



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Tell and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Richard Thompson, Director of Community Development
Nhung Madrid, Management Analyst
Jack Rydell, Traffic Engineer

DATE: March 20, 2012

SUBJECT: Approve the Removal, Replacement, and Relocation of Parking Meters from the Parkview Avenue and Village Drive Commercial Area to the El Porto Beach Parking Lot

RECOMMENDATION:

Staff recommends that the City Council approve:

1. Removal of all 25 parking meters on Village Drive and 47 parking meters on Parkview Avenue west of the Manhattan Country Club entrance driveway, leaving free parking spaces; and
2. Replacement of 40 IPS smart meters on Parkview Avenue east of the Manhattan Country Club entrance driveway with Duncan coin/cash key operated meters; and
3. Relocation of the 104 IPS smart meters that are removed from Parkview Avenue and Village Drive to the El Porto Beach parking lot; and
4. Transfer of \$51,900 from the General Fund to the Parking Fund to reimburse the Parking Fund for the original purchase of the 104 parking meters being relocated to the El Porto Beach parking lot; and
5. Transfer of \$51,900 from the Parking fund to the CIP Fund to reduce the outstanding loan balance originally incurred for the purchase.

FISCAL IMPLICATION:

The actions to remove, replace, and relocate parking meters on Parkview Avenue, Village Drive, and the El Porto Beach parking lot can be performed by Public Works. Currently, the annual maintenance costs of the IPS smart parking meters on Parkview Avenue and Village Drive are approximately \$13,575. By relocating these meters to the El Porto Beach parking lot, the annual maintenance costs will continue to be incurred; but the IPS meters will be more efficient, cost effective, and convenient for users in this new location. Also, since the El Porto Beach parking lot has a higher parking demand than the Parkview/Village commercial area, there may be an increase in parking revenues.

BACKGROUND:

As directed in the 2009-2010 City Council Work Plan, staff evaluated a proposal to install parking meters on Parkview Avenue and Village Drive. This area was considered on the basis of adjacent high density commercial use and high parking demand. The Traffic Engineer conducted an evaluation of the potential impacts of installing parking meters on both sides of Parkview Avenue between Village Drive and its easterly terminus east of Market Place, and on Village Drive between Rosecrans Avenue and Parkview Avenue. Both Parkview Avenue and Village Drive were included in the study area because the roadways act as one continuous public street serving the same uses, and are the only public streets in this commercial area with curb parking.

This evaluation was presented to the Parking and Public Improvements Commission on August 26, 2010, and to the City Council on September 21, 2010, with both bodies approving the installation of parking meters on Parkview Avenue and Village Drive. Staff initially recommended installing 198 meters along Parkview Avenue and Village Drive. However, during the implementation phase, more in-depth field studies by the Public Works Department and the Traffic Engineer concluded that certain areas along Parkview Avenue had substantial slopes with vegetation, trees, tree roots, and tree limbs which would make it unsafe for parking meter use without substantial and costly modifications to the parkway area. Based on these issues and a desire to implement a parking meter program in a timely manner, meters were omitted in these areas reducing the actual quantity of meters from 198 meters to 112 meters. Staff completed the installation of parking meters along both road segments, which went “live” February 10, 2011 with enforcement commencing on February 26, 2011.

DISCUSSION:

Per previous City Council direction, Staff installed 25 parking meters on Village Drive and 87 parking meters on Parkview Avenue. These meters were all originally IPS smart meters that allow credit card transactions and detailed remote monitoring of usage. Public Works Staff has monitored these meters and identified that usage was low as compared to other parking meters within the City.

For the 345 day period between February 11, 2011 and January 21, 2012, the total revenue for all 112 meters on Parkview Avenue and Village Drive was \$28,032. The meters had an average occupancy rate of 7% and average daily revenue of \$81. Approximately 70% of the transactions were by credit card. For comparison purposes, a similar number of IPS smart meters in the “Highland Zone” on Manhattan Beach Boulevard (111 meters) were analyzed and revealed an average occupancy rate of 70%, average daily revenues of \$1,256 and total revenues \$441,186.

