

# Downtown Parking Deck Feasibility Consulting and Development

January 8, 2013

City Council Presentation



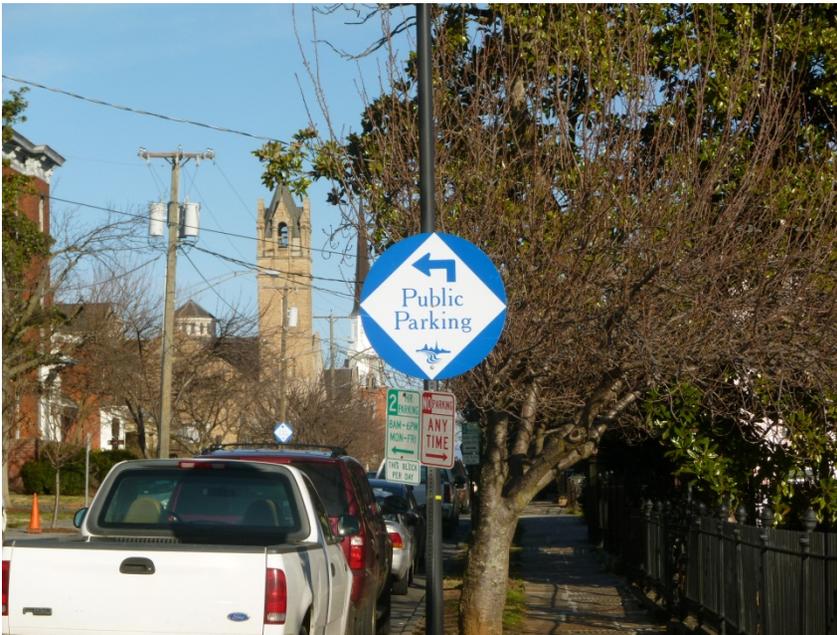
**DESMAN**  
A S S O C I A T E S

# Today's Agenda



- Stakeholders Interviews
- Review of Existing Parking System
- Potential Development Sites
- Recommended Site
- Operation Improvements
- Financial Ramifications

# August 28-29 Stakeholder Interviews



- Growing Residential Market
- Very Fair City Parking Rate Structure
- Parking Shortage Perception During Weekend Nights
- Significant Private Sector Parking Holdings
- Inconsistent Enforcement

# Review of Existing Parking System



- City controls approx. 25% of Total Capacity
- Transitional Phase in Parking Management
- Mis-Use of On-street Parking

# Potential Parking Development Sites



# Holiday Inn Parking Deck Vertical Expansion



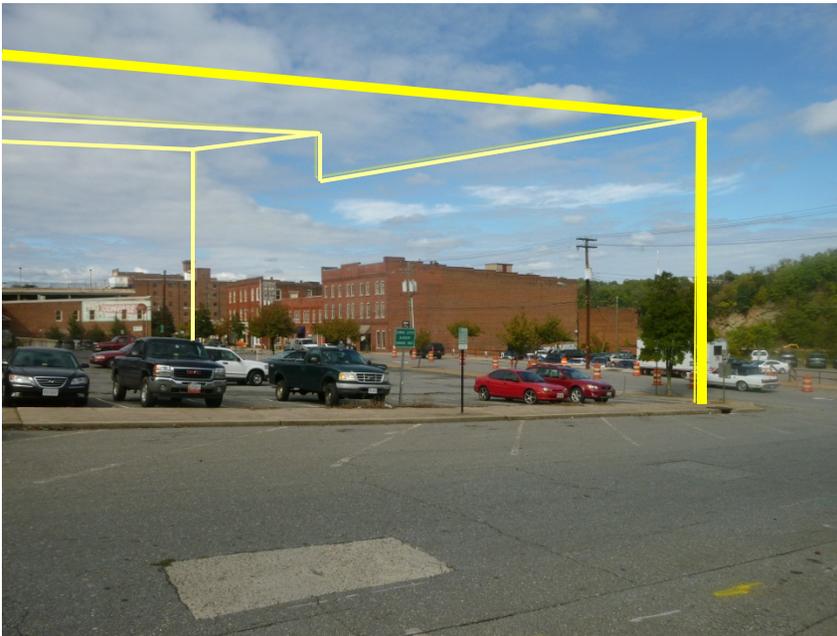
# 9<sup>th</sup> & Jefferson Development Site



# 9<sup>th</sup> & Commerce Development Site



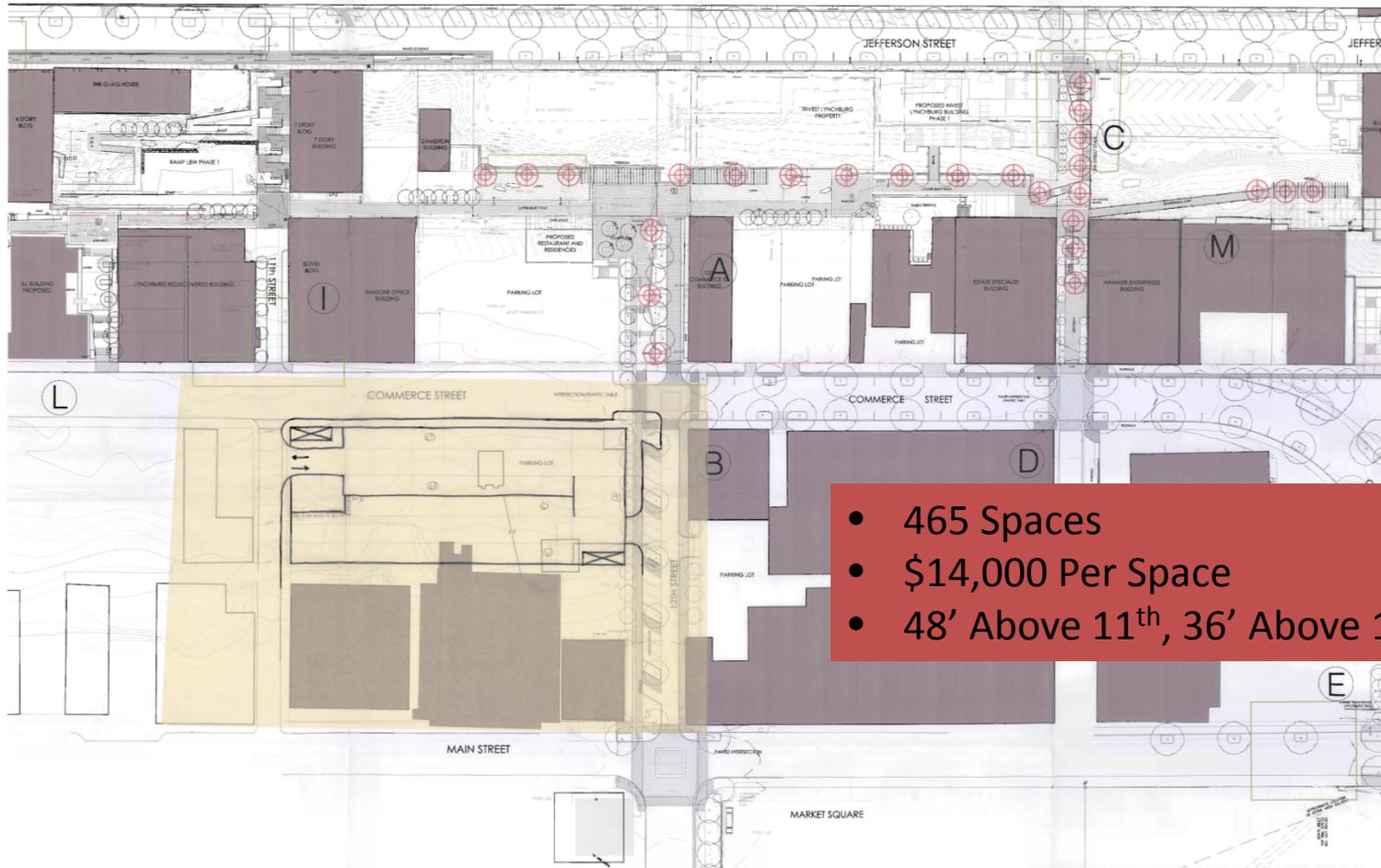
# 12<sup>th</sup> & Commerce Development Site



# Development Sites Comparison

Parking Development Site	Estimated Construction Cost	Final Parking Capacity	Current Parking Provided	Net Parking	Net Parking Unit Cost
A. Holiday Inn Deck Expansion	\$5.5 million	540	300	240	\$22,900
F. 9 <sup>th</sup> & Jefferson	\$4.7 million	260	80	180	\$26,100
G. 9 <sup>th</sup> & Commerce	\$6.5 million	430	90	340	\$19,100
K. 12 <sup>th</sup> & Commerce	\$6.0 million	465	125	340	\$17,600

