1101 INDIANA LAWRENCE, KS



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DATE: 03/02/16

TO: John Kitson

OFFICE: CA Student Living

cc: Gary Koch

SEND VIA:

FROM: Phill Schragal

PROJECT NAME: 1101 Indiana Lawrence, KS

PROJECT NUMBER: 31-7966.00

SUBJECT: Valet Service – Technical Memorandum

INTRODUCTION

Pursuant to the scope of services developed for the captioned project, Walker Parking Consultants ("Walker") visited five (5) parking facilities that serve residential components in Chicago, IL. The facilities either provide full-service ("FS") valet parking, which entails residents leaving their vehicles in a staging area for an attendant to park and/or retrieve in all instances, or valet assisted ("VA") parking, which is facilitated when a customer parks their own vehicle, but are often blocked in by another vehicle parked by an attendant that requires assistance from an attendant to relocate and/or allow the resident access to their vehicle before exiting the facility. The locations visited are listed as follows:

- Malibu East at 6033 N. Sheridan 304 stalls
- Waterford at 4170 N. Marine Drive 225 stalls
- 3950 N/ Lake Shore Drive 280 stalls
- o Park Place Tower at 655 W. Irving 254 stalls
- o 100 E. Huron 180 stalls

In addition to noting the type of operation and stall count at each location, Walker also met with the management staff to ascertain the number of employees needed to facilitate either the FS or VA parking methodology and provide an average minimum customer wait time of five (5) minutes per transaction.

The staffing information is provided for reference purposes to ensure adequate staffing levels are implemented at the parking structure (the "Facility") intended to serve a residential development on the University of Kansas campus at 1101 Indiana in Lawrence, KS.

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PARKING STALL AND AISLE WIDTHS

For the engagement Walker will also review and comment on proposed valet parking design concepts developed by Hartshorne Plunkard Architecture ("HPA") for the Facility with regard to the following:

- o Existing locations that utilize similar 7'-6"-18'-0" stalls and 16'-0" drive aisles;
- Existing locations that employ a similar valet operating methodology.

To satisfy the scope of work, Walker developed the Power Point presentation included as an attachment at the end of this memorandum. In the presentation, we detail stall sizes and aisle widths at each respective location observed for the study.

All of the observed locations, which are operated by a professional parking management firm or Operator, function with little to no operational issues on a daily basis. Moreover, as shown in the photos included in our presentation, each location contains stall sizes and aisle widths that meet or are less than the stall size and aisle width design criteria proposed by HPA for the Facility.

Approximately 21% of the stalls within the proposed Facility are 7'-6" stalls (approximately 100± spaces), and based upon Walker's review of the proposed design plans, the Facility will not contain spaces that are less than 7'-6" on any level. The design vehicle used by Walker when designing parking structures is 6'-7" by 17'-1", which is representative of the 85th percentile of vehicles on the road today. Given this fact, more than 85%± of the potential vehicles that utilize the Facility can be stored in the proposed 7'-6"–18'-0" stalls.

To estimate both the number of potential resident parkers, as well as the number of vehicles that exceed the 85th percentile Design Vehicle for the Facility, CA Student Living surveyed three (3) exiting locations and provided Walker with the survey results. Based upon our review, the following summarizes the information provided:

- o Latitude, NE 573 beds, 219 vehicles = 38.2% ratio; 21 vehicles > Design Vehicle = 9.6%;
- o West Quad 472 beds, 206 vehicles = 43.6% ratio; 5 vehicles > Design Vehicle = 2.4%;
- o Social 28 593 beds, 117 vehicles = 19.7%; 3 vehicles > Design Vehicle = 2.6%

Finally, given the fact that parking within the Facility will continuously be done by professional drivers (trained in limited space parking, car storage and vehicular care) and will permanently be operated as a valet location (resident and visitor self-parking will not be allowed), it should function adequately and offer end-users an acceptable level of service at all times.

