



REGULAR MEETING MINUTES
August 13, 2024
CITY OF SOUTH SAN FRANCISCO
REGULAR MEETING
PARKING PLACE COMMISSION

CALL TO ORDER: The meeting was called to order at 5:11p.m. by Chairperson Dana Abarca.

ROLL CALL:

Present: Dana Abarca, Chairperson
Brandon Chan, Vice Chairperson (*arrived at 5:15 p.m.*)
Hermes Monzon, Commissioner

Absent: None.

City Staff: Marissa Garren, Secretary to the Parking Place Commission
Diana Wang, Clerk to the Parking Place Commission
Dave Bockhaus, Public Works Deputy Director
Alex Henry, Public Works Program Manager
Karen Chang, Finance Director

AGENDA REVIEW: No changes.

PUBLIC COMMENT: None.

CONSENT CALENDAR:

1. Approval of the Meeting Minutes of the Parking Place Commission for July 9, 2024.

Motion Commissioner Monzon / Second Chair Abarca — to approve the July 9, 2024 meeting minutes as submitted. Approved by voice vote (2-0-0).

ADMINISTRATIVE ITEMS: None.

ITEMS FROM THE COMMISSION: None.

ITEMS FROM THE STAFF:

1. Parking District Expenditures & Revenue – EOY FY 2023-2024 (Secretary Garren)
 - Secretary Garren introduced Karen Chang, the Finance Director, who will address any questions about the parking district fund.

- Commissioner Monzon asked if funds from parking meters and lots stay within the parking district fund. Karen Chang, Finance Director confirmed that all expenses unique to the parking district fund will remain there and do not transfer to the general fund.
- Chair Abarca inquired about the difference between the parking district fund and the general fund. Karen Chang explained that the general fund is supported by property and sales taxes, while the parking district fund is an enterprise fund and is self-sufficient.
- Secretary Garren introduced Alex Henry, the Public Works Program Manager responsible for overseeing the maintenance and operations of city services, including parking lots, concrete, sewer, fleet, code enforcement, illegal dumping, signage, signals, and traffic markings.
- Vice Chair Chan asked if the end-of-year expenditure report is final. Karen Chang, Finance Director replied that the numbers are not final and will be updated by October.
- Vice Chair Chan asked when monthly numbers are finalized. Karen Chang, Finance Director explained that the government does not have a monthly close but does an annual close. Although they plan for a soft close each month, recent staff turnover has prevented this.
- Vice Chair Chan asked if a report for May 31, 2024 was run. Secretary Garren confirmed she did not run the report in May, however Karen Chang, Finance Director confirmed that the fund balance is relatively stable at \$3.5-\$3.6 million.
- Vice Chair Chan inquired about a budget vs. actual comparison report due to the decreasing fund balance. Karen Chang, Finance Director replied that such a report can be provided at the October meeting.
- Vice Chair Chan asked if the fund balance was expected to decrease based on the forecasted revenue and expenditures. Karen Chang, Finance Director replied that the fund balance is generally stable, but capital improvement projects (CIPs) not included in the report can affect it. When CIPs are approved, funds are set aside, and spending on these projects impacts the balance. Vice Chair Chan also inquired if the fund balance automatically decreases when CIP funds are encumbered but not spent. Karen Chang, Finance Director clarified that it does not, as encumbered funds are considered available cash and do not reflect restricted or designated amounts.
- Vice Chair Chan inquired about the fluctuating expenditure balance since July. Karen Chang, Finance Director explained that the fluctuations are due to cash basis accounting until the annual close.
- Vice Chair Chan asked why the fund revenue balance is decreasing month-to-month. Karen Chang, Finance Director explained that the reports only show operational expenses and do not include internal funds like administrative charges. For a more accurate balance, the annual financial report on the City website provides a detailed view, including administrative costs in a separate column for the parking district fund.
- Vice Chair Chan asked about additional expenses charged to the parking district fund. Karen Chang, Finance Director explained that these include fleet, maintenance, salaries, and administrative charges, which are not detailed in the current report but will be included in the annual financial report available online.

- Karen Chang, Finance Director will work with Secretary Garren in providing a quarterly report that includes the breakdown of all GL charges and fund balance.
- Vice Chair Chan asked why IT purchases in other departments show negative amounts. Karen Chang, Finance Director explained that some negatives are due to unprocessed EV charge transactions, which will be corrected in the next quarterly report. She added that the category also includes utility charges and Shell Recharge station fees.
- Secretary Garren noted that Shell Recharge stations at the Miller Parking Garage (MPG) pay the City monthly to cover the electricity costs due to the EV chargers usage. The rate charged varies throughout the day based on demand and peak times.
- Vice Chair Chan asked how residents pay for EV charging. Secretary Garren said it's done via an app with a card payment. Vice Chair Chan also asked if the revenue from EV charging is included in the Miller Parking Garage rollup at year end, which Karen Chang, Finance Director confirmed.
- Commissioner Monzon noted that the parking district fund previously had a \$2.3 million balance and was told that all revenue went into the general fund. He asked when the fund was established and began accumulating revenue. Karen Chang, Finance Director replied that she needs to research this and will provide an update to the Commission.
- Commissioner Monzon asked if the parking district fund is self-sufficient and separate from the City's budget. Dave Bockhaus, Public Works Deputy Director explained it is an enterprise fund, like the sewer district fund, requiring its own revenue for operations. While most funds stay within the parking district, some are paid to the general fund as interdepartmental service fees. Karen Chang, Finance Director will investigate further, noting that ECD's involvement with the general fund might have caused confusion.
- Vice Chair Chan asked if the parking district fund should be cost neutral, increase or decrease. Karen Chang, Finance Director clarified that the fund should at least be self-sufficient each year. If revenue is insufficient, rates should be reviewed, and funds must be reserved for maintaining current and future infrastructure. Secretary Garren stated that a parking district study is underway to support raising parking permit and meter rates. The additional revenue will be used for maintenance, expansions and improvements in the parking district.
- Commissioner Monzon inquired about the revenue from parking lots 3 and 4. Secretary Garren clarified the lots were city property sold to private developers. Dave Bockhaus, Public Works Deputy Director added they were managed by the district but owned by the City, which decided to sell them after the redevelopment agency was disbanded. As the City Attorney explained in the previous meetings, City Council is the ultimate authority on disposition of city property and whether city property is sold. When parking lots 3 and 4 were sold, parking operations ceased and it was a decision made by City Council.
- Vice Chair Chan asked if the parking district fund is cost neutral as an enterprise fund. Dave Bockhaus, Public Works Deputy Director noted that while the fund was growing, increased costs for payroll and maintenance have impacted it. Upcoming recommendations for parking rate increases will be based on an occupancy study. Vice Chair Chan also inquired about future forecasts.

