



# Consideration of Variable Parking Meter Rates in Accordance with Adopted Parking Management Strategies



June 25, 2026

# Overview

- Background on City's parking meter rates
- Parking infrastructure needs
- Survey of surrounding city parking meter rates
- Proposed variable parking meter rates per adopted Parking Management Study and consistent with market rate
- Fiscal impacts
- Recommendation



# Background

- Parking Meter Rates were last updated as follows:
  - 2025 – Rates set to \$2.50/hour for on-street and City lots and \$3.50/hour for beach lots (Pier, Bruce’s Beach and El Porto)
  - 2021 – Rates set to \$2.50/hour for beach lots
  - 2020 – Rates set to \$2.00/hour for on-street meters
- September 25, 2025 – PPIC recommended approving the Parking Management Strategies and Toolkit (including variable parking rates)
- November 3, 2025 – City Council approved the Parking Management Strategies and Toolkit
- April 7, 2026 – City Council approved City Parking Management Study Report and provided direction to implement strategies identified in the Study (including variable parking rates)
- June 2, 2026 – Parking meter rates identified as a critical revenue enhancement need during the FY 2027 Budget presentation and City Council provided direction to proceed with variable parking rates



# Parking Infrastructure Needs

The City is faced with critical parking needs resulting from:

- Increased demand for parking
- Lot 3 replacement parking lot
- Aging parking infrastructure (e.g. Lots 2 and 4)
- Unanticipated capital costs
- Waterproofing parking structures
- Rising operational costs to maintain parking systems
- Other parking lot improvement projects as aging infrastructure reaches its maximum useful life



**With rising operational and infrastructure costs, staff began re-evaluating parking programs on a more frequent basis to better align rate revenue with critical funding needs**



# Parking Infrastructure Needs

- Project Pulse underway, which combines redevelopment of Lot 3 and 400 MBB
- These projects are expected to result in critical replacement of parking in Downtown

## Hypothetical Scenario

- If 145 parking spaces from Lot 3 are replaced with new parking structure, construction costs are estimated between \$6.5 - \$13.1 million
  - Average cost of construction per parking space is \$45,000 for above-ground parking or \$90,000 for subterranean parking.
- Based on estimated construction costs, debt service payments could be in the range of \$400,000 to \$800,000 per year



# Survey on Hourly Parking Meter Rates

Rank (Highest to Lowest)	City Name	Lowest Hourly Rate	Highest Hourly Rate	Notes
1	Newport Beach	\$4.10	\$8.55	Rates vary by lot location & season, plus annual CPI increase
2	Long Beach	\$2.00	\$6.00	Rates vary by lot location
3	Beverly Hills	\$0.00	\$6.00	3 Hr Ave is \$2.67 - Parking is free in first hour, \$2 in second hour, \$6 in third hour & every hour thereafter
4	Huntington Beach	\$3.00	\$4.00	Rates vary by lot location & season
5	Laguna Beach	\$2.50	\$4.00	Rates vary by lot location
6	Santa Monica	\$2.50	\$3.75	Rates vary by lot location
7	Hermosa Beach	\$3.00	\$3.50	Rates vary by time of day (2am-8pm & 8pm - 2am)
<b>8</b>	<b>Manhattan Beach</b>	<b>\$2.50</b>	<b>\$3.50</b>	<b>Current rates last updated in 2025</b>
9	Redondo Beach	\$1.50	\$2.00	Rates vary by lot location

- Even with rates last updated in 2025, Manhattan Beach’s existing parking meter rates of \$2.50 - \$3.50 are low in comparison to other cities
- Since last year, two cities have adjusted rates (Hermosa Beach and Newport Beach)
- Many cities have adopted rates that vary by lot/location and season



# Proposed Variable Parking Rates

Variable parking rates were among several strategies identified in the Parking Management Study

## Purpose of Variable Parking Rates

1. The parking strategy allows for greater utilization of the available parking supply and incentivizes alternative transportation modes
2. Addresses demand and equity, whereby parking rates remain lower in non-peak seasons/low-demand areas, while the parking rates are higher in the peak seasons/high-demand areas



# Proposed Variable Parking Rates

As recommended by Walker Consultants as strategies within the City Parking Management Study

