

Valet Fee Policy

(Revised February 2021, December 2023 & newly proposed April 2024)

It is widely recognized that Nashville's on-street parking operations are past due for an overhaul and that new technologies and procedures related to collections and enforcement are needed. While more curb use policy changes are expected in 2024, the intent of this policy is to define Metro's valet fees in the meantime.

In December 2019, questions arose as to the interpretation and implementation of Metro's valet fee policy. The intent of this memo is to define NDOT's future implementation of this code. In April 2024, this policy was revised to delete Configuration 3 from page 3 and to modify the guidance determining lost revenue applicability on page 4.

Metro's Objective

Valet parking operations are a critical part of business in Nashville's urbanized areas. Because of space limitations, valet stands are often required to be located within the public rights-of-way, usually at an on-street, curbside location. This public right-of-way is maintained by taxpayers and the allowance of Valet parking permit applicants shall be charged an application fee plus additional fees for use of the public right-of-way, as set by the Traffic and Parking Commission. All fees shall be paid in advance.

NDOT has the responsibility to implement this ordinance fairly and otherwise manage activities of the public right-of-way and curbside.

Previous Approach and Problems

Code 12.41.080 has been previously interpreted to mean that, if parking meters are taken out of service to accommodate a valet stand, then the applicant of the valet stand will pay a \$50 fee plus the cost of the revenue lost for the meters being out of service.

However, several businesses have requested the removal of parking meters for other reasons (construction activities, loading zones, etc.), but not valet. Depending on the use of these spaces, there is either no fee for this, or the fees are incorporated into other permits. Sometime later, a valet operator would apply for a stand at the request of the business. Since there were no meters to be removed, there was no lost revenue and the only fee owed was the \$50 annual permit fee. This procedure resulted in a loss to Metro and did not adequately structure the curbside value.

With guidance from the focus group, the policy was shaped by evaluating data from Nashville's current valet and parking meter revenues as well as valet fee policies from other US cities (Atlanta, Austin, Charlotte, Columbus, Denver, and Memphis).

Present Recommended Procedure

The intent of the ordinance is for Metro to recoup the opportunity cost introduced by curbside valet operations and help fairly structure this in-demand curb space. The fee should help structure the regulatory principles behind good curb management and resulting impacts on business and transportation.

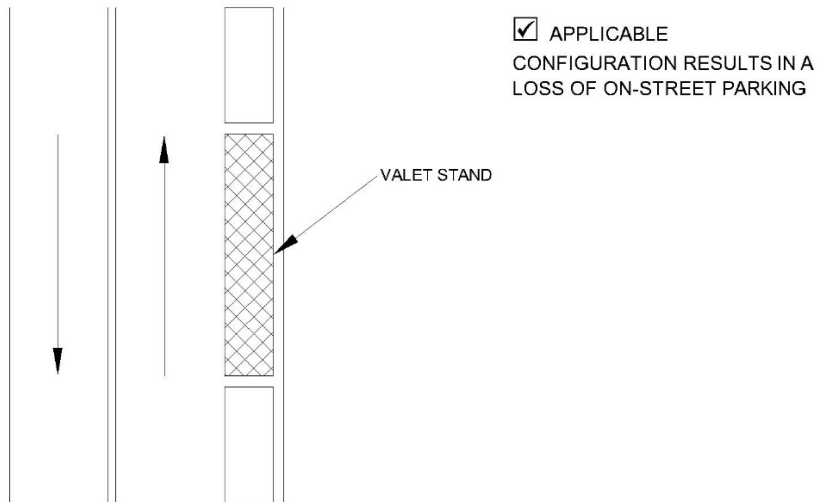
Applicability

Any new or existing valet zone within the public right-of-way or which otherwise impedes public access to the curbside for valet operations within Davidson County.

Specifically, potential valet configurations are shown below, along with guidance on whether or not they would be subject to this valet policy.

