction, MVA successfully maintained and in some cases improved facility conditions by identifying and eliminating trip hazards, maintaining safety equipment, and installing and operating surveillance cameras. Other major accomplishments and milestones include:

- Installation and operation of both Level-2 and DC-fast EV charging stations
- Gateless, license-plate-based access control and payment systems
- Energy-saving and enhanced lighting system
- Internal and neighborhood-facing mural art projects
- Marketing the garage as a “value” (low-cost) parking alternative in the district

The operating budget of the proposed professional services agreement assumes that the hours of operation at the Montclair Garage will remain unchanged. Five years of combined parking operations, including the 305 spaces at the Montclair Garage located at 6235 La Salle Ave and the 28 spaces in the Scout Lot located at 2250 Mountain Blvd, are summarized in **Table 1** below. The garage has continued its slow recovery since the pandemic in 2020.

Table 1. Montclair Off-Street Parking, 5 Year Summary of Operations

| | FY20-21 | FY21-22 | FY22-23 | FY23-24 | FY24-25 |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Receipts | \$257,771 | \$296,989 | \$306,899 | \$321,767 | \$339,000 |
| Parking Tax | <u>\$40,238</u> | <u>\$46,360</u> | <u>\$47,907</u> | <u>\$50,228</u> | <u>\$52,884</u> |
| Net Revenue | \$217,533 | \$250,629 | \$258,992 | \$271,539 | \$286,116 |
| Operating Expenses & Fees | <u>\$249,340</u> | <u>\$250,973</u> | <u>\$258,132</u> | <u>\$274,715</u> | <u>\$274,556</u> |
| Net Gain/Loss | -\$31,807 | -\$344 | \$860 | -\$3,176 | \$11,560 |

Fees for City-owned parking facilities are established by the City Council as part of the City's 2025-2026 Master Fee Schedule (Ordinance No. [13848 C.M.S.](#)). The current fees for off-street parking in Montclair are presented in **Table 2** below.

Table 2. Fee Schedule for Montclair Off-Street Parking Facilities

Montclair Parking Garage

| | | | |
|---|---|----------|---------------|
| a. Basic Fees | 1 Hourly Parking (Automobiles) MAX | \$3.00 | Space / Hour |
| | 2 Daily Maximum (Automobiles) MAX | \$12.00 | Space / Day |
| | 3 Overnight Parking (Close to Open) MAX | \$4.00 | Space / Night |
| | 4 Monthly Parking (Unreserved) MAX | \$120.00 | Space / Month |
| | 5 Motorcycles Daily MAX | \$4.00 | Space |
| | 6 Bicycles | Free | |
| | 7 Early Bird in by 9:30 am MAX | \$8.00 | Space / Day |
| | 8 Evening after 4:00 pm till Closing Time MAX | \$4.00 | Space / Day |
| b. Validations Tickets (Max. 2 hrs. per ticket) | | \$100.00 | Book of 100 |
| c. Special Fees | | | |
| | 1 Lost Ticket MAX | \$12.00 | Ticket |
| | 2 Monthly Access Card Set up and Purchase MAX | \$25.00 | Card |
| | 3 Replacement Card MAX | \$20.00 | Card |
| | 4 Penalty for Monthly Parking Paid After the 7th of the Month MAX | \$20.00 | Card |
| | 5 Special Event Parking MAX | \$20.00 | Space |

Scout Road & Mountain Blvd. Parking Lot

| | | |
|--|---------|---------------|
| a. Monthly Parking (Unreserved) MAX | \$80.00 | Space / Month |
| b. Special Event MAX | \$10.00 | Space |
| c. Replacement for Monthly Parking Tag | \$80.00 | Tag |

Use of the La Salle Garage has gradually increased since the pandemic but is still only about seventy-percent of pre-pandemic levels. Utilization has increased an average of four percent each year for the past three years and is expected to do the same over the next five years.

As shown above, the current Master Fee Schedule authorizes \$3 per hour rate. This rate will be implemented at the garage effective January 1, 2026 as a way to ensure that operations continue to be cost recovering. **Table 3** below shows estimated revenues, parking taxes, operating expenses and net revenues over the term of the recommended agreement.

Table 3. Montclair Off-Street Parking, 5 Year Forecast, FY 2025-2030

| | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Receipts | \$365,000 | \$383,250 | \$394,748 | \$414,485 | \$435,209 |
| Parking Tax | <u>\$60,846</u> | <u>\$63,888</u> | <u>\$65,804</u> | <u>\$69,095</u> | <u>\$72,549</u> |
| Net Revenue | \$304,155 | \$319,362 | \$328,943 | \$345,390 | \$362,660 |
| Operating Expenses & Fees | <u>\$295,200</u> | <u>\$295,200</u> | <u>\$295,200</u> | <u>\$295,200</u> | <u>\$295,200</u> |
| Net Gain/Loss | \$8,955 | \$24,162 | \$33,743 | \$50,190 | \$67,460 |

In addition to reimbursable expenses, the proposed agreement follows industry best practices by establishing (1) a relatively low management fee combined with (2) an incentive fee that the vendor earns if only customer satisfaction surveys are completed, and targets are met. Under the new agreement, MVA would earn a management fee of \$1,000 per month for the La Salle Garage and \$100 per month for the Scout Lot. The combined annual management fee for the two facilities will be \$13,200.

