

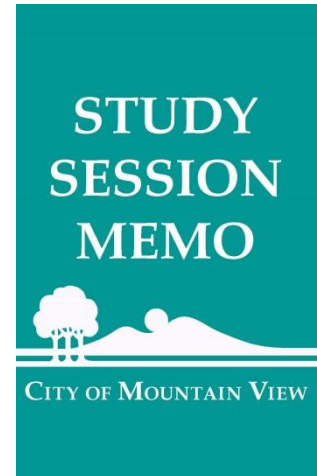
**DATE:** March 19, 2019

**TO:** Honorable Mayor and City Council

**FROM:** Tiffany Chew, Business Development Specialist  
Wayne Chen, Assistant Community  
Development Director  
Aarti Shrivastava, Assistant City Manager/  
Community Development Director

**VIA:** Daniel H. Rich, City Manager

**TITLE:** **Downtown Paid Parking Study**



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**PURPOSE**

The purpose of the Study Session is to provide an overview of the Downtown Paid Parking Study; to receive Council input on underlying issues, concerns, or goals related to downtown parking; and to receive Council input on potential parking policies and programs, including paid parking.

**BACKGROUND**

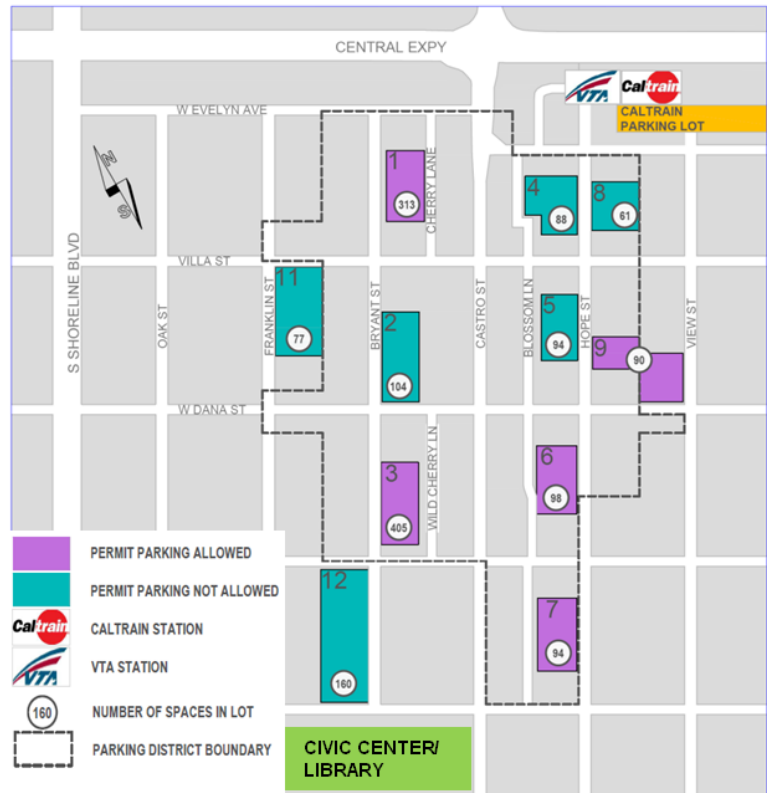
Downtown Mountain View is a thriving district with a diverse number of retailers, restaurants, businesses, and residents. The success draws people from Mountain View and the region and contributes to achieving the vision for downtown as the “historic center and civic focus of the community” and the “heartbeat” of the City as stated in the Downtown Precise Plan.

Over the past few years, the City has studied and implemented various parking strategies to facilitate visitors coming to downtown. Currently, downtown is supported by 11 public parking facilities composed of 2 parking structures and 9 surface parking lots, totaling 1,584 off-street parking spaces (Attachment 1 and Map 1—Downtown Mountain View Parking Map). These off-street parking spaces have a two-hour timed parking restriction (exception—Parking Lot 11 at Franklin Street and Villa Street, which has a three-hour time limit) from Monday through Friday, 8:00 a.m. to 5:00 p.m. The downtown public parking facilities and operations are funded by the Parking District. The Parking District revenue includes parking permit revenue, property owner assessments, and property taxes. The City’s General Fund does not contribute to the Parking District. City Council renews the Parking District annually in May and June. The Parking In-Lieu Fee is a separate fee associated with the Parking District and is paid

by developers in lieu of constructing parking on-site. Parking In-Lieu revenue can only be used for the creation of new parking supply.

