

Increase Your Cash Flow by Managing Parking Issues

By John Meek

Residential properties of all types can encounter parking problems; regardless of whether the property is located in a suburban area or is an inner-city property with a parking facility serving both residential and commercial users. Unauthorized and/or improperly parked vehicles can cost you income and tenants. Therefore, it is important that you plan for these problems in advance so you can manage your parking in a proactive manner, not a reactive one. Secondary benefits of a parking plan are the ability to generate ancillary income, or increase current income through greater accountability and control.

Have a Plan and Policy

To effectively manage an apartment parking facility, a parking program should be implemented. The primary goal of a parking management program is to maximize the efficiency and profitability of the parking facility. The parking plan should have three components; parking policy, signs, and enforcement. The first two components create and communicate the guidelines by which all residents, visitors, and customers using the parking facility must abide by, while the latter component is for those who knowingly, or unknowingly, violate the parking guidelines.

A parking policy is primarily designed to communicate to the residents individually. A comprehensive parking policy that outlines in detail what is expected of the residents should be part of the leasing process. Such a policy could be incorporated into the lease, added as an addendum, or kept as a separate document. Consult with your legal representative to determine the best option for you, and to verify that your parking policy is within state and local laws, codes, and regulations.

Signs Get the Message Out

Signs that convey parking policy should be posted throughout the complex. Points of ingress and egress for vehicles and pedestrians are the most visible areas to post signs.

Signs that convey parking policy also serve a secondary purpose; they create a binding contract for the use of the parking facility for non-residents. This is particularly important when neighboring apartments, businesses, or schools have created an excessive demand on a limited number of parking spaces, and non-residents begin encroaching into your parking facility. Even if your parking facility is equipped with the latest access control system, encroachment will happen.

Enforcing Your Policy

Enforcement is the backbone of any parking program. Enforcement is intended to monitor the compliance of the parking policy, and take actions against those who violate the policy. Such actions may include written warnings, insurance of monetary parking notices, towing, or a combination of these actions. Whatever enforcement action is decided upon, property managers must be willing to be consistent and fair when enforcing the parking policy.

Increasing the Revenue of Your Property

The parking program will create a more manageable parking facility, and may increase revenues for the property as well. Increased revenues can be derived from the sale of parking permits to residents, or even non-resident weekday customers who can use the parking stalls vacated by residents during working hours. A well executed parking program can also increase revenues by mandating that all vehicles display parking permits or static cling decals. Once all authorized vehicles can be identified by a permit, any unauthorized vehicle can be dealt with when encountered. It is not surprising to see an increase of 10-25% in monthly parking revenue after implementing a solid parking program.

Professional Help

You may consider consulting or contracting with a professional parking management company to assist you in developing a comprehensive parking management plan for your

property. If you decide on a parking management company to manage your parking facility, you will discover the primary goal of a parking management company is to remove the burden of managing the parking facility off of the property management, allowing property management time and energy to focus on more important aspects of managing the overall property.

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