



Memorandum

TO: DOWNTOWN PARKING BOARD
SUBJECT: FY 2021-22 SMART METER
REVENUE UPDATE

FROM: Elias Khoury, DOT
DATE: October 31, 2022

Background

In FY 17-18, the City completed the Smart Meter expansion project installing approximately 1,200 Smart Meters replacing existing coin only mechanical meters in the Downtown Perimeter, Japantown, Old Civic Center, and SoFA meter areas. The new Smart Meters introduced features such as credit card capability, pay-by-phone, and NFC payments (Apple Pay and Google Pay) to the expansion areas, and included a rate increase mirroring the existing \$2.00 per hour Smart Meter rate in the Downtown Core.

Expansion Revenue and Cost Recovery Update

The full cost recovery of the expansion project was originally expected to occur in FY 19-20. However, due to the continued suspension of paid parking in some exterior meter areas and a significant decrease in revenue streams resulting from COVID-19 pandemic impacts, the full cost recovery of the project has not been realized. Meter revenues generated outside of the Downtown Core totaled \$680,953 during FY 21-22. While this is an increase over the previous fiscal year's exterior meter revenue (\$198,661) it is significantly lower than pre-COVID-19 revenues of approximately \$1.33M. FY 21-22 exterior meter revenues were not sufficient enough to meet historical base revenues and cover remaining expansion costs and ongoing annual smart meter operating costs/fees.

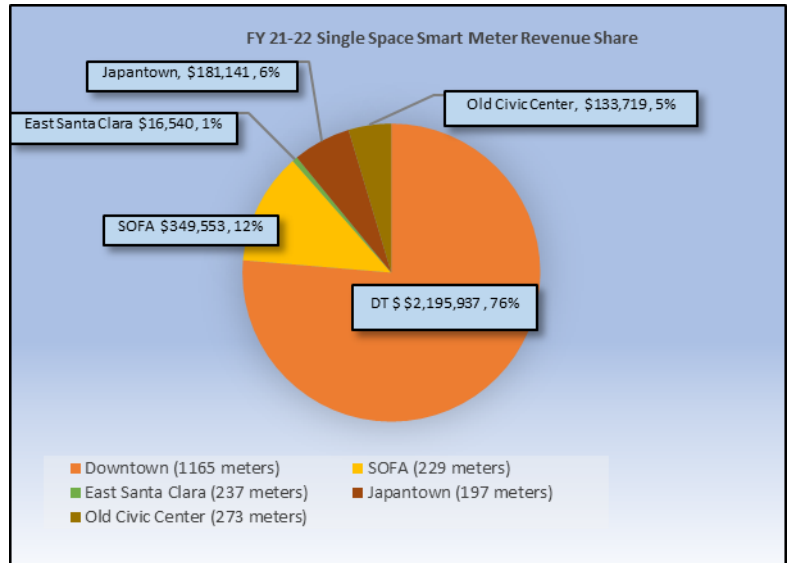
	FY 2021 - 2022 Revenue	Historical Base Revenue	FY 2021-2022 Gross Revenue	Expansion Cost Recovery Balance *	Annual Ongoing Cost	FY 2021-2022 Net Reserve Revenue
Japantown	\$181,141	\$180,786	\$355		(\$20,378)	(\$20,023)
Old Civic Center	\$133,719	\$191,744	(\$58,025)	(\$17,984)	(\$28,239)	(\$104,248)
SOFA	\$349,553	\$242,229	\$107,324	(\$35,543)	(\$23,688)	\$48,093*
East Santa Clara	\$16,540	\$72,354	(\$55,814)	(\$85,600)	(\$24,515)	(\$165,929)
TOTAL	\$680,953	\$687,113	(\$6,160)	(\$139,127)	(\$96,820)	(\$242,107)
Downtown Core	\$1,770,071	\$ 2,055,113	(\$285,042)	NA	(\$120,508)	(\$405,550)

Table 1 – Annual Meter Revenue and Meter Reserve Breakdown

*The FY 21-22 exterior meter net reserve revenue totaling \$48,093 realized in the SOFA meter area will be applied to the remaining outstanding expansion cost recovery balance across the Old Civic and East Santa Clara bringing the total systemwide remaining expansion cost recovery balance to \$55,491.

Single Space Meter Revenue Update
FY 2021-2022

The impacts of the COVID-19 pandemic on overall parking revenues continued in FY 21-22, although to a lesser extent from the prior year. Revenue in the Downtown Core rebounded at \$1,771,071 but fell short of pre-COVID-19 levels of \$2,484,115. The breakdown of FY 21-22 revenue is illustrated in the Single Space Smart Meter Revenue Share chart.



Revenue Outlook for FY 2022-2023

The revenue outlook for FY 22-23 is showing signs of continued recovery. The first quarter of FY 22-23 generated over \$584,000 in revenues compared to \$532,000 at meters that were active during Q1 last fiscal year, but is still estimated at 76% of the revenues realized during Q1 in FY 19-20 (a pre-COVID Quarter). Meanwhile, the Exterior Meter areas generated \$140,000 in Q1 of FY 22-23, which reflects an estimated 67% of the revenues realized during Q1 of FY 19-20.