

**Meeting Date:** 3/22/2016

**Report Type:** Staff/Discussion

**Report ID:** 2016-00106

**Title:** SPOTzone Implementation and Adjustment to Parking Operating Hours

**Location:** Districts 3 and 4

**Recommendation:** Pass a Resolution approving: 1) a tiered-based dynamic pricing structure (SPOTzone) for short-term parking meters throughout the Central and Fort Sutter Traffic Districts (S.C.C 10.40.010); 2) the removal of existing time limit regulations for short-term meters within the Central and Fort Sutter Traffic Districts (S.C.C 10.40.010); 3) an increase of operating hours for all metered and non-metered spaces within areas bound by Front Street to the west side of 16th Street, and from W Street to C Street/Railyards Boulevard to 10 p.m. (Area 1); and 4) an increase of operating hours for all metered and non-metered spaces within areas bound by the east side of 16th Street to the east side of 19th Street, and from W Street to C Street to 8 p.m. (Area 2).

**Contact:** Erika Galang, Program Specialist (916) 808-8572; Matt Eierman, Parking Services Manager (916) 808-0074, Department of Public Works

**Presenter:** Erika Galang, Program Specialist (916) 808-8572; Matt Eierman, Parking Services Manager (916) 808-0074, Department of Public Works

**Department:** Public Works Department

**Division:** On-Street Parking Admin

**Dept ID:** 15001511

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Resolution
- 4-Exhibit A (SPOTzone Sign Concepts)
- 5-Exhibit B (Parking Meter Zones)
- 6-Exhibit C (Parking Operating Hours)

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**City Attorney Review**

Approved as to Form  
Gerald Hicks  
3/16/2016 9:58:21 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 3/4/2016 7:11:50 AM

## Description/Analysis

**Issue:** On November 10, 2015, City Council approved a pilot of the tiered-based SPOTzone program in two locations: J Street in Old Sacramento and 18 & L Streets in the Handle District. SPOTzone utilizes a tier-based pricing structure that offers motorists the option to extend a parking session beyond the posted time limit. The 90-day pilot has been in effect since December 10, 2015. The goal of SPOTzone is to balance the parking supply and demand among businesses, residents and visitors. (See Exhibit A)

The SPOTzone rate structure is as follows:

**Tier 1** pricing is the base meter hourly rate, up until the hours(s) posted on the SPOTzone signage. Motorists who wish to extend their parking session may do so and pay the Tier 2 rate.

**Tier 2** pricing is equal to the average City-owned garage hourly rate, currently \$3 per hour. The Tier 2 rate is effective for up to one additional hour beyond the Tier 1 time limit.

**Tier 3** pricing is 25 percent above the Tier 2 rate and becomes effective after the expiration of the Tier 2 hour and for each hour parked thereafter.

Data collected during the 90-day pilot confirmed that a majority of SPOTzone users (484 of 510) parked for fewer than four hours. Therefore, the City's goal of offering an option to motorists who occasionally need to extend their parking time was achieved, while still promoting turnover.

Given the positive results and feedback received, staff recommends implementing tiered-based pricing on all short-term meters within the Central and Fort Sutter Traffic Districts (See Exhibit B). Implementing tiered-based pricing requires programming meters, replacing regulatory signage, and installing parking meter sensors. Due to the labor intensive nature of this project, work will be done in phases, starting immediately with the downtown core and in Old Sacramento.

CURRENT METER SIGNAGE	NEW METER SIGNAGE
15 MINUTES	NO CHANGE
30 MINUTES	NO CHANGE
1 HOUR	1+ SPOTzone
90 MINUTES	2+ SPOTzone
2 HOUR	2+ SPOTzone
3 HOUR	3+ SPOTzone
4 HOUR	4+ SPOTzone

Additionally, staff seeks City Council's approval to increase operating hours of all metered and non-metered spaces for the areas bound by Front Street to the east side of 19<sup>th</sup> Street, and from W Street to C Street/Railyards Boulevard. A majority of parking operating hours for metered and non-metered spaces end at 6 p.m. Exceptions include Old Sacramento, which end at 8 p.m. and the Wells Fargo Pavilion area, which end at 10 p.m. Currently, on-street parking is free when operating hours end, which results in a reduction of the available on-street parking for residents and those visiting the Central City. Providing free or underpriced parking results in an imbalance of the on-street and off-street parking supply.

