

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents  
May 16, 2013

ITEM FOR INFORMATION

Subject: Parking Permit Rates for Fiscal Years 2014–2017

Background:

In April 2010, we presented an item for information to the Board of Regents showing staff parking rate increases for fiscal years 2011–2013. Annual increases of approximately 3 percent for all permit categories were proposed in order to fund the parking and transportation strategic plan.

An increase in parking permit fees is necessary to provide parking capacity to meet the current and future needs of the university, and to provide approximately \$1 million per year to support the facility renewal plan for university unions and recreational sports. The Wall Street East Parking Structure project is currently in design. Parking fees provide funding for debt service for new construction, operations, and annual parking maintenance projects.

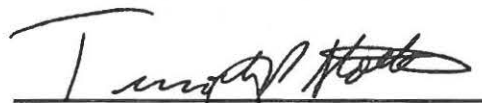
Rates for fiscal years 2014–2017 necessary to support the parking and transportation plan are shown below.

Annual Employee Parking Permit Costs, and Percentage Increase by Fiscal Year										
Permit Type	FY2013		FY2014		FY2015		FY2016		FY2017	
Gold	\$1,577	\$1,577	0%	\$1,648	4.5%	\$1,722	4.5%	\$1,774	3.0%	
Blue	\$667	\$667	0%	\$684	2.5%	\$701	2.5%	\$722	3.0%	
Yellow	\$153	\$153	0%	\$153	0%	\$153	0%	\$158	3.0%	
Orange	\$76	\$76	0%	\$76	0%	\$76	0%	\$78	3.0%	
University Contribution	\$150	\$150	0%	\$154	2.5%	\$158	2.5%	\$163	3.0%	

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

We propose no increase in rates for fiscal year 2014. For fiscal years 2015 and 2016, the annual rate increase is 4.5 percent per year for gold permits and 2.5 percent per year for blue permits and the university contribution. To continue our incentive to promote remote parking, there will be no increase in rates for yellow and orange permits. Beginning in fiscal year 2017, a 3 percent annual rate increase for all permits supports our financial model. As a market reference, current permitted parking rates in city structures as set by the Ann Arbor Downtown Development Authority are \$1,680 per year.

Respectfully submitted,



Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer