



CITY OF DETROIT
MUNICIPAL PARKING DEPARTMENT

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To: CM Mary Waters
City Council
From: Keith Hutchings, Director of Municipal Parking Department
Date: March 12, 2024
Re: Responses to 2024-2025 Budget Analysis

Please find below responses to your questions sent on 03/11/24, regarding the proposed Fiscal Year 2025 Proposed Budget for the Municipal Parking Department.

1. Please outline any capital improvement plans that will begin FY 2025.

No capital funding plans are included in the FY 2025 budget.

2. Please outline plans to make parking more accessible and affordable throughout the city of Detroit.

The current metered parking rate is \$1 per hour but Municipal Parking is authorized to provide a higher rate in zones 100 and 200. MPD has opted not to execute higher rates. The current rate is significantly below comparable city meter rates, and no price reduction is being considered. As it relates to off street parking, the Municipal Parking Department offers daily rates between \$5 and \$30 per day with a \$150 monthly parking rate. This is considerably below the city market rate. All other private rates are not controlled by the City of Detroit and fluctuate based on demand. To address pricing creep, MPD redesigned the ParkDetroit parking app to include all private and public parking garages and lots. By doing so, the public can quickly view various parking options and determine the location and price desired by reviewing options. The visibility of parking options provides the consumer the ability to shop the market and helps keep pricing from growing due to competitive options. As more consumers begin to use the app, the influence that will help to limit pricing from growth.

3. How does the department plan to achieve and keep the reduction in costs of operating services beginning FY 2025?

This reduction represents a \$150k reallocation of insurance policy costs to non-departmental. Insurance premium activity will be reflected in non-departmental moving forward.

4. How does the department plan to achieve and sustain the reduction in costs of professional and contractual services?

There is no expected impact on services from this decrease. The new funding level is in line with spending expectations based on FY 2023 audited actuals.



5. Why is cost center 340083 Parking Violation Bureau Towing and Storage expected to have such a large decrease in expenditures in FY 2025?

The current activity has reduced due to Municipal Parking transferring all Abandoned Vehicle tow support to the Detroit Police Department. All MPD towing activity has been reduced to Scofflaw towing only.

6. Why is cost center 340030 Parking Operations expected to substantially decrease in FY2025?

This reduction is due to the \$150k reallocation of insurance policy costs to non-departmental described in Question 3. Insurance premium activity will be reflected in non-departmental moving forward.

A handwritten signature in black ink, appearing to be "K. J. [unclear]".