

City Council
Study Session

June 22, 2023

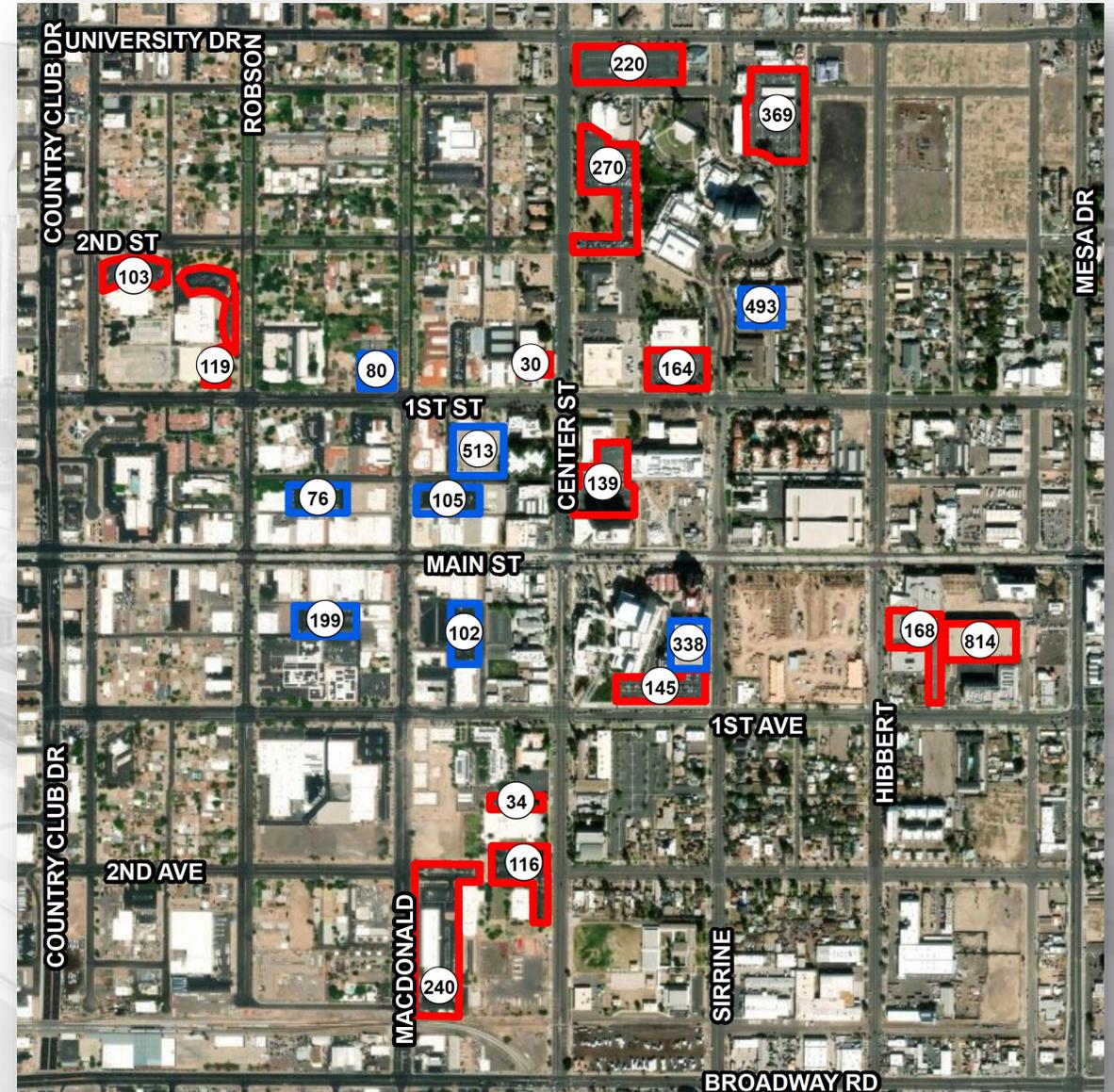
DOWNTOWN PUBLIC PARKING INVENTORY

Jeff McVay
Manager of Downtown
Transformation

DOWNTOWN PARKING – CURRENT INVENTORY

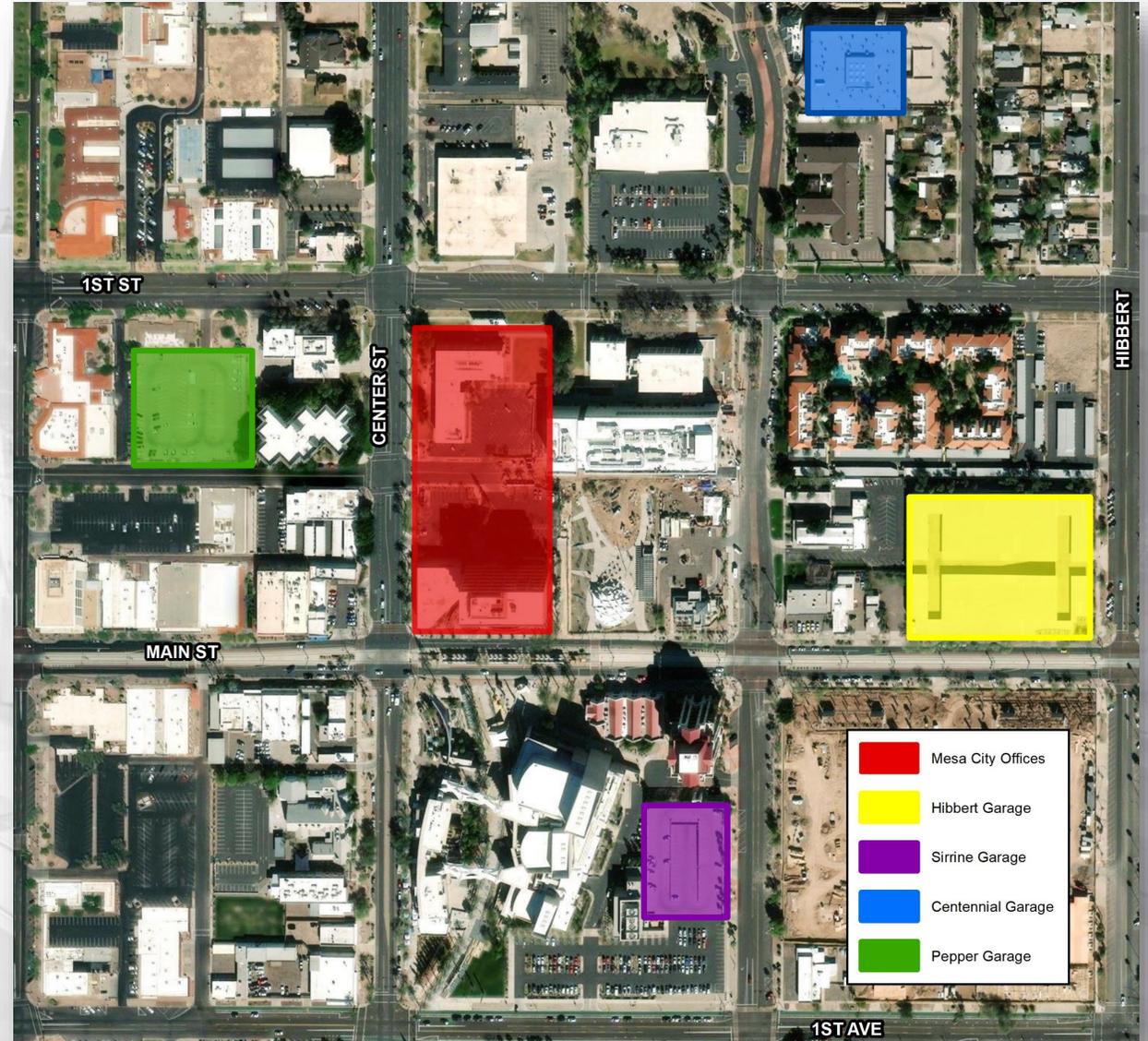
- All off-street public parking spaces: 5,000+ (Red and Blue)
- Off-street public parking spaces that support downtown businesses and development: 1,906* (Blue)
 - Permit spaces: 1,490 (Mon-Fri 8:00AM-5:00PM)
 - Customer spaces: 416
- Parking issues
 - Limited available permit parking to support new development and business activity, where needed.
 - 44%: Share of permit spaces provided to City employees
 - 230 spaces lost to City Center

*Includes Centennial, Pepper, and Sistine garages and Green, Orange, Purple, Tan, and 1st/Macdonald surface lots.



DOWNTOWN PARKING – CITY EMPLOYEE PARKING

- City employee parking
 - Pepper garage: 247 spaces (48%)
 - Sirrine garage: 124 spaces (37%)
 - Centennial garage: 229 spaces (46%)
- Employee concerns
 - Safety
 - Convenience
 - Overnight City vehicle security
- Impacts availability of public parking to support new business and developments





