



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL  
From the CITY MANAGER

DATE: July 8, 2025

SUBJECT: CONSIDERATION OF A PARKING COMMISSION  
RECOMMENDATION TO UPDATE PARKING METER  
RATES, PARKING PERMIT PRICING AND PARKING  
PERMIT PROGRAM GUIDELINES IN PARKING  
DISTRICT ONE

ISSUING DEPARTMENT: CITY MANAGER

SUMMARY:

Issue:

Should the City Council consider a Parking Commission Recommendation to update parking meter rates, parking permit pricing and parking permit program guidelines in Parking District One?

Recommendation:

Consider a Parking Commission recommendation to update parking meter rates, parking permit pricing and parking permit program guidelines in Parking District One.

Fiscal Impact:

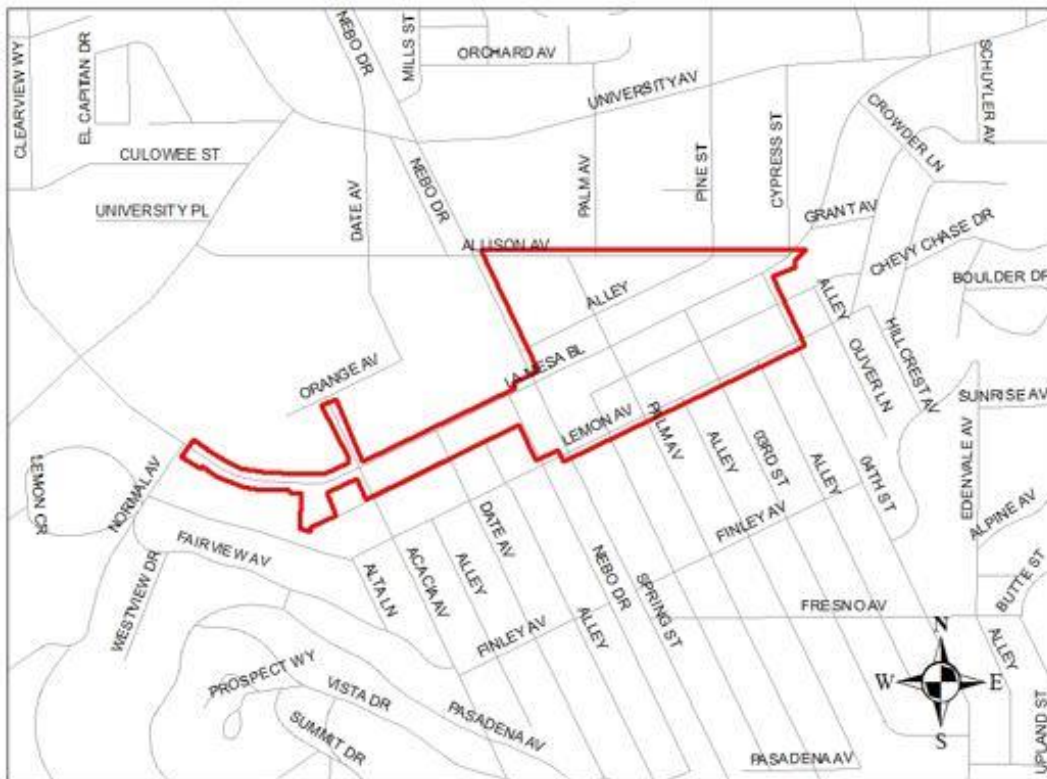
The Parking Fund (Fund) was established for the collection of moneys from parking meters, parking permits and parking enforcement in Parking District One (District). Funding is used for the maintenance and improvement of public facilities, including public parking lots, traffic signals and equipment, parking technology, and maintenance of common areas. Revenue from parking meters is the largest contributor to the Fund, so an adjustment to meter rates will have the most impact on the Fund. If an adjustment to meter rates is adopted, the amount of additional revenue generated is dependent on the new meter rate. Revenue from parking permits is significantly less, therefore an adjustment to parking permit pricing will have less impact on the Fund.

City's Strategic Goals:

- Ensure a strong financial outlook through careful planning, sustainable service levels, and fiscal sustainability.
- Invest in infrastructure to serve the needs of the community.

BACKGROUND:

Parking District One (District) was established in 1963 pursuant to the Parking District Law of 1951 that allows cities to form parking districts and levy assessments to finance the acquisition, improvement and construction of parking lots and facilities within a district. The boundary of La Mesa's parking district is shown on the map below.



