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Title: Staff Report for a City of San Leandro City Council Resolution to Authorize the City Manager to Execute a Consulting Services Agreement for \$730,000 Between the City of San Leandro and SP Plus Corporation for Three Fiscal Years of Parking Enforcement Services, and to Approve an Appropriation of Funds for Fiscal Years 2019-20, 2020-21 and 2021-22 of \$243,333 per Fiscal Year, and to Approve a General Fund Transfer Out to the Parking Fund 132 of \$124,750 in Fiscal Year 2019-20.

Sponsors: Tom Liao

Indexes:

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Attachments: 1. Downtown Parking Management Plan Final, 2. Presentation_ Parking Enforcement

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Staff Report for a City of San Leandro City Council Resolution to Authorize the City Manager to Execute a Consulting Services Agreement for \$730,000 Between the City of San Leandro and SP Plus Corporation for Three Fiscal Years of Parking Enforcement Services, and to Approve an Appropriation of Funds for Fiscal Years 2019-20, 2020-21 and 2021-22 of \$243,333 per Fiscal Year, and to Approve a General Fund Transfer Out to the Parking Fund 132 of \$124,750 in Fiscal Year 2019-20.

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council adopt a resolution to approve a Consulting Services Agreement in the amount of \$730,000 with SP Plus Corporation for Three Fiscal Years of Parking Enforcement Services and approve an appropriation of funds for fiscal years 2019-20, 2020-21 and 2021-22 of \$243,333 per fiscal year.

BACKGROUND

The City of San Leandro completed a Downtown Parking Management Plan (DPMP) to guide policies and regulations for parking in Downtown San Leandro. The plan analyzed parking inventory, utilization, and turnover in the core downtown and periphery areas. The data includes BART riders, employees of downtown businesses, shoppers, and residents who use parking for either short durations or all-day.

With better understanding of parking patterns, on July 17, 2017 City Council approved the DPMP with a strategy to aid future land-use and economic development decisions and increase the sustainability of the Downtown. On July 17, 2017 City Council also approved a Consulting Services

Agreement with Dixon Resources Unlimited for oversight of the Downtown San Leandro parking system and guided implementation of the City's new DPMP.

The DPMP included proposed regulations, rates and time restrictions for Downtown San Leandro's on-street parking and off-street public parking lots. An implementation plan was developed, that incorporates the DPMP recommendations with technology and operational solutions. The recent deployment of smart parking meters and expansion of the employee parking permit program were recent innovations under the DPMP. While paid parking revenue has increased steadily because of the DPMP implementation, there is a need for consistent enforcement.

Parking enforcement is important for two primary reasons:

1. The Estudillo Parking Garage and surrounding paid parking lots were developed so the parking fees collected would cover the costs to operate the Parking Garage. Ensuring that users of the facility and adjacent lots are paying for parking is critical to meeting this objective. Robust enforcement is important to ensure all vehicles parked in these lots have paid a daily or monthly fee.
2. The second primary objective of enhanced parking regulations enforcement is to support economic development and the success of San Leandro's commercial areas. Ensuring that short-term parking spaces are not occupied by vehicles parking for longer than the stated limits provides opportunities for customers to access parking proximate to businesses, which enables businesses to serve more customers.

It has been challenging for the City to maintain full staffing of the five budgeted part-time Parking Aide positions. This negatively impacts the effectiveness of the parking enforcement operation and requires continuous attention to recruitment and the onboarding processes, diverting Police Department resources from other priorities. The current operations provide inconsistent enforcement of the Estudillo parking structure and time-restricted parking areas.

It is estimated that, with a combination of consistent enforcement, fully implementing the Downtown Parking Plan, consistently enforcing the City's Municipal Code, and customer compliance, the service will be completely cost neutral.

