



Staff Report

File #: REPORT 23-0137, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of March 14, 2023

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA
INCREASING PARKING METER RATES AND FINDING THE SAME EXEMPT FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**
(Finance Director Viki Copeland)

Recommended Action:

Staff recommends City Council:

1. Determine whether demand pricing should be implemented for all parking meters and the appropriate hours of operation for parking meters in the City;
2. Upon making the determination on the first recommended action, introduce and waive first reading of an ordinance entitled "An Ordinance of the City Council of the City of Hermosa Beach, California Increasing Parking Meter Rates and Finding the Same Exempt from the California Environmental Quality Act." (**Attachment 2 or 3**); and
3. Provide staff clarification and direction on the vehicle registration and proof of residency requirement for the Residential Parking Permit program.

Executive Summary:

Considering the recommendations included in the 2019 Coastal Zone Parking Management Study, City Council discussion and recommendations at its January 31, 2022 Parking Study Session and February 28, 2023 meeting, staff presents this item to allow City Council to refine its direction regarding changes to parking program elements including residential parking permit program and hourly parking lot meter and parking lot rates.

Background:

At its February 28, 2023 meeting, City Council discussed various issues related to parking in the City including parking meter rates. As discussed at the prior meeting, metered and pay-by-space parking is currently available for \$1.25 per hour, daily 10:00 a.m. to 8:00 p.m., and \$1.50 per hour, daily 8:00 p.m. to 2:00 a.m. in City lots, the downtown parking structure, and along streets and alleys. These rates were approved in 2010 and 2016, respectively. The dual-rate structure implements a demand pricing program where meters in higher demand areas (silver post) cost 25 cents more during peak (high usage) hours.

The history of meter rate increases is described in the following table:

Meter Rates - History of Rate Increases	
Year of Last Increase	Rate
2001	\$.75/hour
2003	\$1.00/hour
2010	\$1.25/hour
2016	\$1.50/hour Demand pricing implemented from for Upper Pier Avenue, Hermosa Avenue, Lots silver meters

A survey of meter rate comparisons with other cities is shown below:

Meter/Pay-by Space		
City	Location	Rate
Hermosa Beach	Upper Pier, Hermosa Avenue-	\$1.25/\$1.50
	Lot A, B & D (silver meters) 10	\$1.25/\$1.50
	Lot D- yellow meters only, F, G	\$1.25
	2am	
	24-hour yellow meters and resi	\$5/day
	spaces	
Manhattan Beach	On-Street Meters City Wide	\$2.00
	County Parking Lots/Meters	\$2.50
Redondo Beach	Street Meters: Redondo Bike P	\$1/40 min;
	George Freeth Way, Veterans	\$.25/10 min;
		\$.10/4 min;
		\$.05/2 min
	Parking Meter Permit thru 9/21	\$110/Annual
	numbered parking sticker, CA	per vehicle. 4
		hr. limit
Santa Monica	On-Street Meters City Wide	\$1.25
	Downtown/Beach Meter Zones	\$2.50
West Hollywood	All Streets	
	Per 15 Minutes	\$0.50
	Per Hour, 5 min grace between	\$2.00
	Outdoor Dining Parking Meter	
	Daytime Hourly Rate per Parki	\$0.54
	Evening Hourly Rate per Parki	\$0.32
	Annual Flat Rate per Non-Enfo	\$107.50

	Annual Renewal Fees Subject Ana Area CPI Increase	
Culver City	Areas where employee parking businesses, by petition, opted to	\$0.25 per hour
	Areas with high-turnover, food area	\$0.75 per 15 minutes
	Outside of the Downtown area	\$1.00 per hour
	Downtown area	\$1.50 per hour

After completing its deliberations, City Council introduced on first reading a rate increase to \$2.00/\$2.50 per hour to align with current parking rates in other nearby coastal cities while maintaining the demand pricing structure. However, the language in the presented ordinance did not entirely reflect the current demand-based pricing locations. Based on the need for clarification, staff does not recommend waiving the second reading and adopting the ordinance as introduced at the February 28, 2023 meeting (**Attachment 1**).

Meeting Date	Description
June 6, 2018	The City Council held a Budget Workshop, with a Five-Year Financial Forecast, including recommendations for increased citation fines. At that time, the City Council requested a survey for all parking violations.
December 17, 2019	The City Council accepted the Coastal Zone Parking Assessment Study recommendations; directed staff to return to Council and the applicable City Commissions with the related implementation actions for each of the near-term recommendations; and directed staff to incorporate the policy recommendations into the Draft Local Coastal Program and, if appropriate, draft an amendment to the City's Coastal Development Permit for the Preferential Parking Program and Remote Beach Park and Ride System.
September 14, 2021	The City Council approved amending and updating the City's Certified Coastal Land Use Plan, focused on the Mobility Element, and authorized submittal to the California Coastal Commission.
September 28, 2021	The City Council requested that City Parking Programs and Parking Management be discussed at a future meeting.