The IPS smart meters on Parkview Avenue and Village Drive have an expected total operating cost of approximately \$13,575, including banking, system, maintenance, software management, transactions fees and collection fees. Distributing this cost over the 112 meters would result in each meter needing annual revenues of approximately \$121 merely to break even. Analysis of the usage data showed that only 42 meters on Parkview Avenue and one (1) meter on Village Drive exceeded this amount. The most profitable meter on Parkview Avenue generated approximately \$1,600 in revenue over the 345 day period and only six (6) produced over \$1,000 in revenues. By comparison, the highest revenue meter in the Manhattan Beach Boulevard “Highland Zone” had annual revenues of \$5,251, with 98 meters producing over \$1,000.

Analysis of the individual meters revealed that only the meters in the immediate vicinity of the Marriott Hotel and the Manhattan Country Club produced revenues in excess of the breakeven point. Based on the available revenue data and the fact that there are fixed costs associated with the IPS smart meters whether they are utilized or not, it is appropriate to consider modifying the parking meter operations on Parkview Avenue and Village Drive. Meters on Village Drive generated total revenues of \$1,182 with average revenues of approximately \$56 per meter. These extremely low revenues suggest that this location is not suitable for continued use of meters and complete removal would be appropriate. Therefore, the 25 metered spaces on Village Drive are proposed to become unmetered parking spaces.

Approximately half of the meters on Parkview Avenue had revenues that exceeded the breakeven point suggesting that the rest are candidates for removal. Since leaving metered parking spaces immediately adjacent to unmetered parking spaces would result in the metered spaces not being used, a logical break point between metered and unmetered spaces was sought. Utilizing the Manhattan Country Club driveway appears to be the most logical location and is generally consistent with the meters that generate the most revenue. This results in retaining 40 metered spaces from the Manhattan Country Club driveway easterly. The 47 metered spaces west of the driveway will become free parking spaces similar to those proposed on Village Drive.

Since there are costs associated with the IPS smart meters whether they are utilized or not, it is felt that these meters would better serve the City in other locations. The 104 IPS smart meters on Village Drive and Parkview Avenue (8 had previously been relocated for remote usage monitoring) will be relocated to the heavily used El Porto Beach parking lot and replace the existing Duncan coin/cash key meters. The 40 spaces proposed for retention of metering on Parkview Avenue would receive relocated Duncan meters. The removal, replacement and relocation and concrete repairs along Village Drive and Parkview Avenue would take approximately two weeks to complete.

The original purchase of the IPS meters for Parkview totaled \$51,900 (prorated for 104 meters) and was paid through the Parking Fund (with a loan from the CIP Fund). Because these meters are being redeployed to another parking lot with a separate funding source, it is appropriate to reimburse the Parking Fund for the costs incurred. The El Porto Beach parking lot is a County lot operated by the City under an operating agreement. That agreement provides that the City shares 45% of the gross revenue (including that generated from meter sales), but that it is the City's responsibility to maintain such appurtenances as parking meters. The City's 45% share of the County lot revenue is transferred to the General Fund. As a result, it is appropriate for the General Fund to reimburse the Parking Fund for the cost of the meters. The Parking Fund will then payback the CIP Fund for the funds originally borrowed (\$51,900), leaving a loan balance of \$771,100.

CONCLUSION:

Based on a review of the past years revenue information for Parkview Avenue and Village Drive and consideration of other parking meter needs within the City, it is appropriate to remove some metered parking in this area and relocate the IPS smart parking meters to other locations where they will be more efficient, cost effective and convenient for users.

Attachment A: Parking Map for Parkview Avenue

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Village Dr/Parkview Ave
Proposed Parking Layout

