



# STAFF REPORT

AGENDA NO: 10b

MEETING DATE: August 19, 2019

**To: Honorable Mayor and City Council**

**Date: August 19, 2019**

**From: Syed Murtuza, Director of Public Works – (650) 558-7230**

**Subject: Adoption of a Resolution Authorizing the Expenditure of Funds to Implement Mitigation Measures to Address the Temporary Loss of Parking During Construction of the Proposed Village at Burlingame Senior and Workforce Housing Development on Parking Lot F, and the Construction of a Parking Structure on Parking Lot N**

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## **RECOMMENDATION**

Staff recommends that the City Council adopt the attached resolution authorizing the expenditure of funds to implement mitigation measures to address the temporary loss of parking during construction of the proposed Village at Burlingame senior and workforce housing development on Parking Lot F, and the construction of a parking structure on Parking Lot N, by taking the following actions:

1. Authorizing an agreement with Peninsula Parking of San Carlos to provide valet-assist parking services; and
2. Authorizing a lease agreement with the Peninsula Corridor Joint Powers Board (Caltrain) to secure additional long-term parking on the Caltrain side of Parking Lot O; and
3. Authorizing funds for a potential employee incentive program.

## **BACKGROUND**

The Village at Burlingame development, which is in the final planning/permitting stages, includes 132 senior and workforce housing units and a new 368-space public parking garage. Construction will occur on City-owned Parking Lots F and N, in the downtown area, just south of Howard Avenue. These lots are currently designated as long-term, 10-hour, “pay-and-display” parking and are typically utilized by employees that work in the downtown area.

The current project timeline calls for construction to start in October 2019, with work on the parking structure on the 105-space Lot N anticipated to take approximately one year to complete. The reduction in parking supply will become worse in the spring of 2020 when construction on the 100-space Lot F begins. It must be noted that these parking impacts are temporary for the duration of the construction of the parking garage on Lot N; upon completion of garage construction, there will be a net addition of 162 new parking spaces in the downtown.

Downtown parking is utilized by both employees and visitors/customers. The City manages parking demands by designating various lots as either short-term (2-hour and 4-hour) or long-term (10-hour) parking. Shorter duration parking, intended for visitors, is designated along the downtown core streets and in parking lots near the center of downtown, while longer duration parking, intended for employees, is located further away. (See Downtown Parking Map Exhibit.)

Without providing some type of mitigation, the loss of 10-hour parking at Lots F and N could result in employees migrating to available on-street parking in the surrounding neighborhoods or utilizing shorter duration parking in the downtown core. Migration of employee parking into the residential neighborhoods could impact residents looking to park near their homes. Migration into “premium” parking spaces closer to the downtown core could create frustration with visitors not able to park near their destinations, which could affect merchants and businesses.

## **DISCUSSION**

Over the past six months, staff has been meeting with the Downtown Parking Stakeholders Group, which includes two members of the City Council (Mayor Colson and Councilmember Ortiz), and representatives from the Traffic Safety and Parking Commission (John Martos and Howard Wettan), Chamber of Commerce, and Downtown Burlingame Avenue Business Improvement District (DBID). The Stakeholder Group was tasked with identifying a variety of solutions to address the parking impacts that will occur during the construction of the Village at Burlingame project.

In order to help inform the work of the Stakeholders Group, the DBID distributed a survey to all 500+ businesses throughout the downtown. They received 98 responses, representing a response rate of approximately 20%. (See DBID Business Parking Survey Report Exhibit for details.) Besides providing information into the type of businesses and number of employees, the survey indicated that only 38% of the businesses knew about the Village at Burlingame project. And for those that did know about it, 81% felt that the project would impact their business. The ideas expressed in the survey included concern over the lack of existing parking and anxiety over where clients and employees would park.

The Stakeholders Group analyzed such potential solutions as: developing an employee incentive program to encourage the use of alternate modes of transportation, leasing private parking spaces, offering additional shuttle services, and providing valet parking in order to enable double parking in existing lots.

### **Employee Incentives**

The Stakeholders Group spent a lot of time discussing how to encourage employees to change their commuting habits by leaving their cars at home, particularly on Wednesdays, Thursdays, and Fridays when parking demand in the downtown is highest. The group determined that it may be difficult to convince employees to take alternative modes of transportation without providing some kind of incentive. One idea was to have the DBID conduct a weekly raffle where employees

could participate in a drawing for gift certificates that could be used at participating downtown restaurants and shops. An entry ticket could be given for each day the employee utilized an alternative form of transportation. The group also considered subsidizing the price of Caltrain, Uber, Lyft, or Scoop (carpool) through partial reimbursements. Although the Stakeholders Group is still working out the best way to provide alternative commute incentives, staff recommends \$20,000 be allocated for a future program.

An employee incentive program may be the best measure for mitigating parking impacts, both in terms of being the most cost effective and having the biggest potential impact. However, since it is unclear how many employees will actually take advantage of the incentives and change the way they get to work, the Stakeholders Group also explored other options.

