



One Chattanooga: Transit for All

Appendix E: Parking Evaluation Memo

Prepared May 2025



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PLAN CHATTANOOGA REDEVELOPMENT OPPORTUNITIES

Plan Chattanooga, the City of Chattanooga's Comprehensive Plan, recommends areas of redevelopment throughout the City. Many of these proposed redevelopment areas include provisions for structured and/or shared off-street parking to create walkable, mixed-use centers. Several of these redevelopment areas also include planned mobility hubs to connect CARTA transit routes to first and last mile mobility options. Of all of these redevelopment areas, three planning areas were examined in greater detail to determine the appropriate investment CARTA should make in delivering these structured and/or shared off-street parking facilities. These four planning areas include:

- Downtown/North Shore Area Plan #1
 - South Broad Redevelopment Area
- Hixson/Red Bank Area Plan #2
 - Northgate Redevelopment Area
- South Chatt/Lookout Mountain #4
 - Village Center at St. Elmo Avenue
- Midtown Area Plan #6
 - Village Center at Brainerd Road and Germantown Road
 - Airport District: Chickamauga Triangle

Two of these redevelopment areas, South Broad and Northgate, call for significant redevelopment including the provision of a mobility hub and structured off-street parking. The Midtown proposed village center and airport district redevelopment area suggest shared and structured off-street parking to support residential, retail, and office mixed-use development with some locations including mobility hubs. The Village Center at St. Elmo Avenue includes additional redevelopment of the maturing St. Elmo/Incline District including new housing options at the current CARTA operated Incline Railway surface parking lot. Given these proposed mobility hubs would presumably be operated by CARTA, these redevelopment sites were chosen to utilize the off-street parking investment scorecard to determine the appropriate investment CARTA should make in the proposed structured off-street parking. The following summary details these three redevelopment areas and the use of the off-street parking investment scorecard as an initial vetting tool for CARTA staff based on stated development program assumptions. Additional guidance resources can be found in the off-street investment scorecard summary.

South Broad Redevelopment Area

The South Broad District Study (2018) recommends the redevelopment of more than 400 acres just south of Downtown Chattanooga. Phase one would include the redevelopment of the westernmost part of the study area along the Tennessee River and include a new AA Minor League Ballpark for the Chattanooga Lookouts. **Figure 1** illustrates the South Broad District Study vision for this portion of the study area. Note Letter “L” recommends a parking structure to serve the adjacent uses and ballpark.



Figure 1. South Broad Illustrative Plan (Source: South Broad District Study, 2018)

As noted on the illustrative plan, these adjacent uses would include urban residential, a new public park, and adaptive reuse of historic foundry buildings. The centerpiece of the phase one development includes a new 6,000 – 7,000 seat AA minor league ballpark for the Chattanooga Lookouts. It is estimated that hundreds of events will be held in the stadium annually in addition to minor league baseball games.

With these assumptions in mind, CARTA staff can utilize the off-street parking investment scorecard to determine if it is a financially reasonable opportunity to partner on a structured off-street parking facility in the South Broad Redevelopment Area. The scorecard is listed below, followed by specific assumptions per factor.

Table 1. South Broad Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	2
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	2
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	1
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	2
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	1
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	1
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	1
TOTAL				10

* high demand parking area defined as a block or blocks with 60-80+% average parking demand

** costs include debt service, operations and maintenance, management

Scorecard Procedure

Based on the scorecard results, the following guidance can be utilized by CARTA staff in the investment decision-making process:

A score of **10 points** indicates an investment CARTA should consider through a public-private partnership and not a direct investment solely by CARTA’s parking operation. The assumption here is that the parking operation may elect to manage day-to-day operations of the facility; however, CARTA should not solely assume facility debt service and should limit its financial exposure to the investment opportunity.

The following assumptions were utilized in coming to this final score:

Location

Based on the South Broad District Study the structured parking facility will be located just north of the new Lookouts Stadium less than 1-2 blocks from a planned high demand parking area. This high score assumes all of the phase one development is implemented, including but not limited to the baseball stadium, urban residential, a new public park, and adaptive reuse of historic foundry buildings.

Multiple Users

The proposed phase one redevelopment includes mixed-use development that will spur parking demand during three time periods (weekday, weekday night, weekend). As with the location factor, the high score for this factor assumes all phase one uses will be implemented at generally the same time.

Revenue Potential

It is assumed the area will include a tax-increment financing (TIF) district that can support debt service on the structured parking facility. Since it is unknown how much additional parking will be built around phase one development, this factor has a medium score. Restricting the development of additional parking supply in the area will increase this factor to a higher score.

Community/Economic Benefit

The South Broad Redevelopment meets the Plan Chattanooga goals for this area. This factor scores high since the structured off-street parking helps achieve the goal of an urban and walkable mixed-use environment catalyzed by the baseball stadium project.

Cost Drivers

It is assumed there will be moderate aesthetic and functional design requirements for the structured parking facility due to its location in the redevelopment area. Given the site constraints and adjacency to residential development, there will be increased costs beyond what a typical parking structure may cost. Therefore, this factor received a medium score.

Public-Private Partnership

It is assumed there will be a public-private partnership involved in the construction and management of the parking facility due to the surrounding mix of uses. This may include segregated parking areas for residents that will increase costs and operational complexity. Therefore, this factor received a medium score.

Management Covenants

It is assumed there will be either parking space or parking rate restrictions on parking spaces for the residential component or special event parking rates to serve ballpark attendees. Therefore, this factor received a medium score due to the revenue restrictions that may be placed on the parking facility.

Northgate Redevelopment Area

Plan Chattanooga recommends the redevelopment of Northgate Mall and surrounding commercial areas into a compact, walkable Town Center. Multiple phased designs were included in the Plan Chattanooga document and included a mobility hub concept as part of the redevelopment. A phase two of the mall redevelopment contemplated the construction of a parking structure to support the mix of uses and increased density envisioned for the site as shown in **Figure 2**.

