

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Received by the Regents
April 15, 2010

Subject: Parking Permit Rate Increases for Fiscal Years 2011–2013

Background:

In July 2009, the parking and transportation strategic plan update was presented to the Board of Regents. In addition to a robust transportation plan, construction is underway on the Thompson Street Parking Structure Addition project and we are designing the Fuller Road Station.

An increase in parking permit fees is necessary to provide parking capacity to meet the future needs of the university. Parking fees provide funding for debt service for new construction, operations, and annual parking maintenance projects.

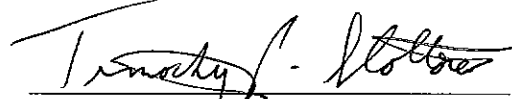
Parking rate increases for a three year period, ending with FY2010, were provided to the regents in an item for information in February 2007. In April 2009, we revised the FY2010 rates to reflect zero percent rate increases for blue, yellow, and orange permits, and a 4.5 percent increase for gold permits. Rates for FY2011–2013 necessary to support the parking and transportation plan are shown below.

Annual Employee Parking Permit Costs, and Percentage Increase by Fiscal Year							
Permit Type	FY2010	FY2011		FY2012		FY2013	
Gold	\$1,443	\$1,486	3%	\$1,531	3%	\$1,577	3%
Blue	\$611	\$629	3%	\$648	3%	\$667	3%
Yellow	\$141	\$145	3%	\$149	3%	\$153	3%
Orange	\$70	\$72	3%	\$74	3%	\$76	3%
University Contribution	\$138	\$142	3%	\$146	3%	\$150	3%

Note: Amounts are rounded to the dollar and approximate annual percentage increases

The annual rate increase over the next three fiscal years is 3 percent per year. Gold permit rates remain in line with parking rates in city structures as set by the Ann Arbor Downtown Development Authority (\$1500/year). These rates provide monetary incentives for remote parking options (yellow and orange) that are serviced by buses.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

April 2010