# 12<sup>th</sup> & Commerce Development Site



- 465 Spaces
- \$14,000 Per Space
- 48' Above 11<sup>th</sup>, 36' Above 12<sup>th</sup>

# Operational Improvements



- Recommendation #1:** Reorganize the Parking Management Department under the Parking Authority
- Recommendation #2:** Strengthen the Parking Authority through the creation of a parking enterprise fund where all parking related revenues and expenses fall under their purview.
- Recommendation #3:** Terminate Holiday Inn Deck lease and take operational responsibility.
- Recommendation #4:** Increase monthly permit holder rates by \$10 in Mid-Town and Clay Street decks and \$5 in City surface lots and increase all resident monthly permits by \$5 per month.
- Recommendation #5:** Increase hourly parking rates from \$0.25 to \$0.50 in the Mid-Town Deck.
- Recommendation #6:** Test the operational requirements and merits of an on-street fee-based parking management strategy (multi-space or single-space meters) in selected areas through a pilot program.
- Recommendation #7:** Presuming successful testing of pilot program, commit to and expand the fee-based management program to other areas downtown.
- Recommendation #8:** Enterprise fund to retain all revenues after operating expenses to fund parking and access related improvements in the downtown, including but not limited to a new parking structure

# Financial Implications

	Current FY2011 Operations	Under Recommendations	Net Change
Holiday Inn Lease Revenue	\$99,060	\$0	(\$99,060)
Off-St Permit Revenue	\$180,470	\$331,000	\$150,530
Off-St Transient Revenue	\$26,210	\$103,925	\$77,715
On-Street Revenue	\$0	\$579,600	\$579,600
Fine Revenue	\$133,250	\$133,250	\$0
<b>Total Parking Division Revenue</b>	<b>\$438,990</b>	<b>\$1,147,775</b>	<b>\$708,785</b>

