

12:40 pm, Jul 16 2024

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***NASHVILLE DEPARTMENT of TRANSPORTATION
& MULTIMODAL INFRASTRUCTURE***

Valet Fee Policy
Revised June 2024

Policy No. 103.004.2024

The Nashville Department of Transportation and Multimodal Infrastructure (NDOT)'s Objective

Valet parking operations are critical to Nashville's urbanized areas. Due to limited space, valet stand operators often locate valet stands within the public rights-of-way, usually at an on-street, curbside location. These public rights-of-way are maintained by taxpayers.

Recognizing the need for an overhaul, NDOT has revised this Valet Fee Policy to account for new technologies and to update procedures related to valet fee collection and enforcement. While NDOT anticipates additional curb use policy changes in the future, the intent of this Policy revision is to inform licensed valet operators and valet parking permit applicants about the change in how NDOT's valet fees will be calculated going forward.

Recently, Section 12.41.080(C) of the Metropolitan Code was amended to allow NDOT to charge valet parking permit applicants an application fee, along with additional fees, for use of the public rights-of-way. These fees, which have been set by the Traffic and Parking Commission and approved by Metro's Finance Director, must be paid in advance.

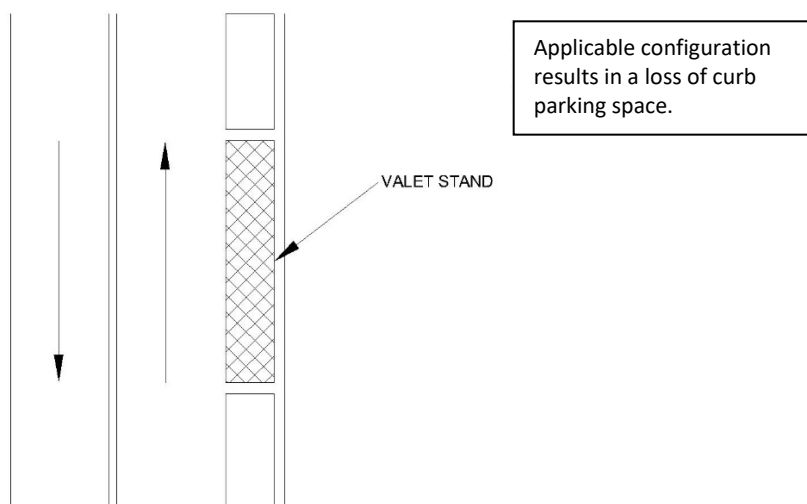
Valet Parking Policy

This Valet Fee Policy may apply to any new or existing valet permit locations within the public rights-of-way, or which otherwise impede public access to the curbside, within the public rights-of-way.

Potential valet configurations are displayed below along with guidance on whether they would be subject to valet permit cost-of-use fees (in addition to the application fee, any penalties due thereon, and the sign reimbursement cost).

Configuration 1: Standard on-street valet stand. Here, a valet stand would replace standard on-street parking (metered or unmetered) and, as such, the cost-of-use fee applies.

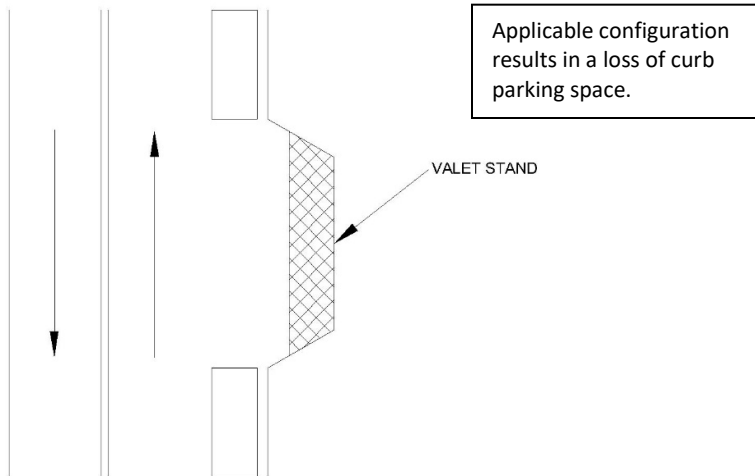
Configuration 1: Standard on-street valet stand



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. Since this cut-out would replace existing on-street parking space (metered or unmetered), the cost-of-use fee applies.

Configuration 2:

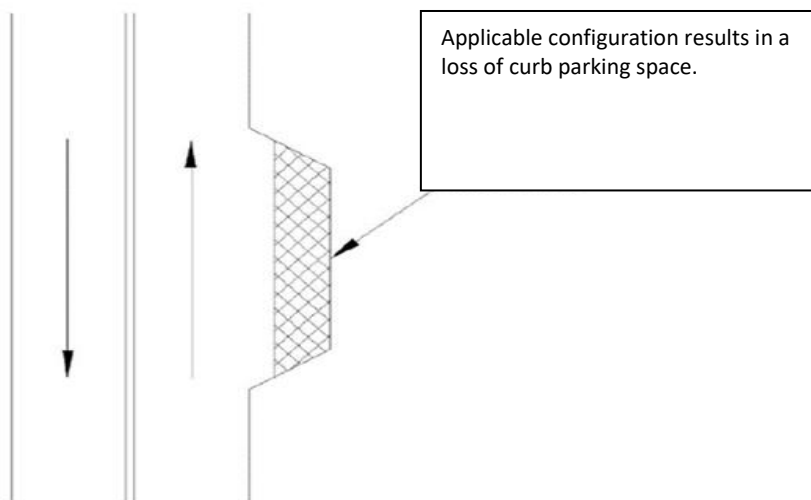
Cut-out valet stand (either on- or off-ROW)



Configuration 3: This setup allows parking in a cut-out within the public right-of-way, where parking was previously disallowed due to narrow lanes. However, once the cut-out is constructed, it provides additional space for on-street parking. Metro faces an opportunity cost when the cut-out, on-street parking spaces are exclusively used for a valet stand. Thus, since this cut-out would replace existing potential on-street parking space (metered or unmetered), the cost-of-use fee applies.

Configuration 3:

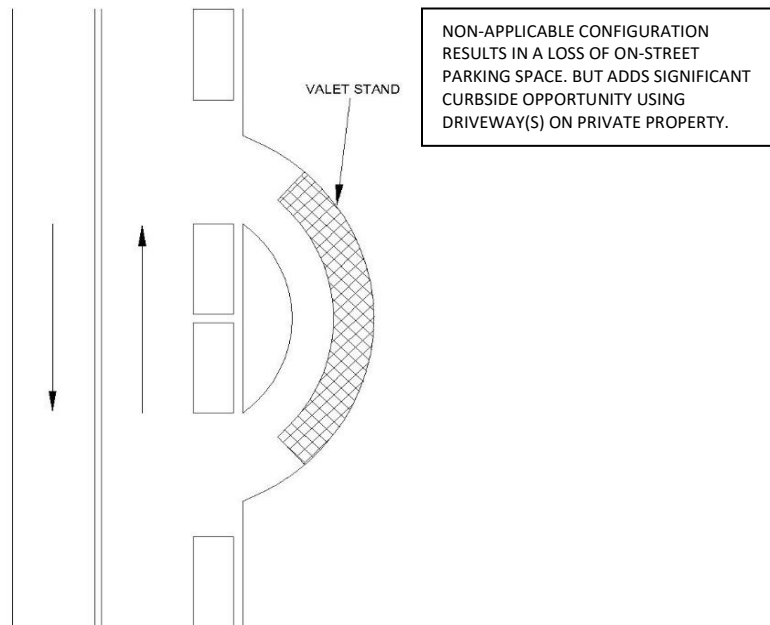
Cut-out valet stand(on ROW)



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

Configuration 4:

Driveway serving off-ROW valet stand



The issuance of a valet permit may or may not result in removal of a parking meter, but it generally results in reduced public parking opportunities or other curbside services benefiting private business. A valet applicant will be assessed the cost-of-use fee (calculated in the following section) if all the following conditions are true:

1. The curb scenario of the proposed valet is defined as either Configuration 1, 2 or 3, as displayed above.
2. The proposed location for the valet permit area is located within Metro's parking meter zones, or rights-of-way that constitute potential parking meter zones, as defined herein below.

Valet Licenses, Permits and Fees

Valet Operator License

Valet operator license requirements are found in Chapter 12.41 of the Metro Code.

Pursuant to Metro Code Section 12.41.010,

"'License' means the license issued by [NDOT] allowing a person to engage in the business of valet parking within the area of the metropolitan government as defined in Section 12.41.020."

Metro Code Section 12.41.020 states:

(A) Effective from and after September 1, 2011, no person shall engage in the business of valet parking within the area of the metropolitan government without first obtaining and keeping in force a license from the commission as a valet operator, provided that no such license shall be required for persons conducting or offering valet parking services solely on private property without involving the use of any public right-of-way.

(B) Any person desiring to engage in the business of providing valet services within the area of the metropolitan government shall make application to the department, which application shall be upon forms to be provided by the department. The completed application must contain all the information required by such form and must be verified under oath.

(C) The application form to be adopted by the commission and provided by the department shall require such information as the commission determines to be necessary and proper, including, but not limited to, the following information:

1. The full name and address of the person, firm or corporation desiring to obtain a license.
2. The names and addresses of at least two references as to the applicant's financial responsibility.
3. That the applicant is ready, willing, and able to comply with all the rules and regulations of the department, and the laws of the metropolitan government, the State of Tennessee, and the United States, including applicable workers' compensation, minimum wage, and labor laws.
4. That the applicant will provide the department with the names and home addresses of all employees to be used or employed by the applicant in the business of providing valet services. The applicant shall provide an update upon each renewal of his license.
5. That the applicant will take out and maintain in full force and effect such policies of insurance as are herein required.
6. That the applicant has a defined claims handling process in place to address citizen complaints and claims; and
7. Proof of a valid business tax license issued by the Davidson County Clerk.
8. A completed and notarized Indemnity & Release form.

(D) If the commission finds upon examination that the applicant is capable, willing, and qualified to provide valet services and can conform to the laws of the metropolitan government, the State of Tennessee, the United States and the rules and regulations of the commission, then the

department shall grant and issue to such applicant a valet operator license; otherwise, the application shall be denied.

(E) Such license shall state the name and address of the licensee, the date of issuance, and such other information as the commission determines to be necessary and proper.

(F) A valet operator license issued by the department pursuant to this section shall be valid for a period of one year at an annual fee of one hundred dollars. Such license shall not be sold, assigned, or otherwise transferred without approval of the commission, and shall expire immediately upon the licensee terminating the valet service or upon revocation by the commission. Renewal shall be on an annual basis and shall be granted after confirmation of the extension of all applicable permit requirements established in this chapter and the payment of applicable fees.

New valet operator licenses may be applied for at any time during the calendar year and will expire at the end of that calendar year once issued. In accordance with Chapter 12.41 of the Metro Code, each valet operator license application will be presented by NDOT to the Traffic and Parking Commission for approval, during one of its monthly public meetings and prior to the issuance of any such license.

Applications for renewal of valet operator licenses must be received on or before the October 15th deadline described in the “Renewal application fee calculation and penalties for late submission of renewal application materials” section below and shall be granted after confirmation of the extension of all applicable permit requirements established in Chapter 12.41 of the Metro Code, and the payment of applicable fees.

Application for Valet Parking Permit

Pursuant to Metro Code Section 12.41.010, “‘Permit’ . . . means the permit issued by the department of [Transportation and Multimodal Infrastructure] allowing a valet parking operator to conduct a valet service at a specific location as defined throughout Chapter 12.41. – Valet Services.”

“In addition to the licensing requirements of Section 12.41.020 of this chapter, the department shall issue parking permits to valet parking operators to conduct their operations on public streets as a commercial enterprise or in furtherance of a commercial enterprise. A separate permit is required for each location where valet parking services are provided. Permits will be issued only for locations where valet parking would not be detrimental to the public safety, health, and welfare of the inhabitants of Nashville and Davidson County and only after approval of the commission.” M.C.L. § 12.41.030

[Note: the cost-of-use fee, described herein, only applies to Permits.] Pursuant to Metro Code Section 12.41.080(C), application fee for a new permit shall be fifty dollars (\$50). Each location for which a Permit is sought shall be separately applied for, and each shall be subject to the \$50 application fee (in addition to cost-of-use fees and sign reimbursement costs). All permits will expire on December 31st of the year in which they were issued and shall be subject to the renewal application process described below for the following year, and all years thereafter during which operators continue to operate a valet location. Annual renewal permits may be granted administratively by NDOT staff, if all requirements are met, and will have a one-year term, unless revoked for one of the reasons set forth in Section 12.41.040(C), prior to the expiration of that year. Valet Permits are not transferable.

The permit application form requires the following information:

- Certificate of Insurance with metropolitan government as additionally insured.
- Completed application for valet parking, filled out in its entirety.
- List of Valet Employees for each location associated with the said valet operator; and,
- Valet Schedule identifying the number of employees per each shift and working hours.

Signage installation fees

Pursuant to Metropolitan Code Section 12.41.080(F), valet parking permit holders are responsible for reimbursing the Metropolitan Government for the cost of installing any signs, notices or warnings deemed necessary for the establishment of valet parking operations. Valet parking permit holders will be billed for any required installation by NDOT.

New valet signage installation fee: \$205.35 (includes cost of labor, equipment, and materials)

Valet signage modification fee: \$205.35 (includes cost of labor, equipment, and materials)

This reimbursement requirement shall be in addition to all other fees, charges and penalties provided for herein.

Renewal application fee calculation and penalties for late submission of renewal application materials

All completed forms and documents required for an application for an annual renewal of a license or permit, such as Certificate of Insurance, Valet Operator License Application, Valet Application, Indemnity and Release Form, List of Valet Employees, and a Valid Business Tax License related to valet operation for the next calendar year, must be submitted to NDOT by **October 15th of each year**. If the renewal applicant timely submits a complete set of all then required application materials by that deadline, the application fee shall be \$50 (in addition to any other applicable fees, such as the cost-of-use fee for a permit). If the applicant submits their complete renewal application materials after that date, after a 5-day grace period, a penalty amount of \$30/day will be added on top of the original \$50 application fee amount. If a complete set of the application materials is not submitted by November 15, the previous licensee or permittee will be sent a notice of intent not to renew their permit in accordance with Metropolitan Code Section 12.41.060 and will have to request a hearing and go before the Commission to show cause why their license or permit should be renewed despite its lateness. All permits will expire by December 31. If a permit expires and is not renewed, the former licensee or permittee will have to submit a new application.

Penalties for operating without a license or permit

Operating without a valet parking license or permit will yield a fee for the operator's belated application and, in the case of operating without a permit, a sign reimbursement fee and an interim cost-of-use fee for the period during which the valet operator operated without a proper permit, calculated as described herein, plus a penalty amount of \$50/day for each day the operator operated without a license or permit. Any violations of Metropolitan Code Chapter 12.41 may result in the consequence of a notice, to suspend or revoke the license or permit, being issued, pursuant to Metropolitan Code Section 12.41.060, and the licensee or permittee will have to request a hearing to go before the Commission and show cause why this disciplinary action should not be imposed. If a license or permit is revoked for such a violation, the former licensee or permittee may not submit a new application for a license or permit until the following calendar year.

Calculation of Fees for Annual Valet Parking Provided for in Metro Code Section 12.41.080.C.

Annual Valet Permit fees are subject to an additional fee, above and beyond the application fee, to compensate for the cost of their use of the public rights-of-way. These additional **cost-of-use fees** are to be calculated by the following formula only:

\$50 + (N x [CPD or NCPD] x D) x U, where:

\$50 = base application fee

N = number of approved spaces at 22Ft each

CPD = Hours of operation per day in Central Parking District¹ areas (i.e., Downtown, Sobro, Central Business Improvement District [CBID], the Gulch, and the Gulch Business Improvement District [GBID]). See Attachment A, attached.

\$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.

NCPD = Hours of operation per day in Non-Central Parking District¹ areas (i.e., every area in Nashville and Davidson County that is not a part of the CPD.)

\$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.

D² = days in a calendar year

U = flat 20% utilization rate

Calculation of Fees for Annual Valet Parking Provided for in Metro Code Section 12.41.080.C.

Examples:

Hotel:

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

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

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

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

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

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

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

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

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

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

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

$$\$50 + (4 \times \$9 \times 365) \times 0.2 = \$2,678$$

Restaurants:

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

¹ Subject to demand of parking space approval by Traffic and Parking Commission

² The day multiplier "D" is reduced based on actual days operations/year.

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

$$\text{NCPD Restaurant Valet Operating with two-spaces from 5PM to 12AM: } \$50 + (2 \times \$9 \times 365) \times 0.2 = \$1,364$$

Attachment A

Metro's Valet Parking Zones (area of applicability)

Central Parking District (CPD) is identified as Downtown, Sobro, Central Business Improvement District (CBID), the Gulch, and the Gulch Business Improvement District (GBID).

Downtown, Sobro and Central Business Improvement District (CBID) stretch from Deaderick Street to Lea Avenue & 1st Avenue to 10th Avenue. See picture below.

