



WALKER
PARKING CONSULTANTS

PARKING STUDY & RATE ANALYSIS

VILLAGE OF OAK PARK
OAK PARK, ILLINOIS

Prepared for:

Tom Barwin
Village Manager

April 2008





WALKER
PARKING CONSULTANTS

April 25, 2008

Mr. Tom Barwin
Village Manager
VILLAGE OF OAK PARK
123 Madison Street
Oak Park, Illinois 60302

Re: *Parking Rate Analysis*
Walker Project No. 31-6869.00

Dear Mr. Barwin:

Walker Parking Consultants is pleased to submit the attached report pertaining to our study of the Village of Oak Park's parking management strategies and transient parking, permit and meter rates. The report presents our analyses and recommendations and is intended to assist the Village in evaluating pricing issues and other aspects related to the management of the parking system.

We appreciate the opportunity to be of service to you, and the Village of Oak Park, Illinois.

Sincerely,
WALKER PARKING CONSULTANTS

Phill Schragal
Parking Consultant

cc: Gary Koch

Enclosure



WALKER
PARKING CONSULTANTS

PARKING STUDY & RATE
ANALYSIS

OAK PARK – PARKING SYSTEM

OAK PARK, ILLINOIS

Prepared for:
TOM BARWIN
VILLAGE MANAGER

PROJECT 31-6869.00

APRIL 2008

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EXECUTIVE SUMMARY

Walker Parking Consultants was retained by the Village of Oak Park, Illinois to study the existing pricing structure and pricing methodologies used to manage transient, permit and meter parking within the Village's garages, lots and meter locations. The objective of the study is to compare the Village's rates to other municipal and private parking entities to ensure a competitive presence within the paid parking market and to provide recommendations that could enhance management of the system through pricing. To assess the recommended pricing management strategies, Walker will evaluate any proposed rate change recommendations compared to the current annual net parking revenue generated for the Village, which is used to fund and manage the parking system. In addition, the report will assist the Village in determining whether any of the recommended pricing strategies would have a positive impact on the system and should be implemented.

Oak Park does not face the challenge of many commercial districts or developments that transition directly from an entirely free parking system to a paid system of parking because the Village already manages their parking system with pricing, however, the high occupancy rates in the metered as well as in the off-street parking structures and lots in the core CBD area suggests that the pricing methodology could be enhanced to manage the parking demand more effectively. Ensuring that any added revenue generated from the recommended changes is continually used for improvements to the Village's parking system (consistent with current policies) will increase the likelihood of greater acceptance among business owners and visitors to the changes.

A parking system in which the spaces in highest demand are priced at the highest rates, the less convenient spaces are priced lower, and employee spaces and other parking at the periphery of the area are priced the cheapest, can effectively spread out parking demand and better utilize all the spaces in the system. The focus of our discussion of managing parking with prices is to increase the efficiency of the parking system by providing the public with more parking spaces. We suggest managing the Oak Park system using pricing based on the following principles:

- "Turning" spaces provides more drivers with access to parking spaces, and when managed correctly should ultimately result in the accommodation of more cars over a given period of time.
- By turning spaces more frequently, a purpose of pricing parking is to create an effective supply cushion of a few open spaces around the premium space area so that drivers can find a space more quickly and easily.
- The use of parking meters or other forms of paid parking are far more effective at creating turnover than are time limits.
- Effective parking management will not hinder the parking experience for the person who must drive and park; it should facilitate the process.
- When a parking system is impacted, drivers will likely "pay" for parking with their time or their money.
- Paying with time may involve driving around in search of a parking space or walking a significant distance from the parking to their destination. When drivers pay with time and frustration; the "payment" is lost.
- Paying with money should increase the likelihood and ease of finding a space. When drivers pay with money, the resulting revenue can be used to fund the system and maintain the parking infrastructure.



The Oak Park system would be managed more efficiently and accommodate more drivers, if a parking management plan that reduced the concentration of demand were implemented. Without a parking plan it is unlikely the on-street spaces and off-street parking lots and parking structures would be more efficiently utilized by drivers visiting Oak Park. Based upon the findings discussed in this report, we recommend the following regarding pricing strategies and the management of the Oak Park system:

The meter rates in the prime on-street metered spaces located in the "higher demand" area are designated by Village Ordinance. Customers parking in the metered spaces in the higher demand area pay between 25¢ and \$3.00, depending upon the meter type and length of stay, while the price for parking in metered spaces located outside of the higher demand area range from 25¢ to \$12.00 for the 12 hour maximum time-limit.

