

DATE: May 5, 2026

TO: Downtown Committee

FROM: Toni Gomez, Economic Development Strategist

VIA: Amanda Rotella, Economic Vitality Manager

SUBJECT: Downtown Parking Maintenance Assessment District No. 2—Annual Renewal

BACKGROUND AND ANALYSIS

The annual renewal of the Downtown Parking Maintenance and Operation Assessment District No. 2 (Parking District) for Fiscal Year 2026-27 is scheduled for a public hearing on May 12, 2026 per governing state law and City Code provisions. Staff recommends that the total amount of the assessment for Fiscal Year 2026-27 be \$158,606, the same as the previous 30 years. All Parking District revenues are used for operating expenses.

The Parking District (Attachment 1) was formed in 1979 by the City Council to adequately fund the continued maintenance and operation of Parking District No. 2. The assessment formula for Parking District No. 2 is comprised of two components—one based on land use and the second based on parcel area. Seventy-five percent (75%) of the maintenance and operation assessment is calculated and allocated on the basis of land use. Twenty-five percent (25%) of the assessment is calculated according to the size of each parcel.

In addition to the assessment revenue, the Parking District also receives revenue from other sources. The Parking District will continue to receive revenue from property taxes, parking permits, and interest earnings. While the revenue supports the maintenance and operation of the downtown public parking system, the Parking District also funds the continued implementation of downtown parking projects. Current projects include the implementation of the Downtown Parking Strategy.

RECOMMENDATION

Staff proposes no changes to the assessment formula and no increase in the number of parcels assessed from last year. Staff recommends that the total amount of the assessment for Fiscal Year 2026-27 (\$158,606) be the same as in the previous 30 years.

FISCAL IMPACT

The recommended actions will not have a fiscal impact to the City's General Fund. If the renewal of the assessment is approved, a total of \$158,606 will be levied on 224 property owners within the Assessment District to fund the maintenance and operations of the downtown parking facilities that serve residents, businesses, and visitors. All Assessment District revenues are deposited into the Parking District Fund, a dedicated fund used exclusively for parking-related expenses, including parking operations, maintenance, and associated program costs.

Attachment: 1. Parking District Boundary