



AGENDA REPORT

Meeting Date: November 16, 2010
Item Number: E-1A
To: Honorable Mayor & City Council
From: Chad Lynn, Director of Parking Operations
Subject: DISCUSSION OF REPORT ON THE EFFECT AND IMPACT OF THE INITIATIVE MEASURE RELATED TO PARKING AT PARTICULAR CITY-OWNED PARKING FACILITIES

Attachments:

1. Parking Initiative Impact Analysis
2. Summary Worksheets
3. Letter of Opinion – Walker Parking Consultants

RECOMMENDATION

The City Council receive, discuss and file the report on the effect and impact of the initiative measure related to parking at particular city-owned parking facilities.

INTRODUCTION

An initiative petition was filed with the City on September 14, 2010 proposing to direct the City to provide free parking for two hours at particular City-owned parking facilities and limiting the amount of monthly parking at those facilities. A certificate of sufficiency was presented to the City Council at its October 18, 2010 meeting, certifying that the petition was signed by more than ten percent of the registered voters of the City.

At the City Council meeting of October 18, 2010, the City Council discussed the initiative measure and directed staff to provide a report on the effect and impact of the proposed initiative.

DISCUSSION

City Staff undertook an analysis of the initiative petition. The full report is attached to this agenda report as Attachment 1. However, a summary is provided below. As further described in the report, impacts of the proposed initiative will be both direct financial impacts and consequential impacts.

Brief Summary of Initiative

The initiative primarily:

- Directs the City to provide the first 2-hours of parking without charge at parking facilities in operation before June 30, 2008
 - 11 city parking facilities affected
 - Interpreted to require 2-hour free parking during all hours of operation
 - This effectively eliminates the City's current after 6PM flat-rate
- Limits the amount of monthly parking permitted at affected facilities to the number of monthly parking permits sold on April 30, 2010

This Initiative does not apply to:

- Parking facilities that were **not** in operation prior to June 30, 2008
 - 240 North Beverly/241 North Canon Drive (located at the Public Gardens/Montage)
 - 9333 Third St (located west of Third St and Foothill Rd)
 - 455 North Crescent Drive (located adjacent to the Annenberg Center)
 - Parking facilities constructed in the future
- Special parking rates, such as:
 - Rates after the 2-hours free period
 - Three-Hour Metered parking
 - Daily parking passes
 - Special event parking
 - Commercial valet storage
 - Early bird parking
 - Other special parking rates offered by the City
 -

Brief Summary of Impacts

Specifically the impacts of the parking initiative are as follows:

- Direct financial impacts represent immediate financial losses that can be accurately quantified through analysis of available parking and financial data.
- Consequential impacts represent indirect financial losses and/or impacts which may have operational consequences that may not result in financial losses.
 - Indirect financial losses represent losses to potential future revenues such as opportunity costs or revenues which the City may not realize due to constraints or circumstances which may be created or exacerbated by the proposed initiative. Most indirect financial losses are difficult to accurately quantify, so while the impact is outlined, with the exception of the limitation on monthly parking, an estimated financial loss is not provided.
 - Operational impacts represent impacts, which may or may not have a financial impact and which generally represent the City's ability to manage the parking system.

Direct Financial Impacts:

The financial data analyzed related to the direct fiscal impacts presented in this report is the complete set of short-term parking data from the 11 City of Beverly Hills parking facilities affected by the Initiative. The data represents the full months of **May, July and August 2010**¹. Data from these three months was used to create a realistic monthly average in order to establish the direct financial impact of the Initiative on an annualized basis. Historically, these months represent conservative figures, as May and July both contain holidays, and August is traditionally a conservative month due to seasonal vacations and travel that reduce the amount of employee and local usage.

The data analysis showed that the combination of a 2-hour free parking policy and the elimination of the flat rate fee at all facilities resulted in the following:

- Revenue reduced by an average: (\$98,627) per month or 26%
- Annualized: (\$1,183,527)

Subsequent to the months that were analyzed and calibrated as detailed in the Impact Report, the 461 North Bedford Drive parking facility experienced a rate change. Based on revenues realized in October 2010, there would be additional immediate financial losses. Including additional estimated losses based on the Bedford rate change

:

- Revenue reduced by an average: (\$116,627) per month
- Annualized: (\$1,399,524)²

Consequential Impacts:

Aside from direct financial impacts based on historical transactions, consideration needs to be given to the consequential and indirect impacts of rate changes. This represents potential and future circumstances that may create management obstacles and/or prevent or reduce the ability to realize future revenues. These impacts usually result from the behavioral choices and potential changes in how users interact with the parking system.

Based on the City's current rate structure, approximately 70% of the users in the affected facilities are provided with free parking. Based on the Initiative, this number would increase to a little over 80%, leaving less than 20% of the total users within the system paying rates. This significantly affects the City's ability to manage the parking system and may contribute to the following:

- Reduction of the number of users that would be receptive to the most effective behavior influences available to the City, creating additional barriers to managing the use of the City's resources and promote the identified objectives related to customer prioritization
- Reduces the amount of revenues collected

¹ June 2010 was not used, as this data set was unrecoverable at the time of analysis and publication

² This estimate was not derived using the same methodology as described herein, as multiple months were not available for averaging and calibration. Losses are derived from the addition of the \$18,000 estimated monthly loss.

- Reduces the number of users paying rates, creating additional burden on the remaining rate payers to maintain the same proportion of revenues necessary to maintain the parking system
 - As the dollar burden increases on a reduced number of users , there is a greater chance that the remaining users will change their behavior related to the comparative value of the increased burden
- Limits the City's ability to influence desired behaviors which include:
 - Prioritized user locations (customers and visitors in retail corridors and long-term users in perimeter parking facilities)
 - Reduced circulation and congestion
 - Promotion of "green" vehicles and vehicle usage
 - "Park-Once" philosophy
- Limits the City's ability to exercise management control of its assets, including:
 - Generating enough revenues to sustain long-term operations, creating greater impacts to the General Fund
 - Potentially creating an environment that promotes reparking
 - Limited ability to respond to long-term parking needs of the business community, even when space is available
 - An increased perception of a lack of available parking, even if available parking exists in adjacent parking facilities
 - Unintended impacts to facilities that were not directly referenced in the Initiative
 - Potentially promotes additional circulation and congestion, both internally (in facilities) and externally (on streets)
- Loss of potential future monthly parking revenue
 - Based on peak monthly parking sales of May 2007 compared to the baseline established by the initiative of April 2010, a historically low period of monthly sales due to the current economic conditions
 - Revenue reduced by: (\$34,555)
 - Annualized: (\$412,260)
 - Additional potential losses represent those currently on waiting lists in areas where the City is not selling monthly parking
 - Additional Waiting List Losses (\$6,905)
 - Annualized: (\$82,860)
 - Total Annualized Estimated Losses: (\$495,120)

FISCAL IMPACT

The direct financial impact of \$1,183,572 annually creates the following impacts to the Parking Enterprise Fund:

- Total structural deficit at June 30, 2012 approximately \$3.8 million a year million
- Total structural deficit at June 30, 2021 would be \$38.5 million with a cash deficit of \$27.5 million



for David Gustavson
Approved By

Attachment 1



City of Beverly Hills

Parking Initiative Impact Analysis

November 16, 2010

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1 Introduction

The Parking Enterprise Fund was established to finance the construction, operations, maintenance, repairs, and improvements of the City's off-street parking facilities. There are currently 13 multi-level parking garages, five (5) two-level parking decks (SM5), and one (1) facility under construction, for a total of 19 facilities citywide. Funding sources for parking operations include the lease of tenant spaces within the City owned parking facilities, interest earned from fund balances, and parking fees charged to customers both off-street at parking facilities and on-street at parking meters and currently general fund subsidies that are backfilled from parking citation fines.

The is expected to be a self-sustaining fund which will continue to provide for ongoing operations, maintenance, repair and replacement of the City's current facilities and parking infrastructure, to improve parking efficiency and operations, and to plan for the future development of additional parking resources for underserved areas of the City.

At present, unrelated to the impacts of the associated initiative, the Parking Enterprise is experiencing a structural deficit of approximately \$2.6 million a year. It must be noted here that the Parking Enterprise dose generate operating income each year, which is a measurement of operating revenues less operating expenses. However, the Parking Enterprise does not generate enough operating revenue, that when added to other financial resources, is adequate to cover its non-operating expenses. Non-operating expenses include such items as capital maintenance and principal and interest payments on internal loans and debt service related to various bond issues. This deficit has been masked over the past several years by several different factors such as:

1. Retained earnings that the Parking Enterprise had accumulated from prior periods
2. Proceeds from debt issues for major construction projects (\$59.3 million)
3. Proceeds from internal loans for major construction projects (\$40.5 million)
4. Contributions in aid of construction from external sources (\$6 million)
5. Transfers of cash from other City funds (\$10.6 million)
6. Cash expenditures for major capital projects (\$116.8 million.)
7. Principal and interest on interfund loans (\$14.1 million)
8. Principal and interest on debt issues (\$26.8 million)

9. Deferral of current and necessary capital maintenance (approximately \$3 million)
10. Deferral of ongoing capital maintenance such rehab or replacement of ventilation system, elevator, concrete, water sealing and repainting of facilities (approximately \$3 million and accruing at \$750,000 annually)

While these various financing and construction activities have masked the deficit in the fund for the past several years, by the end of fiscal year ended June 30, 2013 all available fund resources will have been exhausted and the fund will experience a true cash deficit of about \$1.4 million and a structural deficit of \$6 million (\$4.6 of reserved funds should be available at this time for the items described in no. 10 above). Without substantial actions to increase revenues, provide cash infusions from other sources or substantially reduce expenditures the fund will have a structural deficit of \$25.6 million (an actual cash deficit of \$14.8 million) by fiscal year ended June 30, 2021.

The specific objective of this document is to present an analysis of the immediate and potential future impacts related to the initiative measure entitled “*An initiative measure requiring the city to provide free parking for two hours at particular city-owned parking facilities and limiting the amount of monthly parking at those facilities.*” (Initiative)

The analysis will present direct financial impacts along with consequential impacts with may include additional financial impacts along with operational, circulation, occupancy and other potential current and future behavioral considerations for the entire parking system and for each individual parking facility.

The following represents the primary focus of the Initiative:

- Directs the City to provide the first 2-hours of parking without charge at parking facilities in operation before June 30, 2008
 - 11 city parking facilities affected (listed herein)
 - Interpreted to require 2-hour free parking during all hours of operation
 - This effectively eliminates the City’s current after 6PM flat-rate
- Limits the amount of monthly parking permitted at affected facilities to the number of monthly parking permits sold on April 30, 2010

This Initiative does not apply to:

- Parking facilities that were **not** in operation prior to June 30, 2010

- 240 North Beverly/241 North Canon Drive (located at the Public Gardens/Montage)
- 9333 Third St (located west of Third St and Foothill Rd)
- 455 North Crescent Drive (located adjacent to the Annenberg Center)
- Parking facilities constructed in the future
- Special parking rates, such as:
 - Rates after the 2-hours free period
 - Three-Hour Metered parking
 - Daily parking passes
 - Special event parking
 - Commercial valet storage
 - Early bird parking
 - Other special parking rates offered by the City

Information for individual facilities will be provided as follows:

General Data: Total number of tickets processed and average duration based on those tickets from the data set as described herein, and;

Current Rate Data: If a parking facility already has both 2-hour free parking AND no flat rate, only current data is provided, as there will be no direct impact to the revenues at these facilities, or;

Rate Data Comparison: When a parking facility is impacted by either the implementation of 2-hour free parking, the elimination of the flat rate or both, a comparison of the current and projected data are provided, and;

General Analysis: This contains the aggregated revenue information along with monthly parking consequential impacts, such as operations, circulation, occupancy, impact on neighboring facilities and potential customer behavior changes

2 Financial Overview

The financial overview presented here represents the calculation and reporting of the direct and immediate impacts related to the implementation of the Initiative. These include losses related to the additional free parking periods and the elimination of the after 6PM flat parking rate. The information described and presented in this section does not include loss of potential future revenues, as related to the monthly parking limitations, or consequential impacts, such as potential operational and behavioral consequences which may contribute to additional revenue losses, but some of which may not be easily quantifiable.

2.1 The Financial Dataset

The financial data analyzed related to the direct fiscal impacts presented in this report is the complete set of short-term parking data from the 11 City of Beverly Hills parking facilities affected by the Initiative. The data represents the full months of **May, July and August 2010**¹. Data from these three months was used to create a realistic monthly average in order to establish the direct financial impact of the Initiative on an annualized basis. Historically, these months represent conservative figures, as May and July both contain holidays, and August is traditionally a conservative month due to seasonal vacations and travel that reduce the amount of employee and local usage.

Data was analyzed for the affected 11 parking facilities:

345 N Beverly	440 N Camden	461 N Bedford
216 S Beverly	450 N Rexford	221 N Crescent
438 N Beverly/Canon	321 La Cienega	333 N Crescent/9361 Dayton ²
9510 Brighton		

¹ June 2010 was not used, as this data set was unrecoverable at the time of analysis and publication

² Although these facilities share common infrastructure (building, elevators, electrical, ventilation, etc.) the unique addresses operate as separately, with separate entry/exits and unique parking rates. The statistics are usually reported for both facilities as an aggregated number; however, where historical or projected data for one facility is available, these numbers are presented independently.

2.2 Analysis and Methodology

The financial analysis related to direct financial impacts was performed by using short-term parking transaction data from the 11 affected parking facilities. The transaction information was compiled and included the following:

- The facility used
- Time of entry
- Time of exit
- Duration of the stay

The data was used to calculate four separate rate structure scenarios as necessary for each facility to establish baseline revenues, projected revenues, and transaction statistics. The baseline and projections generated were then calibrated against actual historical revenue collections, which take into account transit grace periods³ and validations, which were not inherent to the analysis of the raw transaction information, as that analysis was based solely on the parking rate structure of each facility and was applied to the facility rate, entry, exit, and duration data.

