

Questions and Answers
From Meetings between SHARE and UMass Chan Representatives

Below is information collected from a few different conversations, grouping similar questions.

We asked: Why are you increasing parking rates?

They said: Roughly speaking, revenue has not been sufficient to cover the operating expenses or the capital improvements required. The new parking rates would bring UMass closer to covering both the operating expenses and the capital improvements, but still not completely cover it. The school and clinical system share in making up the difference.

We asked: How did you arrive at these new parking rates?

They said: We looked to peer institutions and parking rates in surrounding areas to determine what the new rates should be. Then we decided to spread the increases over three years to make the change more gradual.

We asked: What is your projection for future rate changes?

Projected employee parking rates through FY26 are below. After FY26 rates will increase annually based on CPI and be rounded to the nearest dollar.

	FY23	FY24	FY25	FY26
Library/Clinical Lot	30	33	35	38
West Garage	17	22	27	32
Power Plant	17	22	27	32
Unreserved	8	11	14	17
Plantation Street	8	9	10	11
Shaw	8	14	21	27
Biotech 1	8	14	21	27
Biotech 2	8	14	21	27

*Note UMass Chan is continuing to subsidize parking compared to market rates until FY26

We asked: In setting the new rates for this year and future years, what peer institutions did you compare with?

They said:

- Peer Institutions: Yale, UVM, UConn, Upstate University Hospital, UMass Lowell, UMass Boston, Univ. Maryland Baltimore, Univ. Pittsburg Presbyterian, Boston University Medical Campus, Beth Israel Deaconess Medical Center.
- Worcester Garages: Union Station, Worcester Commons, Mercantile Center, Pearl-Elm Municipal Garage, Federal Plaza, Major Taylor Garage, Worcester Plaza.

We asked: What structural work is additional capital needed for and what is the timeline for making these repairs/maintenance & are there changes planned in the service/lighting/security/shuttle?

They said: We can give you a summary of potential capital projects based on FY24 capital plan, but this list is subject to change:

- West Garage Repairs (FY24/25)
- Pine Tree Lot Lighting Improvements (FY24)
- West Garage Camera Upgrades (FY24)
- Parking Access and Revenue Control System (FY24/25)
- Plantation Street Garage Elevators (FY24)
- EV Charging Stations (FY24)
- Structural/engineering assessments (FY24/25)

We asked: What do the expenses add up to and what do they pay for? What has the income been over the years & what would the income be at the new rates?

They said: Total annual operating expenses are roughly \$8M. Operating expenses include payroll/fringe, purchased services (i.e., shuttle costs), overhead, facilities & space costs (i.e., minor improvements, depreciation/interest), IT services/equipment/licenses, equipment purchases/maintenance, utilities.

There is an additional \$4 Million/year capital improvements budget.

See below for estimated costs and revenue.

	FY20-FY23 Average	FY23 (Est)	FY24 (budget)
Revenue	\$6,000,000	\$10,200,000	\$11,000,000
Expenses	\$6,616,667	\$8,100,000	\$8,600,000
Margin	(\$616,667)	\$2,100,000	\$2,400,000
Capital	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)
Deficit	(\$4,616,667)	(\$1,900,000)	(\$1,600,000)

*Figures rounded

Note: In FY23 UMass Chan fully subsidized the rate increases