# System-wide Financial Proforma of Parking System

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Dedicated Revenues <sup>(1)</sup></b>										
Holiday Inn Lease Revenue <sup>(2)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permit Parking Revenue	\$331,000	\$331,000	\$331,000	\$331,000	\$397,200	\$397,200	\$397,200	\$397,200	\$397,200	\$476,640
Meter Paystation Revenue	\$103,925	\$103,925	\$103,925	\$103,925	\$124,710	\$124,710	\$124,710	\$124,710	\$124,710	\$149,650
On-Street Revenue	\$579,600	\$579,600	\$579,600	\$579,600	\$695,520	\$695,520	\$695,520	\$695,520	\$695,520	\$834,620
New 12th/Commerce Parking Structure <sup>(3)</sup>	\$134,292	\$134,292	\$134,292	\$134,292	\$161,150	\$161,150	\$161,150	\$161,150	\$161,150	\$193,380
Fines/Violations <sup>(4)</sup>	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250	\$133,250
<b>Total Dedicated Revenues</b>	<b>\$1,282,067</b>	<b>\$1,282,067</b>	<b>\$1,282,067</b>	<b>\$1,282,067</b>	<b>\$1,511,830</b>	<b>\$1,511,830</b>	<b>\$1,511,830</b>	<b>\$1,511,830</b>	<b>\$1,511,830</b>	<b>\$1,787,540</b>
<b>Total Dedicated Expenditures <sup>(5)</sup></b>										
Personel Services <sup>(6)</sup>										
Salaries	(\$168,626)	(\$173,680)	(\$178,890)	(\$184,260)	(\$189,790)	(\$195,480)	(\$201,340)	(\$207,380)	(\$213,600)	(\$220,010)
Benefits	(\$46,575)	(\$47,970)	(\$49,410)	(\$50,890)	(\$52,420)	(\$53,990)	(\$55,610)	(\$57,280)	(\$59,000)	(\$60,770)
Operating										
Contractual Services	(\$45,784)	(\$47,160)	(\$48,570)	(\$50,030)	(\$51,530)	(\$53,080)	(\$54,670)	(\$56,310)	(\$58,000)	(\$59,740)
Internal Charges	(\$4,908)	(\$5,060)	(\$5,210)	(\$5,370)	(\$5,530)	(\$5,700)	(\$5,870)	(\$6,050)	(\$6,230)	(\$6,420)
Other Charges	(\$44,047)	(\$45,370)	(\$46,730)	(\$48,130)	(\$49,570)	(\$51,060)	(\$52,590)	(\$54,170)	(\$55,800)	(\$57,470)
Rentals & Leases	(\$71,550)	(\$73,700)	(\$75,910)	(\$78,190)	(\$80,540)	(\$82,960)	(\$85,450)	(\$88,010)	(\$90,650)	(\$93,370)
Maintenance & Repair <sup>(7)</sup>										
Existing Structures	(\$119,200)	(\$122,780)	(\$126,460)	(\$130,250)	(\$134,160)	(\$138,180)	(\$142,330)	(\$146,600)	(\$151,000)	(\$155,530)
Existing Surface Lots	(\$5,575)	(\$5,740)	(\$5,910)	(\$6,090)	(\$6,270)	(\$6,460)	(\$6,650)	(\$6,850)	(\$7,060)	(\$7,270)
Future Structure (Sinking Fund)	(\$46,500)	(\$47,900)	(\$49,340)	(\$50,820)	(\$52,340)	(\$53,910)	(\$55,530)	(\$57,200)	(\$58,920)	(\$60,690)
Debt Service Payments <sup>(8)</sup>										
12th/Commerce Parking Structure	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)	(\$385,200)
On-Street PARCS Equipment	(\$277,200)	(\$277,200)	(\$277,200)	(\$277,200)	(\$277,200)	\$0	\$0	\$0	\$0	\$0
Mid Town Deck Repairs <sup>(9)</sup>	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)	(\$98,300)
Clay Street Deck Repairs <sup>(9)</sup>	(\$8,400)	(\$8,400)	(\$8,400)	(\$8,400)	(\$8,400)	\$0	\$0	\$0	\$0	\$0
<b>Total Dedicated Expenditures</b>	<b>(\$1,321,865)</b>	<b>(\$1,338,460)</b>	<b>(\$1,355,530)</b>	<b>(\$1,373,130)</b>	<b>(\$1,391,250)</b>	<b>(\$1,124,320)</b>	<b>(\$1,143,540)</b>	<b>(\$1,163,350)</b>	<b>(\$1,183,760)</b>	<b>(\$1,204,770)</b>
<b>Operating/Maintenance Profit or Loss</b>	<b>(\$39,798)</b>	<b>(\$56,393)</b>	<b>(\$73,463)</b>	<b>(\$91,063)</b>	<b>\$120,580</b>	<b>\$387,510</b>	<b>\$368,290</b>	<b>\$348,480</b>	<b>\$328,070</b>	<b>\$582,770</b>
<b>Cumulative Operating Profit or Loss</b>	<b>(\$39,798)</b>	<b>(\$96,191)</b>	<b>(\$169,654)</b>	<b>(\$260,717)</b>	<b>(\$140,137)</b>	<b>\$247,374</b>	<b>\$615,664</b>	<b>\$964,145</b>	<b>\$1,292,215</b>	<b>\$1,874,985</b>

Notes:

- (1) Revenue from parking permits and transient spaces will increase by 20% every 5 years due to periodic/cost of living rate increases.
- (2) Parking revenue from Holiday Inn would be lost but City would increase permit and transient revenue through self-operation of that facility.
- (3) Revenue from the new structure assumes 20% of spaces will be used for transient parking, 40% of the spaces will be used for monthly/permit parking, 30% are presumed to be used by the current property owner at no cost, and 10% of the spaces will be vacant.
- (4) Ideally, the volume of vehicles parked in violation would decrease over time. For purposes of this analysis the fine revenue remains unchanged.
- (5) Dedicated expenditures to grow by 3% per year (COLA).
- (6) Salaries and benefits based on FY2011 costs plus additional staff and benefits associated with expanded on-street management responsibilities.
- (7) Maintenance and repair costs based on \$100 per space per year for parking structures and \$25 per space per year for surface parking. Costs grow by 3% per year.
- (8) Debt Service Payment baseed on a development cost of \$6.0 million less a \$1.2 million capital contribution and on-street parking equipment cost of \$1.2 million. Financing cost assumes 20 year term and 5% interest rate.
- (9) Mid Town and Clay Street deck repair costs provided by the City. Mid Town debt service based on 5%/20-year term while Clay Street is based on 5%/5-year term.

# Questions and Discussion

