

Ratepayer Board
January 29, 2007

- I. Roll Call
- II. Introduction of Guests
- III. Overview of Permits, Revenues, and Costs
- IV. Overview Chancellor's Reply to Past Recommendations
- V. Revenue Generation Plan (Renting spaces, sponsorships, other)
- VI. Student Services (lock-in fees)
- VII. Cost Reduction Plan (capital and operating)
- VIII. Adjournment

1 **Ratepayer Board**
2 **January 29, 2007**
3 **Minutes**

4
5 **Members Present:** Kostas Goulias, Marguerite Bouraad-Nash, Kate Deutsch, Joe
6 Harkins, and Stephanie Brower

7
8 **Staff Present:** Marc Fisher, Bob Silsbee, Laura Condon, and Dolly Smith

9
10 **I. Roll Call**

11 The meeting adjourned at 8:34am with the following Board members unable to attend:
12 Jared Goldschen, Marti Lopez, Richard Church, and Perrin Pellegrin

13
14 **II. Introduction of Guests**

15 Bob Stevenson, Electrical Computing & Engineering, vanpool driver; Bruce Kendall,
16 Chair of the Transportation Alternatives Board, Co-Chair of the Search Committee for
17 the TPS Director, and Bren school Faculty member; and W. Doug Morgan, Economics
18 and Faculty Issues Committee liaison.

19
20 **III. Overview of Permits, Revenues, and Costs**

21 TPS distributed parking permit sales and revenue data (please refer to Attachments "A"
22 and "B"). Bob Silsbee distributed "Staff Report and Background Information for Selected
23 Agenda Items" (please refer to Attachment "C").

24
25 **Permit Sales Data**

26 The discussion on permit sales data was led by Bob Silsbee and TPS based on the
27 document "Permits Data" (please refer to Attachment "A").

- 28
29
- 30 • Bob Silsbee stated the data shown indicates the amount of permits sold per year,
31 however, it does not account for cancelled permits.
 - 32 • TPS stated their staff sells permits all day and there are many people, everyday, that
33 go on leave/sabbatical or separate from the university. Currently, the permit software
34 used by TPS does not provide daily sales reports. When TPS goes out to bid for
35 software companies, they would like to choose a permit system that allows for daily
36 sales reports.
 - 37 • TPS reported this Permits data was not conclusive as the number of permits sold did
38 not match the actual sales revenue.
 - 39 • The 2006-07 data is for 6 months, so will be less than the full amount for the year

40 Board inquiries focused on accuracy of permit sales data, permit types and associated
41 parking locations, analysis by frequency of permit sales, parking demand, lot inventory;
42 and prices of monthly and quarterly permits.

43
44 **Accuracy of Permit Sales Data**

45 The Board was concerned the permit sales data was not quite accurate and requested
46 TPS to update the data to make it more accurate.

47
48 **Permit Types and Parking Locations**

49 Chair Goulias stated:

- 50 • The Faculty permits sold were not much less than Staff permits sold, especially
51 considering the ratio of Staff to Faculty members is 3 to 1.
52 • The number of permits sold could be mapped geographically to available parking
53 locations on campus
54

55 The Board decided to continue this agenda item until the next meeting due to have more
56 time to review the documents supplied from TPS and Bob Silsbee.
57

58 **IV. Overview Chancellor's Reply to Past Recommendations**

59 Chair Goulias reported since the last meeting, he met with Marc Fisher and Donna
60 Carpenter to discuss the Chancellor's response to the Board's recommendations. Chair
61 Goulias reviewed a potential letter that will be sent to Donna Carpenter and the
62 Ratepayers Board as a reply to the Ratepayer Board's recommendations from 2005-06.
63 The Chancellor has yet to distribute an official response to the Board's
64 recommendations. Due to no response to the Board from the Chancellor, this agenda
65 item is postponed until further notice.
66

67 **V. Revenue Generation Plan**

68 The agenda item focused on the "Staff Report and Background Information for Selected
69 Agenda Items" (please refer to Attachment "C").
70

71 Board queries and discussion focused on debt service, parking demand, storage
72 parking, sponsorships, changing parking rates for certain permit types, Night & Weekend
73 Parking permits, and multiple permits per Faculty or Staff member.
74

75 **Debt Service**

- 76 • Chair Goulias stated there needs to be more revenue generated for Parking Services
77 to cover the debt service on the parking structures.
78 • The debt service covers the principal cost and interest for constructing the three
79 campus parking structures (Mesa 18 Parking, 10 Parking, and 22 Parking)
80

81 **Parking Demand**

- 82 • The Board inquired the anticipated occupancy levels of the 22 Parking structure? 22
83 Parking structure's demand will be determined after it is opened later in the quarter
84 and the construction of new buildings (Student Resource Building, Snidecor
85 expansion)
86 • Marc Fisher, Associate Vice Chancellor (AVC) of Campus Design & Facilities stated
87 there will be an increase of UCSB employees hired for the Student Resource
88 Building, which will increase parking demand in that area
89 • There will be 1075 spaces in 22 Parking and approximately 560 spaces will be lost in
90 the adjacent lots 20 and 21 due to construction of the Education & Social Sciences
91 Building (ESSB)
92 • AVC Fisher stated 22 Parking structure was built with 300 overflow spaces in
93 anticipation of the Isla Vista parking plan, but this currently has not being
94 implemented. These 300 spaces could become storage parking for students living in
95 Isla Vista
96 • The Board inquired how many spaces in lots 20 & 21 are Faculty and/or Staff parking
97 spaces? There are currently 115 spaces for Faculty in lot 20. In lot 21, there are
98 currently 27 Faculty only spaces, 142 Faculty/Staff spaces, and 246

99 Faculty/Staff/Student spaces. Total in lots 20 & 21, there are 560 spaces that will be
100 lost with the construction of the ESSB.

101
102 **Storage Parking**

- 103 • The Board requested TPS provide a proposal to the Board on how to make storage
104 parking available in Lot 22 Parking to increase revenue and provide better service to
105 students
- 106 • The Board stated 22 Parking is an attractive and convenient parking area for
107 students living in Isla Vista due to its proximity to Isla Vista, so students in Isla Vista
108 should be targeted for storage parking in 22 Parking
- 109 • The Board suggested doing outreach to students who would be interested in storage
110 parking as soon as possible
- 111 • AVC Fisher suggested a lottery for storage parking that included UCSB students
112 living in Isla Vista
- 113 • The Isla Vista Development requested 50 spaces on the campus for their future
114 employees who will work at proposed offices in Isla Vista
- 115 • The Board stated UCSB needs to first serve UCSB students, faculty, and staff before
116 looking into the parking needs of those not affiliated with UCSB
- 117 • Board member Bouraad-Nash suggested storage parking on the top level of the
118 Mesa 18 Parking structure. Board member Bouraad-Nash requested TPS determine
119 the number of available spaces to rent as storage parking in this area.

120
121 **Parking Rates for Other Permit Types**

- 122 • Board member Bouraad-Nash suggested TPS raise the rates of the Reserved
123 permits due to the reserved spaces being available 24-hours to Reserved permit
124 holders but unavailable to other permit types
- 125 • Chair Goulias suggested increasing the parking rate for certain groups of people who
126 park on campus.
- 127 • 10 Parking is for Faculty and Staff (“S” and “A”) permit holders only; 22 Parking will
128 be for visitors, students, faculty, and staff.

