

THIS PRINT COVERS CALENDAR ITEM NO.: 10.3

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Streets

BRIEF DESCRIPTION:

Authorizing the Director of Transportation or his or her designee to establish a special event transient parking rate retroactive to February 5, 2022, for up to 24 days, not to exceed two hours, with a floor of zero dollars per hour at the Portsmouth Square Garage.

SUMMARY:

- The SFMTA manages the Portsmouth Square Garage for the Recreation and Park Department (RPD) as directed by Charter Section 4.113.2. Charter Section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the rates for parking facilities under the SFMTA's jurisdiction.
- In prior actions, the SFMTA Board has delegated to the Director of Transportation the authority to establish special event rates at off-street parking facilities within certain parameters.
- To support Chinatown businesses, support the city's General Fund, promote accessibility to the corridor, and maintain parking corridor revenues, the SFMTA Board will temporarily authorize the Director of Transportation to establish a new special event rate to make the first two hours of transient parking free in the Portsmouth Square Garage from February 5 to February 28, 2022. Regular transient hourly rates will apply commencing on the third hour of parking.
- The special event parking rate will not reduce parking revenues to the RPD or parking taxes to the City. Other City departments have agreed to contribute funds to subsidize this temporary special event rate, which staff estimates may reduce Portsmouth Square Garage revenues up to \$450,000 net revenues.
- Pursuant to the SFMTA Board's Rules of Order and Charter Section 16.112, advertisements were placed in the City's official newspaper to provide notice of the proposed special event rate change.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR



February 9, 2022

SECRETARY



February 9, 2022

ASSIGNED SFMTAB CALENDAR DATE: February 15, 2022

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PURPOSE

Authorizing the Director of Transportation or his or her designee to establish a special event transient parking rate retroactive to February 5, 2022, for up to 24 days, not to exceed two hours, with a floor of zero dollars per hour at the Portsmouth Square Garage.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This action supports the following SFMTA Strategic Plan Goals:

Goal 5: Deliver reliable and equitable transportation services.

Goal 7: Build stronger relationships with stakeholders.

This action supports the following SFMTA Transit First Policy Principle:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

The Recreation and Park Department owns the Portsmouth Square Garage, which the SFMTA manages as directed by Charter Section 4.113.2, which includes setting parking rates. Charter section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the rates in parking garages under the SFMTA’s jurisdiction. In prior actions, the SFMTA Board of Directors has delegated to the Director of Transportation the authority to establish special event rates at off-street parking facilities within certain parameters.

November data from the Controller’s Office shows San Francisco’s Downtown post-pandemic recovery continues to lag behind other cities across the nation. Hotel revenues increased modestly in October, but San Francisco hotel revenues continue to lag hotels in peer cities, and San Francisco hotel bookings have remained flat. Office attendance in San Francisco lags office attendance in peer cities, including San Jose. New business openings in San Francisco in November 2021 continued to remain flat.

To encourage increased public access to Portsmouth Square and patronage of merchants and businesses in that area, to support the tax revenue which sustains the City’s General Fund, the SFMTA proposes to temporarily reduce the transient hourly parking rate to zero (no charge) for two hours of parking in the Portsmouth Square Garage effective February 5 to February 28, 2022. Regular hourly transient parking rates will apply commencing on the third hour of parking and all time thereafter.

The temporary rate reduction (providing free parking for the first two hours) will not reduce parking revenues to the SFMTA or parking taxes to the City. Other City departments have

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agreed to contribute funds to subsidize this temporary reduced rate, which staff estimates will not reduce Portsmouth Square Garage net revenues more than \$450,000. This projected revenue reduction may be less if the temporary special event parking rate encourages more visitors to the Chinatown area, who would likely stay longer than two hours. During this pandemic recovery period, anything that the City can do to support local businesses and the local tax base also helps the SFMTA by generating additional tax revenues that benefit the City's General Fund.

In accordance with SFMTA Board's Rules of Order and Charter Section 16.112, advertisements were placed in the City's official newspaper providing public notice of the rate change to be determined at the SFMTA Board's February 15, 2022, meeting.