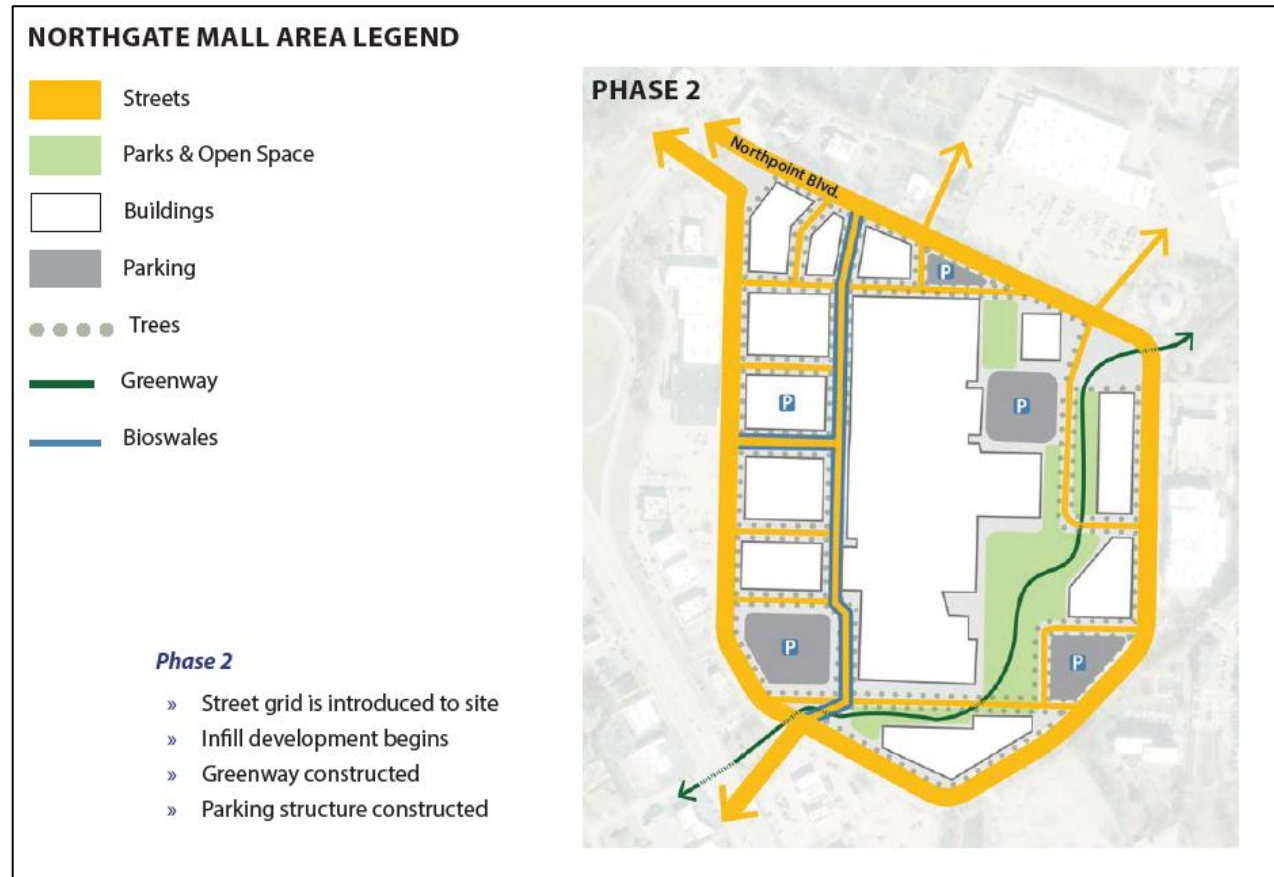


Figure 2. Plan Chattanooga Northgate Mall Redevelopment (Source: Plan Chattanooga, 2024)

Specific development program information is limited due to the high-level nature of this Plan Chattanooga recommendation. Development program information highlighted in the Plan documents include:

- The provision of mixed-use, multifamily housing with ground floor commercial as part of a Northgate Mall redevelopment.
- The attraction of neighborhood services and the development of a hotel in the mixed-use redevelopment.
- The creation of a new central park adjacent to food and beverage activities, and a new greenway connection to surrounding neighborhoods.

With these assumptions in mind, CARTA staff can utilize the off-street parking investment scorecard to determine if it is a financially reasonable opportunity to partner on a structured off-street parking facility in the Northgate Mall Redevelopment Area. The scorecard is listed below, followed by specific assumptions per factor.

Table 2. Northgate Mall Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	2
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	1
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	1
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	2
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	1
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	1
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	1
TOTAL				9

- * high demand parking area defined as a block or blocks with 60-80+% average parking demand
- ** costs include debt service, operations and maintenance, management

Scorecard Procedure

Based on the scorecard results, the following guidance can be utilized by CARTA staff in the investment decision-making process:

A score of **9 points** indicates an investment CARTA should consider through a public-private partnership and not a direct investment solely by CARTA’s parking operation. The assumption here is that the parking operation may elect to manage day-to-day operations of the facility; however, CARTA should not solely assume facility debt service and should limit its financial exposure to the investment opportunity.

The following assumptions were utilized in coming to this final score:

Location

Based on the Plan Chattanooga phased design concept, the structured parking facility will be located near the center of the redevelopment and less than 1-2 blocks from a planned high demand parking area. This high score assumes that phase one recommendations are implemented, and phase two infill development begins on the site the same time as the design and construction of the structured parking facility.

Multiple Users

The proposed redevelopment includes mixed-use development that will spur parking demand during two time periods (weekday, weekend). The absence of a highlighted special event parking demand driver as part of the redevelopment is reflected in the assumption that only two time periods will generate sustained parking demand for the structured parking facility. As with the location factor, the medium score for this factor assumes phased development occurs on a specific timeline.

Revenue Potential

It is assumed the area will include a tax-increment financing (TIF) district that can support debt service on the structured parking facility. Since it is unknown how much additional parking will be built around phase one development, this factor has a medium score. Restricting the development of additional parking supply in the area will increase this factor to a higher score.

Community/Economic Benefit

The Northgate Mall Redevelopment meets the Plan Chattanooga goals for this area. This factor scores high since the structured off-street parking helps achieve the goal of an urban and walkable mixed-use environment catalyzed by the mall redevelopment.

