

**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-387
SEPTEMBER 16, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
RAMP ASSOCIATES STUDY OF OPERATION AND FINANCIAL PERFORMANCE OF THE MUNICIPAL PARKING SYSTEM	RESOLUTION ORDINANCE ◆ RECEIVE/FILE	JAMES A. THOMPSON TRAFFIC & TRANSPORTATION DIRECTOR

SYNOPSIS —

On January 22, 1996, the City of Des Moines entered into a Professional Services Agreement with RAMP Associates. Under this agreement, RAMP Associates was to conduct a study of the operation and financial performance of the Municipal Parking System as required by the 1990 Parking Revenue Bond Resolution. This study has been completed, and copies of the Final Report are available in the City Manager's Office.

The study indicates that the Parking System is being well operated and is fiscally responsible. The System continues to exceed the annual net revenue requirement of 125 percent of debt service as set forth in the Bond Resolution. It is the opinion of RAMP Associates that the Parking System does not need to adjust current rates or policy at this time. It is indicated, because of the downward trend of debt service coverage, that operating diligence will be required over the next several years to assure that the debt service coverage requirement is continuously maintained.

FISCAL IMPACT —

N/A

RECOMMENDATION —

Receive and file.

BACKGROUND —

On January 22, 1996, by Roll Call No. 96-359, Council authorized a Professional Services Agreement between the City of Des Moines and RAMP Associates to conduct a study of the operation and financial performance of the Municipal Parking System as required by the 1990 Parking Revenue Bond Resolution. The study has been completed, and the final report submitted.

RAMP Associates indicates: "Based on our reviews, and our experience in preparing similar reports for other municipalities, we consider the Des Moines Parking System to be among the most dynamic and responsible parking agencies in the country. The main reason for this is that, over the years, the Parking System has consistently made significant contributions, in an important supporting role, to the sustained physical and economic growth of the City." The report further states: "The Parking System continues to exceed the annual net revenue requirement of 125 percent of debt service as set forth in the Bond Resolution. Therefore, it is our opinion that the Parking System does not need to adjust current rates or policy, at this time, in order to satisfy the net revenue requirement. However, the recorded and anticipated downward trend of debt service coverage, as calculated in this report, should indicate to the Parking System that operating diligence will be required over the next several years to assure that the debt service coverage requirement is continuously maintained."