



Briefing on Parking Modernization Proposal Updates

Nov. 4, 2010

Parking proposal timeline



- **August 20: Mayor Ballard introduced the parking proposal and selection of the ParkIndy Team as the partner for modernizing Indianapolis' parking meter system**
 - ParkIndy Team is comprised of ACS, A Xerox Company and its local partners Denison Global Parking and Evens Time,
- **August 30: City-County Council Rules and Public Policy Committee reviewed parking proposal**
- **September 28: City-County Council Rules and Public Policy Committee reviewed parking proposal**
- **October 20: Revisions to parking proposal announced, expanding benefits to the City**

Key Proposal Revisions

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Concession Agreement Provision/Term	As Submitted	Final Proposal
Upfront cash payment	\$35 million (two payment)	\$20 million (two payments: \$10 million at closing and \$10 million in early 2011)
Revenue share percentage	Tier 1 – 20 percent Tier 2 – 55 percent	Tier 1 – 30 percent Tier 2 – 60 percent
Tier Threshold	\$8.4 million	\$7 million
NPV of cash flows (based on City projections)	\$67 million	\$73 million
Nominal City cash flow over 50 years	\$400 million	\$620 million
Term	50 years	50 years
Termination for convenience by City	None	At 10-, 20-, 30- and 40-year anniversary dates

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Key Proposal Revisions

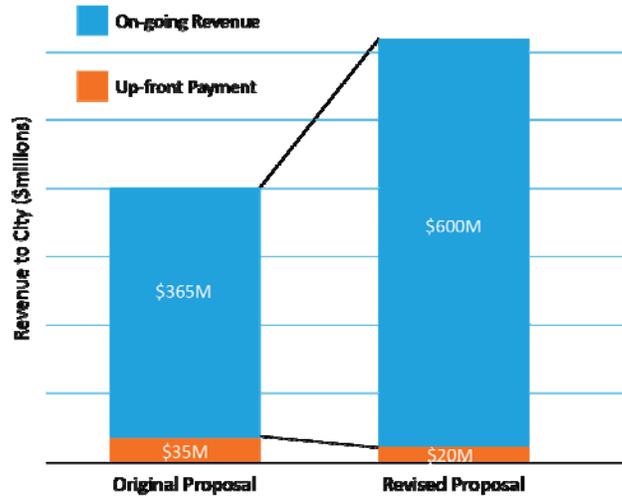
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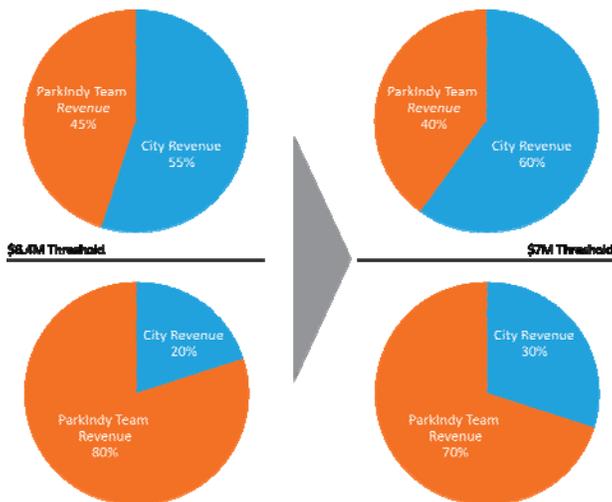
Concession Agreement Provision/Term	As Submitted	Final Proposal
Termination Payment Amount	Not applicable	Decreasing on a sliding scale every 10 years: 10 years - \$19.8 million 20 years - \$16.25 million 30 years - \$12 million 40 years - \$8 million
Advertising and signage revenue	Shared by City and ParkIndy Team	All revenue to City if City proposal; otherwise revenue share
Permanent meter removal	City revenue reduced per formula without any direct offset for replacement meters	200 meters as meter removal basket without impact to the City revenue share; now includes a new vs. replacement credit provision
Mass Ave and Broad Ripple evening hours	Mass Ave – 9 p.m. Broad Ripple – 11 p.m.	Mass Ave – 9 p.m. Broad Ripple – 9 p.m.
Price increase after two hours	\$0.50 for third hour and fourth hour	None
Residential permit programs	ParkIndy Team would administer; any revenue would be retained by ParkIndy Team to cover costs	All existing programs would be grandfathered; all revenue would be shared
Broad Ripple residential permit program	If City builds a Broad Ripple garage, ParkIndy Team will administer RFP on mutually agreeable terms	ParkIndy Team to administer a program only if requested by the City; revenue to be shared

