



## Fees and Charges Report

**Date:** June 6, 2022  
**To:** City Council  
**Through:** Christopher J. Brady, City Manager  
**From:** Jeffrey McVay, Manager of Downtown Transformation  
**Subject:** Consider proposed changes to the monthly parking permit rates for parking spaces within City-owned parking garages and surface parking lots  
**Council District 4**

### Purpose and Recommendation

Consider proposed changes to the Permitted Parking Rates Schedule of Fees. Staff recommends approval of the proposed changes.

### Background

Administered by the Downtown Mesa Association (DMA), the City offers monthly permitted parking within four parking garages and four surface parking lots within downtown. The current Permitted Parking Rates have not been modified in more than 15 years.

### Discussion

The current and proposed Permit Parking Rates shown in Exhibit A include a \$3.00/month increase for surface parking (\$32.00 to \$35.00), \$2.00/month increase for covered garage parking (\$43.00 to \$45.00), and a \$4.00/month increase for uncovered garage parking (\$21.00 to \$25.00). The increase Permit Parking Rates would only be applicable to individual monthly parking permit users and would not be applicable to stand-alone parking license agreements currently in affect.

In recent years increased downtown commercial activity, significant development activity, and coming opening of ASU at Mesa City Center, has significantly increased demand for permitted parking, while parking supply has remained constant. The proposed monthly Permitted Parking Rates better reflect the increased demand and the increased costs associated with managing downtown parking.

In comparison to our peer cities, the proposed Permit Parking Rates continue to be very competitive. Monthly covered parking rates in downtown Tempe range from \$65.00 to \$105.00. Monthly covered parking rates in downtown Phoenix range from

\$45.00 to \$120.00. Monthly covered parking rates in Chandler and Glendale are \$65.00 and \$70, respectively.

### **Alternatives**

Modify the Permitted Parking Rates to include a smaller increase than recommended.

Modify the Permitted Parking Rates to include a greater increase than recommended.

Make no changes to the Permitted Parking Rates.

### **Fiscal Impact**

In 2020, individual monthly permit parking generated approximately \$200,000 in revenue, approximately \$280,000 in 2021, and approximately \$240,000 in the first seven months of 2022.

Based on the 844 individual monthly parking permits issued as of January 2022, the proposed Permitted Parking Rates would generate approximately \$27,000/year in additional parking revenue.

### **Coordinated With**

The proposed Permitted Parking Rates were coordinated with the Downtown Mesa Association (DMA). The DMA supports the recommended Permitted Parking Rates.

## Fees & Charges Schedule – Key

### Heading Configuration

<b><u>Schedule of Fees &amp; Charges</u></b>
<b>Department</b>
Contact Information
<b>HEADING 1</b>
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

### Font Indications

Font	Font Indications
Regular Font	Existing fee or language
<del>Strikethrough</del>	Fee or language will be deleted from the Fee Schedule
<b>BOLD CAPS</b>	Language is being added to Fee Schedule
<b>Bold</b>	New or increased Fee Amount

**Schedule of Fees & Charges Exhibit A**

**Department: Economic Development**

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<i>Permitted Parking Rates*</i>						
Surface Parking	<del>\$32.00</del>	<b>\$35.00</b>		3116	\$2,664.00	
Garage (shaded)	<del>\$43.00</del>	<b>\$45.00</b>		3116	\$12,888.00	
Garage (unshaded roof and below grade)	<del>\$21.00</del>	<b>\$25.00</b>		3116	\$11,184.00	

\*All rates are monthly

**Total Economic Development - Exhibit A Fiscal Impact = \$26,736.00**