Analysis

On February 4, 2019, City Council amended the City of San Leandro Municipal Code Title 6, Chapter 6-1-825 to allow special contractors designated by the Chief of Police to enforce parking regulations. The amendment to Municipal Code 6-1-825 provides flexibility to effectively enforce local parking regulations.

On October 5, 2018 the City released a Request for Proposals (RFP) for contract parking enforcement services in order to determine if this option could provide more effective services and fiscal sustainability of the parking system. Two vendors responded to the City's RFP. After evaluation of the proposals and interviews, SP Plus Corporation ranked the highest based on scope of work, price, proposed timeline, expertise, experience and references. SP Plus is highly experienced, has been providing parking services since 1929 and currently provides parking enforcement services for dozens of cities in North America including Vallejo, Antioch, San Mateo and Stockton in Northern California.

The Consulting Services Agreement with SP Plus Corporation will include personnel (labor), uniforms, equipment and vehicles. As a condition of the proposed agreement, current City Parking Aide(s) will be offered an opportunity to transition to SP Plus Corporation at their current pay rate. Once the City Council approves this agreement, SP Plus Corporation may be operational within 45 days.

SP Plus Agreement Key Deliverables

Parking Enforcement:

SP plus would provide 4,400 hours of parking enforcement services a year (approximately 80 hours a week) in accordance with a schedule that would be evaluated quarterly for efficiency. This level of enforcement would provide parking enforcement during the hours when parking is regulated in the City, approximately 9 a.m. to 6 p.m. Monday through Saturday. SP Plus will enforce select San Leandro Municipal Code (SLMC) traffic violations as identified in the agreement utilizing City provided citation issuance devices and license plate recognition (LPR) technology. The City may request additional hours as needed. SP Plus will also provide a customer service line for parking patrons to access additional information, and enforce the SLMC in the following locations:

- Public parking lots;
- Public parking garage;
- Restricted on-street parking; and
- Pelton Plaza

SP Plus will provide monthly reports to the City with the number of citations issued, operational and financial progress, parking occupancy and turnover rates, and customer service logs.

Personnel Training:

SP Plus is responsible for all hiring, supervising and training of employees. The City has the authority to review applicants and maintain final approval of candidates selected for hire and dismissal. At a minimum, training would include the following:

- enforcing permit violations through issuing citations;
- marking and tagging of vehicles
- responding to calls for service;
- customer service delivery and expectations;
- conflict resolution management;
- Municipal Code, and State laws regarding parking enforcement and related activities;
- testimony and courtroom procedures;
- job procedures, safety, and emergency protocol; and
- civil rights law and procedures

Current Agency Policies

City Council Goals:

- place San Leandro on a firm foundation for long-term fiscal sustainability.
- advance projects and programs promoting sustainable economic development, including transforming San Leandro into a center for innovation.

Previous Actions

September 19, 2016, the City Council, acting as the governing body of the Successor Agency to the City of San Leandro Redevelopment Agency, approved the transfer of \$600,000 in former Redevelopment Agency bond funds to the City of San Leandro to complete improvements to the San Leandro Downtown Parking Garage, which include replacement of nonfunctional equipment, installation of parking management technology, implementation of license plate readers and other enforcement mechanisms.

July 17, 2017, the City Council:

- approved the San Leandro Downtown Parking Management Plan and Recommendations for Short-term Parking Action Plan;
- approved a Consulting Services Agreement with Dixon Resources Unlimited for \$130,000 to consult on the Downtown San Leandro parking system and implementation of the City's New Downtown Parking Management Plan; and
- appropriated \$600,000 from the Successor Agency to the City of San Leandro Redevelopment Agency's 2008 Bond Funds to the City of San Leandro Parking Fund's 2017-18 Operating Expenditure

February 20, 2018, the City Council approved an ordinance to amend the City of San Leandro Municipal Code Title 6, Chapters 6-1 and 6-2 to update definitions and regulations.