#	Location	Parking Facility	Parking Lot/Area	Current Rate Per Hour	Effective August 1, 2026		
					Proposed Rate Per Hour	% Change	\$ Change
1	North Manhattan Beach	Beach Lots - Summer	El Porto, Bruce's Beach	\$3.50	\$4.00	14%	\$0.50
2	North Manhattan Beach	Beach Lots - Off-Peak	El Porto, Bruce's Beach	\$3.50	\$3.50	0%	\$0.00
3	North Manhattan Beach	On-Street - Summer	Street	\$2.50	\$3.00	20%	\$0.50
4	North Manhattan Beach	On-Street - Off-Peak	Street	\$2.50	\$2.50	0%	\$0.00
5	North Manhattan Beach	Lot 4 - Summer	Lot 4	\$2.50	\$3.00	20%	\$0.50
6	North Manhattan Beach	Lot 4 - Off-Peak	Lot 4	\$2.50	\$2.50	0%	\$0.00
7	Downtown	Upper/Lower Pier Lots - Summer	Pier Lots	\$3.50	\$4.00	14%	\$0.50
8	Downtown	Upper/Lower Pier Lots - Off-Peak	Pier Lots	\$3.50	\$3.50	0%	\$0.00
9	Downtown	On-Street - Summer	Street	\$2.50	\$4.00	60%	\$1.50
10	Downtown	On-Street - Off-Peak	Street	\$2.50	\$3.50	40%	\$1.00
11	Downtown	All Other lots/garages - Summer	Metlox, Civic, Lot 1, 2, 3, 6, 7, Marriott	\$2.50	\$3.00	20%	\$0.50
12	Downtown	All Other lots/garages - Off-Peak	Metlox, Civic, Lot 1, 2, 3, 6, 7, Marriott	\$2.50	\$2.00	-20%	-\$0.50
13	Non-Downtown/North	On-Street - Summer	Street	\$2.50	\$3.00	20%	\$0.50
14	Non-Downtown/North	On-Street - Off-Peak	Street	\$2.50	\$2.50	0%	\$0.00

**Summer Months = May - Aug 4 months**  
**Off Peak Months = Sept - April 8 months**



\*Note: This PowerPoint presentation is intended solely as a visual aid to an oral staff presentation of an agenda report topic. In the event of any differences between the presentation and the agenda report, the information in the agenda report prevails.\*

# Annual Adjustment to Parking Rates

- With rising costs of maintaining parking operations, infrastructure and future debt issuances, parking rates must be reevaluated more frequently
- Beginning July 1, 2027, parking meter rates would be adjusted annually by 10% rounded to the nearest five cents (\$0.05) through July 1, 2030
- Annual adjustments allow incremental increases each year rather than proposing larger/sudden increases every few years
- City of Newport Beach adopted similar annual 10% adjustments within the Coastal Zone, which was reviewed and approved by Coastal Commission

		July 1, 2027			July 1, 2028			July 1, 2029			July 1, 2030		
Location	Parking Facility	New Rate	\$ Change	% Change	New Rate	\$ Change	% Change	New Rate	\$ Change	% Change	New Rate	\$ Change	% Change
North	Beach Lots - Summer	\$4.40	\$0.40	10%	\$4.80	\$0.40	9%	\$5.25	\$0.45	9%	\$5.75	\$0.50	10%
North	Beach Lots - Off-Peak	\$3.85	\$0.35	10%	\$4.20	\$0.35	9%	\$4.60	\$0.40	10%	\$5.05	\$0.45	10%
North	On-Street - Summer	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%	\$3.95	\$0.35	10%	\$4.30	\$0.35	9%
North	On-Street - Off-Peak	\$2.75	\$0.25	10%	\$3.00	\$0.25	9%	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%
North	Lot 4 - Summer	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%	\$3.95	\$0.35	10%	\$4.30	\$0.35	9%
North	Lot 4 - Off-Peak	\$2.75	\$0.25	10%	\$3.00	\$0.25	9%	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%
Downtown	Upper/Lower Pier Lots - Summer	\$4.40	\$0.40	10%	\$4.80	\$0.40	9%	\$5.25	\$0.45	9%	\$5.75	\$0.50	10%
Downtown	Upper/Lower Pier Lots - Off-Peak	\$3.85	\$0.35	10%	\$4.20	\$0.35	9%	\$4.60	\$0.40	10%	\$5.05	\$0.45	10%
Downtown	On-Street - Summer	\$4.40	\$0.40	10%	\$4.80	\$0.40	9%	\$5.25	\$0.45	9%	\$5.75	\$0.50	10%
Downtown	On-Street - Off-Peak	\$3.85	\$0.35	10%	\$4.20	\$0.35	9%	\$4.60	\$0.40	10%	\$5.05	\$0.45	10%
Downtown	All Other lots/garages - Summer	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%	\$3.95	\$0.35	10%	\$4.30	\$0.35	9%
Downtown	All Other lots/garages - Off-Peak	\$2.20	\$0.20	10%	\$2.40	\$0.20	9%	\$2.60	\$0.20	8%	\$2.85	\$0.25	10%
Non-Downtown/North	On-Street - Summer	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%	\$3.95	\$0.35	10%	\$4.30	\$0.35	9%
Non-Downtown/North	On-Street - Off-Peak	\$2.75	\$0.25	10%	\$3.00	\$0.25	9%	\$3.30	\$0.30	10%	\$3.60	\$0.30	9%



