

Doug LaFave

From: Doug LaFave
Sent: Thursday, April 23, 2026 10:39 AM
To: Shea Charles; Anthony Morey; Heidi Kattula
Subject: Parking Deck Annual Maintenance and Operational Costs

Shea, Heidi, and Anthony:

I had a meeting this morning with the City of Grand Rapids regarding a variety of topics and connected with the Director of Mobile GR, Jessica Smith. I had a follow up with her regarding budget numbers for operations and maintenance only for parking structures. She advised that the operations and maintenance (not depreciation) costs per parking spot for parking decks is \$611 per space per year. For the three-story deck that is being considered, that would be \$130,143 per year total. They increase that per spot cost for projections each year by CPI.

V/r,
Doug



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From: Doug LaFave
Sent: Wednesday, February 4, 2026 2:50 PM
To: Anthony Morey
Subject: Shared Parking Manual Info.
Attachments: Shared Parking 3rd Addition-National Parking Assoc_ICSC_Urban Land Institute-Cost to Own and Operate Parking Ramps.pdf

Anthony: In the shared parking manual, there is a section on cost to own and operate parking structures. I know you were/are compiling what you could get your hands on for assumptions. This would probably be helpful adjusting for the difference via CPI. I am just sending this to you as an FYI. See you soon.

V/r,
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FIGURE 5-1 The Cost to Own and Operate Parking

Parking facility type	Construction cost (per parking space)	Cost to own and operate	
		Free parking, no security (per space per month)	Paid parking and security (per space per month)
Surface lot	\$3,000 to \$6,000	\$45 to \$75	\$80 to \$110
Typical above-grade structure with parking ramps	\$12,500 to \$22,500	\$140 to \$240	\$180 to \$280
Above grade with express ramps and incl floor-to-floor height	\$15,000 to \$27,500	\$170 to \$290	\$210 to \$330
Enhanced architecture and retail at grade	\$20,000 to \$32,500	\$220 to \$340	\$260 to \$380
Above grade but below a building	\$25,000 to \$40,000	\$270 to \$410	\$310 to \$450
Same but one level below grade	\$25,000 to \$40,000	\$270 to \$420	\$310 to \$460
Underground one level plus podium for park or other space	\$50,000 to \$80,000	\$510 to \$810	\$550 to \$850
Two levels below ground (no podium)	\$28,000 to \$50,000	\$300 to \$510	\$340 to \$550
Four levels below ground (no podium)	\$70,000 to \$100,000	\$710 to \$1,010	\$750 to \$1,050
Above-ground automated mechanical	\$22,000 to \$35,000	\$250 to \$450	\$280 to \$480
Below-ground automated mechanical	\$30,000 to \$50,000	\$350 to \$540	\$380 to \$570

Sources: Construction costs: members of NPA's PCC. Operating costs: surveys periodically conducted by Walker Consultants.

Note: All dollars are 2018 dollars. No land cost is included in analysis. Both capital and operating costs converted to cost/space/month for ease of comparison with monthly parking rates.

Construction cost:

- Typical cost per sq ft, above grade—\$40 to \$65
- Cost per space for each incremental level below grade—25% to 50%
- Underground parking costs do not include significant dewatering or rock removal.
- All usual elements to 5 ft outside building, including utilities and landscaping.
- No "warm lit white box" for retail in parking construction costs.

Cost to own (annualized capital cost):

- Project cost = construction + 10% soft costs + 15% financing costs
- 7% annual interest
- 20-year loan for structures, 10-year loan for lots

Operating costs + :

- Basic operating cost: utilities, maintenance, insurance, etc.
Surface lot—\$50 per space per year
Above grade—\$175 per space per year
Underground—\$200 per space per year
Automated mechanical—\$550 per space per year
- Cost to operate an employee or resident-only parking facility with no visitors is similar to free parking; security will need to be added.
- Revenue controls: management contract for operating parking facility + cost of maintenance contract for parking access and revenue control system (PARCS). Estimated at \$375/space/year.
- Security: quoted cost (\$125/space/yr) is median for facilities that reported security expenses. Maximum was about \$700/space/year.
- Sinking fund: contribution for future capital maintenance, systems replacement (incl elevators and PARCS) \$60/space above grade, \$65/space below grade.

structured parking that costs \$40 to \$65 per square foot, it is obvious why free surface parking is the norm in suburban development. The decision does not reflect a conscious philosophy by the development community to design for automobiles rather than people (as many environmentalists claim), but rather simple economics.

Where land is expensive and property must be more densely developed to make a project

economically viable, above-grade structured parking is the norm. When developers own and operate structured parking, which in figure 5-1 is more than three times the cost of owning and operating surface parking, they have a much greater incentive to more carefully scrutinize how they plan, design, and manage the parking resource. In turn, those with structured parking are more likely to charge users for some or all of the costs of parking.

SHARED PARKING

THIRD EDITION



NATIONAL
PARKING
ASSOCIATION



Urban Land
Institute