

PARKING DECK FEASIBILITY STUDY

FREEHOLD, NJ

November 2005

WILEY ENGINEERING, PC

Executive Summary

Wiley Engineering, PC was engaged by a joint committee of the Borough of Freehold and the County of Monmouth in order to conduct a feasibility study for a parking deck to be situated on a rectangular portion of the County's Hall of Records parking lot. The study findings and conclusions are as follows:

- There is an immediate deficiency of about 50 parking spaces within 500' of the intersection of South & Main and a latent (future) demand for an 60 additional spaces, depending on the redevelopment of the American hotel property;
- In addition to the above demand, a modest parking surplus will support future economic growth and development in the study area;
- There is precedent for a parking deck and the selected site is an appropriate location;
- The minimum parking deck size should be in 300 to 350 space range;
- The Market Yard lot can be re-stripped to add an additional 24 spaces to the parking supply;
- The estimated developmental cost to build a 300 space deck and re-stripe the Market Yard lot is about \$5.5 million;
- If these funds were secured through issuance of tax exempt (public agency) bonds, the annual debt service and operating expense would amount to about \$643,000 per year (assumes 30 year bonds at 5.5% interest rate);
- Annual income of this order of magnitude can be achieved by establishing charges for parking in the currently free municipal parking facilities in the study area, including street parking. New parking fees and regulations will also organize the parking system and reduce parking abuses;
- In order to keep new parking charges as low as possible, the income stream may be supplemented by other revenue enhancement opportunities such as fee simple sale of under utilized parking areas, PILOT, ground leases, or air rights arrangements in conjunction with the parking deck development program;
- Assuming that paid parking is instituted and some revenue enhancement is secured, the program is financially feasible. A sample economic model further indicates that significant additional revenues can flow to the Borough and the County after payment of debt service and operating expenses;
- In October 2005, the County identified future building plans that would substantially alter the parking program proposed herein, most notably, the location of the parking deck. As a result, the parking program is "on hold" until the County's current Master Plan can be completed.

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STUDY AREA / PARKING DECK SITE



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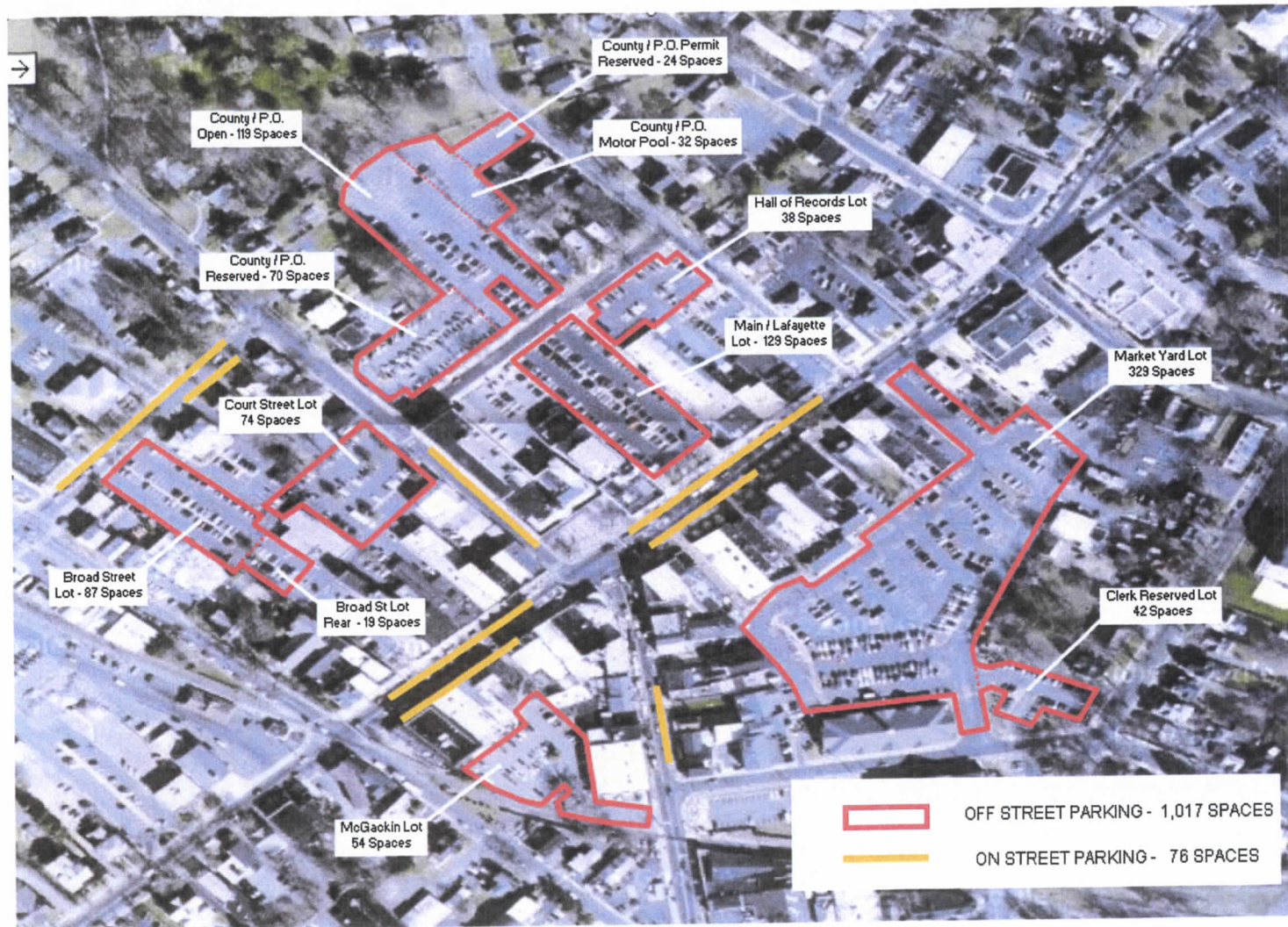
PURPOSE OF STUDY

- Review the 2002 parking study prepared by Abbington Associates
- Verify the need and selected location of the parking deck
- Recommend deck size
- Determine under what circumstances the deck will be financially feasible

FIELD STUDIES

- Update the Abbington inventory
- Conduct occupancy counts
- Obtain critical dimensions and site features
- Observe traffic patterns

INVENTORY



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CHANGE FROM 2002

Market Yard	-11	Dumpsters
Main / Lafayette (Temp)	-35	Construction / to 1-07
Hall of Records	n/c	
Lafayette St. Lot (Temp)	-22	Post Office
Broad / Court Lots	n/c	
McGackin	n/c	
On-Street	<u>+7</u>	Court Street
Net Loss	-61	

OCCUPANCY

NUMBER OF CARS PARKED:			Capacity	8:30 AM	10:00 AM	11:30 AM	12:45 PM	2:30 PM
County Lots								
Main to Lafayette	Public + Reserved		129	70	101	104	106	101
Lafayette at Sheriff	Public		38	25	37	41	41	36
Lafayette at Court	Reserved		70	45	55	57	59	57
Lafayette Main Lot	Public + Post Office		119	61	68	72	68	71
Lot 3 Pool Vehicles	Reserved		32	22	19	19	18	19
Sheriff St. Tail			24	1	2	1	1	1
Market Yard								
Main Body	Public		329	85	188	204	300	272
Clerk Reserved	Reserved		42	11	33	34	32	38
McGackin Lot								
	Public		54	40	48	52	53	50
Court Street Lot								
	Public		74	50	50	53	58	55
Broad Street Lot								
Main Body	Public		87	43	46	52	63	48
Rear Area	Public		19	17	7	8	8	9
On-Street Spaces								
Main Street	Public		45	32	36	28	41	42
Broad Street	Public		20	10	6	8	6	4
Court Street	Public		5	3	5	4	3	5
South Street	Public		6	6	6	6	5	6
			1093	521	707	743	862	814

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OCCUPANCY

EXPRESSED AS % OCCUPIED:								
			Capacity	8:30 AM	10:00 AM	11:30 AM	12:45 PM	2:30 PM
County Lots								
Main to Lafayette	Public + Reserved	129	54.3%	78.3%	80.6%	82.2%	78.3%	
Lafayette at Sheriff	Public	38	65.8%	97.4%	107.3%	107.3%	94.7%	
Lafayette at Court	Reserved	70	64.3%	78.6%	81.4%	84.3%	81.4%	
Lafayette Main Lot	Public + Post Office	119	51.3%	57.1%	60.5%	57.1%	59.7%	
Lot 3 Pool Vehicles	Reserved	32	68.8%	59.4%	59.4%	56.3%	59.4%	
Sheriff St. Tail	Public	24	4.2%	8.3%	4.2%	4.2%	4.2%	
Market Yard								
Main Body	Public	329	25.8%	57.1%	62.0%	91.2%	82.7%	
Clerk Reserved	Reserved	42	26.2%	78.6%	81.0%	76.2%	90.5%	
McGackin Lot								
	Public	54	74.1%	88.9%	96.3%	98.1%	92.6%	
Court Street Lot								
	Public	74	67.6%	67.6%	71.6%	78.4%	74.3%	
Broad Street Lot								
Main Body	Public	87	49.4%	52.9%	59.8%	72.4%	55.2%	
Rear Area	Public	19	89.5%	36.8%	42.1%	42.1%	47.4%	
On-Street Spaces								
Main Street	Public	45	71.1%	80.0%	62.2%	91.1%	96.3%	
Broad Street	Public	20	50.0%	30.0%	40.0%	30.0%	20.0%	
Court Street	Public	5	60.0%	100.0%	80.0%	60.0%	100.0%	
South Street	Public	6	100.0%	100.0%	100.0%	83.3%	100.0%	
		1093	47.7%	64.7%	68.0%	78.9%	74.5%	

HIGHEST OCCUPANCIES



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CONCLUSIONS

- There is an immediate deficiency of about 50 spaces within 500' of the intersection of South & Main
- There is latent demand for an additional 60 spaces in the study area
- A modest surplus parking supply will support future economic growth and development in the study area
- There is precedent for a parking deck and the Main / Lafayette lot is an appropriate parking deck site

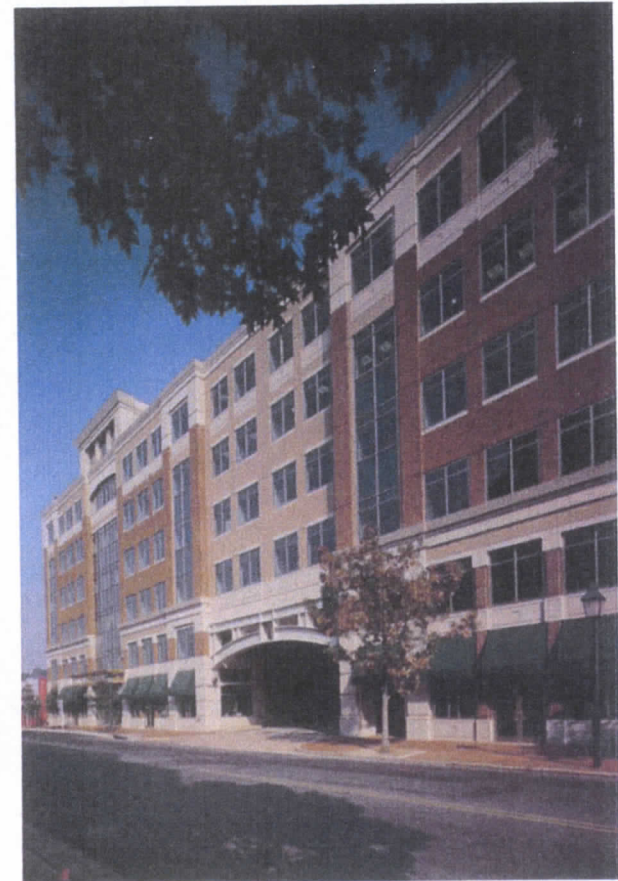
Minimum Deck Size

Existing Shortage	50
Latent Demand	60
Future Growth / Flexibility	60 to 110
Replace Existing	<u>130</u>
Total	300 to 350

