

PARKFLAG ANNUAL REPORT

2024 - 2025



CITY OF
FLAGSTAFF



PARKFLAG

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As a visible ambassador for the City, ParkFlag proudly engaged with the community throughout the year, participating in volunteer initiatives and representing the department in signature events like the downtown Holiday Lights Parade.



SUMMARY

This report covers the period from July 1, 2024, through June 30, 2025. This report provides a comprehensive update to the community on ParkFlag's operations and financial performance over the past fiscal year. It highlights key developments and insights across the following areas:

- **Benefits of Managed Parking**
How structured parking solutions support local businesses, improve traffic flow, and enhance visitor experience
- **Parking Operations Overview**
A summary of day-to-day management, enforcement, and service delivery
- **Program Enhancements**
Notable improvements, innovations, and community-driven changes implemented during the year
- **Detailed Financial Reporting**
Breakdown of revenue, expenses, and reinvestment strategies

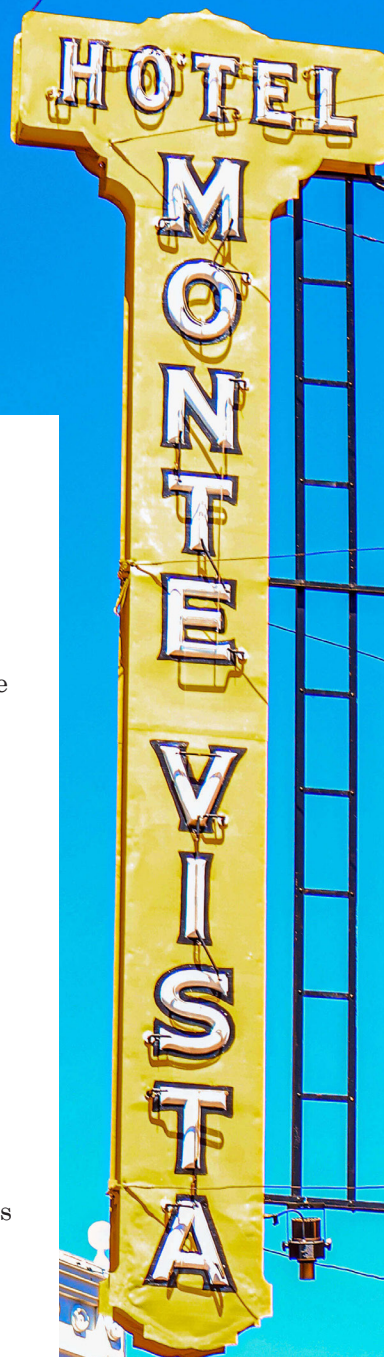
MISSION STATEMENT

ParkFlag is dedicated to delivering exceptional customer service to all members of the community: businesses, residents, and visitors alike. Our team of ParkFlag Aides serve as trusted City Ambassadors, embodying professionalism, integrity, and a commitment to public service.

ParkFlag Aides play a vital role in:

- Creating a welcoming & helpful experience for parking users
- Ensuring fair and consistent enforcement of parking regulations
- Educating the public on responsible and safe parking practices
- Supporting the city's broader goals of accessibility, mobility, and community engagement

Through these efforts, ParkFlag maintains a parking environment that is safe, equitable, and responsive to the needs of Flagstaff's vibrant community.



WHY PARKING MATTERS

A well-planned, efficiently managed parking system is essential to the vitality of Downtown Flagstaff.

Supporting the success of small businesses, attracting future investment, and enhancing the overall experience for residents and visitors is critical. As a premier destination and economic hub, downtown continues to grow in popularity, but the parking supply is limited. This creates challenges for stakeholders, potential investors, and visitors.

ParkFlag offers a strategic solution by investing in expanded parking infrastructure and optimizing the management of existing resources. Through these efforts, ParkFlag helps ensure that downtown remains accessible, welcoming, and economically resilient for all who live, work, and visit.

BENEFITS OF PAID PARKING

Effective parking management is a powerful tool for advancing key community goals in Downtown Flagstaff. Through ParkFlag's efforts, we are able to:

Maximize Use of Limited Parking Resources

Ensure fair and efficient access to existing parking spaces for all users

Create a Sustainable Funding Source

Generate dedicated revenue to invest in new parking infrastructure and improvements

Serve All Stakeholders

Take a holistic approach that considers the needs of residents, employees, business owners and visitors

Promote Multi-Modal Transportation

Expand options with additional bike racks and FREE VIP Bus Commuter Passes for downtown employees

Educate and Engage Through Parking Aides

Our Parking Aides act as City Ambassadors, offering guidance, promoting positive parking behavior, and helping users navigate available options

Strengthen Downtown's Economic Vitality

Support small businesses and attract future investment by improving accessibility



TIMELINE

This year, ParkFlag made several key improvements to better serve our community and enhance operational efficiency:

APRIL 2024

In response to a rise in repeat offenders using parking without payment, immobilization processes were implemented to deter continued use of prime parking spaces by non-payers.