STAKEHOLDER ENGAGEMENT

SFMTA staff discussed the temporary special event rate with the San Francisco Chinatown Chamber of Commerce, the Office of Economic and Workforce Development, the Mayor's Office, and members of the Board of Supervisors.

PUBLIC NOTICE

Pursuant to Charter Section 16.112, advertisements were placed in the City's official newspaper regarding this public hearing. The advertisements ran in the San Francisco Examiner on February 5-10 to provide notice that the SFMTA Board of Directors will hold a public hearing on February 15, 2022, to consider a new special event rate of zero under certain, limited circumstances.

ALTERNATIVES CONSIDERED

Given the urgency of the situation, the SFMTA considered not reducing the parking fees at the garage, but ultimately determined that the temporary reduction was warranted for the reasons discussed in this staff report. The SFMTA Board could decline to authorize the new special event rate or could make other rates changes (after providing required notice).

FUNDING IMPACT

Staff estimates that providing two free hours of parking at the Portsmouth Square Garage from February 5 to February 28, 2022, may result in as much as \$450,000 of forgone revenues to the Recreation and Park Department during Fiscal Year 2021-22. The temporary rate reduction will not reduce net parking revenues to the Recreation and Park Department (RPD) or parking taxes to the City, however, as other City departments have agreed to contribute funds to subsidize the temporary reduced rate. Two hours of free parking in the garage may also attract parkers who will stay longer than two hours, and will pay the regular hourly rate commencing on the third hour, which may offset the City's costs from reducing the hourly rate to zero for the first two hours. During this pandemic recovery period, anything that the City can do to support local businesses and the local tax base also helps the SFMTA and RPD through the General Fund.

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ENVIRONMENTAL REVIEW

On February 1, 2022, the SFMTA, under authority delegated by the Planning Department, determined that the establishment of a new temporary special event rate for the three garages is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

No other approvals are required.

The City Attorney’s Office has reviewed this calendar item.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation or his or her designee to establish a special event transient parking rate retroactive to February 5, 2022, for up to 24 days, not to exceed two hours, with a floor of zero dollars per hour at the Portsmouth Square Garage.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA), as directed by Charter section 4.113.2, manages the Portsmouth Square Garage at 733 Kearney Street on behalf of the Recreation and Park Department (RPD); and,

WHEREAS, The purpose of the garage is to provide public parking to visitors to Chinatown, and patrons and employees of merchants and businesses in the Chinatown area; and,

WHEREAS, Charter Section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the parking rates in garages under the SFMTA's jurisdiction, and the SFMTA Board of Directors has previously acted in Resolution 08-084 to establish special event parking rates under certain conditions; and,

WHEREAS, To support Chinatown businesses, promote accessibility to the corridor, support the City's General Fund, and maintain parking corridor revenues, the SFMTA proposes to a special event transient parking rate of zero dollars per hour for two hours of parking in the Portsmouth Square Garage from February 5 to February 28, 2022, and regular hourly rates will apply to transient parkers commencing on the third hour of parking; and,

WHEREAS, The temporary rate reduction will not reduce net parking revenues to the Recreation and Parks Department (RPD) or parking taxes to the City, as other City departments have agreed to contribute funds to subsidize the temporary reduced rate, which staff estimates may reduce net revenues from the Portsmouth Square Garage not more than \$450,000, which costs may be offset by parkers who stay longer than two hours and the RPD's revenues are partially supported through the City's General Fund; and,

WHEREAS, In accordance with SFMTA Board's Rules of Order and Charter Section 16.112, advertisements were placed in the City's official newspaper providing public notice of the proposed special event rate to be determined at the SFMTA Board's February 15, 2022, meeting; and,

WHEREAS, On February 1, 2022, the SFMTA, under authority delegated by the Planning Department, determined that the establishment of a new temporary special event rate for the three garages is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; therefore, be it

RESOLVED, That notwithstanding Resolution 08-084, the SFMTA Board of Directors authorizes the Director of Transportation or his or her designee to establish a special event transient parking rate retroactive to February 5, 2022, for up to 24 days, not to exceed two hours, with a floor of zero dollars per hour.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 15, 2022.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency