

## Parking FAQs

### **Why is Ohio State looking to lease the management of its parking infrastructure?**

We are taking a comprehensive look at all of our non-core assets to see how they could be used to generate additional revenue to support the academic mission. We need to be innovative in our approach to provide a much needed stream of cash to fund our core academic missions. And, while state support in Ohio is strong, tough economic times mean we can't count on that support increasing as a percentage of our budget much beyond what it is today. For these reasons, we issued a Request for Qualifications for parking vendors earlier this fall.

### **What other non-core assets are being examined?**

We will take a look at the airport, golf courses, and other large tracts of land not necessary to the core academic mission, and determine if leasing or selling them could benefit our core mission. Anything that does not directly support our teaching, research and service mission should be examined.

### **What is the process being used to decide if Ohio State will move forward?**

We are creating a parking advisory group to guide us toward a decision. They will consider funding, services, support and experience when reviewing the RFQ's. It is important to note that a successful bid package would not be based solely on funds generated; equal consideration also will be given to respondents who can maintain or enhance services currently provided. Regardless of what we do, we will continue to *own* our parking assets.

### **Who are the members of the Parking Advisory Group and what is their official charge?**

The Parking Advisory Group will be responsible for meeting regularly to assess and discuss the proposed leasing transaction. Additionally, they will create a master calendar of town halls and discussion sessions with key faculty, student and staff groups to seek input on the Request for Qualifications. . The group is comprised of:

- Larry Anstine, CEO, The Ohio State University Hospital
- Geoff Chatas, Senior Vice President, Business and Finance (Co-Chair)
- Chris Culley, Senior Vice President and General Counsel (Co-Chair)
- Vijay Gadepally, President, Council of Graduate Students
- Javaune Adams-Gaston, Vice President for Student Life
- Brad Harris, Chief Administrative Officer, Arts and Sciences
- Jay Kasey, Senior Vice President for Administration & Planning
- Heather Link, Chair, University Staff Advisory Committee
- Kathleen McCutcheon, Vice President and Chief Human Resource Officer
- Nick Messenger, President, Undergraduate Student Government
- Jim Rathman, Chair, Faculty Council
- Robert Schottenstein, Member, Board of Trustees
- Bruce Weide, Professor, Senate Fiscal Representative

### **How will results from this group's discovery be shared with the university community?**

We are committed to maintaining a transparent process from beginning to end. These online questions are an example of that. Additionally, we will continue to hold town hall meetings like the one on October 27<sup>th</sup> (view online at <http://www.youtube.com/watch?v=A2DKPzBkKcM>) as well as smaller meetings with faculty and staff governance groups. Finally, we will post information to this web site as it becomes available.

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### **It has been reported that a parking agreement could result in funding of \$375 million or more. How was this amount determined?**

Ohio State worked with our advisors – Morgan Stanley, Jones Day and Desman Associates - who looked at various scenarios.

### **Why are companies willing to invest that kind of money in the university?**

Investors are seeking opportunities with stable returns and low levels of uncertainty. Ohio State is such an investment. Ohio State always will be a key institution in Ohio and revenue stream from our parking assets will be in demand.

### **What is the length of the proposed parking agreement?**

The longer the length of the agreement, the higher the revenue the university can expect to receive. The optimal range is between 30 and 50 years, and 50 years is our maximum.

### **How will the money be used? Will it be allocated immediately or placed in our endowment?**

Ideally, it would serve the university best to place the money in an endowment. The annual payout on this endowment would be distributed three ways:

1. A percentage would fund current transportation services and plan for future enhancements.
2. A percentage would provide a 100% match for funds generated through the Student First Scholarship.
3. A percentage would support growth in academic programs, creating the opportunity to hire additional faculty and to build facilities to meet their needs.

### **Is a 7.5% increase in parking rates representative of historical parking rate increases?**

If you average our increases over the past decade, the increase is 7.5%. However, the annual increase over the past five years has averaged 4.5%. The vendors who have responded to our RFQ's have this historical data, and we expect that their proposed rate increases will come in under the 7.5% cap.

### **Will parking for free events such as move-in remain free under privatization?**

### **Will Regional Campus faculty remain able to purchase permits at less than Columbus rates?**

### **Will emeriti still have free parking?**

### **Will the university have to pay the vendor for use of parking spaces now reserved for university vehicles or departments?**

For all the above questions, the answer is the same. The University's goal under any new operational arrangement is the services provided today (which includes free parking for Move In) would continue. Additionally, parking for major university events such as football, commencement and move-in day will be consistent with current university operations. Specific details and arrangements related to the issues above and many others will be discussed and negotiated with qualified potential operators in the coming months.

### **What sort of future transportation enhancements can be expected?**

We will ensure that a concession is consistent with the University's One Framework Plan, and will focus on creating a pedestrian-friendly environment with an emphasis on alternate forms of transportation.