AUGUST 2024

Fully Electric Fleet: ParkFlag is now fully electric with the addition of a Chevy Silverado for enforcement and maintenance, underscoring our commitment to sustainability.

SEPTEMBER 2024

Our internal software was updated, including a new, user-friendly customer-facing permit portal to simplify permit management.

JULY 2025

Launched a new, mobile-optimized ParkFlag website with updated maps to provide better access to information and services for the public.



OPERATIONAL HIGHLIGHTS

Every day, our parking enforcement team works to ensure fair access to public spaces, promote turnover in high-demand areas, and maintain safety across our city.

12,868

warnings
issued

2,181

citations
issued

1.1 M

hours of
paid parking
sessions

These numbers reflect our commitment to balancing enforcement with education, and to creating a parking system that works for everyone.

SPECIAL REVENUE FUND

ParkFlag is a program by the City of Flagstaff. We are committed to providing excellent service. ParkFlag is a special revenue fund- all expenses related to running the program are funded by the revenues collected in Pay to Park.

Dedicated Use of Funds

Revenue collected through ParkFlag is exclusively allocated to the operation, maintenance, and improvement of the parking district. These funds cannot be diverted to other City departments, initiatives, or services outside of the district.

Investment in Future Parking Solutions

A minimum of 20% of gross parking revenues be placed into a separate reserve fund, commonly referred to as the “lockbox.” This fund is specifically designated for the acquisition and development of additional parking infrastructure to meet growing demand.

**AS OF JUNE 30, 2025
THE LOCKBOX HAS
\$2.068 MILLION**

Since ParkFlag’s launch in 2017, the lockbox fund has steadily grown, reinforcing the City’s long-term commitment to expanding and enhancing parking resources for the benefit of all users.

BREAKING DOWN THE TRUE COST OF A PARKING STRUCTURE

As of 2025, the cost of constructing a parking structure can reach as high as \$90,000 per space. Factors like the structure type, location, design complexity, labor costs, materials, and technology can help reduce, or raise this cost per space. When addressing this high cost per space, our \$2.07 million lock box fund may not seem like much.

Strategy to Leverage the Lockbox and Accelerate Development in Flagstaff

Financing Approach:

Secure a loan through debt service, with future lockbox funds allocated to cover repayment.

Land Utilization:

Partner with existing building projects to maximize the use of high-value land for multi-purpose development.

Community

Engagement:

In December 2024, ParkFlag issued an RFIP to the community, inviting developers to submit partnership opportunities.

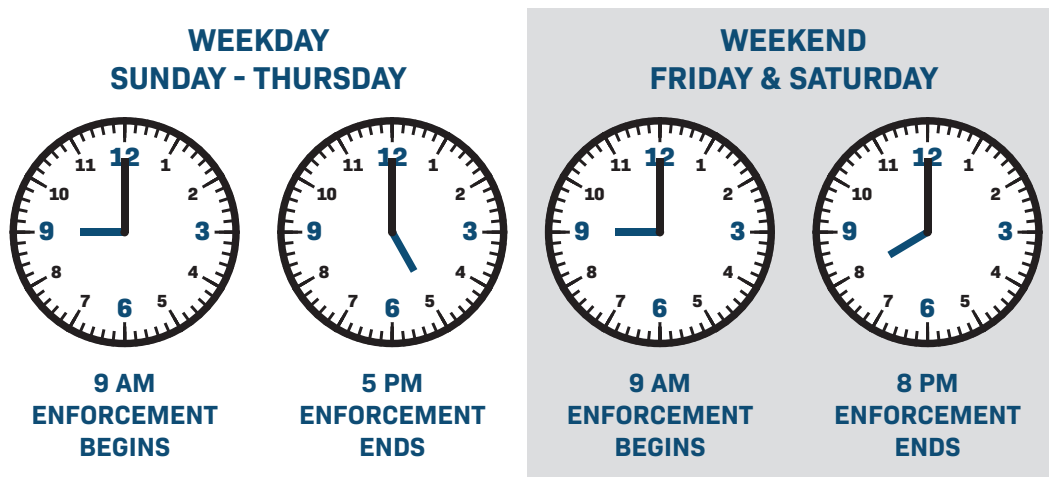
PARKING DISTRICT METRICS OVERVIEW

Flagstaff receives over 5 million visitors annually. A substantial portion of these visitors spend time in the pay to park downtown area managed by ParkFlag. The Flagstaff Visitor Intercept Study sites that Downtown Flagstaff is the top activity for visitors during their visit. The comprehensive parking program helps manage parking downtown to regulate traffic and improve the overall downtown visitor experience.

OCCUPANCY

ParkFlag manages approximately 1,036 paid parking spaces, both on-street and off-street, within the ParkFlag District.

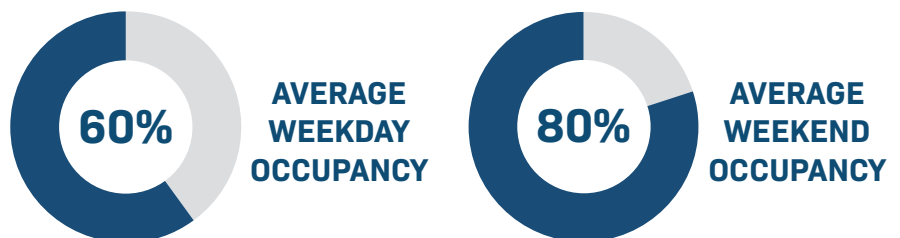
A portion of the on-street spaces are available for public Pay-to-Park, using kiosks or mobile app, and by Employee Permit holders. These spaces are regulated and open for general public use during the following hours:



Current occupancy trends show demand for paid parking in the district:

These occupancy trends demonstrate that the Parking District operates near optimal capacity based on industry standards, especially on weekends. This data is used for resource planning, rate adjustments, and potential program expansions.

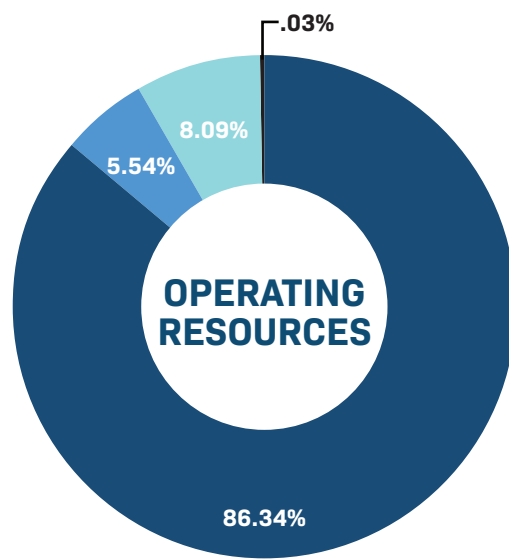
PARKING OCCUPANCY TRENDS



FINANCIALS

Summary of Resources & Expenditures/Uses

| Resources | FY24-25 | |
|------------------------|--------------------|--------|
| Pay to Park Revenue | \$1,156,042 | 86.34% |
| Parking Permit Revenue | \$74,213 | 5.54% |
| Interest Income | \$108,299 | 8.09% |
| Other Miscellaneous | \$441 | 0.03% |
| Total Resources | \$1,338,995 | |



| | |
|-----------------------------------|------------------|
| Lockbox (Restricted Funds) | |
| 20% of all Parking Resources | \$267,799 |

**AS OF JUNE 30, 2025
THE LOCKBOX HAS
\$2.068 MILLION**

| | |
|----------------------------------|--------------------|
| Total Available Resources | \$1,071,196 |
|----------------------------------|--------------------|

| | |
|------------------------------|------------------|
| Parking Contributions | \$248,472 |
|------------------------------|------------------|

Parking Contributions were one-time funds paid to ParkFlag by Mountain Line for the purchase of parking spaces within the existing Phoenix Avenue lot for the continued construction of the Downtown Connection Center.

These funds will be used to add spaces back into inventory and the full amount was directly deposited into the lockbox.

FINANCIALS

Expenditures/Uses

FY24-25

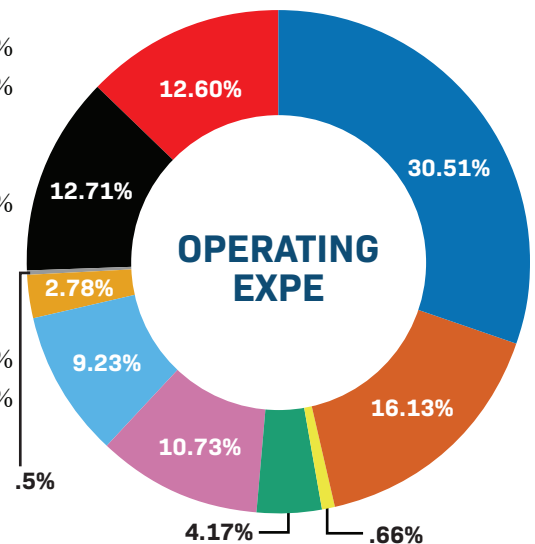
| | | |
|-------------------------------|-----------|--------|
| Salaries & Wages | \$278,567 | 30.51% |
| Employee Benefits | \$147,251 | 16.13% |
| Utilities | \$6,004 | 0.66% |
| Rent | \$38,037 | 4.17% |
| Credit Card Fees/Other Fees | \$97,942 | 10.73% |
| Other Misc. Services | \$84,217 | 9.23% |
| Maintenance | \$25,358 | 2.78% |
| Operating Supplies | \$4,554 | 0.50% |
| Computer Equipment & Software | \$115,978 | 12.71% |
| Debt Service Payments | \$115,025 | 12.60% |

Total Expenditures/Uses **\$912,933**

Total Available Resources **\$1,071,196**

Total Expenditures **\$912,933**

Total Available Balance **\$158,263**



ParkFlag's largest expenditures reflect the costs of running a safe, efficient, and user-friendly parking system:

- **Salaries & Wages:**

Our team includes a Parking Manager, a Lead Parking Aide, and five Parking Aides who handle enforcement, customer service, and day-to-day operations. Staffing is our largest investment, ensuring the community is well served.

- **Computer Equipment & Software**

This essential software supports online parking permit purchases, back-office management, kiosk operations, and all enforcement activities. It helps the program run smoothly and provides a convenient experience for the public.

- **Credit Card Fees**

While these fees are high, they are a necessary cost to process approximately 550,000 transactions each year. They allow customers to pay quickly and securely, supporting modern, flexible payment options.

- **Debt Service**

These payments cover the initial purchase and installation of parking kiosks and district-wide signage. The program is scheduled to pay off this debt by 2027, if not sooner, which will free up additional resources for future improvements.

Together, these investments help ParkFlag manage parking efficiently while maintaining the cleanliness, safety, and character of our community.

DIGITAL ASSETS

SOCIAL MEDIA



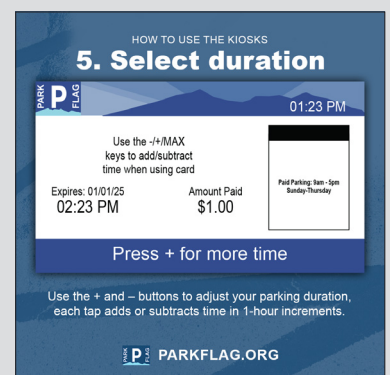
Over the coming months, we'll be rolling out social media posts on the official City of Flagstaff social channels that highlight various aspects of the ParkFlag program. These graphics are designed to:

- Improve public understanding of the ParkFlag Downtown Parking Program
- Educate the community on proper parking etiquette and rules
- Demonstrate our commitment to making downtown parking easy to navigate and understand



HOW TO GUIDE

As part of ParkFlag's redesigned website, we've introduced a new page that guides users on how to operate pay-to-park kiosks throughout the district.



FUTURE PLANS

UPCOMING PROJECTS

Our parking dollars do more than manage curb space, they help maintain the character and cleanliness of our community. Looking ahead, ParkFlag will be assisting with improvements that directly enhance the public experience. A portion of parking resources will help fund key projects that improve accessibility, support cleaner and safer streets, and create a more welcoming environment for residents and visitors.

- **Snow & Cinder Removal**
Keeping streets safe and accessible during winter months
- **Graffiti & Excrement Removal**
Rapid response to preserve public spaces
- **Waste & Curb Maintenance**
Ensuring tidy, functional streetscapes
- **Sidewalk Cleaning**
Promoting walkability and visual appeal
- **Right-of-Way Upgrades**
General improvements to shared public areas

These initiatives reflect our commitment to reinvesting parking revenue into services that keep Flagstaff clean, safe, and welcoming for all.

GOALS FOR NEXT YEAR

- **Continue to Promote Compliance Through Education Over Penalties**
Launch a public education campaign on common violations and how to avoid them
- **Enhance Equity and Accessibility**
Ensure 100% of ADA-accessible spaces are monitored daily.
- **Explore Parking Expansion**
Continue working with community partners to identify opportunities to increase the parking supply.

