



WALKER
PARKING CONSULTANTS

EXECUTIVE SUMMARY: HONOLULU URBAN CORE PARKING MASTER PLAN

Prepared for:

THE CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

FEBRUARY 8, 2011
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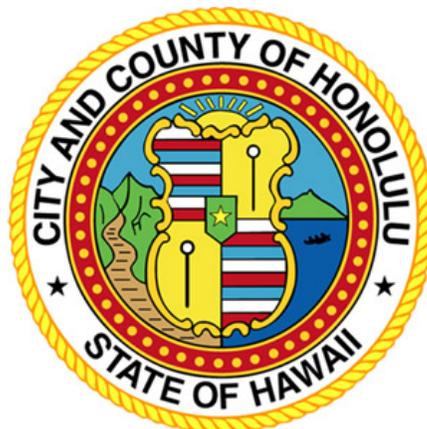




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EXECUTIVE SUMMARY:

HONOLULU URBAN CORE PARKING MASTER PLAN STUDY

INTRODUCTION

In January of 2010, the City and County of Honolulu ("City") through its Department of Transportation Services ("DTS") contracted with Walker Parking Consultants ("Walker")¹ to perform an analysis of parking located within the City's urban core ("Study"). As mutually agreed between the City and Walker, the work associated with the Study was organized into the following six tasks:

- Task 1: Project Management
- Task 2: Project Advisory Committee
- Task 3: Feasibility Analysis of Monetization
- Task 4: Parking Market and Financial Analysis
- Task 5: Update Honolulu Comprehensive Parking Study, 1973
- Task 6: Condition Appraisal

The agreement for this assignment was later amended to include a parking meter system definition study and a request for proposals and specifications for a new parking meter system.

The genesis of this assignment began with a series of discussions between the City and Walker, when Walker suggested that the City consider underwriting a study of its parking system to determine whether upside potential existed to help generate additional net revenues that could be used to help shore up growing operating budget deficits stemming from a reduction in tax receipts as a consequence of the recent economic downturn. During these discussions, Walker mentioned that several U.S. cities had recently completed or were considering the monetization² of their parking assets. Following are three specific transactions that have closed:

- A total of \$563 million was paid to the City of Chicago by Morgan Stanley (December 2006) for Chicago's Underground Parking System, the largest underground car parking system (over 9,100 spaces), in North America. The City sought a private sector operator to lease the parking facilities located beneath Millennium and Grant Parks under the terms of a 99-year concession agreement.
- In December 2008, the Chicago City Council voted 40 to 5 in favor of approving a \$1.16 billion bid from Chicago Parking Meters LLC, an investment group. In exchange for the bid payment, the

¹ Founded in 1965, Walker is the world's largest professional services firm that specializes in advising owners on all facets of parking-related issues including parking design, operations, planning, and restoration. Located in 15 U.S. offices, coast-to-coast, our professionals include architects, engineers, planners, and specialized consultants, including those with specific experience and knowledge in parking finance, operations, and technology. In the past five years, Walker has successfully completed parking consulting engagements for over 150 different municipalities.

² Monetization includes converting the value of an asset such as a public roadway or tollway, bridge, parking facility, water system, sewer system, etc. to a readily-available cash flow. Under a typical monetization transaction, government and investment bodies enter into a concession or lease agreement that provides the investment body with certain operating rights, risks, responsibilities, and cash flow, while the governmental body receives a significant up-front payment and/or a series of payments at prescribed intervals. The typical term of a monetization lease or concession agreement ranges from 20 to 99 years.



investment group is maintaining and operating Chicago's 36,000 parking meters and on-street parking system over a 75-year term.

- On November 15, 2010, the Indianapolis City-County Council City approved by a margin of 15-14, a 50-year lease of 3,700 metered parking spaces in its Downtown and Broad Ripple areas. The city receives an upfront payment of \$20 million and is sharing in the revenue from the parking meters and violations. The city receives 30 percent of the first \$7 million each year and 60 percent of any additional revenue and the winning concessionaire has estimated that the city will receive \$620 million over the 50-year deal.

Other cities, including Los Angeles, are exploring the possibility of monetizing their parking assets.

Walker does not have a position on whether a city should or should not monetize any of its assets, including parking. Walker's position is that each city finds itself in unique circumstances and the merits of such a transaction can be evaluated only by understanding the specific agreement governing the monetization transaction, the risks and rewards involved, and the placement of funds that are raised through this process.

This document is intended to serve as a relatively concise but comprehensive summary of findings and recommendations for the City as it moves forward with its goal of continuous improvement. The City is performing at an acceptable level in some facets of its parking operation, however, the goal of this study is to help provide guidance and direction to strengthen the City's parking system as it moves further into the 21st Century. More detailed information pertaining to this study may be found in the task reports that were issued for several of the above tasks.

URBAN CORE PARKING CONDITIONS

Nearly 45,000 on- and off-street parking spaces, both publicly- and privately-owned, were identified within the Study's geographic area of examination which is bordered by River Street to Keeaumoku Street (Ala Moana Center) between Beretenia Street and Nimitz Highway/Ala Moana Boulevard ("Study Area"). The Study Area is about six times larger than the geographical area included in the 1973 Honolulu Comprehensive Parking Study and includes the Downtown/Chinatown, Kaka'ako Mauka, Ala Moana, and Makiki districts.

From this study, the following several important observations were made regarding parking in the Study Area:

- During peak hours which occur Monday through Friday in the middle of the business day, there are about 13,000 vacant parking spaces, which equates to a 71% occupancy rate. This occupancy rate is somewhat lower than most other large U.S. cities, suggesting an overall surplus of parking and it is incumbent upon the City to do a better job of exploiting this strength through regular communications to the general public.
- There are many block faces that were observed as having parking rates that exceed 85%, which is considered excessive and promotes a perception amongst some members of the general public that a parking shortage exists. For example, about two-thirds of the blocks located within the

Chinatown/Downtown area that have on-street parking, have recorded peak hour parking occupancies in excess of 85%. Some blocks had on-street occupancies in excess of 100%.

- The prevalence of many on-street block faces having high parking occupancy rates leads many Honolulu residents and visitors to perceive that parking is often a problem and not widely available. On-street parking is very visible and people often associate the availability of parking in general with the availability of an on-street parking space. By contrast, because Honolulu’s Chinatown/Downtown District has such a vertical character and is populated with an abundant number of high rise buildings used for the storage of parked automobiles, motorists cannot generally see parking spaces vacancies in these facilities as they drive by. They do, however, see the crowded on-street spaces. Therefore, to better manage the perception of some that a parking shortage exists, measures should be taken to reduce on-street parking demand and promote the availability of off-street parking.
- Parking patrons often park in excess of the posted time limits. Walker studied on-street parking in several areas of Chinatown/Downtown and based on the sampling of spaces examined, about one in five users is not adhering to the posted time limit. This is a very high ratio of overtime parking patrons and it may be symptomatic of the HPD’s budgetary limits and/or the fact that HPD may not be motivated to write citations because it does not retain any parking citations income. This lack of parking meter overtime enforcement is contributing to a perceived parking shortage and the remedy is to step up enforcement and/or curb on-street parking demand through rate increases.
- Off-street parking rates in Honolulu are among some of the highest parking rates in the U.S., however, in Honolulu, there seems to be less of a correlation between parking rates and real estate values than is observed in other major coastal gateway and port cities including Boston, New York, and San Francisco. The highest on-street hourly parking rate of \$1.50 in Honolulu lags other port cities including Los Angeles, New York, Miami, San Francisco, and Seattle. Employee parking rates of \$75 per month for a reserved space and \$35 per month for an unreserved space are priced significantly below market and in most cases less than the \$60 monthly cost for a bus pass.