The current pricing structure contradicts the management strategy of pricing the spaces in most demand the highest, less convenient spaces lower, and parking at the periphery of the demand area even cheaper. In order to distribute the demand for parking efficiently in Oak Park, the on-street meter rates outside the higher demand area and in the off-street parking lots and structures less convenient to the CBD should be priced lower than premium on-street spaces in the higher demand area. To rectify the situation and ideally to maintain a roughly 85% to 90% occupancy rate in the on-street parking spaces, we recommend creating new boundaries for the demand areas in conjunction with a new tiered system of on-street meter rates that are designated as follows:

- o Higher Demand Area – To encourage turnover in the most popular on and off-street spaces located near the CBD and Lake Street corridor we recommend meter rates of \$2.00 per hour (50¢/15 minutes) and \$1.00 per hour (25¢/15 minutes) for spaces within the higher demand surface lots.
- o Mid Demand Area – In locations that experience less demand for parking, such as, the on and off-street spaces east of Kenilworth near Oak Park Avenue we recommend meter rates of \$1.50 per hour (50¢/ 20 minutes) for the on-street parking spaces in the mid demand area and 75¢ per hour (25¢/20 minutes) in the mid demand surface lots.
- o Low Demand Area – For the areas of least demand we recommend meter rates of 50¢ per hour for on-street parking and 25¢ per hour within the low demand surface lots.
- o Commuter Area - The South Boulevard corridor offers an area of opportunity that could best serve local commuters traveling either downtown or to the western suburbs. We recommend meter rates of 25¢ for 45 minutes (\$3.00 maximum for 9 hours) for parking at the designated commuter meters or in the off-street commuter lots. In addition, we recommend implementing a monthly commuter permit system that would be sold in the same manner as other parking permits are sold today. The commuter permits would be priced on a quarterly basis (\$120 for residents and \$130 for non-residents) and would be valid for commuter parking only during designated hours.

To determine the on-street occupancy rate in the proposed higher demand area, we surveyed 20 spaces located on the north and south sides of Lake between Harlem and Marion. The survey revealed that one space was occupied 56% of the survey time period and conversely, four spaces were occupied 100% of the survey time period. The median occupancy percentage was 94%, average occupancy rate was 91%, and the twenty spaces turned over an average of six times each during the eight hour survey; as we recorded 122 different license plates parking in the surveyed parking spaces.

The revenue change associated with implementing the proposed changes to the existing meter rate structure is projected to be approximately \$100,000 annually. In conjunction with implementing the new designated demand areas and a tiered system of meter rates, we also propose that consideration be given to purchasing



and installing multi-space pay-and-display meters in the higher demand area to enhance revenue generation, as with multi-spaces meters, the time purchased remains on the parking ticket and departs with the vehicle leaving the metered space; unlike traditional single-space meters where the time purchased remains on the meter and is often used by the next customer parking in the space.

The existing transient rate structure at the Holley Court and Lake/Forest garages provides transient customers with two hours of free parking and at the Avenue garage customers are allowed 1 ½ hours of free parking. On average, a shopper that exceeds two hours and parks for less than three hours will pay \$2.00 to park, while an all day customer that parks for more than eight hours will pay \$12.00 for parking. The structures are operated as paid parking locations five days per week; on Saturdays, Sundays and on holidays the entrance and exit gates are left in the up position and customers are allowed to park free.

An analysis of the percentage of tickets redeemed by rate category for the consolidated structures revealed that over 53% of the transient customers utilizing the parking structures are currently parking for free and another 24% of the customers are paying \$3.00 or less to park.