Parking

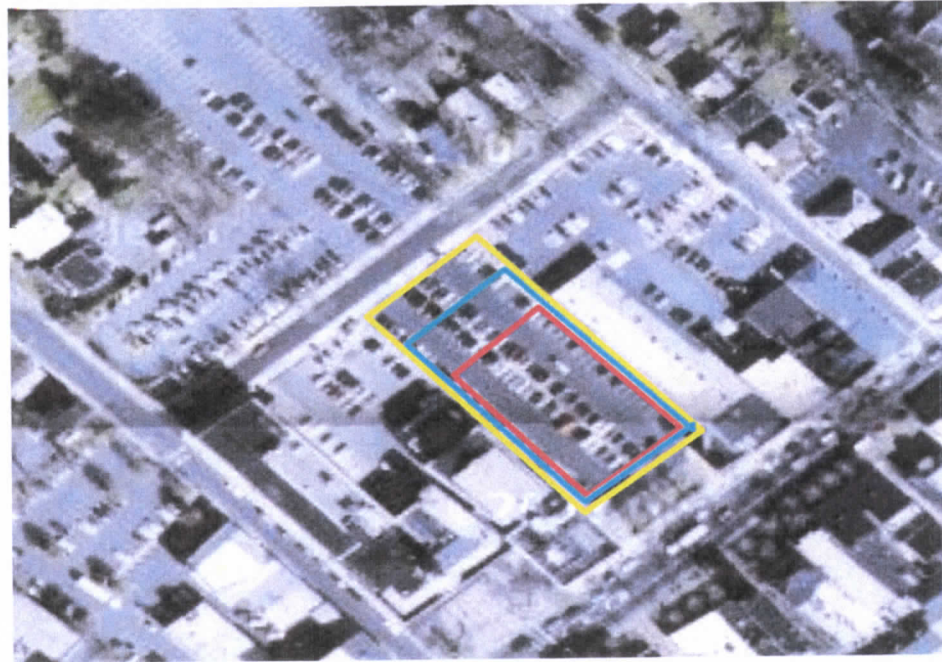


Decks



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Deck Planning



Red	-	4 supported levels
Blue	-	3 supported levels
Yellow	-	2 supported levels

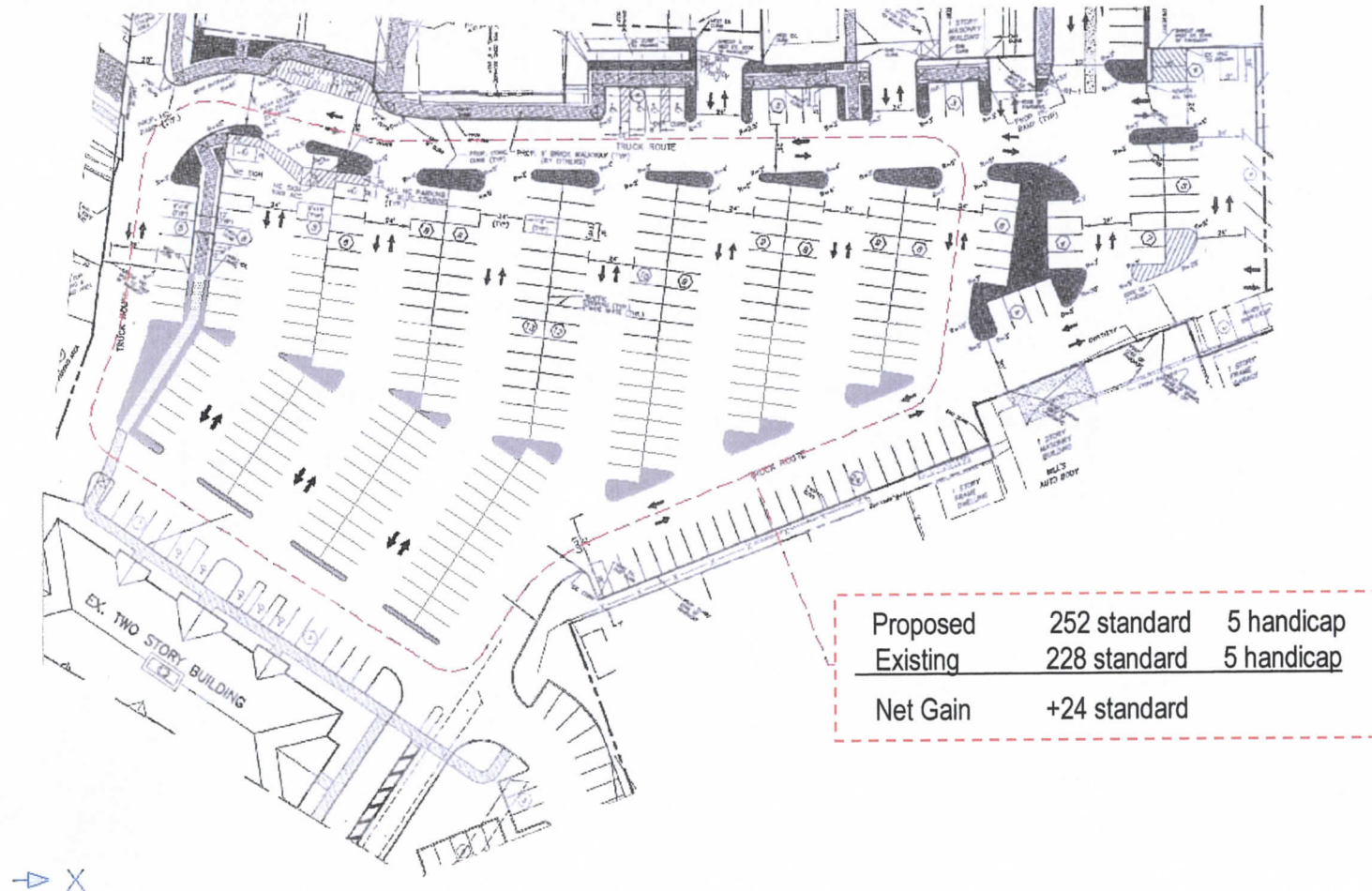
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→ X



Other Program Elements

Market Yard Re-striping Proposed Plan



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Other Program Elements / Costs

Purchase Parking Control Equipment

56 on-street meters @ \$500 ea.	\$	28,000
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8 multi-space meters @ \$12,000 ea.		96,000
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Re-stripe Market Yard Lot		30,000
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Misc. Access Improvements / Signing		<u>46,000</u>
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Total	\$	200,000
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Annual Expense Model

