

CITY OF MADISON TRANSPORTATION COMMISSION

ACTION ITEM DETAIL – FEBRUARY 23, 2022

ACTION TITLE: Wilson Parking Rate Adjustment, Suspension of Carpool Monthly Parking Rates

PRESENTER: Parking Division, Tom Lynch

ACTION SUMMARY

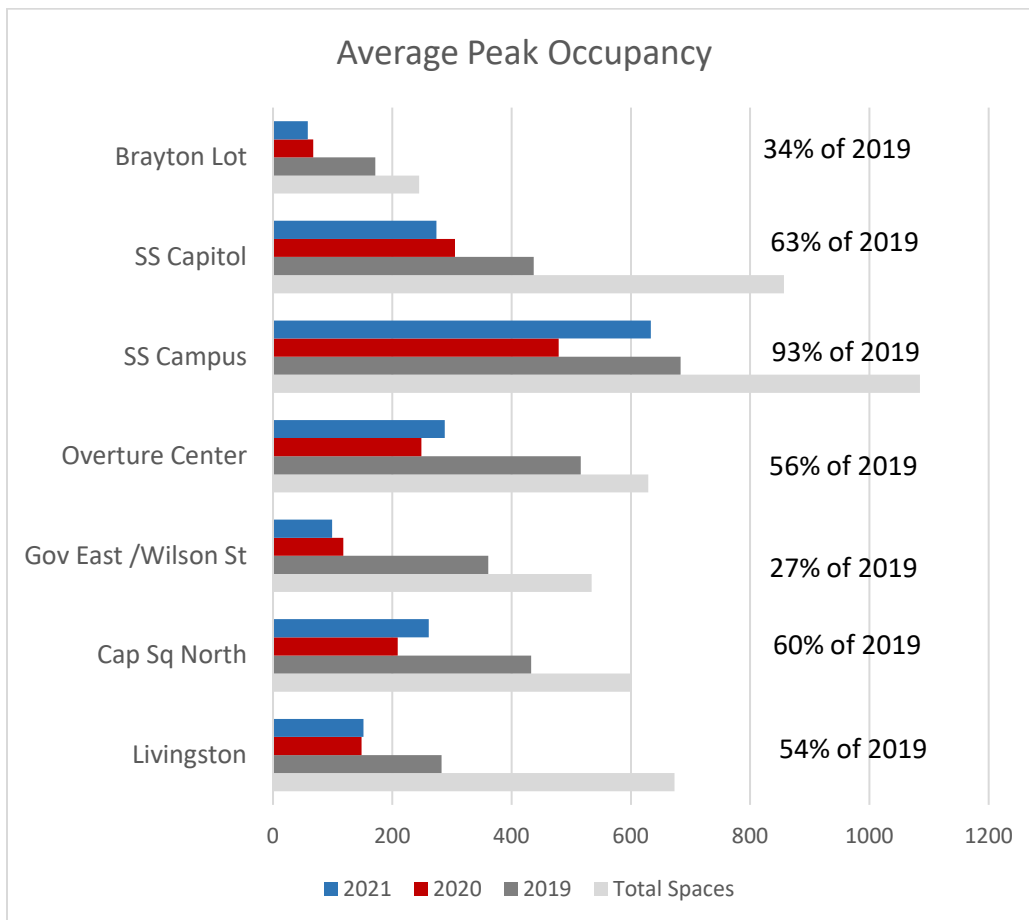
This TC resolution revises the parking rates at the Wilson Street garage to be more competitive with adjacent lots to increase occupancy at this downtown garage. The resolution also suspends the Carpool rate for monthly parkers because of the administration efforts and difficulty of enforcing compliance.

