

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Received by the Regents  
February 15, 2007

Subject: Parking Permit Rate Increases for FY2008 – FY2010

Background:

In January 2007, the parking and transportation strategic plan update was presented to the Regents. In addition to a robust transportation plan, we proposed construction of three parking structures during the next four years. Each project will require specific approval by the Regents as we do with all major construction projects. The first project included in the plan was an addition to the Thompson Street structure, followed by a parking structure on North Campus, and Wall Street. As noted in the presentation to the Regents in January, parking rates will provide sufficient funding to accommodate the proposed construction.

Parking rate increases for a three year period, ending with FY2007, were provided to the Board in an item for information in February 2004. Rates for FY2008 – FY2010 necessary to support the parking and transportation plan are shown below.

Annual Employee Parking Permit Costs, and Percentage Increase by Fiscal Year							
Permit Type	FY2007	FY2008		FY2009		FY2010	
Gold	\$1,264	\$1,321	4.5%	\$1,381	4.5%	\$1,443	4.5%
Blue	\$560	\$585	4.5%	\$611	4.4%	\$639	4.6%
Yellow	\$129	\$135	4.7%	\$141	4.4%	\$147	4.3%
Orange	\$64	\$67	4.7%	\$70	4.5%	\$73	4.3%
University Contribution	\$127	\$132	4.0%	\$138	4.5%	\$144	4.3%

Note: Permit amounts are rounded to the dollar thereby providing slightly different annual percentage increases.

The average annual rate increase over the next three years is 4.5%. In each of the three years, employees will see a monthly increase of slightly more than \$2 per month for blue permits, 50 cents per month for yellow permits and 25 cents per month for orange permits. Gold permit rates remain in line with parking rates in city structures as set by the Ann Arbor Downtown Development Authority. These rates provide monetary incentives for remote parking options (yellow and orange) that are serviced by buses.

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.

Respectfully submitted,



Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer