

CITY OF MADISON
INTER-DEPARTMENTAL
CORRESPONDENCE

DATE: March 3, 2010

TO: Transit and Parking Commission

FROM: William Knobloch, Parking Operations Manager

SUBJECT: **Parking Garage Permit Administrative Rules**

BACKGROUND

There was a time in the not-to-distant past that the parking demands in downtown Madison was 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 5 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 that parkers from outside of the city may not have participated.

Monthly pass holders must exit a facility by 6pm (Overture) to 10 pm (others). In theory we were keeping the facility open for special event customers or other evening visitors. This puts 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 administrative rule changes to improve operations:

Allow customers to buy up to 44 monthly passes at any garage. This would be dependent on adequate occupancy at that facility as determined by Parking Utility STAFF. They would be sold at the TPC approved business/non-resident price. Permit agreements in excess of 44 to one customer will be approved by the TPC. Monthly pass waiting lists will be honored on a first-come first-serve basis.

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 6 months. A shorter waiting time is desirable. Staff will advise the TPC concerning changes to facility monthly permit caps on a regular basis. The number of monthly passes will not impact bond covenants.

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.

Institute a uniform exit time on weekday passes at 10 pm (not 6pm like at Overture). Nighttime occupancies are typically very low and capacities would not be substantially impacted by this rule change.

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 may 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. The minimum term would be 1 month but it may be longer.

Non-parking events or events that combine parking and some other function may be desired at some parking garages. The Parking Utility staff should work with zoning, risk management and others to facilitate this process where feasible and in the best interests of the city.