Upon review of feedback from focus groups and various business and neighborhood associations, and consistent with industry best practices, staff recommends the following actions (See Exhibit C):

- (1) Increase operating hours for all metered and non-metered spaces for the areas bound by Front Street to the west side of 16<sup>th</sup> Street and from W Street to C Street/Railyards Boulevard to 10 p.m. (Area 1)
- (2) Increase operating hours for all metered and non-metered spaces for the areas bound from the east side of 16<sup>th</sup> Street to the east side of 19<sup>th</sup> Street and from W Street to C Street to 8 p.m. (Area 2)
- (3) No changes to operating hours for metered and non-metered spaces shall be made to streets located outside of Areas 1 and 2. Re-evaluation of these areas will be made after implementation of the first phase.
- (4) The start time for meter operating hours in Old Sacramento will remain at 10 a.m.
- (5) The end time for meter operating hours surrounding the Wells Fargo Pavilion will remain at 10 p.m.

**Policy Considerations:** These recommendations are consistent with:

- (1) The 2006 *Central City Parking Master Plan* goals to use time limits, rates and enforcement to efficiently manage parking supply.
- (2) The 2014 *City of Sacramento Selected Parking Assets, Parking System Assessment*
- (3) Sacramento City Code section 10.40.130 regulating the use of parking meter funds to support the installation, maintenance, control and use of parking spaces and regulation of parking meter zones
- (4) Sacramento City Code section 10.40.070 authorizing the Parking Manager, after conducting parking surveys, to determine other hours of operations to facilitate the control of parking and to place signs indicating adjusted hours of operations.

**Economic Impacts:** Not applicable

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The proposed action is not a “project” as it involves governmental fiscal activities that are exempt from environmental review under Section 15378(b)(4) of the California Environmental Quality Act Guidelines.

**Sustainability Considerations:** This action supports the City of Sacramento’s sustainability goals to improve and optimize the transportation infrastructure.

**Other:** None

**Commission/Committee Action:** None

**Rationale for Recommendation:** The lack of adequate on-street parking during peak times impedes traffic flow as vehicles circle the blocks in an attempt to find available parking. This not only affects air quality but also poses a safety hazard to pedestrians and other drivers. New technologies such as smart parking meters, mobile payment capabilities and parking meter sensors will assist with improving traffic flow and ultimately air quality and customer convenience. These recommendations will play key roles in future parking policies to support the anticipated growth within the Central City.

Tiered-based pricing will offer motorists a convenient way to self-manage their parking needs. Parking time may be paid for or extended either at the meter or by using a mobile payment application. The SPOTzone tiered-pricing structure will increase on-street parking turnover, reduce parking citations related to meter violations and encourage utilization of off-street facilities for long-term parking. The current regulations do not allow motorists to extend their parking session beyond posted time limits, and doing so may result in the issuance of a parking citation.

With the anticipated increase of new development, the City’s current parking policies do not adequately support events and night time venues. Without revising parking policies, the parking supply available to Central City residents, businesses and visitors will be reduced.

**Financial Considerations:** All short-term parking meters in designated meter zones will be equipped with parking sensors. The approximate cost of the sensors and installation is \$1,232,262 and will be funded through the previously approved Smart Meter Equipment Lease funds. Staff will return to City Council at a later date to amend the agreement with IPS Group Incorporated (City Agreement #2013-1069) for the purchase of parking meter sensors. The SPOTzone program will require installation and removal of signage which will be performed by City staff at a cost of approximately \$130,000. Sufficient funds are available in the Parking Services Division operating budget (Fund 1001). All revenue generated from parking meters will continue to be applied pursuant to Sacramento City Code 10.40.130.

