

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: KIM NADEAU, PARKING MANAGER
FINANCE DEPARTMENT
SUBJECT: COVID-19 RELATED TEMPORARY PARKING USER FEE
REDUCTIONS

AGENDA ACTION: MOTION AND RESOLUTION

RECOMMENDATION

It is recommended by the Finance Department that the Council: 1) by motion, find good cause, under the Early Agenda Policy and the Open Government Ordinance, to consider this item, notwithstanding that the item did not appear on the preliminary agenda; and 2) by resolution, authorize an extension through December 31, 2021 of (a) the first hour free at the 3rd Street, 5th Street and D Street garages through December 31, 2021 (first hour is already free at the 1st and 7th Street garages), (b) one free metered parking session using the Passport mobile payment application, up to \$3.15 in value, to a maximum of \$31,500.00 since inception on July 1, 2020, and (c) A waiver of meter reservation fees for temporary parklets, outdoor seating and retail to expand business footprint to meet physical distancing requirements related to the COVID-19 health order.

EXECUTIVE SUMMARY

Certain business operations have been required to cease or dramatically reduce all indoor operations since March 2020 due to either social distancing requirements or specific restrictions on indoor operations set forth in State and County health orders. To assist the business community, the City authorized a temporary reduction of certain parking user fees and a waiver of parking reservation fees associated with outdoor seating areas.

Downtown businesses have expressed interest in extending the temporary parking fee waivers through December 31, 2021. Certain parking reduction fees related to COVID-19 have been in place since April 2020 (RES-2020-059). The following parking user fee waivers were previously authorized by Council on December 15, 2020 and April 27, 2021 and are set to expire June 30, 2021: (1) Free parking at all five garages, Monday –

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Friday from 5 PM to 1 AM (Parking is already free from 1 AM to 6 AM); (2) Free parking at all five garages on Saturday and Sunday (the D Street and 5th Street garages are already free on Sunday); (3) First hour of parking free at the 3rd Street, 5th Street and D Street garages (the 1st and 7th Street garages already have the first hour free); (4) One free metered parking session using the Passport mobile payment application, up to \$3.15 in value; (5) Waiver of meter reservation fees for temporary parklets, outdoor seating and retail to expand business footprint to meet physical distancing requirements related to COVID-19 health order.

Staff recommends that Council further extend the waiver of the last three parking user fee reductions identified above (Items #3, #4, and #5) through December 31, 2021. Staff recommends otherwise resuming collection of the parking user fees as normal, meaning items #1 and #2 would expire on June 30, 2021.

EARLY AGENDA POLICY

As a preliminary step, prior to consideration of this agenda item, the Council must address compliance with the Council's Early Agenda Policy and with Section 1-10.030(G) of the City Code.

The approval of this item did not appear on the City's preliminary agenda for the June 22, 2021 Council meeting. Pursuant to the Council's Early Agenda Policy and the Council's direction for early implementation of section 1-10.030(G) of the City Code, an urgent item of business that does not appear on the preliminary agenda may nevertheless be placed on a final agenda, and discussed and acted on by Council, but only if there is a showing of good cause and only with the concurrence of six Council Members. Pursuant to the Early Agenda Policy and section 1-10.030(G), a showing of good cause requires a finding by Council that as a result of exceptional circumstances beyond the control of Council, compliance with the preliminary agenda requirement would "impose a substantial burden on the City's ability to conduct its business or result in prejudice to a private person."

Staff recommends that Council find that easing of COVID restrictions has been uncertain, economic recovery from COVID will be more gradual than expected, individuals continue to face financial hardships, and waiver of certain parking fees will continue to be important to private persons and the business community in their recovery. COVID restrictions constitute exceptional circumstances beyond the control of the Council, and continued financial hardships will lead to prejudice to private persons.

