


**CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM**

Date: June 11, 2012

To: The Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Bill Rosendahl, Chair, Transportation Committee

From: Jaime de la Vega, General Manager
Department of Transportation 

Subject: **SAN PEDRO AND WILMINGTON PARKING METER ZONES
(CF 11-0941 and CF 11-0941-S1)**

SUMMARY

This report recommends removing certain underutilized parking meters, changing certain parking regulations, and upgrading certain parking meters in San Pedro and Wilmington.

RECOMMENDATION

1. DIRECT the General Manager of the Los Angeles Department of Transportation (LADOT) to remove parking meters and extend parking time limits in the San Pedro and Wilmington parking meter zones (PMZ) as described in Attachment A.
2. REQUEST the City Attorney, with the assistance of LADOT, to prepare an ordinance to include the San Pedro and Wilmington PMZ in Los Angeles Municipal Code (LAMC) section 88.00.2 (b) with those eligible for demand-based parking meter rates, as a pilot program to evaluate this strategy in lower-demand areas.

ALTERNATIVES

Alternative 1

The City Council could decide to take no action and maintain the current parking meters, rates, and regulations.

Alternative 2

The City Council could decide to lower rates from the existing rate of \$1.00 per hour to \$0.75, \$0.50, or \$0.25 per hour.

DISCUSSION

Policy

This issue is a policy issue where the intent of parking regulations is balanced against the revenue generated from paid meters as well as citations issued.

The purpose of parking meters and time limit regulations is to ensure turnover of parking spaces so that customers have access to local businesses. Under-utilization of metered parking spaces means that rates are too high and/or that meters are not warranted.

Recommended Approach

A preliminary investigation and field survey was conducted by the LADOT meter operations staff. Field survey data and past meter revenue were used to analyze the effect of meter removal. This investigation included evaluating adjacent land-use development, parking occupancy, posted parking restrictions, annual meter revenue, and average paid occupancy for each parking meter. The investigation showed large areas of underutilization, i.e. meters used less than 10% of the day on average.

Based on this analysis, LADOT recommends various changes to parking meter infrastructure and regulations as listed in Attachment A. Also included in the attachment are detailed maps and tables showing the average paid time per day for each on-street metered space. Based on this analysis and field investigations, LADOT determined the proposed boundaries to retain metered operation where warranted by demand and land use.

Based on the field survey and analysis, LADOT also assessed an approach to implement demand-based parking meter rates, which is the department's recommendation. As a pilot program aimed at improving utilization, LADOT recommends including the San Pedro and Wilmington PMZs with those eligible for demand-based parking meter rates in LAMC section 88.00.2 (b). This change would provide LADOT the authority to adjust meter rates up or down by as much as 50% with the goal of achieving 70-90% occupancy during metered hours. Based on a preliminary analysis, LADOT expects most meter rates in the San Pedro and Wilmington PMZs to initially be lowered in order to achieve this goal.

This approach is similar to one being evaluated downtown with the LA Express Park project, but it would be implemented with the goal of improving utilization, as opposed to managing the traffic congestion experienced downtown. LADOT proposes to use data on paid hours, rather than more expensive wireless parking sensors, to measure demand for the pilot program.

If approved by the City Council, the removal of parking meters, the upgrade of the remaining meters, and time limit modifications will take several weeks, but they are

expected to be completed in July 2012. Rate changes would follow pending the effective date of the ordinance.

Alternative Approaches

As an alternative to the recommended approach, the City Council could decide to take no action and maintain the current parking meters, rates, and regulations. In this event, LADOT will proceed with upgrading all the existing old meters to card & coin meters as part of the citywide upgrades being completed this year. LADOT would need to use revenue from the Special Parking Revenue Fund to pay for the additional upgraded meters, as these are not currently budgeted.

Another alternative would be for the City Council to decide to lower parking meter rates from the existing rate of \$1.00 per hour without extending the authority to LADOT to use a demand-based approach. Depending upon the rate approved, this alternative could result in additional revenue loss and some areas with parking shortages where the rate is insufficient to generate adequate parking availability.

Other Information

Responses to the other issues that City Council directed LADOT to report on are in Attachment B.

BACKGROUND

On June 3, 2011, then Councilmember Janice Hahn introduced a motion (CF 11-0941) directing LADOT to report back on the removal of certain on-street parking meters in Council District 15.

On June 22, 2011, the Transportation Committee considered the motion and continued the item for 30-days, requesting the LADOT to report back on the motion.

On July 12, 2011, Councilmember Hahn vacated her seat and all outstanding matters were referred to the Chief Legislative Officer (CLA). The CLA requested that LADOT wait until a new council member was elected to confirm if he or she wanted to pursue the matter further.

