



Staff Report

File #: REPORT 18-0623, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council Regular Meeting of October 9, 2018

CONSIDERATION OF A HOLIDAY PARKING PROGRAM

(Assistant to the City Manager Nico De Anda-Scaia)

Recommended Action:

Staff recommends that the City Council discuss and provide direction on alternatives for a holiday parking program on citywide commercial zone silver-post meters¹.

Background:

The City Council has for a number of years provided up to three hours of free parking at silver-post meters to encourage shopping in the commercial areas during the holiday season. This program has typically been offered for a two-week period from December 11th - December 25th. However, in recent years the City Council has extended the program to four weeks in 2016, and three weeks in 2017 (Dec. 4th - 25th), in part to more closely reflect similar efforts being implemented in neighboring cities, and to help offset impacts to businesses caused by last year's Southern California Edison vault replacement project along Pier Avenue.

The City of Hermosa Beach has 445 silver-post meters (as shown in Attachment 2) located as follows:

- Bounded by the City border - Herondo Street on the south, Manhattan Avenue on the east, The Strand on the west, 27th Street on the north
- Pier Avenue - bounded by Hermosa Avenue on the west, Pacific Coast Highway on the east
- Lot D - rear of the Underground Bar
- Lot F - behind the Beach Market
- Lot G - the ten spaces on the City-owned lot on the north side of 4th Street, east of Pacific Coast Highway

Enforcement of silver-post meters runs from 10am to 2am, seven days a week. The silver-post meters also have either a two or three-hour time limit to allow for turnover of vehicles. The two or three-hour time limit will not be affected by a holiday parking program, as free or discounted parking will be offered in accordance with existing posted meter time limits. Vehicles exceeding the posted times will be cited as normal.

¹ Does not include the parking structure or downtown public parking lots A and B. Standard, full-time rates will still apply at these locations and at all non-bagged yellow-post (residential zone) meters.

Red festive meter covers are placed over all participating silver-post meters for the duration of the

Holiday Parking Program (Attachment 2). Meter covers have shown to be an effective branding tool for the program, while clarifying parking guidelines for those using the spaces.

Analysis:

The revenue loss associated with free holiday parking would be in meter revenue and parking citations for expired meters. The following three alternatives are presented for Council consideration.

Alternative 1: Implementation of a two-week (14-day) Holiday Parking Program from Tuesday, December 11th, 2018 through Tuesday, December 25th, 2018 in line with City efforts prior to 2016. The estimated fiscal impact in total lost revenue for a period of this length is \$75,078, with a breakdown of these totals outlined in Table #1 below:

Table #1
(14-day Period)

HOLIDAY PARKING PROGRAM (Dec. 11 - Dec. 25)	
METER REVENUE LOSS	\$50,512
PARKING CITATION REVENUE LOSS	\$24,566
TOTAL ESTIMATED REVENUE LOSS	\$75,078

Alternative 2: Implementation of a three-week (21-day) Holiday Parking Program from Tuesday, December 4th, 2018 through Tuesday, December 25th, 2018. The estimated total fiscal impact in lost revenue during the proposed 21-day period is \$112,617, with a breakdown of these totals outlined in Table #2 below:

Table #2
(21-day Period)

HOLIDAY PARKING PROGRAM (Dec. 4 - Dec. 25)	
METER REVENUE LOSS	\$75,768
PARKING CITATION REVENUE LOSS	\$36,849
TOTAL ESTIMATED REVENUE LOSS	\$112,617

Alternative 3: Implementation of a four-week (28-day) Holiday Parking Program from Tuesday, November 27th, 2018 through Tuesday, December 25th, 2018. The estimated fiscal impact in total lost revenue for a period of this length is \$150,156, with a breakdown of these totals outlined in Table #3:

Table #3
(28-day Period)

HOLIDAY PARKING PROGRAM (Nov. 27 - Dec. 25)	
METER REVENUE LOSS	\$101,024
PARKING CITATION REVENUE LOSS	\$49,132
TOTAL ESTIMATED REVENUE LOSS	\$150,156

Alternatively, City Council may opt for no program at all, or a holiday parking program with a different time-period not listed above. Special consideration should be given so that potential program dates are in line with the City's regular days of operation to ensure staff availability for set-up and removal of meter covers.

General Plan Consistency:

This program and associated alternatives have been evaluated for their consistency with the City's General Plan. Relevant policies have been listed below, along with staff's analysis:

Governance Element:

- *6.4 Business Support.* Support the Chamber of Commerce, retailers, tourist service businesses, artists, and other agencies to develop an aggressive marketing strategy with implementation procedures.

Staff Assessment: Staff recognizes the importance of attracting shoppers to the City's business districts, as well as the growing challenges faced by many of its local retailers competing in today's economy with rising rents and changing consumer trends. Providing marketing opportunities for businesses supports and is consistent with Policy 6.4 of the General Plan's Governance Element. However, while bagged parking meters during the holidays present an effective branding tool for downtown businesses, local retailers have struggled through the years to capitalize on these efforts through a streamlined marketing strategy. Among other recent major investments aimed at improving the business climate, the City has foregone significant revenues in free parking subsidies without being able to quantify the true economic benefit to local businesses.

Mobility Element:

- *1.4 Target investments.* Target public streetscape and infrastructure investments in locations with high potential for both public and private return on investment and long-term community value.

- *2.2 Encourage traffic calming.* Encourage traffic calming policies and techniques to improve the safety and efficient movement of people and vehicles along residential areas and highly trafficked corridors.

- *4.3 Reduce impacts.* Reduce spillover parking impacts due to employee parking and seasonal and event-based demands.

- *4.7 Parking availability.* Optimize parking availability through dynamically adjusted pricing and new technology to manage available spaces for short-term parking use to encourage rates of turnover that are responsive to fluctuating demands.

- *4.8 Ensure commercial parking.* Ensure that prime commercial parking spaces are available for

customers and other short-term users throughout the day.

Staff Assessment: PLAN Hermosa sets goals and policies aimed at offering greater transportation choices to the community and reducing traffic congestion/demand for parking. Free or discounted parking programs have shown to increase traffic and decrease the availability of parking capacity during peak hours by incentivizing drivers to circle program areas in search of the cheapest parking options, and to remain in open parking stalls for extended periods of time once they have located a space, rather than encouraging turnover. Additionally, it is evident that without a formal employee parking program and designated employee parking zones, employees of businesses in our commercial zones utilize free public spaces in large numbers. This further exacerbates parking demand during an already high-traffic period. In support of the Mobility Element policies listed above, the City has proceeded with implementing Phase 3 of a citywide parking meter upgrade program, and is currently conducting a Coastal Zone Parking Study aimed at helping guide future downtown parking strategies.

Fiscal Implications:

Should Council approve one of the three alternatives listed above, the revenue loss associated with free holiday parking in meter revenue and parking citations for expired meters would be as follows:

- \$75,078 for a 14-day program
- \$112,617 for a 21-day program
- \$150,156 for a 28-day program

The program, which the City Council selects, whether one of the three holiday free parking alternatives, a variation of any one of the alternatives, or no holiday free parking, will determine the total fiscal impact to the City.

Attachments:

1. Citywide Silver-Post Meter Map
2. Holiday Meter Bag Design Imprint

Respectfully Submitted by: Nico De Anda-Scaia, Assistant to the City Manager

Noted for Fiscal Impact: Viki Copeland, Finance Director

Approved: Suja Lowenthal, City Manager