In 2011, the City completed a comprehensive Downtown Parking Study. The 2011 Study concluded that: (1) the City's public parking system downtown had sufficient spaces overall; (2) there are two parking peaks downtown, composed of lunch and dinner hours; and (3) developed and improved commercial activity in downtown could lead to increased parking demand several years down the road. As a result of the 2011 Study and City Council direction, the City developed a downtown parking work plan with solutions to address peak-parking demand, with the following completed or initiated in the past five years:

**Map 1: Downtown Mountain View Parking Map**



- Installed parking technology – real-time wayfinding sign and sensor system at the two public parking structures;
- Implemented a four-year Levi's Stadium Parking Pilot Program at City Council's direction, including two years of paid parking in select public parking facilities and a four-year-long residential parking permit program for 49ers' game days at Levi's Stadium;
- Implemented a Residential Parking Permit Program, which establishes a process for neighborhoods to request limits on street parking (<https://www.mountainview.gov/depts/pw/transport/traffic.asp>);
- Increased the Parking In-Lieu Fee from \$26,000 per required parking space to \$48,000 per required parking space for new development and tied the fee to construction costs (the current fee is \$49,963);

- Implemented a valet parking pilot program at Parking Lot 11;
- Collection of parking occupancy data in the public parking facilities (not on-street parking spaces) twice a year;
- Increasing the amount of public parking spaces with future development of Parking Lots 4 and 8 (Hope Street between Evelyn Avenue and Villa Street – 76 net new public parking spaces and 160 additional public parking spaces during the evenings and weekends); and
- Developing a Transit Center Master Plan, including an increase in the amount of available parking to address parking demands related to the increased use of the Transit Center.

The City also administers a Downtown Parking Permit Program for property owners, businesses, and residents within the Parking District. This permit program (different from the Residential Parking Permit Program) sells annual, quarterly, monthly, and daily passes to people within the Parking District and permit holders can park in specific downtown parking facilities all day.

In October 2016, the City Council held a Study Session to discuss downtown parking demands and provided additional input on options to accommodate parking demands in Downtown Mountain View. Council directed staff to explore two short-term pilot programs (ride-sharing credit and valet parking) and two longer-term options (shared parking and paid parking). Regarding the two short-term pilot programs, the ride-sharing pilot program was not launched due to the inability to reach agreements with the major ride-sharing companies, but the valet parking pilot program was implemented in 2018, and Council recently extended it through Fiscal Year 2019-20. Regarding the two longer-term strategies, staff has been and continues to be in discussions with downtown businesses on a shared parking program, and a Downtown Paid Parking (DPP) Study was initiated in June 2018. The purpose of this Study Session is to discuss the results of the paid parking study, consider downtown paid parking in the context of a broader parking demand management strategy, and receive Council input and direction.

## **DISCUSSION**

In June 2018, the City initiated a DPP Study with Dixon Resources (Dixon) as the consultant (Attachment 2 – Draft Downtown Paid Parking Study). The study area focuses on the downtown commercial area composed of Castro Street from Evelyn

Avenue to El Camino Real and the accompanying side streets (Franklin Street and View Street).

The DPP Study includes a review of existing downtown parking conditions and outreach to the downtown community as well as the overall Mountain View community. A key outcome of the DPP Study is a Parking Action Plan (PAP) that: (1) provides a broader parking demand management strategy with a suite of options to maximize the utilization of existing public parking facilities and preclude building a third parking structure; and (2) discusses key elements of paid parking – which is one of the parking demand strategies – and how it could be implemented if the City Council so desired. A comprehensive parking demand management would be composed of a system of policies, regulations, and practices that control the use and supply of public parking both on- and off-street. The system could be a combination of managing parking locations, parking time restrictions, parking pricing, permit parking, and enforcement. According to Dixon, pricing strategies such as paid parking are some of the most flexible and effective parking management approaches to shift parking demand and maximize the use of existing spaces. An effective paid parking program that prices spaces accordingly based on variations in demand can help users find parking more easily and closer to their intended destination(s); increase turnover of parking spaces so that more visitors can access an area for business and boost economic activity; reduce traffic congestion; and conserve fuel and reduce vehicle emissions by reducing the search for parking.