To enhance the current transient pricing structures, we developed three rate proposals that utilize the existing duration of stay information, project revenue by rate category, reduce the amount of time allowed for free parking, shorten the rate categories to one half hour increments and limit the number of rate categories before reaching the maximum daily rate. We also developed proposals that assume a six day per week operation for comparison and consideration by the Village. The proposed rate structures and projected impact on annual transient revenue are described below:

- Option One – Provides one hour of free parking with 24% of the customers parking for free. The average charge for a shopper parking for less than three hours would be \$3.00 (\$1.00 more than today), while an all day customer that parks for more than eight hours would pay \$8.00 or \$4.00 less than today. The impact of implementing Option One assuming similar demand and the same five-day per week operation is projected to be an increase of approximately \$191,000 annually and approximately \$340,000, if a six day per week operation were implemented.
- Option Two - Provides one half hour of free parking with over 10% of the customers parking for free. The average charge for a shopper parking for less than three hours would be \$4.00 (\$2.00 more than today), while an all day customer that parks for more than eight hours would pay \$8.00 or \$4.00 less than today. The impact of implementing Option Two assuming similar demand and the same five-day per week operation is projected to be an increase of approximately \$350,000 annually and approximately \$535,000, if a six day per week operation were implemented.
- Option Three - Provides one half hour of free parking with over 10% of the customers parking for free. The average charge for a shopper parking for less than three hours would be \$5.00 (\$3.00 more than today), while an all day customer that parks for more than eight hours would pay \$9.00 or \$3.00 less than today. The impact of implementing Option Three assuming similar demand and a five-day per week operation is projected to be an increase of approximately \$537,000 annually and approximately \$764,000, if a six day per week operation were implemented.

The Village also manages an extensive permit parking program that generates a large portion of the annual parking system revenue. Residents and people that work in the Village are eligible to purchase parking permits that provide parking on certain streets, in lots and in the parking structures. Permits are renewable quarterly, are non-transferable and are categorized as, Day, Night and 24 hour permits.

To assess the Oak Park permit rate structure, we conducted a survey of other communities and compared to other cities that charge for parking permits, Oak Park ranks near the upper end of the scale. Since parking is a scarce resource in Oak Park, a moderate increase that keeps the permit rates at or near the upper end of the market is appropriate. If the recommended permit rate changes are implemented, the cost for the least expensive permit would increase from 94¢ to \$1.00 per day and the most expensive permit rate would increase from \$1.77 to \$1.83 per day based upon a quarter consisting of ninety calendar days. The proposed rate increase would result in an approximate increase of \$66,000 in projected revenue from annual permit sales. The proposed permit rate changes are described below:

- 24 Hour Permits - \$135 to \$140 and \$160 to \$165.
- Day Permits - \$110 to \$115 and \$135 to \$140.
- Night Permits - \$85 to \$90 and \$95 to \$100.

In addition to the proposed rate change recommendations discussed for meter, transient and permit parking, we also provided several management strategies that entail the use of new technology and could enhance the overall parking operation and possibly provide future economic benefit to the Village. The various strategies are summarized below:

- Consider developing an employee debit-card program to replace the existing employee parking program. The new program would offer a 100% mark-up to employers that purchase debit cards for their employees, resulting in a 50% discount from the regular rate for parking in the structures. The proposed employee parking program would be accommodated in the Village parking structures rather than in the on and off-street spaces being used today that are located along the South Boulevard corridor that we are recommending be used for commuter parking.

Transponders could be used to manage the employee program and RFID tags could be used to manage the on-street and off-street permit program. The projected cost to replace the existing on-street permits with RFID tags is approximately \$12 per tag. The Village should compare the current cost for permit printing to the projected cost for RFID tags to determine the projected annual savings that could be realized from a permanent tag compared to a disposable permit that must be replaced every quarter.

- In conjunction with implementing RFID tags, the Village could purchase hand-held scanners that can read both the transponders and RFID tags that would provide an enforcement component not utilized today. Parking enforcement personnel would use the hand-held scanners to enforce where employees parked within the parking structures (upper levels) and also to verify the validity of all on-street permits throughout the system. The projected cost to purchase the hand-held units is \$5,000 for each hand-held scanner.
- In conjunction with replacing the existing permits (decals) with RFID windshield tags and to enhance the management of the permit process, the Village should consider implementing an on-line permit sales program. On-line sales would create a live database that could be uploaded daily to the hand-held scanners and used by enforcement personnel to verify permit validity in the field. This is possible since the permit information is kept on the system, which identifies the RFID tag and not on the manually issued permit. The combination of on-line permit sales and permanent RFID tags that do not have to be replaced quarterly could provide economic benefits by streamlining a process that is predominantly manual today.