2.2.1 Baseline and Projected Revenue Calculations

The first step in the preparation of the direct financial analysis was to establish a baseline. The baseline condition for this analysis utilizes the assumption that the existing parking rates and structure remains unchanged; future revenue scenarios are projected based on this assumption.

The following Baseline and Projected Revenue calculations were conditionally performed to provide future revenues and anticipated impacts:

- Current Rate (Baseline)
 - Short-term parking transaction revenue and statistics were calculated using the parking rates that were in effect during the months of operation reported (May, July, August).

³ Established to mitigate the potential that users are incurring fees while delayed in facility exit congestion.

- With 2-Hour Free Parking
 - Short-term parking transaction revenue and statistics were calculated by providing 2-hours of free parking for vehicles entering prior to the City's 6PM flat rate period. This calculation did not impact the transactions associated with the flat rate. Example: A parker entering prior to the flat rate period was provided 2-hours of free parking and then charged the rate in effect based on the duration of the actual stay. A parker entering during the flat rate period was charged the flat rate, without regard to the actual duration of the stay.
- With Elimination of the After 6PM Flat Rate Fee
 - Short-term parking transaction revenue and statistics were calculated by eliminating the flat rate parking period and assessing all short-term transactions based on the actual duration of the stay and the parking rate in effect during the reported month of operation. Example: A parker entering the facility, without regard to the time of entry, was provided 1 or 2-hours of free parking based on the current parking rate and was then charged the rate in effect based on the duration of the actual stay.
- With both the elimination of the Flat Rate Fee and providing 2-Hour Free Parking⁴
 - Short-term parking transaction revenue and statistics were calculated by both applying a 2-hour free period, eliminating the flat rate parking period and then applying the parking rate in effect during the month of operation based on the actual duration of the stay. Example: A parker entering the facility, without regard to the time of entry, was provided 2-hours of free parking and was then charged the rate in effect based on the duration of the actual stay.

In addition to the analysis related to impacts on revenues related to the rate change, short-term parking transaction statistics were evaluated using the same methodology and scenarios to determine the number of the following ticket types:

- Free Period, No-Charge Tickets
- Early Bird
- Flat Rate
- Daily Maximum Rate

⁴ Information provided in this report only reflects the impact of both conditions, as this would be the result of the proposed rate implementation

In certain cases one or both of the proposed rate changes (2-hour free and/or no flat rate) were already in effect at a particular parking facility. In such cases, it was not necessary to perform a separate calculation for scenarios matching the parking rate already in place; the current rate calculations would account for one or both of the altered parameters. For example, at parking facilities that already provided 2-hour free parking the 2-hour free parking calculation, separate from the elimination of the flat-rate periods, was not performed as the current rate calculation would already reflect this parameter.

Combining the analysis of short-term parking revenues and transaction statistics generated by the four rate scenarios shows the relational impacts and represents the most accurate reflection of the direct financial impacts to the City's parking system.

2.2.2 Calibrated Revenue Calculations

The baseline data generated from the outlined rate scenarios show the revenue and statistical information without regard for several of the rate exceptions experienced in the field, such as transit grace periods, validations or other special circumstances related to application of the parking rates.. Since the baseline is generated without consideration for such things, the calculated current and projected baseline revenues and statistics would have the appearance of overstating the actual numeric values of the impacts. Therefore, the model must be calibrated to reflect actual revenue generation in order to more accurately represent projected revenues, statistics and impacts.

In order to ensure the baseline calculations are relatable to actual revenues, the Calculated Current Revenue was reduced by the total value of the known rate exceptions (grace period and validations.) While validations are directly quantifiable through reporting, grace periods vary by facility, and can even vary over the course of the day based on the occupancy and congestion. In order to establish an appropriate value for grace periods, the value of the Bedford⁵ grace period was used. When compared against these figures, the difference between the Calculated Current Revenues and the Actual Current Revenues is at or below 3% for each of the periods measured. This validates an accurate prediction based on the calculated percentage difference between the Calculated Current Revenues related to the actual revenues reported.

⁵ The Bedford grace period is the longest period in the system at 26 min as compared to the standard grace period which can range from 6 to 16 minutes depending on the facility. Since the average length of stay of the Bedford parking facility is approximately 78 minutes, this grace period impacts the potentially largest number of users that would have otherwise paid.

Calibration for revenues was performed using two different calculation processes to ensure accuracy:

- Method 1
 - The percentage difference between calculated revenues was obtained by dividing the Calculated Current Revenues by the Calculated Projected Revenues. The actual revenues in the parking facility were then reduced by this same percentage to create the Calibrated Projected Revenues.
- Method 2
 - The percentage difference between the Calculated Current Revenue and the Actual Current revenue was calculated. Using this percentage difference, the Calculated Projected Revenue was reduced by this same difference to create the Calibrated Projected Revenues

In both cases, aggregate and for each facility, the Calibrated Projected Revenues calculated from Method 1 were equal to those calculated using Method 2.

2.3 Data Set Reporting

While several scenarios were calculated, only the scenarios related to the elimination of 2-hour free parking and the flat rate were calibrated and presented for the affected facilities. The statistical information presented represents a hybrid of actual and historical information, along with information generated using the Financial Dataset information and calibration method.

The following statistical information represents actual, historical information compared to calibrated projected information:

- Number of Short-term Parking Transactions
- Current Revenue
 - Current Average Revenue per Transaction – Formula Driven
- Free Ticket Count

The following statistical information represents the information generated using the Financial Dataset model:

- Early Bird Count
- Flat Rate Count
- Daily Maximum Count
- Average Duration

3 Consequential Considerations and Impacts

Aside from direct financial impacts based on historical transactions, consideration needs to be given to the consequential and indirect impacts of rate changes. This represents potential and future circumstances that may create management obstacles and/or prevent or reduce the ability to realize future revenues. These impacts usually result from the behavioral choices and potential changes in how users interact with the parking system.

The City of Beverly Hills operates a highly complex mix of on-street and off-street parking resources that serve several different stakeholder groups. These groups include residents, visitors, City tenants, and neighboring business. Neighboring businesses can include retail, restaurant, entertainment, and office space, including general, professional and medical uses. In addition to the visitors to all of these functions, there are also the employees of each of these groups that may be a user of the City's parking functions.

This section is dedicated to the system wide potential impacts, and includes the operational, circulation, occupancy, reparking, monthly limitations and other potential impacts related impacts. Consideration of these impacts related to the individual affected facilities will be provided in the General Analysis sections in Section 4 of this report.

3.1 Analysis

The information and analysis related to the consequential impacts is based on general parking principles and historical information within the City's parking system.

Financial impacts related to the limitation of monthly parking are based on the comparing the affected facilities using the limitation date stated in the Initiative, April 2010, and the historical peak of monthly parking sales, which the City has established as May 2007. The financial impacts related to monthly parking do not represent an immediate or direct financial loss, as the City is currently below the established baseline. These losses are instead recognized as a loss of potential future revenues, since it is conceivable that over time, the demand for monthly parking will return to the affected facilities.

Analyses of operational and other impacts have the potential to create financial losses which may be more difficult to quantify. The losses related to such impacts are estimates based on historical observation and performance⁶ when available, but in all cases represent a good faith educated estimate. Since these are not direct financial impacts, or may not be quantifiable in a formula driven manner, these impacts will be presented in tandem to direct financial losses to prevent confusion between such losses.

In some cases, the analyses of operational impacts may not result in an anticipated financial loss but does result in an impediment or inability to meet an operational goal or objective. These impacts are expressed through description, and are meant to provide an understanding of the complexities of the various influences on the users in relation to the service objectives of the parking system.

3.2 Operations

Operational considerations deal with the anticipated impact on the efficiency of the parking system and its ability to respond and influence shifts in user behavior. The identified goal of the City of Beverly Hills Parking Operations program is to supply, allocate, and manage safe parking to meet the parking needs of the business and residential communities. Parking rates, policies and procedures are important tools in allocating and managing resources and in generating the funds necessary for the operations, maintenance, repair, replacement, improvement, and development of parking resources to meet the current and future demands of the parking system.

The City's parking system is often compared to single private parking developments and the system wide considerations and impacts of the City's system are not properly reflected, leading to an oversimplified comparison. Irrespective of the financial model relating to how parking is funded in these private operations, there may be considerable operational differences. Take for example local shopping centers. These centers usually have one large, centrally managed facility utilizing multiple levels and several entry/exit points, usually attached or directly adjacent to the Center where the retail/restaurant/entertainment services are located. The parking facility for this location serves the visitors, vendors, deliveries, employees, and any other potential user

⁶ Many assumptions are derived from revenue, occupancy and capacity changes as a result of the 2006/2007 conversion from 2-Hour to 1-Hour and back to 2-Hour free parking

related to the functions and operation of the Center. In the City's operations, several smaller facilities are spread throughout the City, including the business triangle, SoBev, Civic Center campus and La Cienega. Since the City does not have a one-size-fits-all approach to its parking offering, consideration needs to be given to these facilities, independently and in groups, as they exhibit unique operating characteristics. Such characteristics are most likely influenced by their surrounding locations and the various user needs and profiles.

As the usage profiles develop, the various competing interests between users creates a competition for potentially limited resources; if not actually limited in relationship to the resources available throughout the entire system, a perception of scarcity develops based on lack of access to the resources in high demand. To address these challenges, the City has traditionally operated with the objective of providing parking for prioritized users based on location. The intended use of the facilities along the Beverly/Rodeo corridor is for the use of customers and shoppers. The facilities along Crescent Drive, based on their location, size, and capacity are specifically intended to accommodate long-term, employee parking needs. The facilities located on Camden and Bedford serve a mix of retail/restaurant customers, general office, professional, and medical visitors, and long-term/employees uses based on available a capacity.

Based on the City's current rate structure, approximately 70% of the users in the affected facilities are provided with free parking. Based on the Initiative, this number would increase to a little over 80%, leaving less than 20% of the total users within the system paying rates. This illustrates the following important impacts of the Initiative:

- Reduction of the number of users that would be receptive to the most effective behavior influences available to the City, creating additional barriers to managing the use of the City's resources and promote the identified objectives related to customer prioritization
- Reduces the amount of revenues collected
- Reduces the number of users paying rates, creating additional burden on the remaining rate payers to maintain the same proportion of revenues necessary to maintain the parking system
 - As the dollar burden increases on a reduced number of users , there is a greater chance that the remaining users will change their behavior related to the comparative value of the increased burden

Operational impacts affect the entire parking system, and not just the parking facilities affected by the Initiative. Specific impacts related to non-affected parking facilities are provided in more detail in the General Analysis headings in Section 4, which provides more detail regarding the current and potential future relationships between parking facilities.

3.2.1 Circulation

Circulation is the movement of a vehicle through a system (whether within a parking facility or on neighboring streets). Increased or excess circulation occurs when drivers are unable to find an available parking facility or space within a facility. It may also occur when the user is incentivized to move a vehicle successively in and out of a parking facility (reparking) to obtain a free or reduced rate. Reducing circulation as much as possible creates the perception of convenient and available parking, reduces trip times, reduces congestion, and reduces driver frustrations.

Parking rates and policies also play a role in providing incentives and disincentives, whether intentional or unintentional, related to circulation and congestion. Current objectives of the City, seemingly unrelated to parking, include the reduction of traffic congestion and the adoption of “green” policies and practices. Parking rates and policies that incorporate these goals can encourage behaviors which compliment these programs. This includes promoting the use of low emission, fuel efficient vehicles , electric vehicles, and carpooling by offering reduced parking rates and/or reserving premium parking spaces for participants; programs which are recognized and awarded LEED credits through the US Green Building Council. This could also focus on the reduction of the total number of vehicles in use by promoting bicycle and transit usage; a consideration that becomes more relevant with the development and improvement of transit options. More practically and appropriate for this community, would be the promotion of more efficient circulation by reducing the amount of time a vehicle is circulating to find a parking facility or a space. Even if space is available in an adjacent facility, a user may choose to circulate the block multiple times in search of free or significantly reduced rate parking, which may be compounded when such facilities are often filled to capacity on a regular basis. After a parking space is found and occupied, policies could support a “park-once” philosophy, encouraging a user completing multiple tasks at near-by locations to park their vehicle once and transition from vehicle to pedestrian transport. The users would walk from one place to another instead of returning to their vehicle after each task and moving their vehicle multiple times during their stay. The “park-once” philosophy has also been recognized for urban planning and economic

development objectives, creating pedestrian trips to generate vibrancy on individual streets and introducing those walking from point-to-point to new offerings and experiences along the way. Although the Initiative does not specifically prevent the City from encouraging these behaviors, it does potentially create conflicts for users that may receive a financial incentive or benefit by successively moving their vehicle from facility to facility versus leaving it parked at a single location for the duration of their experience.

3.2.2 Capacity and Occupancy

Capacity and occupancy reflect the amount of space that is available and the amount of space that is being used at a specific facility or throughout the entire system. A perception of a lack of parking often exists based on the overutilization of a single or group of parking facilities, which may fill to capacity on a regular basis, while capacity and availability may exist in adjacent parking facilities. High parking utilization is usually interpreted as a positive outcome; however, when looking at an intended or prioritized use it may not be as beneficial as it appears. The occupants may not reflect the intended or prioritized users, who may not be finding available spaces because other users may be occupying these spaces. This issue generally arises from competition between long-term users (usually employees) and short-term users (usually customers/visitors).

When choosing a parking location, short-term users (visitors) are usually most influenced by convenience, which is generally related to the proximity of the available parking to their destination. Long-term parkers are generally more influenced by price or value, and are willing to forgo some convenience for lower rates. This fundamental difference in choice may be based on the type of transaction; for long-term users this is a recurring transaction, while for visitors this may be less frequent or one-time transaction. Additionally, employees are usually more familiar with surrounding streets and are aware of various options. Line of sight is important to visitors as they may be unfamiliar with neighborhoods surrounding their destination. Given these varied characteristics, parking industry best practice suggests providing the most proximate parking spaces to short-term users and providing more remote parking spaces to long-term users.