129
130 **Sponsorships**

- 131 • There is a slight possibility that donors would want to pay UCSB to have the parking
132 structures named after themselves, however, how their donations would be
133 distributed is uncertain
- 134 • Sponsorships obtained from companies through advertising in the Parking structures
135 could raise revenues
- 136 • The Board stated the Committee on Faculty Issues and other parties would have to
137 be consulted about advertising in the parking structures

138
139 **Night & Weekend Parking Permits**

- 140 • Night & Weekend parking permits are valid Monday-Friday from 5pm until 7:30am
141 and all day on weekends
- 142 • Chair Goulias suggested the weekday night rates be separated from the weekend
143 day rates and then increase the weekend rate. Chair Goulias requested TPS provide
144 analysis on the impact of this possible rate change on the budget

145
146 **Multiple Parking Permits for Faculty/Staff Members**

147 Chair Goulias proposed Faculty and Staff members be allowed to buy additional parking
148 permits per person at a premium price.

- 149 Board discussion:
- 150 • The Board had concerns about the potential of a UCSB employee giving away a
 - 151 permit to someone who is not eligible for the permit
 - 152 • Board member Harkins stated the permits were required to be associated with a
 - 153 vehicle and its registered owner, so the permits could be enforced by checking the
 - 154 associated vehicle registration
 - 155 • The Board agreed that the multiple parking permit possibility could be a way to
 - 156 generate revenue and requested TPS to provide analysis on how much revenue
 - 157 could be generated from this proposal

158

159 **VI. Student Services (lock-in fees)**

160 Currently, undergraduate and graduate students pay a lock-in fee for a complimentary

161 monthly Night & Weekend parking permit per student.

162

163 Bob Silsbee reported that Administrative Services and TPS were unable to work with

164 Associated Students (AS) to put a renewal of the lock-in fees on the ballot due to the 5-

165 year moratorium passed in October 2006. TPS will have to wait until October 2007 to put

166 a lock-in fee for Night & Weekend parking on the Spring 2008 campus-wide ballot. For

167 more information, please refer to the “Staff Report and Background Information for

168 Selected Agenda Items” (please refer to Attachment “C”). Associated Students

169 President, Jared Goldschen, requested evidence that students use their Night &

170 Weekend permits on a cost-effective basis. This analysis would require a license-plate

171 survey to report how often students use their Night & Weekend permits on a monthly

172 basis.

173

174 Board discussion and queries focused on the Student Night & Weekend parking permit

175 distribution system and on the students’ use of the Student Night & Weekend permits.

176

177 **Student Night & Weekend Parking Permit Distribution System**

178 Prior to Fall 2006, the permit machines would dispense Night & Weekend permits for

179 students by using the magnetic stripe on the back of their Access cards. However, this

180 fall, this system was changed so that students would have to either retrieve the 30-day

181 Night & Weekend permits at no additional cost from Parking Services or by purchasing

182 an annual Night & Weekend permit sticker online for \$4.95.

183

184 Board members Brower and Deutsch reported the new distribution system of Student

185 Night & Weekend permits is inconvenient and/or costly to students. Many students find

186 this inconvenient since the hours of the Parking Services office (7:30am to 5pm) was not

187 conducive to get their Night & Weekend permit. The fee of \$4.95 is also costly to some

188 students.

189

190 TPS responded they were unable to continue dispensing Night & Weekend permits

191 through the permit machines due to the difficulty and cost of programming the machines.

192 Board member Deutsch inquired if there could be a way for students to go online and

193 print out their Night & Weekend permits. Board members Brower suggested that the

194 Night & Weekend permit be linked with the Registration Sticker on GOLD and have the

195 Night & Weekend permit mailed to them at no additional cost.

196

197 **Students’ Use of the Night & Weekend Permits**

198 Board member Deutsch reported most students use the Night & Weekend permits from

199 5-9pm on weekdays for a late class, and students may use the Night & Weekend permit

200 on a regular basis for one quarter and then not for other quarters when their class
201 schedules change. Board member Deutsch also reported some students may use the
202 Night & Weekend permits to go to the library, but usually not on a regular basis, such as
203 just during finals week
204

205 **VII. Cost Reduction Plan (capital and operating)**

206 Chair Goulias reported UCSB Administration encouraged the Board to not focus on
207 operating costs, but only the capital costs of Parking Services. Chair Goulias stated the
208 Board would not raise permit rates unless there is evidence that parking funds are being
209 used responsibly and revenue-generating ideas are considered. Chair Goulias
210 requested TPS create a system of operating costs that respects the principle but stops
211 rate increases. The Board stated that TPS would have no carryover if they had high
212 operating costs.
213

214 **VIII. Adjournment**

215 The meeting adjourned at 10:05am. The following agenda items were listed for the next
216 meeting, scheduled on February 7, 2007 from 11-1pm in the UCen Mission Room.

- 217 1. A report of parking permits by month covering at least a year
- 218 2. Specific proposals for renting parking at different structures/locations and to different
219 potential markets
- 220 3. Review student services regarding the Night & Weekend permit lock-in fee and
221 provide a plan for improvement in service
- 222 4. Specific proposals for raising funds through sponsorships
- 223 5. Specific proposals to provide a second permit for faculty and staff at a
224 premium
- 225 6. Specific proposals for cost cutting/reduction
- 226 7. A report on expenditures from reserve account in 2006-2007

Attachment "A"

**Transportation Parking Services
Permits Data
2003-04, 2004-05, 2005-06
2006-07 thru 12/31/06**

Fiscal Year	2003-04	2004-05	2005-06	2006-07 (6 month)
	Volume	Volume	Volume	Volume
Faculty	1,372	1,455	1,489	1,440
Staff	1,580	1,892	1,584	1,920
Graduate/Limited Staff	1,007	573	683	696
Student/Commuter	4,280	3,027	2,643	2,123
Reserved	33	34	33	33
Residence Hall Students	1,112	1,197	1,144	817
Night and Weekend	44	122	57	39
Off Campus	37	35	30	35
Vendor	255	361	353	136
One Month	482	560	834	584
Faculty Carpool	35	55	66	74
Staff Carpool	101	110	144	120
Annual/Quarter Permit Totals	10,338	9,421	9,060	8,017

Notes

Quarterly permits not offered as an option for these fiscal years and permit types.

Attachment "B"

PARKING REVENUE: SUBSCRIBED PERMITS

	6 Months	12 Months	12 Months	12 Months
Subscribed Permits	2006-2007	2005-2006	2004-2005	2003-2004
Cash Received	\$42,215	\$83,582	\$82,102	\$224,356
P/R Deductions	\$637,012	\$1,255,274	\$1,273,387	\$1,223,958
BARC: 0340 / 0721	\$3,457	\$292	\$127,527	\$496,216
ULCA	\$252	\$1,214	\$5,747	\$10,780
IPARQ WIRE TRANS	\$1,024,180	\$1,170,288	\$1,094,053	\$667,034
Cumulative	\$1,707,116	\$2,510,650	\$2,582,816	\$2,622,344

