

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Proposed Parking Rates for FY 2002  
**Date:** March 12, 2001

**Recommended Action:**

Consider Iowa State University's proposed FY 2002 parking rate increases, as set forth in the table 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 2002 ranging from \$1 to \$20.

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 2001</u>	<u>Proposed FY 2002</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
24-hour Reserved	\$570	\$590	\$20	3.5%
Reserved	285	295	10	3.5%
Departmental	57	59	2	3.5%
General Staff	57	59	2	3.5%
Vendor	86	89	3	3.5%
Commuter Student	40	42	2	5.0%
Student Medical Accessible	40	42	2	5.0%
Stadium	40	42	2	5.0%
Residence Halls	40	42	2	5.0%
Student Government	40	42	2	5.0%
University Student Apartment Community -- 2nd Car	47	49	2	4.2%
Motorcycle (staff and student)	19	20	1	5.2%

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.

**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 2002, 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.

The CyRide (orange route) provides free shuttle service from the ISU Center parking to central campus. Over the last several years, this free shuttle service has expanded significantly. During the academic year, over 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 2000 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. If the initiative passes this spring, and eventually is approved by the Board of Regents, the University would be financing approximately 1/3 of the cost, partially from traffic and parking revenues. This would also provide free access to routes on campus for faculty and staff, reducing parking demand and improving productivity and flexibility consistent with ISU's pedestrian and restricted central campus vehicle access.

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 5% over the last four 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 \$800,000; ISU's reserve fund goal is \$1,000,000. The University has indicated that it will start the appropriate background work to identify the type, size, and location of a parking structure.

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

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 will be 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.

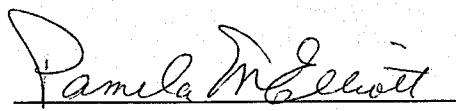
The changes range from a 3.5% increase for most faculty and staff permits to a 5.0% increase for most student permits.

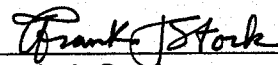
These rate changes will continue to implement the University's long-range parking and transportation plan.

The University projects a \$50,000 increase in parking revenue for FY 2002, but an \$18,000 decrease in net revenue for the year. At the end of FY 2002, the reserve fund balance is expected to be \$1,000,000.

**ISU PARKING SYSTEM FINANCIAL PROJECTIONS**

	<u>Actual 1998-99</u>	<u>Actual 1999-2000</u>	<u>Estimated 2000-2001</u>	<u>Estimated 2001-2002</u>	<u>% Change FY 01 - FY 02</u>
<b><u>Operations</u></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><u>Improvements &amp; Capital Expenses</u></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>

  
Pamela M. Elliott

Approved:   
Frank J. Stork