When attempting to craft rates and policies, these best practices focus on the primary influences of parking behavior, which revolve around rate and convenience; convenience usually being a measure of time and distance. Long-term and employees willing to give up greater levels of convenience in order to obtain less expensive parking are more likely to accept tandem parking,

parking at perimeter lots requiring longer walks, and in some cases chancing violations and fines to avoid fees completely. Conversely, short-term customer/visitor users are usually more pressed for time and less price-sensitive when greater convenience is offered. This manifests itself in the competition for on-street metered parking spaces, even when ample off-street parking is available, and is often the appeal of valet parking; payment of a premium for the convenience of parking right at the door of the destination.

In general, parking facilities located in the Beverly/Rodeo corridor and the facility located on Bedford Drive fill to capacity on a regular basis. Some of these facilities fill to capacity on a daily basis, while others fill on specific days of the week, and both may fill multiple times per day during peak operating hours. Customer experiences at these facilities often lead to the perception of a parking shortage, while parking facilities located on Crescent, Dayton, Camden, and even the Public Gardens parking facility at the Montage have availability and capacity.

The City's inability to affect the rate portion of this model, significantly impacts the capacity to use these sensitivities to influence the various user groups' usage of one facility over another. This issue can be further exacerbated when the public supply is underpriced compared to nearby private facilities. In addition to competition generated by long-term and short-term users, the rate disparity may encourage short-term users accounted for in the development process as part of the private facility to shift their usage and park in the spaces offered for the public benefit. While the City might experience higher occupancy statistics and even benefit from additional parking revenues, this is not meeting the objective of servicing the prioritized user and may in turn create a behavioral shift of the visitor based on perceived availability; visitors seeking availability and convenience may opt to go where parking is perceived to be more convenient and available (outside of Beverly Hills).

3.2.3 Reparking

Reparking is when a user successively enters and exits a parking facility in order received consecutive free parking periods and avoid paying parking fees. This most commonly occurs throughout the industry in parking facilities that offer at least 90 minutes of free parking, but becomes easier to execute as the free parking period increases. Although facilities will less than 90 minutes of free parking have reported reparking occurrences, it is usually a reflection of isolated instances, as it becomes significantly more difficult to successively move a vehicle as

the free parking period decreases, especially if the movement is occurring multiple times per day and multiple times per week.

Since employees are the most likely candidates for repetitive reparking behavior it is important to recognize the employers roll in reparking. Employers may be contributing to the proliferation of reparking, either through active participation or through complacency, and quite possibly even unintentionally. While actively providing or managing employee parking practices may reduce the tendency for reparking. Employees engaging in this activity require an opportunity to move their vehicle in order for reparking to be an option; in some cases, employees may be using break periods in order to move their vehicles. In a 2-hour free parking environment, an employee could park up to seven or eight hours without incurring fees, moving their vehicle three times over the course of a day; reporting to work at 9am and moving their vehicle during a 15min break, again during their lunch period, and finally during their afternoon break. It is anticipated that such actions are less likely to be perpetrated by employees working a regular eight-hour day, five days per week, based on the repetitive nature and required time commitment, although it is possible. More likely, these actions are the result of employees that are working less than eight-hours a day, five-days per week or both.

Although difficult to measure and quantify, this action creates a definite and immediate financial loss from both the circumvention of the established parking rate and from the displacement of potential paying customers. However, as discussed previously, the displacement of short-term customers creates more than a financial loss; this can result in increased queuing times at facility exits, increased circulation and congestion, and lack of availability for the prioritized customer, all of which can contribute to exacerbations of negative perceptions of the parking system.

During the course of the City's free parking offerings, reparking has been observed and reported by parking attendants and identified during enforcement programs. Although the City has monthly, early bird and other parking incentives to address long-term needs, these all have an associated parking fee. Long-term parkers are incentivized to repark by the combination of convenient parking, usually adjacent to their place of employment, and the avoidance of incurring a parking fee.

In June of 2010, an informal study was conducted by staff to identify reparking at the 438 North Beverly Drive facility (currently 2-Hours Free). The study utilized license plate recognition

("LPR") technology to capture parkers as they entered the facility from June 15 through June 19. Although this was not an integrated entry/exit study, clear patterns of use and abuse developed, which substantiate the occurrence of reparking.

Preliminary⁷ statistics indicate the following:

- 47 vehicles identified
- 15 vehicles parked on multiple days of the week
 - 10 parked 2 times per week
 - 4 parked 3 times per week
 - 1 parked 4 times per week
- Reparking occurrences
 - 38 occurred 2 times per day
 - 19 occurred 3 times per day
 - 4 occurred 4 times per day

Several complex programs have been attempted to reduce the impacts of reparking; however, most were abandoned due to physical or operational challenges. On a go-forward basis reparking can be identified and enforced using LPR technology similar to what was used in this study. Software development would be required to deploy a system in the manner required to prevent and penalize reparking. LPR technology in the integrated off-street parking model was developed largely for use in airport parking facilities. The primary function of this technology in this application is to associate the parking ticket taken by the vehicle at the time of entry to ensure the same vehicle is using the same ticket at the time of exit. These systems ensure that vehicles are not substituting a short-term, daily parking ticket for long-term, multi-day ticket. Once a vehicle exits the system, as long as the ticket matches the vehicle from the time of entry, the system closes the ticket as valid. In the reparking environment, a vehicle would meet this criteria, and the system would need to be reconfigured to look at historical vehicle information to compare multiple entries. The City's system integrators are confident that this reconfiguration is possible; however, based on the anticipated limited marketability of this product world-wide, the City would bear the full burden of the development costs. The hardware is currently part of the negotiated contract for the City's Parking Access and Revenue Control System (PARCS).

⁷ A comprehensive analysis of this information has not yet been performed. Staff has identified only those cases in which successive reparking clearly occurred or was part of multiple successive reparking occurrences. Single occurrences in which a fee might have been levied, without regard to transit grace periods, were not counted as reparking occurrences with relationship to this model. Further evaluation and analysis could identify additional occurrences when considering transit grace periods and single occurrences.

Anticipated costs for equipment, installation and software development for use in all facilities is approaching \$1 million. Costs may be reduced by installing systems in strategic locations.

Specific reparking impacts at the affected parking facilities will be presented in Section 4.

3.2.4 Monthly Parking

Unlike most of the other operational considerations addressed in this section, the Initiative specifically and directly limits the City’s ability to offer and sell monthly parking permits at the affected parking facilities. Generally, the type and number of monthly permits available for these facilities is based on capacity and availability of parking spaces at the individual facilities. This allows for operators to oversell regular monthly parking, a standard practice by parking operators, which accounts for actual occupancy and recognizes that all parking users are not present in the parking facility on all days and times.

The total limit on monthly parking imposed by the Initiative is based on sales from April 2010, estimated at 1,223 monthly permits. Due to the current economic climate, this is a historically low period for monthly sales at most of the affected facilities. Staff has identified May of 2007 as the most current peak period of monthly permit sales, estimated at 1,608 monthly permits, 385 more permits than permitted by the April 2010 baseline.

Since parking permits are currently undersold at most parking facilities, this limitation does not represent an immediate and direct financial loss. It does, however, based on historical sales and current parking rates, represent a quantitative and measurable loss of potential future revenues and the associated growth. The following table represents the associated peaks sale of monthly permits compared to the limit established by the Initiative:

Monthly Peak vs Initiative Limit				
Rate	Revenue	Change	Total Users	Change
Peak	\$168,770	N/A	1,608	
Initiative	\$134,415	(\$34,555)	1,223	(385)

Monthly permits reduced by: (385)

Revenue reduced by: (\$34,555)

Annualized: (\$412,260)

In addition to the revenue impacts associated with this limitation, when the economy rebounds, it is anticipated that additional demand for long-term parking will be created. Although facilities in operation after June of 2008 do not have this limitation, the potential exists, that as demand for monthly parking increases, the City will be unable to react the long-term parking needs of the business community.

The potential also exists in which capacity is available at an affected facility, but the City has reached the limit and will be unable to sell parking at the desired facility. This essentially eliminates the customers role in defining the most convenient and desirable facility to meet their needs, even if the space is empty and available. This circumstance may also serve to encourage a user that is willing and able to pay for monthly parking to choose reparking if the City is unable to respond to the users need.

3.3 Conclusions of Consequential Impacts

As outlined, in addition to direct financial impacts, the Initiative creates several impacts the the City's ability to management its parking system. As a system, these facilities attempt to address the parking needs of residents, visitors, businesses, and employees. Based on location and surrounding uses, each facility operates differently to address unique circumstances and impacts, to ensure efficient use and availability, and to recognize prioritized users at specific locations.

The consequential impacts identified include the following:

- Limits the City's ability to influence desired behaviors which include:
 - Prioritized user locations (customers and visitors in retail corridors and long-term users in perimeter parking facilities)
 - Reduced circulation and congestion

- Promotion of “green” vehicles and vehicle usage
- “Park-Once” philosophy
- Limits the City’s ability to exercise management control of its assets, including:
 - Generating enough revenues to sustain long-term operations, creating greater impacts to the General Fund
 - Potentially creates an environment that promotes reparking
 - Limited ability to respond to long-term parking needs of the business community, even when space is available
 - An increased perception of a lack of available parking, even if available parking exists in adjacent parking facilities
 - Unintended impacts to facilities that were not directly referenced in the Initiative
 - Potentially promotes additional circulation and congestion, both internally (in facilities) and externally (on streets)
- Loss of potential future monthly parking revenue in the amount of (\$412,260) annually

4 Individual Parking Facilities

4.1 321 La Cienega

4.1.1 Current Parking Rates

First 2 Hours Free

\$1.00 Per ½ Hour Thereafter

No Charge Vehicles Entering After 4PM to Closing or All Day Sat. & Sun.

Daily Maximum - \$10.00

4.1.2 General Data

Month (2010)	Number of Parking Tickets Issued	Average Duration
May	11,270	131 = 2hr 11min
July	11,384	124 = 2hr 4min
August	12,980	125 = 2hr 5min

4.1.3 Current Rate Data

MAY

Revenue	Avg Revenue Per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
\$3,331	\$0.30	n/a	n/a	107	9,947

JUL

\$2,563	\$0.23	n/a	n/a	139	10,628
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AUG

\$3,064	\$0.24	n/a	n/a	170	11,765
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4.1.4 General Analysis

The primary purpose of this parking facility is to accommodate users of the City's La Cienega tennis center and adjacent La Cienega park and community center. Remaining capacity is available for residents and visitors of neighboring facilities and may be sold for use by monthly parking customers. The Initiative does not materially alter the rate as it is currently offered at this facility and based on its location there are no immediate circulation, occupancy or operational changes anticipated.

NOTE: The proposed rate changes have no direct financial impact on this parking facility.

Consequential Impacts

Monthly parking at this facility in April 2010 was 151 permits. Since monthly parking is currently undersold at this location and no waiting list has been established, there is no immediate impact related to the limitation on monthly parking. Since this parking facility has had monthly parking sales up to 185, and additional users on an established waiting list in the past, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$85 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (34), the estimated loss of potential future revenues is \$2,890 per month or \$34,680 annualized.

Pre-existing reparking is anticipated to occur at this facility. Reparking is anticipated to be minimal at this facility based on its location and surroundings. Since there is not a material change to the parking rate at this facility, it is not anticipated there will be increased reparking related to the Initiative.

Predictable impacts exist related to future revenues, operations, occupancy, and circulation. Predictable impacts exist related to future revenue opportunities and the use of rates and/or validations to mitigate unforeseen uses and reparking abuses. This facility is currently free for vehicles entering after 4PM, which was a rate established to accommodate users of the City's tennis center in the afternoon, after school and after working hours. After this rate was established, an educational program in a neighboring building began offering evening classes. This location began reporting higher levels of usage and additional users parking at the area of

the parking facility closest to the pedestrian exit which would serve this location. Although the use of this facility is currently welcomed, the free parking rate at this facility was not intended for this use. Based on the implementation of reasonable parking fees, this circumstance represents a lost revenue opportunity for the City, while continuing to offer free, validated parking to users of the City's tennis center. While this use is currently not creating an impact to available space for users of the City's tennis center, it is conceivable that additional circumstances could arise during peak parking hours or aggregate over time in which users of neighboring buildings and facilities, attempting to avoid market rate parking fees, could begin to impact the availability of parking.

4.2 345 N Beverly

4.2.1 Current Parking Rates

First 2 Hours Free

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Vehicles Entering After 6PM

Daily Maximum - \$22.00

4.2.2 General Data

Month	Number of Parking Tickets Issued	Average Duration
May	27,286	87 = 1hr 27 Min
July	28,601	87 = 1hr 27 Min
August	27,618	86 = 1hr 26min

4.2.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$39,960	\$1.46	n/a	2039	315	20,834
Projected	\$33,690	\$1.23	n/a	0	316	22,386

JUL

Current	\$44,377	\$1.55	n/a	2,640	285	21,499
Projected	\$36,166	\$1.26	n/a	0	288	23,496

AUG

Current	\$40,390	\$1.46	n/a	2,325	318	21,297
Projected	\$33,316	\$1.21	n/a	0	321	23,025

4.2.4 General Analysis

The primary purpose of this parking facility is to accommodate resident and visitor short-term parking needs for the surrounding retail, restaurant and business establishments. A small number of long-term contract parkers may have access to this facility based on tenant agreements and restaurants with on-street valet services that contract for vehicle storage during non-peak hours. Since 2- Hour free parking is already implemented at this facility the only direct financial impact is the elimination of the flat rate. Removing the \$5.00 flat rate for vehicles entering after 6PM reduces revenue and increases the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$7,185 per month, \$86,222 per year or 17%

Consequential Impacts

Monthly parking at this facility in April 2010 was 0 permits. Historically, monthly parking has not been sold at this location based on the high transient demand. Since the transient demand and distribution can change over time, along with the market value of monthly parking rates, it is not feasible to calculate the loss of the potential future revenues for this facility. This, however, does create future limitations on the City's ability to provide on-site parking to current and potential future tenants of the ground floor lease space, which could represent a competitive disadvantage for lease renewals, extensions, re-negotiations, and future new-tenant marketing. Such limitations could include potential future losses to both lease and parking revenues. Since there is no baseline for comparison, staff has not offered an estimate related to the loss of these potential future revenues.

Pre-existing reparking is anticipated to occur at this facility. Reparking is anticipated to be considerable at this facility based on its configuration, location, demand and surroundings. Manually observing, detecting and mitigating reparking at this facility is a challenging function based on the physical entry and exit configuration. Entry occurs from North Beverly Drive and immediately splits to either the upper or lower level ramps, which are separate from one another. Exiting the facility occurs at the Beverly/Rodeo alley to the west of Beverly Drive. Conceivably, a driver could enter the facility and use the upper level, exit and repark using the lower level, exit and repark using the upper level again, exit and repark using the lower level again, and due to physical configurations and staffing schedules, never encounter the same parking attendant during the four reparking movements. Although there is not a material change in the daytime 2-

hour free parking offering, it is anticipated that additional reparking will occur after 6PM with the elimination of the flat-rate fee and with a potential inability to sell monthly parking at surrounding locations.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. While this facility currently has enough evening capacity to accommodate those attempting to park after 6PM, it is conceivable that as evening demand increases, such as with the opening of the Annenberg Center, competition could arise for the available parking spaces. This facilities proximity to both the Annenberg Center and restaurants makes this a likely future scenario. The City's current response to such impacts would be to offer cheaper rates in neighboring parking facilities with lower demand, such as the Dayton or Crescent Drive parking facilities, intentionally creating price disparity to encourage users seeking free or reduced rate parking to use adjacent facilities with existing capacity. This increases revenues at neighboring facilities, creates parking availability for visitors attempting to use this parking facility, and provides free or reduced parking in areas of underutilization.

Unrelated to availability, the elimination of the evening flat-rate could also impact the "park-once" philosophy. Under the current system, if a user was planning an evening of dining and entertainment at the Annenberg Center, the current after 6PM flat-rate could encourage users to park-once at a location most convenient to either their dining or entertainment destination. Once parked, instead of incurring an additional flat-rate parking fee, the users may choose to walk to the other destination, creating pedestrian vibrancy and introducing attendees to the retail and other offerings throughout the City along their walking path. Alternatively, if no flat-rate exists, a user may be more inclined to use their vehicle in lieu of walking between venues, reducing the potential pedestrian vibrancy and introduction to the City's offerings, while creating additional parking movements and vehicle trips through the community.

Due to the proximity of this facility to the Public Gardens parking facility located at the Montage, which is not restricted by this Initiative, the rates at this facility may influence and/or alter the usage and revenues of the neighboring facility. The elimination of the after 6PM flat rate at this facility may change the occupancy and usage of those paying the after 6PM flat rate at the Public Gardens facility. Changes in usage due to this rate disparity will create lost revenues at the Public Gardens facility, potentially impacting the City's ability to meet the ongoing operational and debt service costs at the neighboring facility, which was constructed and modeled to be, at a minimum, cost neutral to the City's Parking Enterprise Fund.

4.3 455 N Rexford

4.3.1 Current Parking Rates

First 2 Hours Free

\$1.00 Per ½ Hour Thereafter

No Charge Vehicles Entering After 5PM and Exiting Before 6AM

Daily Maximum - \$16.00

4.3.2 General Data

Month	Number of Parking Tickets Issued	Average Duration
May	31,077	76 = 1hr 16min
July	28,338	69 = 1hr 9min
August	29,585	67 = 1hr 7min

4.3.3 Current Rate Data

MAY

Revenue	Avg Revenue Per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
\$7,201	\$0.23	n/a	n/a	78	26,586

JUL

\$6,165	\$0.22	n/a	n/a	33	24,439
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AUG

\$6,078	\$0.21	n/a	n/a	19	25,528
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4.3.4 General Analysis

The primary purpose of this parking facility is to accommodate visitors to City Hall, Police Department, Fire Department and the Library, and to address City employee parking at the City Hall campus. The remaining capacity at this facility supports visitors to Civic Center Drive and adjacent areas of the Entertainment Business District, with excess capacity potentially being used to accommodate monthly customer needs. The Initiative does not materially alter the rate as it is currently offered at this facility.

NOTE: The proposed rate changes have no financial impact on this parking facility.

Consequential Impacts

Monthly parking at this facility in April 2010 was 0 permits. Historically, monthly parking has not been sold at this location based on the City employee and transient demand related City services. Since monthly parking is not currently offered at this location and only one user is presently on the waiting list, there is no immediate impact related to the limitation on monthly parking. Since this parking facility has had monthly parking sales up to 7, and additional users on an established waiting list in the past, this does represent a loss of potential future revenues. Since the balance of City employee, transient and monthly parking may change over time, especially with the opening of the 9333 Third Street parking facility, along with the market value of monthly parking rates; the loss of potential future revenues varies greatly. Since there is no current parking rates established for this facility, it is not appropriate to estimate the loss of the potential future revenues for this facility.

Pre-existing reparking is anticipated to occur at this facility. Reparking is anticipated to be considerable at this facility based on its location, demand and surroundings. Manually observing, detecting and mitigating reparking at this facility is a challenging function based on the physical entry and exit configuration. Entry and exit occur from both Rexford Drive and Civic Center Drive. Conceivably, a driver could enter and exit the facility, and due to physical configurations and staffing schedules never encounter the same parking attendant during these movements. Historically, attendants witnessed reparkers exiting the facility and making u-turns directly in front of the parking booth or using the circle on Rexford to turn around and repark. Since the installation of the upgraded parking equipment, free and credit card paid tickets may exit the parking facility on Civic Center without the assistance of a parking attendant, reducing the manual ability to track these movements.

Based on the proximity to the Superior Court building, which charges a flat rate parking fee of \$5 at the time of entry, with no in/out privileges, it is anticipated a large number of court users are parking at the City's facility. Due to the large rate disparity, it would take 4.5 hours to accrue the same \$5 parking rate in the City's facility, without regard to reparking. Since the Court does not offer in/out privileges, this disparity is even greater when considering the potential for off-site lunch travel. A customer returning to the Court would incur an additional \$5 flat rate fee; whereas when parked in the City lot, the users would receive an additional 2-hour of free parking, and could conceivably complete their business without incurring any charge in the City's facility. These represent reparkers in addition to potential reparkers related to use of the City's Library, which based on attendant observation, appears to have a large number of regular users on a daily/weekly basis.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. This facility historically filled to capacity; however, the recent opening of the 9333 Third Street parking facility has transitioned some usage. Most usage is anticipated to be related to staff of the Public Works & Transportation Department, as this facility does not have a free parking period. Based on the implementation of reasonable parking fees, there is a lost revenue opportunity for the City based on usage of the neighboring Court facility, while continuing to providing free, validated parking to users of City services. Additionally, the circumstance could arise in which the need for capacity outweighs the revenue considerations. While validations could still be offered to City users, Court users could be discouraged from using the City facility by implementing a market based rate for non-validated users; ensuring the City's asset is available for those seeking City services.

Due to the proximity of this facility to neighboring parking facilities that are not restricted by this Initiative, (455 North Crescent Drive, adjacent to the Annenberg Center and 9333 Third Street, at Third Street west of Foothill Road) the rates and availability of parking at this facility can influence and/or alter the usage of neighboring facilities. Intended users of the neighboring facilities may choose to park in this facility, limiting space for City visitors and impacting the City's ability to meet the ongoing operational and debt service costs related to these facilities. This Initiative significantly limits the options for changing or influencing usage behavior to restore balance.

4.4 9510 Brighton

4.4.1 Current Parking Rates

First 2 Hours Free

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Vehicles Entering After 6PM

Daily Maximum - \$22.00

4.4.2 General Data

Month	Number of Parking Tickets Issued	Average Duration(Minutes)
May	23,068	89 = 1hr 29min
July	22,839	89 = 1hr 29min
August	22,624	89 = 1hr 29min

4.4.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$29,364	\$1.27	n/a	463	165	18,474
Projected	\$27,605	\$1.20	n/a	0	165	18,887

JUL

Current	\$29,777	\$1.30	n/a	612	201	18,402
Projected	\$27,504	\$1.20	n/a	0	201	18,931

AUG

Current	\$29,747	\$1.31	n/a	411	253	18,547
Projected	\$28,079	\$1.24	n/a	0	253	18,927

4.4.4 General Analysis

The primary purpose of this parking facility is to accommodate resident and visitor short-term parking needs for the surrounding retail, restaurant and business establishments. A small number of long-term contract parkers may have access to this facility, and restaurants with on-street valet service contract for vehicle storage during non-peak hours. Since 2-Hour free parking is already implemented at this facility the only direct financial impact is the elimination of the flat rate. Removing the \$5.00 flat rate for vehicles entering after 6PM reduces revenue and increases the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$1,900 per month, \$22,802 per year or 6%

Consequential Impacts

Monthly parking at this facility in April 2010 was 30 permits. Historically, monthly parking has been limited at this location based on the high transient demand. There is currently an established waiting list of 22 people; however, since there was no intent to currently sell these privileges, there is no immediate impact related to the limitation on monthly parking. The City has offered monthly parking to users on this waiting list in available City structures. Those remaining on the waiting list have indicated that even if they accepted alternative parking locations, they wish to remain on the waiting list for this location. This indicates that people are remaining on this list to either obtain more convenient parking or wish to obtain a cheaper rate in the same vicinity (based on those not willing to take alternative locations). Since this parking facility has had monthly parking sales up to 31, and an established waiting list, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$135 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (1), the estimated loss of potential future revenues is \$135 per month or \$1,620 annualized. Based on the current rate and the remaining users on the waiting list (21) the estimated loss of potential future revenues is \$2,835 per month or \$34,020 annualized.

Pre-existing reparking is anticipated to occur at this facility. Reparking is anticipated to be moderate at this facility based on its configuration, location, demand and surroundings. Although there is not a material change in the daytime 2-hour free parking offering, it is

anticipated that additional reparking will occur after 6PM with the elimination of the flat-rate fee and with a potential inability to sell monthly parking at surrounding locations.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. While this facility currently has enough evening capacity to accommodate those attempting to park after 6PM, it is conceivable that as evening demand increases, potentially from future growth or new uses, competition could arise for the available parking spaces. The City's current response to such impacts could be to offer cheaper rates, intentionally creating price disparity, in neighboring parking facilities with lower evening demand, such as the Camden and Bedford Drive parking facilities. This increases revenues at neighboring facilities, creates parking availability for visitors attempting to use this parking facility, and provides free or reduced parking in areas of underutilization.

Unrelated to availability, the elimination of the evening flat-rate could also have future impacts on the "park-once" philosophy based on growth and new developments.

4.5 221 N Crescent

4.5.1 Current Parking Rates

First 1 Hour Free and Second Hour \$1.00 Per ½ Hour

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Entering After 6PM and Early Bird - \$5.00 All Day Entering Before 10AM

Daily Maximum - \$10.00

4.5.2 General Data

Month	Number of Parking Tickets Issued	Average Duration(Minutes)
May	9,939	255 = 4hr 15min
July	9,738	269 = 4hr 29min
August	9,612	263 = 4hr 23min

4.5.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$29,294	\$2.94	3,516	706	891	4,270
Projected	\$26,064	\$2.62	3,516	0	866	5,361

JUL

Current	\$26,996	\$2.77	3,761	759	673	4,183
Projected	\$24,020	\$2.47	3,761	0	669	5,349

AUG

Current	\$26,861	\$2.79	3,546	735	701	4,271
Projected	\$23,864	\$2.48	3,546	0	695	5,441

4.5.4 General Analysis

The primary purpose of this parking facility is to accommodate long-term parking needs related to employees working in the City's Downtown area. Long-term users are served through reduced rate monthly parking, early bird rates, and lower daily maximum rates. This facility serves some resident and visitor short-term parking needs for the City's tenant and local retail, restaurant and business establishments, along with the occasional on-street valet service contract for vehicle storage during non-peak hours. This facility is impacted by both an additional hour of free parking, from 1-Hour to 2-Hour free, and the elimination of the after 6PM flat rate, both of which reduce revenue and increase the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$3,053 per month, \$36,631 per year or 11%

Consequential Impacts

Monthly parking at this facility in April 2010 was 376 permits. Since monthly parking is currently undersold at this location and no waiting list has been established, there is no immediate impact related to the limitation on monthly parking. Since this parking facility has had monthly parking sales up to 614, and additional users on an established waiting list in the past, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$90 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (238), the estimated loss of potential future revenues is \$21,420 per month or \$257,040 annualized.

Pre-existing reparking is not anticipated to occur at this facility. Based on the general information presented on reparking in 1-Hour free facilities, while possible, it is not anticipated there is a significant amount of reparking currently occurring at this parking facility.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. While capacity at this facility currently exists, historically, this facility was filled to capacity on a regular basis with mostly monthly parkers and a small mix of transient users. The most significant impact related to the rate conversion at this facility will be the potential introduction of reparking, both during peak daytime hours and after 6PM with the conversion to 2-Hour free and the elimination of the flat rate fee. In addition to those with the

intent to exploit the 2-Hour free parking conversion, based on historical occupancy and monthly parking sales, it is conceivable that a combination of increased monthly parking demand, excess capacity in this facility and the City's inability to sell monthly parking based on the established limits could actually promote those willing to pay reasonable monthly parking fees to repark to avoid market rate monthly parking or higher hourly/daily parking rates. These examples represent not only potential lost revenues, they create major obstacles when planning to meet future parking demands for long-term users, which are traditionally employees of local businesses.

