



# 2022 ANNUAL REPORT







**New Welcome Sign** - Located near the North entrance of UToledo on North Towerview Blvd.



**Updated Light Post Sign** - Located in Area 25 just outside of Rocket Hall.



**Area 1N** - Newly renovated surface parking lot.

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**Area 42A** - Newly renovated surface parking lot located along Hospital Drive on UToledo's Health Science Campus.



# INTRODUCTION



**Sherri Kaspar**

**President, Diogenes Asset Management**

**Executive Director, ParkUToledo**

In publishing our first Annual Report, it's interesting to reflect on how far we've come since the closing of the concession transaction in October 2021.

The transaction itself was the first ever public to public North American university parking concession which enabled low-cost tax-exempt bonds to finance a monetization where the university retains control of parking rates & policy and benefits from surplus parking cash flows.

Credit belongs to The University of Toledo for its creativity in seeing the potential for monetizing a non-core asset in order to fund the upgrading of parking assets and to redeploy capital to the greater funding of its educational mission.

Within the university community, there is a growing appreciation for the benefits of monetization. A common assumption (about concessions) has been that the university no longer controls the parking system, but users are now coming to understand that the Concession Agreement contains significant reserved powers that preserve the university's rights to make decisions on all matters related to parking.

A concession is, by necessity, a partnership, where goals are aligned, and the parties work together for success. As ParkUToledo and The University of Toledo enter year two of our relationship, we both continue to learn lessons and gain confidence in the mutual benefit of the concession. We both strive for the same outcome—a high level of customer satisfaction.

Overall, users have also been quick to credit our delivery of upgraded parking assets and improved parking services and efficiencies.

Since closing, we've focused on making changes to the parking system to improve the customer experience. We've also accelerated capital expenditures and invested \$3.7 million in the parking system. In partnership with the university, we also demolished the old and unsafe garages and replaced them with new surface lots.

The parking industry in general is experiencing a rapid development of new technologies— some of which are aimed at improving customer service, some at greater efficiencies and some at improved environmental and sustainability practices—and we look forward to bringing enhancements to campus in the years ahead.

Aside from the improved condition of many lots, the UToledo parking system today looks very much like it did before the concession. The same parking policies are in place, everyone wants to park next to their classroom, the same parking lots fill quickly, and, of course, snow and ice still do not melt fast enough.

However, behind the scenes, things have changed dramatically to provide a more responsive and efficient business model. In the pages that follow, we report on how things are changing in the parking system at UToledo.

We're also pleased to provide a glimpse into continuing alignment of values, vision, and expectations well into the future.

Cordially,

A handwritten signature in black ink, appearing to read 'S. Kaspar'.

Sherri Kaspar





**UToledo Student Planner** - ParkUToledo sponsored a page in the 2022-23 student planner as another avenue to share helpful information with the campus community.



# THE CONCESSION

The University of Toledo monetized its parking assets through a long-term concession transaction, in order to:

- Generate an upfront capital payment that can be used to help the University achieve its growth targets and advance its strategic priorities.
- Improve the physical condition of the facilities that make up the Parking System.
- Provide a better customer experience by outsourcing the operation to an experienced, professional third-party parking operator.
- Improve the operation and management of the System using technology and parking industry best practices.
- Focus on its core mission of educating its students.

The Concession transaction provided the University with an upfront payment of \$52 million with an additional \$10 million to be spent over the first three years of the concession on upgrading the condition of the parking assets.

The University has effectively added \$52 million to its Endowment Funds, transferred capital maintenance & life cycle costs for 35 years and outsourced operating risk, while retaining ownership and ownership rights (including the right to set rates and change policies) and a continuing revenue stream from surplus parking cash flows. The anticipated surplus cash flow over the life of the Concession is estimated to be \$140 million.

The Concession Agreement enshrines the University's rights of ownership and ParkUToledo's obligations to operate and maintain the parking system and to hand it back to the University at the end of its term in good condition.