Cost Drivers

It is assumed there will be moderate aesthetic and functional design requirements for the structured parking facility due to its location in the redevelopment area. Given the assumed site constraints, there will be increased costs beyond what a typical parking structure may cost. Therefore, this factor received a medium score.

Public-Private Partnership

It is assumed there will be a public-private partnership involved in the construction and management of the parking facility due to the surrounding use mix. This may include segregated parking areas for residents that may increase costs and operational complexity. Therefore, this factor received a medium score.

Management Covenants

It is assumed there will be either parking space or parking rate restrictions on parking spaces for the residential component or retail component of the parking facility. Therefore, this factor received a medium score due to the revenue restrictions that may be placed on the parking facility.

Village Center at St. Elmo

The St. Elmo/Incline District is located on Chattanooga’s Southside and serves as the southern trailhead for the Tennessee Riverwalk. The area is home to the Lookout Mountain Incline Railway (Incline), a major tourist destination for the region that is operated by CARTA. A surface lot supporting the Incline is also operated by CARTA. Plan Chattanooga recommends future development in this district that encourages commercial and mixed-use infill while maintaining the defining character of the historic district. One of many mixed-use infill sites in this Village Center is the CARTA owned and operated Incline Railway surface parking lot. The approximately 3.7-acre site consists of approximately 145 surface parking spaces to serve the Incline. CARTA is interested in redeveloping the site to meet the need for affordable and attainable housing in the broader Chattanooga region and activating the site year-round. Five development options have been created that would add between 147-152 affordable housing units, between 7,000 – 15,000 square feet of ground floor retail, and an approximately 255 space structured parking facility to serve both the redevelopment and Incline parking demands. **Figure 3** illustrates one of the five development options on the site with recommended adjacent infrastructure improvements to enhance site and overall District access.



Figure 3. South Broad Illustrative Plan (Source: South Broad District Study, 2018)

All five development options vary in how each land use is arranged on-site, however all five options include provisions for structured parking that serves on-site parking demands and Incline parking demands. This mixed-use parking structure will have the opportunity to meet multiple parking demands at multiple times of day. With these development assumptions in mind, CARTA staff can utilize the off-street parking investment scorecard to determine if it is a financially reasonable opportunity to construct a structured off-street parking facility in the Village Center at St. Elmo. The scorecard is listed below, followed by specific assumptions per factor.

Table 3. Village Center at St. Elmo Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	2
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	2
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	1
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	2
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	0
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	1
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	0
TOTAL				8

* high demand parking area defined as a block or blocks with 60-80+% average parking demand

** costs include debt service, operations and maintenance, management

Scorecard Procedure

Based on the scorecard results, the following guidance can be utilized by CARTA staff in the investment decision-making process:

A score of **8 points** indicates an investment CARTA should consider through a public-private partnership and not a direct investment solely by CARTA’s parking operation. The assumption here is that the parking operation may elect to manage day-to-day operations of the facility; however, CARTA should not solely assume facility debt service and should limit its financial exposure to the investment opportunity.

The following assumptions were utilized in coming to this final score:

Location

Based on the Incline surface lot redevelopment's location within the St. Elmo/Incline Railway District and its adjacency to existing parking demand generators this factor receives a high score. The recent implementation of on-street paid parking, coupled with existing shared parking facilities that charge a fee for transient parking, indicate a consistently strong parking demand in this area.

Multiple Users

The proposed site redevelopment includes housing and commercial uses and serves Incline Railway customers. This factor receives a high score as the parking structure will support parking demand during three distinct time periods. It will be important for CARTA to program the Incline Railway attraction in such a way that it continues to drive parking demand to the site.

Revenue Potential

Given the primary use for the site is affordable housing, it is assumed the site will include some form of a tax-increment financing (TIF) mechanism that can support debt service on the structured parking facility. The surrounding District has plentiful surface parking, much of which is currently managed as shared parking. Revenue potential for the Incline structured parking facility will increase as these surface lots are redeveloped to meet Plan Chattanooga goals.

Community/Economic Benefit

The Incline site redevelopment meets the Plan Chattanooga goals for this area. This factor scores high since the structured off-street parking helps achieve the goal of an urban and walkable mixed-use environment catalyzed by the Incline Railway.

Cost Drivers

It is assumed there will be significant aesthetic and functional design requirements for the structured parking facility due to its location in this historically sensitive area. Given the site constraints, adjacency to residential development, and need to accommodate ground transportation options on-site to serve the Incline there will be increased costs beyond what a typical parking structure may cost. Therefore, this factor received a low score.

Public-Private Partnership

It is assumed there will be a public-private partnership involved in the construction and management of the parking facility due to the surrounding mix of uses. This may include segregated parking areas for residents that will increase costs and operational complexity. Therefore, this factor received a medium score.

Management Covenants

It is assumed there will be parking space and parking rate restrictions on parking spaces for the residential component and Incline Railway component of the parking facility. Therefore, this factor received a low score due to the revenue restrictions that may be placed on the parking facility, especially from the affordable housing component of the project.

Village Center at Brainerd Road and Germantown Road

Plan Chattanooga recommends the redevelopment of the Brainerd Road and Germantown Road intersection into a village center. The village center concept includes dense housing centered on the intersection with neighborhood shopping, dining, office space, and entertainment supporting these new residents. A mobility hub concept is contemplated for this village center to tie in with the proposed East Brainerd corridor rapid transit service. This village center concept is illustrated in **Figure 4**, including the provision for off-street structured parking in the southwest corner of the redevelopment.

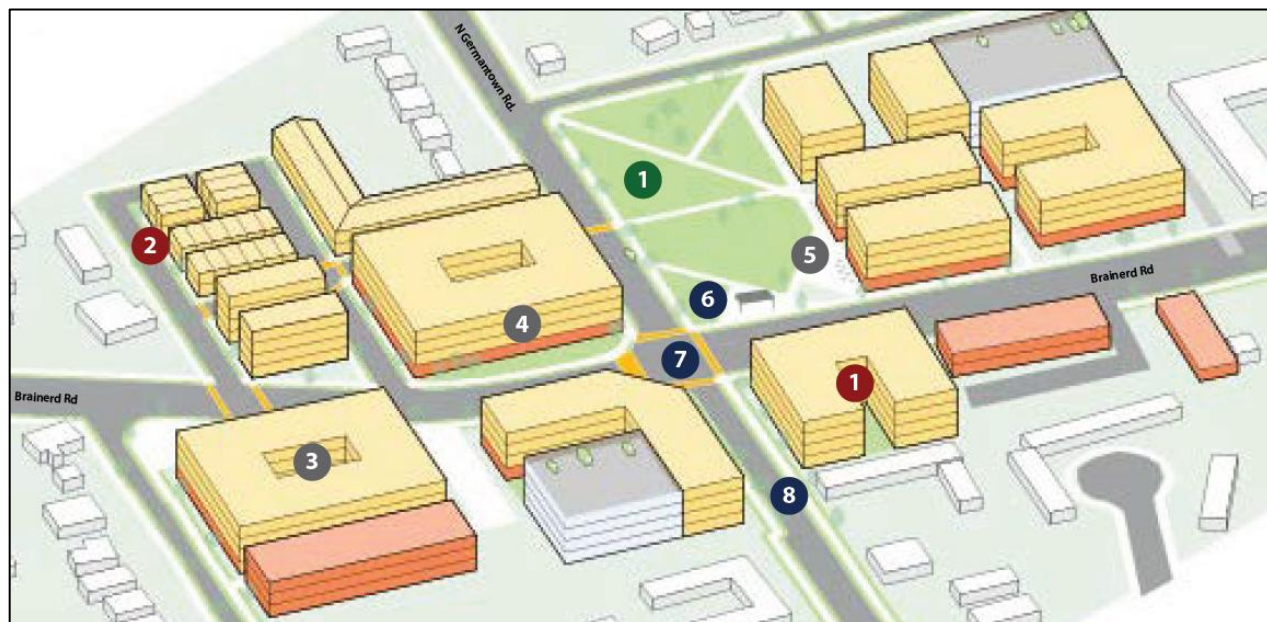


Figure 4. Plan Chattanooga Village Center at Brainerd and Germantown Road (Source: Plan Chattanooga, 2024)

Specific development program information is limited due to the high-level nature of this Plan Chattanooga recommendation. Development program information highlighted in the Plan documents include:

- Diversified housing stock with mixed-use, multi-family buildings
- Walkable commercial ground floor uses, and neighborhood supportive services
- New neighborhood park including a plaza to support food and beverage uses

With these assumptions in mind, CARTA staff can utilize the off-street parking investment scorecard to determine if it is a financially reasonable opportunity to partner on a structured off-street parking facility in the Village Center at Brainerd Road and Germantown Road Redevelopment Area. The scorecard is listed below, followed by specific assumptions per factor.

Table 4. Village Center at Brainerd and Germantown Road Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	2
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	1
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	0
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	2
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	1
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	1
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	0
TOTAL				7

- * high demand parking area defined as a block or blocks with 60-80+% average parking demand
- ** costs include debt service, operations and maintenance, management

Scorecard Procedure

Based on the scorecard results, the following guidance can be utilized by CARTA staff in the investment decision-making process:

- A score of **7 points** indicates an investment that should not be considered by CARTA. While the project may have merit and meet several investment factors, the investment opportunity overall would not make financial sense for CARTA from a direct investment or management perspective. CARTA may elect to examine this investment opportunity further, however a significant investment in the proposed off-street parking infrastructure is not recommended.

The following assumptions were utilized in coming to this final score:

Location

Based on the Plan Chattanooga phased design concept, the structured parking facility will be located at the village center and less than 1-2 blocks from a planned high demand parking area. This high score assumes that a mix of uses will be developed in the village center as envisioned in the plan document.

Multiple Users

The proposed redevelopment includes a focus on dense housing with a mixed-use development that may spur parking demand during two time periods (weekday, weekend). It is not anticipated the public park would generate additional parking demand not already created by the housing and mixed-use development. As with the location factor, the medium score for this factor assumes a mix of uses is developed at the village center. **Note:** *The addition of a hotel or special event use component would increase parking demand in the village center to complement assumed residential and commercial parking demand and could increase this factor to a high score.*

Revenue Potential

It is assumed this village center development would not include any special funding mechanisms and revenue potential would be low due to its lack of proximity to existing paid parking areas. Furthermore, since it is unknown how much additional parking will be built around the village center, this factor has a low score. **Note:** *Restricting the development of additional parking supply in the area would increase this factor to a medium score.*

Community/Economic Benefit

The Village Center at Brainerd and Germantown Road meets the Plan Chattanooga goals for this area. This factor scores high since the structured off-street parking helps achieve the goal of an urban and walkable mixed-use village environment.

Cost Drivers

It is assumed there will be moderate aesthetic and functional design requirements for the structured parking facility due to its location in the village center. Given the assumed site constraints, there will be increased costs beyond what a typical parking structure may cost. Therefore, this factor received a medium score.

Public-Private Partnership

It is assumed there will be a public-private partnership involved in the construction and management of the parking facility due to the surrounding use mix. This may include segregated parking areas for residents that may increase costs and operational complexity. Therefore, this factor received a medium score.

Management Covenants

It is assumed there will be parking space and parking rate restrictions on parking spaces for the residential component of the parking facility. This assumption is made under the anticipation that the village center redevelopment will be primarily focused on housing development with only neighborhood supportive retail and commercial development. Therefore, this factor received a low score due to the revenue restrictions that may be placed on the parking facility. **Note:** *An increase in non-housing uses in the village center redevelopment would increase this factor score since housing uses tend to include the most restrictive parking management covenants.*

Airport District: Chickamauga Triangle

Plan Chattanooga includes recommendations from the Airport District Master Plan that was developed by the Chattanooga Airport Authority and the City of Chattanooga in 2020. Three priority development areas were identified in that analysis, including the Chickamauga Triangle. The Chickamauga Triangle is at the heart of the Airport District and the intersection of several neighborhoods. A redevelopment concept is illustrated in **Figure 5**, including the provision of public parking to support the redevelopment and the airport.



