

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ALAN ALTON, CHIEF FINANCIAL OFFICER
SUBJECT: DOWNTOWN SANTA ROSA PARKING AND RATE
ADJUSTMENTS

AGENDA ACTION: STUDY SESSION

RECOMMENDATION

The Parking Division of the Finance Department recommends that the Council hold a Study Session to receive information, ask questions, discuss, and provide feedback to staff regarding the City of Santa Rosa Downtown Parking Management Study and rate adjustments. This item is for information only and no action is to be taken.

EXECUTIVE SUMMARY

The purpose of this Study Session is to provide a summary of proposed parking rate adjustments and an overview of the study conducted by Sam Schwartz/TYLin for a technical assistance grant awarded to the City of Santa Rosa by the Metropolitan Transportation Commission. The purpose of the study was to provide information and recommendations on comprehensive parking strategies and the critical need to adjust parking rates.

GOAL

This item relates to Council Goal #1 - Achieve and Maintain Budgeting Excellence and Fiscal Stability and will adjust parking rates to reflect current occupancy and utilization, as well as stabilize the Parking Enterprise Fund to provide needed security and improvements to parking facilities.

BACKGROUND/PRIOR COUNCIL REVIEW

In 2023, the City of Santa Rosa received a grant from the Metropolitan Transportation Commission (MTC) to assess current parking conditions and create a short- and long-term management strategy. MTC selected Sam Schwartz/TYLin, supported by subcontractor Convey, to lead the project.

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TYLin analyzed data from the Parking Division, conducted a citywide survey, and held stakeholder focus groups. TYLin summarized the findings in the Downtown Parking Management Study Engagement Summary Report, published in August 2025.

Starting in early 2025, TYLin submitted recommendations to the City's Finance Division. In response, the Parking Division began engaging with key stakeholders, including Downtown and Railroad Square merchants, to shape rate adjustments that address public concerns and support the long-term stability of the Parking Enterprise Fund.

ANALYSIS

Progressive Parking Model

Santa Rosa's progressive parking model, adopted in 2017, aims to keep on-street occupancy around 85%, using higher rates in busy zones and lower rates in garages and less-used areas to reduce circling and emissions.

Community Priorities & Parking Utilization

The community survey conducted found that proximity and availability are the top parking concerns, followed by safety and pricing. While overall parking is available, key areas, like 4th & 5th Streets in both Downtown and Railroad Square, along with Wilson Street, and parts of D Street and Mendocino Ave, regularly exceed 95% occupancy during peak times. These high-demand periods result in limited availability near popular destinations.

Focus Group Input and Additional Considerations

Stakeholders recommended adjusting permit fees to shift long-term parkers to garages, freeing on-street spaces for short-term use. Safety and cleanliness in garages, and the need for residential permits for new developments, were also highlighted.

Garage Incentive Review

The "First Hour Free" policy has not shifted demand away from premium zones and has raised safety concerns due to loitering, prompting reconsideration of the incentive.

Capital Improvement Needs & Fiscal Challenges

A 2019 study estimated that \$15 million (inflation-adjusted) in capital improvements are required for the city's parking garages. However, no projects have been initiated due to ongoing revenue constraints. Additionally, the COVID-19 pandemic and inflationary pressures have contributed to a sustained deficit in the Parking Fund's operational budget, despite cost-reduction measures that have included Grant awards, reductions of targeted professional services including janitorial and landscape maintenance, cost reductions for credit card processing, and reduced staffing.

The Parking Fund has drawn \$3.8 million from reserves since FY2022-23 to cover operational deficits and unexpected expenses. Without a revenue increase, the fund anticipates a continued annual deficit of approximately \$500,000. Enterprise Funds must maintain operating surpluses to fund ongoing capital and operational needs and

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prevent reliance on the General Fund.

The projected revenue increase will allow for an annual investment of approximately \$500,000 in parking garage improvements. These funds will address critical needs, including seismic retrofits, water intrusion, enhanced lighting, and technology upgrades. A high-priority project is Garage 9, which requires a \$700,000 investment for repairs such as floor restoration, epoxy injections, waterproofing, and painting.

Parking Citation Fines

Last updated in 2012, the citation fine structure no longer offsets enforcement costs. Rising expenses and required surcharges by the County and State have caused net losses to the General Fund in two of the last four fiscal years.

Proposed Adjustments

To support the City's economic development objectives and accommodate the parking needs associated with new residential growth, the Parking Division must address ongoing fiscal challenges while continuing to provide safe, accessible, and well-managed parking for residents, workers, and visitors in both Downtown and Railroad Square.

In alignment with the Santa Rosa Downtown Parking Management Study, and with feedback from community stakeholders, the Parking Division is proposing a series of targeted rate and fine adjustments. These adjustments are designed to enhance revenue generation, allocate parking for frequent long-term users more effectively, and support the anticipated demand from new residential developments.

Revenue generated through these adjustments will be reinvested into the Parking Enterprise Fund to support facility improvements, security enhancements, and ongoing operations and maintenance across both parking districts. Citation revenue will continue to cover enforcement-related operational costs, with any surplus retained by the General Fund.

Projected Annual Revenue Gains:

- Parking Enterprise Fund: +\$1M
- General Fund: +\$350K

Key Parking Rate & Permit Adjustments

- Current Meter Rate: \$1.50/ Proposed Meter Rate \$2.50
- Current Meter Rate \$1.00/ Proposed Meter Rate \$1.50
 - remove underused meters.
 - Lots: Current Rate \$1.50 /Proposed Rate \$2.00
 - Lots: Current Rate \$1.00 / Proposed Rate \$1.50
 - Lots: Railroad Square Current \$1.00/ No Changes
- Garages: Standardize to \$1/hour; free on Sundays/holidays.
- Permits:
 - Employee non-reserved permits currently \$62-\$95 dollars/ Proposed standard

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- fee of \$60/month in Garages 1, 3, 9, 12.
- Low wage permits expanded to more garages and reduced to \$25/month.
- New \$25/month garage permit for hybrid and part-time workers, or frequent visitors in Garages 1, 3, 9, 12.
- Pilot of a New Business Account reduced cost permit to encourage businesses to lease downtown.
- Reduced permit rates in underused lots, \$70/month (currently \$85) for Lot 7 and \$25/month (currently \$50) for Lots 13/14.
- SMART commuter permit reduced to \$25/month (currently \$31).
- Residential garage & permit area options added for new developments.
- Residential Permit Program fee increased from \$20 per transaction to \$30/year for each vehicle added.
- Validations: New Downtown validation program with local businesses.
- Fines: Increase lowest citations by \$15 each.

FISCAL IMPACT

There are no fiscal impacts from holding a Study Session.

ENVIRONMENTAL IMPACT

Pursuant to CEQA Guidelines Section 15378, the recommended action is not a “project” subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the recommended action is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – City of Santa Rosa Downtown Parking Management Study Engagement Summary Report

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PRESENTER(S)

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