



Memorandum

DATE: March 27, 2009

TO: Mayor and City Council

THROUGH: Charlie Meyer, City Manager (350-8884)

FROM: Chris Salomone, Community Development Manager (350-8294)

SUBJECT: Downtown Employee Parking

At the March 3, 2009 Special Budget Meeting, Mayor and Council requested information on the expenditure of employee parking with the idea of restructuring our parking supply and validation policy as a cost-saving measure. There are approximately 650-700 employees who are currently issued permits to park in downtown garages and lots. Employee parking is provided through a combination of city-owned and city leased options (see **Attachment A – Parking Supply and Cost**). **Attachment B** is a map of referenced parking lots and garages. This information is presented to the Council for information and discussion.

Employee Parking

Below is a summary of staffs' proposal for employee parking. An immediate lease restructure would have a positive budgetary impact with minimal change for the majority of employees that park downtown. The annual expenditure the City currently incurs for parking is approximately \$260,000. The cost to the city for this proposal is approximately \$100,000 per year.

Phase I

1. Effective May 15, 2009 the lease for the Chase Garage will be cancelled, saving \$150,000 per year.
2. Employees that are parking in the Chase Garage will be provided parking in the 6th/College Lot and the 6th Street Lot on a first come first serve basis. These lots will continue to be leased from ASU (cost of \$37,900 per year).
3. The City has constructed a new surface lot on the southeast corner of 7th Street and Myrtle (68 spaces). We have a license to use the property until August, 2011 at no charge. This lot will be metered for citizen use, and may also be utilized by employees. A specific numbers of employees will be given a pass to park in this lot to insure that the lot is also available for citizens.
4. The surface lot at Fifth Street and Farmer Avenue has approximately 300 spaces and is used as a free public lot. The City has control of the property for the foreseeable future. This lot would be used for overflow employee parking at no cost to the city.
5. The new Park and Ride surface lot at Price Road and Apache Boulevard will be available for employees within the next couple months.

Phase II

1. Within the next year, staff will return to the Council with an evaluation of parking (employees and the public) based on supply and demand that exist at that time, with several proposals which may include: sharing of parking expenses, end of city subsidy, a stipend, and revenue generation (an employee pay-to-park plan). Note: The three lots referred to in Phase I (5th and Farmer, 6th St. Lot and 6th and College Lot) will eventually be developed. The proposal will address this fact.

Validation

Currently the City validates parking tickets for any parking garage in downtown, typically in the Brickyard garage. These validations cost the City \$82,000 last year; this money went to the owner of the Brickyard garage (ASU).