Figure 5. Plan Chattanooga Airport District Chickamauga Triangle (Source: Plan Chattanooga, 2024)

Specific development program information is limited due to the high-level nature of this Plan Chattanooga recommendation. Development program information highlighted in the Plan documents include:

- Walkable mixed-use development with ground floor retail
- Residential and office uses

With these assumptions in mind, CARTA staff can utilize the off-street parking investment scorecard to determine if it is a financially reasonable opportunity to partner on a structured off-street parking facility in the Airport District: Chickamauga Triangle Redevelopment Area. The scorecard is listed below, followed by specific assumptions per factor.

Table 5. Airport District: Chickamauga Triangle Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	0
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	1
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	0
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	2
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	2
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	1
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	0
TOTAL				6

- * high demand parking area defined as a block or blocks with 60-80+% average parking demand
- ** costs include debt service, operations and maintenance, management

Scorecard Procedure

Based on the scorecard results, the following guidance can be utilized by CARTA staff in the investment decision-making process:

- A score of **6 points** indicates an investment that should not be considered by CARTA. While the project may have merit and meet several investment factors, the investment opportunity overall would not make financial sense for CARTA from a direct investment or management perspective. CARTA may elect to examine this investment opportunity further, however a significant investment in the proposed off-street parking infrastructure is not recommended.

The following assumptions were utilized in coming to this final score:

Location

The Airport District: Chickamauga Triangle is located adjacent to Chattanooga's airport in a predominately suburban location. Outside of the immediate redevelopment node, there is little parking demand that could be captured by an off-street structured and/or shared parking facility. Therefore this factor receives a low score.

Multiple Users

The proposed redevelopment includes a focus on mixed-use development including housing, office, and retail that may spur parking demand during two time periods (weekday, weekend). These development assumptions yield a medium score for this factor. **Note:** *The addition of a hotel or special event use component would increase parking demand in the redevelopment area to complement assumed residential and commercial parking demand and could increase this factor to a high score.*

Revenue Potential

It is assumed this redevelopment would not include any special funding mechanisms and revenue potential would be low due to its lack of proximity to existing paid parking areas.

Community/Economic Benefit

The Airport District: Chickamauga Triangle meets the Plan Chattanooga goals for this area. This factor scores high since the shared and/or structured off-street parking helps achieve the redevelopment goal for this area.

Cost Drivers

It is assumed there will be minimal aesthetic and functional design requirements for the shared and/or structured parking facility due to its location to the airport. Therefore, this factor receives a high score.

Public-Private Partnership

It is assumed there will be a public-private partnership involved in the construction and management of the parking facility due to the surrounding use mix. This may include segregated parking areas for residents that may increase costs and operational complexity. Therefore, this factor received a medium score.

Management Covenants

It is assumed there will be parking space and parking rate restrictions on parking spaces for each specific land use component of the parking facility. This assumption is made under the anticipation that the redevelopment will be primarily focused on housing development with some airport supportive retail and commercial development. Therefore, this factor received a low score due to the revenue restrictions that may be placed on the parking facility. **Note:** *An increase in non-housing uses in the village center redevelopment would increase this factor score since housing uses tend to include the most restrictive parking management covenants.*

SHARED PARKING PROGRAM GUIDANCE

Overview

The concept of shared parking is when a property owner or manager allows a portion of the parking spaces on property to be used by the general public to meet broader parking demand needs outside of a singular business or building. Shared parking represents a sustainable, user- and tenant-friendly method to better manage the off-street parking supply in high demand parking areas. Shared parking was recommended in Plan Chattanooga specifically in town and village centers as a sustainable method to meet growing parking demands as a result of economic growth. There are several key shared parking considerations that property owners and managers should consider ensuring operational success:

- **Liability:** Cooperating parties may wish for an insurance or legal team to guide any lot improvements necessary, specify authorized times of shared facility use, and designate maintenance responsibilities. At a minimum, shared parking lots should meet applicable local jurisdiction minimum liability insurance requirements.
- **Maintenance:** Shared parking facilities are more attractive to users when maintenance is ongoing and thorough. Landscaping should be visually pleasing, and litter should be kept to a minimum. Facility upkeep should also be prioritized, as factors such as pavement renovation, pothole remediation, and striping repainting all enhance lot appeal. Janitorial maintenance staff should be considered when implementing shared parking on a private lot.
- **Safety:** Customers select parking lots based on perceptions of safety. Successful shared parking lots are located in areas where patrons do not worry about vehicle vandalism/theft, nor danger to themselves or others. If the area does not promote high user confidence, additional safety measures such as enhanced lighting, surveillance, and security patrols are often needed to encourage lot use.
- **Enforcement:** Consistent enforcement promotes the vitality and sustainability of shared parking lots by preventing long-term usage, addressing inappropriate employee utilization, and protecting neighborhoods from overflow parking. Owners and managers should consider staffing levels and whether enforcement should be outsourced to a third-party vendor.
- **Signage:** Many parking facilities are designed to minimize street frontage, a practice that reduces visibility. To combat this issue and ensure consistent use of shared parking, clear, consistent, and highly visible signage is a must. Signs should be aesthetically pleasing, easily understood, and compliant with all applicable municipal codes. Any parking lot use restrictions, customer responsibilities, and parking prohibitions should be clearly displayed on signage. Placement should be regular and common, occurring at the property itself, the street access point, and inside the lot.

