

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Proposed Parking Rates for FY 2001  
**Date:** March 6, 2000

**Recommended Action:**

Give preliminary consideration to proposed FY 2001 parking rate increases at Iowa State University, as set forth below.

**Executive Summary:**

In accordance with Board policy, any changes to traffic and parking regulations at the institutions are presented to the Board for approval.

The Iowa State University parking system is a self-supporting operation, including maintenance and capital improvements of facilities. The system does not receive any state appropriations. The University proposes increases in parking rates for FY 2001 ranging from \$1 to \$20 and a decrease of \$163 in the departmental rate.

To manage parking of university vehicles more effectively, a change in the fee for the departmental parking permit is proposed. The departmental permit is designed for use by university departments for faculty, staff, and service vehicle movement. Each department receives one free permit. Second permits have been sold at the established rate of \$220 for the year, but departments were allowed to petition for exception from the fee. With the inconsistencies caused by this practice, managing these fees has become difficult. The University is requesting that departments be allowed to pay for the second department permit at the same rate as the general staff permit rate. The proposed fee for the second permit is \$57 with the accompanying recommendation that all departments seeking a second permit be required to pay the \$57 without exception. This proposal is expected to be revenue neutral.

Proposed rate increases for charges and fees require statutory notice to students and a waiting period of 30 days before final approval.

**ISU PROPOSED PARKING RATES  
Based on Annual Rates**

	<u>Current FY 2000</u>	<u>Proposed FY 2001</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
24-hour Reserved	\$550	\$570	\$20	3.6%
Reserved	275	285	10	3.6%
Departmental	220	57	(163)	(74.1)%
Vendor	83	86	3	3.6%
General Staff	55	57	2	3.6%
University Student Apartment Community -- 2nd Car	45	47	2	4.4%
Commuter Student	38	40	2	5.3%
Student Medical Accessible	38	40	2	5.3%
Stadium	38	40	2	5.3%
Residence Halls	38	40	2	5.3%
Student Government	38	40	2	5.3%
Motorcycle (staff and student)	18	19	1	5.3%

**Background:**

Iowa Code §262.69 allows the Board to make rules regarding policing, control, and regulation of traffic and parking on the property of any institution under its control.

Iowa State University requests Board approval to change its parking rates for FY 2001, as required by Regent Procedural Guide §10.07(c), Traffic and Parking Regulations. Parking system user fees support the University parking system's operations, maintenance, capital improvements, and free campus shuttle service.

The University's long-term plan includes expanded shuttle service from the Iowa State Center, construction of a new parking structure, and improved signage. During the next two years, the University plans to identify the type, size, and location of a parking structure.

Over the last several years, the shuttle service has expanded significantly; during the academic year, nearly 2000 people ride the shuttle into central campus daily. The subsidy from the parking system necessary to keep this service free continues to rise. Costs associated with FY 1999 shuttle service exceeded \$185,000.

The University reports that the existing parking fee structure is not sufficient to fund the construction of a new parking structure. The University has been incrementally raising parking permit fees (2% to 4% over the last three years) to address parking system issues. A reserve fund has been established to set aside reserves to fund future parking structure construction. The current balance of the fund is \$600,000; the reserve fund goal is \$1,000,000.

Iowa Code §262.9(18) and Regent Procedural Guide §2.09 require notification to students 30 days prior to action by the Board to increase tuition, charges, or fees at the Regent universities.

Written notification of the amount of these proposed increases and a copy of this docket memorandum have been mailed to the student government president of Iowa State University at the student government office as listed in the university directory.

**Analysis:**

The proposed fee increases for FY 2001 equal approximately 4% rounded to an even dollar amount. The institutional Transportation Advisory Council, made up of Iowa State faculty, staff, and students, has reviewed and recommended these fee increases.

The changes range from a 3.6% increase for most faculty and staff permits to a 5.3%, or \$2 increase, for most student permits.

These rate changes will continue to implement the University's long-range parking and transportation plan. The University will also review its parking plan as major changes in the location of student housing occurs.

The University projects a \$32,000 increase in parking revenue for FY 2001, but a \$10,000 decrease in net revenue for the year. At the end of FY 2001, the reserve fund balance is expected to be \$800,000.

**ISU PARKING SYSTEM FINANCIAL PROJECTIONS**

	<b>Actual 1998-99</b>	<b>Estimated 1999-2000</b>	<b>% Change FY 99 - FY 00</b>	<b>Estimated 2000-2001</b>	<b>% Change FY 00 - FY 01</b>
<b><u>Operations</u></b>					
Revenues	\$1,885,000	\$1,913,000	1.5%	\$1,945,000	1.7%
Expenditures	1,297,000	1,394,000	7.5%	1,436,000	3.0%
Net Revenue	588,000	519,000	(11.7)%	509,000	(1.9)%
<b><u>Improvements &amp; Capital Expenses</u></b>					
Beginning Balance	513,000	84,000	33.3%	609,000	(11.0)%
Transfer In	588,000	519,000	(11.7)%	509,000	(1.9)%
Available	1,101,000	1,203,000	9.3%	1,118,000	(7.1)%
Improvements & Reserve	417,000	594,000	42.5%	665,000	12.0%
Ending Balance	684,000	609,000	(11.0)%	453,000	(25.6)%
<b>Reserve Fund Balance</b>	<b>\$400,000</b>	<b>\$600,000</b>	<b>50.0%</b>	<b>\$800,000</b>	<b>33.3%</b>

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Pamela M. Elliott

Approved: \_\_\_\_\_  
Frank J. Stork