

December 7, 2016

TO: Members of the Board of Trustees

FR: Scott A. Jordan 
Executive Vice President for Administration and Chief Financial Officer

RE: Parking Agreements for UConn Hartford

RECOMMENDATION:

The Administration recommends that it be authorized to enter into with the Capital Regional Development Authority “(CRDA)” three (3) parking agreements related to the UConn Hartford Campus for up to 750 parking spaces for up to 2,500 staff, faculty and students in three (3) parking garages located in the Adriaen’s Landing district in downtown Hartford. Because not all students are on campus simultaneously, the 750 spaces are projected to be adequate.

UConn recognizes that it is important to promote the use of public transportation and other commuting strategies to minimize any traffic impacts, but is recommending securing the capacity for parking near the new campus to meet the current and future needs of the students, staff and faculty for the regional campus. No further Board action will be required to make the final negotiated agreement binding.

This recommendation is embodied in a Board Resolution at the end of this Memorandum.

BACKGROUND:

The UConn Greater Hartford Campus is relocating from West Hartford to downtown Hartford, where it will begin operation in summer 2017. Approximately 250 staff and faculty presently work at the UConn Greater Hartford Campus and UConn projects that up to 2,250 students (full time and part-time combined) may need parking near the new campus location.

By resolution on June 3, 2014, the Board of Trustees authorized the Administration to enter into a Memorandum of Understanding with the CRDA describing the proposed terms of a future agreement for the provision of parking spaces for UConn use. At that time, the Board was advised that a more detailed parking agreement would be entered into at a later date.

CRDA currently operates four (4) parking garages in the Adriaen’s Landing District of Hartford containing a total of 3,725 parking spaces: the Convention Center Garage, the Science Center

Garage, and the Front Street North and South Garages. These four parking garages have fairly high utilization rates on the weekends when the Connecticut Convention Center holds events, but they have fairly low utilization otherwise. UConn has the potential need for parking for 250 staff and faculty and up to 2,250 students primarily on weekdays, when the garages are least used, which will be distributed among three of the garages.

The majority of the parking spaces will be at the Convention Center Garage. One area in this garage will be designated and reserved on a nonexclusive basis for 195 parking spaces for staff and faculty, and a second area will be reserved for students and include reservation on a nonexclusive basis of another 400 parking spaces.

In the Front Street North Garage, 65 parking spaces will be available (the rights to which were obtained by UConn through its purchase of 38 Prospect Street) and, in the Science Center Garage, up to 100 parking spaces will be available.

University Parking Services will administer and manage the assignment of parkers to specific garages and will be the primary point of contact for students, staff and faculty to obtain parking passes and parking privileges.

MATERIAL TERMS OF THE PARKING AGREEMENTS

Per CRDA requirements, a separate agreement is required for spaces in each of the three garages. Except for the specific capacity of each garage, the three parking agreements are generally identical in their provisions. UConn and CRDA have substantially completed the negotiation and drafting of the first of the three agreements, which will serve as the basis for the remaining two.

The Administration today seeks the Board's approval of three agreements containing the following material terms without further Board action:

- The initial term is 50 years. UConn has four (4) additional 10 year options to extend the parking agreements;
- The cost is based on "pay for use", so UConn only pays for the number of actual outstanding card keys that are utilized during a month and UConn has no obligation to pay for parking spaces that are not utilized;
- UConn has the right to designate the areas within each garage that are for UConn's staff, faculty and students, but the parking space use is on a nonexclusive, first-come basis;
- CRDA will continue to operate the garages with a professional parking management company who will interface with University Parking Services;
- Should the need arise, UConn has the option to patrol the garages and to supplement any security or surveillance of the parking areas;
- CRDA is responsible for all maintenance and repairs on the garages; and

- The garages have occasional high utilization on certain Fridays during the year and associated with certain events that will make parking congested (“conflict dates”). CRDA has the option to provide alternate parking arrangements for up to 12 conflict dates each year in a more remote location, but bears the costs of transportation for parkers during these days to the campus.

The following additional term will appear in the Connecticut Convention Center Garage agreement:

- While no spaces will initially be included in the Front Street South Garage, UConn will be given a right of first refusal for up to 120 additional parking spaces in that garage once the lease-up of all retail space is completed in the Front Street district (not including the retail space in the UConn Hartford Campus building).

FINANCIAL CONSIDERATIONS:

The cost to UConn in the first year of each of the agreements for full-time users is \$45.00 per active card key per month. Over time, the parking rate will increase or decrease proportionately with the general public market rate for the garages. Per current State regulations, parking for staff and faculty is tax exempt, but parking for student use is taxable. The total cost of monthly parking will be billed directly to UConn at the end of each month.

For part-time and weekend use, daily rates will be discounted 50% from the public market rate for those that do not want to incur the full monthly or semester rate. Weekend use by monthly parkers will also be discounted 50%, but will be added to the invoice to UConn at the end of the month.

If all 250 staff and faculty and projected 2,250 students utilized monthly parking, the total annual expense to UConn would be approximately \$1.35 million. It is highly unlikely that all staff, faculty and students will become monthly parkers, but the exact number that will utilize the garages is unknown at this time.

The cost of parking will not be a direct pass-through to Hartford staff, faculty and students, so they will not pay the full monthly cost of parking. University Parking Services utilizes an aggregating revenue and expense system throughout all campuses collectively. The increased costs for the parking at garages in Hartford therefore will be spread over all UConn parking users and will result in a marginal increase in parking fees overall. Staff and faculty will continue to be charged for parking through the bi-weekly payroll deduction process, while students will be offered various parking packages, which will include semester long and annual rates.

RESOLUTION:

For the reasons set forth above, the Administration recommends that the Board of Trustees adopt the following resolution:

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF CONNECTICUT:

The Board of Trustees authorizes the Administration to enter into three (3) parking agreements with CRDA to provide parking capacity to meet the projected parking needs for students, staff and faculty at the UConn Hartford Campus on the material terms as set forth in this Memorandum.