#### Leased Parking

Staff investigated several leased parking alternatives, including the parking garage at 225 California Drive. Although the building is currently unoccupied, Stanford Medical is leasing the building and was not interested in subleasing the parking, nor was the building's owner receptive to encumbering the property with a long-term City commitment. Staff explored locations in the Bayfront area, but these were all rejected due to being too far from the downtown and unlikely to be effective. Staff also approached the Peninsula Corridor Joint Powers Board (PCJPB), which operates Caltrain, about leasing parking lots at both their Broadway and Burlingame Stations. While the Broadway Station was unavailable because of prior commitments, the Burlingame Station Parking Lot, adjacent to Parking Lot O, was deemed underutilized and is available for lease. Staff negotiated a one-year lease agreement with Caltrain in the amount of \$57,000, which would give the City access to approximately 38-40 parking spaces. These would be signed and offered as 10-hour, pay and display parking, similar to other long-term parking designations. The City will have the option to extend the lease on a month-to-month basis if the garage construction goes beyond the one-year period.

#### Shuttle Services

Staff also investigated a shuttle service that would take employees along a fixed route from the Caltrain Broadway Station Parking Lot to downtown and back. This option did not pan out as the Broadway Parking Lot was unavailable. It was also an expensive option at roughly \$32,000 per month in operating expenses, plus an estimated \$7,000 per month to lease the parking lot. Because of the expense and the fact that the Broadway Lot was not available, staff did not pursue this option any further.

#### Valet-Assist Parking Services

Under a valet-assist program, parking attendants would be available to "stack" vehicles in an existing lot to create additional capacity. Stacked parking takes advantage of aisle space to double-park vehicles without disrupting traffic circulation. Drivers may continue to self-park in available stalls, but once these stalls become full, attendants will be available to direct drivers to double-park behind other vehicles. The driver will park as directed, exit their vehicle, lock the car, and provide keys to the attendant on duty. A claim ticket will then be provided to the driver to

reclaim their keys later. The attendant will move the vehicle only as necessary to allow a safe exit by another vehicle, or to move into a regular parking stall once one becomes available.

After consulting with several parking vendors and analyzing all of the downtown parking lots, staff identified Parking Lots A and F as the most effective facilities for valet parking services. Parking Lot F will be initially designated for valet-assist parking beginning in October 2019 once the adjacent Parking Lot N is closed for construction of the parking garage. In the spring of 2020, when Lot F is closed for construction, valet-assist parking services will transition to the upper deck of the City's Lot A Parking Garage (next to the Library). Services are being limited to the upper deck so as not to disrupt the shorter, 2-hour designated parking on the ground level. Valet-assist services will then continue until such time as the parking garage construction is completed.

Staff issued a Request for Proposals (RFP) in May 2019 and received four responses. Interviews were held along with follow-up discussions to ascertain each firm's qualifications and costs for different levels of service. Peninsula Parking of San Carlos was selected as the top ranked vendor. Their cost for valet-assist parking services three days per week, utilizing two full-time equivalent employees (attendants) from 8:00 am to 6:00 pm, was \$8,300 per month. For service five days per week, the cost was \$12,900 per month. Downtown parking utilization data suggests that demand for parking significantly increases during the last three days of the work week. It is therefore recommended that the three-days per week option be selected at this time. It is anticipated that approximately 40 to 45 additional vehicles can be accommodated with valet-assist parking at both Lot F and the upper deck of Lot A.

### Outreach

Once mitigation measures recommended in this report are approved or the City Council provides alternative direction, staff will implement a robust public outreach program to let the downtown merchants, employees, and visitors know about the Village at Burlingame development, its impacts, the additional parking that is being made available through the Caltrain lease adjacent to Parking Lot O, and valet-assist parking in Lots F and A. Large plywood signs will be posted at Lots F and N describing the senior and workforce housing development and the parking garage project. The signs will have a link to a City website that will provide additional project information. Hard-copy flyers will also be distributed to the merchants upon the start of the project, and e-mail updates will be periodically provided to over 500 Burlingame businesses through a list maintained by the DBID.

### Summary

An employee incentive program, leased parking at the Caltrain Burlingame Station, and valet-assist parking are all part of the solution to the upcoming parking shortage. These measures, in combination with recently converted short-term parking to long-term parking in the downtown area, will yield approximately 100 long-term parking spaces.

As construction begins in Lot N and then Lot F, staff will continuously monitor the parking situation and closely coordinate with the DBID and Chamber of Commerce to adjust and modify the parking mitigation strategies as appropriate, and may return to the City Council to obtain additional direction if needed.

### **FISCAL IMPACT**

The cost to provide valet-assist parking services three days per week for a period of one year is \$100,000. The cost to lease the Caltrain parking lot at the Burlingame Station for a one-year period is \$57,000. Additionally, staff recommends \$20,000 be set aside for an employee incentive program to encourage employees to commute to work without a vehicle. A three-month contingency to extend the services listed above, should construction of the parking garage exceed the one-year timeframe, is estimated at approximately \$45,000.

The total estimated cost of the recommended mitigation measures in this staff report is \$222,000. There are adequate funds available in the Parking Enterprise Fund to undertake the above mitigation measures.

#### Exhibits:

- Resolution
- Burlingame Downtown Parking Map
- DBID Business Parking Survey Report
- Valet-Assist Parking Services Agreement
- Draft Caltrain Lease Documents
- Valet-Assist Parking and Shuttle Services RFP