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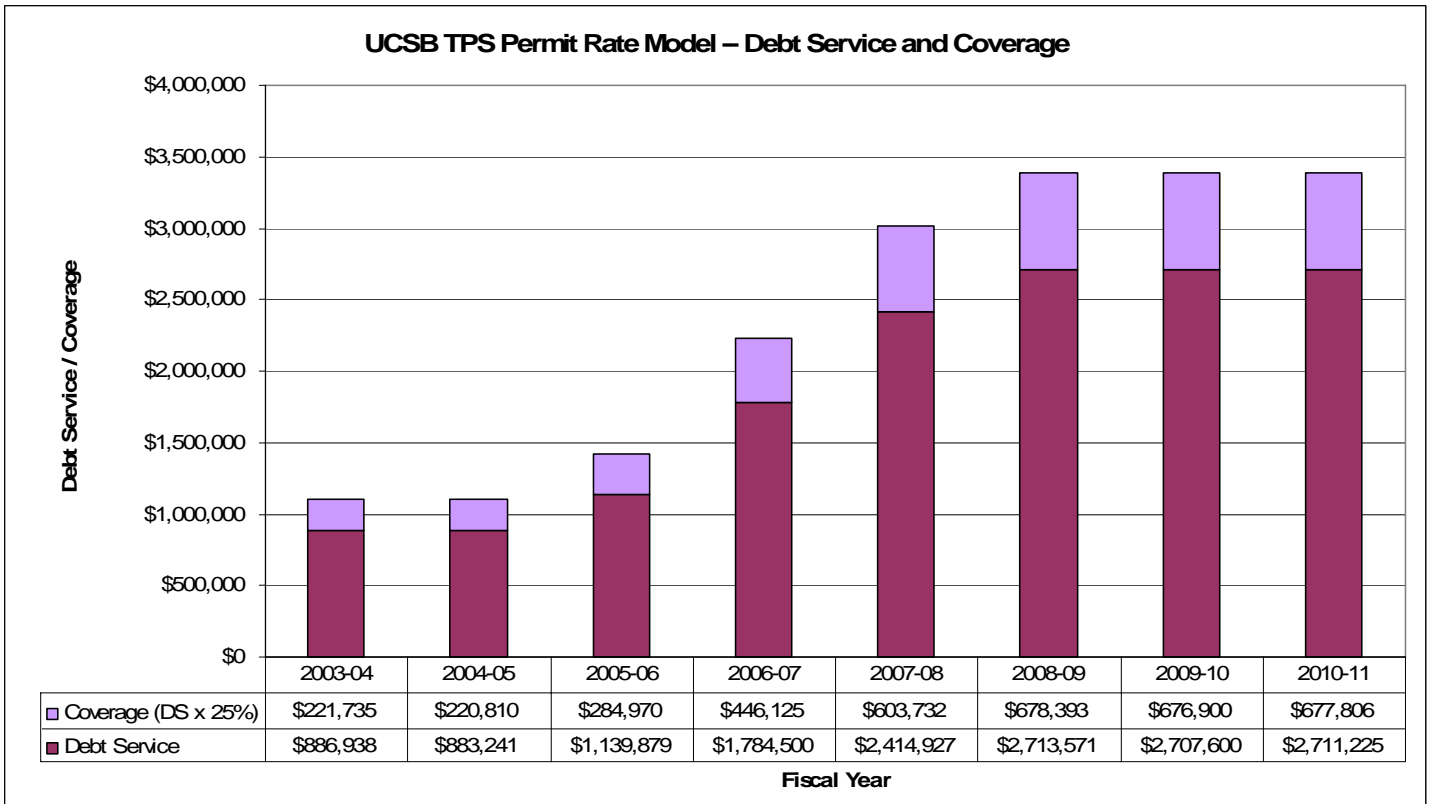
Attachment "C"

**Transportation & Parking Services
Ratepayer Board
January 29, 2007
8:30-10:00AM**

Staff Report and Background Information for Selected Agenda Items

Item III. Overview of Permits, Revenues, and Costs (Rate Model Update)

Debt Service. Total debt service for CPS 1, CPS 2, and CPS 3 will increase from \$1,139,900 last fiscal year, to \$1,784,500 this year, to \$2,414,900 next year, to \$2,713,600 in FY 2008-09.



Detail: The debt service for the Mesa Structure was \$883,000 annually, but this bond was refinanced at a lower interest rate and the term extended (30 years, 2005-2035), lowering the debt service to \$752,000 annually beginning in FY 2007-08. (This year and last year interest-only payments were made on the newly refinanced bond, so actual debt payments were less.) Debt Service requirements continue to increase for both CPS 2 and CPS 3, as both of those structures are also now permanently financed by bonds. This year, a full year of interest-only payments of \$579,000 will be paid for CPS 2, and partial year of interest-only payments of \$659,000 will be paid for CPS 3. Beginning next year, a full year of principal-plus-interest of \$784,000 will be due each year for 30 years for CPS 2. Next year, a full year of interest-only of \$879,000 will be due for CPS 3, and beginning the following year, a full year of principal-plus-interest of \$1,173,000 will be due each year for 30 years for CPS 3.

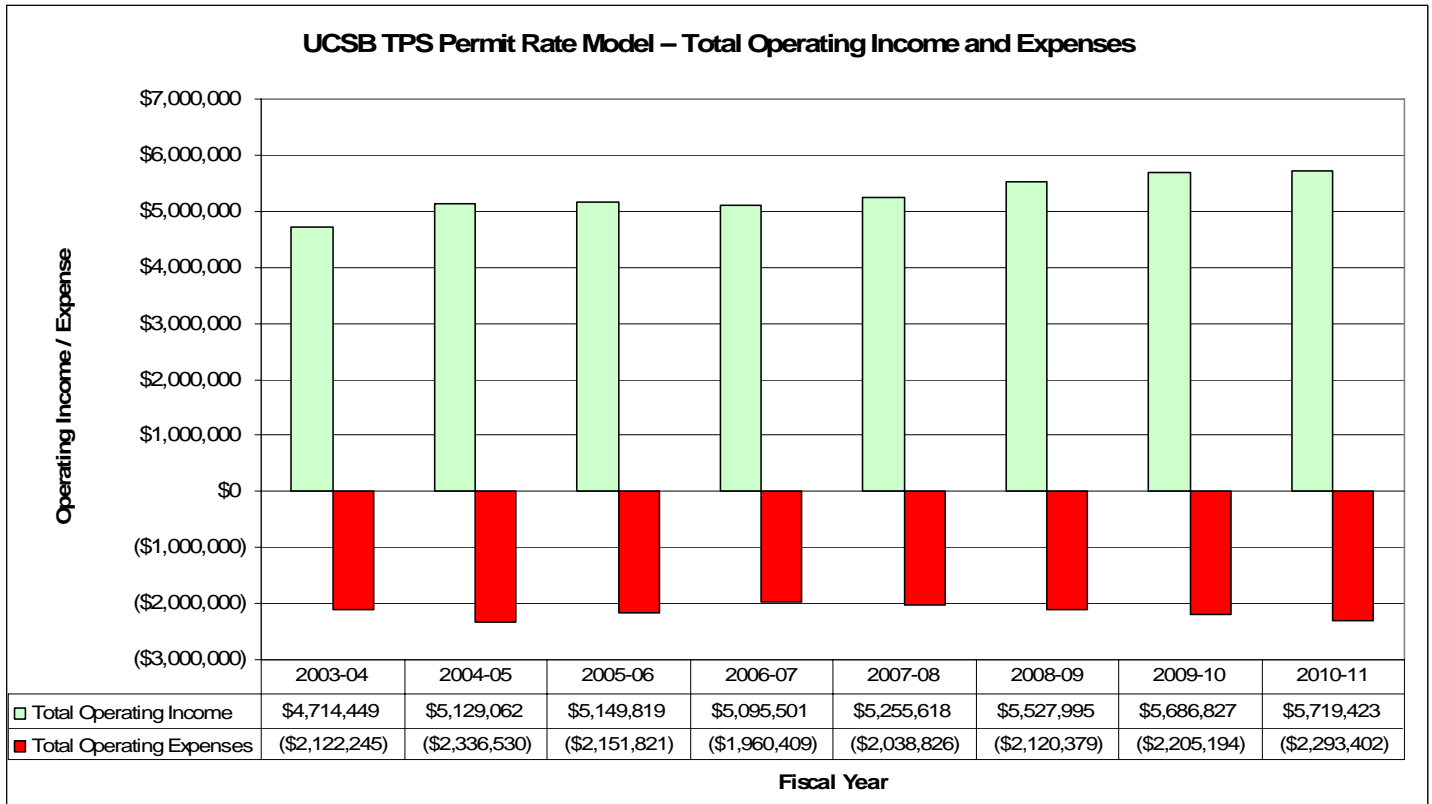
Debt Service Coverage. As a condition of bond financing, bond holders require that the operations that obtain bond financing maintain a debt service coverage ratio of at least 1.25 (i.e., net operating income must equal or

Attachment "C"

exceed 1.25 x total debt service for CPS 1, CPS 2, and CPS 3). Thus as debt service increases, as discussed above, the debt service coverage requirement will also increase from \$285,000 last fiscal year, to \$446,100 this year, to \$603,700 next year, to \$678,400 in FY 2008-09.