CITY AND COUNTY PARKING SYSTEM

Excluding unmarked curb parking that does not require user fees, the City owns over 25,000 public parking spaces of which 9,299 of these were identified as requiring parking user fees and over 16,000 were identified as free parking spaces that fall under the operation of the Department of Parks and Recreation. To the right is a breakdown of the 9,299 spaces that require user fees.

Breakdown of City-Owned Parking That Requires User Fees

Type of Facility	No. of Spaces
Parking Structures	5,654
Surface Parking Lots	709
On-Street Meters	<u>2,936</u>
TOTAL	<u>9,299</u>

As a byproduct of organizational changes several years ago, the operation of City-owned parking assets is very fragmented and in many cases, uncoordinated. Today, City-owned parking assets are controlled by several different City departments and revenues from these assets do not flow to a dedicated parking enterprise fund, but rather to a variety of funds including housing developer funds, the highway fund, and a rental assistance fund.



Following is a brief identification of those City departments that have parking-related responsibilities and a short description of these responsibilities:

- Department of Transportation Services (“DTS”) – Per City charter, this department has ultimate responsibility for managing the City’s public transportation facilities and systems, including parking assets, and during the City’s reorganization several years ago, the parking-related responsibilities were divvied up amongst various City departments. In recent years, DTS has assumed responsibility for the maintenance and care of the Kaimuki Lot which had fallen into disrepair and required restoration to bring it to its current state of condition and operation. DTS manages the third-party concessionaire agreement associated with this property.
- Honolulu Police Department (“HPD”) – The Parking Enforcement and Collection Section of the HPD’s Traffic Division installs parking meters, carries out meter maintenance, and has a cadre of parking enforcement officers who issue parking citations. With the exception of the Kaimuki and Zoo Lots, HPD also performs collection duties for all metered on- and off-street parking supply owned by the City.
- Department of Facility Maintenance (“DFM”) – This department is responsible for the maintenance of City-owned surface parking lots and parking garages. It also manages third-party parking operator contracts, manages the City employee parking permit program, installs and maintains parking meter poles, and performs parking space line striping.
- Department of Parks and Recreation (“DPR”) – There are about 16,000 parking spaces that are controlled by DPR. With the exception of the parking supply at Hanauma Bay Nature Preserve, the DPR-controlled parking is provided free of charge.
- Department of Enterprise Services (“DES”) – As part of its enterprise fund, DES receives revenue from the Honolulu Zoo and Neil Blaisdell Center parking operations. Blaisdell Center parking is contracted by DES through a third-party operator.
- State of Hawaii – The state receives all parking violation citations income. HPD issues all parking citations and is not reimbursed for any costs that it incurs by enforcing parking regulations.

As shown in the following table, which was provided by the Budget and Fiscal Services Department, the City reportedly collected \$8,666,718.04 in parking revenues during FY 2010 (net of paying any third-party operator expenses), less than a one percent reduction from the previous year. The slightly-declining parking revenues over the FY 2008 through FY 2010 time frame appear to be normal, given the most recent recessionary environment. Other cities are reportedly experiencing higher decreases than the ones shown herein.

HONOLULU URBAN CORE PARKING MASTER PLAN

CITY & COUNTY OF HONOLULU



FEBRUARY 8, 2011

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City Parking Revenue Summary for Fiscal Years Ended June 30, 2008, 2009, and 2010

Fund	Revenue Code	Description	FY 2008	FY 2009	FY 2010	Note A
		METERED PARKING (Gross Receipts)				
120	7141	Street Parking Meter	3,113,524.72	3,075,325.24	3,036,522.94	
120	7146	Kuhio-Kaiolu Parking Lot	0.00	8,666.69	74,597.94	
120	7154	Kaimuki Parking Lot	319,815.36	259,585.58	256,357.76	
120	7155	Kailua Parking Lot	202,252.14	197,379.72	181,532.87	
120	7158	Kalakaua Parking Lot	150,004.07	150,936.98	228,012.28	
120	7159	Zoo Parking Lot	263,622.00	257,074.76	580,252.75	
120	7160	Civic Center Parking Lot	119,320.76	111,359.24	108,765.90	
120	7163	Parking Chgs - Salt Lake	43,772.98	42,601.76	35,154.14	
120	7164	Parking Chgs - Palace Sq	87,251.04	87,927.48	81,088.02	
120	7167	HPD Parking Lot	16,328.99	18,523.56	17,310.19	
120	7168	Kailua Elderly Hsg P/Lot (Lani Huli)	109,221.57	94,917.18	90,259.56	
655	7162	River-Nimitz Parking	126,032.07	125,826.64	108,453.10	
		Subtotal	4,551,145.70	4,430,124.83	4,798,307.45	
		CONCESSION PARKING LOT RENT				
120	7171	Kaimuki Parking Lot Concession	23,596.12	24,005.27	24,023.00	
360	7595	Parking Auditoriums (NBC)	2,042,805.33	1,909,320.33	1,699,009.72	
		Subtotal	2,066,401.45	1,933,325.60	1,723,032.72	
		ATTENDANT PARKING- MGT CO (Net Receipts)				
120	7153	Kekaulike Dia Hd Blk Pkg	5,896.30	18,061.52	0.00	
120	7169	Marin Tower Pkg Garage	410,875.19	435,740.18	404,967.61	
120	7170	Harbor Court Garage	378,589.37	371,717.83	346,549.70	
120	7638	Kukui Plaza Garage	758,375.03	818,146.37	817,195.56	
120	7639	SmithBeretania Parking	86,785.18	96,394.25	88,601.06	
203	7581	Hale Pauahi Parking	303,418.89	137,901.86	107,610.95	Note B
655	7161	Chinatown Gateway Parking	189,783.92	252,677.45	202,153.99	
		Subtotal	2,133,723.88	2,130,639.46	1,967,078.87	
		ATTENDANT PARKING-CITY OPERATED (Gross Receipts)				
230	7134	Hanauma Bay	206,654.00	180,357.00	178,299.00	
		Total	8,957,925.03	8,674,446.89	8,666,718.04	
Note A: The revenue amounts are as stated from the AMS infoAdvantage system (fiscal month 12).						
Note B: The parking rent check is sometimes deposited into the property management company's reserve account. The deposit is approved by Glen Maeda, DFM. The city receives a parking revenue report and a copy of the bank statement.						