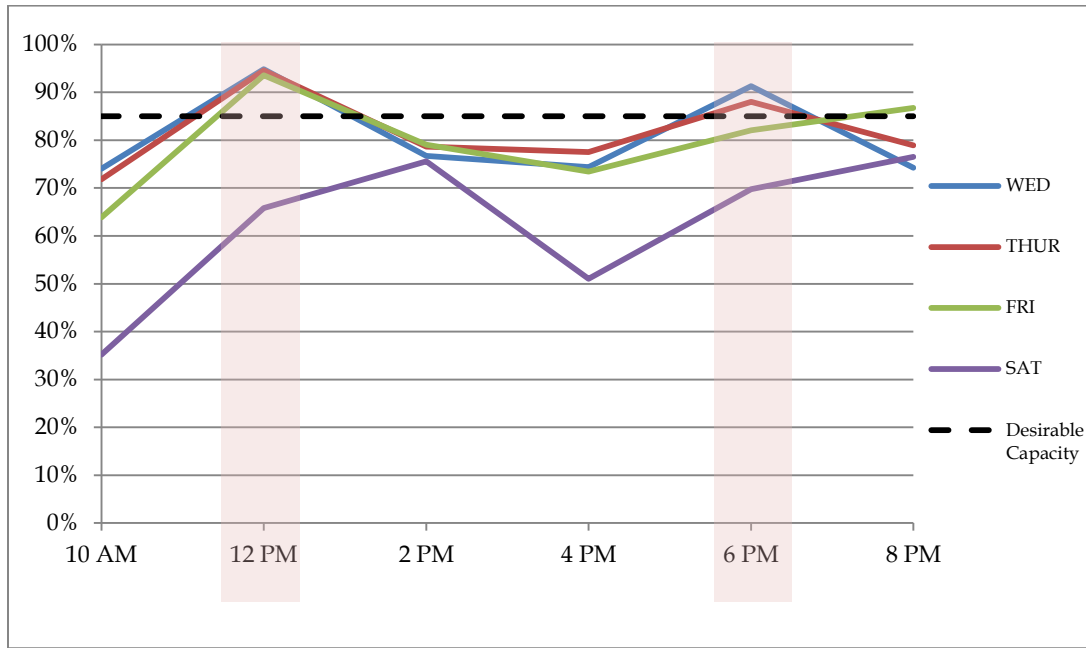
### **Existing Downtown Parking Conditions**

To help with the overall management of the downtown public parking facilities, Dixon collected parking occupancy data in the spring and fall to monitor parking conditions. Parking counts are taken at the downtown public parking facilities shown in Map 1 (does not include on-street public parking) in the spring and fall on a Thursday and Friday at two-hour intervals from 10:00 a.m. to 8:00 p.m. In preparation for the DPP Study, the City expanded the spring 2018 parking counts to Wednesday, Thursday, Friday, and Saturday during the same time frames. The most recent parking counts took place on November 14, 2018 through November 17, 2018 (Attachment 3– Downtown Parking Data November 2018) and the next set of parking counts will be collected at the end of April 2019.

The parking industry standard defines 85 percent as the target parking space occupancy rate. At this 85 percent target, it is assumed that the utilization rate of the existing parking supply achieves an ideal balance between efficient use of the existing supply without excess supply while minimizing parking challenges and congestion. Using this metric, the downtown public parking system is under the 85 percent target each day the

parking count was conducted, except for two peak periods during the lunch and dinner hours as highlighted in pink bars in Chart 1 below.

**Chart 1: Utilization of Downtown Parking Facilities – November 2018 Count**



Although the systemwide peak periods in the pink bars above exceed the 85 percent target, there is still underutilized capacity at specific locations within the downtown parking system during those peak periods. Table 1 identifies the peak parking periods for Wednesday, Thursday, and Friday with underutilized parking facilities. Parking Structure 3 is the most underutilized parking facility, followed by Parking Lot 12.

**Table 1: Peak Parking Periods and Underutilized Parking Facilities**

Peak Parking Periods	Systemwide Occupancy	Underutilized Parking Facilities
Wednesday at 12:00 noon	95%	Parking Structure 3 – 75%
Wednesday at 6:00 p.m.	91%	Parking Lot 12 – 71% Parking Structure 3 – 56%
Thursday at 12:00 noon	95%	Parking Structure 3 – 67%
Thursday at 6:00 p.m.	88%	Parking Lot 9 – 79% Parking Lot 12 – 63% Parking Structure 3 – 45%
Friday at 12:00 noon	94%	Parking Lot 8 – 75% Parking Structure 3 – 75%
Friday at 8:00 p.m. (later peak period than the other days)	87%	Parking Structure 1 – 81% Parking Lot 12 – 56% Parking Structure 3 – 45%

Table 3 shows the data from the perspective of the average parking utilization rate across each parking facility for each day. The green cells identify the parking facilities that are at or below the 85 percent target; the blue cells identify facilities between 86 percent and 90 percent; and the red cells identify facilities over 90 percent. Although the blue cells are over the 85 percent target, exactly meeting the 85 percent target all of the time is difficult to do, and a few percentages above that target is part of the natural flux of parking demand and is reasonable. Again, while utilization rates vary for each facility depending on the day and time, in general, certain parking facilities tend to be more impacted (e.g., Lot 2, Lot 5, Lot 6, Lot 11) while other facilities tend to be under the 85 percent target (e.g., Lot 8, Lot 12, Structure 3). Overall, parking facilities in the downtown historic core (100 to 300 block of Castro Street) continue to generate the most demand while parking facilities outside the core have more capacity.

**Table 2: Average Parking Utilization Rates for Each Downtown Parking Facility**

	Wednesday 11/14/18	Thursday 11/15/18	Friday 11/16/18	Saturday 11/17/18	Average
Parking Lot 2	89%	89%	94%	96%	92%
Parking Lot 4	75%	85%	88%	88%	84%
Parking Lot 5	82%	89%	87%	86%	86%
Parking Lot 6	93%	99%	92%	80%	91%
Parking Lot 7	90%	94%	88%	64%	84%
Parking Lot 8	68%	64%	61%	52%	61%
Parking Lot 9	87%	84%	84%	59%	79%
Parking Lot 11	100%	88%	95%	60%	86%
Parking Lot 12	64%	62%	60%	33%	55%
Parking Structure 1	85%	86%	80%	46%	74%
Parking Structure 3	57%	57%	49%	21%	46%

**Stakeholder Outreach**

Stakeholder outreach was an important component of the study to engage the Mountain View community for feedback on the downtown public parking system and the concept of paid parking. From August 2018 through October 2018, Dixon collected the feedback through stakeholder meetings, one-on-one meetings with downtown businesses, and an online survey. Overall, 280 people responded to the online survey while 70 downtown businesses met with the consultant and four focus group meetings were held.

- Online Survey: An online survey was available to gather information on how the public access and park in the downtown areas and feedback about potential paid parking policies. Two hundred eighty (280) responses were collected and of those respondents, a majority of them live in Mountain View (86 percent) followed by 9 percent who live elsewhere, but within Santa Clara County. Of those surveyed, almost 60 percent of respondents indicated that eating was their primary purpose for visiting downtown. Forty-eight (48) percent of those surveyed said their most recent visit was between one and two hours. Also, the majority of respondents drove downtown (70 percent). When asked about the most important factor for deciding where to park, the top response was ease of finding a space, followed by location, price, and, lastly, safety/security. Exactly 50 percent of respondents agree or strongly agree that they would be willing to pay for parking if it means they can more easily find a space. Another question asked about the willingness to pay for parking if the respondent can stay in a parking space for a longer amount

of time—34 percent agree or strongly agree (Attachment 3—Downtown Paid Parking Study – Appendix B, Page 87).