Due to the proximity of this facility to the 450 North Rexford Drive facility, the reduction of parking rates in this area may also promote those that are currently parking at Rexford to change their behavior, further reducing usage and potential revenues at that facility. Although this is a more likely scenario related to the 333 North Crescent Drive facility, the hours of operation of this facility, and the proximity to specific locations on Canon Drive may influence which Crescent Drive facility users will seek. Even though the assumption is that usage would transfer from one City facility to another, constraint on parking rates and monthly offerings suggest that users will seek more convenient parking when the price is the same or lower, potentially reducing the City's ability to use rates to promote the use of Rexford and potentially 9333 Third Street parking facilities without reductions and revenue losses to achieve such outcomes.

Consideration must also be given to the proximity of this facility to the 455 North Crescent Drive facility (adjacent to the Annenberg Center). As users discover they can park at this facility, potentially free of charge or at a significant discount, a behavioral change could impact the revenues calculated for the 455 Crescent facility, even though it is not included in the Initiative. Such changes could impact the operations, maintenance and debt service models created for that facility. Again, although this is a more likely scenario related to the 333 Crescent, the hours of operation of this facility, and the potential rate disparity may influence use of this facility.

4.6 440 N Camden

4.6.1 Current Parking Rates

First 1 Hour Free and Second Hour \$1.00 Per ½ Hour

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Entering After 6PM and Early Bird - \$7.00 All Day Entering Before 10AM

Daily Maximum - \$22.00

4.6.2 General Data

Month	Number of Parking Tickets Issued	Average Duration(Minutes)
May	17,217	145 = 2hr 25min
July	17,891	142 = 2hr 22min
August	17,476	143 = 2hr 23min

4.6.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$44,660	\$2.59	2,791	436	184	7,362
Projected	\$32,780	\$1.90	2,658	0	146	13,271

JUL

Current	\$45,259	\$2.53	2,898	511	190	7,891
Projected	\$33,146	\$1.85	2,779	0	163	13,879

AUG

Current	\$43,716	\$2.50	2,900	425	183	7,804
Projected	\$32,382	\$1.85	2,760	0	140	13,643

4.6.4 General Analysis

The primary purpose of this parking facility is to accommodate a mix of resident and visitor short-term parking needs for medical, professional as well as local retail, restaurant and business establishments. A large number of long-term, contract parkers have access to this facility, and restaurants with on-street valet service contracts for vehicle storage during non-peak hours. This facility is impacted by both an additional hour of free parking, from 1-Hour to 2-Hour free, and the elimination of the after 6PM flat rate, both of which reduce revenue and increase the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$11,775 per month, \$141,306 per year or 26%

Consequential Impacts

Monthly parking at this facility in April 2010 was 148 permits. Historically, monthly parking contributed to a larger percentage of this facility's usage. Based on excess capacity at this facility, instead of selling additional monthly parking, which was thought to be contributing to excess afternoon exit congestion during peak-hour exiting times, an early bird parking rate was implemented with the purpose of addressing parking needs for users that may not otherwise purchase monthly parking. These are daily users, paying a slightly higher rate than a monthly parker, and a significantly lower rate than a daily parker, and anticipated to be using the facility only a few days per week. In other words, these users are anticipated to be those willing to pay a premium for convenience or users that may not benefit from the monthly parking offering. There is currently an established waiting list of 11 people; however, since all of these users could be accommodated based on anticipated limitation, there is no immediate impact related to the limitation on monthly parking. The City has offered monthly parking to users on this waiting list in available City structures. Those remaining on the waiting list have indicated that even if they accepted alternative parking locations, they wish to remain on the waiting list of this location. This indicates that people are remaining on this list to either obtain more convenient parking or wish to obtain a cheaper rate in the same vicinity (based on those not willing to take alternative locations). Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Since the baseline exceeds the historical sales, including the accommodation of the current established waiting list, staff has not offered an estimate related to the loss of these potential future revenues.

Pre-existing reparking is not anticipated to occur at this facility. Based on the general information presented on reparking in 1-Hour free facilities, while possible, it is not anticipated there is a significant amount of reparking currently occurring at this parking facility.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. The most significant impact related to the rate conversion at this facility will be the potential introduction of reparking, both during peak daytime hours and after 6PM with the conversion to 2-Hour free and the elimination of the flat rate. Historically, this facility was a 2-Hour free parking facility and had a large number of transient users. Upon conversion to 1-Hour free parking, unlike parking facilities located in the triangle, this facility had a significant drop in transient parking, which was largely attributed to the discouragement of reparking and movement of long-term parkers to the Crescent facilities, reflected in the increased occupancy of those facilities. Based on this history, it is reasonable to anticipate that implementation of 2-Hour free parking will re-introduce the impacts of reparking, which would also impact revenues related to monthly parking and discounted daily parking in currently available at this facility.

Based on changing types of usage at this facility, and a considerable increase in longer-term parking uses based on location, rates, and surroundings, the limitations placed on this facility for monthly parking represent not only lost revenues for the City, they create major obstacles when planning to meet future parking demands for long-term users, which are traditionally employees of local businesses.

Due to the proximity of this facility to private parking facilities serving medical and professional offices, it is also expected that users of the adjacent buildings will increase transient usage at this facility. Although traditionally, the displacement of monthly or long-term users has been acceptable in response to the accommodation of transient or short-term users, in this example, the displacement is not due to net new customers or growth of the market place. As presented, this displacement would more likely be attributed to reparkers or users of adjacent private parking facilities changing their usage due to increasing rate disparity. Although the increase in pedestrian movement is a welcomed result of this conversion, the limited number of users anticipated to be going to retail/restaurant locations coupled with the lower density of retail and restaurants on this street does not make it a strategic location (without backfill) when considering the potential financial losses. Conversely, this offering, coupled with the strategic pricing of core parking facilities could generate the type of pedestrian movements desired, both alleviating over-

utilized neighboring parking facilities, which creates capacity in the more desired locations, while offering lower priced/free parking in adjacent underutilized facilities; a scenario which would be significantly more difficult to achieve given the Initiative limitations.

333 N Crescent / 9361 Dayton

4.6.5 Current Parking Rates

First 1 Hour Free and Second Hour \$1.00 Per ½ Hour

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Entering After 6PM and Early Bird - \$5.00 All Day Entering Before 10AM

Daily Maximum - \$10.00 / \$19.00

4.6.6 General Data

Monthly	Number of Parking Tickets Issued	Average Duration(Minutes)
May	14,373	229 = 3hr 49min / 52 = 52 min
July	15,466	236 = 3hr 56min / 53 = 53 min
August	15,085	238 = 3hr 58min / 54 = 54 min

4.6.7 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$29,313	\$2.04	3,327	104 / 284	371 / 96	7,748
Projected	\$23,947	\$1.67	3,327	0	317 / 74	10,101

JUL

Current	\$32,283	\$2.09	3,734	141 / 305	423 / 109	8,048
Projected	\$26,553	\$1.72	3,734	0	358 / 84	10,583

AUG

Current	\$31,781	\$2.11	3,678	176 / 293	343 / 144	7,928
Projected	\$25,990	\$1.72	3,678	0	282 / 114	10,452

4.6.8 General Analysis

This facility is unique, with two physically separated parking operations sharing the infrastructure of one building. Information for the two operations is currently aggregated together, so the impacts related to these facilities are presented together. However, in actual operation, the Dayton Way location does not share the same daily maximum rate and does not offer early bird specials. For revenue purposes, the lower of the two rates were used to calculate the direct financial impacts.

The primary purpose of these parking facilities is to accommodate long-term parking needs related to employees working in the City's Downtown area. Long-term users are served through reduced rate contract parking, early bird, and lower daily maximum rates and occasional use for on-street valet service contract for vehicle storage during non-peak hours. This facility serves some resident and visitor short-term parking needs for the City's tenant, and local retail, restaurant and business establishments, which are primarily served by the Dayton Way garage, which realizes lower overall congestion and lower levels of monthly parking. This facility is impacted by both an additional hour of free parking, from 1-Hour to 2-Hour free, and the elimination of the after 6PM flat rate, both of which reduce revenue and increase the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$5,629 per month, \$67,546 per year or 18%

Consequential Impacts

Monthly parking at this facility in April 2010 was 252 permits. Since monthly parking is currently undersold at this location and no waiting list has been established, there is no immediate impact related to the limitation on monthly parking. Since this parking facility has had monthly parking sales up to 392, and additional users on an established waiting list in the past, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$95 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (238), the estimated loss of potential future revenues is \$13,300 per month or \$159,600 annualized.

Pre-existing reparking is not anticipated to occur at this facility. Based on the general information presented on reparking in 1-Hour free facilities, while possible, it is not anticipated there is a significant amount of reparking currently occurring at this parking facility.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. While capacity at this facility currently exists, historically, the Crescent Drive portion of this facility was filled to capacity on a regular basis with monthly parkers and a mix of transient users. Dayton has traditionally had balanced usage and remained open on a regular basis. The most significant impact related to the rate conversion at this facility will be the potential introduction of reparking, both during peak daytime hours and after 6PM with the conversion to 2-Hour free and the elimination of the flat rate fee, especially for the Dayton location, which has lower exit congestion and is perceived to be closer and provide more convenient access to Canon Drive. Similar to 221 Crescent, in addition to those with the intent to exploit the 2-Hour free parking conversion, based on historical occupancy and monthly parking sales, it is conceivable that a combination of increased monthly parking demand, excess capacity in this facility and the City's inability to sell monthly parking based on the established limits could actually promote those willing to pay reasonable monthly parking fees to repark to avoid market rate monthly parking or higher hourly/daily parking rates. These examples represent not only potential lost revenues, they create major obstacles when planning to meet future parking demands for long-term users, which are traditionally employees of local businesses.

Due to the proximity of the operations between the Crescent and Dayton portions of this facility, it is also anticipated that Dayton will see additional operational impacts due to the perception of convenience and the fact that the average user will no longer be impacted by the rate differential, specifically, the elapsed time required to exceed the Crescent daily maximum and reach the Dayton daily maximum due to the additional hour of free parking.

Similar to 221 North Crescent Drive, and perhaps even more relevant at this facility due to the closer proximity to 450 Rexford, the reduction of parking rates in this area may also promote those that are currently parking at the Rexford facility to change their usage behavior, further reducing usage and potential revenues at that facility. Even though the assumption is that usage would transfer from one City facility to another, constraint on parking rates and monthly offerings suggest that users will seek more convenient parking when the price is the same or lower, potentially reducing the City's ability to use rates to promote the use of Rexford and

potentially even Third Street parking facilities without reductions and revenue losses to achieve such outcomes.

Again, even more relevant at this facility, consideration must also be given to the proximity of this facility to the 455 North Crescent Drive (adjacent to the Annenberg Center). As users discover they can park at this facility, potentially free of charge or at a significant discount, this behavioral change could impact the revenues calculated for the 455 Crescent facility, even though it is not included in the Initiative, and could impact the operations, maintenance and debt service models created for that facility. .

4.7 438 N Beverly/Canon

4.7.1 Current Parking Rates

First 2 Hours Free

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Vehicles Entering After 6PM

Daily Maximum - \$22.00

4.7.2 General Data

Monthly	Number of Parking Tickets Issued	Average Duration
May	57,299	91 = 1hr 31min
July	57,480	90 = 1hr 30min
August	56,984	90 = 1hr 30min

4.7.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$94,328	\$1.65	n/a	7,395	482	41,696
Projected	\$78,003	\$1.36	n/a	0	487	46,305

JUL

Current	\$95,622	\$1.66	n/a	7,492	473	41,690
Projected	\$76,021	\$1.32	n/a	0	480	46,700

AUG

Current	\$92,393	\$1.62	n/a	7,206	510	41,767
Projected	\$73,833	\$1.30	n/a	0	511	46,568

4.7.4 General Analysis

The primary purpose of this parking facility is to accommodate resident and visitor short-term parking needs for the surrounding retail, restaurant and business establishments. A small number of long-term contract parkers may have access to this facility based on tenant agreements and restaurants with on-street valet services that contract for vehicle storage during non-peak hours. Since 2- Hour free parking is already implemented at this facility the only direct financial impact is the elimination of the flat rate. Removing the \$5.00 flat rate for vehicles entering after 6PM reduces revenue and increases the number of free tickets as represented in the tables herein. A large number of flat rate users combined with an average duration of approximately 90 minutes results in a disproportionately high revenue loss considering the facility is already Two Hours Free.

The average revenue reduction is estimated at: \$18,162 per month, \$217,943 per year or 19%

Consequential Impacts

Monthly parking at this facility in April 2010 was 32 permits. Historically, monthly parking has only been offered to City tenants at this location. Monthly parking has not been sold to the general public based on the high transient demand at this location. Since only the current tenant demand is what has been sold, this creates future limitations on the City's ability to provide on-site parking to current and potential future tenants of the lease space, which could represent a competitive disadvantage for lease renewals, extensions, re-negotiations, and future new-tenant marketing. Such limitations could include potential future losses to both lease and parking revenues. Since there is no baseline for comparison, staff has not offered an estimate related to the loss of these potential future revenues.

Pre-existing reparking occurs at this facility. Reparking at this facility has been substantiated by the study conducted and outlined in section 3.2.3. Although there is not a material change in the daytime 2-hour free parking offering, it is anticipated that additional reparking will occur after 6PM with the elimination of the flat-rate fee and with a potential inability to sell monthly parking at surrounding locations.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. This facility currently fills to capacity on a regular basis, including stacking

the aisles on the lowest level of the facility with attendant assisted parking. While this facility currently has enough evening capacity to accommodate those attempting to park after 6PM, evening availability has fluctuated based on evening activities offered by tenants and neighboring establishments. Similar to 345 North Beverly Drive, although even more probable at this location due to its closer proximity to the Annenberg Center, it is highly likely that as evening demand increases, such as with the opening of the Annenberg Center, will create competition for the available parking spaces. This facility's proximity to both the Annenberg Center and neighboring restaurants makes this a likely future scenario. Additionally, the elimination of the evening flat-rate could further discourage the "park-once" philosophy, creating additional parking movements and vehicle trips through the community.

Based on this proximity, the rates at this facility may influence and/or alter the usage and revenues at the 455 Crescent facility, which is not restricted by the Initiative. The elimination of the after 6PM flat rate at this facility may attract those being asked to pay a \$6-\$8 special event parking rate at the 455 Crescent facility. This potential shift in usage, may create more demand for this facility based on the rate disparity, potentially displacing those not associated with the Annenberg Center performance attempting to patronize the neighboring businesses. Changes in usage due to this rate disparity can also create lost revenues at the 455 Crescent facility, potentially impacting the City's ability to meet the ongoing operational and debt service costs, which was constructed and modeled to be, at a minimum, cost neutral to the City's Parking Enterprise Fund.

4.8 216 S Beverly

4.8.1 Current Parking Rates

First 2 Hours Free

\$3.00 Per ½ Hour Thereafter

\$5.00 Flat Rate Vehicles Entering After 6PM

Daily Maximum - \$22.00

4.8.2 General Data

Monthly	Number of Parking Tickets Issued	Average Duration(Minutes)
May	28,608	83 = 1hr 23min
July	27,548	82 = 1hr 22min
August	27,847	82 = 1hr 22min

4.8.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$45,365	\$1.59	n/a	4,182	374	21,356
Projected	\$31,581	\$1.10	n/a	0	377	24,625

JUL

Current	\$43,190	\$1.57	n/a	4,035	349	20,552
Projected	\$29,212	\$1.06	n/a	0	354	23,812

AUG

Current	\$42,018	\$1.51	n/a	4,189	307	20,737
Projected	\$27,740	\$1.00	n/a	0	309	24,086

4.8.4 General Analysis

The primary purpose of this parking facility is to accommodate resident and visitor short-term parking needs for the surrounding retail, restaurant and business establishments. A small number of long-term contract parkers have access to this facility and restaurants with on-street valet services that contract for vehicle storage during non-peak hours. Residents are provided with reduced rate overnight parking to accommodate overflow from on-street residential areas. Since 2- Hour free parking is already implemented at this facility the only direct financial impact is the elimination of the flat rate. Removing the \$5.00 flat rate for vehicles entering after 6PM reduces revenue and increases the number of free tickets as represented in the tables herein. A large number of flat rate users combined with an average duration of approximately 82 minutes results in a disproportionately high revenue loss considering the facility is already Two Hours Free.

The average revenue reduction is estimated at: \$14,013 per month, \$168,159 per year or 32%

Consequential Impacts

Monthly parking at this facility in April 2010 was 35 permits. Historically, monthly parking has been limited at this location based on the high transient demand. There is currently an established waiting list of 26 people; however, since there was no intent to currently sell these privileges, there is no immediate impact related to the limitation on monthly parking. The City has offered monthly parking to users on this waiting list in available City structures. Those remaining on the waiting list have indicated that even if they accepted alternative parking locations, they wish to remain on the waiting list of this location. This indicates that people are remaining on this list to either obtain more convenient parking or wish to obtain a cheaper rate in the same vicinity (based on those not willing to take alternative locations). Since this parking facility has had monthly parking sales up to 39, and an established waiting list, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$185 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (4), the estimated loss of potential future revenues is \$740 per month or \$8,880 annualized. Based on the current rate and the remaining users on the waiting list (22) the estimated loss of potential future revenues is \$4,070 per month or \$48,840 annualized.

Pre-existing reparking is anticipated to occur at this facility. Reparking is anticipated to be considerable at this facility based on its configuration, location, demand and surroundings. Based on discussion with customers and surrounding businesses, Wilshire Boulevard is perceived to be a major obstacle with relationship to customers and employees crossing to obtain additional parking from neighboring City facilities. Adjacent streets in this area are mostly residential, with significant on-street restrictions and regular enforcement, creating an environment which fosters reparking. This generates more competition between the facility users, which is already unable to meet demand during peak-periods. Although there is not a material change in the daytime 2-hour free parking offering, it is anticipated that additional reparking will occur after 6PM with the elimination of the flat-rate fee and with a potential inability to sell monthly parking at surrounding locations.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. This facility fills to capacity on a daily basis. While this facility currently has enough evening capacity to accommodate those attempting to park after 6PM, it is conceivable that as evening demand increases, competition could arise for the available parking spaces. The perception of being separated from the City's neighboring parking resources requires a more significant price disparity between facilities, as compared to the triangle, to overcome the "Wilshire crossing" hurdle, and incentivize users to consider the Public Gardens facility and Crescent facilities part of their parking options. Since the Initiative limits both the amount of disparity which can be created through rate and the number of people that would be affected by a disparity which might be crafted, it is anticipated that competition for space at this facility will increase over time based on economic recovery and growth. This will exacerbate the current situation and increase the perception of a lack of parking, even when potential capacity exists across Wilshire.

4.9 461 N Bedford

4.9.1 Current Parking Rates⁸

First 1 Hour Free

\$2.00 Per ½ Hour Thereafter

\$3.00 Flat Rate Vehicles Entering After 6PM

Daily Maximum - \$16.00

4.9.2 General Data

Month	Number of Parking Tickets Issued	Average Duration(Minutes)
May	33,618	78 = 1hr 18min
July	35,005	77 = 1hr 17min
August	34,507	78 = 1hr 18min

4.9.3 Rate Data Comparison

MAY

Description	Revenue	Avg Revenue per Ticket	Early Bird Count	Flat Rate Count	Daily Max Count	Free Parking Count
Current	\$52,715	\$1.57	n/a	867	421	19,624
Projected	\$16,755	\$0.50	n/a	0	294	24,656

JUL

Current	\$54,779	\$1.56	n/a	1052	420	22,160
Projected	\$17,054	\$0.49	n/a	0	297	27,622

AUG

Current	\$54,720	\$1.59	n/a	836	466	21,832
Projected	\$17,675	\$0.51	n/a	0	330	26,918

⁸ This parking facility experienced a rate change in September 2010. Based on revenues of October 2010 additional losses of approximately \$18,000 per month are anticipated when adjusted for the new parking rates.

4.9.4 General Analysis

This facility has a unique physical structure, with the transient and monthly parking areas separated by a physical barrier and occupying different levels of the parking facility. The transient portion of this facility is the above ground floors, serviced by a ticket dispenser at the entry lane and a booth and attendant at the exit lane. The monthly portion of this facility is the subterranean floors, serviced by a monthly card reader at the entry and exit lane. There is no ticket dispenser or attendant booth to service transient users. Monthly customers do not have access to above ground spaces and transient users do not have access to subterranean spaces. This facility shares entry/exit privileges for the parking facility of the neighboring office building. Tenants of this building use the City's entry/exit ramps and internal facility ramping system to gain access to private parking adjacent to the City's parking on each individual subterranean floor.

The primary purpose of this parking facility is to accommodate a mix of resident and visitor short-term parking needs for medical, professional as well as local retail, restaurant and business establishments. A large number of long-term, contract parkers have access to this facility, and restaurants with on-street valet service may contract for vehicle storage during non-peak hours. This facility is impacted by both an additional hour of free parking, from 1-Hour to 2-Hour free, and the elimination of the after 6PM flat rate, both of which reduce revenue and increase the number of free tickets as represented in the tables herein.

The average revenue reduction is estimated at: \$36,910 per month, \$442,920 or 68%

****The average revenue reduction based on the parking rate change of September 2010 is estimated at: \$50,308 per month, \$603,696 on an annual basis⁹**

Consequential Impacts

Monthly parking at this facility in April 2010 was 199 permits. Since monthly parking is currently undersold at this location and no waiting list has been established, there is no immediate impact related to the limitation on monthly parking. Since this parking facility has had monthly parking

⁹ This estimate was not derived using the same methodology as described herein, as multiple months were not available for averaging and calibration. Losses are derived from the addition of the \$18,000 estimated monthly loss.

sales up to 256, using a total of 222 dedicated monthly parking spaces based on facility operation and configuration (an example of overselling), and additional users on an established waiting list in the past, this does represent a loss of potential future revenues. Since the balance of transient and monthly parking may change over time, along with the market value of monthly parking rates, the loss of potential future revenues varies greatly. Based on the current parking rate of \$145 per month and the difference between the peak monthly parking sales and the limitation established by the Initiative (57), the estimated loss of potential future revenues is \$8,265 per month or \$99,180 annualized.

Pre-existing reparking is not anticipated to occur at this facility. Based on the general information presented on reparking in 1-Hour free facilities, while possible, it is not anticipated there is a significant amount of reparking currently occurring at this parking facility.

Predictable impacts exist related to future revenues, operations, occupancy, circulation, and surrounding facilities. This facility is currently filled to capacity on a regular/daily basis during the standard work week. The most significant impact related to the rate conversion at this facility will be the potential introduction of reparking, primarily during peak daytime hours, as volume drops significantly after 6PM. Historically, this facility was a 2-Hour free parking facility and was significantly over utilized compared to the 440 North Camden parking facility located one block to the east. In 1999 this facility was converted to 1-Hour free parking because the dominant use of this facility was attributed to users of neighboring medical offices. This facility continues to be over utilized, including vehicles circulating the block multiple times during lot full cycles and vehicles lining-up outside the facility creating on-street congestion. The most effective method to equalize the use of this facility in comparison to neighboring parking facilities is to bridge the rate disparity, encouraging users to use neighboring facilities and underutilized parking facilities on neighboring blocks.

Due to the proximity of this facility to private parking facilities serving medical and professional offices, it is also expected that users of the adjacent buildings will increase transient usage at this facility. Although traditionally, the displacement of monthly or long-term users has been acceptable in response to the accommodation of transient or short-term users, in this example, the displacement is not due to net new customers or growth of the market place. As presented, this displacement would more likely be attributed to reparkers or users of adjacent private parking facilities changing their usage due to increasing rate disparity.

4.10 Summary Transient Data

The table below shows summary data for the 11 parking facilities affected by the Initiative and considered for this analysis.

MAY

Total Tickets (Parkers)				253,755			
Rate	Revenue	Change	Early Bird Applied	Flat Rate Applied	Daily Max Reached	Free Parking	Free Parking %
Current	\$375,486	N/A	9,634	16,476	3,484	177,897	70%
Projected	\$280,958	(\$94,528)	9,501	0	3,042	202,125	80%

JUL

Total Tickets (Parkers)				254,290			
Rate	Revenue	Change	Early Bird Applied	Flat Rate Applied	Daily Max Reached	Free Parking	Free Parking %
Current	\$381,011	N/A	10,393	17,547	3,295	179,492	71%
Projected	\$278,403	(\$102,608)	10,274	0	2,894	205,441	81%

AUG

Total Tickets (Parkers)				245,159			
Rate	Revenue	Change	Early Bird Applied	Flat Rate Applied	Daily Max Reached	Free Parking	Free Parking %
Current	\$370,768	N/A	10,124	16,596	3,414	181,476	74%
Projected	\$272,022	(\$98,746)	9,984	0	2,955	206,352	84%

5 Revenue Impact

The following represents the revenue impacts related to the data analysis performed on parking data for the months of May, July and August 2010 covering the 11 affected parking facilities to assess the impact of the Initiative.

5.1 Direct Financial Impacts

The data analysis showed that the combination of a 2-hour free parking policy and the elimination of the flat rate fee at all facilities resulted in the following:

Revenue reduced by an average: (\$98,627) per month or 26%

Annualized: (\$1,183,527)

Including additional estimated losses based on Bedford rate change:

Revenue reduced by an average: (\$116,627) per month

Annualized: (\$1,399,524)¹⁰

5.2 Limitation on Monthly Parking

The data analysis showed that the limitation of monthly parking reduces future potential sales and results in the following:

Revenue reduced by: (\$34,555)

Annualized: (\$412,260)

Additional Waiting List Losses (\$6,905)

Annualized: (\$82,860)

Total Annualized Estimated Losses: (\$495,120)

¹⁰ This estimate was not derived using the same methodology as described herein, as multiple months were not available for averaging and calibration. Losses are derived from the addition of the \$18,000 estimated monthly loss.

