
MASTER PARKING RATE SCHEDULE

OVERVIEW OF PROPOSED PROGRAM & RATE ADJUSTMENTS





STAFF RECOMMENDATION

- Support staff recommendation to update the Master Parking Rate Schedule to:
 - Introduce Commercial Real Estate Parking Program (CREPP)
 - Delete Outdate Programs
 - Introduce Global & Specific Garage Permit Options & Rates
 - Update Special Event Rates

KEY PRIORITIES OF PARKING PROGRAM

- Supporting a portion of downtown parking demand generated by existing and future commercial real estate
- Supporting Climate Smart and General Plan 2040 mode shift goals
 - ❖ Shift away from free and heavily discounted parking
- Supporting focused discounts
 - ❖ Employees: Lower wage earners discounted monthly permit
 - ❖ Customers: 90 Minutes free for visitors

KEY CITY POLICIES SUPPORTING PROPOSED UPDATES

■ Envision San Jose General Plan 2040

- Reducing Vehicle Miles Traveled by 40% by 2040
- CD2-1 (3): *“...ensure that the value and cost of parking are considered in real estate and business transactions”*
- TR-8-Parking Strategies: *“Develop and implement parking strategies that reduce automobile travel through parking supply and pricing management”*
- TR-8-3: *“Support using parking supply limitations and pricing as strategies to encourage use of non-automobile modes”*

■ Climate Smart

- VMT Reduction Targets: 21% by 2030 and 43% by 2040 and 57% by 2050
- 2.1.N: *“Evaluate options for demand-based pricing for city-owned parking garages to reduce congestion and encourage increased use of public transportation”*
- *“By 2040, only four out of ten commute trips in San Jose will be taken in single-occupancy vehicles”*



COMMUNICATIONS & INPUT

- Downtown Parking Board
- Council Office: D3
- Mayor's Office of Economic Development
- City Manager's Office: Economic Development
- Planning, Building, Code Enforcement (PBCE)
- DOT: Planning & Project Delivery
- Team San Jose
- San Jose Downtown Association
- Developers/Property Owners

KEY BUSINESS DEVELOPMENT PARKING PROGRAMS OR INITIATIVES

- **Commercial Real Estate Parking Program (CREPP):** *Approved by DPB in November 2021*
 - ❖ Facilitates long term parking agreements for commercial property owners/developers
 - Priority ranking based upon property or project type
 - Up to 1.5 permits per 1,000 sqft
 - Terms: From 7 years (existing property) and up to 16 years (new development)
 - Hold & Active periods
 - Various parking permit types (Global & Specific) and rates (\$125 - \$165)
- **Small Business VTA SmartPass Program:** *Mayor's March 2022 Budget Message*
 - ❖ Reimbursement of VTA SmartPass for small businesses within downtown and meter districts
- **Downtown Employee Discounted Parking Permit Program:** *Adopted June 2020*
 - ❖ Provides 50% permit parking discount for qualifying employees (earning no more than 30% over City's Living Wage)
- **90 Minute Free Parking at Core City Garages:** *Adopted June 2020*
 - ❖ Provides 90 minutes of free parking to all visitors parking in four core garages