- Dave Bockhaus, Public Works Deputy Director noted that there is an upcoming agenda item about increasing permit and meter rates. The goal is to maintain a healthy fund balance, not to generate profit. While the fund had been growing, rising costs for services, payroll, and encumbrances have started to reduce the fund balance. Staff is reviewing this situation and, alongside an occupancy study, will recommend raising parking permit and meter fees to the Commission to cover increased service and employee costs.
 - Vice Chair Chan asked if there is a long-range budget plan for the parking district to account for depreciation. Secretary Garren explained that rate increases typically have a range to avoid frequent Council approvals. Dave Bockhaus, Public Works Deputy Director added that the Commission, not the City Council, approves parking meter rate increases. The master fee schedule sets maximum rates, and staff is working with the City Attorney to amend the current hourly rate increase, with long-term plans subject to annual City Council approval. The long-term goal applies only to the current budget. Rate increases are intended to support annual operations rather than future needs. Future planning occurs primarily when considering new parking garages.
 - Commissioner Monzon asked about the last parking study's cost and its value, questioning if the 2019 study could be reused or if the study could be conducted in-house. Secretary Garren explained that the study is needed due to changes since 2019, including lost parking lots and increased housing. Karen Chang, Finance Director added that consultants are needed to determine appropriate rates and ongoing costs, as they provide expert recommendations on the necessary rate ranges.
 - Vice Chair Chan asked if Economic and Community Development (ECD) will fund the consultants for the occupancy study. Dave Bockhaus, Public Works Deputy Director clarified that ECD will not pay for this study, as it is separate from the previous P3 garage study and focuses on the downtown district. Vice Chair Chan suggested coordinating with ECD due to their involvement in downtown revitalization and the Business Improvement District (BID) formation. Secretary Garren noted that the BID has not yet been established, and the study is needed now to support parking rate increases and future projects. The parking district fund will cover the cost of the study.
 - Vice Chair Chan asked for a quarterly cash balance report. Staff will provide a quarterly budget vs. actual expenditure report instead.
2. Parking district-Funded Expenses – FY24-25
 - Secretary Garren noted that the budget vs. actual report will be presented at the October meeting. Karen Chang, Finance Director confirmed that after the year-end audit, a high-level financial report will be presented to the City Council, and the annual fee schedule will be published on the City website. The auditors arrive in October, finalize their work in December, and present the report to the City Council in January or February.
 - Vice Chair Chan asked if an unaudited report could be presented to the City Council. Karen Chang confirmed that it is acceptable.
 3. Commission Updates to City Council (Summer 2024)
 - Secretary Garren noted the Commission presentation to City Council is tentatively scheduled for October 23, 2024. She went over the drafted presentation and reminded the commissioners that she will need to take a photo of everyone for the presentation.

- Chair Abarca expressed concerns about exceeding the time limit. To save time, Secretary Garren suggested that one person present while other commissioners stand behind them. The Parking Place Commission will present first, followed by the Traffic Safety Commission. Both presentations will use the same number of slides.
 - Vice Chair Chan asked if all the commissioners should attend, and Secretary Garren confirmed they should.
 - Vice Chair Chan requested that completed projects from the year be included. Secretary Garren will add the fund balance to the slides and include photos from the resurfacing seal project and downtown walk.
 - Vice Chair Chan proposed adding a bullet point for future goals that includes developing a parking master plan, presenting it to City Council in the future, and creating a governing document similar to the Bicycle and Pedestrian Advisory Committee (BPAC). He suggested focusing on these goals rather than providing input on city projects.
4. Upcoming Meeting Items
- Secretary Garren reminded the group that these items are upcoming.
 - i. Parking Study Occupancy Study update
 - 1. Staff should have an update by next month.
 - ii. Parking Rates Update
 - iii. Downtown Walk/Special Joint Meeting (September meeting)
 - iv. Staff will develop a walking route to visit every parking lot, with the meeting scheduled to start at 5 p.m.
 - v. P3 Project Update (ECD) – TBD

Chair Abarca adjourned the meeting at 6:11 p.m.

Respectfully submitted

Marissa Garren
Parking Place Commission Secretary

Dana Abarca
Parking Place Commission Chairperson