## ParkUToledo

The Concession Agreement is between the University of Toledo and ParkUToledo, a non-profit entity controlled by the Toledo Lucas County Port Authority. The Concession is managed by Diogenes Asset Management who hired SP+ to oversee the operation of the parking system. Both the asset manager and the operator have extensive experience in concession and parking operations management, and both have continued the employment of key university parking employees in order to ensure continuity of processes and institutional knowledge.

As a non-profit entity, ParkUToledo operates the parking system for the ultimate benefit of the University and pays all surplus cash flow from the parking revenues, after operating expenses and debt service, to the University.

ParkUToledo strives to be a good partner with the University and the community. Our vision is to be known for a welcoming, efficient, quality parking experience that leaves a positive lasting impression of the UToledo campuses. With this vision, we established an environmental, social and governance policy along with strategic objectives to guide ParkUToledo in key decisions.

As of December of 2022, the parking system consisted of 10,522 spaces across 53 surface lots on UToledo's two campuses.



# MISSION, VISION & VALUES

## MISSION

To provide safe, secure parking and to optimize the surplus cash flows distributed to The University of Toledo over the life of the concession.



## VISION

ParkUToledo will be known for a welcoming, efficient, quality parking experience that leaves a positive lasting impression of The UToledo campuses.

## EXTERNAL VALUES

### • Dependable

- Provide parking options and the highest levels of service to all parties on the UToledo campuses.

### • Quality

- Maintain functional, attractive and safe parking areas.

### • Innovative

- Continuously develop and implement new strategies and technologies to keep ParkUToledo at the forefront of the industry.

### • Efficient

- Execute day-to-day operations efficiently while maintaining and optimizing lifecycle costs of the assets.

# PARKUTOLEDO EMPLOYEE CHARACTERISTICS



## STRATEGIC OBJECTIVES







**Area 40** - Aerial view of a patient parking area at UToledo's Health Science Campus.



# ENVIRONMENTAL, SOCIAL & GOVERNANCE POLICY

We believe that management of environmental, social and governance (ESG) factors are critical to the stewardship of parking infrastructure assets and can make a tangible difference to the lives of people who work, use, and live in Toledo.

Management of ESG factors are also critical in the appropriate response to risks and opportunities that can directly impact financial performance.

The integration of ESG considerations into our business plays an important role in shaping our business model, and we see our ESG values and policies and their implementation as major components of our organizational culture.

At ParkUToledo we consider our vision for ESG to be driven primarily by our values, with compliance requirements being an important but incidental motivation.

ParkUToledo contributes to sustainability through environmentally conscious parking design, management and operations that work together to promote smart parking systems, reduced carbon footprints, energy efficiency, and transportation alternatives.

## EV Chargers

ParkUToledo has partnered with the University of Toledo's Department of Sustainability to bring electric vehicle chargers to the UToledo Campus.

UToledo's Office of Sustainability received a \$90,000 grant from the Ohio Environmental Protection Agency to help cover the cost of the purchase and installation of six EV charging stations on campus.

Each station can power two vehicles at once, totaling 12 EV charging spaces.

The machines, manufactured by ChargePoint, can fully charge a vehicle in four hours.



Following their implementation in mid-October through the end of 2022, the EV charging stations served 87 unique drivers, over 179 sessions, saving 270 gallons of fuel, avoiding 2,245kg of greenhouse gas emissions which has the same effect as planting 58 trees and letting them grow for 10 years.



As electric vehicles become more popular, we will continue to monitor usage and identify trends to manage the potential of expanding the EV charging infrastructure at the University.



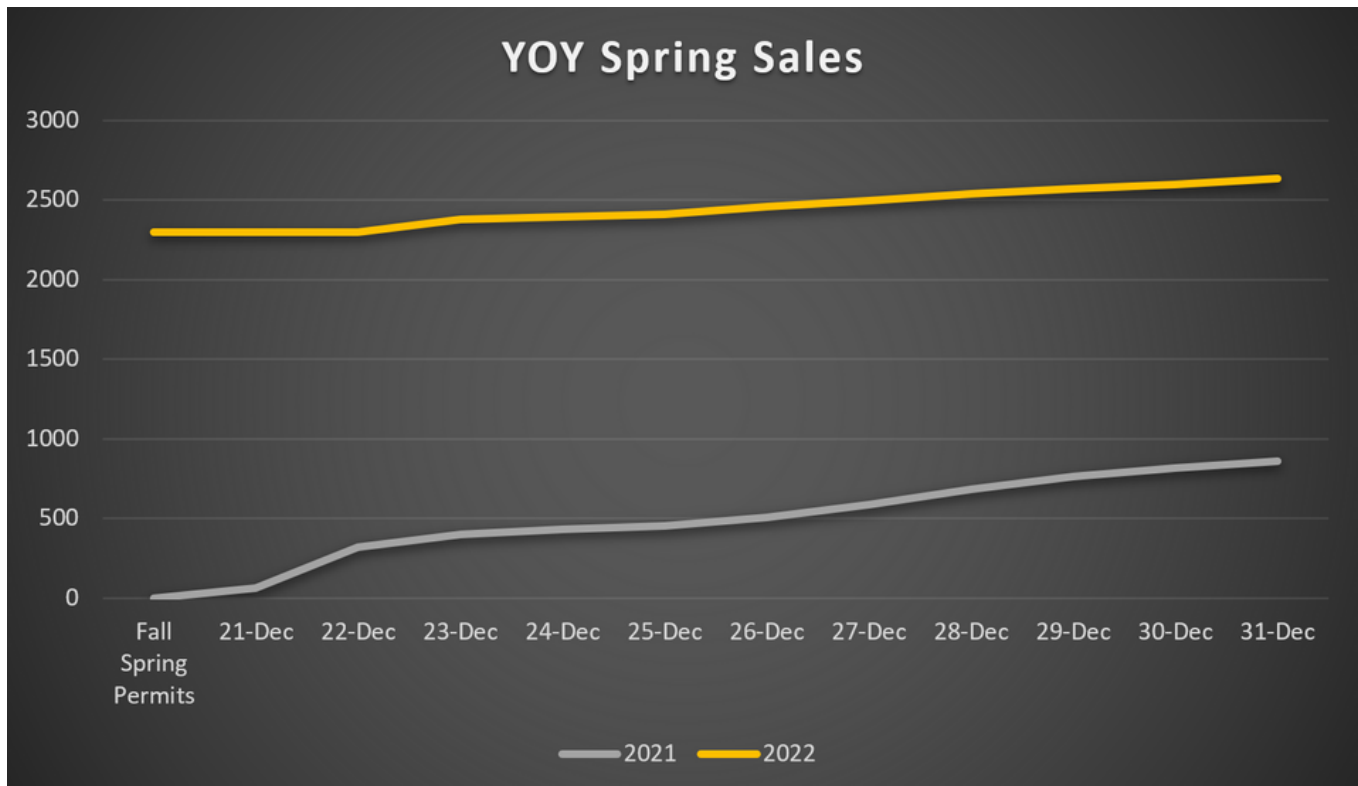
# PERMIT SALES

A key component to evaluating the effectiveness of processes leading to compliance of the parking rules and regulations is tracking statistics that ParkUToledo collects throughout the year.

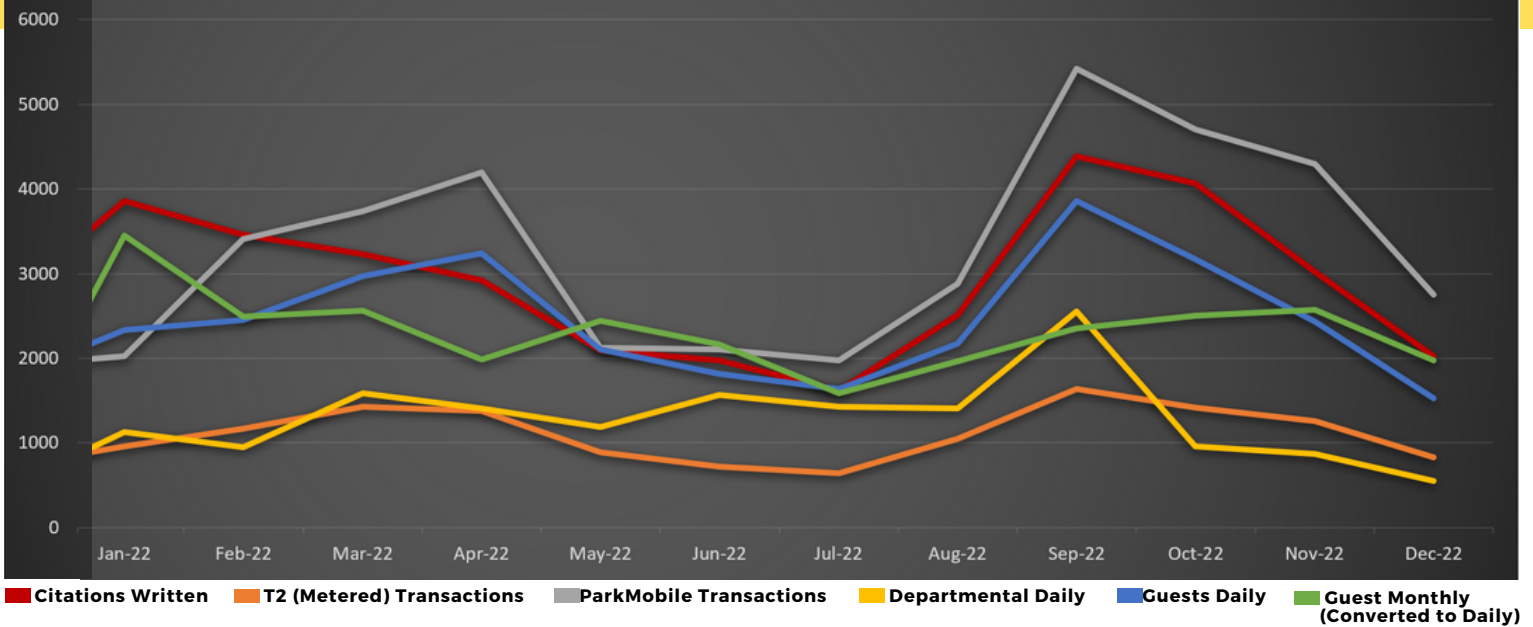
Despite UToledo's enrollment decrease of 8.7% for the 2022 fall semester, ParkUToledo permit sales were down just 6.2% from fall 2021 - illustrating a higher percentage of semester permits purchased by the student population.

As showcased in the graph below, student permit sales for the 2023 spring semester feature earlier permit compliance with 2,637 permits purchased by December 31, 2022, compared to 859 in December of 2021.

Per student requests, ParkUToledo added a fall/spring semester permit in August of 2022. The addition of the dual semester student permit will result in higher compliance in 2023.



## Citations vs. Transient and Daily Permits Purchased



Transient transactions (hourly, daily & monthly permits) have increased as more users purchase daily passes or pay the daily rate via cell phone.

The graph above illustrates the relationship between transient transactions and citations written throughout 2022.

This data showcases that compliance among the UToledo community has increased as transient transactions have outpaced citations written.





# COMPLIANCE WITH PARKING REGULATIONS

The initial construction, maintenance over their useful life and the daily operation of the parking system is costly and these costs must be recovered somehow, even if parking is charged at below market rates (as is the case at UToledo).

The ParkUToledo budget is based on the assumption that users of the parking system will pay the prescribed rates.

The role of parking enforcement is not to generate revenue for its own sake but to improve payment compliance.

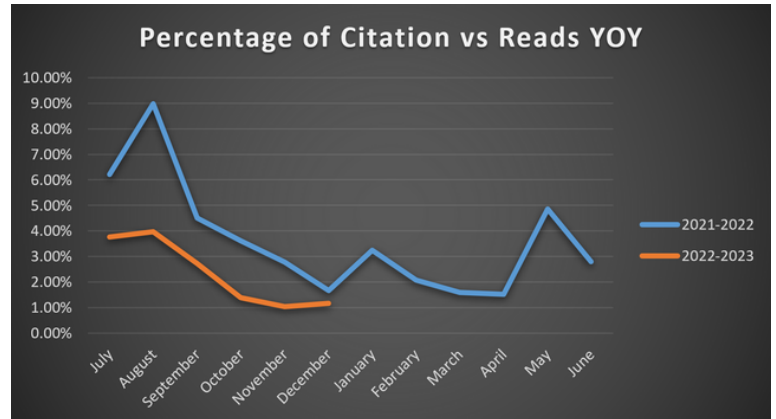
In fact the role of parking enforcement, is twofold -

- to ensure payment compliance by users of the system, and
- to ensure that space availability is maximized to avoid capacity constraints that would otherwise occur as a result of abuse.

Ideally everyone would pay the prescribed rate and remain in their parking space for their paid time and there would be zero citation revenue.

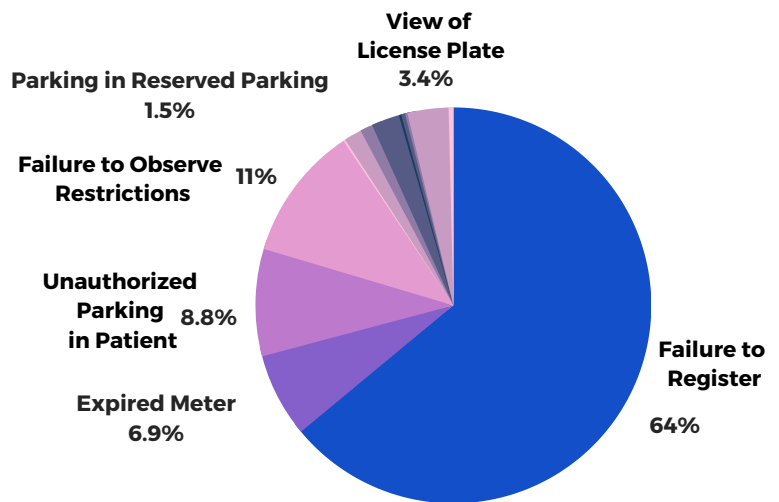
Better enforcement leads to higher compliance and fewer citations. Over the course of 2022, through consistent enforcement, we've seen higher compliance and declining citations. We also attribute the higher compliance to our improved communications.

"Failure to Register Vehicle" violations continue to lead citations written. That violation made up 64% of overall citations issued compared to 72% from previous years.



The chart above illustrates the percentage of citations versus license plate scans year over year. The blue line indicates the citation percentage for the 2021-22 school year, with ParkUToledo taking over operations in October of 2021.

Since ParkUToledo's inception, failure to register violations are down 8%.





## Immobilization

By the end of the 2022 fiscal year, ParkUToledo had in excess of \$500,000 in unpaid citations and was forced to take action on collections.

In November, ParkUToledo resumed immobilizing vehicles for high outstanding balances on parking accounts. ParkUToledo utilizes PayLock Self-Release Boots that have the ability to be released 24/7 without requiring a ParkUToledo ambassador.

Immobilization assists in:

- Mitigating large balances
- Correcting behaviors that violate ParkUToledo's Rules & Regulations
- Identifying offenders that either don't have parking accounts or have outdated contact information in their parking portal

In just 20 days,  
28 vehicles were immobilized  
and released resulting in the  
collection of \$19,642 of  
outstanding parking citations.





# PARKING SNAPSHOT

In 2022, its first full year of operation, ParkUToledo exceeded its operating budget, despite enrollment declines. Revenue was on target and expenses were lower than budget.

We implemented a new campus-wide signage program and completed \$3.7 million of capital improvements across the parking system.

As we continue to operate the parking assets for UToledo, we are committed to be good partners and optimizing surplus cash flow over the life of the concession.

## ParkUToledo Ambassadors

ParkUToledo provides jobs to 14 students who work as ambassadors across enforcement and maintenance.

In addition to their primary functions, our ambassadors are trained to be friendly and helpful resources to users of the parking system.

The ParkUToledo ambassadors scanned 1,815,030 vehicles in 2022.

Placed bumper to bumper, the total scanned vehicles would nearly reach from Toledo, Ohio to Athens, Greece.



## Customer Service Representatives



In 2022, ParkUToledo customer service representatives:

- Sent/received **12,022 emails**
- Answered **19,403 total calls**

The average call handling time for customer service representatives in 2022 was **3-minutes and 15-seconds**.

- Average inbound calls per day: **61.3**
- Average outbound calls per day: **17.9**

All emails and phone calls received by the ParkUToledo office were returned within 24 business hours.





**The Edison Memorial Fountain** - Located on the Southwest corner of Centennial Mall just out side of the student union.



# ASSET IMPROVEMENTS

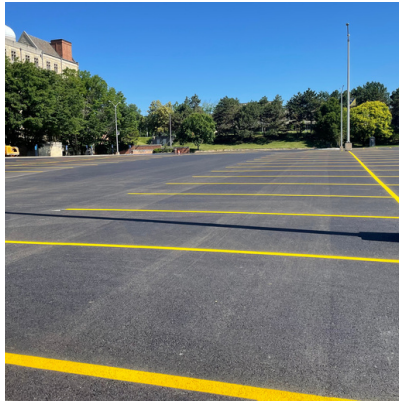
ParkUToledo has set aside \$10 million to be spent on improvements to the parking system over the first three years of the concession. In 2022 ParkUToledo spent \$3.7 million in asset improvements on UToledo's Main and Health Sciences Campuses.

## AREA 26

Area 26's storm water and drainage lines were upgraded and the surface lot was repaved and restriped.

## AREA 1N

Area 1 was leveled, repaved & restriped - aisle widths were increased and all bollards removed.



## SIGNAGE PROJECT

413 total signs added/replaced, including:

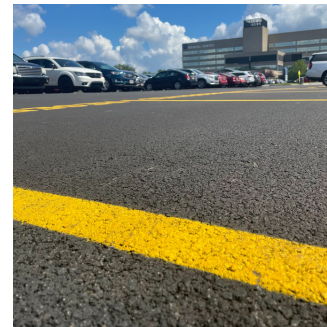
**Entrance Signs**  
30 new, 54 replaced



**Welcome Signs**  
11 new



**Light Post Signs**  
17 new, 301 replaced



## AREA 42A

Area 42A was rebuilt from the ground up. The traffic pattern was also updated for a safer, more efficient design.

## MISC. IMPROVEMENTS

13 parking areas were resealed and/or restriped. Green markings were added to indicate patient spaces, pot holes were filled and catch basins were repaired.

### AREA 44

Area 44's soil was stabilized, repaved and restriped.



### AREA 48

Area 48 was reconfigured, repaved and restriped.



### OFFICE BUILD OUT

ParkUtoledo moved into its new Rocket Hall office in August.







**Area 10** - Freshly ressealed and restriped surface lot located along Stadium Drive just North of the Glass Bowl.

# COMMUNICATIONS

## GETTING THE WORD OUT

In April of 2022, ParkUToledo hired a Communications Manager to assist in creating and disseminating information to the UToledo campus community and the general public.

With this hire, ParkUToledo developed various informational handouts to distribute at Rocket Launches and Transitions, designed promotional giveaway materials, constructed any and all maps and other literature needed to assist UToledo departments in adequately informing their guests of parking rules and regulations ahead of their visits to campus.

In late June, ParkUToledo held a strategic planning session with the staff to establish the mission, vision, values and employee characteristics.

Each school year, as dictated by the Concession Agreement, all prices will increase. ParkUToledo published numerous articles, emails, social media posts and worked with UToledo's communications and marketing department to help ensure ParkUToledo abundantly informed the campus community of the increases.

Throughout the fall semester, UToledo hosted six football games (three falling mid-week) and a handful of basketball games that all required additional communications to students and employees as permit holders were required to move their vehicles. Multiple text messages, emails, social media posts and articles were distributed to make certain all parties affected would be knowledgeable on games days.

## In 2022, ParkUToledo:

- Sent over 150,000 text messages
- Distributed over 76,500 informational emails
- Published 24 articles on ParkUToledo.com

## Social Media

One of the first tasks the communications manager tackled was to establish ParkUToledo's presence on social media.

Since joining Instagram, Twitter and Facebook in May of 2022, ParkUToledo has published over 60 posts on each of the platforms informing followers of pertinent information including lot closures, helpful hints and game day parking information.

ParkUToledo gained 749 followers on Instagram in late November, thanks to a giveaway aimed at growing our following on social media. To end the year, @ParkUToledo has well over 900 followers on Instagram alone.

## @ParkUToledo

- ParkUToledo joined Facebook, Instagram & Twitter in May of 2022
  - 1064 total followers
  - 188 total posts



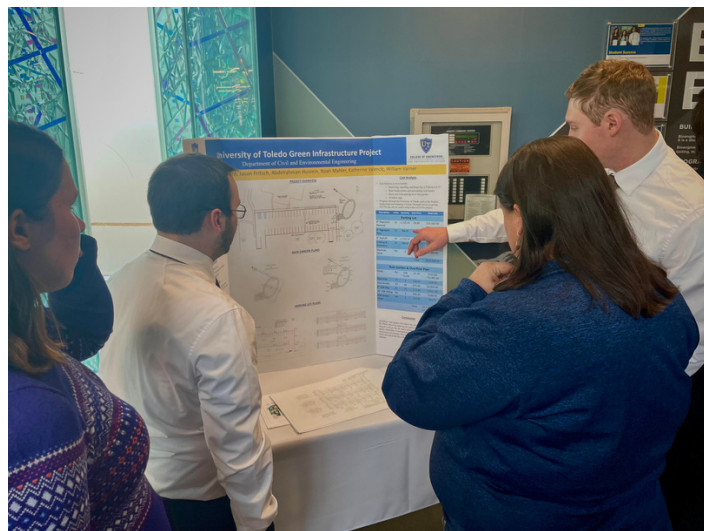
# COMMUNITY OUTREACH

PARKUTOLEDO IN THE COMMUNITY

## Rocket Launches/Transitions

ParkUToledo hosted a booth and presented at 16 Rocket Launches (new student orientations) and five Rocket Transitions (transfer student orientations).

We handed out car air fresheners with the ParkUToledo logo and other informational items to students and parents while presenting pertinent information to all in attendance.



## Sponsorships & Scholarships

ParkUToledo is partnering with UToledo's College of Engineering to financially support a senior design project. We donated \$10,000 to the College in 2022 and have committed up to \$10,000 in 2023 to assist in various parking focused design projects.

We've also partnered with the College of Arts and Letters to sponsor an annual scholarship. Each April, a \$1,000 scholarship will be awarded to a UToledo student whose artwork will be displayed in the ParkUToledo lobby for one year.

## Donated Events/Permits

ParkUToledo donated parking for 18 various events, including the 150th Founder's Day concert and the Glass City Marathon. We also donated 29 monthly permits to the Ohio National Guard.

Event and permit donations totaled to over \$30,000.



## Student Involvement Fair

ParkUToledo participated in the fall 2022 student involvement fair, welcoming students back to campus by distributing 788 units of ice cream and answering any and all questions presented by students and staff.

## Town Hall

In early November, ParkUToledo along with UToledo Student Government hosted a town hall for all members of the campus community.

The event was a step towards strengthening the relationship with the student body and staff at UToledo while providing an open forum for questions.







**ParkUToledo**

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