- Implementing any proposed changes to the transient parking rate structure could impact some retail customers and if a pronounced negative impact occurs, the Village may want to consider implementing a retail validation program that could be structured to offer time, fee and/or percentage discounts for parking in the Village structures.
- Before implementing a retail validation program, we recommend the Village's parking department conduct a cost benefit analysis and a complete review of other successful retail validation programs (i.e. 900 North Michigan & Water Tower Place in Chicago, IL) to determine the most cost effective and best practice methodologies to use when implementing the program.
- Consider implementing a planned maintenance program in the Village parking structures that would entail at a minimum, an annual condition assessment of each structure. In addition, we recommend creating an annual reserve fund that would be used for future structural repairs to maintain the parking structures. To ensure the reserved fund is properly funded the Village should pledge \$30 to \$90 per space annually for each parking structure included in the planned maintenance program.

We also provided information for the Village on privatization and third-party management of their parking system. We suggest the Village review this material for content to determine whether or not their parking system would benefit from either privatization or third-party management.

In summary, a parking system in which the spaces in greatest demand are priced the highest, the less convenient spaces are priced lower, and employee spaces and other parking at the periphery of the area is priced the cheapest can effectively spread out parking demand and better utilize all the spaces in the system.

We emphasize that the focus of our discussion of managing parking with prices is to increase the efficiency of the parking system by providing the public with more parking opportunities. The revenue earned from these measures is a secondary effect, and can be used not only to help supply more parking, but also to help fund the parking operation through improved technology, security and structural maintenance.

INTRODUCTION

The Village of Oak Park (Village) retained Walker Parking Consultants (Walker) to study and analyze the overall management strategies and transient parking, and permits and meter rate structures at the various garages, lots and locations within the Village system. The overall purpose of the study is to provide the Village with a better understanding of the existing rate structures in comparison to other municipal and private parking entities and to determine the maximum allowable rate adjustments that could be implemented without negatively impacting overall demand. The report will also discuss rate recommendations that are intended to assist the Village to meet its obligation to keep pace with rising operating and maintenance costs and fund future capital projects.

The Village is anticipating the possible need to construct additional structured parking facilities (associated with future planned development projects) over the next several years. Due to these potential development plans and the increasing need to draw from the general fund to subsidize the current parking operation, the Village is concerned whether the ongoing revenue generated from the parking system will be sufficient to cover future operating expenses and debt service on the parking system.

To address the problem, the Village approved a meter rate increase that was implemented in late 2007. In addition, an increase to the permit fees and transient parking rates was also approved and scheduled for implementation in January 2008; however, these increases were not instituted and remain pending the results of this study.

In 2003, the Village conducted a similar "Parking Rate Study" conducted by the Consulting Engineers Group that discussed possible rate increase to the existing parking ticket fine structure, permit fees, transient parking and meter rate structures. The earlier study was used as a resource in completing this report, which includes data that was collected to determine the number of parking spaces controlled by the Village and also to determine how the permit fees and transient parking and meter rate structures compare to other municipalities and private sector parking systems located in surrounding communities. The data discussed herein is used as the primary source of parking rate information and is relied upon as the basis for the comparisons and recommendations discussed throughout the report.

PROJECT OBJECTIVES

The objective of the study is to compare the Village rates to other municipal and private parking entities and develop rate recommendations for evaluation and possible implementation. The recommendations will include an assessment of all the revenue generating parking services provided by the Village and show the impact that any proposed management strategies and proposed rate increase recommendations would have on the annual net parking revenue generated for the Village. Finally, to provide an assessment of the annual operating expenses required to manage, maintain and operate the Village parking system. The assessment will include a five-year model of estimated revenue, based upon the proposed pricing matrixes and expenses that Walker deems appropriate for similar third-party managed parking locations.