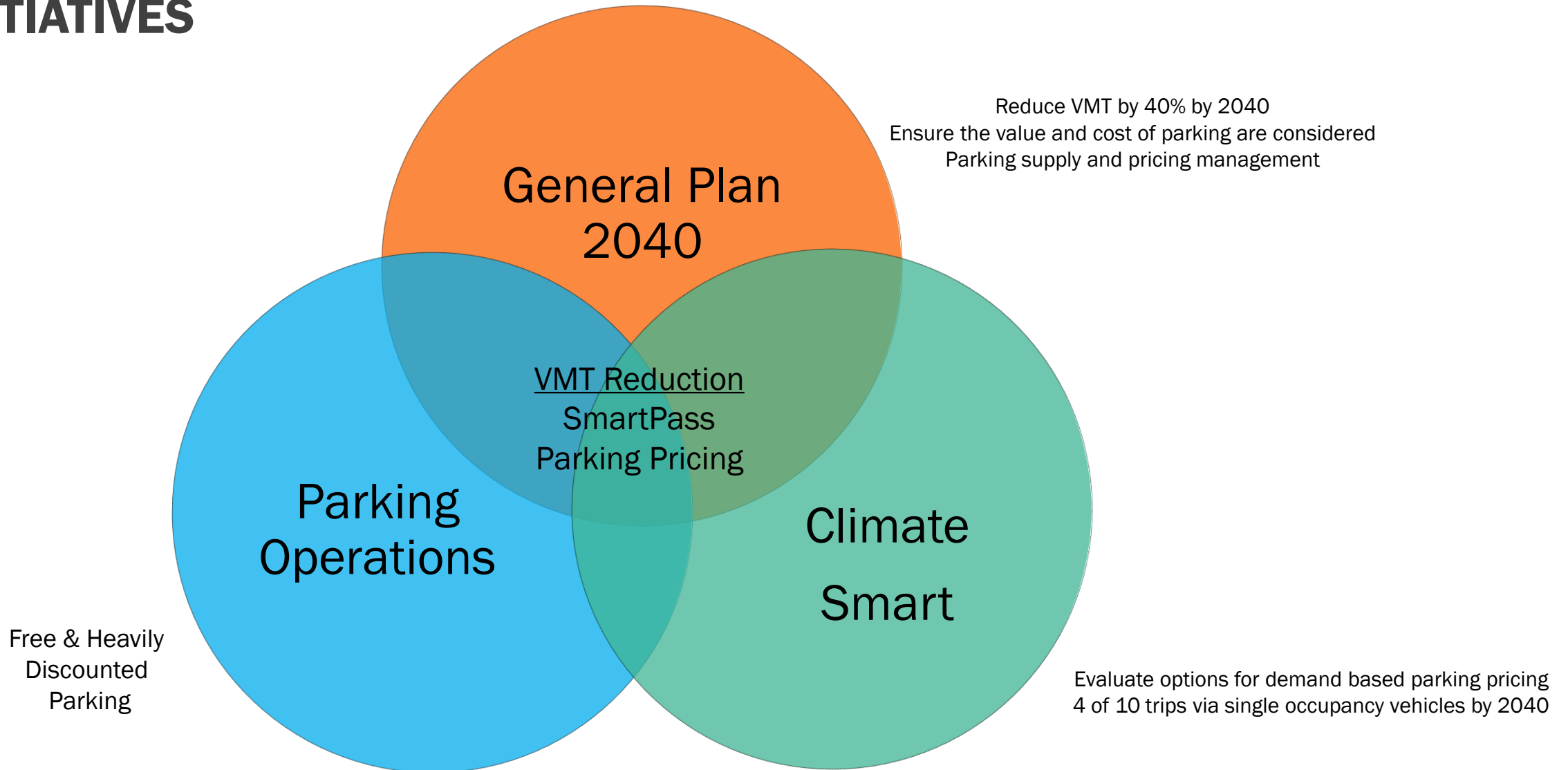
REPLACEMENT OF OUTDATED LEGACY PARKING PROGRAMS

- **Clean Air Permit:** Elimination of program approved by DPB March 2022
 - Provided free parking (lots/garages/meters/parks) to owners of qualifying clean air vehicles
- **New Business/Tenant Parking Incentive Program:** *Replaced & Improved by CREPP*
 - Provided up to 300 permits @ \$75/month (25% discount) for up to 24 months
 - Only Class B & C properties were eligible
- **Class B & C Building Parking Agreements:** *Replaced & Improved by CREPP*
 - Provided 1 permit per 1,000 sqft up to maximum of 150 permits
 - Hold (\$25) & Active (\$100) periods with a 5-year max term
- **Business Incentive Free Parking Program for New/Relocating Businesses:**
Transfer of benefit from individual businesses to developer/property owners & employees, supplemented by Mayor's Proposed SmartPass program
 - Provided new/relocating businesses downtown with between 25% - 100% discounted parking for up to 30 months and up to 50 permits
 - Free for up to 2.5 years and required to pay for 2.5 years = 5 years 50% off

ADDITIONAL PROGRAM/RATE UPDATES

- **Introduction of Global Permit Option for monthly customers** *(Implementation no earlier than January 2023)*
 - ❖ Flexibility to park at (Market Street, 3rd St, 4th/San Fernando, and 2nd/San Carlos)
 - \$100/permit
 - Unlikely to be occupancy pressure for some time
- **Adjust rate of Garage Specific Permit for monthly customers** *(Implementation no earlier than January 2023)*
 - ❖ *From \$100 to \$125*
 - *Market Street Garage already at \$125*
- **Adjust Convention Center Garage Daily Max Rate**
 - ❖ Increase daily max rate from \$25 to \$35
 - ❖ Providing TSJ option to negotiate rate down to \$25 for any event without City approval
- **Adjust Special Event and Flat Rate Ranges (min & max)**
 - ❖ Provide flexibility for special event flat rates across portfolio

CONVERGENCE OF PARKING OPERATIONS AND CITY POLICY INITIATIVES





RECAP: STAFF RECOMMENDATION

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