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Increased revenue



Increased revenue share and improved revenue tiers

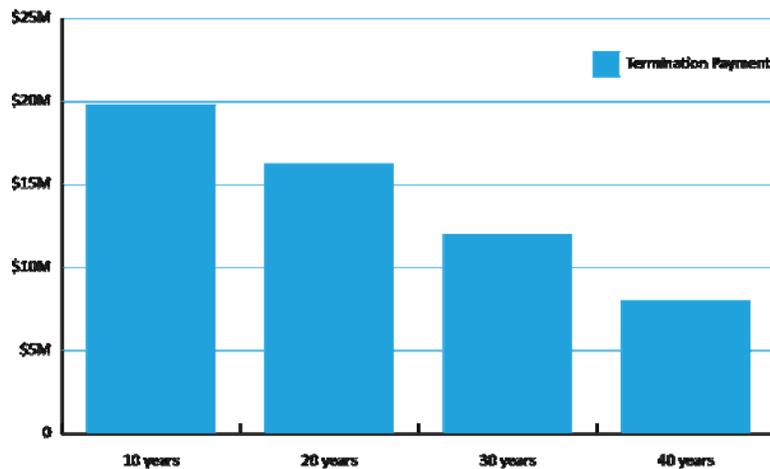


Termination for Convenience clause

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- In exchange for a termination payment, the City may elect to terminate at any 10 year window



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Parking meter removal flexibility

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- City can permanently remove up to 200 meters without impacting its revenue share
- Meters can be relocated to negate any impact on revenue share
- The 200 meter permanent removal set aside will increase if the size of the system increases more than 20 percent

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Broad Ripple and Mass Ave Evening Hours Now Consistent

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	Current Hours	Original Proposal Hours	Revised Proposal Hours
Broad Ripple	7 a.m. to 6 p.m.	7 a.m. to 11 p.m.	7 a.m. to 9 p.m.
Mass Ave	7 a.m. to 6 p.m.	7 a.m. to 9 p.m.	7 a.m. to 9 p.m.

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Other enhancements and improvements

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- **City control over all meter advertising and naming right proposals (with revenue shared only if the ParkIndy Team sponsors the idea)**
- **All existing residential parking permit programs will be grandfathered, revenue will be shared**
- **If Broad Ripple garage is built, City retains option to implement and operate a residential parking program**

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Comparing the options - benefits

	Status Quo	Bonding	Concession Agreement
New meter technology	\$0	\$7 MM	\$0
Ongoing maintenance expenses	\$850K	\$2 MM	\$0
Greater revenue to the City in 2011	\$0	\$1 MM	\$2.5 MM
Brings 200 new jobs to Indianapolis	\$0	\$0*	\$40 MM
New employee expense	\$0	48-55*	\$0
Hours, rates, location determined by the City	Yes	Yes	Yes
Enforcement operating procedures set by the City	Yes	Yes	Yes
Taxpayers at risk	Yes	Yes	No
Provides upfront money to address short term needs	No	Yes	Yes
Creates strong incentive to innovate	No	No	Yes
Length of time before meter repair	Long	Long	Short
Professional parking expertise	No	No	Yes
Allows for economic development	Yes	Yes	Yes
Encourages meter turnover	No	Yes	Yes

*Estimated cost with all benefits for 48-55 employees would be substantial.

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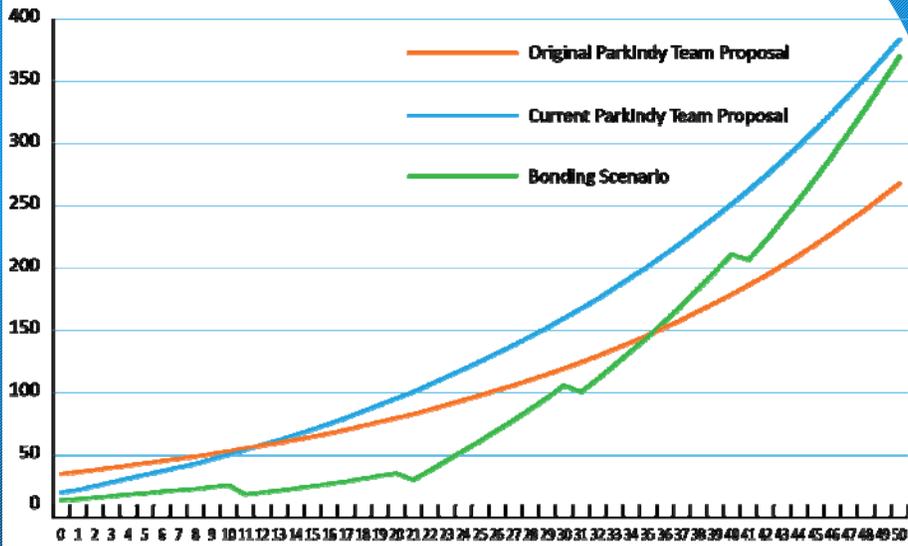
Shifting the Risk to the ParkIndy Team