On January 17, 2012, Joe Buscaino became councilmember representing Council District 15. Councilmember Buscaino introduced a motion (CF 11-0941-S1) directing LADOT conduct the necessary investigation and surveys to support reducing parking meter rates in San Pedro and Wilmington.

The Transportation Committee recommended approval of both motions on May 23, 2012, along with additional direction to report back on the fiscal and operational impacts of the proposals and the lost revenue over the last four years from the free holiday parking program in Council District 15. The City Council approved the Transportation Committee's recommendations on June 6, 2012.

FISCAL IMPACT

The removal of 58% of the single-space meters in CD 15 is expected to result in reduced city revenue of approximately \$146,000 annually in meter revenue to the Special Parking Revenue Fund (SPRF) and \$122,000 annually in citation revenue to the General Fund. New citation revenue from violations of proposed time limit signs is possible and may offset some or all of the meter-related revenue loss; however, LADOT has no way of accurately estimating this potential.

One-time meter removal costs are estimated at \$22,000. One-time signage replacement to extend parking time limits in San Pedro and Wilmington is estimated at \$2,000 in material. The SPRF would fund the cost of meter removal and signage replacement.

The new card & coin meters in Wilmington would be funded through the existing meter lease-to-own agreement, similar to those in San Pedro, and the additional costs (\$32,000/year for three years) are expected to be recovered by the resulting increase in meter revenue. After year 3, the city will own the new meters. While the meter upgrade is not expected to yield any net new revenue in years 1-3, reliability is expected to increase, maintenance costs decrease, data collection and analysis improve, and customer convenience improve by the acceptance of credit cards.

The recommended actions would avoid the full \$306,000 in one-time costs if all the existing old meters were upgraded using cash. Replacing all the existing old meters via lease is not possible because the low usage would not generate sufficient new revenue to pay for the lease costs.

The attached table summarizes the projected financial impact of the recommended plan and Alternative 1 to retain all meters and upgrade the existing old meters:

<u>Option</u>	<u>Year 1</u>	<u>7-Year Life</u>
Rec. Plan – Remove 58% of meters & upgrade rest	-\$280,000	-\$1.73 million
Alt. #1 – Replace all existing old meters (cash)	-\$291,000	-\$204,000

The fiscal impact of the proposed pilot to implement demand-based parking meter rates is unknown, but expected to be minimal. Where meters are currently underutilized, the rate would be lowered, and the resulting increase in demand is expected to offset the lower rate. Rates would be regularly evaluated and adjusted to match current demand.

JTV:dem

Attachments

ATTACHMENT A – RECOMMENDED PARKING METER ZONE CHANGES

LADOT recommends the following changes to parking meter infrastructure and regulations to improve parking management and utilization:

- Removal of 508 on-street and 137 off-street parking meters, or 58% of the total single-space meters in CD 15 per the attached maps.
- Upgrade the remaining coin-only meters to new Card & Coin Meters (approximately 24 in San Pedro and 126 in Wilmington).
- Extend the time limit for all on-street meters from one to two hours to improve usage and allow customers more time to do their business.
- Preserve the use of San Pedro Parking Lot #683 (445 W. 5th Street) for short-term parking by reducing the parking time limit from ten to four hours.
- Implement demand-based parking meter rates in the San Pedro and Wilmington PMZs, providing LADOT the authority to adjust rates to improve parking occupancy to 70-90% during metered hours.

The following two maps for the San Pedro and Wilmington Parking Meter Zones show the average paid time per day for each on-street metered space using revenue data from July through December 2011. The following table summarizes this data:

Table A1 – Existing On-Street Meter Usage

PMZ	Average Daily Paid Hours						Total
	< 1 hr		1-2 hrs		2+ hrs		
San Pedro	305	42%	194	27%	219	31%	718
Wilmington	124	53%	60	26%	50	21%	234
Totals	429	45%	254	27%	269	28%	952

The data show that the almost half (42-53%) of meter have little utilization during the day, i.e. less than one hour paid. Based on this analysis and field investigations, LADOT determined the proposed boundaries shown on the maps to retain metered operation where warranted by demand and land use.