September 4, 2018, the City Council approved an ordinance to amend the City of San Leandro Municipal Code Title 6, Chapter 6-2 and the City of San Leandro Administrative Code, to update parking definitions and regulations for an Employee Parking Permit Program.

October 15, 2018, the City Council authorized the City Manager to execute a Consulting Services Agreement for \$100,000 Between the City of San Leandro and MacKay Meters, Inc. for Installation of Smart Parking Meters at West Juana Avenue and Pelton Plaza.

February 4, 2019, the City Council approved an ordinance to amend the City of San Leandro Municipal Code Title 6, Chapter 6-1-825 of the San Leandro Municipal Code Relating to San Leandro Parking Aides.

Applicable General Plan Policies

Policy T-1.7 Off-street Parking Standards. Implement variable parking standards that reflect such factors as proximity to transit, type of occupancy (seniors, etc.), number of bedrooms (for housing), and the expected level of parking demand. Parking requirements should reflect the City's goal of reducing vehicle miles traveled.

Policy T-5.7 Technology and Roadway Efficiency. Use technology, including smart phone applications, roadway sensors, and real-time data on congestion, travel time, and parking supply to create a more efficient transportation system, and to maximize the benefits of the existing road system before investing in its expansion.

Policy ED-4.5 Downtown San Leandro. Implement parking management strategies that ensure that convenient parking is available for shoppers and restaurant patrons in Downtown San Leandro.

Legal Analysis

The Consulting Services Agreement was reviewed by the City Attorney’s Office and approved as to form.

Fiscal Impacts

The parking enforcement program will cost \$243,333 per year, which requires appropriating funds to the Parking Fund 132 for Fiscal Years 2019-20, 2020-21, and 2021-22 by the same amount (\$243,333). The following is a summary of estimated program funding for 2019-20:

Transfer from General Fund to Parking Fund 132	\$124,750
Parking Fund revenue projection	<u>200,000</u>
Total estimated funding	\$324,750
Annual estimated program expenditure for contract	\$240,000
Estimated contingency per year	<u>3,333</u>
Total Annual estimated expenditure	\$243,333

Preparation for parking enforcement services would begin 45 days following execution of the agreement, set for May 16, 2019. Contractual parking enforcement services, and the billing of services, would tentatively begin July 1, 2019. The total not to exceed amount for the three year agreement is \$730,000. This total includes a \$10,000 contingency over the three fiscal years, which would allow for additional services or hours at the rate outlined in the Scope of Services and as approved on an as-needed basis by the City.

It is anticipated that in the future with a combination of consistent enforcement, fully implementing the Downtown Parking Plan, consistently enforcing the City’s Municipal Code, and customer compliance, the service would become completely cost neutral and no longer need support from the General Fund.

Additionally, implementation of contract enforcement services is a key component of larger efforts, consistent with the DPMP, to remedy a structural deficit in the City’s parking fund and ensure sufficient revenues to fully fund all parking operations over time without a recurring General Fund contribution.

Budget Authority

Staff requests City Council approval to appropriate funding for the parking enforcement service contract as follows:

- 1) 2019-20: \$243,333 Account No. 132-21-008-5120
- 2) 2020-21: \$243,333 Account No. 132-21-008-5120
- 3) 2021-22: \$243,333 Account No. 132-21-008-5120

Staff also requests City Council approval to transfer \$124,750 funds from the General Fund to the Parking Fund 132-3950. The \$124,750 will be offset by a reduction of the Police Department Traffic appropriations in accounts 010-21-005 (\$99,650) and 010-21-047 (\$25,100) currently budgeted for parking enforcement programs which includes the parking aide positions and associated supplies.

ATTACHMENT(S)

Attachment(s) to Staff Report

- Attachment 1: Downtown Parking Management Plan

Attachment(s) to Resolution

- Attachment 1: Consulting Services Agreement with SP Plus Corporation

PREPARED BY: Mariana Garcia, Economic Development Specialist, Community Development Department