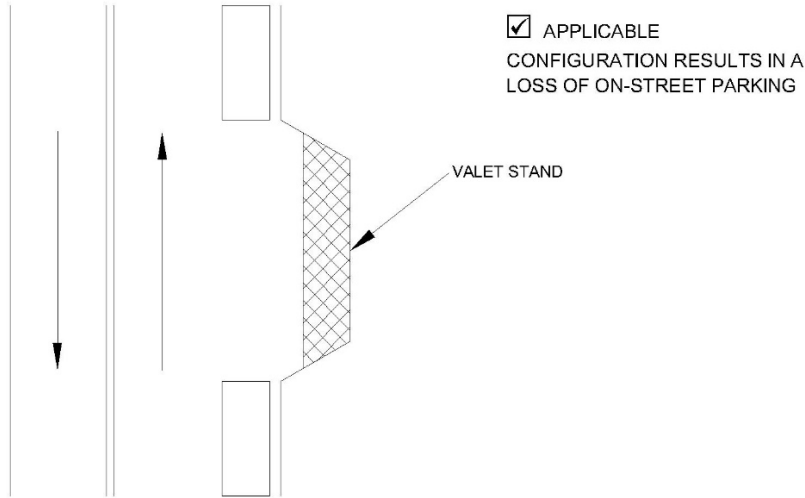
Configuration 1: Standard on-street valet stand. Here, a valet stand would replace standard on-street parking. This configuration is subject to the lost revenue portion of the fee.

Configuration 1: Standard on-street valet stand



Configuration 2: Cut-out valet stand (either on- or off-ROW). Here, a development constructs a roadway cut-out in which valet operations will occur. However, since this cut-out would replace existing on-street parking, the lost revenue portion of the fee still applies.

Configuration 2:
Cut-out valet stand (either on- or off-ROW)



Configuration 3. was removed as per February T&P approval pertaining to Ordinance language change to Section 12.41.080(C) with the following language:

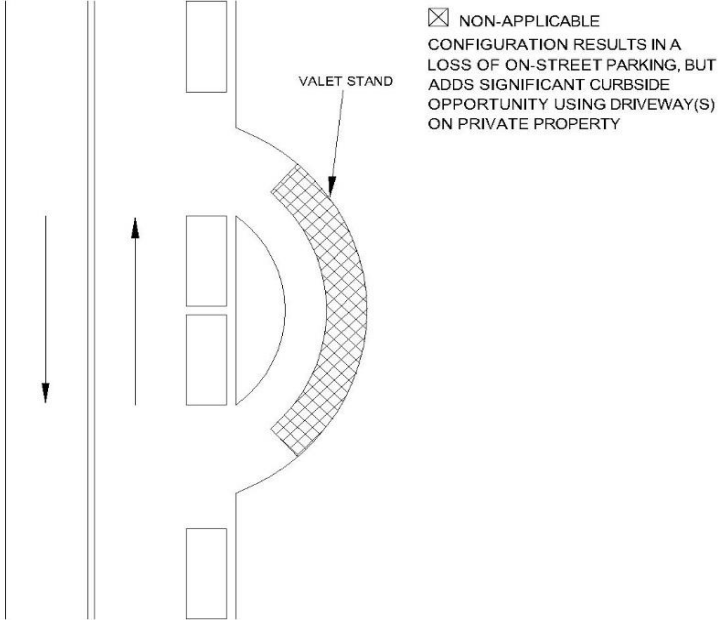
“Valet parking permit applicants shall be charged an application fee plus additional fees for use of the public right-of-way, as set by the Traffic and Parking. Commission. All fees shall be paid in advance.”

Previously it stated:

“The fee for a valet parking permit shall be fifty dollars, plus revenue lost annually for each required metered space as measured by the hourly rate for each metered space. All fees are payable in advance.”

(New) Configuration 4: Driveway serving off-ROW valet stand. Valet operations occurring off of the public rights-of-way may not be subject to a valet permit at all. Even if the required access displaces on-street parking, this configuration is considered a driveway permit and not related to valet permitting.