BACKGROUND

As part of the State's response to address the global COVID-19 outbreak, Governor Gavin Newsom declared a State of Emergency on March 4, 2020 to formalize emergency actions across multiple state agencies and departments. The declaration

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required all residents within the State to immediately heed the State public health directives and shelter at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors.

Since March 2020, the County of Sonoma Health Officer has issued a series of health orders that in part limit business operations. This has resulted in reduced indoor operations, a collapse in revenue streams and reduced workforce hours.

On April 14, 2020, the City suspended parking fees. On June 16, 2020, the City Council approved resumption of paid parking and a variety of parking fee reductions and waivers intended to encourage activity and support the downtown economy. Specific waivers were implemented to remove the meter reservation fees associated with the placement of outdoor seating or parklets within existing areas designed as paid street parking. Council extended most of the parking fee reductions on December 15, 2020 to the earlier date of June 30, 2021 or when the County reaches the Yellow Tier of the State's COVID-19 restriction levels, whichever comes first. On April 27, 2021, Council approved extending the fee reductions to June 30, 2021, regardless of when the Yellow Tier was achieved.

PRIOR CITY COUNCIL REVIEW

On April 14, 2020, the City Council approved the waiver of hourly parking fees at the City's five public garages and all parking meter fees until the Shelter in Place Order was lifted for the City of Santa Rosa (RES-2020-059).

On June 16, 2020, the City Council approved the following parking user fee reductions effective July 1, 2020 – December 31, 2020 (RES-2020-087).

- Parking meter rates in the Value Zone reduced to \$0.75/hour
- Free parking at all five garages, Monday – Friday from 5 PM to 1 AM (Parking is already free from 1 AM to 6 AM)
- Free parking at all five garages on Saturday and Sunday (the D Street and 5th Street garages already have free parking on Sunday)
- First hour of parking free at the 3rd Street, 5th Street and D Street garages (the 1st and 7th Street garages already have the first hour free)
- One free metered parking session using the Passport mobile payment application, up to \$3.15 in value
- Waiver of meter reservation fees for temporary parklets, outdoor seating and retail to expand business footprint to meet physical distancing requirements related to COVID-19 health order

On December 15, 2020, the City Council approved the extension of the following parking user fee reductions, effective January 1, 2021 through June 30, 2021 or when Sonoma County reaches the Yellow Tier of the California state COVID-19 restriction levels, whichever comes first (RES-2020-225):

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- Free parking at all five garages, Monday – Friday from 5 PM to 6 AM (Parking is already free from 1 AM to 6 AM)
- Free parking at all five garages on Saturday and Sunday (the D Street and 5th Street garages already have free parking on Sunday)
- First hour of parking free at the 3rd Street, 5th Street, and D Street garages (the 1st and 7th Street garages already have the first hour free)
- One free metered parking session using the Passport mobile payment application, up to \$3.15 in value
- Waiver of meter reservation fees for temporary parklets, outdoor seating and retail to expand business footprint to meet physical distancing requirements related to COVID-19 health order

On April 27, 2021, the City Council approved the extension of the parking user fee reductions previously authorized on December 15, 2020, to be extended to June 30, 2021 regardless of when Sonoma County reaches the Yellow Tier (RES-2021-067).

ANALYSIS

Since the inception of temporary parking fee waivers on July 1, 2020, the proportional use of the parking facilities by daily parkers (non-permit holders) has remained nearly the same as it was pre-COVID: 65% at on-street meters; 15% at lots, and 20% in the garages. Free garage parking options have not resulted in a higher proportional use of the garages. Parking volume has been steadily increasing since the end of February, when COVID restrictions were eased, with transaction volumes down about 50% from pre-COVID levels. The estimated costs to extend parking user fee waivers through December 31, 2021 are shown below:

1. Free parking at all five garages, Monday – Friday from 5 PM to 1 AM

Estimated revenue reduction July 1, 2020 through June 30, 2021 = \$78,000

Estimated revenue reduction July 1, 2021 – December 31, 2021 = \$72,000

2. Free parking at all five garages Saturday and Sunday

The D Street and 5th Street garages already have free parking on Sunday; revenue reductions for those facilities on Sunday is not included below.