There is a total of 433 parking meters on streets and in three of the City's four municipal parking lots that control and regulate parking between the hours of 8:00 a.m. and 6:00 p.m. every day except Sundays and holidays. The Lemon Avenue Municipal Parking Lot uses a QR-code parking management system and therefore does not have parking meters. Rates for the majority of parking meters are \$0.75 per hour except for Allison Avenue, the Allison Avenue Municipal Parking Lot and the La Mesa Boulevard Municipal Parking Lot, which charge \$0.50 per hour.

Parking Permit Program Guidelines were established in the 1980's to manage the supply of parking in the District. The goal of the program is to provide business owners and employees with parking options in designated areas and to improve parking availability for business customers. These designated areas are located away from convenient customer parking zones in the core of the District (La Mesa Boulevard between Acacia Avenue and 4<sup>th</sup> Street) to discourage employee parking in these areas, reduce "block circling", and improve parking turnover for customers. Permits are priced at a discount and only available to businesses and employees in the District.

In accordance with Section 12.56.120 of the La Mesa Municipal Code, a parking fund was established for the collection of parking meter revenue in the District. Revenue from parking meters can be used for public improvements and the enhancement of facilities in the District, the maintenance and operation of parking meters, maintenance of infrastructure such as streets, traffic signals, public parking lots and off-street parking facilities. It can also be used for events, programs and advertising in the District.

#### DISCUSSION:

The La Mesa Community Parking Commission (Commission) acts in an advisory capacity to the City Council regarding parking-related matters within the District. The Commission's 2025 Work Plan includes a review of parking meter rates and parking permit pricing with the goal of making a recommendation to City Council to update these charges, including an update to the Parking Permit Program Guidelines. The last update to parking meter rates in the District occurred in 2010 and the Parking Permit Program Guidelines was last updated in 2020.

#### *Parking Meter Rates*

With staff assistance, the Commission conducted research on parking meter rates in the region to analyze comparable pricing. The following table shows meter rates for cities/agencies in San Diego County that operate them:

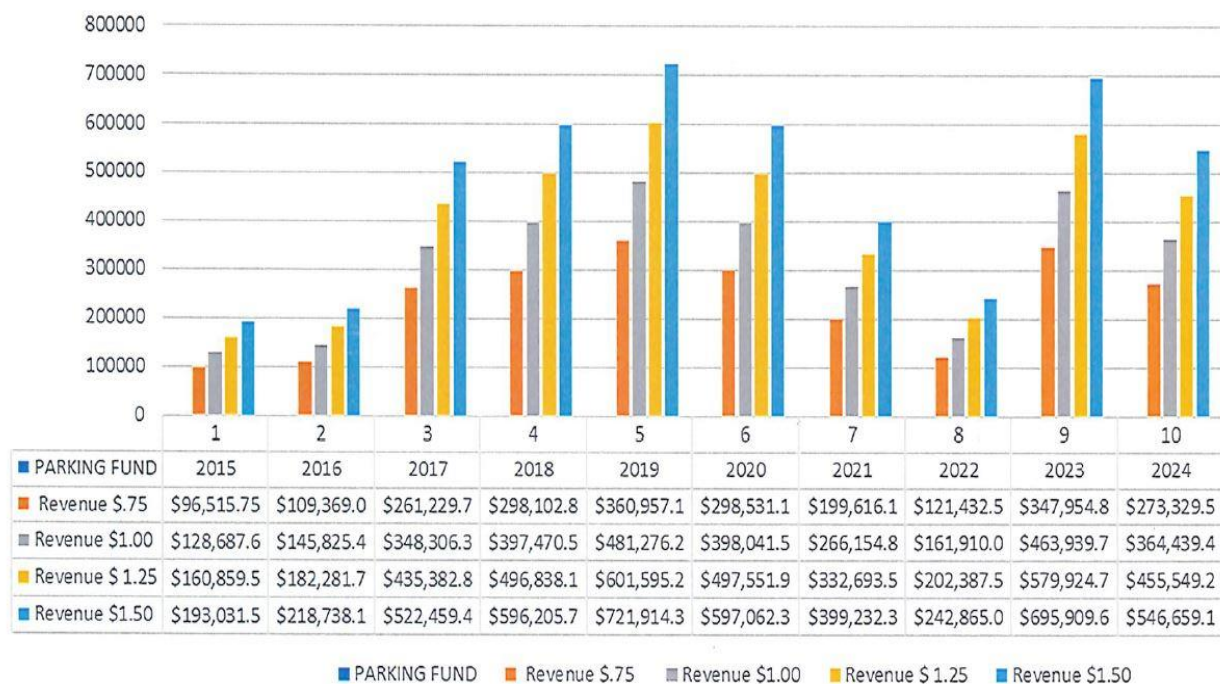
<u>City/Agency</u>	<u>Days</u>	<u>Hours</u>	<u>Rate</u>
*Chula Vista	Mon-Sat	8:00 a.m. – 6:00 p.m.	\$0.75/hour
Del Mar	Mon-Sun	8:00 a.m. – 10:00 p.m.	\$3.00/hour
<b>*La Mesa</b>	<b>Mon-Sat</b>	<b>8:00 a.m. – 6:00 p.m.</b>	<b>\$0.75/hour</b>
Oceanside	Mon-Sun	6:00 a.m. – 6:00 p.m.	\$1.50/hour
Port of San Diego	Mon-Sun	10:00 a.m. – 8:00 p.m.	\$2.50/hour
San Diego	Mon-Sat	8:00 a.m. – 6:00 p.m.	\$2.50/hour

*\*Chula Vista operates 10-hour meters at a rate of \$0.50 cents per hour; La Mesa operates meters in some designated parking zones at a rate of \$0.50 cents per hour.*

The remaining cities in San Diego County do not utilize parking meters but do have parking zones and facilities that regulate time-limited parking and enforce those areas by issuing citations. The mean (average) meter rate for San Diego County based on the Commission's research at the time of this report (excluding La Mesa) is \$2.05 cents per hour.

The Commission used parking meter and Fund data over the last ten years to estimate the amount of revenue that would have been collected (by year) if rates were \$1.00, \$1.25, or \$1.50 per hour during this timeframe. The data is graphed below. This analysis is helpful in determining how Fund revenue is affected by a change in meter rates.

2015 – 2024 Parking Meter Revenue Estimate by Year



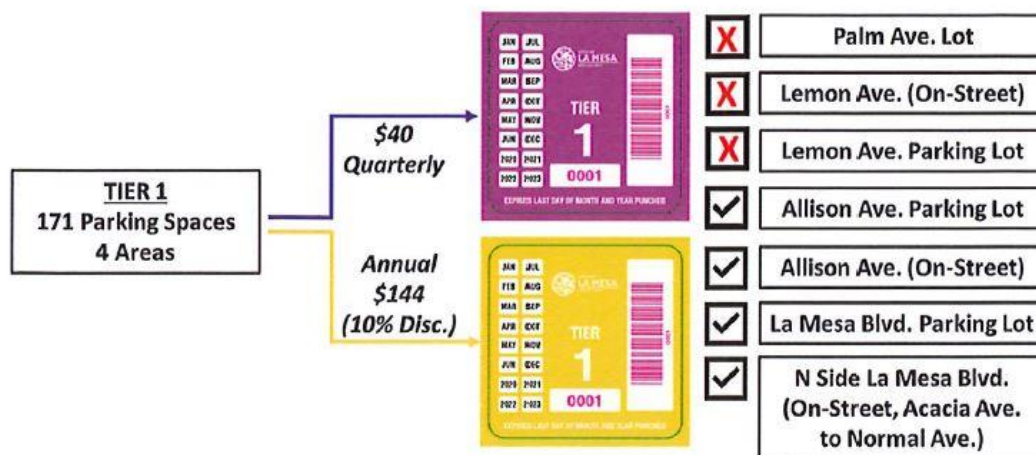
Fund revenue has not kept pace with the cost of infrastructure maintenance and improvements in the District, necessitating an update to meter rates. The Commission's recommendation is for an adjustment from \$0.75 to \$1.50 per hour to adequately support infrastructure and facility needs in the District.

Outreach was conducted to gauge opinions and to receive feedback regarding a possible adjustment. Staff presented at the General Membership meeting of the La Mesa Village Association (LMVA) on October 9, 2025. Additionally, the LMVA assisted with outreach through email notifications to businesses, who were given the opportunity to email staff

to provide feedback. Staff received emails from three businesses who expressed their general support. No emails were received expressing a lack of support. Feedback from the General Meeting was supportive. Overall, business owners did not think that an increase would adversely impact their business.