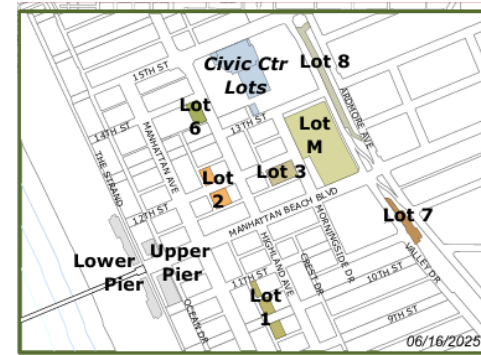
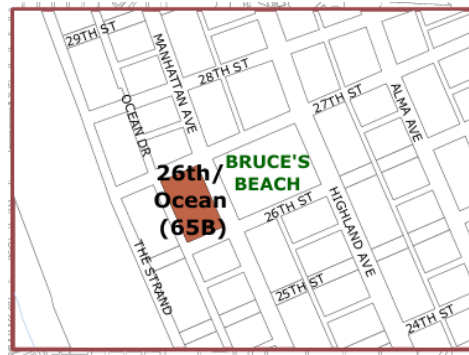
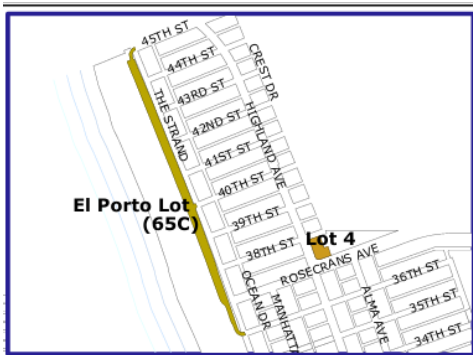
# Fiscal Impact

## Parking Meter Rate Revenue Increase

Fund	FY 2027*	FY 2028	FY 2029	FY 2030	FY 2031	TOTAL
Parking Fund	\$ 916,447	\$ 725,945	\$ 574,667	\$ 626,387	\$ 682,762	\$ 3,526,208
County Parking Lots Fund	\$ (276,952)	\$ 530,895	\$ 147,656	\$ 160,945	\$ 175,430	\$ 737,974
State Pier & Parking Lot Fund	\$ 36,054	\$ 102,088	\$ 96,716	\$ 105,420	\$ 114,908	\$ 455,186
<b>TOTAL</b>	<b>\$ 675,549</b>	<b>\$ 1,358,927</b>	<b>\$ 819,039</b>	<b>\$ 892,752</b>	<b>\$ 973,100</b>	<b>\$4,719,367</b>

\*11 Months of rate increase; County Parking Lots Fund decrease due to closure of Bruce's Beach lot

Increased annual parking revenue would provide sufficient funding for increased operational costs, unfunded infrastructure needs, and new future debt service payments related to the Lot 3 parking structure replacement



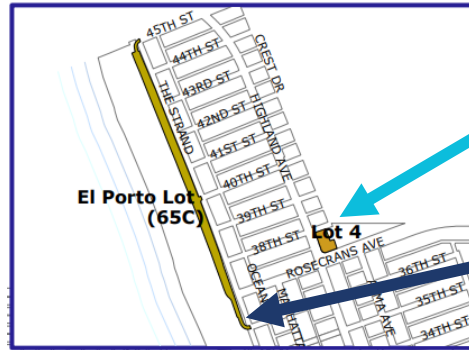
# FUNCTION OF STATE PIER, COUNTY AND PARKING FUNDS

## City of Manhattan Beach Parking Funds

Parking Fund

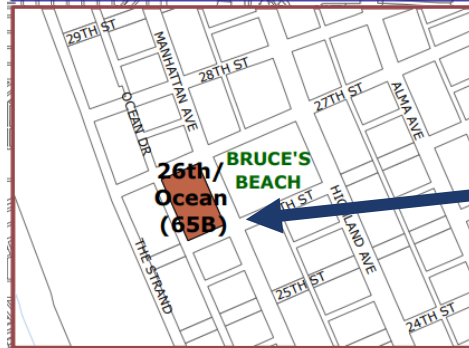
County Parking Lots Fund

State Pier Parking Fund

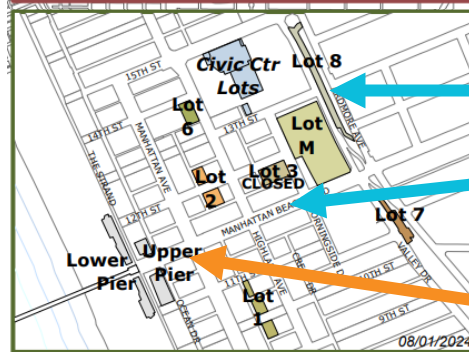


Lot 4 – Parking Fund

El Porto – County Parking Fund



Bruce's Beach – County Parking Fund



Civic Center, Lots 1 -7, Metlox – Parking Fund

On-Street Meters (Citywide) – Parking Fund

Upper & Lower Pier – State Pier Parking Fund



# Recommended Action:

- Staff recommends PPIC discuss proposed variable parking meter rates developed through the Parking Management Study and pass a motion recommending approval by the City Council
- If adopted by City Council on July 7, 2026, the new variable parking meter rates will go into effect August 1, 2026, and will be adjusted annually beginning July 1, 2027 through 2030