5.3 Parking Enterprise Fund Impact

The direct financial impact of \$1,183,572 annually creates the following impacts to the Parking Enterprise Fund:

- Total structural deficit at June 30, 2012 approximately \$3.8 million a year million
- Total structural deficit at June 30, 2021 would be \$38.5 million with a cash deficit of \$27.5 million

Attachment 2

May 2010 Transient Estimated Revenue Impacts				
Facility	Actual Current Rev	Projected Rev	Difference	% Loss
La Cienega	\$3,331.00	\$3,331.00	\$0.00	0%
Beverly North	\$39,960.00	\$33,690.18	(\$6,269.82)	-16%
Rexford	\$7,201.00	\$7,201.00	\$0.00	0%
Brighton	\$29,364.00	\$27,604.80	(\$1,759.20)	-6%
Crescent South	\$29,249.00	\$26,064.04	(\$3,184.96)	-11%
Camden	\$44,660.00	\$32,780.31	(\$11,879.69)	-27%
Crescent North/Dayton	\$29,313.00	\$23,946.88	(\$5,366.12)	-18%
Beverly Canon	\$94,328.00	\$78,003.26	(\$16,324.74)	-17%
Beverly South	\$45,365.00	\$31,580.96	(\$13,784.04)	-30%
Bedford	\$52,715.00	\$16,755.10	(\$35,959.90)	-68%
<i>Total</i>	<i>\$375,486.00</i>	<i>\$280,957.54</i>	<i>(\$94,528.46)</i>	<i>-25%</i>
Est Annualized Total	\$4,505,832.00	\$3,371,490.45	(\$1,134,341.55)	-25%

July 2010 Transient Estimated Revenue Impacts				
Facility	Actual Current Rev	Projected Rev	Difference	% Loss
La Cienega	\$2,563.00	\$2,563.00	\$0.00	0%
Beverly North	\$44,377.00	\$36,165.72	(\$8,211.28)	-19%
Rexford	\$6,165.00	\$6,165.00	\$0.00	0%
Brighton	\$29,777.00	\$27,503.62	(\$2,273.38)	-8%
Crescent South	\$26,996.00	\$24,019.94	(\$2,976.06)	-11%
Camden	\$45,259.00	\$33,146.31	(\$12,112.69)	-27%
Crescent North/Dayton	\$32,283.00	\$26,553.44	(\$5,729.56)	-18%
Beverly Canon	\$95,622.00	\$76,020.58	(\$19,601.42)	-20%
Beverly South	\$43,190.00	\$29,212.08	(\$13,977.92)	-32%
Bedford	\$54,779.00	\$17,053.57	(\$37,725.43)	-69%
<i>Total</i>	<i>\$381,011.00</i>	<i>\$278,403.27</i>	<i>(\$102,607.73)</i>	<i>-27%</i>
Est Annualized Total	\$4,572,132.00	\$3,340,839.22	(\$1,231,292.78)	-27%

August 2010 Transient Estimated Revenue Impacts				
Facility	Actual Current Rev	Projected Rev	Difference	% Loss
La Cienega	\$3,064.00	\$3,064.00	\$0.00	0%
Beverly North	\$40,390.00	\$33,315.68	(\$7,074.32)	-18%
Rexford	\$6,078.00	\$6,078.00	\$0.00	0%
Brighton	\$29,747.00	\$28,079.07	(\$1,667.93)	-6%
Crescent South	\$26,861.00	\$23,864.34	(\$2,996.66)	-11%
Camden	\$43,716.00	\$32,381.96	(\$11,334.04)	-26%
Crescent North/Dayton	\$31,781.00	\$25,990.29	(\$5,790.71)	-18%
Beverly Canon	\$92,393.00	\$73,833.32	(\$18,559.68)	-20%
Beverly South	\$42,018.00	\$27,740.33	(\$14,277.67)	-34%
Bedford	\$54,720.00	\$17,675.42	(\$37,044.58)	-68%
<i>Total</i>	<i>\$370,768.00</i>	<i>\$272,022.40</i>	<i>(\$98,745.60)</i>	<i>-27%</i>
Est Annualized Total	\$4,449,216.00	\$3,264,268.84	(\$1,184,947.16)	-27%

Estimated Annual Impacts by Facility				
Facility	Avg Act Current Rev	Avg Proj Rev	Difference	% Loss
La Cienega	\$2,986.00	\$2,986.00	\$0.00	0%
Beverly North	\$41,575.67	\$34,390.53	(\$7,185.14)	-17%
Rexford	\$6,481.33	\$6,481.33	\$0.00	0%
Brighton	\$29,629.33	\$27,729.16	(\$1,900.17)	-6%
Crescent South	\$27,702.00	\$24,649.44	(\$3,052.56)	-11%
Camden	\$44,545.00	\$32,769.53	(\$11,775.47)	-26%
Crescent North/Dayton	\$31,125.67	\$25,496.87	(\$5,628.80)	-18%
Beverly Canon	\$94,114.33	\$75,952.39	(\$18,161.95)	-19%
Beverly South	\$43,524.33	\$29,511.12	(\$14,013.21)	-32%
Bedford	\$54,071.33	\$17,161.37	(\$36,909.97)	-68%
<i>Total</i>	<i>\$375,755.00</i>	<i>\$277,127.74</i>	<i>(\$98,627.26)</i>	<i>-26%</i>
Est Annualized Total	\$4,509,060.00	\$3,325,532.84	(\$1,183,527.16)	-26%

Estimated Annual Impacts				
Transient Revenue	Actual Revenue	Projected Revenue	Difference	
May 2010	\$375,486.00	\$280,957.54	(\$94,528.46)	-25%
July 2010	\$381,011.00	\$278,403.27	(\$102,607.73)	-27%
August 2010	\$370,768.00	\$272,022.40	(\$98,745.60)	-27%
Total	\$1,127,265.00	\$831,383.21	(\$295,881.79)	-26%
Estimated Average	\$375,755.00	\$277,127.74	(\$98,627.26)	-26%
Estimated Annual Average	\$4,509,060.00	\$3,325,532.84	(\$1,183,527.16)	-26%

	Current Rate Peak	April 2010	Missed Revenue
Monthly Revenue	\$168,770.00	\$134,415.00	(\$34,355.00)
Annualized Rev/(Loss)	\$2,025,240.00	\$1,612,980.00	(\$412,260.00)

Monthly Sales Impacts							
	Current Rate	Peak - May 2007		Baseline April 2010		Monthly Losses	
		Users	Revenue	Users	Revenue	Users	Revenue
La Cienega	\$85.00	185	\$15,725.00	151	\$12,835.00	(34)	(\$2,890.00)
Beverly North	\$0.00	-	\$0.00	0	\$0.00	0	\$0.00
Rexford	\$0.00	7	\$0.00	0	\$0.00	(7)	\$0.00
Brighton	\$135.00	31	\$4,185.00	30	\$4,050.00	(1)	(\$135.00)
Crescent South	\$90.00	614	\$55,260.00	376	\$33,840.00	(238)	(\$21,420.00)
Camden	\$125.00	59	\$7,375.00	148	\$18,500.00	89	\$11,125.00
Crescent North/D	\$95.00	392	\$37,240.00	252	\$23,940.00	(140)	(\$13,300.00)
Beverly Canon	\$185.00	25	\$4,650.00	32	\$5,920.00	7	\$1,270.00
Beverly South	\$185.00	39	\$7,215.00	35	\$6,475.00	(4)	(\$740.00)
Bedford	\$145.00	256	\$37,120.00	199	\$28,855.00	(57)	(\$8,265.00)
<i>Total</i>		<i>1,608</i>	<i>\$168,770.00</i>	<i>1,223</i>	<i>\$134,415.00</i>	<i>(385)</i>	<i>(\$34,355.00)</i>
Est Annualized Total							(\$412,260.00)

Attachment 3



WALKER
PARKING CONSULTANTS

606 South Olive Street, Suite 1100
Los Angeles, CA 90014

Voice: 213.488.4911
Fax: 213.488.4983
www.walkerparking.com

November 12, 2010

Mr. Chad Lynn
Director of Parking Operations
City of Beverly Hills
455 North Rexford Drive
Beverly Hills, CA

Re: *Letter of Opinion*
Parking Initiative Impact Analysis – City of Beverly Hills Staff Report
Beverly Hills, California

Dear Mr. Lynn,

Walker Parking Consultants (“Walker”) is pleased to submit the following letter of opinion presenting and formalizing Walker’s review of the Parking Initiative Impact Analysis as prepared by the City of Beverly Hills (“City”). Walker remains available to the City for comments or questions regarding this letter of opinion, or to present our findings if requested.

BACKGROUND

The City of Beverly Hills owns and operates 11 gated public parking structures throughout the City that are affected by the proposed initiative. Six of these structures offer patrons the first two hours of free parking before half-hourly parking fees are incurred. The remaining five structures provide patrons with the first one hour of free parking prior to charging for parking.

A qualified initiative may appear on the March 2011 ballot. At the request of the City Council during the Formal Meeting of October 18, 2010, City staff prepared an analysis related to the financial impacts and consequential considerations on the parking system. The revenue projections indicate the impact to the City’s overall bottom line by comparing baseline projections utilizing the current rate structure and scenarios employing the proposed changes to the rate structure.

The City requested that Walker provide an impartial peer review of City staff’s analysis. The peer review requires that the consultant scrutinize the assumptions used by staff, evaluate the validity of its findings and confirm that the findings are realistic, accurate, and consistent with industry experience and/or standards.



DATA SET

TRANSIENT/DAILY PARKING

The data set for this analysis includes all processed transient (or short-term) parking transactions from the 11 subject parking facilities for the months of May, July and August 2010. The raw data provided by the parking operator consists of entry and exit times for each processed transient parking transaction, broken down by each facility. Data for the month of May contains 248,937 lines of data.

The raw data was sent to a third-party vendor, Sentry Control Systems, Inc., (“Sentry”) for evaluation using the current rate structure, a first 2-hour free rate structure, a no flat rate structure, and a first 2-hour free and no flat rate structure. Walker reviewed the data from the month of May (248,937 lines of data) to verify that Sentry had applied the rate structures accurately; our analysis verified their findings. Walker then contacted the vendor to ensure that the analyses for the months of July and August were performed using the same methodology; an email from Sentry verified that the same methodology was utilized to evaluate ticket values for July and August as May.

Aside from testing for accuracy and consistency, Walker also tested whether these three months represented conservative transient ticket volumes when compared to other months and prior years. The City provided historical transient transaction data for each of the subject facilities for the calendar year of 2004 through 2009, and year-to-date for 2010. The projected annual transient transaction volume based on May, July and August volumes were 2% lower than 2009, and range from 6% to 11% lower from 2004 through 2008. Therefore, the volume of transactions used to project revenue is conservative compared to historical data.

MONTHLY PARKING

The data set for the monthly parking analysis is much less complex considering the number of transactions and users is significantly fewer. City staff presented historical documentation regarding the number of monthly permits sold over the past several years. Peak sales of 1,608 monthly permits occurred in May 2007 as indicated within the report and analysis, which is compared to the proposed cap of 1,223 monthly permits (tied to actual April 2010 sales).

ANALYSIS

TRANSIENT/DAILY PARKING

Walker reviewed the methodology used to generate the findings of this analysis. The analysis methodology consists of utilizing historical transient transaction data to generate calculated parking revenues, and then is further calibrated to account for grace period and validations (which are not considered within the rate structure itself). The use of historical transaction data to project parking revenue is consistent with industry best practice. This opinion is conditioned by verification of a conservative data set; Walker verified that the data set is conservative.

Walker also reviewed the spreadsheet to verify that the methodology was applied accurately to the numeric data set. The methodology was applied accurately and the spreadsheet workbook formulas calculate as intended.



MONTHLY PARKING

The methodology of this analysis is fairly straight-forward and considers monthly parking rates multiplied by the volume of parking permits. Walker reviewed the calculations for this analysis; the spreadsheet workbook formulas calculate as intended.

FINDINGS

FINANCIAL ANALYSIS

Given that Walker supports the use of the data set, the methodology, and has verified that the spreadsheet workbook calculates results accurately, the findings provided within the written report are also considered conservative, realistic, accurate, and consistent with industry best practice.

CONSEQUENTIAL CONSIDERATIONS AND IMPACTS

Aside from the direct impacts that can be calculated using this methodology there are many indirect impacts that will likely have an impact on the parking system from both a management and financial standpoint. Unfortunately these indirect impacts are not quantifiable and therefore also indefensible if revenue numbers were to be attached. Hence, the analysis that the City provided is conservative as it does not account for secondary and tertiary impacts of shifting behavior due to economic changes.

We are prepared to discuss this letter of opinion with you should you have any questions or comments. We also remain available to present our opinion in a public forum if required.

Sincerely,

WALKER PARKING CONSULTANTS

A handwritten signature in black ink that reads "Ezra D. Kramer". The signature is written in a cursive style.

Ezra D. Kramer
Parking Consultant

EDK:edk



AGENDA REPORT

Meeting Date: November 16, 2010
Item Number: E-1B
To: Honorable Mayor & City Council
From: Byron Pope, City Clerk

Subject: DISCUSSION AND/OR ACTION ON THE FOLLOWING:

- a) AN ORDINANCE OF THE CITY OF BEVERLY HILLS ADOPTING THE INITIATIVE MEASURE RELATED TO PARKING AT PARTICULAR CITY-OWNED PARKING FACILITIES;
- b) A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, SUBMITTING TO THE VOTERS AN ORDINANCE REQUIRING FREE PARKING FOR TWO HOURS AT PARTICULAR CITY-OWNED PARKING FACILITIES AND LIMITING THE AMOUNT OF MONTHLY PARKING AT THOSE FACILITIES
- c) A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING AN INITIATIVE MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS
- d) A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR MEASURES SUBMITTED AT THE MARCH 8, 2011 GENERAL MUNICIPAL ELECTION

Attachments:

1. Ordinance
2. Resolutions (3)
3. Initiative Measure

RECOMMENDATION

Once the City Council receives the previously requested report on the effect and impact of the proposed initiative measure, the City Council must at its council meeting of November 16, 2010 or at a continued regular meeting within 10 days of November 16,

2010, take the following action: (1) either adopt the initiative measure without alteration; or (2) submit the initiative measure, without alteration, to the voters. This report will discuss each option in more detail below.

INTRODUCTION

An initiative petition was filed with the City on September 14, 2010 proposing to direct the City to provide free parking for two hours at particular City-owned parking facilities and limiting the amount of monthly parking at those facilities. A certificate of sufficiency was presented to the City Council at its meeting of October 18, 2010 informing the City Council that the petition included valid signatures of more than ten percent of the City's registered voters.

At the City Council meeting of October 18, 2010, the City Council discussed the initiative measure and directed staff to provide a report on the effect and impact of the proposed initiative. City Staff undertook an analysis of the initiative petition and has provided the City Council with that report and will present the report to the City Council at its November 16, 2010 meeting.

The City Council is now required by the Elections Code (Section 9214) to either adopt the initiative measure by ordinance or call an election submitting the initiative measure to the voters of the City. In order to allow the City Council to make either decision at its meeting of November 16, staff has prepared an ordinance to adopt the measure and has prepared various resolutions for the City Council to place the measure on the ballot at the next regular municipal election, March 8, 2011, depending on the Council's preference. The City Council may take action tonight or may continue the matter to a regular meeting to be held within 10 days of November 16, 2010.