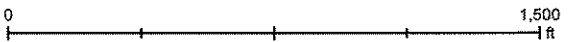
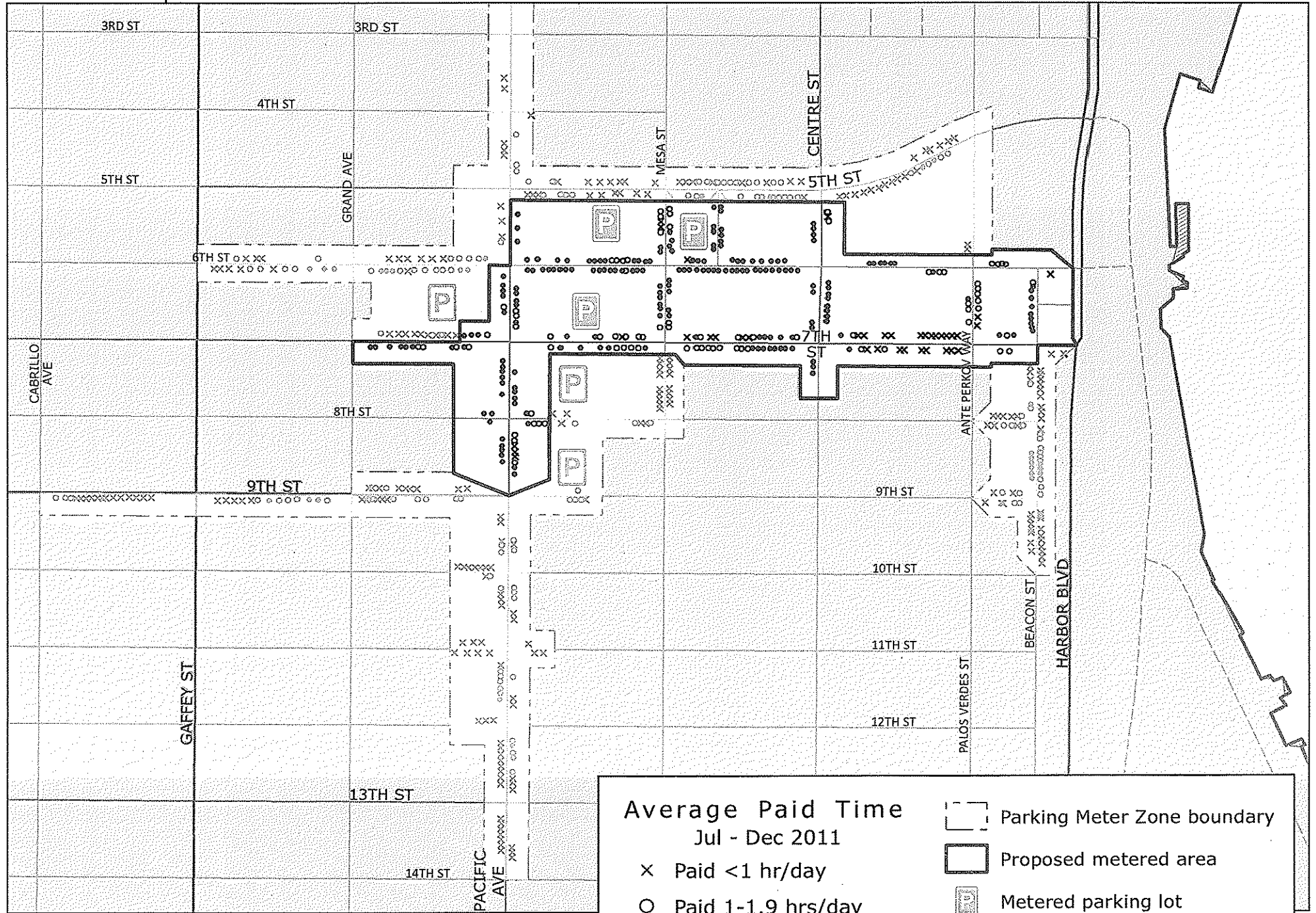
ATTACHMENT A – RECOMMENDED PARKING METER ZONE CHANGES

