

EXPLANATION OF CONSENT AGENDA ITEM E.2.c.18 – March 23, 2016

ITEM:

Consideration of approving Canaveral Port Authority's Staff's request to increase parking rates charged at the Port's cruise terminals. The current rate is \$15 per day. Staff is requesting an increase to \$16 per day for regular size vehicles. Oversized parking is charged at \$26 per day and, if approved, would be increased to \$28 per day.

EXPLANATION

The Port finds itself in a unique position whereby most of the time the parking garages servicing the cruise terminals are fully occupied. Construction is nearing completion on a new parking deck at Cruise Terminal 5 at a capital cost of \$12.6M. Estimates for maintenance on Cruise Terminal 10 parking garage are budgeted at \$125K for FY2016-17, and a new parking deck was completed FY2014 for Cruise Terminal 1 at a cost \$16.8M. With over \$30M in capital expenditures for parking facilities, staff believes that an increase is warranted in order to recapture these capital expenditures. It is anticipated that this increase will result in additional revenues of \$900K.

We are currently below parking rates for Miami (\$20), the Port's number one competitor. The Port is charging \$15 for regular sized vehicles which is the same rate as Port Everglades, JaxPort and Port of Tampa. We are charging \$26 for oversized vehicles with Port Everglades, JaxPort and Port of Tampa charging oversized rates of \$19, \$30 and \$30, respectively. Miami charges \$40 for oversized vehicles.

Staff suggests a trial period of 90 days to commence after conversations with cruise lines that homeport ships at the port.

Staff recommends approval
Prepared by Rodger Rees

