

**DOWNTOWN PARKING BOARD
MINUTES**

February 3, 2010

REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE
200 E. Santa Clara Street, 14th Floor Rincon Conference Room

Item Subject

1. **Call to Order**

8:02 a.m.

Action: The DPB Meeting Minutes of December 2, 2009 were approved (6-0-1)

Absent: Board member Tibbils was absent

Documents Filed: December 2, 2009 DPB Meeting Minutes

2. **Chairperson Report**

No Report

3. **Parking Management Plan**

A. Mid-Year Budget Adjustments

Laura Wells (DOT) reviewed the Mid-Year Budget Adjustments memo with the following details:

- Initial 5-year budget forecast assumed a 5% decrease in year-end revenues and mid-year budget anticipates a 13% decrease for a total decrease of \$1.5 million.
- Visitor revenues anticipated to decrease by 8%
- Monthly revenues anticipated to decrease by 15%
- Interest revenue projected to be 26% lower than budgeted due to lower interest rates

To offset the anticipated decline in revenues, the following expenditure reductions have been identified for a total savings of approximately \$1.5 million:

- HP Pavilion/Diridon Meters: \$ 30,000 Savings
- Parking Guidance System-Phase II: \$ 150,000 Savings
- Security Improvements: \$ 200,000 Savings
- Minor Parking Facility Improvements: \$ 230,000 Savings
- Parking Technology Improvements: \$ 300,000 Savings
- Non-Personal/Equipment: \$ 300,000 Savings
- Reduction in Unrestricted Fund Balance: \$ 300,000 Savings

A discussion ensued regarding the following:

- Anticipated revenue decreases
- Capital projects and expenditure reductions
- DOT & Parking Operator staffing levels and opportunities for staffing expense savings
- Terms and status of management agreement with Central Parking

Jim Ortbal (DOT) reported that DOT staff will review current staffing levels for possible opportunities to reduce expenses and report back in May as a part of the FY 2010-11 budget. DOT will also review the potential for negotiating with Central Parking for reduced management fees and will report back at the March 3, 2010 DPB meeting.

Document Filed: Mid-Year Budget Adjustments Memo

B. Capital Projects Update

Joe Garcia (DOT) reviewed the Status Report on Parking Capital Improvement Projects memo which provided an updated status on the following projects:

- Third Street Garage Staircase
- Closed Circuit Television (CCTV)
- Garage Energy Efficiency Improvements
- Convention Center Deck Upgrade
- Revenue Control Upgrade
- Second & San Carlos Garage Elevator Upgrades

The Board discussed the status and budget for the various projects.

Document Filed: Status Report on Parking Capital Improvement Projects

4. Capital/Finance

A. Traffic & Parking Plan for Mardi Gras and Cinco de Mayo

Lieutenant Dave Honda (SJPD) reviewed the plan to close the Market Street and Third Street garages to entry after 9pm on Mardi Gras and Cinco de Mayo evenings because of historically large crowds of party goers.

A discussion ensued regarding the rationale behind the garage closures and Chair Monley noted that the atmosphere within the City's garages had changed substantially with the implementation of additional garage security.

Scott Knies (SJDA) noted that DOT, SJPD, and the Downtown Association will be meeting to discuss the traffic/parking plan and review alternatives to garage closures.

B. Proposed Parking Incentive Program

Mr. Ortbal presented two Development and Parking Incentive memos. One proposed by Mayor Reed and Councilmembers Liccardo, Pyle, and Herrera and the other by City staff. Parking incentives outlined in the two memos will be reviewed and discussed by the City Council during an Economic Development Strategy Study Session on February 8th, 2010.

A discussion ensued on the following topics:

- Free parking for a period of two years for employees of new and retained businesses downtown
- Potential inclusion of arts and cultural venues for parking incentives and validation
- Potential reduction in parking revenues from free or discounted incentives
- Downtown's disadvantage compared to suburban/industrial areas where parking is free
- Potential impacts of free/reduced parking on private parking operators
- Marketability of a simple parking incentive program
- Parking incentives for customers of downtown businesses

Mr. Knies introduced Kevin Fitzpatrick (Legacy Partners) who noted the impacts of parking on his ability to lease his buildings downtown which currently has 50% vacancy.

DOT staff will share the Boards input at the February 8th Study Session.

Documents Filed: Development Incentives for San Jose's Economic Recovery
Business Attraction/Retention and Development Initiatives

5. **Reports & Coordination**

A. Staff Verbal Update on Events & Activities

None

B. City Council Agenda Items

The following items were noted for upcoming Council agendas:

- February 8, 2010: Economic Development Strategy Study Session
- February 23, 2010: Redevelopment Agency Budget
- March 9, 2010: Convention Center Deck Repair change order

C. Parking Marketing Services FY 2009-2010, Status Report #2

There was no discussion for this item

D. Convention Center Expansion

This item was deferred to the March 3, 2010 DPB Meeting.

E. Mayor's Redevelopment Agency Supplemental Budget Message

There was no discussion for this item.

F. DPB Retreat

This item was deferred to the March 3, 2010 DPB Meeting

6. **Future Agenda Items**

The following items are agendized for the March 3, 2010 DPB meeting:

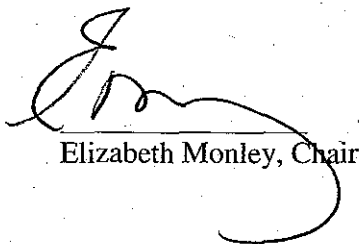
- 2nd Quarter Financial Report
- 2nd Quarter Parking Occupancy Report
- Late Night Parking & Activity
- Convention Center Expansion
- Redevelopment Agency Budget
- Parking Incentives
- DPB Retreat

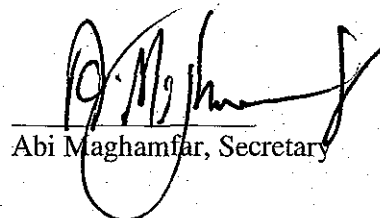
7. **Open Forum**

No Public Comments

8. **Adjournment**

10:10 a.m.


Elizabeth Monley, Chair


Abi Maghamfar, Secretary