Advisory Committee

- Advise the Vice President (CFO/COO)
  
  - Document #1: Parking Committee
  
  - Document #2: Compilation of input/comments/statements
    - und.facilitiesplanning@und.edu
Parking goals

• Make Parking Services a financially self-supporting enterprise (auxiliary service)
  • Improve condition of parking lots from PCI of 55 to 86

• Make parking less confusing (model)
  • Eliminate A, R, S, H and etc. in the same lot
Advisory Committee discussion “guardrails”

- Financially self-supporting in 5 years
- Implement a new parking model for 2019-2020
- Compensation “offset” for employees
Timeline

- March/April 2019 - continue discussion
  - open forums
- May 1, 2019, target day to finalize changes for next year
- August 1, 2019, first day of the new parking year (2019-2020)
Why should parking services be financially self-supporting?

UND Capital Renewal Needs
$830 Million

- $414,000,000
- $132,000,000
- $129,000,000
- $55,000,000
- $50,000,000

- Electrical/Plumbing/HVAC
- Exterior Structure
- Fire/Life Safety/Health/Vertical Transportation/Accessibility
- Interiors
- Utility (non-building) Infrastructure
- Paved Parking Lots & Roadways
Questions for Advisory Committee

1) Is the break-even cost calculation correct?

2) Is a demand-based parking model the correct model for UND?
   ▪ less general parking vs. more differentiated parking
“Contemporary, high-demand parking programs at universities require a more sophisticated system of allocating scarce parking resources. The system is grounded in supply/demand economics that utilizes pricing strategies that help consumers with convenience/cost tradeoffs”
Parking Model and Approach

One of the unique challenges parking administrators face is that virtually everyone is their customer. As much as they would like to, not everyone can park at the front door. When planning for parking there is a built-in conflict, and this conflict revolves around three primary factors: COST, CONVENIENCE, and SUPPLY (Walker, 2005).

The principles of convenience, inexpensive and sufficient/supply at each point are in direct conflict. Only two principles of the parking triangle can be met, but not three.

- If the parking is inexpensive and convenient, it will not be sufficient.
- If there is sufficient parking and it is inexpensive, it will not be convenient.
- And if there is sufficient parking and it is convenient, it will be expensive.
UCI’s convenience goal or benchmark
(10-15 minutes walk from one’s destination)

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Hunting-based parking - advantages

1) Relatively simple to understand

2) Often allows for multiple parking options

3) When demand is low, it is easy to administer
Hunting-based parking - disadvantages

1) Relatively inefficient because parkers use more than one space per day

2) As demand for parking increases the competition for parking spaces increase

3) Increases congestion and driving on campus as parkers hunt for open spaces

4) Customer satisfaction suffers when demand for parking increases
   - “try to make everyone happy = more parking spaces & lot segregation (confusion)”
Demand-based parking - disadvantages

1) Local and peer **pricing sensitivity** (subsidized parking vs. unsubsidized parking)

2) Increases demand for high demand parking
Demand-based parking - advantages

1) Maximizes parking revenue

2) Helps customers with convenience/cost tradeoffs

3) Results in drivers spending less time searching for a parking space

4) Since demand dictates prices, the process of setting prices is more transparent
Should UND be in the parking business

Ohio State U. Moves Forward on Plan to Outsource Parking—for $375-Million

By Don Troop | APRIL 20, 2012

Over the wishes of its faculty, Ohio State University said it would seek bids this month from private investors interested in taking over the institution’s vast parking operation. Under the proposal, the university would lease its 36,000...
Questions?

Next Steps:

✓ Next meeting review break-even cost formula

✓ Develop 1\textsuperscript{st} draft of “parking principals & approach”

✓ Develop 1\textsuperscript{st} draft of a new permit model

✓ Compile input (comments, statements, suggestions, etc.)