
**DOWNTOWN PARKING BOARD
MINUTES
March 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**

8:04 a.m.

Action: The DPB Meeting Minutes of February 3, 2010 were approved (5-0-2)

Absent: Board members Tibbils and Walker were absent

Documents Filed: February 3, 2010 DPB Meeting Minutes

2. **Chairperson Report**

Chair Monley reported that she visited downtown San Jose during the evening of Mardi Gras' Fat Tuesday and noted that the downtown lots and garages were open and that the business owners and customers were happy about the balance of police presence and accessibility to downtown. Chair Monley also reported that she attended the "High Cost of Free Parking" presentation by UCLA professor Donald Shoup.

3. **Parking Management Plan**

A. Late Night Parking & Activity

Joe Garcia (DOT) reviewed the Evening Parking and Activity report which documented the evening revenues and police activity for the 2009 calendar year with the following details:

- Evening revenue increased by \$12,688 from 2008
- Police activity decreased from 2,032 incidents in 2008 to 1,678 incidents in 2009
- Shift in police activity from the Market St. and Third St. garages to the Convention Center garage due to location of night clubs in SoFA district

A brief discussion ensued regarding the following:

- Evening revenue increase of approximately 15% compared to the rate increase of 50%
- Activity and occupancy at the SJSU garages related to City's evening rate increase
- Shift in police activity to the Convention Center garage

Document Filed: Evening Parking and Activity Report

4. **Capital/Finance**

A. 2nd Quarter Financial Report (DOT)

Matt Farrell (DOT) reviewed the 2nd Quarter Financial Report and noted the following:

- Revenues are 53% of the modified budget
- Operating Expenditures are 43% of the modified budget
- 1st/280 lot has lost \$28k through the 2nd Quarter. DOT is working with Caltrans to renegotiate the lease to lower the monthly payment (currently \$4,300/month)

- Capital Projects: Convention Center deck upgrade (50% complete), 3rd St. garage staircase replacement (2 staircases replaced), and PCI upgrades to begin in April and anticipated to be completed in June

A discussion ensued regarding the 2nd Quarter report and the following items:

- 4th & San Fernando garage loss and the 1hr free parking after 6pm
- DOT will analyze and prepare a report for the DPB on the 4th & San Fernando garage program of 1hr free parking after 6pm
- Reduction in Audit & Overhead expenses: Determined by the City's Finance Department Budget Office
- Payroll: DOT will review and report in May as part of the 2010-2011 budget

Action: (5-0-2) Board member Carlson moved to accept the 2nd Quarter Financial Report. Board Member Renelle seconded the motion.

Document Filed: FY 2009-10 2nd Quarter Financial Report (DOT)

B. 2nd Quarter Financial Report (Agency)

Arian Collen (Agency) presented the 2nd Quarter Financial Report for the Agency parking operations and noted the following:

- Total Revenues of \$816k and Expenses of \$2.49 million
- Largest expense: \$1.69 million debt service payment for the 4th & San Fernando garage
- Central Place garage opened at the end of August 2009
- Master Association expenses for the Central Place garage are the garages proportional share of the fees for the Master Association common area expenses
- Debt service payment of \$40k for the Central Place garage is the interest only portion, with the principle payments beginning in June 2010
- Agency responsible for providing parking for the HP Pavilion employees at an expense of approximately \$104k per year

A brief discussion ensued on the following topics:

- Free parking lots in the business districts
- Long Term or overnight parking at the Stephens Meat parking lot
- Alameda Business District parking lots and their impact on promoting business

Document Filed: FY 2009-10 2nd Quarter Financial Report (Agency)

C. Parking Operator Management Fees

Mr. Garcia reported that DOT met with Central Parking Regional and General Managers who have agreed to reduce their management fee by 10%. DOT will be meeting with Central Parking on March 10, 2010 to finalize the details and amend the contract to memorialize the management fee reduction.

5. Operations

A. 2nd Quarter Parking Occupancy Report

Mr. Garcia reviewed the 2nd Quarter Parking Occupancy Report and noted an approximate 4-6% overall decrease in occupancy, although there was a 1% increase in weekend evening occupancy.

Mr. Collen reviewed the occupancy for the Agency's locations and noted that the average weekend occupancy is very different than the occupancy for Saturday or Sunday alone.

A brief discussion ensued regarding the calculation of the DOT occupancy numbers based on available spaces vs. occupancy.