CARTA Involvement

CARTA, through its parking operation, can participate in shared parking programs in multiple ways based on the level of resources it wishes to dedicate to this parking management strategy. This range of options includes:

- **Facilitation:** Utilizing its parking operations expertise, CARTA staff can assist in facilitating discussions between property owners in locations where shared parking is recommended by Plan Chattanooga. Priority locations should include areas along future high-capacity routes where transit-oriented development opportunities are higher. This would take limited staff resources to connect with business owners and provide high-level guidance on shared parking agreements and expectations.
- **Formal Partnership:** CARTA can take a more active role in the development of shared parking opportunities through formal partnerships with businesses and property owners. This formal partnership could include implementing the following shared parking program strategies:
 - **Revenue Collection:** If paid parking is implemented as part of the shared parking program, CARTA would have the ability to leverage its existing expertise in revenue collection at the shared parking facility. If revenue is not being generated by the shared parking facility or program, CARTA should have a good understanding of expenses related to operating the shared parking facility and include those costs in formal agreements with participating locations.
 - **Enforcement:** CARTA staff can be utilized to enforce agreed upon and posted parking restrictions and allowances in shared parking facilities.
 - **Maintenance:** Light maintenance and cleaning of shared parking facilities can be handled by CARTA staff or third-party vendors under contract with CARTA.
 - **Signage:** Working with property owners through shared parking agreements, CARTA can install and maintain branded public parking signage to wayfind parkers to shared parking facilities.

Formal partnerships with private property owners and businesses would take the form of memorandums of understanding (MOUs), contracts, or lease agreements. Agreements should be at least three years in length to allow for the shared parking program to stabilize and provide a consistent and predictable parking option for patrons. These agreements should allow 30–60-day termination clauses if either party wants to end the shared parking program, however all expenses should be recovered by the investing party before termination takes place.

Shared Parking Program Example: St. Elmo/Incline Railway District

One opportunity for CARTA to utilize shared parking as a parking demand management tool is in the St. Elmo/Incline Railway District. The St. Elmo/Incline District is located on Chattanooga's Southside and serves as the southern trailhead for the Tennessee Riverwalk. The area is home to the Lookout Mountain Incline Railway (Incline), a major tourist destination for the region that is operated by CARTA. A surface lot supporting the Incline is also operated by CARTA. Given the increasing development in this area coupled with constrained parking supply adjacent to the St. Elmo business district along St. Elmo Avenue, this area is a great candidate location for a shared parking program.

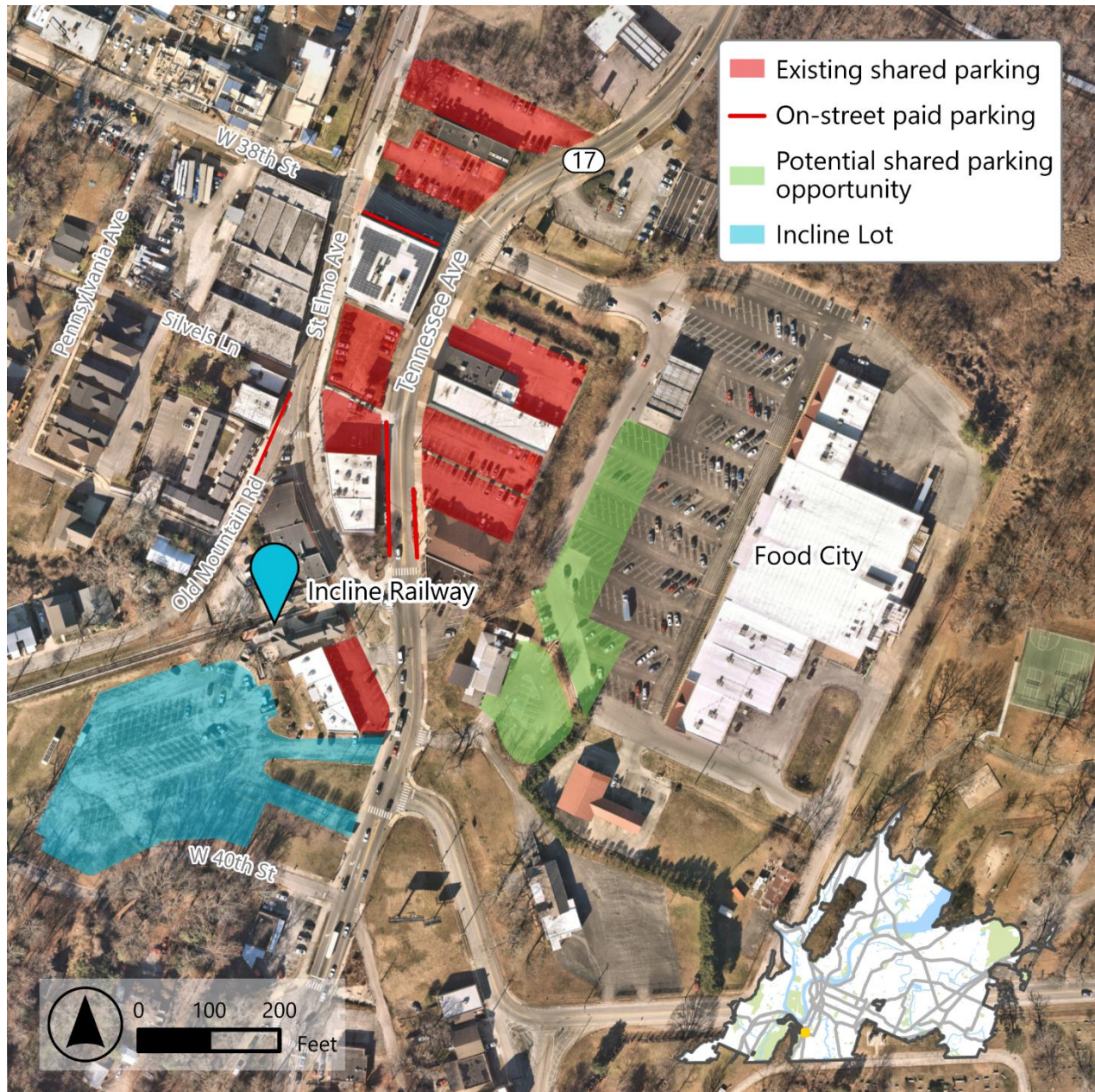


Figure 1: Existing Parking Conditions

Shared parking is already being utilized as a parking demand management tool by several private property owners and parking lots as shown in **Figure 1**. This map also indicates where shared parking opportunities could exist in the future. An example of shared parking signage along this corridor can be found in **Figure 2**. This signage is currently being utilized for all existing shared parking in the District, indicating one parking operator has been selected by multiple private property owners to provide parking to District parkers for a fee.