### *Parking Permit Program*

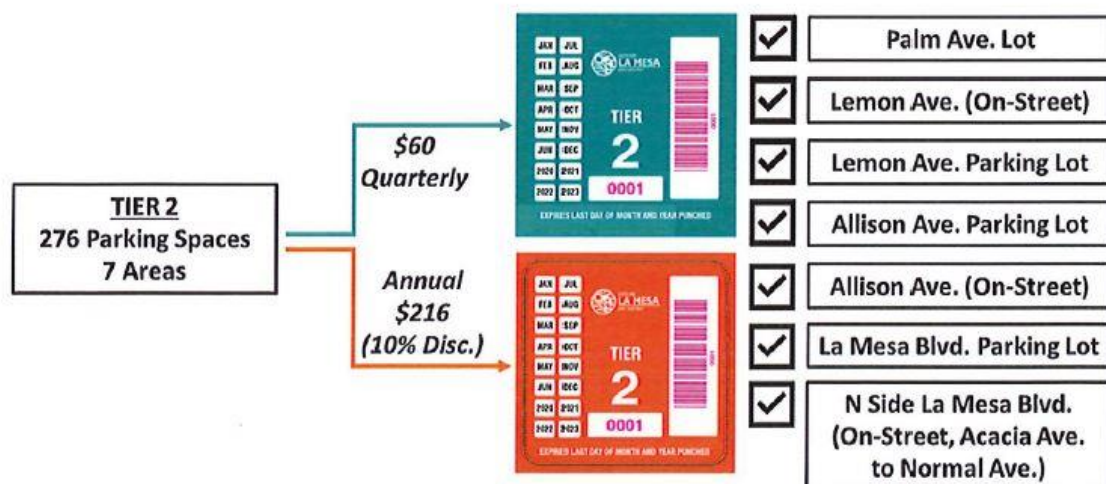
The current Parking Permit Program (Program) provides businesses and employees with access to up to 276 parking spaces in seven different locations throughout the District. The Program provides business owners and employees whose vehicles can remain parked for an extended period of time, with a supply of parking at a discounted rate that does not conflict with prime customer parking and is not subject to time limits. Participants can purchase either a Tier 1 quarterly permit for \$40 or a Tier 1 annual permit for \$144. Both Tier 1 and 2 annual permits offer a 10% discount. A Tier 1 parking permit allows for parking in four of the seven designated areas as shown below.



Once purchased online, permits are issued as placards and colored-coded for easy identification by parking enforcement. Placards are used instead of window stickers to provide business owners with the flexibility to share permits amongst their employees, thus reducing cost. However, businesses cannot share permits or purchase permits for use by another business. The placards must always be visible when parking in designated areas.

A Tier 2 parking permit allows participants to park in all seven designated areas at a cost of \$60 for a quarterly permit and \$216 for an annual permit as shown on the following page.





A common complaint from new businesses when purchasing permits is that the tiered parking system is confusing, making it difficult to determine which permit is best for their employees. Staff and Commissioners have received feedback from businesses where employees with Tier 1 permits were unclear about where they could park and were eventually issued a citation for parking in a non-designated lot. To reduce confusion and simplify the Program for businesses, the Commission recommends eliminating the permit tiers to provide one parking permit for all seven designated areas.

**Permit Program Costs.** Tiered permits are offered at a significant discount to businesses and employees. For example, a Tier 1 quarterly permit holder pays about \$0.65 per day to occupy one parking space for up to 10 hours versus \$7.50 if paying by meter. This represents 9% of the actual cost to park. A Tier 2 quarterly permit holder pays about \$0.98 per day, or about 13% of the actual cost to park. The Commission recommends providing one parking permit for all seven designated areas at a cost of \$80 for a quarterly permit and \$288 for an annual permit. If meter rates are adjusted to \$1.50 per hour, this would represent 9% of the actual cost to park for a quarterly permit and 8% for an annual permit.

The current Program allows a business to purchase a maximum of 25 permits. Based on current permit data, no business holds 25 permits and historically businesses in the District have not required this many. The Commission recommends a maximum of five permits per business with the option to purchase additional permits after 30 days from the purchase date if they are available.

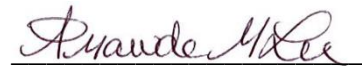
CONCLUSION:

The Commission recommends the following adjustments to parking meter rates, parking permit pricing and parking permit guidelines in the District:

1. Adjust parking meter rates to \$1.50 per hour
2. Eliminate the parking permit tiers and provide one parking permit for all seven parking areas at a cost of \$80 per quarter or \$288 annually.
3. Update the Parking Permit Program Guidelines to allow for a maximum of five permits that can be purchased per business.

Staff is seeking direction from the City Council. If directed to proceed with changes to the District, staff will return at a future meeting with the necessary documents for consideration and potential adoption of the recommended changes.

Reviewed by:



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Respectfully submitted by:



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