SCOPE OF SERVICES

To complete the project, Walker provided the following scope items to meet the goals and objectives outlined and agreed upon by the Village:

1. Met with designated Village staff members to finalize project parameters, discussed background issues related to the project area and obtained any pertinent data related to the VILLAGE parking system.
2. Obtained an inventory of parking spaces and information from the VILLAGE on the following: annual transient demand and revenue, annual permit demand and revenue and the annual meter demand and revenue. The inventory included the number of on-street and relevant off-street spaces by location, any time restrictions, user restrictions and hours of operation.
3. Obtained a map of the study area that showed all of the on and off-street parking and meter locations.
4. Obtained and reviewed various materials such as: rate history, revenue by category, ticket by rate duration of stay reports, permit fee structures and annual expenditures by line item category, which the VILLAGE deemed applicable to the overall parking operation.
5. Conducted a survey of comparably sized Villages, towns or cities, in the areas that surround Oak Park to benchmark permit fees, and transient parking and meter rate structures. The Village assisted in choosing comparable Villages, towns and/or cities to survey for comparison.
6. Analyzed the existing permit fees, transient parking and meter rate structures and developed recommendations for future fees and rates based upon the survey of comparables and Walker's experience.
7. Projected parking revenues over five years utilizing the proposed permit fees, transient parking and meter rate structures. Any suggested rate increases were based on the findings of the rate survey, the Village parking rate history and Walker's experience in the industry.
8. Projected operating expenses for the same period based upon Walker's assessment of the parking system. The operating expense projections include only expenses that Walker deemed appropriate for similar third-party managed parking systems.
9. Created a five year pro forma of revenue and expenses to determine the retained earnings that would be available for use by the Village.
10. Prepared a draft report in an electronic PDF format and submitted copies to the VILLAGE via e-mail for review and comment. At a minimum, the report addressed the following questions:
 - a. Are the existing parking rates, permit fees and meter rates appropriate?
 - b. Should rates and fees be modified?
 - c. Should short-term and long-term rates be modified?
 - d. Is the existing area designated as "higher demand" appropriate for correct meter pricing?
 - e. Are the rates and fees consistent with the VILLAGE goals and objectives?
 - f. Are rates and fees reflective of market conditions?
 - g. How will increasing rates and fees impact projected revenue?

The study required a minimum of six site visits that included an initial kick-off meeting, site visits for data collection, and the presentation of the draft report. In addition, Walker met with the Business Association Council (BAC) on two separate occasions to obtain their input on parking in Oak Park. Walker also met with several staff members from the parking department charged with oversight capacity of the Village parking system including: the Acting Director of Parking and the Village's Chief Financial Officer. During meetings with the staff members, we discussed existing operational methodologies and management strategies that are currently being utilized to operate the Village parking system.

The analysis contained in this report incorporates the best information we could obtain at the time our research was performed. However, development outcomes and management decisions that differ from the assumptions given to us by stakeholders may affect our findings.

STATEMENT OF LIMITING CONDITIONS

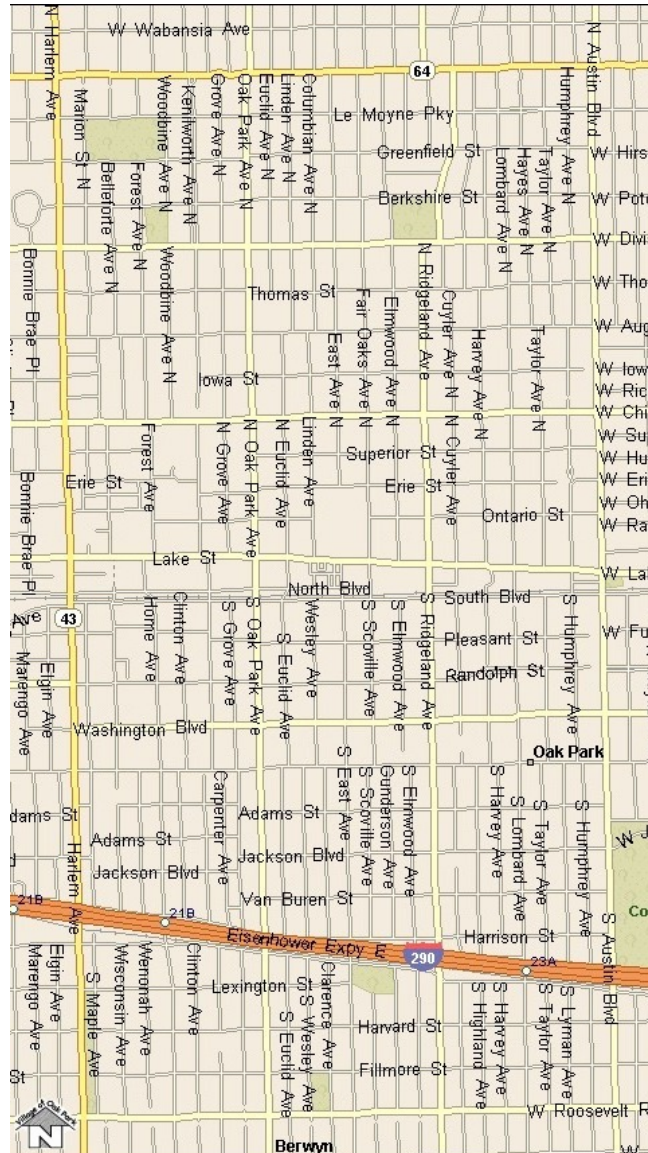
This report is subject to the following limiting conditions:

- This report is based on assumptions outside the control of Walker Parking Consultants, Inc. ("Walker") and/or our client. Therefore, Walker cannot guarantee the results.
- The results and conclusions presented in this report may be dependent on future assumptions regarding the local, national, or international economy. These assumptions and resultant conclusions may be invalid in the event of war, terrorism, economic recession, rationing, or other events that may cause a significant change in economic conditions.
- Walker assumes no responsibility for any events or circumstances that take place or change subsequent to the date of our field inspections.
- Walker is not qualified to detect hazardous substances, has not considered such, and therefore urges the client to retain an expert in this field, if relevant to this study.
- Sketches, photographs, maps and other exhibits included herein may not be of engineering quality or to a consistent scale, and should not be relied upon as such.
- All information, estimates, and opinions obtained from parties not employed by Walker, are assumed to be accurate. We assume no liability resulting from information presented by the client or client's representatives, or received from third-party sources.
- This report is to be used in whole and not in part. None of the contents of this report may be reproduced or disseminated in any form for external use by anyone other than our client without our written permission.
- The projections presented in the analysis assume responsible ownership and competent management. Any departure from this assumption may have a negative impact on the conclusions.

OVERVIEW

The Village defined the boundaries of the study area for this report, which is centered on the Central Business District bound by Harlem Avenue, Ontario Street, Oak Park Avenue, and North Boulevard. The entire Village is bound by Harlem Avenue on the west, North Avenue on the north, Austin Boulevard on the east and Roosevelt Road on the south.

Figure 1: Study Area



Source: Walker Parking Consultants

PARKING USER GROUPS AND TYPES OF PARKING SPACES

While an analysis of parking supply and demand determines how many parking spaces a downtown area will need in aggregate, parking management strategies address whether those spaces are in the right locations and how they can most efficiently be used. Typically, people's preference for parking is in the

following order: on the street, in a surface lot, and finally, in a parking structure. These preferences are related to drivers' desire for convenience, time savings and safety.

Parking in an on-street space, in many cases, allows the driver a shorter walk to his/her destination than would parking in a parking structure particularly compared to a parking structure where travel through a stairwell or a wait for an elevator may be required. The level of lighting, cleanliness and the perception of safety are very important when a person is deciding where to park. On-street spaces located near popular destinations are therefore premium parking spaces. The results of our survey of 20 prime spaces located on Lake Street between Marion Street and Harlem Avenue verify this fact, as over 91% of the metered on-street spaces in this area were consistently occupied on the survey day. This despite the fact that drivers pay must pay \$0.50 per hour to park in these spaces, while 2 hours of free parking is available just a short walk away in the Holley Court garage. The occupancy rate observed (91%) is significantly higher than the 85% occupancy rate that we typically suggest for premium on-street spaces so that a 15% effective supply cushion will allow drivers to locate prime spaces easily.

Off-street parking spaces located farther from destinations are suitable for people who will stay at the destination for a longer period of time and are more willing to walk to their destination than customers whose stay is shorter. By ensuring that employees and other long term customers' park in the spaces farther from commercial destinations, within walking distance but along the periphery of the commercial district, the Village can provide more parking spaces for customers closer to their destination. We elaborate on this idea in the following section.

EMPLOYEES

Employees travel to the same place every day and generally spend a significant portion of, if not the entire day, at that location. Most also have little choice (at least in the short term) to go elsewhere. For this reason, it is not unreasonable to have employees walk farther from their parking place to their destinations than short term visitors, such as customers. Employee parking need not be immediately adjacent to the work place; employees who are familiar with an area can be expected to walk farther than visitors who are not. Walker research has determined that it is acceptable to have employees walk up to 1,600 feet in a safe environment.