DISCUSSION

Options for the City Council Regarding the Proposed Initiative Petition

Once the City Council has received the report on the effect and impact of the proposed initiative measure, Elections Code Section 9215 requires that the City Council take one of the following actions:

- (1) Adopt the initiative measure without alteration. If this action is taken, it would be appropriate for the City Council to read "An Ordinance of the City of Beverly Hills Adopting the Initiative Measure Related to Parking at Particular City-Owned Parking Facilities" by title only, waive further reading and adopt the ordinance. This action can occur at the City Council meeting of November 16, 2010 or at a continued regular meeting to occur within 10 days of November 16, 2010; or
- (2) Submit the initiative measure, without alteration, to the voters. If this action is taken, it would be appropriate for the City Council to adopt the attached resolution entitled: "A Resolution of the Council of the City of Beverly Hills Submitting to the Voters an Ordinance Requiring Free Parking for Two Hours at

Particular City-Owned Parking Facilities and Limiting the Amount of Monthly Parking at Those Facilities.” This resolution would place the initiative measure on the ballot at the next regular municipal election, which will occur on March 8, 2011. The City Council also has the option of calling for a special election to occur before March 8, 2011. If the initiative measure is placed on the ballot, the City Council must also discuss and consider whether to set priorities for filing a written argument regarding the initiative measure, allow for the filing of rebuttal arguments and whether to direct the city attorney to prepare an impartial analysis.

Staff is seeking direction from the City Council as to which course of action it desires to take on the initiative petition. Each of these options is discussed in more detail below.

Option 1. If the City Council desires to adopt the measure set forth in the initiative petition, staff recommends that the City Council adopt the Ordinance attached to this report.

Option 2. If the City Council desires to place the measure set forth in the initiative petition on the March 8, 2011 ballot (or schedule a special election before that date), staff recommends that the City Council adopt the Resolution calling the election attached to this report. The proposed resolution submits the initiative measure to the voters at the next regular municipal election to be held on March 8, 2011. The City Council can alternatively call a special election to occur prior to March 8, 2011 on a date that is between 88 and 103 days after calling the election.

If the option of placing the measure on the ballot is pursued, further direction is requested from the City Council.

First, the City Council may adopt a resolution setting priorities for filing a written argument regarding the initiative measure. That is, if more than one ballot argument is filed regarding the measure, Elections Code Section 9287 allows the City Council to give priority to City Council members who wish to file a ballot argument. The City Attorney's office has prepared such a resolution for the Council's consideration and it is attached to this Report. The language setting priorities for filing written arguments is contained in Section 1 of the Resolution Setting Priorities for Filing Written Arguments and Directing the City Attorney to Prepare an Impartial Analysis. If the City Council does not desire to give priority to City Council members, then Section 1 of that Resolution should be deleted.

Second, the City Council may adopt a resolution providing for the filing of rebuttal arguments. Pursuant to state law, a sample ballot for this measure will include an argument in favor and an argument against the measure (assuming that someone submits an argument for each viewpoint). However, pursuant to Elections Code Section 9285, rebuttal arguments are optional and at the discretion of the City Council. Accordingly, direction should be provided as to whether to allow rebuttal arguments. Absent adoption of a resolution, no rebuttal arguments will be permitted. If the City Council desires to allow rebuttal arguments, the City Attorney's office has prepared a resolution for the Council's consideration.

Last, the City Council may direct the City Attorney to prepare an impartial analysis of the measure pursuant to Elections Code section 9280. As with rebuttal arguments, this is

not required. Absent direction of the City Council no impartial analysis will be included in the sample ballot. The language directing the City Attorney to prepare an impartial analysis is contained in Section 2 of the Resolution Setting Priorities for Filing Written Arguments and Directing the City Attorney to Prepare an Impartial Analysis. If the City Council does not desire that the City Attorney prepare an impartial analysis, then Section 2 of that Resolution should be deleted.

FISCAL IMPACT

Cost estimates to place the initiative measure on the ballot at the March 8, 2011 General Municipal Election will increase the cost budgeted for that election from \$122,814 to \$150,000, an additional \$27,186. Calling a special election is estimated to cost approximately \$125,000. The costs for this initiative measure have not been budgeted in the City Clerk's Office operating budget for FY 10-11.

In addition, if this measure is placed on the ballot, then it is contemplated that the City will also incur costs associated with the public education effort related to the potential impacts of the initiative measure. This is in addition to the work effort by our communication staff. Staff has obtained proposals from experts in outreach and public relations and from the responses received intends to engage the Lew Edwards Group as consultants for education outreach on the initiative measure. The anticipated retainer is \$45,000 and such amount would allow the provisions of consulting services through August of 2011. This will also facilitate the upcoming education effort associated with a measure needed to close the shortfall in the Stormwater Enterprise Account. Unless directed otherwise, if the Council places the initiative measure on the ballot, then staff will execute the agreement following the Council decision on the Parking Initiative.

Byron Pope, CMC
Approved By

BP

Attachment 1

ORDINANCE NO. 10-O-

AN ORDINANCE OF THE CITY OF BEVERLY HILLS
ADOPTING THE INITIATIVE MEASURE RELATED
TO PARKING AT PARTICULAR CITY-OWNED
PARKING FACILITIES

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS HEREBY
ORDAINS AS FOLLOWS:

Section 1. An initiative measure was filed with the City of Beverly Hills on September 14, 2010. On October 18, 2010, the City Clerk of the City of Beverly Hills presented a certificate of sufficiency to the City Council. At that same meeting, the City Council ordered a report on the effect and impact of the proposed initiative measure pursuant to Elections Code 9212.

Section 2. The City Council received the report on the effect and impact of the proposed initiative measure at its regular City Council meeting of November 16, 2010.

Section 3. The City Council hereby adopts the initiative measure as set forth in Exhibit A of this Ordinance.

Section 4. Publication. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage, in accordance with Section 36933 of the Government Code; shall attest and certify to the adoption of this Ordinance and shall cause this Ordinance and the City Clerk's certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Section 5. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

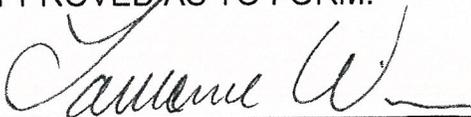
Adopted:
Effective:

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

BYRON POPE (SEAL)
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager

DAVID D. GUSTAVSON
Director of Public Works &
Transportation

Attachment 2

RESOLUTION NO. ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, SUBMITTING TO THE VOTERS AN ORDINANCE REQUIRING FREE PARKING FOR TWO HOURS AT PARTICULAR CITY-OWNED PARKING FACILITIES AND LIMITING THE AMOUNT OF MONTHLY PARKING AT THOSE FACILITIES

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

WHEREAS, a Regular Municipal Election shall be held in the City of Beverly Hills on March 8, 2011; and

WHEREAS, the City Council has been presented with an initiative petition requesting that the City Council adopt or submit to the voters an ordinance directing the City Council to provide free parking for two hours at particular City-owned parking facilities and limiting the amount of monthly parking at those facilities; and

WHEREAS, the City Clerk has certified that the initiative petition contains the valid signatures of not less than 10% of the registered voters of the City of Beverly Hills;

NOW, THEREFORE:

Section 1. The City Council, pursuant to its right and statutory duty, does hereby order submitted to the voters at the regular municipal election to be held on March 8, 2011, the following question:

Shall an ordinance be adopted to require the City Council to provide free parking for two hours at particular City-owned parking facilities and limit the amount of monthly parking at those facilities?	YES _____	NO _____
--	--------------	-------------

Section 2. The complete text of the measure to be submitted to the voters is attached hereto as Exhibit A and incorporated herein by reference.

Section 3. The initiative measure must be approved by a majority of the votes cast in order for the ordinance to become law.

Section 4. The ballots to be used at the election shall be in form and content as required by law.

Section 5. The City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 6. The polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Elections Code Section 10242, except as provided in Section 14401 of the Elections Code of the State of California.

Section 7. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 8. Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in the time, form and manner as required by law.

Section 9. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

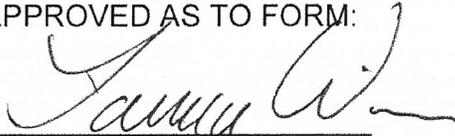
ADOPTED:

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

BYRON POPE
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING AN INITIATIVE MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS.

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

WHEREAS, a Regular Municipal Election shall be held in the City of Beverly Hills on March 8, 2011, at which there will be submitted to the voters an initiative measure represented by the following question:

Shall an ordinance be adopted to require the City Council to provide free parking for two hours at particular City-owned parking facilities and limit the amount of monthly parking at those facilities?	YES _____	NO _____
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NOW, THEREFORE:

Section 1. The City Council authorizes any and all members of the City Council to file a written argument In Favor or Against the above referenced measure in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the measure may be submitted to the City Clerk.

Section 2. The City Council directs the City Clerk to transmit a copy of the above referenced measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure not exceeding 500 words showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

Section 3. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

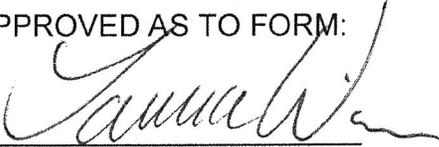
ADOPTED:

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

BYRON POPE
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR MEASURES SUBMITTED AT THE MARCH 8, 2011 GENERAL MUNICIPAL ELECTION.

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Pursuant to Section 9285 of the Elections Code of the State of California, when the City Clerk has selected the arguments for and against a City measure which will be printed and distributed to the voters, the Clerk shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The authors, or a majority of the authors, may prepare and submit rebuttal arguments not exceeding 250 words or may authorize, in writing, others to submit a rebuttal argument. The rebuttal argument may not be signed by more than five authors. A rebuttal argument shall be filed with the City Clerk, accompanied by the printed name(s) and signature(s) of the person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, not more than 10 days after the final date for filing direct arguments. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

Section 2. All previous resolutions providing for the filing of rebuttal arguments for measures are repealed.

Section 3. The provisions of Section 1 shall apply only to the election to be held on March 8, 2011, and shall thereafter be repealed.

Section 4. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

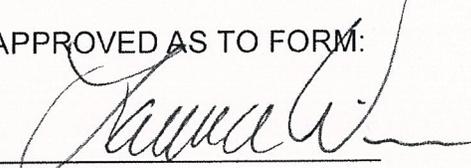
ADOPTED:

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

BYRON POPE
City Clerk

Attachment 3

FREE CITY PARKING INITIATIVE MEASURE

The people of the City of Beverly Hills do ordain as follows:

SECTION 1: INTRODUCTION

A. We, the people of the City of Beverly Hills, affirm our intent to encourage parking within the City that is convenient, available and reasonably priced in support of the local retail and restaurant community and other non-merchant uses. We seek to ensure, while parking remains available to and compatible with the surrounding community, that City-owned parking structures also provide revenue that assists the City with financing the construction, operation, maintenance and repair of these off-street parking facilities. Accordingly, we hereby affirm our intent to amend the Comprehensive Schedule of Taxes, Fees and Charges as it applies to hourly parking rates in City-owned parking facilities, as identified below, operating prior to June 30, 2008, to provide that the first two hours of parking shall be free to all users of these facilities, except as otherwise exempted or excepted in Section 2. of this initiative measure. At the conclusion of the first two hours of use, the City may establish hourly parking rates for succeeding hours or portions of hours on a lot-by-lot basis. Such rates shall be reflected on the City's Parking Rate Information Sheet. A revised sample Parking Rate Information Sheet for City-owned facilities included in this initiative is included as Attachment A. This initiative measure shall not apply to and shall have no effect upon any provision of the Comprehensive Schedule of Taxes, Fees and Charges other than as shown in Attachment A.

B. We find that establishment of a two hours free parking requirement at City-owned parking facilities operating prior to June 30, 2008 and listed in Attachment A by this initiative is appropriate and desirable and benefits both residents of the City and visitors thereto. The revisions to the Parking Rate Information Sheet hereby ordained will have no effect on surrounding development.

SECTION 2: EXEMPTIONS AND EXCEPTIONS

A. This initiative measure shall not apply to 3-Hour Metered Parking, Monthly Parking Permits, Daily Parking Passes, Special Events Parking, Commercial Valet Storage, Early Bird Parking or other special parking rates offered by the City at City-owned parking facilities.

B. The number of Monthly Parking Permits sold in each City-owned parking facility regulated by this initiative may not be increased beyond the number of Monthly Parking Permits sold on April 30, 2010.

SECTION 3: INTENT AND IMPLEMENTATION OF THIS MEASURE

A. Determining Consistency.

To ensure that our intent prevails and is subject to express, objective standards that cannot be changed through subsequent discretionary actions or interpretations, words shall be incorporated according to the intent expressed in this initiative measure and shall be applied in accordance with their plain meaning, rather than according to any contrary provision or interpretation in the Beverly Hills Municipal Code.

B. Effective Date.

This initiative measure shall be considered adopted and effective upon the earliest date legally possible, and in no event later than 10 days after the date the vote is declared as provided in Elections Code Section 9217.

C. Severability.

If any word or words of this initiative measure, or its application to any situation, are held invalid or unenforceable, in a final judgment that is no longer subject to rehearing, review or appeal by a court of competent jurisdiction, then the word or words are severed and the remaining part of this initiative measure, and the application of any part of this initiative measure to other situations, shall continue in full force and effect. We, the people of the City of Beverly Hills, declare that we would have adopted this initiative measure, and each word of it, irrespective of the fact that any other condition, word or application to any situation, be held invalid.

D. Incorporation of Attachments.

All attachments as listed below are incorporated by reference and comprise part of this initiative measure.

Attachment A: Sample Parking Rate Information Sheet for City-owned parking facilities subject to initiative measure

Attachment A

Sample Hourly Parking Rate Information Sheet for City-owned Facilities Subject
to Initiative Measure

221 North Crescent Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

321 South La Cienega Boulevard

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

333 North Crescent Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

9361 Dayton Way

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

440 North Camden Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

461 North Bedford Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

9510 Brighton Way

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

216 South Beverly Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

438 North Beverly Drive/439 North Canon Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

450 North Rexford Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion

345 North Beverly Drive

First Hour	Free
Second Hour	Free
Per ½ Hour Thereafter	City Discretion