



CITY COUNCIL AGENDA REPORT

DATE: June 14, 2018

AGENDA OF: June 19, 2018

DEPARTMENT: Public Works, Library, Economic Development

SUBJECT: Study Session on the Downtown Library Advisory Committee
Recommendation for the Downtown Branch and Downtown Parking Rates
Strategy (LB, PW, ED)

RECOMMENDATION: That the City Council receive a report and presentation on the (1) Downtown Library Advisory Committee (DLAC) recommendation for the Downtown Branch and (2) Downtown Parking Rates Strategy.

BACKGROUND: On December 6, 2016, the City Council discussed the feasibility of a new parking supply project as part of a mixed-use Library, commercial, office, and/or housing project. The Feasibility Study considered the possibility of this collection of uses at the current location of Parking Lot #4, bounded by Cedar Street between Lincoln and Cathcart Streets. This site is also where the Santa Cruz County Farmers' Market currently utilizes an annual special use permit to operate the Wednesday downtown market.

At the December 6, 2016, the Council directed staff to develop a work plan, outreach plan, and funding plan to move the project forward, and to return to Council (Attachment 1). Council directed staff to focus on three main areas: the Downtown Library and a public process for determining the best path forward; developing a permanent home for the Downtown Farmers' Market; and developing a parking rates matrix for funding the parking portion of the potential project.

At the June 12, 2018 City Council meeting, Council received an update on the Farmers' Market component of this project.

This agenda report provides an update on: (1) the Downtown Library and the Downtown Library Advisory Committee (DLAC) recommendations; and, (2) the proposed parking rates strategy for funding the parking portion of a potential project. No action is requested of the City Council at this meeting.

DISCUSSION:

Library: The Library portion of this report focuses on the Downtown Library Advisory Committee (DLAC) recommendation for the downtown library, fulfilling the Council direction from December 6, 2016. The DLAC was made up of ten community members, recommended by the Library Director, Assistant Library Director, a City Councilmember, and the City Manager,

and was approved by the Mayor. To reach their recommendation, DLAC met publicly twelve times between June and December 2016.

Key components of DLAC's work included an in-depth review of the existing facility, touring contemporary library facilities, developing space needs and characteristics of a good library, surveying the community, and analysis of cost options and alternatives.

At the conclusion of their work, the DLAC recommended Option B: New Mixed-Use Construction, which would use available funds towards the incorporation of a new downtown library facility into a new mixed use project at Parking Lot 4. This option includes the greatest number of desired program and design features, meets the space needs of the desired library program, and does not require a temporary facility during construction. The full DLAC recommendation is included in Attachment 2.

Parking: The parking focus of this report is on the parking rates matrix, which presents a parking rate strategy that fulfills the Council direction to develop a rate strategy that supports a new parking supply project as part of the mixed use development. In addition, the framework for a rate strategy also depends upon sound projections of supply of parking, demand for parking, and transportation demand management (TDM) programming.

Staff has developed a proposed Parking Rates Strategy that balances user fees and phases out deficiency fees to financially support a new parking supply project as part of the mixed-use library project. The proposed parking rates strategy was developed to address three main downtown parking issues: (1) Eliminating the business parking subsidy known as the Parking Deficiency Fee so that parking users pay for the parking they are consuming; (2) adding regular, predictable, annual TDM funding to enhance current TDM efforts; and (3) funding a new parking replacement and supply project (replace 341 surface parking spaces, add 259 net new parking spaces to help serve anticipated new demand).

The proposed Parking Rates Strategy approaches a modest new parking rate structure in the following ways: (1) sunsets the deficiency fee; (2) brings the cost of a monthly parking permit in line with that of a monthly transit pass; (3) incrementally raises on- and off-street hourly parking fees to reflect the true cost of parking; and (4) establishes an annual, reliable funding source to expand TDM programs and projects. The approach to each is described in detail in Attachment 3.

FISCAL IMPACT: There is no fiscal impact.

Submitted by:	Submitted by:	Submitted by:	Approved by:
Susan Nemitz Director of Libraries	Mark R. Dettle Director of Public Works	Bonnie Lipscomb Director of Economic Development	Martin Bernal City Manager

ATTACHMENTS:

- Attachment 1: December 6, 2016 City Council agenda report
- Attachment 2: Downtown Library Advisory Committee Report
- Attachment 3: Downtown Commission Parking Rates Strategy Staff Report