



Polo Road Garage Pricing



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Background

- In May 2017, Dr. Katherine Banks, Vice Chancellor and Dean of Engineering, and Peter Lange of Transportation Services established an MOU concerning Polo Road Garage.
- Dr. Banks wanted the new garage to provide additional parking space and offer lower-level retail specifically food opportunities.
- Engineering committed to pay the debt service on \$5.56 million of the total cost of the facility (approximately \$434,000 annually).



Background, cont'd

- In the MOU, Dean Banks specified that Transportation Services would pursue a premium for permits in Polo Road Garage.
- This premium would be used first to handle the obligated portion offered by Engineering.
- Dean Banks agreed to cover any shortfall in revenue generated by the premium from the stated amount.



Industry feedback

- Many universities practice proximity pricing.
- Proximity pricing is used to aid in demand for the premium areas and fund future capital investment.
- Polo Road Garage is located in one of the most sought-after parking areas on campus.
- There are currently 850 Faculty and Staff parking in Lots 47, 50 and 51. Once the Polo Road Garage is complete, there will be 1,265 surface spaces available in the three parking lots.
- Charging a premium would free up Engineering academic funds from paying for parking.



Pricing/Conclusion

- Our staff determined that a premium of \$100 more than the existing garage rate of \$530 would serve this purpose well. This should generate enough revenue to cover more than half of the amount Engineering agreed to pay.
- This premium, coupled with the anticipated visitor revenue generated by the garage could potentially cover the remainder of the amount owed by Engineering.



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Questions?