Figure 2: Existing Shared Parking Signage

Additionally, CARTA has recently implemented paid on-street parking along Tennessee Avenue and St. Elmo Avenue, a reflection of the growing parking demand in the area.

An additional shared parking opportunity that could be managed by CARTA can be found to the east of the Incline at the St. Elmo Central Shopping Center. The St. Elmo Central Shopping Center, anchored by Food City, has a large surface parking lot that could be leveraged for shared parking to serve the Incline during peak tourist demand season in the summer and support area St. Elmo district businesses. Given CARTA's existing parking operation adjacent to the Incline, CARTA could pursue a formal partnership with the St. Elmo Central Shopping Center ownership group to develop a shared parking program for a portion of the surface parking lot serving Food City and other tenants. Parking spaces on the south and eastern portion of the shopping center parking lot could be included in the shared parking agreement and the access stairway shown in **Figure 3** could be leveraged for easy access to the Incline and St. Elmo Avenue businesses.

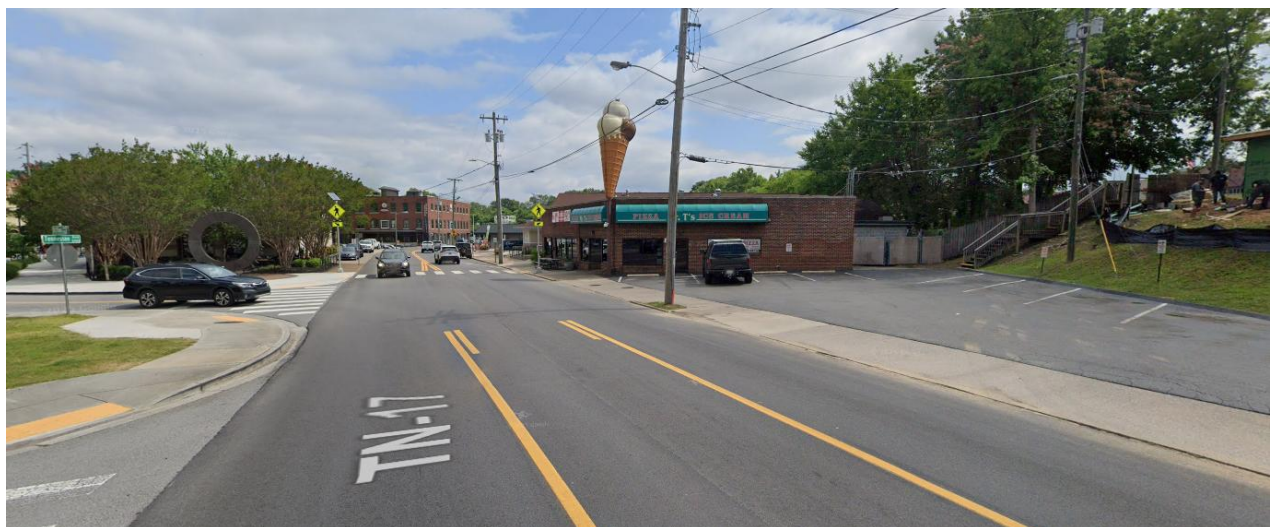


Figure 3: Tennessee Avenue looking north with Food City stairwell to the right and Incline to the left

Through a formal partnership between the Shopping Center and CARTA, CARTA would provide enforcement of the shared parking spaces, install wayfinding signage to these spaces from Tennessee Avenue, and collect trash and litter from the spaces. In future phases of the shared parking program, CARTA should engage with existing shared parking facilities in the District to develop a more uniform public parking program to enhance the customer experience and fully leverage existing parking assets.

INVESTMENT SCORECARD

This off-street parking investment scorecard provides CARTA staff with a proclowing ess to follow to make more informed parking facility investment decisions. The scorecard balances CARTA’s desire to support density, affordable and workforce housing, and growth in specific areas recommended by Plan Chattanooga with a need to ensure CARTA’s parking operation remains financially viable and stable into the future. The scorecard also contemplates the various ways CARTA could invest in off-street parking infrastructure using traditional management methods of public-private partnerships (P3s) or direct CARTA-managed parking. Each investment opportunity will differ and have its own set of complexities. The investment scorecard should be used as an initial vetting tool at the start of the process, with additional study and inquiry needed to make a final determination of whether or not and how CARTA should invest in a future off-street parking infrastructure investment opportunity.

Table 1. Off-Street Parking Investment Scorecard

Factor	Low Score (0 points)	Medium Score (1 point)	High Score (2 points)	Total Score
Location	More than ¼ mile (3-4 blocks) from high demand parking area*	Between 1/8 mile (1-2 blocks) and 1/4 mile (3-4 blocks) from high demand parking area*	Less than 1/8 mile (1-2 blocks) from high demand parking area*	
Multiple Users	Supports demand from associated development only during one-time period (weekday, weekday night, weekend)	Supports demand during two time periods (weekday, weekday night, weekend)	Supports demand during three time periods (weekday, weekday night, weekend)	
Revenue Potential	Does not cover operational costs**	Covers operational costs with little to no excess net revenues**	Covers operational costs plus surplus net revenues**	
Community/Economic Benefit	Does not meet Plan Chattanooga development goals	Only meets some Plan Chattanooga development goals	Meets most Plan Chattanooga development goals	
Cost Drivers	Significant aesthetic and functional design requirements	Moderate aesthetic and functional design requirements	No aesthetic and functional design requirements	
Public-Private Partnership	Does not include a public/private component	Small number of public spaces in largely private facility	Full shared parking facility in public-private facility	
Management Covenants	Rate and space allocation restrictions	Either rate or space restrictions	No rate and space allocation restrictions	

* high demand parking area defined as a block or blocks with 60-80+% average parking demand

** costs include debt service, operations and maintenance, management

Location

It is important for the off-street parking infrastructure opportunity to be near an existing or planned high-demand parking area. This high-demand parking area should be within a 5-to-10-minute walk of the new opportunity in walkable area with safe and comfortable pedestrian connectivity. The new off-street parking facility should be able to relieve the on-street parking of longer-term parking stays and instead prioritize the surrounding on-street parking environment for short-term parking and loading activities. Proximity to existing and planned mobility hubs should also be considered as part of the location assessment, as mobility hubs present the opportunity to meet the parking demand of transit end users.