RECOMMENDATIONS

CREATE A SINGLE SOURCE RESPONSIBILITY CENTER

Given that the City's parking-related responsibilities have been divvied out to various departments, there is no clear organizational structure or hierarchy that impacts policy and management of the parking supply as a cogent system. Despite the efforts of some experienced and well-intentioned City employees, this makes it very difficult for the City to effectively manage its parking assets. Following in no particular order is a summary of some of the challenges that are inherent with the existing fragmented organizational structure:

- No single manager or department head identifies and contemplates a parking strategy for the City in support of reaching local goals for public transportation ridership.
- On- and off-street parking rates are not coordinated as well as possible, if at all. On-street parking should be priced at or above the market rate of off-street parking. Within commercial business districts, off-street parking should be used for long-term vehicle storage and on-street parking should be used for short-term vehicle storage.
- Regular rate increases are not implemented to fully keep pace with ever-increasing and inflationary costs associated with operations and structural maintenance.
- The City has contracts with four different parking operators. These could be consolidated and more favorable terms could be negotiated.
- Most of the parking operator contracts have long expired. In some cases, extensions have expired, yet operators maintain control of their operations.
- There are inconsistent management fees from one contract to the next contract. It is our experience that some of the management fees appear to be above market rate.
- Reserve or condition appraisal studies have been conducted for some, but not all facilities.
- Audit procedures are inconsistent from one facility to the next. The implementation of best practices and standardized procedures could improve revenue controls.
- There is no single clearinghouse or source of parking-related information available to City administrators, elected officials, residents, and visitors.
- Parking access and revenue control equipment and reporting practices are not up-to-date in some cases. Credit cards are not accepted at any on-street parking space or City-owned parking facility with the exception of the Honolulu Zoo.
- Parking debt is co-mingled with other City debt and parking revenues do not directly service this debt.
- No one is actively lobbying state government to improve its parking violation citations collections process and to coordinate local goals with state goals.
- Knowledge of the parking system and lessons learned are dispersed throughout various City staff members and are not consolidated because of the fragmented nature of the parking operation and the lack of a central parking coordinator.



With the hiring of a qualified parking manager to head up a City parking department or division of an existing City department, the previously-listed challenges can be efficiently and effectively addressed.

One policy issue that Walker recommends that the City consider is whether or not to create a parking enterprise fund. Non-profits such as universities and municipalities often create auxiliary enterprise funds. Revenues collected and flowing to these funds are then used to fund parking operations and parking facility capital improvements. By definition, an auxiliary enterprise fund is self-sustaining. This means that the auxiliary enterprise fund generates a revenue stream that is sufficient to cover ongoing operating expenses and outstanding debt service obligations.

Auxiliary enterprise funds have their own operating budgets. This operating budget is separate from a municipality's or a university's general fund. These operating budgets typically include a stream of revenues collected from a variety of sources, such as the following:

Municipalities

- Monthly leases
- Parking meter revenues
- Parking violation revenues
- Transient revenues

Universities

- Permit sales
- Parking meter revenues
- Parking violation revenues
- Transient revenues
- Transportation fees
- Reserved parking spaces

Although revenues generated by a new structured parking facility may not be sufficient to fund both the operating expenses and debt service of a particular improvement, revenues from other facilities and sources are pooled together. This revenue pool is sufficient to generate an income stream that permits the solvency of the auxiliary enterprise.

Budgeted expenses include the operating costs associated with ongoing parking operations. This may include the labor costs associated with maintenance, security, parking enforcement, revenue collection, management, and administration. Other operating costs may include utilities, supplies, and equipment.

The lifespan of a parking structure can often range from 40-50 years or more. However, because the development costs for such a structure are capitalized over a 20-30-year period, there is significant useful life remaining after all debt is retired. This remaining life means that revenues may still be generated by this debt-free facility and that these revenues may be available to offset any new debt service payments that are required to fund new parking projects.

There are many parking system auxiliary enterprise funds in operation throughout the U.S. Following are some of the non-profits that operate these funds:

Municipalities

- City of Cedar Rapids, Iowa
- City of Lincoln, Nebraska
- City of Detroit, Michigan
- City of Tampa, Florida
- City of Denver, Colorado

Universities

- Florida State University
- University of South Florida
- Penn State University
- University of Oklahoma
- University of New Mexico

Several parking enterprises coordinate, develop, and implement parking policy for their respective ownership interest but contract with a third-party parking operator to carry out the daily management functions of the parking system. It is important that the head of the parking enterprise always maintains the interests of its ownership group by properly managing any third-party contracts.

UPGRADE TECHNOLOGY

There are several opportunities to upgrade existing parking technology to make existing facilities more user-friendly and to raise the existing system to state-of-the art standards. Such an improvement would also promote better management of the system and improved revenue controls. We believe that the City should consider the following:

- Replace the existing parking meters with new, state-of-the art meters that include credit card acceptance. The benefits of this action include improved revenue controls, improved management, and added user convenience.
- Install real-time internet-based parking space availability website. Other cities, including the City of Santa Monica³, have used such a system with widespread success. Improve existing trailblazer signage system so that users may more readily find public parking.
- Develop a Honolulu public parking application for smart phones.
- Update parking access and revenue control in off-street facilities to allow for on-line space availability and automated revenue collection.

Parking Meter Upgrade

With the exception of the Zoo Parking Lot, no City parking facilities, including lots, garages, and on-street meters, accept credit cards as a method of payment. In this sense, the City parking facilities lag behind up-to-date technology. Other key peer cities, including Los Angeles, Portland, San Francisco, and Seattle accept credit cards as a method of payment for city-owned parking facilities, including on-street meters. Our study of seven cities that accept credit cards for on-street parking demonstrates that without a rate increase, the introduction of credit cards has increased parking revenues by anywhere from 17 to 93%, with the typical increase being a 32% increase in parking revenues.

There are several reasons that credit card holders fuel higher parking revenues. One, studies have shown that people often spend more when using their credit card than when paying for cash, regardless of the good or service purchased. Two, parking patrons will often charge the maximum allowable rate on their credit card; when paying by cash, patrons often cannot pay for the maximum allowable rate because they do not always have sufficient coinage available to feed a parking meter. Credit card acceptance typically results in a higher meter compliance rate and fewer parking tickets. Three, parking operations that accept credit cards often attract patrons from other parking operations where credit cards are not accepted.

