

Ten years after: At a Glance

The first decade of the new millennium reflected both challenges and achievements.

TICET

Downtown's free shuttle service was conceived as a parking circulator but then evolved into a transit service. When promised funding assistance evaporated, TICET became a financial drain to ParkWise. The system became too costly and was terminated. The program ran from 2000 to 2008 and was one of the lowest costs per passenger transit services in Arizona.

Gem Ride

This popular event shuttle service came to fruition in 2006 during construction and closures of Interstate 10 to alleviate traffic congestion during the annual Gem, Mineral & Fossil Showcase. Gem Ride was funded collectively by ADOT, MTCVB and ParkWise. The city-run service was terminated in 2008 when I-10 reopened, and private gem show organizers chose to operate a similar service with mixed results. There is potential to revive the program as a much-needed service for Tucson's premier annual convention, if an appropriate funding source is secured.

Pennington Street Garage

Tucson's first 24-hour parking structure is a green solar-powered facility that features 12,000 square feet of mixed-use retail and 750 spaces. At its opening in 2005, the garage was the first new downtown parking structure in 10 years. The garage, which has won more than a dozen national and international awards, is also gaining a reputation as a great place to hold a party. The top of the garage offers spectacular views of downtown and was booked for a fundraising black-tie gala for the Museum of Contemporary Art in 2009. Café Poca Cosa, one of Tucson's premier eateries, continues as a visible tenant at Pennington Street Garage.



Building a nationwide reputation

ParkWise was lauded as one of the best parking operations in North America at the 2005 International Downtown Association Conference in Vancouver.

ParkWise was praised as a pioneer of modern parking best practices in "High Cost of Free Parking," a book by Donald Shoup commonly referred to in the industry as the "Bible of Parking."

New partnership

ParkWise entered into a working relationship with the Downtown Tucson Partnership in 2009 for security and maintenance services for ParkWise properties. Additionally, the Downtown Partnership provides consultation for development and marketing. In the first six months of this new arrangement, ParkWise saved nearly \$70,000 by contracting with this organization.

ParkWise Commission

The ParkWise Commission is an assemblage of appointed community representatives from downtown and the university area. The commission is a voting body that guides and supports the direction of parking policies and programs.

Members

Dale Calvert Citizen Transportation Advisory Committee

William Dell Downtown Tucson Partnership

Joanne Downey Campus Community Relations Commission

Vicki Doyle Metropolitan Tucson Convention and Visitor's Bureau

Karen Falkenstrom Ward V

Dave Heineking University of Arizona

Anne Lawrence Tucson City Manager's Office

Phil Lipman Ward VI Tucson City Council Office

Jane McCollum Marshall Foundation

Pete McNellis Tucson City Manager's Office

Robert Medler Tucson Metropolitan Chamber of Commerce

Julie Ray Ward I Tucson City Council Office

John Sedwick Fourth Avenue Merchants Association

Vacant Ward III Tucson City Council Office



ParkWise

Annual Report 2009-10

ParkWise

- Growth • Sustainability
- Customer Service

A partner in making
Tucson a more livable city

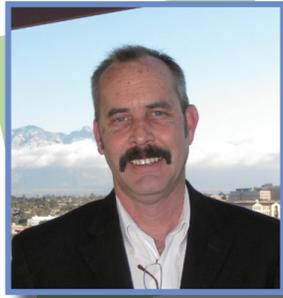


Perspective

The last decade has proven to be a challenging one, but thanks to a dedicated staff and the support and guidance of an innovative oversight Commission, ParkWise has managed to move ahead and prosper.

As a result, downtown and university neighborhoods have stabilized and are seeing significant reinvestment. Downtown Tucson is becoming one of the hottest entertainment zones in the U.S. In addition, downtown housing, a multiyear goal of the City, is just around the corner. The Plaza Centro Project, a partnership between ParkWise and Oasis Tucson that is currently under construction, will have 50,000 square feet of residential units above the new parking garage and will support further mixed-use housing development across the street.

ParkWise expansion is also just around the corner with the coming of the modern street car.



The 4th Avenue district will join the ParkWise managed system in order to provide adequate, convenient customer parking so it can continue to be a thriving part of downtown. The Warehouse Arts Triangle is also slated for significant redevelopment that will rely on centralized parking facilities built and operated by ParkWise.

There are still many challenges to overcome in order to build a truly self sustaining program. Changes to the planned financing for Pennington Street Garage and proposed legal settlements at the new Depot Plaza Garage have created a structural deficit for ParkWise. Staff and the Commission continue to investigate creative ways to rectify this problem.

It has truly been my pleasure to work with the ParkWise Staff and Commission. In working together to create a parking management strategy that works for Tucson, we have also created a model that is being emulated throughout much of the country.

Our Mission

Create a parking management program that will enhance the quality of life, stimulate economic development within the area defined by the City Center Strategic Vision Plan, and efficiently and creatively utilize parking resources to improve the overall accessibility and environment of the region.



Our Vision

ParkWise seeks to exceed customer service expectations by offering:

- Prompt, friendly exchanges with the public that create good will
- Insightful, practiced expertise in working with neighborhoods and community groups to foster consensus and enhance livability and pride in our city

Objectives

- Assess future parking needs and work with stakeholders to plan and develop new projects and new revenue streams to support expansion.
- Engage and educate the public about parking through a comprehensive marketing plan that includes current forms of communication, including use of social media.
- Facilitate and maintain successful partnerships that allow for strengthening processes and functions for the betterment of our community.

