PROPOSAL TO LEASE CAMPUS PARKING OPERATIONS AT THE OHIO STATE UNIVERSITY

Ohio State is currently considering proposals to lease the management of our campus parking operations. Universities across the country are struggling from intense financial pressures, and we recognize that we, too, need innovative ways to fund our mission—teaching, learning, and research. Adopting new strategies will help secure our long-term financial health while avoiding cuts to faculty, staff, students, research, or programs.

Money generated from any such lease would go directly into our long-term investment pool. The interest earned would provide continual funding for the things that matter most to the University—teaching, learning, research, and campus improvements. The result would be in an immediate, substantial, and permanent acceleration of our academic work.

If we received $400 million, for example, we could instantly increase our long-term investment pool by nearly 20 percent.

BREAKDOWN OF FINANCIAL SUPPORT BASED ON $400 MILLION LEASE

- Support for student financial aid and scholarships:
  - $75 million to long-term investment pool, earning $3 million in funding per year.
- Funding for faculty recruitment, including hiring 8-10 percent additional faculty:
  - $200 million to long-term investment pool, earning $8 million in funding per year.
- Support for critical areas whose external funding is limited, such as the Arts and Humanities:
  - $50 million to long-term investment pool, earning $2 million in funding per year.
- Support for campus transportation systems, creating a more pedestrian-friendly campus:
  - $75 million to long-term investment pool, earning $3 million in funding per year.

No decision has been made about leasing parking operations, but it is not at the heart of what we do as a university. Funds generated from a parking lease would add directly to our primary mission: ideas, teaching, learning, and research.

THE PROCESS

- The University has issued a Request for Proposals to potential partners interested in leasing the management of campus parking operations for the next 50 years. The Senate Steering Committee voted unanimously on April 19 in favor of this action.

- Proposals are due back to the University by May 30. In the meantime, the Faculty Council will meet on May 31 at 3:30 p.m., the Senate Fiscal Committee will convene on June 5, at 1:30 p.m., and the Parking Advisory group, also on June 5, will meet at 4:00 p.m. A final decision will be made shortly thereafter and affirmed at the June Board of Trustees meeting.

- Through the Parking Advisory Group, many people have been involved in this discussion over the past few months. We will continue to answer your questions and share information during this process.
KEY FACTS ABOUT LEASING

• Transportation and Parking employees would not lose their jobs as a result of this lease. If they want to stay on at Ohio State, they will be offered jobs of similar pay and work within the university. Or they could choose to pursue positions with the new parking company. The employees will decide what works best for them.

• Any annual increase in parking fees charged by an external parking-management partner would be capped at a rate consistent with the historical average. This cap has not yet been determined. Bidders have been asked to supply their proposals based on caps of 5.5 percent, 6.5 percent and 7.5 percent.

• The length of the lease (50 years) is necessary to obtain the greatest value for our University. We would have the opportunity to end the agreement if the chosen vendor does not meet our standards and obligations.