- Downtown Business Meetings: Dixon met with over 70 businesses to discuss the paid parking study, understand their parking options/concerns, and employee parking needs. A majority of the employees surveyed drove to work (81 percent) and of those who drove, 33 percent parked on-street. Meanwhile, 74 percent of those surveyed believe there is not enough customer parking.
- Focus Group Meetings: Dixon and the City held four focus group meetings with downtown commercial property owners, downtown business owners, downtown residents, and the general community. The purpose of the focus groups was to provide an opportunity for focused feedback in a smaller group setting so participants can discuss aspects of parking and transportation. Each group provided feedback unique to how they view and use parking, but a few times some of the groups expressed similar viewpoints. For example, the downtown commercial property owners group was interested in transportation demand management (TDM), but both the downtown business owners and residents discussed the need for increased parking enforcement.

**Table 3: Focus Group Summary**

Focus Group	Primary Feedback and Priorities
Downtown Commercial Property Owners	<ul style="list-style-type: none"> <li>• TDM</li> <li>• Equity and affordability</li> <li>• Influencing car ownership</li> <li>• Paid parking</li> <li>• Shared parking</li> </ul>
Downtown Business Owners	<ul style="list-style-type: none"> <li>• Increase enforcement</li> <li>• Adjusting time limits</li> <li>• Employee parking</li> <li>• Parking In-Lieu fees</li> </ul>
Downtown Residents (including representatives from the Old Mountain View and Shoreline West Neighborhood Associations)	<ul style="list-style-type: none"> <li>• Vehicle dwelling</li> <li>• Oversized vehicles</li> <li>• First-mile/last-mile trips</li> <li>• Increase enforcement</li> <li>• Residential parking permit</li> </ul>
General Community	<ul style="list-style-type: none"> <li>• Data collection</li> <li>• Residential parking</li> <li>• Subsidies and incentives</li> </ul>



- Downtown Committee: The Downtown Committee has been involved with the development of the study from the beginning when a scope of work was developed, participated in the stakeholder outreach, and received ongoing monthly updates on the study's progress. The study was also included in the Committee's Fiscal Year 2018-19 Work Plan to complete and review the study. From December 2018 through February 2019, the Committee reviewed the draft study over two meetings (December and January) and provided feedback at the February 5, 2019 meeting (Attachment 4 – Downtown Committee February 5, 2019 Minutes). The Committee views parking as a tool to encouraging economic vitality of downtown for businesses, visitors, and neighborhoods. They believe parking solutions should be implemented incrementally focusing on four items:
  - Develop a Parking Ambassador program with feedback and data;
  - Dedicate a City staff person to parking;
  - Implement a holistic plan to compensate the temporary loss of Lots 4 and 8; and
  - Explore microtransit solutions.

Overall, the Committee is open to considering paid parking, but implementation of paid parking should be based on continuous measurable feedback and provide benefits to the downtown.

### **Components of Paid Parking**

Based upon the stakeholder outreach and staff input, Dixon developed a roadmap to implement paid parking. The roadmap identifies the following items to be considered if the City were to implement paid parking.

#### *Paid Parking Infrastructure and Technology*

Paid parking requires infrastructure and technology to collect revenue and maintain the overall downtown public parking system. The study outlines the infrastructure needed to collect the parking revenue. The collection process begins with pay stations. On-street parking spaces utilize either single-space meters or multi-space pay stations for every 7 to 12 on-street parking spaces. In parking lots or structures, approximately two pay stations per parking lot or parking structure level are typically used. Both types of meters can accommodate credit card transaction and cash/coins, however, with multi-space pay stations, there are three types of operational configurations: pay and display;

pay by space; and pay by plate. In addition, revenue collection services and parking management technologies such as an automated permit management system, mobile payment, parking enforcement tools, and license plate recognition cameras can support the paid parking operation.

The study also provides cost estimates for the infrastructure and technology under the assumption paid parking is implemented in the downtown bounded by West Evelyn Avenue, Church Street, Franklin Street, and Hope Street (approximately 844 on-street parking spaces) and includes the public parking facilities with the assumption of two pay stations per lot or parking structure level.