MVA will also be eligible semi-annually for a customer satisfaction incentive fee based on City approved surveys of daily and monthly parkers. This fee is set at \$3,000 for the La Salle Garage and \$500 for the Scott Lot. This legislation would authorize staff to compensate MVA up to \$7,000 per year for this customer service incentive fee.

By combining operating expenses with measured accountability, the City's agreement with MVA would support the continued value of these facilities to the Montclair community and further efforts to maintain a high-performing off-street parking program.

The current professional services agreement between the City and MVA expired on June 30, 2025. The new agreement would be executed effective July 1, 2025.

While MVA is a small, non-profit organization based in Oakland's Montclair commercial district, it had not previously applied for Local/Small Local Business Enterprise (L/SLE) certification. It has completed the application and is expected to receive certification. However, because official certification may not be completed prior to City Council review, staff is requesting that the L/SLBE requirement be waived for the purpose of this agreement.

Pursuant to OMC § 2.04.051, staff recommends that the City Council waive the competitive proposal and qualification requirements upon finding that it is in the best interests of the City to do so, based on the following:

1. The Montclair Village Association (MVA) has successfully operated the City-owned Montclair parking facilities for over 40 years with satisfactory performance.
2. MVA, as the local Business Improvement District representative, is uniquely positioned to manage the facilities in coordination with local merchants and stakeholders.
3. Conducting a new competitive solicitation would require an estimated 6–12-month transition period, increasing administrative costs and risking service interruption.
4. Maintaining continuity with MVA ensures operational stability, revenue protection, and community alignment.

For these reasons, staff recommends that the Council find that a waiver of competitive selection under OMC § 2.04.051 serves the City's best interests.

This report and recommendation support the City priority of constructing and maintaining vibrant, sustainable infrastructure by continue to partner with MVA, which has demonstrated for nearly fifty years that it is capable of managing these two off-street parking facilities in the Montclair commercial district.

Council may alternatively direct staff to conduct a competitive process and potentially put in place an operator-manager other than MVA. This alternative is estimated to take six to twelve months of staff time. It would also necessitate that the City Council authorize a month-to-month agreement with MVA to keep the parking facilities operating in the interim. This alternative would be costly, and staff sees no clear benefit to the City in general or the Montclair commercial district in particular for doing so. Therefore, the staff does not recommend this alternative.

FISCAL IMPACT

The proposed resolution authorizes the City Administrator to enter into a professional services agreement with Montclair Village Association for parking management services for a period of five years at an annual compensation amount of \$295,200, including \$275,000 in reimbursable operating expenses and \$20,200 in management fees and incentives, for a total not to exceed amount of \$1,476,000. Funding for the first two years of this agreement is included in the approved FY25-27 biennial budget in Multipurpose Reserve Fund (1750), Mobility Management Organization (35247), Miscellaneous Contract Services Account (54919), Administrative Project (1003469), Parking Management Program (IP60). Funding for the last three years of the agreement is subject to funding availability in future budget cycles.

PUBLIC OUTREACH / INTEREST

No special outreach was conducted in the preparation of this report and recommendation. However, under the terms of the previous agreement, MVA was responsible for completing semi-annual customer satisfaction surveys, which provided MVA and City staff with useful information about the parking facilities and their ongoing operation and management. The results of those surveys support the staff's recommendation to renew the City's agreement with MVA.

COORDINATION

This report and legislation were developed with the assistance of the Budget Office and have been reviewed by the Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

Economic: If this legislation is not approved, then normal operations of these facilities, including parking services, cashiering, maintenance, and overall management of the garage and lot, will be disrupted. As a result, the City would lose revenue, and the commercial district would be deprived of important resources until such time as operations are returned to normal.

Environmental: Well managed off-street parking facilities can be an important part of a comprehensive parking system that, actively managed, can reduce greenhouse gas emissions by increasing availability of parking and thereby reducing congestion and searching for parking.

Race & Equity: There are no direct race and equity opportunities associated with this recommendation. Before the pandemic, the Off-Street Parking Program generated millions of dollars annually for the General Fund, which could be used at the City Council's discretion to support racial equity initiatives across the city. Since the pandemic, the program has worked to keep costs low and remain self-sufficient.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

This project and action is exempt from the California Environmental Quality Act (CEQA) pursuant to the following CEQA Guidelines Sections: 15061(b)(3) and 15378(b)(4) and (5), as they involve government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment, and it is an organizational or administrative activity of government that will not result in direct or indirect physical changes to the environment each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance.

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Michael Ford, Parking and Mobility Division Manager, at 510-238-7670.

Respectfully submitted,



Jamie Parks (Dec 22, 2025 14:34:57 PST)

Josh Rowan, Director
Oakland Department of Transportation

Reviewed by:
Jamie Parks, Assistant Director

Prepared by:
Michael P. Ford, Division Manager

Attachments (1):

A: Draft Scope of Services for Parking Operations and Facility Management