

AGENDA ITEM SUMMARY

City Council



STAFF

Eric Keselburg, Sr Manager, Parking Services
Monica Martinez, FP&A Manager

SUBJECT

First Reading of Ordinance No. 111, 2024, Appropriating Prior Year Reserves in the Parking Services Fund for Parking Structure Maintenance, Parking Planning, and Safety.

EXECUTIVE SUMMARY

The purpose of this item is to enable the City to appropriate Civic Center Parking Structure (CCPS) reserve funds and Parking Services reserve funds. The funds will be used for the completion of maintenance projects and for increased security costs. If approved, this item will: 1) appropriate \$1,200,000 in CCPS Reserve funds and 2) appropriate \$395,000 from Parking Services reserves.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

There are a few requests being compiled together to fund City-managed parking structure necessities.

The first maintenance item intended to be completed with this appropriation is the CCPS stairwell, which following the 2019 condition assessment was found to have repair needs. Due to the pandemic and associated financial constraints imposed on Parking Services, the maintenance schedule was paused (approved by the contracted structural engineering firm). Once American Rescue Plan Act (ARPA) funding was provided (BFO cycle 2022/2023), Parking Services resumed maintenance repairs. However, the subsequent and necessary condition assessment performed found that the southeast stairwell had further degraded, requiring it to be closed (June 2022) for public use. Several design options were discussed and presented, a viable design submitted, and a path forward was determined. To complete this project a supplemental appropriation of \$1,200,000 is being requested. These funds will be appropriated from the CCPS reserves.

The second request is to use prior funding set-aside in 2023 for necessary parking structure deck sealant maintenance work in the Firehouse Alley Parking Structure (FAPS). This project was planned to bridge funding availability from both 2023 and 2024; however, due to timing delays, the available 2023 funding was not used and subsequently lapsed into the Parking Services reserves. To complete this project a supplemental appropriation of \$110,000 is requested. These funds will be appropriated from Parking Services reserves.

The third request revolves around performing a parking study and plan, as Parking Services presented to City Council at the October 24, 2023, work session. Specifically, staff intended efficiency improvements to the current state of the Parking Services operation and the need to support continuing efforts to develop a new financial and strategic model and related implementation plan for downtown parking. The identified problem statement showcased that the current parking system model does not provide the parking choices needed for those who visit the downtown area. In addition, it is incapable of addressing the demand distribution challenges, which frustrates users, because of the reliance on an enforcement methodology and the use of low dollar paid parking in undesirable facilities. Parking Services has determined it is unable to fulfill its required goals to fund its maintenance needs because it cannot achieve cost neutrality in its current financial and strategic model. To address these challenges, staff is preparing a Request for Proposal (RFP) in collaboration with the Downtown Development Authority (DDA), who agreed to contribute financially to a downtown parking study. To complete this project, a supplemental appropriation of \$185,000 is requested to fund this work. The DDA has agreed to reimburse the City for the cost in the amount of \$65,000 or up to 50% of total cost.

The final piece of the current funding request is related to the increased cost of third-party security services provided in the three (3) City-managed parking structures. Parking Services contracts armed security to ensure the evening and late-night users of the parking facilities have adequate protection, with armed security at each facility, with added security staffing during the weekend. The cost of the contract for armed security has increased yearly including an increase of 4.5% in 2024. Parking has managed past yearly increases within its budget, but cost increases have now accumulated resulting in a need for additional funding. To complete this project, a supplemental appropriation of \$50,000 is requested from Parking Services reserves.

In addition, since review of this supplemental funding plan by the Council Finance Committee on August 1, 2024, Parking Services has also identified the need for an additional \$50,000 in supplemental appropriation from Parking Services reserves to be used for maintenance work and to correct a cost calculation error. Maintenance costs are not increasing beyond what is outlined above.

The available Parking Services reserve balance is sufficient to cover the presented requests and will help to minimize execution, and advance efforts made to date. The requested contract funding increase will provide uninterrupted security coverage for downtown customers.

CITY FINANCIAL IMPACTS

All funds for these appropriations are requested from CCPS Reserves or from Parking Services reserves.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The requests in this Ordinance were presented at the August 1, 2024, Council Finance Committee and were recommended for approval.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance for Consideration