

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Approval of Parking Rates for FY 2002  
**Date:** April 9, 2001

**Recommended Action:**

Approve the proposed FY 2002 parking rates at Iowa State University as set forth in the following table:

**ISU PROPOSED PARKING RATES – FY 2002****Based on Annual Rates**

	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Dollar</b>
	<b><u>FY 2001</u></b>	<b><u>FY 2002</u></b>	<b><u>Increase</u></b>
24-hour Reserved	\$570	\$590	\$20
Reserved	\$285	\$295	\$10
Vendor	\$86	\$89	\$3
General Staff	\$57	\$59	\$2
Departmental	\$57	\$59	\$2
Motorcycle (staff)	\$19	\$20	\$1
University Student Apt. Community – 2 <sup>nd</sup> Car	\$47	\$49	\$2
Commuter Student	\$40	\$42	\$2
Motorcycle (student)	\$19	\$20	\$1
Residence Halls	\$40	\$42	\$2
Stadium	\$40	\$42	\$2
Student Accessible	\$40	\$42	\$2
Student Government	\$40	\$42	\$2

**Executive Summary:**

The Board of Regents' strategic plan outlines its accountability objective in key result area 4. The Board is charged with exercising effective stewardship of the institutions' state, federal, and private resources. In this effort, the Board annually reviews institutional resources, such as traffic and parking regulations, to assure consistency with the strategic plans of the Board and of the institution.

At its March meeting, the Board gave preliminary consideration to the University's proposed FY 2002 increases to parking rates. The University reports that the proposed parking rate increases, ranging from \$1 to \$20, will continue to implement the University's long-range parking and traffic plan. The University's proposals are unchanged from those presented in March.

Proposed rate increases to charges and fees require statutory notice to students and a waiting period of 30 days before final approval. The ISU student government president and the ISU president of the graduate student senate received notification of the proposed parking increases on March 14, 2001.

**Background:**

Iowa Code §262.69 authorizes the Board to make rules regarding policing, control, and regulation of traffic and parking on the property of any institution under its control. Regent Procedural Guide §10.07(c), Traffic and Parking Regulations, states that that all traffic and parking regulations are subject to Board approval prior to enforcement.

Regent Procedural Guide §2.09 requires 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 the proposed increases and a copy of the March 12, 2001, docket memorandum for preliminary consideration were mailed to the student government president of Iowa State University at the student government office as listed in the University directory.

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.

**Analysis:**

Parking user fees support the University parking operation, maintenance, capital improvements, and free campus shuttle service. The University projects a \$50,000 increase in parking revenue for FY 2002, but an \$18,000 decrease in net revenue for the year.

Iowa State University requests Board approval to increase parking rates for FY 2002. The University reports that this recommendation follows the general philosophy of an approximate annual inflationary increase, rounded to the nearest whole dollar. ISU also indicates that the recommendation follows a concept informally endorsed by the Transportation Advisory Council that sets a reserved rate of 5 times the general staff rate and a 24-hour reserved rate of 10 times the general staff rate.

The long-range parking and traffic plan includes construction of new parking structures, expansion of shuttle service, and improved signage. The University reports that existing parking fees are not sufficient to fund the construction of a new parking structure. ISU has been incrementally raising parking fees for several years in order to implement this plan. These increases have typically ranged from 2% to 5%, with FY 2002 increases ranging from 3.5% to 5.0%.

Increased revenues allow the University to create a reserve that will fund a new parking structure. The goal is to raise \$1,000,000. Currently, the balance of that fund is \$800,000. Research regarding the type, size, and location of a new parking structure is being performed and the goal is to have a recommended plan in place by June 30, 2002.

**ISU PARKING SYSTEM FINANCIAL PROJECTIONS**

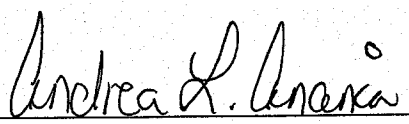
	<u>Actual</u> <u>1998-1999</u>	<u>Actual</u> <u>1999-2000</u>	<u>Estimated</u> <u>2000-2001</u>	<u>Estimated</u> <u>2001-2002</u>	<u>% Change</u> <u>FY 01 - FY 02</u>
<b>Operations</b>					
Revenues	\$1,885,000	\$2,079,000	\$2,100,000	\$2,150,000	2.4%
Expenditures	1,297,000	1,371,000	1,716,000	1,784,000	4.0%
Net Revenue	588,000	708,000	--384,000	366,000	(4.7)%
<b>Improvements &amp; Capital</b>					
<b>Expenses</b>					
Beginning Balance	513,000	684,000	781,000	568,000	(27.3)%
Transfer In	588,000	708,000	384,000	366,000	(4.7)%
Available	1,101,000	1,392,000	1,165,000	934,000	(19.8)%
Improvements & Reserve	417,000	611,000	597,000	794,000	33.0%
Ending Balance	684,000	781,000	568,000	140,000	(75.4)%
<b>Reserve Fund Balance</b>	<b>\$400,000</b>	<b>\$600,000</b>	<b>\$800,000</b>	<b>\$1,000,000</b>	<b>25%</b>

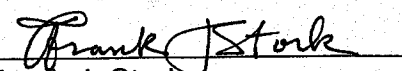
The only free service that the CyRide provides is the free shuttle service from the ISU Center parking to central campus (orange route). Over the last several years, this free shuttle service has expanded significantly. During the academic year, over 2000 people rode the shuttle into central campus daily. The subsidy from the parking system necessary to keep this service free continues to rise. Costs associated with FY 2000 (orange route) shuttle service were \$185,000.

The University reports that there is a Government of the Student Body referendum to improve and make all CyRide bus service free by increasing mandatory student fees by \$9 per semester. If the initiative passes this spring, and eventually is approved by the Board of Regents in the fall, the University would be financing the remaining 1/3 of the cost, partially from traffic and parking revenues. This would provide free access to routes on campus for faculty and staff, reduce parking demand and improve productivity and flexibility consistent with ISU's pedestrian and restricted central campus vehicle access.

The University has implemented a pavement management plan that is designed to improve the overall condition of existing campus parking facilities. The plan will involve costs for repair and resurfacing that are larger than the plan's anticipated average annual costs.

The Transportation Advisory Council, which is comprised of Iowa State's faculty, staff, and student advisory committee, has reviewed and recommended the proposed parking rate changes.

  
Andrea L. Anania

Approved:   
Frank J. Stork