

**CITY OF LONG BEACH**

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 21, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION

Request the City Attorney to prepare an ordinance establishing guidelines for downtown parking meter rates and revenue sharing between the City and Downtown Long Beach Associates. (Districts 1 and 2)

DISCUSSION

With the adoption of the Fiscal Year 2005 budget, the City Council authorized the increase of rates in the Downtown Parking Meter Zone. Subsequent to this action, City staff and the Downtown Long Beach Associates (DLBA) met to discuss the impact of increasing parking meter rates and how best to implement the change. Two primary concerns were voiced by the DLBA: how to mitigate the impact of a rate increase on Downtown residents and the need to provide for continued investment in the area to sustain its economic success.

Currently the parking meter rate is \$1.00 per hour from 9:00am – 6:00pm. To increase revenue further, it is proposed the time be extended to operate from 9:00am – 9:00pm. While this recommendation is appropriate for core business areas, it will unduly impact the Arts District and residential areas; therefore, it is recommended that the Downtown have different enforcement areas. (Exhibit A – provides a map of proposed rate differences and Exhibit B – details proposed operating hours and rates.)

Historically, the City has provided a portion of the Downtown parking meter revenue to the DLBA (Exhibit C). These funds were used to supplement DLBA efforts in promoting the Downtown businesses and events. With the recommended changes, Downtown parking meters will generate approximately \$1,000,000+ in General Fund revenue. The City and DLBA recommend the following revenue sharing proposal:

- FY05 = \$0 to DLBA
- FY06, FY07, FY08 = \$140,000 to DLBA
- FY09 and beyond =
 - 50 percent of net revenue to City General Fund
 - 25 percent of net revenue to DLBA for infrastructure improvements
 - 25 percent of net revenue to DLBA for Downtown marketing

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This letter was reviewed by Deputy City Attorney Lisa Malmsten on June 14, 2005, and Budget Management Officer David Wodynski on June 13, 2005.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

FISCAL IMPACT

The City is in the process of optimizing parking operations, which will result in both administrative savings and reduction in maintenance costs with the introduction of new technology. It is estimated parking revenue will increase significantly over the next five years providing new revenue to the General Fund. The agreement limits revenue sharing during Fiscal Years 2005-2008 allowing the City more time to address the General Plan structural deficit. In Fiscal Year 2009, the amount increases to 50 percent of net proceeds being transferred to the DLBA to support downtown activities.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG BECK

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT



CHRISTINE F. ANDERSEN

DIRECTOR OF PUBLIC WORKS

APPROVED:

for 
GERALD R. MILLER
CITY MANAGER

RH:tb

DLB Parking Rev Sharing v 03 .doc

Attachments: Exhibit "A" – Map of Proposed Meter Costs
Exhibit "B" – Outline of Operating Hours
Exhibit "C" - Historical Downtown Parking Meter Revenue Sharing