**Local Business Enterprise (LBE):** Any goods or services will be purchased in accordance with established City policy.

## **Background**

In September 2006, the Central City Parking Master Plan was approved by City Council with policy recommendations focusing on the management of the parking supply and demand to address the anticipated growth in the Central City. Recommendations included establishing parking rates that encourage efficient use of parking spaces, extending parking operating hours, replacing parking meters and managing increasing demand with existing supply.

On August 9, 2012, City Council directed staff to pursue parking modernization through the use of technology, rate enhancements, system expansion, parking policy and legislative reform. In response, staff implemented a series of modernization efforts including procurement of 4,300 smart parking meters that are equipped with pay-by-phone capabilities.

In April 2014, a year-long assessment of the City's parking assets was completed. The new study aligned with the 2006 Parking Master Plan and included more detailed recommendations to evaluate and implement meter pricing, technology, policy, and parking asset management.

In January 2014, Parking Services began the installation of new smart meters throughout the Central City. The solar-powered, single-spaced meters have the capability to accept credit cards, coin and mobile payments. With the installation of smart meters and integration of pay by phone capabilities, new enforcement methods and rate strategies can now be implemented to achieve industry best practices to support businesses, residents and visitors to Sacramento.

### **Tier-based Pricing Structure and SPOTzone Program**

On November 10, 2015, City Council approved a pilot of the SPOTzone program, which then started on December 10, 2015 in two locations: J Street in Old Sacramento (10 meters) and 18 & L Streets in the Handle District (10 meters). The pilot offers motorists the option to extend a parking session past the posted time limit using a tier-based parking fee structure.

2-hour time limit signs in both pilot areas were replaced with informational signage that now reflect "2+". Motorists have the ability to park up to two hours at the hourly meter rate, with the tier-based pricing available after the second hour. The tier-based rate structure allows motorists the option to stay longer when needed, but at a premium rate.

## **INCREASING OPERATING HOURS**

Currently, Sacramento City Code section 10.40.070 grants authority to the Parking Manager to adjust operating hours for metered spaces. In 2014, Walker Parking Consultants published the *City of Sacramento Selected Parking Assets Study*, which included a parking occupancy survey of 183 blocks within the Central City. The results showed that on average, on-street parking reflected a 70 percent occupancy level with some areas reaching 85 percent to 100 percent. The ideal occupancy level is 85 percent or less in order to support turnover.

In addition, during the month of July 2015, Parking Services conducted a one-month parking occupancy study in the Handle District, where parking demand surges in the evenings. The study, done with the aid of license plate recognition technology, revealed that after 6 p.m. the on-street parking occupancy levels rose to 92 percent when parking was free. It did not drop below 85 percent until after 10 p.m. However, the occupancy at the East End garage peaked at 30 percent despite the attractive flat rate of \$2 to park all evening.

From 2014 to the present, Parking Services staff conducted community outreach by meeting extensively with neighborhood and business associations, local leadership, and conducting focus groups. Stakeholder feedback reflected that free parking after 6 p.m. reduces parking supply for residents and their guests. While free parking after 6 p.m. is appreciated by those attending local venues and restaurants, on-street parking spaces are being utilized for long-term parking.