³ <http://www.parkingspacenow.smgov.net/>

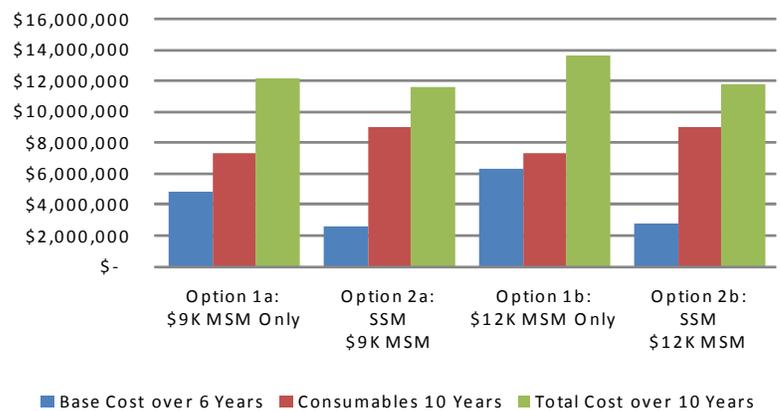
Credit cards also reduce the amount of cash handling that is required of parking attendants, parking facility managers, and accounting staff. This reduction in cash handling improves revenue controls, thereby, reducing the amount of shrinkage.

If the City decides to accept credit cards for parking fees, it can expect its operating expenses to increase. There will be fees associated with hardware and software upgrades, plus credit card processing fees. However, the revenue upside exceeds this increase in expenses. Also, labor costs may decrease because the parking meters will need to be emptied less frequently.

The City is pursuing the replacement and/or upgrade of its 3,723 on- and off-street, single-head parking meters with new smart meters capable of accepting a variety of payments including credit cards. The primary reason for upgrading the meters is to improve customer service by providing an alternative to paying with coins and to replace an aging meter system.

For purposes of analysis, two different options have been considered. Option 1 assumes that the City has all meters replaced with multi-space meters ("MSM") that cover an average of nine spaces per meter. Option 2 assumes single space smart meters⁴ ("SSSM") for all on-street spaces and MSM's for off-street parking facilities.⁵ Prices for MSMs vary significantly based on the options and quantity ordered. For this reason, we include two price points for the MSMs in each option. The first assumes coin and credit card payment only and the second assumes adding banknotes as a payment option.

Comparison of Projected Costs over 10 Years (six year amortization)



Our opinion of the installed cost for each option ranges from \$2.0 to \$4.8 million. This includes meter equipment, installation, spare parts, and meter signage. The lowest initial cost is Option 2, on-street SSSM with off-street MSMs.⁶ On-going consumable costs include a monthly connectivity charge per meter, receipts, batteries, and credit card processing fees. Our opinion of the annual consumable expense ranges from \$640,000 for Option 1 (all MSMs) to \$790,000 for Option 2 (SSSM with MSMs).

Considering the initial capital cost and ongoing consumable costs, over the ten-year anticipated life-cycle of the equipment, the costs between the two options are within three to six percent when comparing the basic

⁴ Single Space Smart Meters accept credit card payments and use existing meter poles and base housing units.

⁵ MSMs for off-street facilities is recommended as fewer MSMs are needed for off-street locations and the MSMs can be hard wired more easily in off-street facilities.

⁶ Our opinion of cost for the SSSMs is \$500 each; for the MSMs - \$9,000 and \$12,000 depending on payment options.

coin and credit card MSMs and SSSMs and roughly 15 percent when considering MSMs that accept banknotes with the SSSMs.

Even without a rate increase, the first (and most likely second) year that the new meters are in operation, the increase in parking meter revenues would fall below the required payment to the meter vendor. However, over the ten-year life expectancy of the equipment, an overall increase of \$3.2 to \$5.7 million is projected, depending on the type of MSM selected and the actual amortization terms. Our model assumes no increases in the current meter rate and no changes to the hours/days the meters are enforced.

Automation of Off-Street Revenue Collection

Parking operators worldwide have discovered opportunities for expense control through the installation and use of pay-on-foot and auto-cashiering systems. Pay-on-foot (POF) systems require the patron to take their ticket to a pay-station to pay for their parking before exiting. This saves on cashier wages and provides 24-hour revenue collection. Specialized equipment includes the following:

- On-line, magnetically-encoded or bar-coded ticket dispensers;
- Pay stations at logical pedestrian points;
- Signage explaining directions for payment at pay stations and posted at the entrance, ticket dispensers, elevators, and stairwells;
- Exit verifiers with credit card acceptance in the exit lanes; and
- Equipment connected to the main parking computer to track revenue and equipment status.

Auto cashiering systems require payment from the vehicle at the exit lane. These work well in low traffic situations. However, in cases where traffic volumes are heavy, pay-on-foot systems work much better as these have higher throughput rates.

Benefits to this type of system are the reduced payroll costs, and management requirements that accompany the additional employees, as well as the increased security of the parking revenue. The disadvantage is the initial cost of the equipment, future maintenance costs, and acceptance issues of the equipment by the public. However, automation of collecting parking revenues is no longer a new technology. Many parking operators, including public parking operators, have embraced the installation and use of this technology.

DEVELOP A MARKETING AND PUBLIC RELATIONS PROGRAM

We recommend that the City create and promote a convenient and well-functioning public parking system. Following are some specific suggestions for implementation:

Public Relations, Communication, and Information Management

The goals of these functions are to:

- Reinforce the central place of Honolulu;
- Establish greater recognition and increased branding of a unified parking effort;
- Consolidate parking and transportation information under the City banner;
- Establish better links to/from other partner information sources, such as local newspapers, television stations, websites, blogs, and the City;
- Maintain a ride-share matching service and database; and
- Provide other commercial information, such as retail, entertainment, and restaurant news and links.

The parking relations and communications plan would provide information on key events impacting Honolulu parking, transit, and access issues, and should be responsible for increasing public awareness through events, activities, publications, press releases, maps, and other literature. This plan should be carried out by the Honolulu parking head.

Promote Parking

Promoting parking includes establishing a public relations and communications plan to provide information on key events impacting downtown parking access issues, and should be responsible for increasing public awareness of downtown parking through events, activities, publications, press releases, maps and other literature.

Results from our search for information on parking in Honolulu via the internet offered limited success. Since there is no central clearing house for parking, there is no web site dedicated to identifying and providing information regarding public parking. Many municipal websites allow the payment of parking violations and monthly parking, and a few show how many spaces are available to the public in real-time.⁷

We recommend either enhancing the current website and linking it directly to the City's website or developing a new website under the City's website. The site should be comprehensive in nature, inform potential visitors where and how to park in downtown, including hours of operation, rates, and how to purchase a monthly parking pass. We recommend that the City include "Parking" under the list of departments and establish several web pages to educate the public on downtown parking. This site should be linked to other sites that need to promote parking to visitors, such as the Chamber of Commerce, Convention and Visitors Bureau, etc.

