

**CITY OF MADISON  
TRANSPORTATION AGENCY  
INTER-DEPARTMENTAL  
CORRESPONDENCE**

DATE: April 12, 2011

TO: Transit and Parking Commission

FROM: William Knobloch, Parking Operations Manager

SUBJECT: Proposed Premium (24/7 monthly) Permit rates and implementation plan

**Background**

The current monthly parking permit rates at Parking Utility facilities are as follows:

<b>FACILITY</b>	<b>STANDARD RESIDENT/CARPOOL</b>	<b>STANDARD NON-RESIDENT/ BUSINESS</b>	<b>PREMIUM (24/7) RESIDENT/NON- RESIDENT</b>
Blair Lot	\$95	\$114	
Brayton Lot	\$121	\$145	
Cap Sq North	\$116	\$139	\$168/\$202
Gov East	\$180	\$210	
Overture	\$103	\$124	\$180 (OC Dir)
State St Cap	\$136	\$163	\$220 (Concourse)
State St Campus	\$171	\$205	
Wilson Lot	\$101	\$121	

The Standard Monthly Permit is valid from 6 am –10 pm, M-F. This accommodates most parkers, especially commuters who come to work in the city every day. The monthly rate is usually a fairly substantial discount from what a longer-term hourly parker would need to pay. Below are the hourly rates at various facilities for an 8.5-hour parker:

<b>FACILITY</b>	<b>HOURLY RATE</b>	<b>8.5 HRS</b>	<b>22 DAYS x 8.5</b>
Blair Lot	\$ .75	\$6.37	\$140
Brayton Lot	\$1.35	\$11.47	\$252
Cap Sq North	\$ .80	\$6.80	\$150
Gov East	\$1.40	\$11.90	\$262
Overture	\$ .70	\$5.95	\$131
State St Cap	\$1.00	\$8.50	\$187
State St Campus	\$1.25	\$10.62	\$234
Buckeye Lot	\$1.45	\$12.32	\$271

If a parking authority could sell their parking capacity at the higher hourly rate, there would be no need for a monthly rate; however this is rarely possible. Potential parkers often compare their typical hourly charges against their potential monthly rates. Longer-term parkers usually choose Standard Monthly Permits, while shorter-term parkers use the hourly rate. The parking industry strives towards occupancy of 80% - 90% capacity at the average weekday peak. This represents a good utilization of resources while still maintaining some vacant stalls for additional visitors.

### **Need for Premium (24/7 monthly) Parking Permits**

Some customers need overnight and/or 24/7 parking arrangements. These patrons may be downtown condo or apartments residents, or employers/employees whose parking needs don't fit into our typical 6 am –10 pm customer profile. The private parking providers are already providing this type of permit. A Premium Permit will work well for the Utility because our occupancy is typically very low at night and capacity isn't an issue. Some nighttime events have high occupancy at certain locations, but this won't be impacted greatly by sales of a limited number of 24/7 parking permits.

### **Pricing**

Premium (24/7 monthly) Parking Permits should be priced higher than the equivalent Standard Monthly (time-day restricted) Parking Permit because Premium Permit holders can use it on weekends and at nights. They can also use it during special events and avoid the special event fee. Like all of the Parking Utility pricing, demand/supply will determine the actual price.

### **Quantity**

The exact number of all monthly permits (Standard and Premium) will be determined by PU staff and reviewed periodically by the TPC. Our goal is to have waiting lists for monthly permits with times no longer than six months. Providing an unlimited supply of monthly permits could negatively impact the desired 80%-90% peak occupancy. Limiting the number sold to a reasonable amount will increase the PU revenues since most of the funds would be new.

### **Recommendation**

The Parking Utility staff recommends the creation of Premium (24/7 monthly) Parking Permits at all structures and at Brayton Lot. The beginning price will be at the rates shown below, with quantities determined by staff and reviewed by the TPC. The price and quantity will be reviewed along with other rates in June 2012, and modified if necessary; and will be reviewed periodically thereafter. Staff does not feel the need to have resident and non-resident prices for Premium Permits.

### **RECOMMENDED PREMIUM PARKING PERMIT PRICING**

<b>FACILITY</b>	<b>ALL Premium Permits</b>
Brayton Lot	\$200
Cap Sq North	\$202 (no change)
Govt East	\$250
Overture Ctr	\$180 (no change but no resident rate)
State St Cap	\$220 (Concourse no change)
State St Campus	\$230

### **Implementation**

We will allow any of our current Monthly Permit holders to convert to Premium Permits at the prices shown above. We will allow new permit customers to choose between purchasing the standard Monthly (time-day restricted) Permit or the new Premium (24/7 monthly) Permit.

The quantity sold for all permits will be restricted to current levels until we have analyzed the results and consulted with the TPC concerning altering the number sold.

### **TPC action requested**

Approve the Premium Parking Permit prices and the implementation plan shown above.