Configuration 4:
 Driveway serving off-ROW valet stand



Determining whether “lost parking revenue” applies

The issuance of a valet permit may or may not result in physical removal of a parking meter, but generally does result in loss of public parking opportunities or other curbside functions to the benefit of the private business. The valet applicant will be assessed the lost parking revenue (calculated in the following section) if all of the following conditions are true:

1. The curb scenario of the proposed valet is defined as either Configuration 1 or 2, as shown above.
2. The proposed valet is located within Metro’s meter zone, as shown in Attachment A; but not limited to these zones. The blue area defines the central business district (CBD), and the green area defines the non-CBD.
3. The proposed valet is located on a street that has at least one parking meter elsewhere on that street. A list of streets with meters is provided as Attachment B; but not limited to these streets only

Fee Calculations

Annual Valet Permit fees are to be calculated by the following formula only:

$$\text{\$50} + (\text{N} \times \text{TCBD}/\text{TNCBD} \times \text{D}) \times \text{U}, \text{ where:}$$

\\$50 = base application fee

N = number of approved metered spaces at 22Ft each

TCBD = Hours of operation per day in CBD core areas (Downtown, Gulch & Sobro...)

\\$11 for 8 hours or less/day operation.

\\$23 for more than 8 hours and less than 16 hours/day operation.

\\$35 for 16 hours or more/day operation.

TNCBD = Hours of operation per day in NON-CBD core areas (Midtown, Edgehill, Hillsboro, Music Row)

\\$9 for 8 hours or less/day operation.

\\$18 for more than 8 hours and less than 16 hours/day operation.

\\$28 for 16 hours or more/day operation.

D = days in a calendar year

U = flat 20% utilization rate of 0.20 for both, Hotels and Restaurants

FEE Examples:

Hotel:

Downtown Hotel Valet with four-spaces operating 24/7:

$$\text{\$50} + (4 \times \text{\$35} \times 365) \times 0.2 = \text{\$10,270}$$

Downtown Hotel Valet with four-spaces operating from 8AM to 6PM:

$$\text{\$50} + (4 \times \text{\$23} \times 365) \times 0.2 = \text{\$6,766}$$

Downtown Hotel Valet with four-spaces operating from 8AM to 3PM:

$$\text{\$50} + (4 \times \text{\$11} \times 365) \times 0.2 = \text{\$3,262}$$

Midtown Hotel Valet with four-spaces operating 24/7:

$$\text{\$50} + (4 \times \text{\$28} \times 365) \times 0.2 = \text{\$8,226}$$

Midtown Hotel Valet with four-spaces operating from 8AM to 6PM:

$$\text{\$50} + (4 \times \text{\$18} \times 365) \times 0.2 = \text{\$5,306}$$

Midtown Hotel Valet with four-spaces operating from 8AM to 3PM:

$$\text{\$50} + (4 \times \text{\$9} \times 365) \times 0.2 = \text{\$6,678}$$

Restaurants:

CBD Restaurant Valet Operating with two-spaces from 5PM to 12AM:

$$\text{\$50} + (2 \times \text{\$11} \times 365) \times 0.2 = \text{\$1,656}$$

Midtown Restaurant Valet Operating with two-spaces from 5PM to 12AM:

$$\text{\$50} + (2 \times \text{\$9} \times 365) \times 1 = \text{\$1,314}$$

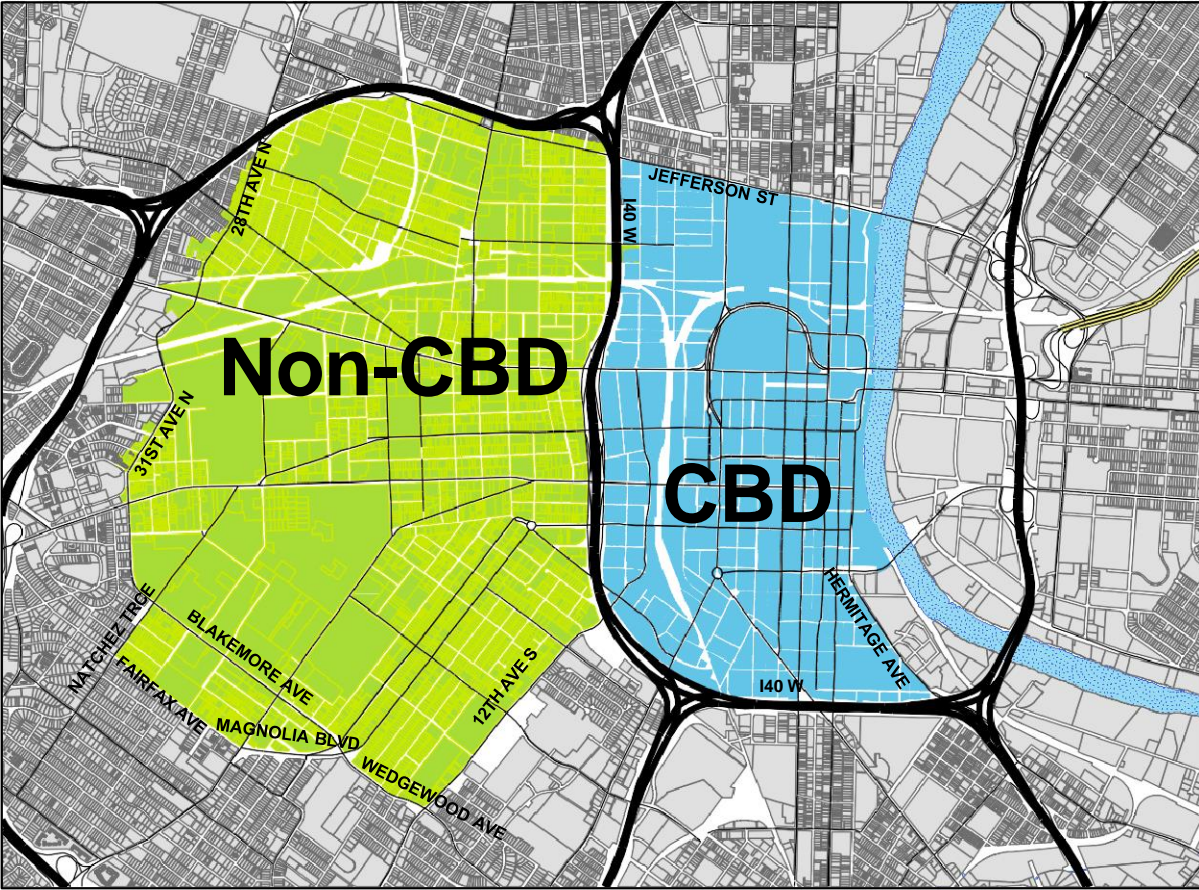
*****The day multiplier "D" is reduced based on actual days operations / year.**

Summary 2024:

This formula is consistent with the approved metered space rental daily rates of \\$28 for the NON-CBD area and \\$35 for the CBD area.

The new formula will become effective for all 2024 valet permits and permit renewals.

Attachment A
Metro's Parking Zones (area of applicability)



Attachment B

Applicable Streets* (streets which have at least one parking meter)

1ST AVE	JESS NEELY DR
2ND AVE	KOREAN VETERANS BLVD
3RD AVE	LAUREL ST
4TH AVE	LEA AVE
5TH AVE	LOUISE AVE
6TH AVE	LYLE AVE
7TH AVE	MCLEMORE ST
9TH AVE	PATTERSON ST
10TH AVE	PINE ST
11TH AVE	POLK AVE
12TH AVE	REIDHURST AVE
16TH AVE	ROSA L PARKS AVE
18TH AVE	ROSA L PARKS BLVD
19TH AVE	SCARRITT PL
20TH AVE	STATE ST
21ST AVE	TERRACE PL
22ND AVE	UNION ST
23RD AVE	WEST END AVE
24TH AVE	
25TH AVE	*Subject to change as
29TH AVE	parking meters are
30TH AVE	added/removed
ADELICIA ST	
ALMOND ST	
BANK ST	
BELCOURT AVE	
BROADWAY	
CAPERS AVE	
CAPITOL BLVD	
CHARLOTTE AVE	
CHET ATKINS PL	
CHILDRENS WAY	
CHURCH ST	
CLARK PL	
COMMERCE ST	
DEMONBREUN ST	
DIVISION ST	
ELLISTON PL	
GARLAND AVE	
GAY ST	
GEORGE L DAVIS BLVD	
GLEAVES ST	
GRAND AVE	
HAYES ST	
JAMES ROBERTSON PKWY	