Net Operating Income = Debt Service plus Coverage Requirement. Net Operating Income must equal or exceed debt service plus coverage. The minimum Net Operating Income requirement increased from \$1,424,800 last fiscal year, to \$2,230,600 this year, and will increase to \$3,018,700 next year, to \$3,392,000 in FY 2008-09. Actual Net Operating Income last fiscal year was \$2,998,000 and this year Net Operating Income is anticipated to be \$3,135,100. By FY 2008-09, Net Operating Income must increase by at least \$394,000 from last fiscal year so that Net Operating Income is at the minimum level needed to attain the 1.25 debt service coverage requirement.

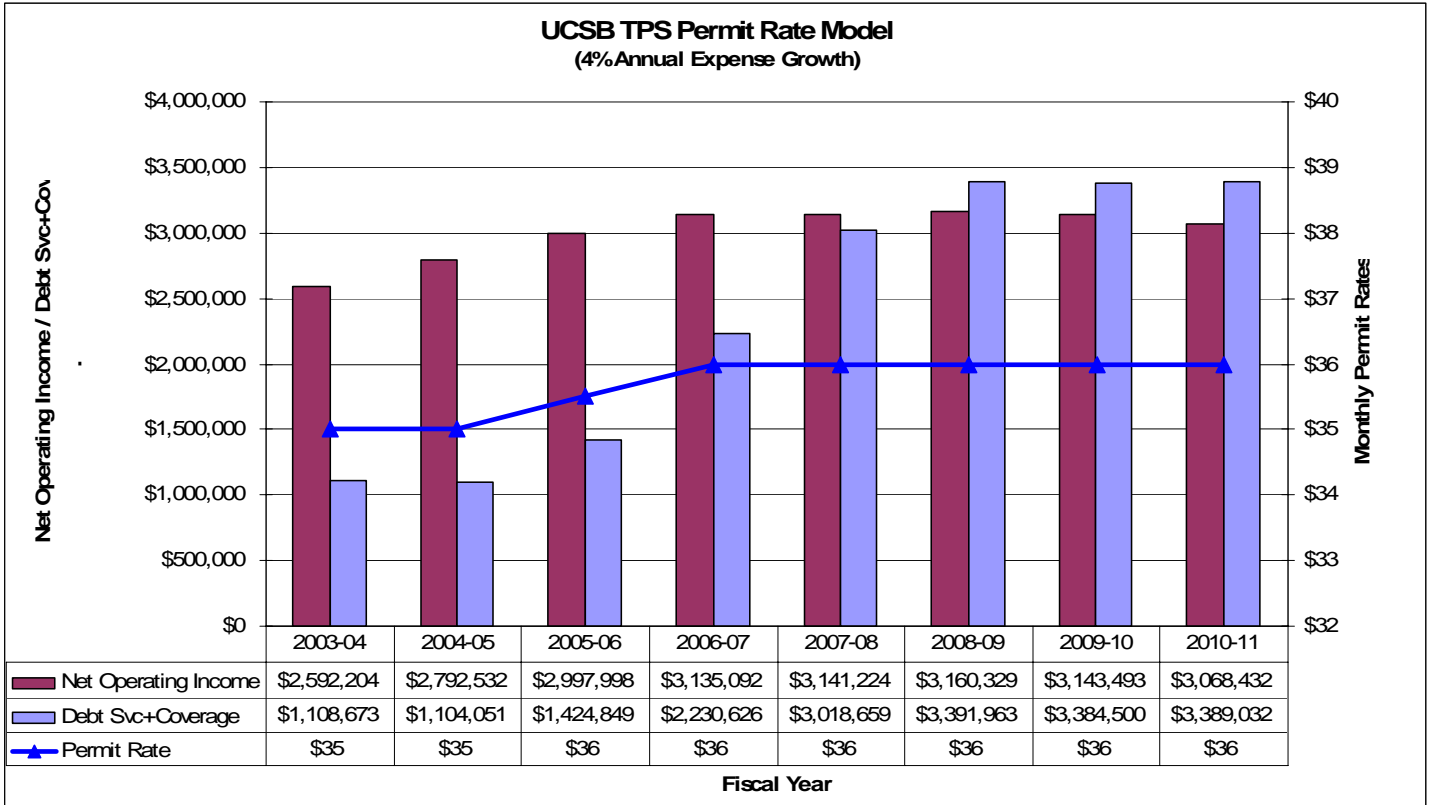
Net Operating Income = Total Operating Income – Total Operating Expenses. Overall, Net Operating Income, without any changes in permit rates or other rates or fees, is projected to increase by \$130,900 by FY 2008-09 due to conservatively projected increases in sales. As indicated above, Net Operating Income must increase by at least \$394,000 by FY 2008-09 to satisfy the 1.25 debt service coverage requirement, so either Total Operating Income must increase or Total Operating Expenses must decrease (or some combination of both) by an additional \$263,100.



Detail: Total Operating Income is anticipated to decline in the current fiscal year by \$54,300 from last year (the Events unit was moved from the Parking Operations budget resulting in a decrease in Total Operating Income). Next year, due primarily to fairly conservative projections for about 1% growth in sales of subscribed permits (e.g., monthly, quarterly, annual) and 3% growth in sales of transient permits (daily, night & weekend), Total Operating Income is expected to increase by \$84,500. In FY 2008-09, with similar sales growth projections, Total Operating Income is expected to increase by an additional \$100,700. The net change in Total Operating Income over these years from last fiscal year is an increase of \$130,900.

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Detail: Total Operating Expenses are anticipated to decrease in the current fiscal year by \$191,400 from last year (the Events unit was moved from the Parking Operations budget resulting in a decrease in Total Operating Expenses). Next year, due primarily to a projection for 4% growth in operating expenses (UC Regents budgeted salary increase is 4% in 2007-08 and future years¹, not including expected increases in UC contributions to the employee retirement plan or benefit cost increases; CPI-LA-All Items = +4.5% in 2005 and +4.3% in 2006), Total Operating Expenses are expected to increase by \$78,400. In FY 2008-09, with similar projections for 4% annual increases in operating expenses, Total Operating Expenses are expected to increase by an additional \$81,600. The net change in Total Operating Expenses over these years from last fiscal year is a decrease of \$31,400.