BACKGROUND

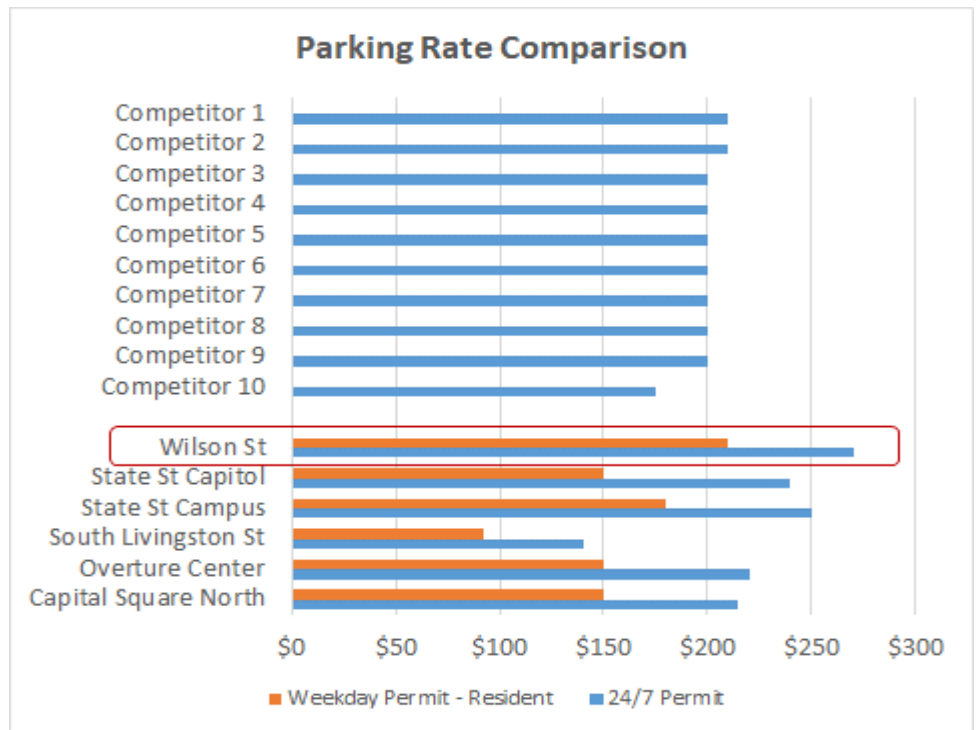
Wilson Street Garage Parking Rates

The COVID-19 pandemic has changed both the revenue collected by the Parking Division, and the clientele using parking garages. In 2021 the Parking Division had low garage occupancy rates, with revenue from garage operations roughly half of that collected in 2019. This contributed to Parking Division expenses exceeding revenue by \$3.6 million in 2021. In 2022 this budget deficit is made up through tapping General Parking Fund balances. As the Parking General Fund gets depleted, a balanced budget with revenues equaling or exceeding expenses will grow in importance.

In 2021, the Wilson Street garage had lower average peak occupancy than other garages that was much lower than 2019 peak occupancy figures.



One contributing factor is that the Wilson Street garage has a rate structure up to 35 percent greater than adjacent garages. The following graphic and table below shows this comparison.



Parking Rate Comparison

Feb-22

Location	2021 Ave Peak Occupancy	Spaces	Hourly Rate	Daily Cap	24/7	Monthly Daily Resident	Monthly Daily Non-res	Monthly Evening Res	Monthly Evening Non-res
Capital Square North	43%	601	1.20		215	150	170	65	75
Overture Center	46%	607	1.00		220	150	170	55	65
South Livingston St	23%	651	0.80		140	92	105	42	48
State St Campus	58%	1033	1.50		250	180	210	90	105
State St Capitol	32%	811	1.20		240	150	180	70	85
Wilson St	19%	504	1.80		270	210	240	95	110
Wilson St Proposed			1.80	14	230	180	210	90	105
Brayton		245	2.00			160	185	65	75
Buckeye		55	1.80						
Wingra		20	1.20						
Blair		58	1.00			125	145		
<u>Adjacent non-City</u>									
Competitor			2.00	14	200				
Competitor			2.00	14	200				
Competitor			2.00	14	200				
Competitor			2.00	14	200				
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Competitor			2.00	14	200				
Monona Terrace		600	3.00	16		210			
Dane County Parking Ramp		1000	1.80			210	210		

This TC resolution lowers Wilson Garage parking rates to be competitive with other parking providers to capture more of the parking market. No change is proposed in the hourly rate, which is competitive with other garages. Lower hourly parking fees support downtown businesses and help them compete with outlying businesses that have free parking.

Carpool

Currently non-resident drivers are provided resident parking permit rates if they carpool. This provides a monthly discount for non-residents of about \$20 per month for a daytime carpool permit. Those applying for a daytime carpool permit must submit a form with the carpool passenger's notarized signature every 6 months. This resolution suspends the discounted carpool rate until there are better measures to ensure compliance and aid administration. Reasons supporting this suspension include:

- It has relatively low subscription rates – having 15 to 20 participants at its peak, with under 5 participants currently.
- It is abused by some permit holders. Carpool permit holders have been found on camera having only the driver in the car. When contacted, these permit holders state that day was an exception. When the designated passengers are contacted separately by phone, sometimes they indicate they have not carpooled with the permit holder for months. It is difficult and time consuming to monitor or ensure compliance.
- It adds effort for Parking Division staff. Upon application, staff must request and process the notarized passenger form. At six-month intervals Parking Division staff must contact carpool permit holders to obtain updated notarized forms from the carpool passenger. If they are unable to obtain the renewed notarized form, the permit holder must be notified of the price increase and additional monies collected. This has a relatively high labor costs for a \$20 discount used by few permit holders.
- It adds complexity to a price structure that is already more complex than other parking providers. Most City of Madison garages have 9 different price categories, with the carpool permit adding another layer of price differential. We would like to eventually automate the garage permit system. Currently 1300 monthly permits are managed by a single staff member using multiple databases and programs. Simplifying the price structure will streamline the system and aid future automation.

EQUITY GOAL IMPACTS

Lowering the monthly permit price may aid lower income workers that travel downtown for employment. Eliminating the carpool discount may increase parking costs for low-income downtown workers that live outside the city.

FISCAL & PROCUREMENT DETAILS

This action is meant to increase occupancy and revenue of the Wilson Street garage, helping to bring parking revenues in line with expenditures.