Estimated revenue reduction July 1, 2020 through June 30, 2021 = \$100,000

Estimated revenue reduction July 1, 2021 – December 31, 2021 = \$106,000

Staff recommends no further extension for the parking user fee waivers identified in items #1, #2 above.

3. First hour of parking free at the 3rd Street, 5th Street and D Street garages

The 1st and 7th Street garages already have the first hour free; revenue reductions for those facilities is not included below.

Estimated revenue reduction July 1, 2020 through June 30, 2021 = \$67,000

Estimated revenue reduction July 1, 2021 – December 31, 2021 = \$52,000

4. One free metered parking session using the Passport mobile payment application, up to \$3.15 in value

To support use of the Passport Parking smart phone application, the City offers mobile payment users, a one-time use per account, free validated metered parking session, up to \$3.15 in value, to parkers who utilize the mobile payment option. This is the equivalent of a 3-hour parking session in the Value Zone and a 2-hour parking session in the Premium Zone, including the \$0.15 convenience fee on a first-come, first-serve basis up to a total maximum revenue reduction amount of \$31,500.

100 of Passport validations utilized July 1, 2020 through May 31, 2021

Revenue reduction from Passport validations through May 31, 2021= \$254

Maximum total revenue reduction \$31,500

5. Waiver of meter reservation fees for temporary parklets

Specific to the waiver of meter reservation fees (meter covers) for parklets, outdoor seating and retail: The Schedule of Parking User Fees charges meter reservation fees of \$12/day per Value Zone metered parking space, and \$15/day per Premium Zone metered parking space (referred to as "Meter Cover"). The City has waived these fees for City encroachment permit holders for the duration of the permit, where the permittee is temporarily using the right of way for parklets, outdoor seating and retail to allow businesses to expand their footprint into adjacent parking spaces to meet physical distancing requirements under the Sonoma County Public Health Order.

25 Temporary Parklet Encroachment Permits issued since July 1, 2020

Estimated revenue reduction from July 1, 2020 to June 30, 2021 = \$210,000

Estimated revenue reduction for 20 temporary parklets from July 1, 2021 through December 31, 2021 = \$125,000

Staff recommends extending the fee waivers for items 3-5 identified above, including the first hour free at the 3rd Street, Fifth Street and D Street garages, and the waiver of meter reservation fees for temporary parklets through December 31, 2021. Staff also

recommends continuation of one free validated parking session, up to \$3.15 in value, until the maximum revenue reduction of \$31,500 has been met. The recommended reductions are set forth in Addendum 3 to the Schedule of Parking User Fees attached to the Resolution as Exhibit A. Resumption of paid garage parking after 5 pm and on weekends will offset a portion of the revenue losses to the Parking Fund.

The Parking Fund available balance as of June 30, 2021 is estimated to be \$6.6M, with an estimated Parking Fund available balance on June 30, 2022 of \$5M (assuming all temporary parking fee waivers expire on June 30, 2021). The capital improvement plan for the Parking Fund has identified \$24M in deferred maintenance through FY 2029 to extend the useful life of the facilities. Further reduction of parking revenues will hinder the ability to fund the needed capital improvement projects.

FISCAL IMPACT

Impacts to the Parking Fund from July 1, 2021 to December 31, 2021 are estimated at \$52,000 for the first hour free in the garages and \$125,000 for the waiver of meter reservation fees for the temporary parklets. The maximum revenue reduction from the free mobile payment session offer is \$31,500. There is no impact to the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378. Construction activities associated with the specific permits experiencing fee modifications under this action will remain subject to environmental review under CEQA.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The Downtown sub-committee provided input on these actions.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/ Exhibit A- Reduced Parking Fee Schedule

CONTACT

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