January 31, 2022	The City Council reviewed and discussed the status and priorities of the 12 recommendations in the Parking Management Study and challenges of coordinating these efforts with goals of Plan Hermosa and the City's efforts to certify a Local Coastal Program with the Coastal Commission. Council directed staff to move forward with the sale of the renewal of the 2022-2023 residential and employee parking permits; place an item on a future agenda to enable Council to consider a fee increase; and restrict the out-of-state vehicles except for active military.
November 3, 2022	The City Council awarded a contract for mobile parking payment systems (Pay-By-App) to ParkMobile, LLC and directed staff to explore opportunities to utilize the system to provide real-time parking availability information to the public.
November 29, 2022	The City Council approved the conclusion of all incentives for public electric vehicle charging and implementation of charging fees for electricity usage at public chargers.
February 28, 2023	The City Council approved changes to the City's residential parking permit program, employee permit program, and hourly parking meter and parking lot rates.

Discussion:

Staff presents this item to allow City Council to refine its February 28, 2013 direction regarding changes to parking program elements pertaining to the residential parking permit program and hourly parking lot meter and parking lot rates. The language in the ordinance previously introduced on first reading (**Attachment 1**), set the parking meter rates at \$2.00 per hour and then between the hours of 8:00 p.m. to 2:00 a.m. daily set the parking meter rates at \$2.50 per hour for the following locations: Lot A, Lot B, Lot C, Upper Pier Avenue, and Hermosa Avenue. The ordinance language was solely intended to increase the meter rates and not to change any of the locations. However, after subsequent investigation, City staff realized the language provided in the first iteration of the ordinance did not accurately reflect the entirety of the locations where this demand pricing is currently in effect.

To clearly convey the original intent, an updated ordinance is provided as **Attachment 2**. The updated ordinance maintains the current bifurcated system of meters where select meters change to the increased demand pricing between the peak hours of 8:00 p.m. and 2:00 a.m. The updated language in the revised ordinance accurately describes the City's current parking meter program where only select meters change to demand pricing at 8:00 p.m. and fully describes the locations of the demand-based pricing.

Parking Meters-Operational Hours

The current operational hours for single-space silver meters in the City are 10:00 a.m. to 2:00 a.m. The current operational hours for yellow metered spaces are 10:00 a.m. to 12:00 a.m. The operational hours for Lots A and C are 24-hours and Lot B is 10:00 a.m. to 2:00 a.m. Any parking that takes place outside of operational hours is at no charge.

For City Council's consideration, staff presents a revised ordinance (**Attachment 3**) which would eliminate the bifurcated approach and implement demand-based pricing for all meters in the City irrespective of location. The revised ordinance would also institute operational hours for all meters in the City between the hours of 8:00 a.m. and 2:00 a.m. If enacted, the new program would eliminate two hours, 8:00 a.m. to 10:00 a.m., of no charge meter parking.

Staff recommends Council deliberate and provide direction on the following:

1. Should demand pricing be implemented City-wide at all meters in the City or should the current dual rate system, where only select meters change to demand-based pricing be maintained; and
2. What are City Council's preferred hours of operation City parking meters? Existing hours are 10:00 a.m. to 2:00 a.m.

Residential Parking Permit-Vehicle Registration

Staff would like the City Council's clarification on a related parking issue pertaining to the Residential Parking Program. At its February 28th meeting, City Council provided direction to limit residential parking permits to three per year, per residence. Further, the direction provided the City Manager with the discretion to grant one additional permit in excess of the three residential parking permits per residence. The additional permit could be granted "upon a showing that there exists a number **of registered vehicles to different and unique drivers at a specific property**, which does not have adequate on-site parking to accommodate the number of vehicles in excess of the three residential parking permits allowed." The requested point of clarification is related to the location of the vehicle registration.

The existing residential parking permit program requires the vehicle be registered in the State of California. Staff understands that it was the direction of City Council in its February 28, 2023 motion to limit residential parking permits to vehicles registered to the Hermosa Beach residence and that proof of residence and valid vehicle registration assigned to that address would be required. While City Council directed that the burden of proof fall upon the applicant, staff would like to provide the Council with additional information regarding an applicant's ability to provide such documentation.

The California Vehicle Code requires registered vehicle owners to notify the California Department of Motor Vehicles of a change of address or address correction within 10 days. In many cases, this change of address may be completed online and proof may be printed to provide the necessary proof

for a permit. In some cases, such as an individual moving to California for the first time, the form may not be completed online and a delay in obtaining valid proof of registration may result. In these cases, staff may not be able to secure the necessary documentation to support the issuance of a residential parking permit at the time the application is made. Additionally, some individuals' primary vehicle is registered under a relative's name. Under the current residential parking pass application procedure, an applicant whose vehicle is registered in a family member's name is provided an authorization of vehicle use by family member form so that family member who owns the vehicle may attest to the applicant's authorization to use said vehicle. This procedure could remain in place to accommodate this specific circumstance.