	City-Financed Parking System	Concession Agreement
Personnel/Workforce Costs	City Risk	ParkIndy Team Risk
Inflation and other cost increases	City Risk	ParkIndy Team Risk
Access To/Cost of Capital	City Risk	ParkIndy Team Risk
Property, Equipment and Technology Upgrades/Instruments	City Risk	ParkIndy Team Risk
Revenue Shortfalls	City Risk	ParkIndy Team Risk

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Cumulative Cash Flows



ParkIndy Team



Denison Global Parking (MBE)

- On-street secure meter collections, counting, and deposit
- Parking enforcement
- All garage operation and management services including customer service, revenue control, and facility maintenance

Evens Time (WBE)

- Removal and installation of new meter technology
- Street surveys and permitting
- Installation of future upgrade technologies
- Ongoing maintenance and support of on street and off street equipment

Sease Gerig & Assoc.

- Develop and implement public relations campaign
- Prepare public education strategies and materials
- Ongoing public education and community outreach during transition, implementation and new technology rollout

ACS, A Xerox Company

- Provide and arrange equity financing, manage concession
- Handle overall project management as Primary Point of Contact
- Procure and supply parking hardware/software technologies
- Plan future technology strategies, revenue enhancements and overall system integration

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Comprehensive Parking Solution

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Customer Experience

- Payment Convenience
Credit/Debit/Gift Card
- Pay-by-Web
- Pay-by-Cell Phone
- Pay-by-Phone
- Pre-paid Parking Account

On-Street Technology

- Multi-space Meters
- Retrofit single meters
- Payment card readers
- Street Sensors
- Parking guidance systems
- License Plate Recognition
- Handhelds w/ Cameras
- Device management

Back-Office Support

- Broken Meter Hotline
- Public Education Portal
- Customer Service Reps
- Statistical Reporting
- Maintenance
- Meter Bagging
- Meter Installs & Removal
- Network Management

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Typical Parking Experience Now

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Drive into City to have lunch

Difficult to find an available meter.
Turnover is low and meters are broken.

Time wasted looking for an open space

Inconvenient to find coins to feed meter

Forced to leave space early, risk of a ticket, or
leave unused time on the meter

Overall poor customer experience.
Motorist unlikely to return anytime soon.



Typical Parking Experience with New Meters

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Drive into City to have lunch

Operable meters are easier to find

Coins, credit and debit cards accepted

There is time left on the receipt,
and that time can be used to run errands in the Zone

Overall positive customer experience.
Motorist likely to return again soon.



Proposed Future Benefits of Metered Parking

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Web and phone applications provide information
about meter use and availability

Trip is scheduled based on that data,
reducing congestion

Open space found easily

Payment is made by phone using a
toll-free number or phone application

Unused time can be used at other meters
allowing motorist to run errands in the Zone

Text reminder sent when time is close to expiring.
Motorist adds an hour with cell phone--keeps shopping.



Benefits to Stakeholders



Merchants

- City revenues will be used to improve streets, sidewalks, and lighting in areas served by meters
- Meter turnover and availability encourage more visits to businesses
- Acceptance of credit and debit cards means customers are less likely to ask merchants for quarters to feed meters



Motorists

- More likely to find available, working meters and spaces
- Reduces need to circle for an available parking space
- Mitigates traffic congestion and travel times
- Convenient payment methods reduce hassle—credit cards vs coins; cell phone from a meeting



Communities

- Bicyclists will benefit from retrofitted single space meters to bicycle racks
- Pedestrians will benefit from reduced clutter on the street when single space meters are removed
- 200+ new jobs to Indianapolis will generate economic growth



Environment

- Benefit from reduce emissions related to congestion
- Solar powered meters reducing the need to recycle thousands of batteries per year
- Use of hybrid vehicles for operations



Benefits to Indianapolis and its residents



New Jobs

If the proposal is approved by the Council, ACS will add 200 jobs in the City within the next two years, providing an additional \$40 million of incremental economic value

Controlled Rates

The maximum rate increase over time after 2012 is capped at the rate of inflation

Parking Availability

Increasing turnover at meters will encourage the availability of more metered spaces for short-term users. Long term users will be encouraged to park in nearby lots or garages



Infrastructure Funding

The \$20 million upfront payment and subsequent shared revenues over time can be used for much needed street and sidewalk repairs and other critical infrastructure improvements

Government Efficiency

City government resources absorbed by parking operations can be reallocated more efficiently to other higher priority efforts

Customer Convenience

Significant technology upgrades will improve the user experience and simplify overall parking operations

Questions?



- **For more information:**
 - Visit: indy.gov/parking