B. Proposed Parking Incentive Program

Jim Ortbal (DOT) reported on the staff proposed parking incentive program which includes the following discounts for new and retained businesses downtown:

- New Businesses: Up to 2 years of free parking with up to a 4 year lease
 - No limit on the number of free parking passes
- Retained Businesses: 50% discount for businesses that remain downtown
 - Cap of 200 discounted passes
 - No more than 50 for any one business
 - Possible extension to 400 discounted passes if demand warrants

A brief discussion ensued regarding the following:

- Potential for making discount retroactive for those businesses that just signed leases
- Downtown Association to distribute marketing info to various stakeholders
- Potential impact of free public parking on private office buildings and parking operators
- Discounted parking would not be available at the 4th & San Fernando or Convention Center garages

Item is agendaized for the March 16, 2010 City Council meeting.

6. Reports/Coordination

A. Staff Verbal Update on Events & Activities

Mr. Farrell noted that during the evening of Mardi Gras, there were no major incidents and that police staffing would be reviewed for next years events based on this years activities.

Mr. Farrell also noted that on Saturday March 6, 2010 there is a public dance at the Convention Center with an expected attendance of 19,000. Parking compliance staff will be dispatched to the neighborhoods surrounding the Convention Center to monitor on-street parking in those areas.

Roma Dawson (D3) noted that Jerry Von Tress (Team San Jose) had been awarded the John Balbach award of Excellent Service from the Market/Almaden Neighborhood Association.

B. City Council Agenda Items

March 8: Study Session on Airport Economic, Budget, and Competitive Issues

March 23: Convention Center Deck Upgrade (Change Order)

C. Convention Center Expansion

Abi Maghamfar (Agency) reported on the Convention Center Expansion with the following details:

- Originally budgeted at \$300 million, now budgeted at \$130 million
 - \$70 million from hotel tax
 - \$30 million from Agency
 - \$30 million from City Lease Revenue Bonds
- Project will be done through Design/Build process
- Project includes: 35k sq. ft. ballroom, 25k sq. ft. meeting rooms, and demo of MLK Library

Next step is for the Agency, City, Convention Center, and hotels to develop criteria for design build project and go to bid.

A brief discussion ensued regarding the project, design, scope, and timing. Mr. Von Tress provided additional details.

D. Redevelopment Agency Budget

Mr. Maghamfar reported that the Redevelopment Agency budget was approved by the Redevelopment Agency Board on February 23, 2010, and noted the following:

- Budget addresses State take of \$75 million
- Parking Fund to pay 2 years instead of 2 ½ years of 4th/San Fernando debt service in the amount of \$6.8 million with Agency to reimburse the fund in FY 2015-16
- 4th/San Fernando interest revenue to be retained by the Parking Fund instead of the Agency
- Former Parking Fund Loan of \$6.8 million due in 2012 is now deferred to FY 2014-2015

A brief discussion ensued regarding the Agency budget.

E. DPB Retreat

Mr. Collen will follow up with the DPB members and staff to determine a date for the DPB Retreat.

F. Form 700

Mr. Collen noted that the City Clerks office sent an email to all City Board and Commission members regarding the availability of an online system to complete their Form 700.

Chair Monley questioned if the Sharks tickets received by DPB members for the DPB Appreciation event need to be included in their Form 700. Mr. Collen stated that he would verify with the City Clerk/City Attorney and respond to the DPB members.

7. **Future Agenda Items**

The following items are agendaized for the April 7, 2010 DPB meeting:

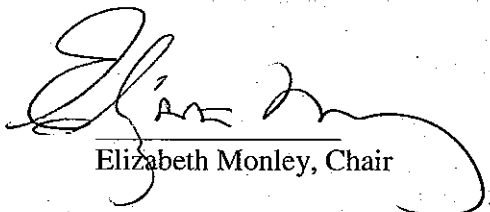
- PMP Implementation Plan Update
- Capital Project Updates
- Parking Incentives
- DPB Retreat

8. **Open Forum**

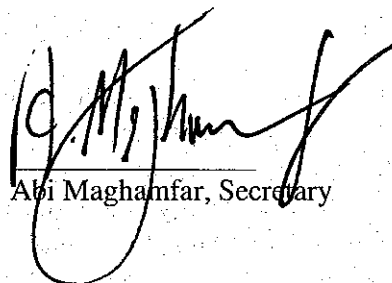
No Public Comments

9. **Adjournment**

10:08 a.m.



Elizabeth Monley, Chair



Abi Maghamfar, Secretary