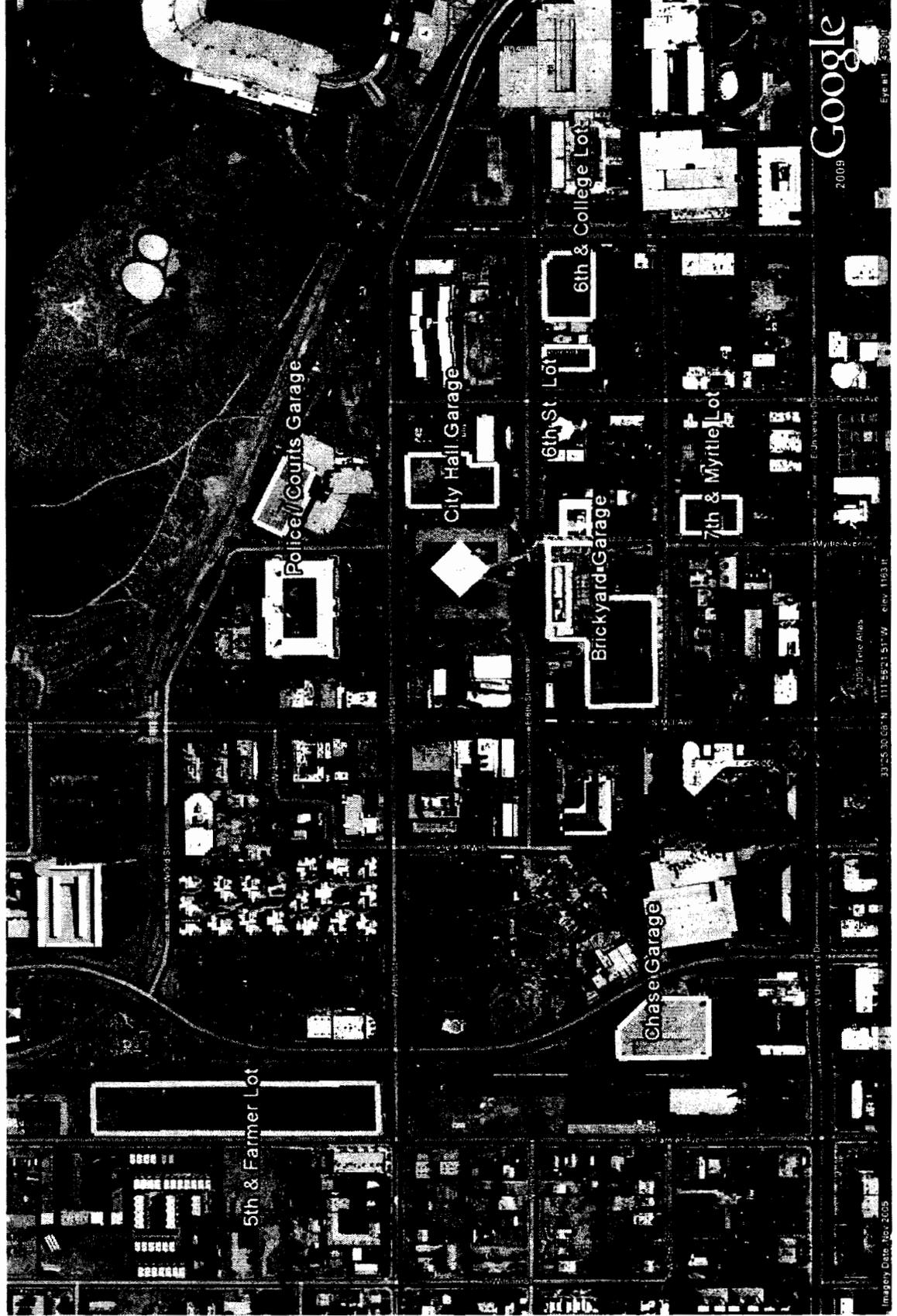
We propose that city validations will no longer be given in the Brickyard Garage. Validations will be for the new City Hall Parking Garage (city-owned) at no cost to the city. Under this new policy, the only cost to the city would be the revenue that could have been made had the parking been paid for. The new Garage is intended to be used for public parking; people that have business with the City should be directed to park in the new garage.

A new validation system is proposed whereby each department, or any outside entity, will purchase validation stickers and/or vouchers and be responsible for their internal management and use. Additionally, validation use in the City Hall Garage will be monitored as will the other parking garages and lots to ensure employee compliance with employee parking policies.

5. ATTACHMENT A: CURRENT EMPLOYEE PARKING SUPPLY AND COST

Employee Parking Locations and Costs				
Lot	# of Spaces	Annual Cost to City*	Source of Funds	Notes
Police/Courts Garage (City Owned)	103 to 158 (187 employees assigned)	\$0	Redevelopment General Fund	<ul style="list-style-type: none"> • 29 city vehicle spaces (marked & unmarked) • 10 PD reserved spaces - assigned by Chief, 2 carpool spaces, 2 ADA spaces • Shared with Tempe Mission Palms (83 marked spaces; 55 unmarked shared spaces; allowed to use 138 spaces) • Used by jurors
Brickyard Garage (Leased)	179	\$56,000-\$72,000 Annually (changes due to projected parking budget)	Redevelopment General Fund	<ul style="list-style-type: none"> • 1 Reserved (City Attorney) • 3 Carpool spaces • 45 spaces on B1 (first floor) by seniority & position • Additional 28 tandem spaces for city vehicles for Community Development & Development Services
6th/College Lot & 6 th St. Lot	78 30 (108 total) (30 employees assigned)	\$37,900	Redevelopment General Fund	Offsite employees visiting downtown with assigned hanger; and all "exceptions": relocated East City Hall employees, PD Special Requests; Oversized Employee Vehicles, City Fleet Vehicles, Urban Outfitters Employees, Greek Restaurant Employees, Stray Cat Theater volunteers/ employees
Chase Garage (Leased)	250 (190 permits issued, approx. 60 used daily)	\$150,000	Transit Fund; Redevelopment General Fund	<ul style="list-style-type: none"> • Transportation pays for 150 spaces for temporary relocation of employees from East Hill Lot (\$90,000 Transit Fund) • Community Development pays for 100 spaces for temporary relocation of employees due to downtown construction (\$60,000 General Fund) • \$50 per space
City Employee Parking Facility (Located at 101/Apache) due to open May, 2009	283	\$0	Transit Fund	<ul style="list-style-type: none"> • This lot is secured, 85% of the spaces are covered. Lot is separated from the Park & Ride Lot and is located immediately south of the public surface lot. <p><i>*does not include O&M where applicable</i></p>

Attachment B



Attachment B