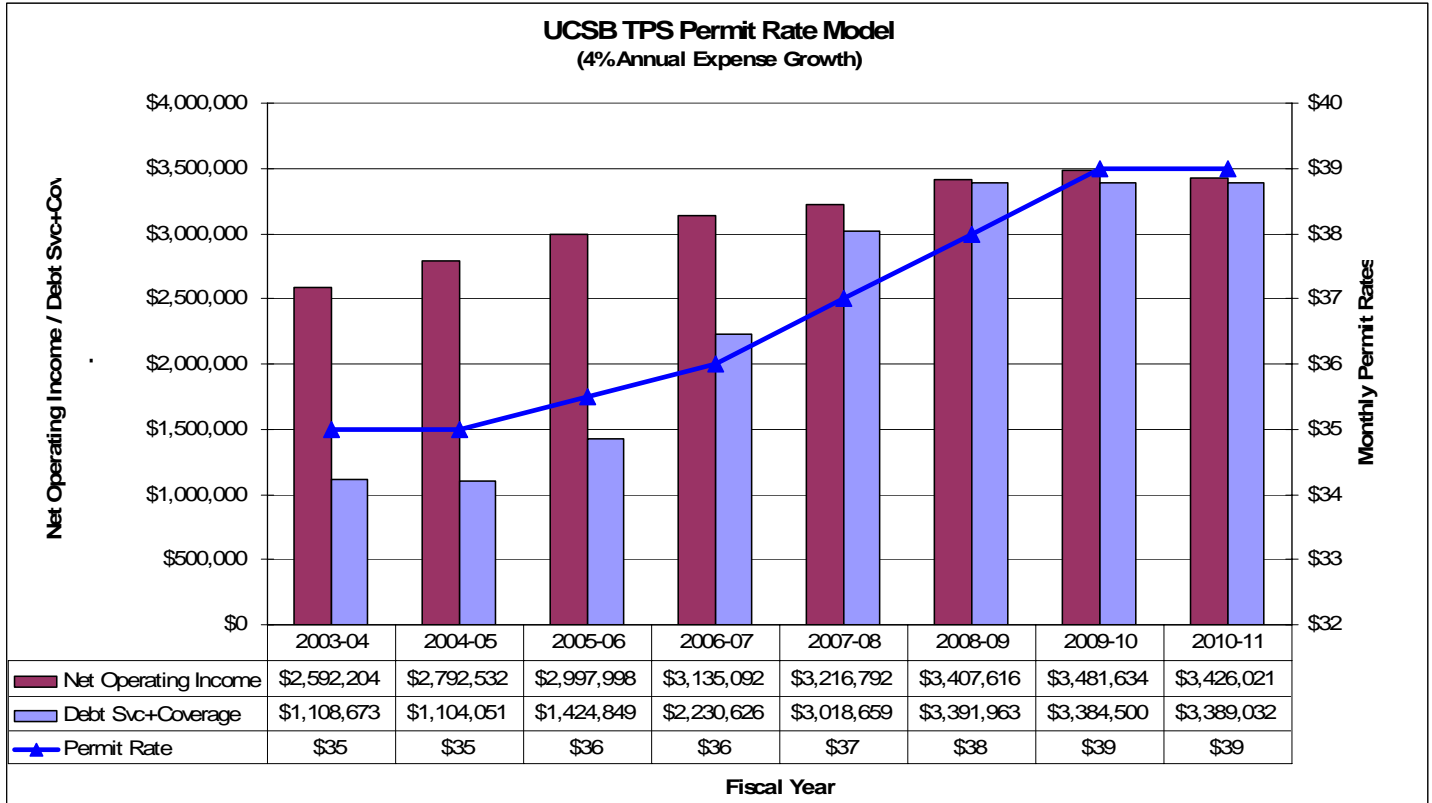
Financial Situation Without Permit Rate or Other Changes. If there are no changes in subscribed or transient permit or other rates, or other increases in income or reductions in expenses, Net Operating Income is projected to fall short of the level needed to satisfy the 1.25 debt service coverage requirement by about \$231,600 in FY 2008-09. Net Operating Income continues to decline in this scenario as Total Operating Expenses increase by a projected 4% annually, but projected growth in sales of subscribed permits of approximately 1% annually, plus transient sales growth at 3% annually, is insufficient to achieve the level of Net Operating Income needed to satisfy the 1.25 debt service coverage requirement.

¹ "The new higher education Compact was announced by Governor Schwarzenegger in May, 2004. The fiscal provisions of the Compact are designed to provide sufficient resources for the following: **Block Allocation for Salaries, Employee Benefits, and Other Basic Support** — adjustments of 3% in 2005-06 and 2006-07, and adjustments of 4% for 2007-08 through 2010-11. The importance of this element of the Compact cannot be overstated. Faculty salaries are estimated to be about 10% behind the average of comparison institutions; there is a similar problem related to staff salaries." (2007-2008 Budget For Current Operations, November 2006, Office Of The President, pg. 40)

Attachment "C"

Financial Situation With Permit Rate or Other Changes. The RPB should examine methods to generate additional operating income and/or reduce operating expenses (both subjects on the current RPB January meeting agenda). An example of a combination of changes that would produce enough additional income to maintain Net Operating Income at the level required to satisfy the 1.25 debt service coverage requirement by FY 2008-09 and in future years is shown in the following graph:

1. an annual \$1 per month increase in subscribed permit rates for three years, beginning next year; plus
2. an increase in night & weekend lock-in fees to \$4 per student per quarter, beginning in FY 2008-09; plus
3. an increase of \$25,000 annually in income generated by renting or leasing spaces and/or sponsorship of Parking Structure(s).



Detail: Total Operating Income is estimated anticipating the following: FY 2006-07 subscribed permit income, estimated at \$2,864,618, is greater than the amount budgeted this fiscal year. Through six months (July-December), this appears to be a reasonable projection, based a comparison to the amount of subscribed permit income through six months last fiscal year. FY 2006-07 transient permit income plus meters, estimated at \$1,587,079, appears to be on target for (and may even exceed) the amount budgeted this fiscal year. Through six months (July-December), this appears to be a reasonable projection, based a comparison to the amount of transient plus meter income through six months last fiscal year. Other sources of income—Night & weekend lock-in fees (\$209,000), the campus contribution (\$250,000), interest earnings on cash balances (\$152,000)—all appear to be consistent with the amounts budgeted this fiscal year.

TPS recommends that the Ratepayer Board consider the following:

1. Additional income generating plans, if possible (discussed in more detail in Item V, below)
2. GSA and AS N&W parking lock-in fee increases, if possible (discussed in more detail in Item VI, below)

Attachment "C"

3. Increase of \$1 per month in subscribed permit rates, beginning July 1, 2007 (if accepted, this recommendation from the RPB would need to be forwarded to the Chancellor by the end of March to provide adequate notice to employees in bargaining units)

Attachment "C"

Item V. Revenue Generation Plan (Renting spaces, sponsorships, other)

Renting spaces in Parking Structure(s). One plan that has been discussed previously is to offer spaces in the new 22 Parking Structure (CPS 3) to UCSB students that reside in Isla Vista for storage parking. Currently, students that reside in Isla Vista are not allowed to purchase on-campus subscribed parking permits to promote the use of alternative transportation (i.e., walking or biking the short distance to campus). The rate for storage parking in the structure, since spaces would likely have lower than average turnover during the day, could be greater than the usual campus subscribed permit rate. People have discussed rates of double or triple the usual \$36 subscribed permit rate.

Another plan that has been discussed is to offer parking spaces in different locations on campus for a temporary period to for-profit vendors (Levis, for example, has approached the campus in the past). If such use of parking spaces does not interfere with normal operations of the campus (i.e., does not utilize a group of spaces that would normally be at or near capacity during the time of the vendor's use), such temporary use could generate some additional income for TPS. The rate for such use would be at least the equivalent of the \$8 per day (Mon-Fri) and/or \$2 per night or weekend day (nights, Sat-Sun) and also may require set-up and break-down charges for any labor costs incurred by TPS personnel. An additional mark-up for external non-affiliated organizations may also be required.

The County of Santa Barbara Redevelopment Agency, in conjunction with an Isla Vista Commercial/Residential project developer, approached UCSB approximately one year ago to determine whether parking spaces in the new west-side 22 Parking Structure could be leased on a long-term basis (Attachment 1). The basis for this request came about when the County suggested to this developer that the proposed development could utilize all of the available space at the project site for the commercial/residential building space and commercial parking, and residential parking for the development could be located in a future downtown Isla Vista parking lot. In the meantime, prior to completion of a downtown Isla Vista parking lot, the County suggested that the developer could lease space for the residents of the proposed development from UCSB. UCSB's response provided to the County (Attachment 2) indicated that UCSB would need to price such a lease to recover its marginal costs, and that the term of the lease that the County wanted to secure, of up to 25 years, was probably infeasible for the University. At this time, the County has not formally responded to UCSB, however, in conversations with the Redevelopment Agency official who made the request, it is clear that the cost cited by UCSB was a significant barrier to an agreement. At the time, one year ago and prior to completion of the 22 Parking Structure and observation of its actual utilization, it did not seem prudent to offer the lease of spaces in the structure on a long-term basis at anything less than the marginal cost to construct an additional space in a structure on campus. The request from the County, nevertheless, does indicate that there may be some demand from outside entities for leased spaces in 22 Parking Structure or elsewhere on campus.

With concurrence from the Ratepayer Board (RPB), following opening of 22 Parking Structure (with 1,000 spaces; expected completion Feb-2007) and nearby Snidecor Office Wing Seismic Replacement and Student Resource Building projects (expected completion Feb-2007); and closure of Lots 20 and 21 (with 500 spaces; expected closure Feb-2007); Transportation & Parking Services (TPS) will report back to the RPB with general space utilization information for 22 Parking Structure.

1. If there appears to be adequate excess capacity in 22 Parking Structure, the RPB may want to consider offering:
 - a. permits to allow UCSB students that reside in Isla Vista use of a specific part of the structure (or elsewhere) for storage parking;
 - b. parking spaces in different locations on campus for a temporary period to for-profit vendors;
 - c. lease of spaces in the structure to the County, or other interested parties, at less than the marginal cost to construct an additional space on campus. At that time, the RPB can consider

Attachment "C"

potential lease rates, term of the leases, and the maximum number of spaces to be offered to outside entities.

2. Or, the RPB may direct TPS to proceed now to offer one or more of these programs. If this is the RPB direction, the RPB should consider potential storage rates, for-profit vendor rates, lease rates, term of the leases, and the maximum number of spaces to be offered to each group.

Sponsorship/advertising in Parking Structures. The Athletics Dept. has been successful in obtaining income from sponsorships in the Events Center, Harder Stadium, and the baseball and softball stadiums. At the Events Center, sponsors place advertisements on 4' x6' signs at either end of the basketball/volleyball court, on the scoreboard which hangs from the ceiling above center court, and on "rotating" billboard signs in front of the official scorer/announcer/press table. Sponsors also place advertisements on non-permanent signs (e.g., banners) at the stadiums. Sponsors also have other advertising opportunities (e.g., on the back side of paper tickets, at the Athletics web site). Joe Castiglia, Asst. Athletic Director-Marketing, coordinates this sponsorship program. He estimated the income generated at \$100,000-\$200,000 annually. However, obtaining and maintaining all of these sponsorships is a significant task (and cost) for Athletics, and Joe noted that more than 60% of the sponsors are in the \$2,000-\$3,000 range. Joe's recommendation to TPS was to first contact some potential major local sponsors to determine whether there might be any interest to provide sponsorship of an entire parking structure to obtain "naming rights". For example, 10 Parking Structure might be re-named the "Toyota of Santa Barbara Parking Structure" or "Mel Clayton Ford Parking Structure" and the sponsor could place signs and logos at the entrance and at appropriate locations (e.g., backlit signs near elevators) throughout the structure. If there appears to be some interest, Joe recommended that TPS should then follow-up by estimating what the costs of signage would be (e.g., costs of signage, including installation and extension of electrical for backlit signs). If, for example, a sponsor might be willing to sponsor a structure for \$25,000 per year, but the initial costs of signage installation is roughly equivalent to that amount, then TPS would want to enter into a multi-year contract with such a sponsor; while the initial year may not provide any net income, in future years net income would be positive.

The potential naming of buildings, including parking structures at UCSB must go through an approval process. Prior to moving forward with such a plan, TPS has been advised by the campus Policy Coordinator to understand and comply with campus policies and to vet this idea with Development and campus Senior Officers and/or the campus Vice Chancellors.

With concurrence from the RPB, TPS—through the Office of the Vice Chancellor of Administrative Services—will contact Development and each campus Vice Chancellor, and/or Senior Officers, to obtain feedback on this proposal. If there are no objections, TPS will begin contacting potential major local sponsors (see letter – Attachment 3; to be followed up with phone calls; optionally, TPS could also place advertisements in local newspapers requesting a notice of interest in sponsorship of the three main campus structures). Sponsors would be credited on the signage with providing funds to TPS to keep user rates as low as possible. If there appears to be interest from potential sponsors, TPS will work with the Minor Capital Projects group to identify appropriate locations for signs within the structure(s) and to obtain cost estimates for sign installation. The RPB will be kept informed on progress on this income-generating plan, and no substantial expenses (i.e., other than costs for in-house labor and telephone and mail communication; RPB should indicate whether expenses for the optional local newspapers advertisements are desired and approved) will be made until the RPB approves moving forward (cost estimates for sign installation would typically include a recharge, and thus would require RPB approval at a later date).

Attachment "C"

Item VI. Student Services (lock-in fees)

Student lock-in fees for Night and Weekend Parking. In the Parking Financial Rate Model, it had been assumed for the past several years that when Night & Weekend (N&W) parking fees to the general public were increased by 50% from \$2 to \$3 per night (now expected July 1, 2007), that the monthly N&W permit rate would also increase by 50% from \$10 to \$15 per month, and that the student N&W parking lock-in fees would also increase by 50% from \$3.33 to \$5 per quarter per student. The N&W parking lock-in fee increases were estimated in the rate model to bring in an additional \$90,000 annually from undergraduate students, plus \$14,000 annually from graduate students. (The monthly N&W permit rate is paid primarily by UCSB night employees and the general public. If this rate increased from \$10 to \$11 per month, TPS would only bring in an additional \$460 annually from employees, but might collect almost \$6,000 more each year from the public. If this rate increased from \$10 to \$15 per month, TPS would only bring in an additional \$2,300 annually from employees, but—assuming no reduction in sales—would collect almost \$30,000 in additional income from the public. These additional amounts were never explicitly included in the rate model.)

However, the process to increase N&W parking lock-in fees through Associated Students (AS) has become complicated by the 2006 Students' Initiative for a combined lock-in fee increase of \$100 per undergraduate student per quarter (see: <http://as.ucsb.edu/election/si.shtml>). When undergraduate students passed this initiative in a special election in October 2006, the measure included a provision to "require that participating organizations observe a 5-year moratorium on further fee requests if the measure passes." Because there is an existing lock-in fee for N&W parking, TPS was considered by the AS Executive Director as a "participating organization", and thus will be barred from placing a measure on the AS ballot to increase this lock-in fee until 2012. (AS President Jared Goldschen was planning to check on this.)

TPS learned of this issue when it contacted AS recently to place an increase in the N&W parking lock-in fee on the Spring 2007 AS ballot.

