

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	08/24/15	Open	Action	08/14/15

Subject: Approving the Agreement for Acceptance of the RT Monthly Parking Pass at Cosumnes River College Parking Areas

ISSUE

Whether or not to approve an agreement with the Los Rios Community College District for the acceptance of the RT Monthly Parking Pass at Cosumnes River College parking areas and establish a rate of reimbursement of \$15 beginning on September 1, 2015 and increasing to \$20 on September 1, 2016, multiplied by the estimated average daily use.

RECOMMENDED ACTION

Adopt Resolution No. 15-08-_____, Approving the Agreement for Acceptance of the RT Monthly Parking Pass at Cosumnes River College Parking Areas.

FISCAL IMPACT

Table 1: Assuming RT Monthly Parking pass price is \$15 Year 1 and in Year 2, RT raises this parking fee to \$20

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Cash Collected by RT	\$ 72,000	\$ 134,400	\$ 134,400	\$ 192,000	\$ 192,000	\$ 724,800
Revenues Paid to Los Rios	\$ (72,000)	\$ (134,400)	\$ (134,400)	\$ (192,000)	\$ (192,000)	\$ (724,800)
Net Impact to RT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Table 2: Assuming RT Monthly Parking pass price is \$15 per for Year 1-5

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Cash Collected by RT	\$ 72,000	\$ 100,800	\$ 100,800	\$ 144,000	\$ 144,000	\$ 561,600
Revenues Paid to Los Rios	\$ (72,000)	\$ (134,400)	\$ (134,400)	\$ (192,000)	\$ (192,000)	\$ (724,800)
Net Impact to RT	\$ -	\$ (33,600)	\$ (33,600)	\$ (48,000)	\$ (48,000)	\$ (163,200)

The fiscal impact of approximately \$725,000 shown above in Table 1 is an estimate of the funds that will be transferred to the Los Rios Community College District (LRCCD) during the five year term of this agreement. It is important to understand that if the RT Monthly Pass rate is not equal to what is agreed to pay Los Rios as is shown in Table 2, then, this will need to be included as a future revenue reduction. RT has the right to 2,000 parking spaces at Cosumnes River College (CRC). The estimate assumes 25% use of RT parking capacity at CRC for the first year of the agreement, 35% usage for years two and three, and 50% usage for years four and five. The estimate assumes that 80% of RT park and ride users at CRC will pay with a monthly pass and the remaining 20% of RT park and ride users will purchase a daily permit directly from CRC.

While some existing passengers may move park and ride activities from an existing RT paid parking lot to the CRC Station, it is likely that impacts to revenue from this change will be offset by an overall increase in use of RT's transit system and paid parking facilities. As such, financial impact estimates do not include an adjustment for deflection.

Approved:

Presented:

Final 08/17/15

General Manager/CEO

Principal Planner

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DISCUSSION

The Lease and Joint Use Agreement (Cosumnes River College Campus) by and between the Los Rios Community College District and Sacramento Regional Transit District that was approved by the RT Board of Directors in September of 2011 permits CRC to charge RT patrons the same daily rate charged to other users, and allows for the issuance of a monthly parking pass should RT and the LRCCD agree to a mutually acceptable formula for allocating revenues from sales of a monthly parking pass for use at CRC. The Agreement for acceptance of the RT Monthly Parking Pass at Cosumnes River College parking areas provides a mutually acceptable reimbursement rate and uses estimation methodology that would allow the LRCCD to honor RT's monthly parking pass at CRC parking areas.

Summary of Agreement Terms:

- The LRCCD will accept the RT Monthly Parking Pass through the end of August 2015 without reimbursement.
- The LRCCD will accept RT's monthly parking pass beginning on September 1, 2015 through August 31, 2016 and RT will reimburse LRCCD at a monthly rate of \$15 multiplied by the estimated average number of RT monthly parking pass holders that use the CRC parking areas daily.
- The LRCCD will accept RT's monthly parking pass beginning on September 1, 2016 through August 31, 2020 and RT will reimburse LRCCD at a monthly rate of \$20 multiplied by the estimated average number of RT monthly parking pass holders that use the CRC parking areas daily.

CRC currently charges \$2 for a daily parking permit. As such, access to these parking facilities for \$15 or \$20 dollars per month offers a significant discount compared to the daily rate.

The Lease and Joint Use Agreement establishes the LRCCD's responsibility for the operations, maintenance and repair of parking areas at CRC, and requires that proceeds from parking fees be used solely for operations, maintenance and repair of these parking areas. As such, RT is not responsible for operations, maintenance and repair of the parking areas at CRC and associated costs. Parking structures are generally more costly to operate and maintain than surface lots and offer user benefits such as protection from severe weather conditions.

RT will collect revenue from the sale of the RT monthly parking pass and reimburse the Los Rios Community College District (LRCCD) for use of the RT monthly parking pass at parking areas on the Cosumnes River College (CRC) campus. RT will reimburse the LRCCD at a rate of \$15 per month per estimated average daily use for the first year of the agreement and \$20 per month per estimated average daily use for years two through five.

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As the transfer of funds to the LRCCD for use of the CRC parking areas by RT monthly parking pass holders should be equal to the revenue generated from use of the facility, the fiscal impact to RT should be neutral.

Staff recommends that the Board adopt a resolution: (1) approving the reimbursement rate of \$15 per month per estimated average daily use of CRC parking areas by RT monthly parking pass holders from September 1, 2015 through August 31, 2016; and (2) approving the reimbursement rate of \$20 per month per estimated average daily use of CRC parking areas by RT monthly parking pass holders from September 1, 2016 through August 31, 2020.

RESOLUTION NO. 15-08-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 24, 2015

**APPROVING AN AGREEMENT FOR ACCEPTANCE OF THE RT MONTHLY
PARKING PASS AT COSUMNES RIVER COLLEGE PARKING AREAS**

WHEREAS, RT constructed a parking structure on the Cosumnes River College (CRC) Campus for use of RT riders and other area users.

WHEREAS, RT has the right to 2,000 parking spaces on the CRC Campus.

WHEREAS, the Los Rios Community College District (LRCCD) will operate, maintain and repair parking areas at the CRC Campus and receive all revenue generated from parking fees to conduct these activities.

WHEREAS, RT and the LRCCD share the common objective of providing transit access to the CRC Campus and adequate parking for transit users and CRC students.

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Agreement for Acceptance of the RT Monthly Parking Pass at Cosumnes River College Parking Areas is hereby approved; and

THAT, the reimbursement rate of \$15 per month per estimated average daily use of CRC parking areas by RT monthly parking pass holders from September 1, 2015 through August 31, 2016 is hereby approved; and

THAT, the reimbursement rate of \$20 per month per estimated average daily use of CRC parking areas by RT monthly parking pass holders from September 1, 2016 through August 31, 2020 is hereby approved.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary