

## **NEWS RELEASE**



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## Birmingham-Shuttlesworth International Airport Embarks on Parking Modernization Plan to Ease Capacity Constraints and Improve Customer Experience

The Birmingham Airport Authority (BAA) Board has set in motion a Modernization Plan that will transform the parking program at Birmingham-Shuttlesworth International Airport (BHM). The Board has unanimously approved some first steps that will help to set the stage for improvements that will come in phases over the next few years and beyond.

"As passenger traffic continues to grow, we must move the parking operation in a new direction," said Ron Mathieu, President and CEO of the BAA. "Parking is a critical part of the customer experience at BHM, and our goal is to modernize the operation so that we are ready to meet and exceed the expectations of travelers," said Mathieu. The initial phase calls for reconfiguration of the parking deck and a restructuring of parking rates that is necessary to fund future improvements.

Members of the BAA Board approved several "Phase One" initiatives at a special workshop on Friday, April 4<sup>th</sup>. Among the changes that are coming:

- Reconfiguration of level 1 of the parking deck to relieve capacity constraints for rental car businesses that operate at BHM
  - ADA-Van Accessible parking will remain on the first level of the deck. All other "oversize" vehicles will move to the Economy Lot.
- Restructuring of parking rates at BHM for the *first time in 16 years*. The rate changes will take effect on July 1, 2025.
  - Hourly parking in the deck will go from \$24 a day to \$26 a day. Daily parking in the deck will go from \$12 a day to \$17 a day. Incremental parking will increase from \$1 an hour to \$2 an hour in all lots. Economy parking rates will stay the same at \$10 a day.
     See chart below:

	Hourly Parking (per 24-hours)	Daily Parking (per 24-hours)	Economy Lot (per 24-hours)	Hourly Increment (per hour in all Lots)
Current Rate	\$24	\$12	\$10	\$1
New Rate	\$26	\$17	\$10	\$2

 Discontinuation of the Commuter Parking Program that gives deep discounts to a select group of airline employees who live in Birmingham but who are based in other cities and work out of other airports. The program will end on December 31<sup>st</sup>, 2025.

These initial steps will help the airport staff prepare for major investments and improvements that will be recommended and considered by the BAA Board in the future.

Airport staff will soon be recommending future projects that will cost between \$40 and \$50 million dollars to complete. These projects will be considered by the board in the months ahead:

- The redevelopment of the Economy Lot as part of a new, remote parking complex
- New technology known as a parking guidance system that will present drivers with dynamic, real-time information on parking availability. This will limit the need to "drive around" searching for an empty space.
- New technology in the parking exit lanes to speed up transactions and get visitors on their way more quickly
- Comprehensive signage to better communicate the location of the various parking options and directions for getting there

The Parking Modernization will also include the revamping of Valet Parking to assure a truly premiere experience for travelers. Looking further into the future, the airport staff anticipates the need for new facilities to meet parking demands. Estimates on those projects are in the works.

Commercial airports that participate in the Airport Improvement Program (AIP) and accept grants from the Federal Aviation Administration (FAA) are required to be self-sustaining. BHM must function like a business and is required to generate the money needed to fund the airport operation.

"Parking is a critical part of the airport business and is also expensive in terms of maintenance, growing capacity, and providing all the different levels of service the public demands," said Mathieu. The parking and rental car operations make up 45% of BHM's operating revenue. "The Board is doing exactly what is needed to set in motion a new era of parking that will better serve customers," said Mathieu.

The Parking Modernization Plan grew out of a year-long review by airport staff and the consulting firm, InterVISTAS, whose team of experts are well-versed in the industry. Together, airport staff and the

consultants have applied best practices, compared BHM to other airports, and reviewed how top performing airports are meeting similar challenges. Most importantly, the Parking Modernization Plan is designed to meet current and future challenges with a data driven approach that assures the airport can continue to accommodate future growth and give customers what they want and need.

## **About Birmingham-Shuttlesworth International Airport**

As Alabama's largest commercial airport, Birmingham-Shuttlesworth International Airport has served as a gateway to the sky for more than 90 years. Governed by the Birmingham Airport Authority, the airport continues to be a catalyst for growth and economic development for the entire region. For more information, visit <a href="flybhm.com">flybhm.com</a> or follow BHM on <a href="Facebook">Facebook</a>, <a href="Twitter">Twitter</a>, <a href="Instagram">Instagram</a>, and <a href="LinkedIn">LinkedIn</a>.