TPS was informed by AS that every two years, AS automatically places on its ballot a measure for reaffirmation of any existing lock-in fee for the subsequent two years. AS has informed TPS that through this automatic process, reaffirmation of the N&W parking lock-in fee (at \$3.33² per student per quarter) will be placed on the Spring 2007 AS ballot this April, and on every election ballot every other year into the future, unless reaffirmation in any given year is not achieved through a majority of votes. AS indicated that if the reaffirmation is passed every two years by a majority of voting students, N&W parking will continue to be provided by TPS. AS further informed TPS that a lock-in fee increase could be added to the ballot as a separate ballot measure in 2012 after the five-year moratorium is lifted, but students would be unlikely to pass such a measure unless there was some additional service or a reasonable explanation for the increase. The 2006 Students' Initiative does include the following language, "Additionally, beginning in 2012 a Cost of Living Allowance (COLA) adjustment for inflation will be calculated and assessed every 5 years based on a 5-year average." TPS (and Administrative Services) question whether it can and would be able to provide AS with continuing N&W parking services at the same fee per student per quarter indefinitely into the future—even with a COLA provision. AS maintains that this fee is now locked-in and service must therefore be provided if the ballot measure continues to be reaffirmed every other year.

Over the past several years in discussions of parking rates at RPB meetings, TPS has signaled its intention to recommend increases in N&W parking lock-in fees to the RPB—including AS and GSA representatives on the RPB—when and if N&W parking fees are increased for the general public and to faculty and staff. AS President

² While AS collects \$3.33 per student per quarter, it has "recharged" TPS approximately 10% of this amount during the Fall, Winter, and Spring quarters each year, so TPS actually receives approximately \$3.00 per student per quarter. According to the AS Executive Director, AS follows this practice with all of its lock-in fee income recipients, as this is the only way that AS is able to fund its current operations. TPS and Administrative Services questioned this practice by AS, and have pursued receipt of all of the N&W parking lock-in fee income in meetings with the AS Executive Director, but to no avail.

Attachment "C"

Jared Goldschen indicated in a recent discussion on this matter that if undergraduate students were to consider an increase in the N&W parking lock-in fees (setting aside for the moment the moratorium discussed above), he felt that there should be some data showing utilization of parking by students during nights and weekends. In discussing this issue further, TPS has data showing the number of N&W permits issued to students over the past several years (Attachment 4), but TPS really has no *definitive* data to indicate that the current N&W parking lock-in fees from both AS and GSA would net more or less than the amount of income that would be collected from students if they instead paid the N&W daily or monthly parking rates. Any student parking utilization data, if it is collected, would still not be completely definitive because an unknown factor is the "willingness to pay" of students at an alternative rate structure (i.e., at either \$3/night or weekend day, or \$10-\$11-\$15/month, depending on what this rate might be next year).

At a previous RPB meeting, TPS was directed to cease the collecting lot utilization data, and in the past TPS never collected such data at night or on weekends. Nevertheless, TPS could collect more data regarding the current utilization of parking by students at night and on weekends if so directed by the RPB. The cost of collecting lot utilization data could range from \$4,000 to \$10,000, depending on the length and complexity of the lot survey.

Last year, graduate students voted for, and passed, a one-year reaffirmation of the N&W parking lock-in fee at \$3.33 per quarter per graduate student. When contacted by GSA representatives last year on this matter, TPS (and Administrative Services) purposefully directed GSA representatives to place just the one-year reaffirmation (instead of two years) on its ballot, so that the N&W parking lock-in fees would remain the same for both GSA and AS until this year's Spring election, when N&W parking lock-in fees for both undergraduate and graduate students could be increased at the same time. GSA President Melissa Kwon indicated in a recent discussion on this matter that graduate and undergraduate students should have the same N&W parking lock-in fees, and she felt it would be difficult to place a fee increase on the GSA ballot if the AS ballot did not have a similar measure. (She also requested a breakdown of N&W and all subscribed permit issuance data by graduate and undergraduate students; TPS is looking into this data request.)

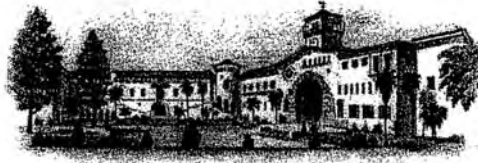
TPS recommends that the Ratepayer Board consider the following:

1. TPS places on the GSA ballot a measure to extend the N&W parking lock-in fee for one more year at \$3.33 per student per quarter. Next year, prior to the October deadline for the campus-wide ballot (i.e., fees for all students—undergraduate and graduate, together—are considered on this ballot), TPS would place on the campus-wide ballot a measure for a fee of \$3.33, \$4, or \$5 per student per quarter on the Spring campus-wide ballot. In the meantime, TPS would notify AS that the existing N&W parking lock-in fee may be collected by AS, but the service will no longer be provided individually to GSA and AS after June 30, 2008 (because TPS intends to offer the service to all students at the same fee through the campus-wide election). TPS would also place on the AS ballot (either this Spring or next Spring), a measure to officially rescind the existing \$3.33 per student per quarter lock-in fee as of July 1, 2008 (assuming it is reaffirmed in Spring 2007, this would rescind the second year of this two-year reaffirmation).
2. Between now and October, TPS will collect N&W lot utilization data by undergraduate and graduate students to assist in determining to the extent possible whether the appropriate lock-in fees should be \$3.33, \$4, or \$5 per student per quarter, or some other amount.

206239
County of Santa Barbara

11.00 GOVT RELATIONS

Michael F. Brown
County Executive Officer



105 East Anapamu Street, Suite 406
Santa Barbara, California 93101
805/568-3400 • Fax 805/568-3414
<http://www.countyofsb.org>

Executive Office

September 23, 2005

Donna Carpenter
4129 Cheadle Hall
UCSB, CA, 93106

Re: Request to lease parking spaces in Isla Vista

Dear Donna,

As we discussed last week, the Santa Barbara County Redevelopment Agency is requesting a lease for 30-50 parking spaces in downtown Isla Vista. Those spaces would be used to facilitate downtown revitalization by providing off-site parking solutions to new development projects. Off site parking:

- Allows more efficient land use by consolidating parking areas
- Can reduce funding gaps for important projects
- Improves urban design by eliminating curb cuts and parking areas on small lots.

Over the next 1-3 years, the Agency intends to develop a public parking lot in downtown Isla Vista. The spaces leased from UCSB would be relocated to the Agency parking lot once such a public lot is completed. The current fiscal year work plan for the Agency prioritizes the identification and acquisition of a site for a downtown parking lot.

While the Agency intends that the lease is a short-term parking solution for these important downtown catalyst projects, we request that the lease term be up to 25-years. We look forward to working closely on this, and other projects to improve Isla Vista. If you have any questions, feel free to contact me at (805) 884-8050.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Goldstein", with a long horizontal line extending to the right.

Jamie Goldstein, Deputy Director
Redevelopment Agency

cc: Supervisor Brooks Firestone, 3rd District Supervisor
Terri Maus-Nisich, Assistant CEO

James T. Laponis
Deputy County Executive Officer
jlaponis@co.santa-barbara.ca.us

Ron Cortez
Deputy County Executive Officer
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UNIVERSITY OF CALIFORNIA, SANTA BARBARA

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SANTA BARBARA, CALIFORNIA 93106-2033
Tel: (805) 893-2770
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<http://www.ucsb.edu>

February 2, 2006

Jamie Goldstein
County of Santa Barbara Redevelopment Agency
105 E Anapamu, Room 303
Santa Barbara, California 93105

Re: **Potential for Lease of UCSB Parking Spaces**

Dear Jamie:

I understand from your letter of September 23, 2005 and from numerous past conversations that the Redevelopment Agency is considering construction of a parking structure in downtown Isla Vista, but is looking for an interim parking solution until such a structure can be built. The County has asked if UCSB has the ability to lease campus parking spaces to the Redevelopment Agency, and if so, what terms and conditions would such a lease include.

