
DOWNTOWN PARKING BOARD
DRAFT MINUTES
May 4, 2011

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

Item Subject

1. **Call to Order**

8:06 a.m.

Action: The DPB minutes for the February 2, 2011 meeting were approved (3-0-1).

Absent: Board member Renelle was absent.

Document Filed: February 2, 2011 DPB Meeting Minutes

2. **Chairperson Report**

Chair Beechie had no report.

3. **Capital/Finance**

FY 2011-2012 Proposed Budget and 5-Year Capital Budget

Item 3 and Item 4. Redevelopment Agency Update were combined.

Jim Ortbal (DOT) introduced the transition plan for DOT and the Agency and noted that the City is struggling to close a \$115 million General Fund budget shortfall. This effort is having wide ranging impacts to the City budget. As part of this effort, the Budget Office and DOT staff are working on a strategy to cover the \$3.4M annual debt service payment for the 4th/San Fernando Garage. When this garage was built, it was never anticipated that the Parking Fund would assume this debt service. The Parking Capital Development Fund has helped meet this obligation.

There are a number of proposals included in the budget which identify additional revenues to help the Parking Fund meet this obligation over the next two years. These proposals include keeping net revenue from the Convention Center Garage in the Parking Fund and establishing a reserve for debt service. In addition to these steps, the General Fund would assume the Agency's \$10 million annual debt service payment for the Convention Center. Mr. Ortbal emphasized this is a bridge strategy, not a long term solution to cover the 4th/San Fernando Garage debt service payment.

Richard Keit (Agency) then presented an update on the Redevelopment Agency budget. The Mayor and City Council voted to keep the Agency intact, with a significantly reduced staff. Agency will continue as a separate legal entity with separate staff, and the ability to issue debt. Agency staff will be working with the Office of Economic Development to continue to attract new industries to San Jose and to support job creation.

Joe Garcia (DOT) presented the major revenue proposals which will generate an estimated \$534,000 in additional revenue:

- Increase the daytime incremental parking rate from \$0.75 to \$1.00 every 20 minutes,
- Increase the evening flat rate a year earlier from \$4 to \$5 in January 2012,
- Implement a \$4 flat rate on weekend days and major holidays. Increase to \$5 in January 2012,

- Increase the daily maximum parking rate from \$15 to \$20,
- Eliminate the 1 hour free parking after 6:00 p.m. at the 4th/San Fernando Garage,
- Place on hold the \$5 evening special event rate adjustment.

In addition to these revenue proposals, the Budget Office has also recommended that \$800,000 in Redevelopment Agency facility revenues be transferred to the Parking Fund starting in 2011-2012.

Jim Ortbal discussed the following reductions which have been recommended in supply and demand service programs:

- Eliminate City's participation in the VTA's Eco Pass employer transit program (City funded transit passes for employees),
- Eliminate City contribution to the DASH Shuttle, and
- Eliminate City's Commuter Assistance Program (discounts for employees who commute from outside Santa Clara County).

Together these programs represent \$424,000 in reduced expenditures.

Joe Garcia outlined the major elements of the 5-year capital program:

- Diridon Area Multi-Modal Improvements \$1,000,000: Matching funds to support multi-modal projects in the Diridon Area,
- Dynamic Message Signs \$700,000: Signs which provide parking and traffic information for motorists entering the Downtown from area highways. Only four of the nine signs are functioning and replacement parts are not available. These signs complement the Parking Guidance System signs in the Downtown Core.
- Garage Elevator Upgrades \$1,000,000: Upgrades to Third Street Garage and Market/San Pedro Square Garage elevators.

Joe Garcia discussed additional changes proposed in the Master Rate Resolution:

- The continuation of the Business Incentive Parking Program, and
- Enhancing the Validation Program at Market/San Pedro Square, Third Street, Fourth/San Fernando, and 2nd/San Carlos Garages (The enhancements would provide free parking weekday evenings after 6:00 p.m. and all day on Saturday and Sunday with the use of a 2 hour Downtown Validation coupon).

Jim Ortbal stated that DOT will continue to work with churches and social service providers that provide services on weekends. DOT will also continue to evaluate options should the Parking Fund be looked at to support additional 4th/San Fernando Garage debt service beyond the two years; including either extending the current parking operator agreement in exchange for cost concessions or issuing a Request for Proposals to achieve cost savings, reviewing ways to reduce workload and staffing costs, generating higher activity in the parking system, reviewing the parking rate structure to optimize revenues, and evaluating parking assets.

Chair Beechie asked for a description of multi-modal improvements. Jim responded that these improvements would include bicycle, pedestrian and parking projects in the Diridon Area. Because there are no other General Fund or Redevelopment Agency funds available, these funds would be used to leverage grant funding by providing matching funds.

Scott Knies (San Jose Downtown Association) stated that the impact on the Parking Fund during this difficult budget year could have been worse. He urged the Board to channel support for the fund to support parking-related activities. He also stated that the SJDA supports the enhanced

Validation Program proposal and the use of validation machines for high activity businesses. He also stated the SJDA supports the continuation of the Business Incentive Parking program.

Representatives from Trinity Episcopal and First Unitarian Churches expressed concerns about the impact of Sunday paid parking on their congregations and on the services they provide on weekends. Staff explained that the Employee Garage at 4th/St. John will continue to be free on weekends and parking meters will continue to be free on Sunday.

Action: (3-0-1) Vice Chair Carlson moved to approve FY 2011-2012 Proposed Budget and 5-Year Capital Budget. Board member Nichols seconded the motion.

Document Filed: FY 2010-2011 Annual Financial and Activity Report

4. **Redevelopment Agency Update**

This item was combined with Item 3.

5 **Reports/Coordination**

A. Downtown Bicycling, Walking and Streetscapes

Staff noted that the Bike Plan 2020 Annual Report is included in the agenda packet. This will be considered by Council on May 4.

B. Diridon Station Area Plan

Staff is moving forward on the EIR for the plan. A Notice of Intent has been posted.

C. Staff Verbal Updates on Events & Activities

Staff gave updates on the following events:

- San Jose Eats: Scheduled on St. John Street for Saturday, May 7
- Cinco de Mayo: Police will not close any garages, but plan to close parts of Santa Clara Street
- Music in the Park: Working with the Silicon Valley Bicycle Coalition, DOT staff will pilot a valet bike parking program as part of this concert series

D. City Council/Committee Agenda Items

The City Council will consider the 2011-2012 Proposed Parking Fund Budget on June 14.

5. **Future Agenda Items**

The following item is scheduled for the August 4, 2011 DPB Meeting

- Final approval of 2011-12 Annual Work Plan

6. **Open Forum**

Scott Knies expressed concerns about the proposed Bus Rapid Transit (BRT) Santa Clara Corridor project.

7. **Adjournment**

9:31 a.m.