Examples of Parking Web Pages

www.downtownlincoln.org
Lincoln, NE

<http://www.parkitdowntown.com/parking/directions.html>
Nashville, TN

www.city.pittsburgh.pa.us/pghparkingauthority/
Pittsburgh, PA

www.miamiparking.com
Miami, FL

www.parkspa.com
Springfield, MA

www.ci.baltimore.md.us/government/parking
Baltimore, MD

www.hartfordparking.com
Hartford, CT

www.norfolk.va.us/parking
Norfolk, VA

www.crbus-parking.org/
Cedar Rapids, IA

http://www.cityofboise.org/customer_and_support_services/parking_control/
Boise, ID

www.central-city.net/parking.php
Kalamazoo, MI

<http://www.houstontx.gov/parking/index.htm>
Houston, TX

⁷ <http://parkingspacenow.smgov.net/> shows real time parking occupancy for the City of Santa Monica, CA



We recommend the Public Relations and Communications program do the following:

- Include a comprehensive “Downtown Parking” city web site.
- Respond to questions and requests from the general public for locations of parking facilities, pricing and availability.
- Maintain the integrity of downtown parking promotional materials, and provide parking maps, business development packets, and fact sheets.
- Provide day-to-day media relations, and generate press releases as needed.
- Provide public relations assistance to other downtown events as needed.

This information should be disseminated by means of the following:

1. A more comprehensive “Downtown Parking” city web site.
2. A quarterly newsletter for the downtown parking community with news of economic developments in parking, development and construction projects, upcoming downtown events, and profiles of downtown newsmakers.
3. Newspaper items or articles and media releases.
4. Brochures and maps, both distributed and posted.
5. Direct mailings when needed.
6. Downtown meetings and presentations by the city parking manager about downtown parking to city business and civic groups upon request.

We recommend actively communicating and marketing the available downtown public parking spaces. Communication should include a brochure with a downtown map with public parking areas highlighted, a City web-site link to a page that contains downtown parking information, and consistent signage and banners directing customers to public parking areas. The city’s webpage should be linked to downtown merchant and downtown association websites to encourage visitors to learn about parking before coming downtown. Downtown businesses and government offices should have parking brochures with maps available for the general public.

Evanston, Illinois recently began including the “Where to park in Downtown Evanston” flyer on ticketed vehicles. The brochure includes a map of public parking options with rates. This education and marketing campaign is designed to assist parkers so that they can avoid a ticket in the future.



Branding Parking

Many cities have developed a “parking brand” to assist with educating the public on parking. Branding can be used on the city’s webpage, brochures, and signage to further communicate where the public parking exists. Examples include the “Five Seasons” Transportation and Parking Department of Cedar Rapids, Iowa, and the “Central City Parking” program of Downtown Kalamazoo, Michigan.

Brand Logos



Kalamazoo, MI



Cedar Rapids, IA

Verbal elements should include a name, style, and taglines. Visual elements include fonts, colors, shapes, and graphic elements (including logo). The elements and standards of the program should be used in a consistent manner. Ubiquity is achieved by using a full range of appropriate media.

Ambassador Approach to Enforcement

The perception of on-street parking ordinance enforcement is often negative and the manner in which enforcement is presented to the public is often the reason. Enforcement is seen as punitive, which in many cases it is, and for this reason, Walker recommends that Honolulu adopt the “Ambassador Approach” model for the downtown area as used successfully in Wichita, KS and Myrtle Beach, SC.

The mission of the Ambassador Program is to provide hospitality, tourism and public safety services to local citizens, businesses and visitors, in addition to enforcing parking regulations. The Ambassadors would be required to complete a multi-faceted training in hospitality and customer service, emergency response and first aid, public transportation and City services. They should work directly with the DTS and the City’s parking head, local businesses, and professional agencies.

Ambassador Approach

- Educate and Assist
- Trained on Downtown offerings
- Offer warnings
- Distinctive, friendly uniform

The primary goals of an Ambassador program are to promote the area, resolve concerns, deter criminal activity, and help make the downtown area a better, safer and friendlier place to live, visit, shop and conduct business. Ambassadors should initiate personal contacts with the parking public (known as “touches”), issue more warnings and slightly fewer citations, and interact with visitors and citizens in a positive manner. The vision of the program is to help promote a progressive, dynamic downtown experience. The Ambassadors may accomplish these goals while providing parking management by monitoring public safety, extending a helping hand in emergency situations, and calling on area merchants on a regular basis. Beyond enforcing parking regulations, the following are examples of appropriate behaviors of Ambassadors:

- To greet visitors and offer customer service;
- To be a friendly face in response to many people’s initial interaction with the City;



- To give accurate directions to visitors and direct visitors to destinations;
- To seek voluntary compliance by educating users regarding usage and local ordinances;
- To distribute City brochures and maps; and
- To deter criminal activity by their presence.

Promotion of Parking Meter Program

Walker recommends the City engage a professional public relations firm to assist in implementing a creative and successful launch of the new meter program. It would also be beneficial to the City to discuss strategies of successful implementation with vendors during the interview process.

Based on other cities' experience and successful installations of new meter systems, the following list provides examples of communications activities prior, during, and after installation:

- Three to six months prior to installing the new equipment, issue press release announcing plans for new system, with a focus on the positives of added customer convenience.
- Conduct community outreach meetings with the stakeholders in advance of the meter change.
- Deploy a website with project updates, meter directions, and an electronic survey form.
- Display a "sample" meter in a public area for people to see, touch, and feel prior to beginning the installation.
- Develop and provide instruction cards throughout the CBD and on the website, illustrating how to use the new meters.
- Develop a directional video for municipal television and or YouTube.
- Train "ambassadors" to assist patrons with the proper use of the meters.
- Issue a progress press release a few weeks prior to the initial installation.
- Install meters and signage with covers with "Coming Soon" signage so that patrons can see where the new equipment is installed.
- Conduct a ribbon cutting and first use ceremony to officially welcome the new meters.
- Post parking ambassadors around the new meters to assist patrons with their use.
- Start the deployment of meters slowly so that any issues can be identified early and quickly as opposed to a mass-installation where the maximum number of meters are replaced at one time. Conduct a press release to showcase the new meters and utilize ambassadors to educate patrons. Installation can proceed on a quicker pace once any initial issues are corrected.
- Issue a press release of the areas scheduled for deployment and the new meters.
- Rotate ambassadors to new areas as meters are deployed.
- Provide citation warning for short period of time following meter deployment.



INVEST IN EXISTING INFRASTRUCTURE

Walker performed a conditions assessment of 11 City-owned parking facilities. This assessment contains our initial findings as well as a preliminary opinion of capital expenditures recommended over a 50-year planning horizon to complete structural repairs and maintenance on the City-owned parking structures. Maintenance requirements based on our assessment of the facilities is limited to as-built conditions and nondestructive testing to qualify construction materials. The assessment review assisted in developing a conceptual maintenance program based on the following factors:

- Age and geographic location;
- Structural system and design details;
- Quality of construction material specified;
- Construction quality or deficiencies;
- Existing distress in structural elements, such as spalling, cracking, scaling, or excessive deformations;
- Corrosion-protection system specified or implemented; and
- Operational elements.