HIBBERT GARAGE

PROPOSED PURCHASE

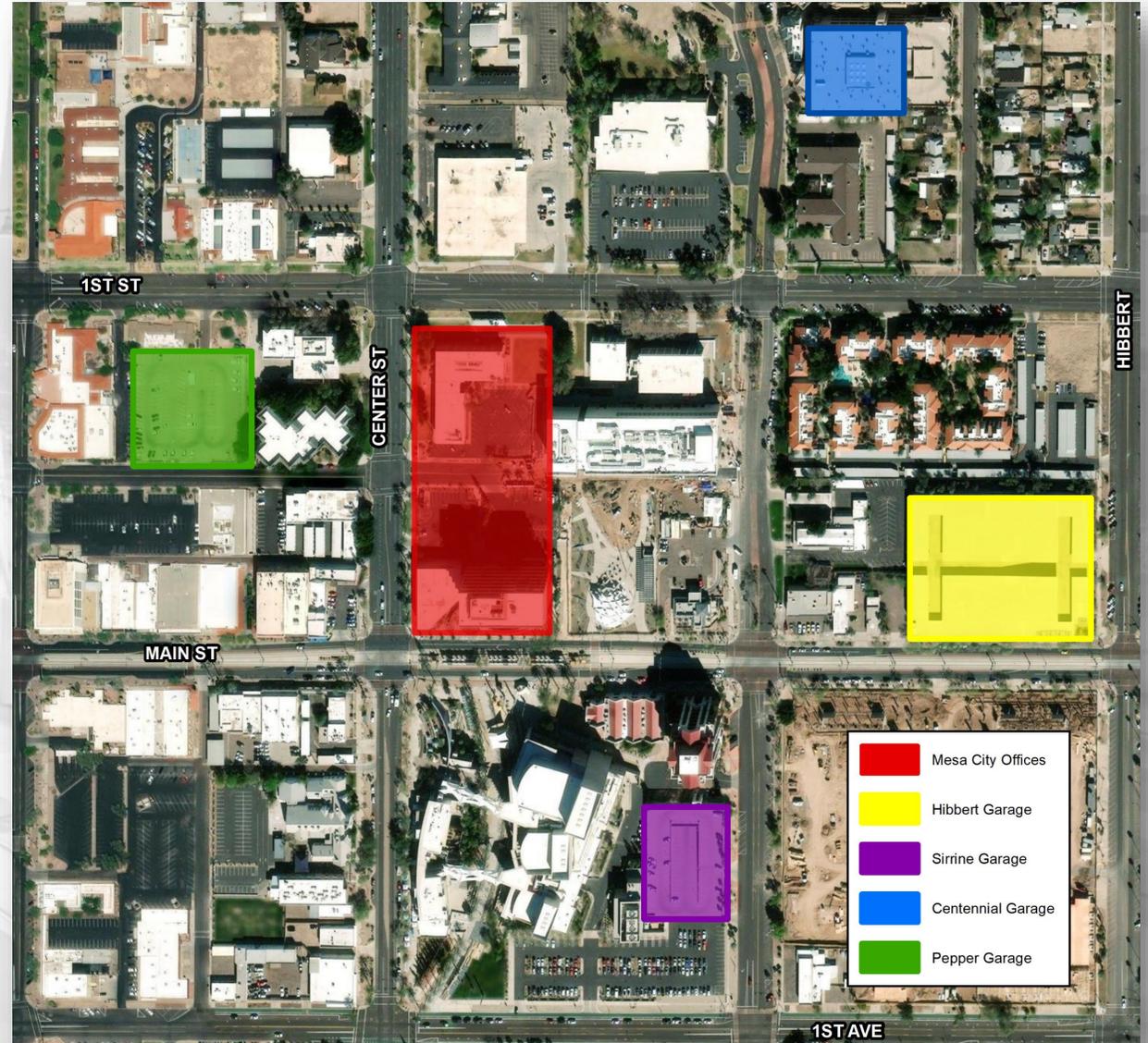
HIBBERT GARAGE – EXISTING CONDITIONS

- Constructed: 1998
- Land area: 2.9 acres (128,318 SF)
- Building: 3 stories, 337,308 SF
- Parking spaces: approx. 900



HIBBERT GARAGE – PROPOSED USE

- Approximately 900 space public parking garage
 - Relocate 600 City employee permit parking spaces from public garages
 - Reserve 300 permit parking spaces to support new development
 - Secure overnight City-vehicle parking



HIBBERT GARAGE – PROPOSED PURCHASE TERMS

- Purchase price: \$8,000,000
- Seller parking option: 300 spaces
 - Option term: 5-15 years (performance based)
 - City retains rights to Option Spaces while not licensed
- Seller parking license: 300 spaces
 - Term: 45-years, with two, 10-year extensions
 - License provided only to support new private development
 - License Rates:
 - Year 0-5: \$35/month/space
 - Year 6-11: \$45/month/space
 - Year 12+: Then published rate



HIBBERT GARAGE – PURCHASE CONSIDERATIONS

- Safety and access improvements (est \$3-4M):
 - Re-striping
 - Lighting
 - Elevator
 - Pedestrian access
- \$12,000-\$13,000/space: purchase and improvements
- \$52,500/space: Engineering estimate for new 400 space garage (\$21,000,000)
- \$34,000/space: Willmeng estimate for new 900 space garage (\$30,600,00)



HIBBERT GARAGE – PURCHASE CONSIDERATIONS

- Current City employee parking generates no revenue
 - Opens 600 spaces within existing garage can be permitted/licenses to employees of private businesses or new development
- 300 spaces within Hibbert garage licensed to seller to support new private development
 - \$2,900,000: estimated 20-year revenue
- \$11,025,000: June 2023 appraised value



NEXT STEPS



July 10, 2023 - Council action on Purchase and Sale, Option, and License agreements with seller



Prepare final design and cost estimate for security and access improvements



Return for Council action on construction contract



DISCUSSION



mesa·az