First, UCSB employees are eligible to obtain an on-campus parking permit that would provide them with access to park in any staff campus parking space 24 hours per day, seven days per week (although, technically car storage is prohibited on campus). Therefore, any UCSB employee that resides in any proposed housing project in downtown Isla Vista would be eligible to park on campus on a space available basis. This may or may not be helpful in the permitting process to any project applicants that are planning to build housing in Isla Vista for UCSB employees.

Before we initiate any more formal discussions of a lease with the Redevelopment Agency, I should let you know that the campus would likely be able to structure a lease for up to 50 spaces only for a limited time period of perhaps no more than five years, with a possibility of renewal under certain circumstances.

The campus would need to recover at least the marginal cost of an additional parking space within a parking structure, because the campus could reach capacity during the term of such a lease, possibly necessitating construction of an additional structure. The marginal cost of an additional parking space in a structure is close to \$200/month.

The campus would also need to maintain the flexibility to relocate any leased spaces, as necessary, to different locations on campus, although a maximum acceptable distance from downtown Isla Vista could be identified, not to be exceeded.

Attachment "C"

February 2, 2006
Page 2

Please let me know if there is still some interest to continue to discuss the possibility of a lease of parking spaces between the Redevelopment Agency and UCSB.

Sincerely,

A handwritten signature in cursive script that reads "Donna Carpenter".

Donna Carpenter

February __, 2007

PRELIMINARY DRAFT

**Major issues to resolve prior to release:
compliance with UC and campus policies and coordination with
Development, Vice Chancellors and/or Senior Officers, naming committees, and/or others**

contact name, title
company
address
__, CA 93__

Re: Your Interest in Sponsorship of a UCSB Parking Structure

Dear *insert contact name*,

UCSB is considering offering sponsorships of each of our three main campus parking structures to offset some of our costs and keep our parking rates as low as possible for faculty, staff, students, and visitors. Sponsors could potentially be provided with:

- naming rights (the *insert company name* Parking Structure)
- sponsorship signs with your company logo and message at structure entrance(s), elevators, and walkways
- TPS website sponsorship logos/links
- sponsorship notices on back side of daily "pay and display" parking permits issued by UCSB's automated dispenser machines

On a daily basis throughout the school year, both our 900-space Mesa Structure (opened in 1997), near the popular Recreation Center or RecCen, and our newly opened 600-space 10 Parking Structure, with its Courtyard Café located on the base floor outside the structure, are typically at or near capacity, with an estimated daily turnover rate of __ per space. Our soon-to-be opened 1,000-space 22 Parking Structure on the west side of campus is also expected to receive significant use by campus faculty, staff, students, and visitors during the school day, and will also serve as the primary parking facility for all Thunderdome events, such as UCSB Gaucho Basketball and Volleyball games. As you may know, UCSB is like a small city, with an estimated daily population of 20,000 to 30,000 people, and many of those people access the campus through one of our three main campus parking structures.

So, what do you think? Could this type of sponsorship be of interest to *insert company name*? Could positive exposure to campus faculty, staff, students, and visitors in one of our three main campus parking structures, with signs indicating how *insert company name* is contributing funds to keep rates as low as possible, be of interest to you?

If so, please let me know and we can discuss this opportunity further at your convenience.

I plan to follow-up by calling you in the next few weeks, but please don't hesitate to contact me if you would like to discuss this further or if you need additional information.

Sincerely,

Acting Director
Robert Sundberg

Attachment "C"

Attachment 4 – revised

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u> <u>(Jul-Dec)</u>
Annual N&W Permits Issued to Students	1,078	978	2,782
30-Day Permits Issued to Students (fr Dispensers)	42,160	46,583	4,462
30-Day Permits Issued to Students (fr TPS sales counter)	2,821	2,849	2,258
Annual N&W Permits Issued to non-Students	-	-	-
30-Day Permits Issued to non-Students (fr Dispensers)	3,646	4,209	3,390

Estimated Income with no Lock-in Fees (revised)

	<u>Students</u>	<u>Other Monthly</u>	<u>Total</u>
Annual Permits Issued (Jul-Dec, 2006)	2,782	39	2,821
Monthly Rate (if no lock-in fees)	\$10	\$10	
<u>Months in Fall-Winter-Spring</u>	<u>9</u>	<u>9</u>	
Subtotal Potential Income, 6 mos.	\$250,380	\$3,510	\$253,890
Annual Permits Issued (48% of Jul-Dec, 2006)	1,345.3	39	1,384
Monthly Rate (if no lock-in fees)	\$10	\$10	
<u>Months in Summer</u>	<u>3</u>	<u>3</u>	
Subtotal Potential Income, 6 mos.	\$40,358	\$1,170	\$41,528
30-Day Permits Issued (Jul-Dec, 2006)	6,720	3,390	10,110
<u>Monthly Rate (if no lock-in fees)</u>	<u>\$10</u>	<u>\$10</u>	
Subtotal Potential Income, 6 mos.	\$67,200	\$33,900	\$101,100
Total Potential Income, 6 mos.	\$357,938	\$38,580	\$396,518

	<u>Students</u>	<u>Other Monthly</u>	<u>Total</u>
Annual Permits Issued (Jul-Jun, 2006, est +25%)	3,478	39	3,517
Monthly Rate (if no lock-in fees)	\$10	\$10	
<u>Months in Fall-Winter-Spring</u>	<u>9</u>	<u>9</u>	
Subtotal Potential Income, 12 mos.	\$312,975	\$3,510	\$316,485
Annual Permits Issued (48% of Jul-Dec, 2006)	1,681.6	39	1,721
Monthly Rate (if no lock-in fees)	\$10	\$10	
<u>Months in Summer</u>	<u>3</u>	<u>3</u>	
Subtotal Potential Income, 12 mos.	\$50,447	\$1,170	\$51,617
30-Day Permits Issued (Jul-Jun, 2006, est +75%)	11,760	5,933	17,693
<u>Monthly Rate (if no lock-in fees)</u>	<u>\$10</u>	<u>\$10</u>	
Subtotal Potential Income, 12 mos.	\$117,600	\$59,325	\$176,925
Total Potential Income, 12 mos.	\$481,022	\$64,005	\$545,027

Estimated Income with Increased Lock-in Fees

	<u>Actual</u>	<u>\$3.33/st/qtr</u>	<u>\$4.00/st/qtr</u>	<u>\$5.00/st/qtr</u>
Annual GSA N&W Lock-in Fee Income	\$29,624	\$29,624	\$29,624	\$29,624
<u>\$/quarter/student</u>	<u>\$3.33</u>	<u>\$3.33</u>	<u>\$3.33</u>	<u>\$3.33</u>
GSA student-quarters	8,896.1	8,896.1	8,896.1	8,896.1
<u>\$/quarter/student</u>	<u>\$3.33</u>	<u>\$3.33</u>	<u>\$4.00</u>	<u>\$5.00</u>
Annual GSA N&W Lock-in Fee Income	\$29,624	\$29,624	\$35,584	\$44,480
Annual AS N&W Lock-in Fee Income	\$179,887	\$179,887	\$179,887	\$179,887
<u>\$/quarter/student</u>	<u>\$3.00</u>	<u>\$3.00</u>	<u>\$3.00</u>	<u>\$3.00</u>
AS student-quarters	59,962.3	59,962.3	59,962.3	59,962.3
<u>\$/quarter/student</u>	<u>\$3.00</u>	<u>\$3.33</u>	<u>\$4.00</u>	<u>\$5.00</u>
Annual AS N&W Lock-in Fee Income	\$179,887	\$199,675	\$239,849	\$299,812
Annual AS+GSA N&W Lock-in Fee Income	\$209,511	\$229,299	\$275,434	\$344,292