Multiple Users

A diverse set of parking user groups is an important factor in determining whether an off-street parking infrastructure investment makes financial sense for CARTA's parking operation. Multiple user groups, such as office workers during the day, residences in the evening, and special event and retail parking during peak and off-peak hours creates a 24-hour parking facility and provides redundant revenue streams for operation. While more challenging to operate and manage, these diverse set of parking users can effectively utilize each parking space more than once per day and create a park-once environment to support a broader development and surrounding area.

Revenue Potential

A byproduct of being located in a high-demand parking area serving multiple user groups is the ability to generate surplus revenue above and beyond operational costs. Depending on the financing mechanism and ancillary agreements an off-street parking facility does not have to generate significant revenue to be successful. These financial mechanisms could include the use of tax-increment financing (TIF) to service a portion, or all debt service associated with the off-street parking facility. Opportunities to be efficient with the day-to-day management of the facility, whether it can automated through technology, and how it is constructed all play a role in the profitability of the facility. The revenue potential factor, specifically, should also be analyzed over the life of the facility, typically 25 to 30 years at minimum, to determine how high or low the opportunity should be scored. Early negative net revenues, for example, should not preclude this factor from scoring highly if overall net revenues are positive over the life of the facility.

Community/Economic Benefit

The broader community and economic benefit of CARTA's off-street parking infrastructure investment should be factored into the decision-making process. As part of the scorecard process, CARTA should ensure Plan Chattanooga goals and recommendations are being supported with this potential investment in off-street structured parking. These Plan Chattanooga goals include creating a comfortable and walkable urban environment, implementing sustainable environmental practices, and affording citizens opportunities to access healthcare and educational opportunities within a 15-minute walk radius of where they live. Additional economic development goals such as expanding the workforce, increasing affordable and workforce housing, and activating specific areas of the City are also Plan Chattanooga goals. Providing structured above or below ground parking is a significant cost consideration for a development project and public financing can assist in making the overall project financially feasible while achieving these broader Plan Chattanooga goals.

Cost Drivers

The most significant cost to any parking facility is the concrete structure itself. Aside from the superstructure costs, façade aesthetic and functional design can add significant project costs. As CARTA reviews its financial involvement in the delivery of off-street parking infrastructure there should be an

examination of any required or preferred façade aesthetics and/or functional design elements that will increase the overall up front and ongoing project costs. Examples of façade aesthetic costs include the materiality of the façade and how many exterior sides of the facility require a façade. Functional design requirements include the vehicular ramping and drive aisle and stall placement in the facility. The size of the facility footprint can also drive up the cost of a facility if there are identified site constraints. These cost drivers can place pressure on revenue generation to cover the cost of operating the facility.

Public-Private Partnership

A cornerstone of many of CARTA's investments in off-street parking infrastructure has been through public-private partnerships, or P3s. These partnerships enable an otherwise financially unfeasible project to come to fruition with a public investment in, among other development features, structured parking. With some P3s comes a need to segregate a portion of the structured parking for a specific need, typically using parking control equipment such as gates or cameras or other management strategies. These segregated parking areas, depending on how significant they are, can present overall challenges for efficiently and effectively managing the entire parking facility as one asset. If multiple owners are involved in a project additional coordination and approvals may be needed leading to increased decision-making time and added project cost. As CARTA evaluates whether it should invest in an off-street parking infrastructure opportunity, the agreements associated with a public-private partnership should be analyzed to determine if those agreements will have any revenue or expense impacts during the operational life of the facility.

Management Covenants

Similar to the presence of a public-private partnership, management covenants are a factor that drive the ability for a parking facility to generate revenue and be a financially-sound decision for CARTA's parking operation. Management covenants provide a contractual framework for how parking will be managed in the facility including how much parking will cost on an hourly, daily, and monthly basis, how spaces are allocated to different user groups, and whether spaces or time limited or restricted by time of day or day of week. Management covenants can range from simply providing direction and approval authority for these management strategies or clearly state these strategies in an agreement, subject to change by the approval of all parties. In general, management covenants can add cost and limit the ability of CARTA to manage the parking as they see fit. The presence of management covenants and the materiality of these covenants should be examined when scoring this investment factor.

Scorecard Procedure

Based on this example scorecard, CARTA staff could simply tally the results of the analysis and determine the viability of the off-street investment. The following results would drive the decision-making process:

- A score of **12 points or greater** would indicate an investment CARTA's parking program should consider. The assumption here is the facility would be directly CARTA-managed and the parking operation would take on all financial aspects of the parking facility including servicing debt. This recommendation does not take into consideration the financial position and outlook of CARTA's parking operation at the time of the review and should play a critical role in any final investment decision. *
- A score **between 8 and 12 points** would indicate an investment CARTA should consider through a public-private partnership and not a direct investment by CARTA's parking operation. The assumption here is the parking operation may elect to manage day to day operations of the

facility; however CARTA should not solely assume facility debt service and would limit its financial exposure to the investment opportunity. *

- A score of **8 points or less** represents an investment that should not be considered by CARTA. While the project may have merit and meet several investment factors, the investment opportunity overall would not make financial sense for CARTA from a direct investment or management perspective. CARTA may elect to examine this investment opportunity further, however a significant investment in the proposed off-street parking infrastructure is not recommended.

** As part of this scoring process a preliminary pro forma should be developed to determine the financial feasibility of the investment opportunity. It is recommended the facility should have a positive annual net operating income (NOI) by year 5 of operations, after a several year stabilization period, and have accumulated a positive NOI by year 10 of operations. Following year 10 the facility should have a net positive financial impact on CARTA's parking operation. If these assumptions are not met, it is recommended CARTA explore financial subsidies to make the investment opportunity feasible for the parking operation, including but not limited to special assessments or tax-increment financing mechanisms.*