Following are the eleven facilities reviewed in this analysis:

1. Chinatown Gateway Plaza – 1031 Nuuanu St
2. Marin Tower – 60 N. Nimitz Hwy
3. Harbor Court – 55 Merchant St
4. Harbor Village – 901 River St
5. Kekaulike Courtyard – 1016 Maunakea St
6. Smith-Beretania – 1170 Nuuanu St
7. Hale Pauahi – 155 N. Beretania
8. Kukui Plaza – 1255 Nuuanu St
9. Civic Center - 650 S. King St.
10. Neil S. Blaisdell Center - 777 Ward Ave.
11. Lani Huli (Kailua) - 45 Aulike St.

Following is our opinion of this plan’s associated costs:

Opinion of 50 Year Cost Summary

Honolulu Parking Structures	Recommended Repairs
50 Year Structure Repair/Maintenance	\$65,444,450
50 Year Structure Replacement Cost	\$29,940,000
50 Year Total Cost	\$95,384,450

1. The estimated costs are in 2010 dollars and do not include the cost of phasing, impact of inflation, or financing.
2. Costs may vary due to time of year, local economy, or other factors.
3. Does not include lost revenue.



CONDUCT A PARKING OPERATIONS AUDIT

Engage a qualified firm without conflict to perform a parking audit. Parking audits often uncover losses that can be recovered and in many cases, these recovered losses exceed the cost of the audit. This level of audit is different than an audit that a public accounting firm or the City's Internal Audit Control Division would perform because it is based on very specific parking industry knowledge of revenue controls and parking operations. For example, included in a parking audit is a review of parking tickets and parking access and revenue control equipment. A parking operations audit should include the following:

- Obtain and review parking operator agreement and check operator compliance with agreement.
- Audit individual parking tickets for a test week.
- Reconcile parking tickets to the cashier reports for a test week.
- Reconcile cashier reports to the fee computer tapes for a test week.
- Reconcile cashier reports to the daily recaps for a test week.
- Reconcile daily recaps to the monthly statement for a test month.
- Reconcile all monthly parking sales to the monthly statement for a test month.
- Reconcile the paid and authorized free monthly parkers to the number of active key cards in the system for a test month.
- Reconcile miscellaneous income to the monthly statement for a test month.
- Audit all employee time cards for a test month.
- Reconcile employee time cards to payroll register for a test month.
- Reconcile payroll registers to the monthly statement for a test month.
- Reconcile payroll tax charges to the monthly statement for a test month.
- Reconcile workers' compensation charges to the monthly statement for a test month.
- Reconcile all group health and life insurance charges to the monthly statement for a test month.
- Review all invoices submitted for a test month.
- Reconcile the invoices to the monthly statement for a test month.

EXTEND METER HOURS

The City hours of parking meter enforcement begin at 7 AM and conclude at 6 PM, Monday through Saturday. On Sundays and public holidays, metered parking is available free of charge.

We considered expanding meter hours to include Sundays and public holidays, but did not complete this analysis because we do not believe that there is a precedent that would support this change. We are unaware of any major U.S. city that enforces parking meter payments on Sundays and holidays. The City of San Francisco, one of the more progressive cities when it comes to on-street meter policies, has recently discussed charging on Sundays. This concept has not yet gained widespread acceptance and at this point, it appears unlikely that this initiative will move forward in the near future.

We do believe that there may be an opportunity to charge for on-street parking during evenings in the Waikiki area only. There are many retail shops and restaurants in this area that drive high volumes of evening parking

demand. To encourage parking space turnover in this area, while at the same time creating an additional revenue source for the City, we believe that enforcement in this area may be extended to 10 PM.

BUNDLE OPERATOR AGREEMENTS

The City has contracts with four different parking operators for purposes of managing eight different parking structures. (The City manages four of its own parking structures.) By awarding these contracts to different operators, the City is not likely benefitting from economies of scale that may be associated with bundling these operator agreements under a single award and contract.

Many of the third-party parking operator contracts expired several years ago. Several of these contracts have extension clauses, however, in several cases, even these have expired and yet the same parking operator is managing the facility without a current contract.

INCREASE PARKING RATES

Parking rates at City-owned on-street and off-street facilities are priced below market and we recommend that these be increased to allow the City to cover inflationary operating expenses, to promote long-term vehicle storage in off-street spaces, and perhaps most importantly, to put public transportation modes such as bus transit and the anticipated rail transit on a level playing field.⁸ Historically, the City has chosen to provide parking at such relatively low rates, that there is little economic incentive for Honoluluans to take public transportation. For example, it costs \$60 per month for privileges to ride the 531-bus system offered by the City, yet by comparison, City employees may purchase a monthly parking permit for \$35 which provides parking privileges in City-owned parking facilities.

It is often difficult to gain political acceptance of a parking rate increase at any time, particularly during an economic downturn. People frequently get very emotional about parking, including the rates that they must pay for parking. However, it is instructive to recognize that these emotional responses are typically a product of nothing more than change. Few laypeople understand the true value and cost of parking. With some education and promotion, we believe that a compelling case can be made for a parking rate increase. The balance of this section offers several legitimate reasons for implementing a rate increase.

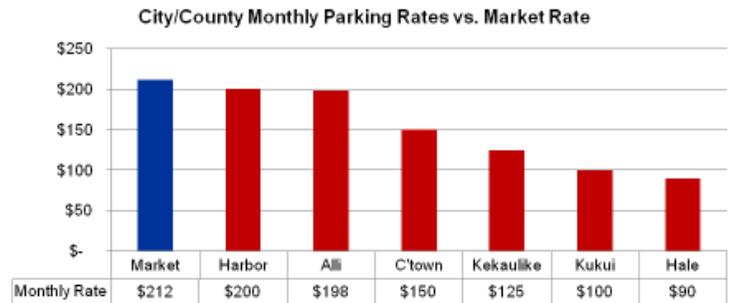
To encourage use of public transportation, including the existing City bus service and the planned rail transit service, and to discourage the use of single occupancy vehicles, it behooves the City to set parking rates closer to market rates and closer to the cost of providing parking. Parking subsidies serve to encourage more parking and reduce the numbers of people who use public transportation. Therefore, to achieve the City transportation goals of mitigating roadway congestion, reducing commute times, and providing cost effective transportation services, parking rate and public transportation rate policies and programs should be coordinated. Parking rates should not be considered in a vacuum.

⁸ Such an increase would require a vote and approval of the City council.



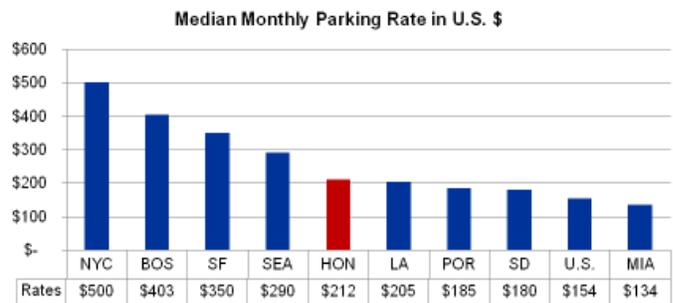
The City has not increased parking rates since 2004 and before 2004, rates had not been increased since 1989. This is not enabling the City to keep pace with inflationary expenses.

As shown in the figure to the right, City-owned off-street facilities are charging monthly rates that are below market. Additionally, City parking garage rates are priced significantly below the cost to provide this parking. A parking space located in a multi-story garage costs well over \$250 to provide; this includes an amortized cost of the building, amortized real estate costs, and operating expenses.



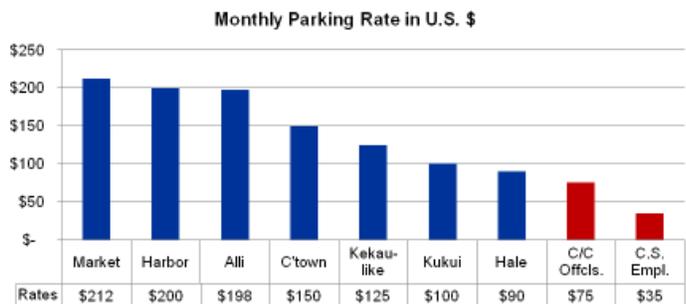
As shown in the next figure, City parking rates are priced below several key peer cities.

On-street parking has not been priced at rates higher than off-street parking, as argued by sound parking planning principles. Most on-street parking, especially within the City's Urban Core, is intended to provide short-term parking, while many off-street parking spaces are intended to provide long-term parking. The goal is to move long-term parking patrons off-street, to make room for short-term patrons. Short-term patrons are more willing to pay higher rates for more convenient and less frequent and shorter-term parking privileges.



As shown in the figure to the right, City employees are parking at rates that are significantly below market and the cost to provide parking. In effect, by allowing City employees to park in facilities that the City owns, the City has chosen to subsidize parking. This conflicts with a goal of increasing the use of public transportation.

Section 15-16.5 of the City of Honolulu Ordinance, entitled "City Hall and satellite off-street parking," states the following:



"Any city official or employee, including any elective or appointive official, and any employee of the civic center child care facility, who applies for and receives a parking permit under this section shall pay a fee for parking in accordance with the following schedule:

- Assigned covered stall \$50.00 per month
- Assigned covered stall assigned to an elected or appointed official or employee of the city \$75.00 per month



Unassigned covered stall	\$35.00 per month
Assigned tandem covered stall	\$25.00 per month
Assigned uncovered stall	\$40.00 per month
Unassigned uncovered stall	\$25.00 per month
Unassigned uncovered satellite stall with bus pass for commuting to working place not less than 3/8 mile away	\$20.00 per month
Assigned tandem uncovered stall	\$15.00 per month
Carpool unassigned covered or uncovered stalls:	
Two occupants	75% of specified rate
Three occupants	50% of specified rate
Four or more occupants	No Charge."

City employee parking rates are part of various collective bargaining agreements between the City and labor unions including but not necessarily limited to the Hawaii Government Employees Association and United Public Workers. The parking element of the following three union contracts was reviewed:

- HGEA, Unit 4 Contract, AFSCME Local 152, AFL-CIO, July 1, 2007 – June 30, 2009: This contract covers City white-collar supervisors.
- HGEA, Unit 3 Contract, AFSCME Local 152, AFL-CIO, July 1, 2007 – June 30, 2009: This contract covers City white-collar employees.
- UPW, AFSCME Local 646, AFL-CIO, July 1, 2007 – June 30, 2009: This contract covers City non-supervisory, blue collar workers.

The parking provision contained within the two HGEA contracts pertain only to employees who are required to provide a personal vehicle for work purposes as a condition of their employment as determined by the employer. For these employees, the City must provide parking for \$7.50 per month. The UPW contract contains the following single sentence relating to parking: "Discussions shall be initiated and continued to attempt to improve the severe problems caused by lack of parking spaces for Employees." There is no mention of parking rates in this latter contract.

REVISIT POTENTIAL FOR SHARED PARKING CITATIONS REVENUE

The State of Hawaii collects 100% of income associated with parking violation citations issued by the City. The genesis of this policy decision is rooted in the state’s cost of adjudicating all cases involving parking violations. In other words, the state successfully made the case to the City that since it was paying court costs to adjudicate parking tickets, then it should receive the parking violation citations income.

One potential opportunity that could generate significant dollars for the state and/or the City is to evaluate and modify the existing parking violation citations program. It is possible that parking violation citation rates

have not been increased in some time and it could be time to increase citation rates. Moreover, through improvements in revenue collection procedures and improvements in productivity, there may be upside potential. This upside could be significant. Although it appears unlikely that the state would willingly forego this existing revenue source, we suggest that the state be contacted to inquire about the possibility of a jointly-sponsored state/City study. The purpose of such study is to explore the upside potential and a potential revenue-sharing agreement between the two parties. Although the state may be unwilling to forego any of its existing parking violation citations revenue stream, it may be willing to part with all or a portion of any incremental net operating income generated through changes to this program.

One key argument for eliciting the state’s support for a joint study is the fact that the City has reported that its HPD is not duly motivated to issue many parking tickets because it does not earn revenues from parking tickets. Combining this knowledge with the tendency of police officers to focus on more serious crimes other than parking violations, and it is highly probable that significant improvements and increased net incomes could be realized through some changes. More parking citations can lead to more income.

POTENTIAL FINANCIAL IMPACT

As shown in the table below, by implementing a combination of the measures previously described, the City can realize about \$7 million in additional annual parking revenue and install the infrastructure that is necessary for increasing this amount over time, while at the same time, supporting its public transportation goals and improving its customer service levels.

Potential Annual Gross Parking Revenue Increases from City Parking Assets

Description of Initiative	Projected Dollar Impact
1. Create a single source responsibility center	Unknown, but positive
2. Upgrade technology	
a. Revenue uplift from credit card acceptance	\$1,055,000
b. Meter replacement and/or upgrade	(\$1,200,000)
3. Extend meter hours	430,000
4. Bundle parking operator agreements	68,000
5. Modify parking rates	
a. On-street Meters – Double existing rates	\$3,037,000
b. Metered Lots – Double existing rates	1,182,000
c. Cashiered Facilities – Increase transient rates	594,000
d. Increase monthly rates	2,268,000
e. Double City employee rates	400,000
f. Less demand reduction b/c rate increase	(870,000)
TOTAL	\$6,964,000



APPENDIX

APPENDIX

Actual results will vary, but as shown in the previous table, we estimate that the City's gross annual parking receipts can be increased from \$8.7 million in Fiscal Year 2010 to \$15.7 million. The following assumptions are used in support of these estimates:

1. No calculation was made to project the impact of creating a single source responsibility center.
2. Following are the assumptions regarding meter costs and the potential uplift from credit card acceptance:
 - a. Meter parking receipts in Fiscal Year 2010 were reported to be \$4,798,000 per BFS, including \$580,000 from the Zoo Parking Lot. With the introduction of new meter technology that introduces credit card acceptance, this analysis assumes a 25% revenue uplift which is consistent with the experience of other cities. Applying the 25% uplift to \$4,218,000 in meter revenues (excluding the Zoo Parking Lot), results in an annual increase of \$1,055,000.
 - b. For purposes of this analysis, a \$1.2 million annual cost⁹ is assumed for a parking meter replacement and/or upgrade, including all consumables costs which include battery replacement, receipt paper, connectivity fee, and credit card processing fees. The amortized cost of the meters depends on the type of meter, but is expected to range from roughly \$350,000 to \$650,000. An eight year amortization period at an 8.5% annual interest rate was assumed, with a ten-year life expectancy for the equipment. Annual operating costs are expected to range from \$650,000 to \$800,000 depending on the system.
3. By extending on-street enforcement hours in the Waikiki zone from 7 AM to 10 PM, Monday through Saturday, the City and County may realize about \$300,000 (with no rate increase) or by \$470,000 (with rate increase). Accounting for the added manpower required for enforcement, an annual net increase of \$260,000 to \$430,000 is estimated.
4. We suggest that a single management contract be awarded for the entire City off-street system, and that the management fee associated with this contract be based on the number of spaces being managed. The rate that we propose is \$20.00/space annually with an annual increase based on the rate of inflation. The current average management fee for over 3,400 off-street spaces is about \$40.00/space annually. Therefore, an estimated \$68,000 may be saved annually (3,400 x \$20/year = \$68,000). We also suggest that this agreement be put out to bid every three (3) years to maintain some consistency in the operation, but also allow for a competitive process.
5. Following are the assumptions regarding rate increases:
 - a. Fiscal Year 2010 on-street parking meter revenues were reported to be about \$3,037,000. Therefore, if meter rates are doubled, an additional \$3,037,000 in revenues could be realized, less an adjustment for a reduction in parking demand.
 - b. Fiscal Year 2010 off-street parking meter revenues were reported to be about \$1,182,000 (excluding the Zoo Parking Lot). Therefore, if meter rates are doubled, an additional \$1,182,000 in revenues could be realized, less an adjustment for a reduction in parking demand.

⁹ The cost and benefit of replacing off-street parking access and revenue control equipment was excluded from this analysis. This may be a longer-term initiative that would perhaps follow the on-street meter replacement/upgrade project.

HONOLULU URBAN CORE PARKING MASTER PLAN

CITY & COUNTY OF HONOLULU



FEBRUARY 8, 2011

37-8151.00

- c. Cashiered Facilities – Increase transient rates to \$1.25/30 minutes and a \$20 daily maximum, which is estimated to move transient revenues \$1,692,000 to \$2,286,000 (a \$594,000 increase). If rates are changed to \$1.25/30 minutes for that first 2 hours and \$1.50/30 minutes thereafter, up to a \$23 daily maximum, transient revenues are estimated to increase from \$1,692,000 to \$2,351,000 (a \$659,000 increase).
- d. Monthly parking rates charged at City facilities are below market and the City could increase rates in accordance with the table below, without a significant loss in demand. Incremental revenues may be increased by \$2.3 million per year with the increases shown below:

Annual Revenues from Monthly Parking – Current and Projected

Monthly Parking Category	Current Rate		Proposed Rate		Incremental Revenue
	Rate	Revenue/Yr.	Rate	Revenue/Yr.	
VIP (Police, Etc.)	\$0	\$16	\$0	\$16	\$0
\$10 Tenant	\$10	\$120	\$10	\$120	\$0
\$40 Tenant	\$40	\$200,640	\$50	\$250,800	\$50,160
\$60 Tenant	\$60	\$179,280	\$75	\$224,100	\$44,820
\$80 Tenant	\$80	\$62,400	\$110	\$85,800	\$23,400
\$90 Tenant	\$90	\$102,600	\$110	\$125,400	\$22,800
\$120 Tenant	\$120	\$20,160	\$120	\$20,160	\$0
\$90 Non-tenant	\$90	\$842,400	\$200	\$1,872,000	\$1,029,600
\$100 Non-tenant	\$100	\$777,600	\$200	\$1,555,200	\$777,600
\$125 Non-tenant	\$125	\$438,000	\$200	\$700,800	\$262,800
\$150 Non-tenant	\$150	\$167,400	\$200	\$223,200	\$55,800
\$190 Non-tenant	\$190	\$18,240	\$200	\$19,200	\$960
TOTALS		\$2,808,840		\$5,076,780	\$2,267,940

- e. This analysis assumes that current City employee parking rates are doubled from \$35 to \$70 per month for unreserved parking and from \$75 to \$150 per month for reserved parking. Even with this 100% increase, these rates are far below market parking rates. This 100% rate increase would yield a net increase of about \$400,000.
- f. Analysis assumes a 10% reduction in parking demand as a result of rate increases. In Fiscal Year 2010, \$8.7 million in City parking revenues were reported. Therefore, an \$870,000 reduction is assumed for purposes of this analysis.

**STATEMENT OF LIMITING CONDITIONS**

This report is subject to the following limiting conditions:

1. Estimates and projections provided by Walker have been premised in part upon assumptions provided by our client and/or third party sources. Walker has not independently investigated the accuracy of the assumptions provided by the client, its agents, representatives, or others supplying information or data to Walker for its use in preparation of this report. Walker has also drawn certain assumptions from its past work on other projects of similar or like nature, and has done so in a manner consistent with the standard of care within the profession. Because of the inherent uncertainty and probable variation of the assumptions, actual results will vary from estimated or projected results. As such, Walker makes no warranty or representation, express or implied, as to the accuracy of the estimates or projections.
2. The results and conclusions presented in this report may be dependent on assumptions regarding the future local, national, or international economy. These assumptions and resultant conclusions may be invalid in the event of war, terrorism, economic recession, rationing, or other events that may cause a significant change in economic conditions.
3. This report is to be used and may only be relied on in whole and not in part. None of the contents of this report may be reproduced or disseminated in any form for external use by anyone other than our client without our express written permission, as prescribed in our agreement.
4. Walker assumes no responsibility for any events or circumstances that take place or change subsequent to the date of our field inspections.
5. Walker is not qualified to detect hazardous substances, has not considered such, and therefore urges the client to retain an expert in this field, if relevant to this study.
6. Sketches, photographs, maps and other exhibits included herein may not be of engineering quality or to a consistent scale, and should not be relied upon as such.
7. All information, estimates, and opinions obtained from parties not employed by Walker, are assumed to be accurate. We assume no liability resulting from information presented by the client or client's representatives, or received from third-party sources.
8. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property (s).
9. This report is to be used in whole and not in part. None of the contents of this report may be reproduced or disseminated in any form for external use by anyone other than our client without our written permission.
10. The projections presented in the analysis assume responsible ownership and competent management. Any departure from this assumption may have a negative impact on the conclusions.
11. Computer models that use and generate precise numbers generate some of the figures and conclusions presented in this report. The use of seemingly exact numbers is not intended to suggest a level of accuracy that may not exist. A reasonable margin of error may be assumed regarding most numerical conclusions. Conversely, some numbers are rounded and as a result some conclusions may be subject to small rounding errors.