**Table 4: Estimated Equipment and Operating Costs**

	<b>Equipment Cost</b>	<b>Operating Costs Per Year</b> (Includes warranty, software and credit card fees, and spare parts)
On-Street Parking Spaces (844 parking spaces)	\$675,200 for single-space meters/ \$597,800 for 70 multi-space meters	\$366,043 for single-space/ \$197,500 for multi-space
Public Parking Facilities (36 multi-space meters)	\$306,000 for multi-space meters	\$101,600
Total	\$981,200 to \$903,800	\$467,600 to \$299,100

*Rate Structure*

When establishing a paid parking area, a rate structure is identified. Generally, there are four rate structures available for consideration:

- Flat hourly rate is when the same rate is charged for each hour of the parking session, regardless of location, time of day, day of week, or any other factor. This rate model can be combined with the time limits to ensure turnover.
- Zoned-based/tiered pricing is when rates are adjusted by zone, and zones are typically created based on parking demand. A lower rate could be set in the remote/less desirable locations and a higher rate in the prime parking locations.
- Specific time of day/week rates is when parking rate is based upon the time of day or day of the week where there are extreme parking occupancy peaks such as the lunch or evening hours.
- Escalated pay rate is when the first one to two hours have a lower rate and the third and up hours have a higher rate.

The rate structures could be combined, and the appropriate structure to use depends on the parking goals that a jurisdiction wishes to achieve. Cities typically price on-street spaces higher than off-street in order to encourage longer-term parkers to park their cars off-street. The study reviewed rate structures in nearby communities with a downtown paid parking program. Below is a comparative rate analysis of neighboring cities to provide some context for establishing a pricing structure.

**Table 5: Downtown Paid Parking Comparison**

City	On-Street Rates (Downtown Core)		Off-Street Rates
Burlingame	\$1.00 first hour \$2.00 second hour	2-hour time limit	\$0.50 to \$1.00 per hour
Redwood City	\$1.00 per hour (10 a.m. to 6 p.m.) \$2.50 (after 6 p.m.)	2-hour time limit	\$0.25 to \$1.00 (first 1.5 hours free)
San Mateo	\$1.50 per hour	3-hour time limit	\$0.25 to \$1.25 per hour
San Jose	\$2.00 per hour	1- to 2-hour time limit	\$3.00 per hour

*Managing Paid Parking*

If paid parking is implemented, the City would need resources to oversee the system, including enforcement, revenue collections, and equipment maintenance. Services to maintain parking technology and collect revenues costs approximately \$150,000 annually. A paid parking system would also require staff resources to oversee the program, work with parking vendors, monitor and maintain infrastructure and equipment, and collect revenue. To help provide enforcement of the paid parking system, a customer service-based Parking Ambassador model could educate and assist parkers on regulations and answer customer questions.

*Additional Considerations*

On March 11 and 12, the City hosted an Urban Land Institute Technical Assistance Panel (TAP) that provided an assessment of opportunities and areas of consideration for Downtown Mountain View. One component of the TAP’s analysis was regarding Downtown parking and, specifically, paid parking. The TAP provided some initial observations regarding factors that can make paid parking more successful, including, but not limited to: the value of having some amount of free parking along with spaces

for paid parking; focusing paid parking in the facilities with the highest parking demand; the importance of balancing the cost of the paid parking in a way that manages parking demand instead of killing demand for downtown; patrons can be price sensitive regarding parking even if the cost of parking is minimal; and keeping in mind that Mountain View exists in a larger, regional market that competes with other destinations that may not charge for parking. The overall finding from the TAP is that paid parking could work, but it needs to be implemented thoughtfully and strategically and be considered as part of an overall parking demand management strategy.

If paid parking is implemented, a Parking Benefit District could be implemented to reinvest paid parking revenue into downtown parking improvements and TDM programs. To optimize the district, the City could explore options for incorporating a Parking Benefit District with the existing Parking District. The current Parking District generates revenue primarily through parking permit sales and property taxes, but is focused on operating and maintaining the public parking facilities. A Parking Benefit District provides a way to define how the paid parking revenue is spent (i.e., streetscape improvements, TDM, additional parking programs, validation program with the downtown businesses), but could provide more spending flexibility than the Parking District.