Residential Parking Permit-Residency Requirements

Finally, staff would like City Council's clarification on proof of residency requirement for the Residential Parking Permit program. Staff understands that it was the direction of City Council in its February 28, 2023 motion to limit residential parking permits to applicants with proof of residence, such as a signed lease, at the address where the permit is sought. In some cases, the lease is not in every tenant's name. Under the current residential parking pass application procedure, there are several forms of proof of residency accepted. This procedure could remain in place to accommodate this specific circumstance.

Staff reiterates the following analysis to ensure that the recommendations, if implemented, would be considered consistent with the findings of the Coastal Act and the City's certified Land Use Plan. The following commonly cited sections of the Coastal Act and Hermosa Beach's certified LUP related to public access and parking are listed below, with a brief consistency analysis *in italics*:

- Section 30210 of the Coastal Act states: In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

The City is not considering any decrease of parking spaces, which retains the ability of the general public to access the coastal zone. The potential increase in fees further increases the availability of parking.

- Section 30211 of the Coastal Act states: Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

There is no development proposed. The potential increase in fees increases the availability of parking, which enhances the public's right of access.

- Hermosa Beach certified LUP Section III(A) states: To preserve and increase where feasible, residential, commercial, and general public parking within the Coastal Zone.

The City is not considering any decrease of parking spaces. The potential increase in fees increases the availability of general public parking.

- Hermosa Beach certified LUP Section III(C)(1) states, in relevant part: Policy: That the City should not allow the elimination of existing on-street parking or off-street parking spaces within the coastal zone. Given the Commission's authority, staff cautions against any significant incremental pricing changes or program changes without an overall program approach or implementing before Commission approval.

The City is not considering elimination of existing on-street parking or off-street parking spaces in the coastal zone.

Environmental Determination

Pursuant to the California Environmental Quality Act ("CEQA"), the City finds that there is no evidence that the Project would have a significant effect on the environment. Thus, pursuant to CEQA Guidelines section 15061 (b)(3), it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Furthermore, section 15273 of the CEQA Guidelines states that CEQA does not apply to modification of fees by public agencies for meeting operating expenses or financial needs.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Mobility Element

Goal 4. A parking system that meets the parking needs and demand of residents, visitors, and employees in an efficient and cost-effective manner.

Policies:

- **4.2 Encourage coastal access.** Ensure parking facilities and costs of such facilities are not a barrier to beach access by the public.
- **4.3 Reduce impacts.** Reduce spillover parking impacts due to employee parking and seasonal event-based demands.
- **4.4 Preferential parking program.** Periodically study and evaluate the current inventory of public parking supply and update the preferential parking program.
- **4.6 Priority parking.** Provide priority parking and charging stations to accommodate the use of Electric Vehicles (EVs), including smaller short-distance neighborhood electric vehicles.
- **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.
- **4.9 Encourage TDM strategies.** Encourage use of transportation demand management strategies and programs such as carpooling, ride hailing, and alternative transportation modes as a way to reduce demand for additional parking supply.
- **4.10 Visitor parking information.** Manage information about passes and accessing public parking lots to facilitate use by longer-distance visitors with limited transportation choices.
- **4.11 Consolidated parking facilities.** Consider the development of new small-scale parking structures or shared facilities outside of the Downtown core and incorporate adaptability standards so that they may serve other uses in the future.

Fiscal Impact:

The recommended increase of meter rates from \$1.25 per hour, daily 10:00 a.m. to 8:00 p.m., and \$1.50 per hour, daily 8:00 p.m. to 2:00 a.m., to \$2.00 per hour and \$2.50 per hour to align with current parking rates in other nearby Coastal cities would result in an estimated annual revenue increase of \$1,838,489. This estimate would change if the hours of operation or locations or both are changed.

Attachments:

1. Ordinance Introduced on First Reading at February 28, 2023 City Council Meeting
2. Draft Ordinance Increasing Parking Meter Rates and Maintaining Bifurcated Meter System
3. Draft Ordinance Increasing Parking Meter Rate and Instituting Demand Pricing City Wide and Changing Operational Hours
4. Link to June 6, 2018 City Council Budget Workshop (see Draft Forecast and Financial Plan Attachment p.11)
5. Link to December 17, 2019 City Council Staff Report
6. Link to September 14, 2021 City Council Staff Report
7. Link to September 28, 2021 City Council Meeting Agenda
8. Link to January 31, 2022 City Council Parking Study Session Agenda
9. Link to November 3, 2022 City Council Staff Report
10. Link to November 29, 2022 City Council Staff Report
11. Link to February 28, 2023 City Council Staff Report

Respectfully Submitted by: Viki Copeland, Finance Director

Concur: Carrie Tai, AICP, Community Development Director

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Patrick Donegan, City Attorney

Approved: Suja Lowenthal, City Manager