

# City of Alexandria, Virginia

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## MEMORANDUM

**DATE:** MAY 1, 2013

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:** RASHAD M. YOUNG, CITY MANAGER /s/

**DOCKET TITLE:**

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Resolution to Adopt Fee Increases for Parking Rates to be Charged to Employees and the General Public at City-Owned Parking Facilities for FY 2014

**..BODY**

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**ISSUE:** Increase parking fees at City-owned parking garages and lots for City employees and the public to more accurately reflect current market rates.

**RECOMMENDATION:** That City Council approve the attached resolution which increases (1) the fees charged to employees for monthly parking permits from \$25 to \$30 per month at the Pitt-Oronoco Lot and from \$75 to \$90 per month for all other City parking facilities; (2) the fees charged to the public for monthly parking permits by approximately 25% (currently ranges from \$80-\$145 per month depending on the facility increased to \$100-\$170 per month depending on the facility); (3) the fees charged for hourly parking at City facilities from \$2.00 to \$2.50 per hour; and (4) the maximum fee for hourly parkers entering after 5:00 p.m. to \$4.00 per hour.

**BACKGROUND:** The City owns eight parking facilities (four garages and four surface lots) in the Old Town area that assess fees for parking. The four garages are located at the Courthouse, Market Square, 220 North Union Street, and 10 Thompson's Alley. The surface lots are located at 210 North Saint Asaph Street, 112 South Henry Street, 120 North Patrick Street, and at the intersection of Pitt and Oronoco Streets. Seven of these facilities are operated by the City's parking management contractor, Republic Parking, and the other lot (Pitt-Oronoco) is managed by the City exclusively for City employee use. For FY 2013, the City budgeted \$1.9 million in projected revenues for these facilities and \$894,000 for the City's contract expenses with Republic Parking.

These parking facilities each utilize a different mix of monthly parking spaces for the public and City employees and daily/transient spaces for anyone to use. The exact mix is based on the specific demand at each of the sites and is designed to find a balance between revenue maximization and accommodating City employee parking needs. Monthly parking fees also

vary at each of the facilities depending upon the specific local market. Rates may vary even among facilities just a few blocks apart.

**DISCUSSION:** The City recently performed a rate survey of local parking facilities to assess how our rates compare those in commercially operated garages. The survey showed that most City rates, both monthly and hourly, fell approximately 25% below commercial garages. The FY 2014 Proposed Budget includes an increase to these public rates to bring them in line with the current market. The attached resolution describes the specific rates to be assessed at each of the facilities. In general, these rates reflect an increase of approximately 25%, but they have been tailored up or down in some cases to more precisely align with their direct competition.

The FY 2014 Proposed Budget also includes an increase to the subsidized rate for City employee monthly parking passes. This rate is proposed to increase by 20% from \$75 per month to \$90 per month.

**FISCAL IMPACT:** Increasing the public parking fees at City parking facilities is estimated to bring an additional \$450,000 in General Fund revenues each year. Increasing the employee parking fees is projected to bring an addition \$22,000 in General Fund revenues each year. The FY 2014 total annual revenue budget for the City's parking garages and lots will be \$2,372,000 after these fee increases.

**ATTACHMENTS:**

Resolution No. \_\_\_\_ - Resolution to Adopt Fee Increases for Parking Rates to be Charged to Employees and the General Public at City-Owned Parking Facilities for FY 2014

**STAFF:**

Jeremy McPike, Director, General Services  
Alfred Coleman, Deputy Director, General Services  
Michael Stewart, Division Chief of Administration, General Services