

Highlights

Why We Did This Audit

The city is responsible for developing transportation infrastructure. On- and off-street parking are part of the city's transportation infrastructure.

In response to development, public funds have been used to develop parking structures throughout greater downtown. The city owns nearly \$175 million in parking garage assets. Including owned garages, the city has operational or financial involvement in 12 parking garages with more than 8,000 parking spaces in the greater downtown area. Since 2000, public funds financed the development of at least 46 projects with parking garages.

This audit was initiated in response to audit suggestions submitted by members of the public.

Objective

This audit focused on whether the public's investment in parking garages support the city's transportation strategy for greater downtown.

Background

The city's multi-modal transportation strategy for greater downtown Kansas City is expressed in the city's citywide business plan goals, Greater Downtown Area Plan, zoning code, and Transit-Oriented Development Policy.

Public Works is responsible for on- and off-street parking operations. General Services maintains parking garages. The EDC evaluates projects that may receive incentives from the city and may include parking garages as part of approved projects.

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PERFORMANCE AUDIT

Parking Garage Investment Needs Planning, Coordination with Transportation Goals

What We Found

Public investment in parking structures has not supported the city's transportation strategy for greater downtown Kansas City.

Most parking garage decisions have been made through the lens of economic development, without incorporating transportation goals and policies adopted since 2009. Public investment has expanded the parking supply in greater downtown counter to current city transportation goals. The city's adopted Transit-Oriented Development Policy recommends eliminating the use of incentives to develop parking garages in transit-oriented areas such as greater downtown Kansas City. City code no longer requires parking minimums in many areas in greater downtown.

City agreements to own or support parking garages have significant budgetary impacts. Between 2007 and 2018, the city's general fund covered about \$94 million out of approximately \$140 million in debt service payments for parking garages with city commitments. City lease and contract commitments to maintain garages past their useful lives will require significant additional investment in the future.

Responsibility for developing, operating, and maintaining parking garages is fragmented among several departments and agencies, which makes it difficult to plan and implement parking management principles aligned with city transportation goals and policies. Based on age, most garages should be undergoing routine capital maintenance, however the city does not have an established capital maintenance plan, maintenance records, or reserves. Without this information, the city cannot create a complete budget for city garages.

In addition to operating costs for these garages – about \$3.7 million in 2018 – the city should have approximately \$8.2 million in capital maintenance reserves to meet the anticipated needs of existing parking garages with city financial commitments. This estimate does not include the development of new garages or the planned redevelopment of the Barney Allis Plaza garage.

What We Recommend

Decisions about parking garages should not be considered solely on a project-by-project basis, but within the broader transportation system for greater downtown Kansas City. We make recommendations to incorporate city transportation policies and goals into parking garage development decisions; consolidate responsibility for parking management; and improve maintenance planning and budgeting for the parking garages the city owns or for which the city has long-term obligations.

Management agreed or partially agreed with the recommendations.