VALET OPERATING PLAN

To address the final scope item contained in Walker's proposal, we provide recommendations that can be used by the "Owner" of the Facility to evaluate the requirements associated with the implementation of a full-service valet parking program to serve the Facility.

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SELF-MANAGED OR THIRD-PARTY

The first question that arises when contemplating valet parking services is whether the operation will be self-operated and managed by the Owner, or will the management responsibilities be sub-contracted to a third-party professional parking Operator that specializes in providing valet services.

Given the fact that the proposed Facility will be primarily a full service valet operation, we recommend the Owner sub-contract the management of the Facility to a third-party professional Operator experienced in attendant parking operations.

VALET PARKING SERVICE

In either of the above scenarios, the responsibilities and services provided by the Operator are similar in nature. A list of items associated with the implementation of a successful valet parking program will include, but not be limited to the following:

- 1. Manage and direct the operation as a valet service, and provide usual and customary services in a professional businesslike and efficient manner.
- 2. Provide adequate supervision and inspection to properly manage the services offered.
- 3. Hire, pay, supervise, and provide benefits for sufficient experienced and qualified valet parking attendants that will provide the required services.
- 4. Ensure that all employees are neatly uniformed and courteous to all patrons that utilize the service.
- 5. Maintain courteous, businesslike relations with all end-users of the service; whose requests shall be received, considered and promptly acted upon.
- 6. Maintain the valet ingress, egress and staging areas in a clean and orderly manner according to reasonable standards acceptable to the Owner.
- 7. Promptly notify the Owner of any matter related to services provided that requires immediate attention or action.
- 8. Advise and cooperate with the Owner in the development and implementation of rules and regulations applicable to the services offered and enforce all rules and regulations adopted by the Owner.
- 9. Advise and consult with Owner on matters of potential changes to traffic control, signage and/or any other matter that may substantially alter the services.
- 10. Obtain and maintain policies of insurance that include coverages for the following:
 - a. Worker's Compensation in compliance with the Worker's Compensation Act of the State of Kansas; and federal statute (if applicable) and Employer's Liability covering all persons entering the site to perform work thereupon and/or employed by Operator and Operator's contractors in the conduct of its operations at the Facility (including "all states" and volunteers endorsements (if applicable), covering accidental death, bodily injury, illness and disease.

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- b. Garage Commercial General Liability on an occurrence form basis; such policy will protect Owner as an additional insured entity against incurring any legal cost in defending claims for alleged loss subject to all the terms and conditions of a commercial general liability policy;
- c. Garage Keeper's Legal Liability insuring any and all automobiles that are parked by a valet attendant or for which bailment otherwise is created;
- d. Automobile Liability policy including coverage for any owned, hired or nonowned automobiles or coverage for "any auto."
- e. Crime coverage that protects against acts of fraud, mysterious disappearance and/or theft of receipts, check alteration and forgery, computer fraud, robbery, burglary, etc. including a third-party crime endorsement; and
- f. Umbrella or excess liability policy with a provision to the effect that, if the underlying aggregate coverage amount is exhausted, the excess coverage will drop down as primary insurance.
- 11. Prepare and file all necessary returns, reports and forms required by law in connection with unemployment insurance, social security taxes, worker's compensation insurance, disability benefits, Federal and State income tax withholding and other similar sales or parking taxes and pay or make all deposits required for such taxes.
- 12. Keep an accurate record of all operating expenses and any other costs related to the services provided at the Facility.

HOURS OF OPERATION

Since the proposed Facility will serve a residential component, the location will be operated 24 hours daily and seven days per week throughout the year. Moreover, based upon our understanding of the operation, the Facility will always function as a valet parking location and resident and visitor self-parking will not be allowed. Given this fact, we anticipate the operation will consistently function at an acceptable level of service, assuming that adequate staffing and professional management is provided.

STAGING AREA

All valet operations are initiated from a designated area within the Facility that is typically called the "Staging Area". The Staging Area can be located within the general vicinity of the entrance/exit plaza and should contain a stop sign and/or stop-bar painted on the ground that signifies the area for residents to proceed into and stop for valet service. Signs should be posted along the drive path to trail-blaze the designated route to the valet Staging Area. Once a resident stops and exits their vehicle in the Staging Area, the valet attendant will identify the proper credential for resident parking and the resident will depart the Facility. The valet attendant will either stage the vehicle for parking by a second attendant, or park the vehicle.

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STAFFING

The level of staffing required to administer a successful valet plan is dependent upon several factors, which include but are not limited to the following:

- 1. Expected level of service desired by the Owner;
- 2. Actual peak-hour volume or demand for service;
- 3. Distance from the staging area(s) to the parking area(s);
 - a. Vertical transportation or stair access to the parking area(s);
- 4. Size and functionality of the parking area(s);
- 5. Number of staging areas.

Once the peak-hour ingress/egress demand is determined, a staffing schedule can be generated to project the level of staffing needed to accommodate the projected peak-hour levels of activity.

For analysis purposes, Walker typically assumes that one attendant can park and retrieve from 10 to 15 vehicles per hour. This estimate depends upon the skill level of the attendant as well as the functionality of the proposed facility.

Once the development is open and fully stabilized, staffing levels will be continually reviewed by the Operator to ascertain whether the number of attendants is adequate or excessive. Based upon the Operator's assessment, staffing will be adjusted accordingly on an on-going basis to provide an average customer wait time of five (5) minutes or less per transaction.

THEORY OF OPERATION

Valet attendants are stationed in the Staging Area to accept vehicles from residential patrons. All residential valet parkers are issued an identifying credential (hang tag, decal, bar coded decal, etc.). Attendant will identify the required credential and greet customers upon arrival and accepting their vehicle.

Dependent upon the level of activity, the attendant will either stage the vehicle within the Staging Area for parking when less activity is present, or drive the vehicle to the area designated for use by the valet service. Once in the designated parking area, the attendant will park and lock the vehicle; noting the residential credential on a locator ticket for identification of the parking location upon retrieval. After parking each vehicle, the attendant returns to the valet staging area and places the locator ticket into a ticket rack or podium rack and secures the vehicle keys in a locked key-box or cabinet.

Upon exiting, residential valet customers will call the parking service area and request their vehicle. The valet attendant will either proceed directly to the designated valet parking area on foot or in another valet vehicle that must be parked. The attendant retrieves the vehicle and returns the vehicle to the customer waiting in the Staging Area. Once the attendant verifies the resident as the proper person for the vehicle retrieved, the vehicle is released to the resident.

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FACILITY MANAGER

To ensure a safe and efficient valet operation, we recommend that one staff member be assigned as the Manager over the entire of the operation. This person will work directly with the Owner, oversee the daily valet operation and assign the attendants on duty to the valet areas dependent upon the anticipated volume of activity. All attendants will remain in place during ingress to serve arriving customers on an as-needed basis. Once the operation shifts to an egress methodology, attendants will be assigned to the area of greatest need. The Manager will accept all visitor inquiries, complaints and requests for retrievals. The Manager will also oversee the dispatch of each retrieval request or "pull" to the attendants stationed in the valet areas. Each attendant will acknowledge receipt of each pull request, proceed to the vehicle and return the vehicle to the correct valet Staging Area.

The Manager will play an essential part in the success of the operation, acting as the on-site representative for valet services and as the person responsible for facilitating the parking and retrieval of vehicles and addressing customer issues. Given the above, we recommend this person be a competent individual that can operate under moderate pressure and think on his feet. As the person in charge of valet services, a competent Manager must facilitate movement of the attendants throughout the day, coordinate vehicular activity during peak ingress and egress periods and address customer inquiries in a professional manner.

CONCLUSION

As outlined, the valet parking operation should function at an acceptable level of service for end-users of the Facility. Furthermore, once the development is open and fully stabilized, it is critical that staffing levels are reviewed continually by the Operator to ascertain whether the number of attendants is adequate or excessive, and ensure an acceptable level of service is continually provided to residents of the development and end-users of the Facility.

In summary, while every valet parking operation is presented with service problems not outlined in Walker's memorandum (e.g. damage claims management and adjudication), assuming a competent Manager is assigned to the project, the service implemented by the Owner should offer expanded and enhanced services to residents that utilize the valet service. Furthermore, the design criteria proposed by HPA with some 7'6"-18'-0" stalls should function adequately for the Operator chosen to manage and operate the Facility.

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February 2015



Operating Methodology

- Full Service (FS)
- Valet Assisted (VA) with Self Park Parking

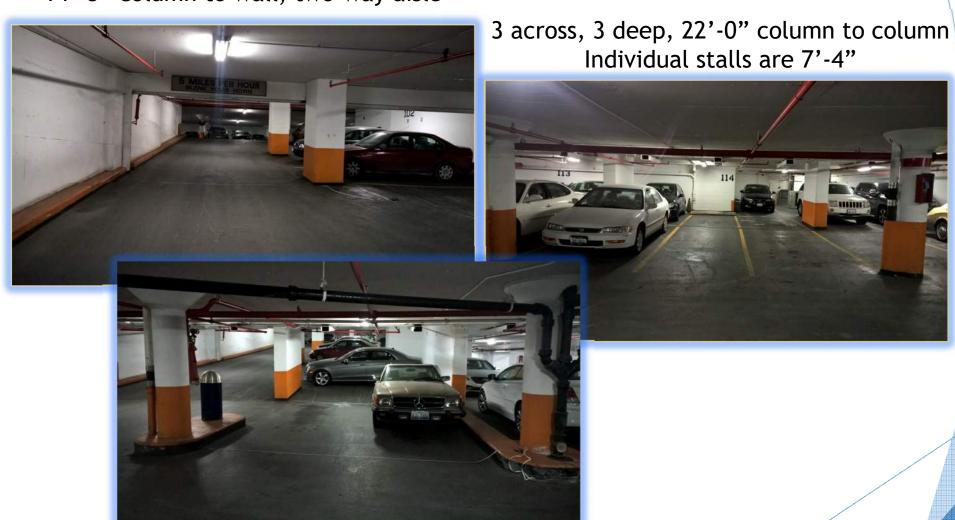
7'-6" to 8'-0" Stalls & 16'-0" Aisles

- Walker visited five locations in Chicago, IL
 - All locations serve residential components
- (FS) Malibu East at 6033 N. Sheridan 304 stalls
- (FS) Waterford at 4170 N. Marine Drive 225 stalls
- (VA) 3950 N/ Lake Shore Drive 280 stalls
- (FS) Park Place Tower at 655 W. Irving 254 stalls
- o (FS) 100 E. Huron 180 stalls



6033 N. Sheridan – 304 stalls (FS)

14'-8" column to wall, two-way aisle



2 across, single out - 14'-8" column to column Individual stalls are 7'-4"

4170 N. Marine Drive – 225 stalls (FS)

18'-10" two-way aisle, 7'-0" parked vehicle



15'-10" two-way drive aisle

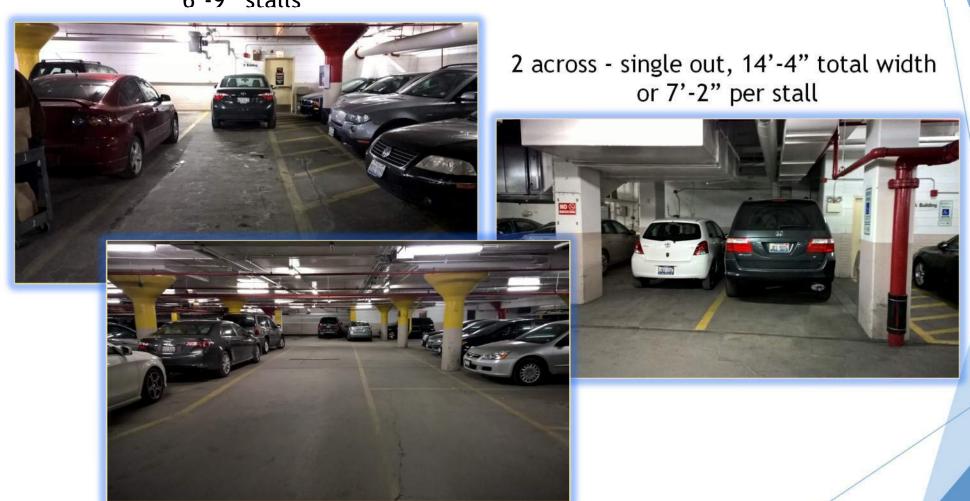
18'-10" column to wall Parked 8 deep (when required) Stalls are 6'-8"



Parked vehicle exiting 7'-4" stall

3950 N. Lake Shore - 280 stalls (VA)

3 across, 3 deep, 6'-9" stalls



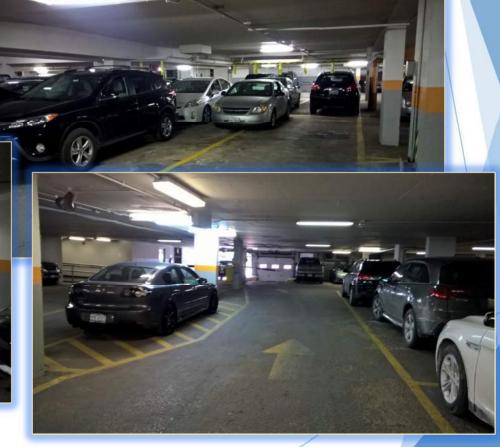
9'-10" one way drive aisle, 7'-4" spaces on either side of aisle

Park Place – 225 stalls (FS)

9'-10" two-way aisle, 6'-8" and 7'-6" stalls
On either side of drive aisle

10'-1" two-way drive aisle with (2) stalls at 7'-2"

3 across, 4 deep 19'-8" column to column or 6'-6" stalls

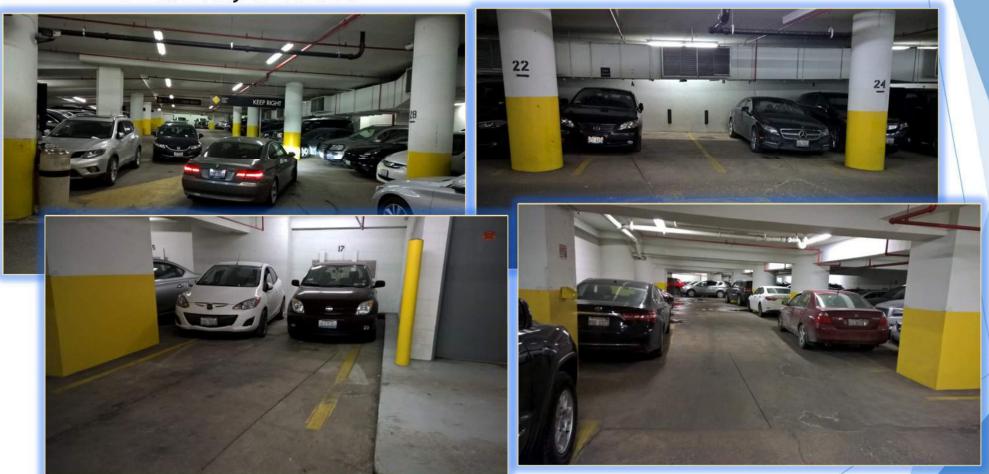


Exit Drive 10'-11" drive aisle With 7'-0" stall

100 E. Huron – 180 stalls (FS)

Entrance/Exit 21'-6" two-way drive aisle

3 across, single out 18'-8" column to column or 6'-6" stalls



2 stalls, single out 12'-3" column to wall

Two way drive 17'-3" column to column with 7'-1" and 6'-2" stalls on either side