

**RESOLUTION NO. TPC-37
OF
TRANSIT AND PARKING COMMISSION
REGARDING
PARKING GARAGE ADMINISTRATIVE RULES**

**Drafted by: William Knobeloch
Date Presented: 04/08/2010
Date Adopted: 04/08/2010**

WHEREAS, lower occupancies at parking facilities, competition and the general downturn in the economy have caused the Parking Utility to re-think some of the administrative rules surrounding permits, to make this program more responsive to its customers and the business community; and

WHEREAS, some of the current administrative rules related to garage utilization restrict the Parking Utility's ability to be competitive in today's business environment; and

WHEREAS, the rule changes presented and approved at the March 9, 2010 meeting of the Transit and Parking Commission, will make the program more customer friendly and allow the Utility to better serve the public and utilize its facilities; and

WHEREAS, the Transit and Parking Commission has a role in preserving the Parking Utility's revenue stream and improving the permit system and garage utilization to the benefit of its customers;

NOW, THEREFORE, BE IT RESOLVED that the Transit and Parking Commission affirms the parking garage administrative rule changes, as presented in the March 3, 2010 memo of the Parking Operations Manager to the Commission (attached), and previously approved.

Approved this 8th day of April, 2010, by the City of Madison Transit and Parking Commission.

Gary Poulson, Chair, Transit and Parking Commission

CITY OF MADISON
INTER-DEPARTMENTAL
CORRESPONDENCE

DATE: March 3, 2010

TO: Transit and Parking Commission

FROM: William Knobloch, Parking Operations Manager

SUBJECT: **Proposed Parking Garage Permit Administrative Rules**

Background

There was a time in the not-to-distant past that the parking demands in downtown Madison were greater than the supply, and the administrative rules used by the Parking Utility to sell parking permits reflected that situation. The full lights were going on at nearly every facility every day and we were turning away good potential customers who were willing to pay full price.

This created a poor parking experience for downtown visitors that couldn't find convenient parking. Here are some of the administrative rules that were implemented in part to address this supply shortfall:

Business customers are restricted to five monthly passes/business, resulting in customers going elsewhere for their parking needs or adding cards in individual's names that cannot be rolled over when the employee leaves the company.

Each parking garage with monthly parking has a limit on the number of monthly parkers allowed. This created a waiting list of a year or more at some facilities that were priced below market.

Residents received lower monthly parking rates than businesses or non-residents. The majority of our monthly parkers are businesses and non-residents. This procedure reflects contributions by residents (through property taxes) to the infrastructure to which parkers from outside of the city may not have contributed.

Monthly pass holders must exit a facility by 6 PM (Overture) to 10 PM (others). In theory we were keeping the facility open for special event customers or other evening visitors. This has put us at a competitive disadvantage to private sector parking providers.

All pricing and terms other than standard need to be approved by the TPC and/or the Common Council. This lengthens the process for business customers when quick decisions are important.

Leases need to be approved by the TPC and CC, and typically take months to finalize. There are no standard terms for leases but the price is set at the resident rate to provide a "discount" for large volume customers. Bond covenants have restricted leases to 10% of the facilities capacity.

Monthly pass holders with non-standard terms must have the agreement approved by the TPC and/or CC.

24/7 passes that include nights and weekends are in very limited supply.

Changes to the downtown-parking environment

The downturn in the economy has ushered in a period of lower occupancy rates for the Parking Utility. The private sector has jumped into the public parking business as their tenant occupancy has declined. The Parking Utility needs to look at changes to get our occupancy back up to the industry standard for efficiency (80%-90%) at peak times. While we are at that figure for the Government East facility and Brayton Lot, others like Overture and Capitol Square North lag behind. It would be beneficial to change some of our rules of operation to improve our efficiency and better serve the public.

Proposed Parking Garage Administrative Rule Changes To Improve Operations

I am requesting approval from the TPC of the proposed changes, which would allow staff more discretionary authority up to the limits identified, as follows:

- 1) Allow customers to buy up to 44 monthly passes at any garage. This will be dependent on adequate occupancy at that facility as determined by Parking Utility STAFF. Passes will be sold at the TPC-approved business/non-resident price. Monthly pass waiting lists will be honored on a first-come first-served basis. PERMIT AGREEMENTS IN EXCESS OF 44 PASSES TO ONE CUSTOMER WILL BE APPROVED BY THE TPC (because this would constitute a lease).
- 2) Increase the number of monthly passes available at each facility based on STAFF assessment. Staff will use the waiting list length and other criteria to determine possible expansion of the monthly pass numbers. If passes are sold at a market rate, this will not adversely impact revenue. Monthly passes should have a waiting list of NO LONGER than six months. A shorter waiting time is desirable. The number of monthly passes will not impact bond covenants. STAFF WILL ADVISE THE TPC CONCERNING CHANGES TO FACILITY MONTHLY PERMIT CAPS ON A REGULAR BASIS.
- 3) Implement a 24/7 premium pass at all facilities where occupancy at peak is under 80%. New equipment recently installed at all garages will facilitate this process. This would be available to residents, non-residents and businesses.
- 4) Institute a uniform exit time on weekday passes of 10 PM (eliminate 6 PM exit time at Overture). Nighttime occupancies are typically very low and capacities would not be substantially impacted by this rule change.
- 5) Allow STAFF to negotiate terms OTHER THAN PRICE without TPC/CC approval to speed up the approval process with pass customers with over 20 passes. A typical staff-negotiated item might be start and stop time. Large parking customers often need additional parking for a single event or for a limited known time period. If the Parking Utility has the capacity to accommodate these needs, we should do so in a timely manner.
- 6) Non-parking events or events that combine parking and some other function may be desired at some parking garages, which would require changes in zoning ordinances. WITH TPC APPROVAL, STAFF will work with zoning, risk management and others to facilitate this process where feasible and in the best interests of the city.