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Parking Deck Program

	300 Space Plan	350 Space Plan	400 Space Plan
<u>Hard Construction - Garage</u>			
300 spaces @ \$15,000 per space*	\$4,500,000		
350 spaces @ \$15,000 per space*		\$5,250,000	
400 spaces @ \$15,000 per space*			\$6,000,000
<u>Pedestrian Connections - Other Garage Amenities / Allowance</u>			
Lump Sum	\$250,000	\$250,000	\$250,000
<u>Hard Construction - Total</u>	\$4,750,000	\$5,500,000	\$6,250,000
Construction Contingency @ + / - 4.00% of Hard Total	\$190,000	\$220,000	\$250,000
Design, Supervision, Survey, Testing, and Project Management @ + / - 8.00% of Hard Total	\$380,000	\$440,000	\$500,000
<u>Base Capital Cost</u>	\$5,320,000	\$6,160,000	\$7,000,000
<u>OTHER PROGRAMMING: Parking Control Equipment; Re-striping; Misc</u>	\$200,000	\$200,000	\$200,000
<u>TOTAL DEVELOPMENTAL COST - PROGRAM</u>	\$5,520,000	\$6,360,000	\$7,200,000
<u>Financing:</u>			
Deposit to (net funded) Construction Fund	\$5,200,300	\$6,021,400	\$6,842,500
Deposit to Other Program Fund	\$200,000	\$200,000	\$200,000
Deposit to D.S. Reserve Fund	\$462,838	\$533,200	\$603,563
Deposit to (net funded) Cap Interest Fund (12 months)	\$451,267	\$519,870	\$588,474
Issuing Costs **	\$229,075	\$263,900	\$298,725
Correction Amount	\$1,521	\$1,630	\$1,739
<u>Per Amount of Bonds</u>	\$6,545,000	\$7,540,000	\$8,535,000
<u>Annual Debt Service Payment</u>			
- 30 year issue @ 5.75%, level payment schedule	\$462,838	\$533,200	\$603,563
<u>Garage Operating Expense</u>			
300 spaces @ \$400 /space / year	\$120,000		
350 spaces @ \$400 /space / year		\$140,000	
400 spaces @ \$400 /space / year			\$160,000
<u>Security Patrols - 8PM to 8AM</u>	\$60,000	\$60,000	\$60,000
<u>ANNUAL DEBT SERVICE & OPERATING EXPENSE ESTIMATE</u>	\$642,838	\$733,200	\$823,563

* Based on Means Cost Data (2004) average public parking garage cost estimate for New Brunswick, NJ + 10%
 ** Includes Underwriters Discount, Bond Insurance Premium, Bond Counsel,
 Printing, Advertising & Miscellaneous, General Counsel, Parking Consultant

Income Targets

Revenue Bonds – Guaranteed (1.05x coverage)

300 space deck	\$ 675,000 / year
350 space deck	\$ 770,000 / year
400 space deck	\$ 865,000 / year

Revenue Bonds – Not Guaranteed (1.25x coverage)

300 space deck	\$ 805,000 / year
350 space deck	\$ 915,000 / year
400 space deck	\$1,030,000 / year

Potential Income from Parking*

On-Street Meters	\$	65,000
Hall of Records & P.O. Area		20,000
McGackin Lot		60,000
Court Street Lot		65,000
Broad Street Lot – Transient		8,000
Broad Street Lot – Permit		12,000
Market Yard – Transient		200,000
Market Yard – Permit		15,000
New Deck		175,000
Enforcement Income Increase		<u>120,000</u>
Total	\$	740,000

** Assumes basic rate of 50¢ per hour - 8AM to 6PM - Mon to Sat; and \$25 per month (\$75 per quarter) for permit parking*

Revenue Enhancement Options



- | | |
|--|-------------------|
| 1. Fee Simple Land Sale (12 Townhouses) | \$ 1,000,000 |
| 2. PILOT or Ground Lease – 15,000 SF ground level commercial + 20 lofts (10 x 2) | \$ 100,000 / year |
| 3. Air Rights Lease | \$ 150,000 / year |

Sample Economic Model

350 Space Deck Program – Bonds Guaranteed

	<u>Debt Service & Operating Fund</u>	<u>Unpledged</u>
Fee Simple Land Sale \$1,000,000	\$ 500,000 (as capital contribution)	\$ 500,000 (one time)
Leases and / or PILOTs \$ 150,000 / year	\$ 100,000 / year	\$ 50,000 / year
Deck Income \$ 200,000 / year	\$ 200,000 / year	
Parking System Income \$ 440,000 / year	\$ 370,000 / year	\$ 120,000 / year
Enforcement Income Increase \$ 120,000 / year	<u>\$ 100,000 / year</u>	<u>\$ 20,000 / year</u>
	\$ 770,000 / year	\$ 500,000 (one time)
	<i>covers</i>	<i>plus</i>
ANNUAL INCOME TARGET (350 Space Deck)	\$ 770,000 / year	\$ 190,000 / year
		<i>plus</i>
		Annual tax revenue on 12 Townhouses

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