Lastly, paid parking could be considered in coordination with other parking demand strategies, such as parking permit programs, efforts to shift the mode of travel to downtown, leveraging the Citywide Transportation Management Association (TMA), and other efforts. In addition, the City will have to consider how the Civic Center parking garage could be impacted by paid parking. The Civic Center parking garage is intended for use by employees and by the public who are visiting City Hall or attending events at the Center for the Performing Arts. It is not one of the downtown public parking facilities that is included in the Parking District.

### **Broader Considerations for a Parking Demand Management Strategy**

Although the DPP Study focused on paid parking specifically, a significant part of the DPP Study included a broader discussion on a comprehensive parking demand strategy of which paid parking is a part. Additionally, as mentioned above, the March 11 and 12 ULI TAP discussed ways of improving the overall efficiency of downtown parking through other parking demand management strategies and observed that parking was a topic that came up repeatedly through its discussions with individuals over the two days. The broader discussion included the Downtown Permit Parking program, the Residential Permit Parking program, TDM strategies, education and outreach, wayfinding, parking technology, shared parking, valet parking, and enforcement. Additionally, recent discussions at the City Council meetings have touched on parking

requirements for the Downtown Precise Plan, how Downtown businesses could participate in the Citywide TMA, and concerns about parking spillover into the residential neighborhood.

Each of the potential parking demand management strategies is a solution for a specific issue. Staff seeks Council input on the following underlying parking issues as related to a downtown parking strategy:

- What is the underlying concern about parking spillover into the residential neighborhood (i.e., are the concerns related to safety, congestion from vehicular circulation, the inability for residents to find parking on the street, etc.)?
- Is there a perception that existing downtown parking programs, such as the Downtown Parking Permit Program, are not being properly utilized, which could cause spillover into the residential neighborhood?
- Is there an underlying concern about parking demand related to the fact that patrons might leave downtown if they are unable to find parking, which impacts downtown businesses?
- How should parking be viewed in the larger context of transportation demand management strategies, including, but not limited to, strategies to shift travel modes into downtown or further leveraging the TMA?

Council input on the underlying issue of spillover or on any other issue would provide staff direction on what additional responses could be taken to address those issues. For example, if there is concern that users of the Downtown Parking Permit Program are not following the regulations, perhaps the solution is greater enforcement of the program versus adding more parking facilities.

### **RECOMMENDATION**

Provide staff input on the following questions:

*Question No. 1: Does City Council have input on the specific, underlying issues, concerns, or goals that have been related to downtown parking that could help inform a parking demand management strategy for downtown?*

*Question No 2: Is City Council interested in further pursuing paid parking in downtown Mountain View? If so, independently, in conjunction with other strategies, or only after other strategies?*

*Question No. 3: Does City Council want to explore other parking/transportation demand management strategies, including assessment of existing programs—such as efficacy of the Downtown or Residential Parking Permit programs, and wayfinding signs; or exploration of new programs—such as TMA options for downtown businesses, and educational parking campaign?*

### **NEXT STEPS**

If City Council elects to further pursue paid parking or the other parking solutions, staff will return to City Council with a work plan, including budget implications and timeline, for consideration and approval. Staff will coordinate a timeline with the Downtown Precise Plan work plan. City Council will also be considering future work plan items as part of the goal-setting process over the next few months, so direction on this could be incorporated into the goal-setting and prioritization process.

### **PUBLIC NOTICING**

The meeting agenda and Study Session memo were posted on the City's website and announced on cable television Channel 26. All property owners within the Downtown Parking District and all property owners and businesses within a 750' radius of the Downtown Precise Plan area were sent notice, as well as the Downtown Committee, Central Business Association, Mountain View Chamber of Commerce, the Old Mountain View Neighborhood Association, Moffett Boulevard Neighborhood Group, and Shoreline West Association of Neighbors.

TC-WC-AS/3/CAM  
822-03-19-19SS

Attachments: 1. Downtown Mountain View Parking Map  
2. November 2018 Downtown Parking Analysis  
3. Draft Downtown Paid Parking Study  
4. Downtown Committee February 5, 2019 Minutes

cc: APWD—Cameron, APWD—Solomon, PL—Saint Clair