## **RESOLUTION NO. 2016-XXX**

Adopted by the Sacramento City Council  
March 22, 2016

### **SPOTZONE IMPLEMENTATION AND PARKING HOURS OF OPERATION**

#### **BACKGROUND**

- A. In September 2006, the Central City Parking Master Plan was approved by City Council with policy recommendations focusing on the management of the parking supply and demand to address the anticipated growth in the Central City.
- B. On August 9, 2012, the City Council directed staff to pursue parking modernization through the use of technology, rate enhancements, system expansion, parking policy and legislative reform.
- C. The City of Sacramento Selected Parking Assets was later published in April 2014 and included more detailed recommendations to evaluate and implement meter pricing, technology, policy, and parking asset management.
- D. In January 2014, Parking Services began the installation of new smart meters throughout the Central City.
- E. On November 10, 2015, City Council approved a pilot of the SPOTzone program, which then started on December 10, 2015 in two locations: J Street in Old Sacramento (10 meters) and 18 & L Streets in the Handle District (10 meters). The pilot offers motorists the option to extend a parking session beyond the posted time limit using with a tier-based parking fee structure.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The tier-based dynamic pricing structure (SPOTzone Program) for short-term parking meters throughout the Central and Fort Sutter Traffic Districts is hereby approved and pricing shall be:

**Tier 1** The base meter hourly rate, up until the time posted on the SPOTzone signage.

**Tier 2** Will be equal to the average City-owned garage hourly rate. The Tier 2 rate is effective for up to one additional hour beyond the Tier 1 time.

**Tier 3** Will be 25 percent above the Tier 2 rate and will take effect after the expiration of the Tier 2 hour. This rate will be in effect for each hour parked thereafter.

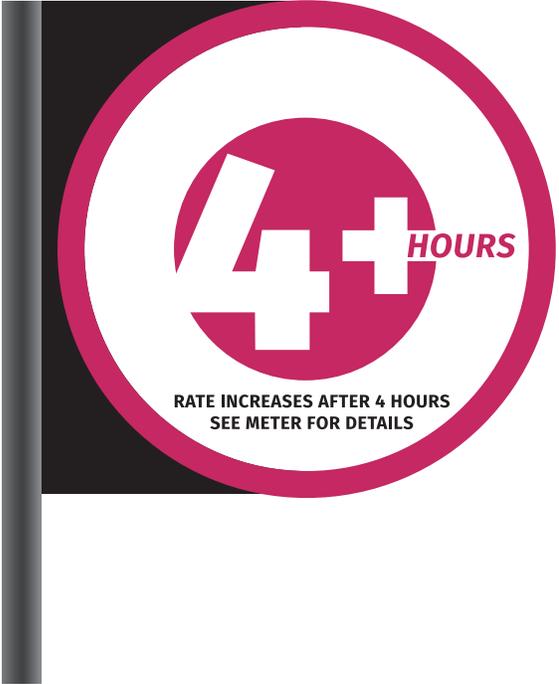
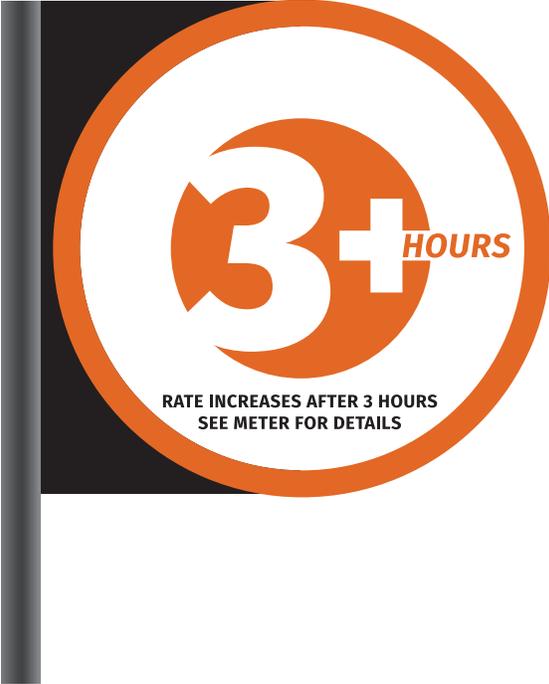
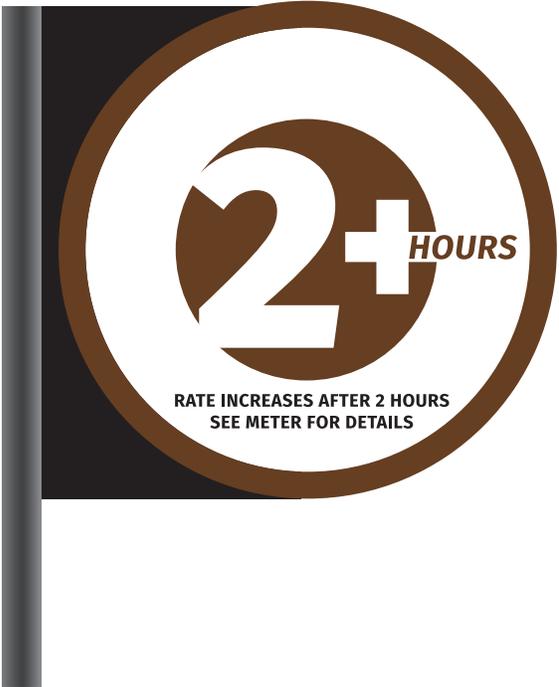
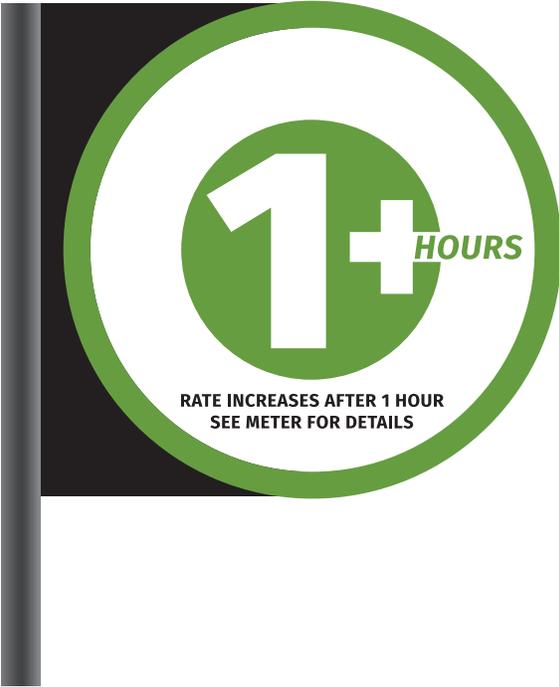
Section 2. Removal and replacement of existing time limit regulations for short-term meters within the Central and Fort Sutter Traffic District is approved and shall be changed as follows:

<b>CURRENT METER SIGNAGE</b>	<b>NEW METER SIGNAGE</b>
15 MINUTES	NO CHANGE
30 MINUTES	NO CHANGE
1 HOUR	1+ SPOTzone
90 MINUTES	2+ SPOTzone
2 HOUR	2+ SPOTzone
3 HOUR	3+ SPOTzone
4 HOUR	4+ SPOTzone

Section 3. Operating hours for all metered and non-metered spaces within areas bound by Front Street to the west side of 16<sup>th</sup> Street, and from W Street to C Street/Railyards Boulevard shall be increased to 10 p.m.

Section 4. Operating hours for all metered and non-metered spaces within areas bound by the east side of 16<sup>th</sup> Street to east side of 19<sup>th</sup> Street, and from W Street to C Street shall increase to 8 p.m.

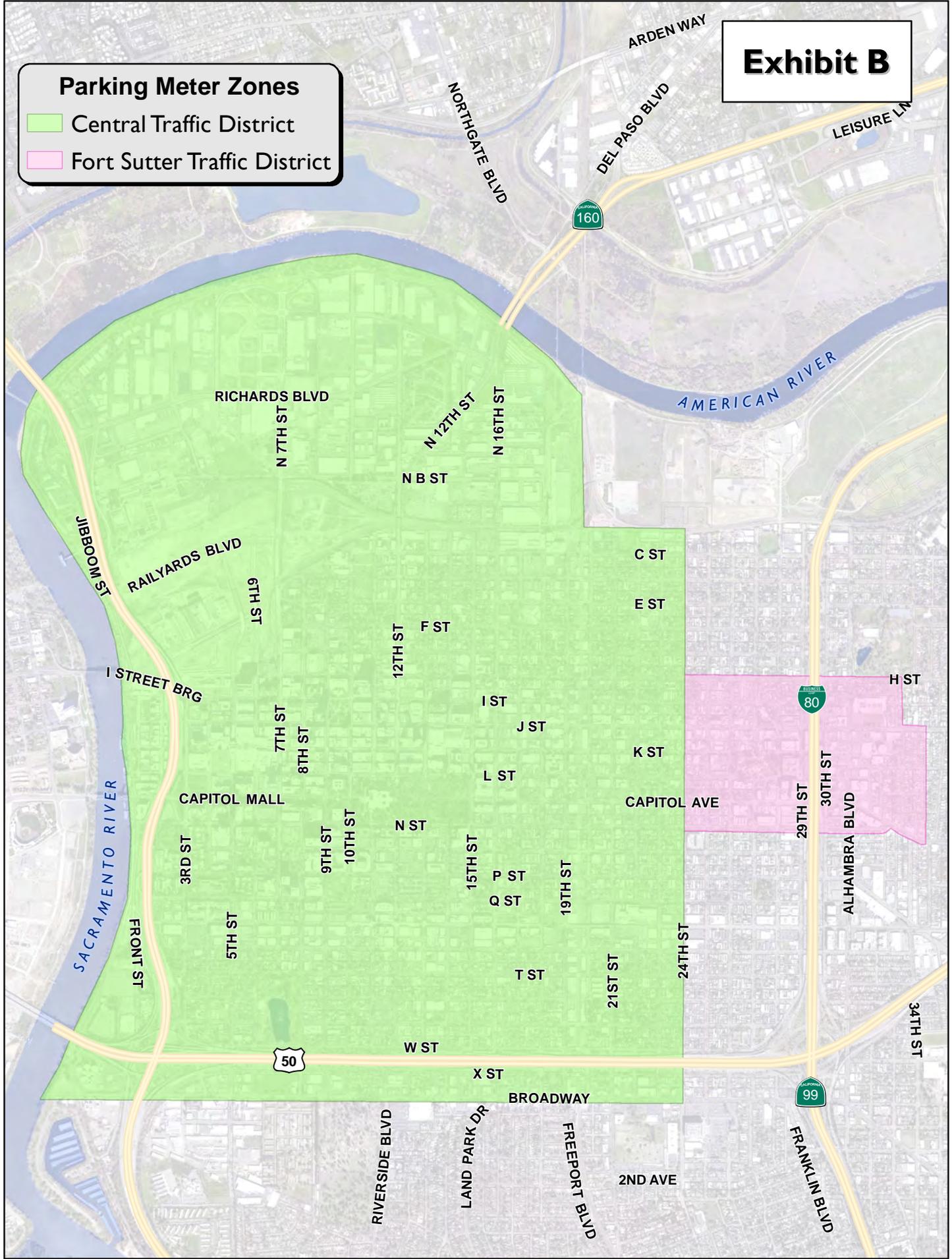
Exhibit A



# Exhibit B

## Parking Meter Zones

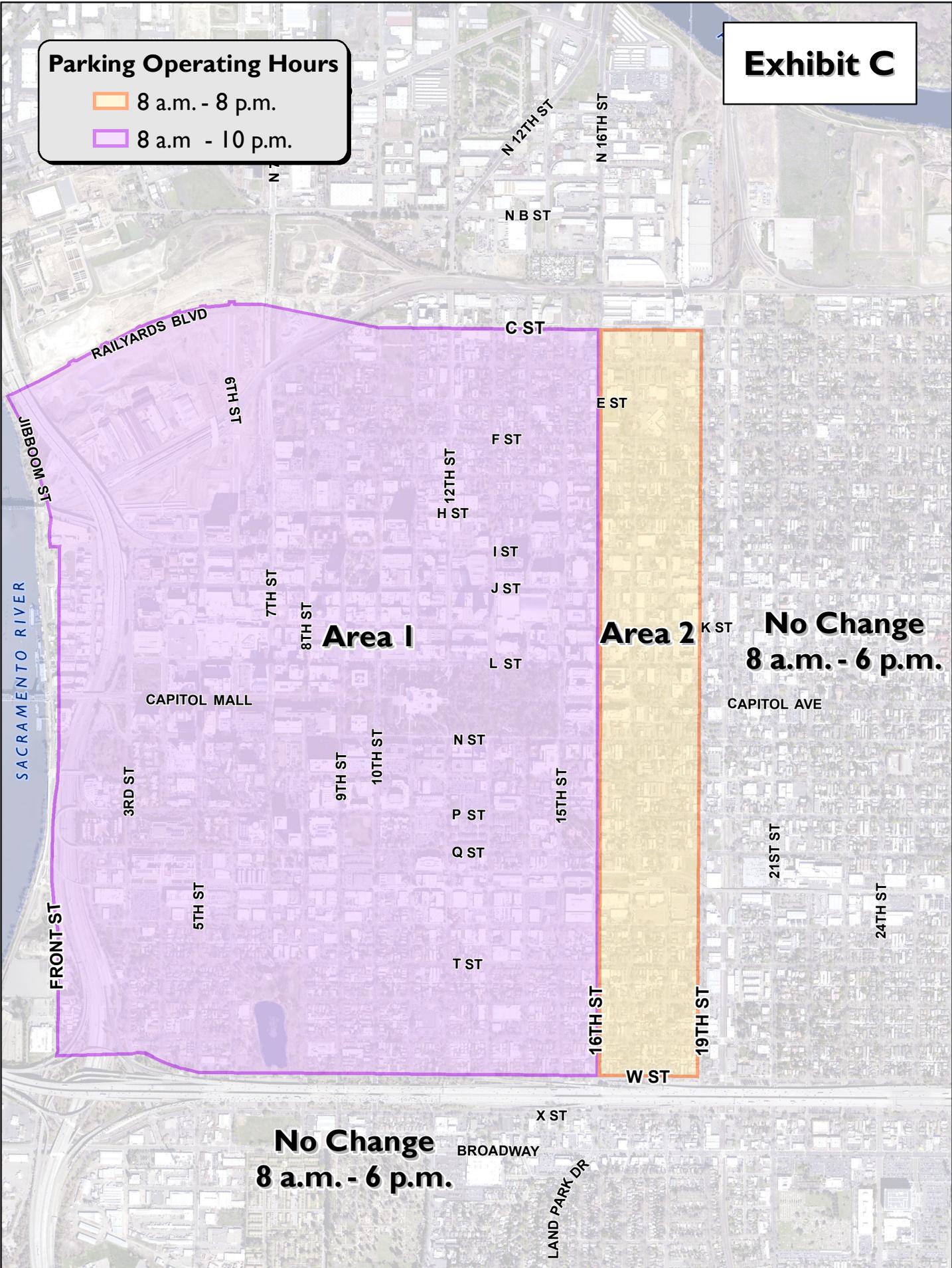
- Central Traffic District
- Fort Sutter Traffic District



# Exhibit C

**Parking Operating Hours**

- 8 a.m. - 8 p.m.
- 8 a.m. - 10 p.m.



**Area 1**

**Area 2**

**No Change  
8 a.m. - 6 p.m.**

**No Change  
8 a.m. - 6 p.m.**