At a glance

2009/2010 Revenues: \$2,830,416

2009/2010 Contributions to General Fund: \$775,112

ParkWise has shown tremendous growth and financial success over the past decade. Aside from a dip in revenues and contributions in 2007/2008 due to a change in financing of the Pennington Street Garage after construction had begun*, there has been a solid pattern of increased returns and sustained viability.

** Pennington Street Garage, that features 12,000 sqft of mixed use retail, was initially financed under a 30-year term. After construction, the debt service plan was changed by City of Tucson to a 20-year term raising the annual debt payments to more than \$1 million.*



Leading the way in a vibrant downtown

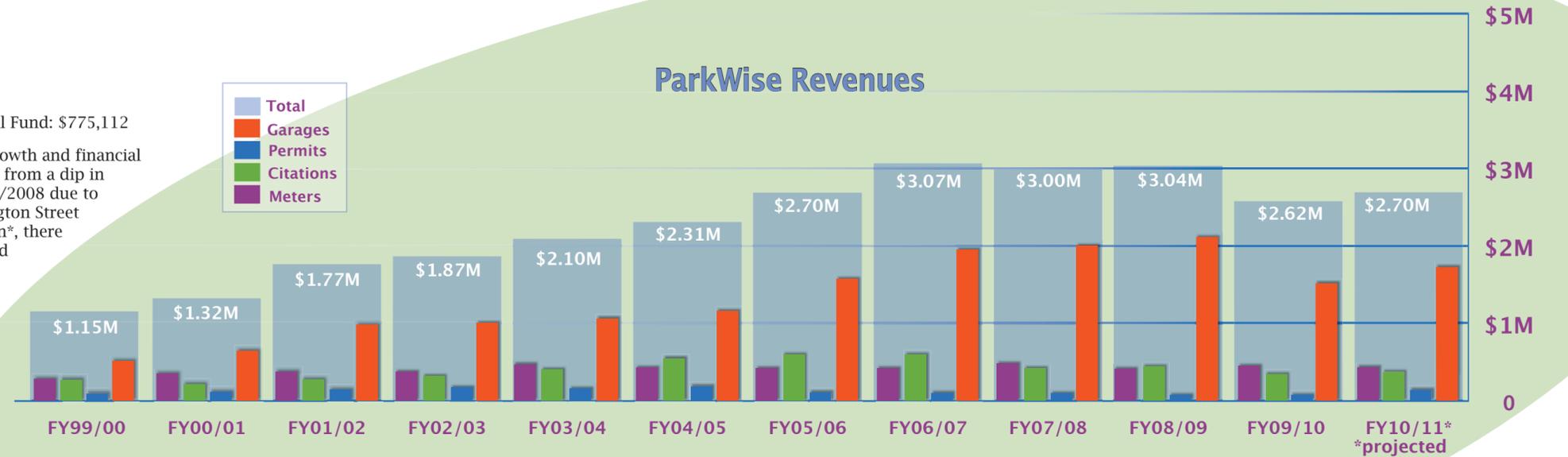
Growth & the need for more parking

Two new garages are coming into the Downtown scene in 2010/2011.

· **Depot Plaza Garage** at the base of the Martin Luther King affordable housing apartment complex on Fifth Avenue features 288 spaces and opened in October 2010.

· **Plaza Centro Garage** offers parking at a planned mixed-use structure at the gateway to downtown. It will have 377 additional spaces and opens in August 2011.

ParkWise Revenues



ParkWise has more than tripled its annual revenues since 1998, reflecting the department's ability to thrive and increase returns to the City of Tucson.

· 1998 revenues: \$845,934
 · 2010 revenues: \$2,830,416
Contributions to the General Fund from 2000-2010: \$7,818,326

What's new? Innovative programs

First Hour Free at Downtown Garages

ParkWise has found success by offering the First Hour Free at downtown garages. The program, which started January 2009, is an enticement for the public to use garages while providing a feature that is customer-friendly. The concept allows for free parking for those running quick errands or popping in for lunch.

Success: The customer-friendly program didn't negatively impact revenues, but paid dividends in positive public relations.

Employee Parking Program

An increased demand for employee parking is an inherent aspect of the proliferation of downtown businesses, especially those with evening hours. In response to requests from the downtown business community, ParkWise has created a new Employee Evening Parking Program at the Pennington Street Garage for employees who work at the many restaurants, bars and entertainment venues in the city's core. Any employer in downtown may participate in this program.

The program is designed to move Downtown workers into garages, therefore freeing up meter parking and other areas for visitors.

Residential Permit Program

In keeping with Commission policies, ParkWise staff worked with downtown and university neighborhoods to shift the Residential Parking Permit Program closer to full cost recovery.

Parking permit prices had not been adjusted since the program began in 1983 and as part of this process, staff met with each neighborhood to develop a plan that worked best for their individual situations.

Service level improvements were made to shift ParkWise enforcement from a standard 8 am-5 pm weekday level to 6 days a week until 1 am. Additionally, many neighborhoods expressed a desire to utilize the Parking Permit Program as a way to develop revenues for reinvestment into public improvements or services.

Staff will continue to work with these neighborhoods to develop that revenue stream.

New Pay Stations

An innovative new program is scheduled to roll out soon. Pay-by-space stations will bring paid parking and parking control to areas that currently do not have metered parking or may need replacement of meters. One station replaces 8-10 meters, therefore handling one block of parking. The initiative will kick off with 50 pay stations and could evolve to include 400 stations.

These new stations feature contemporary conveniences such as payment by credit card or via mobile phone. Each station has the ability to text a customer when they are late in paying for time used, allowing the customer to add more time to their parking by phone and continue with whatever they are doing without interruption. Simply, it's customer service for the modern age.