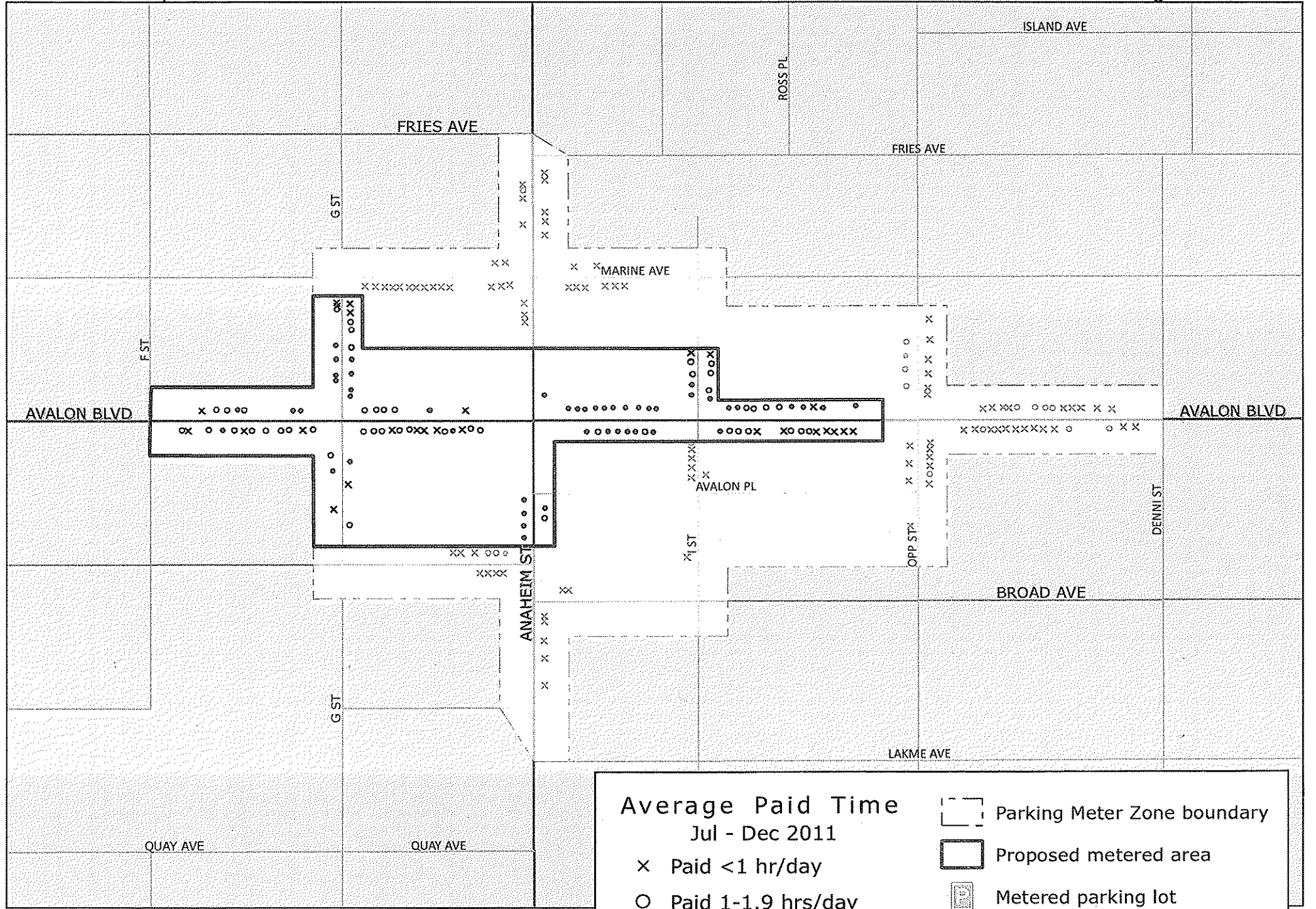
The recommended changes would retain 42% of the current meters, but preserve 74% of the annual revenue. Conversely, the 58% of meters recommended for removal only account for 26% of the current revenue.

The following table summarizes the proposed changes:

Table A2 – Proposed Meter Changes

	Retain		Remove		Current
Meters					
On-Street	434	46%	508	54%	942
Off-Street	24	15%	137		161
Total	458	42%	645	58%	1,103
Revenue (CY 2011)					
On-Street	345,819	73%	126,411	27%	472,229
Off-Street					
Meter	7,376	28%	19,237	72%	26,613
Pay Station	69,815	100%		0%	69,815
Subtotal	77,190	80%	19,237	20%	96,427
Total	423,009	74%	145,648	26%	568,656





ATTACHMENT B – OTHER INFORMATION**Free Holiday Parking Program**

For the past four years, the City Council has approved free holiday parking in San Pedro and Wilmington for the last three weeks in December. The estimated resulting parking meter and citation revenue loss is \$185,627 over the last four fiscal years and is detailed below:

Table B1 – Lost Revenue from CD 15 Holiday Free Parking

Fiscal Year	Meter Revenue (SPRF)	Citation Revenue (GF)	Total Lost Revenue
2009	21,414	12,967	34,381
2010	26,336	12,198	38,534
2011	28,912	19,875	48,787
2012	37,515	26,410	63,925
Total	114,177	71,450	185,627

Operational Impacts

The areas recommended for meter removal currently experience low levels of parking demand that do not appear to require meters for proper parking management. Time limit restrictions with regular enforcement should be sufficient to maintain the needed parking turnover and parking space availability.