CUSTOMERS

Customers, unlike employees and students, generally have significant choices when it comes to their destinations; for the economic health of a commercial area, parking should therefore be made as convenient as possible for customers. However, once again, acceptable walking distances vary depending on the type of walking environment. In a downtown area, people do expect to walk to a certain extent; they may even prefer to park once and walk along a pleasant street with stores or restaurants rather than to drive and park several times to visit a number of destinations. As discussed earlier, the parking located closest to businesses should be set aside for people making the trips with the quickest turnaround. If spaces in a parking structure or lot are the only ones available, the most convenient spaces should, as much as possible, be set aside for customers.

MANAGING PARKING WITH PRICES

A parking system in which the spaces in highest demand are priced at the highest rates, the less convenient spaces are priced lower, and employee spaces and other parking at the periphery of the area are priced at the cheapest rate can effectively spread out parking demand and better utilize all the spaces in the system.



We emphasize that the focus of our discussion of managing parking with prices is to increase the efficiency of the parking system by providing the public with more parking spaces. The revenue earned from these measures is a secondary effect, and can be used not only to help supply more parking, but also to help fund the parking operation through improved technology, structural maintenance and security. We suggest managing the parking system using pricing based on the principles listed below.

- "Turning" spaces provides more drivers with access to parking spaces, and when managed correctly should ultimately result in the accommodation of more cars over a given period of time. ("Turning" is the reuse of a vacated space by a new car). One parking space occupied by a car left all day may serve one employee or perhaps a resident who does not have a parking space at his residence. However, in the same eight hour period, eight or more customers can park and transact business using the one parking space occupied by the employee or resident.
- By turning spaces more frequently, a purpose of pricing parking is to create an effective supply cushion of a few open spaces around the premium space area so that drivers can find a parking space more quickly and easily.
- The use of parking meters or other forms of paid parking are far more effective at creating turnover than are time limits. The enforcement of time limits is also significantly more labor intensive, and therefore more expensive than is the enforcement of parking regulations using parking meters. Time limits tend to result in employees "shuffling" their cars every two hours to avoid parking tickets while still occupying spaces designated for customers.
- Some people have alternatives when choosing how to come to Oak Park while others may have no other option other than driving alone. Effective parking management will not hinder the parking experience for the person who must drive and park; it should facilitate the process. When parking demand is high, the real cost of providing parking often makes other options more viable. The purpose of using parking rates to manage parking demand is to ensure that both drivers and non-drivers alike are able to reach their destination.
- When the parking system is impacted, drivers will likely "pay" for parking with their time or their money. Paying with time may involve driving around in search of a parking space or walking a significant distance from the parking to their destination. Paying with money should increase the likelihood and ease of finding a space. However, when drivers pay with their time and frustration, the "payment" is lost. But when they pay with money, the resulting revenue can be used to fund the parking system, and maintain the parking infrastructure.

When the situation is reversed, that is when the most desirable parking spaces are priced less than the least convenient parking spaces, a number of negative results can occur. Drivers tend to "cruise" the streets in search of the most convenient parking spaces, increasing traffic. They tend only to use the less convenient spaces once they have given up searching for their preferred space. An impacted parking situation will tend to develop while many of the least convenient spaces remain unoccupied. Long term parkers, such as employees, may park in some of the most convenient spaces while frustrated customers may give up and go elsewhere.

PEOPLE ALREADY PAY FOR PARKING

Oak Park does not face the challenge of many commercial districts or developments that transition directly from an entirely free parking system to a paid system of parking because the Village already manages their parking system with pricing and the premium on-street parking spaces located along the Lake Street corridor and adjacent to the CBD are metered. However, the high occupancy rates in the metered as well as in the off-street parking structures and lots in the core area suggest that pricing could be used to manage the parking demand more effectively.

ACCEPTANCE IS HIGHER WHEN THE PUBLIC SEES THE BENEFITS

As discussed earlier, the primary advantage of paid parking is an improvement in the management of the parking supply. When implemented correctly, a paid parking program should increase the amount of turnover of parking spaces in an area and allow drivers, particularly customers, to find parking spaces more easily. However, UCLA urban planning professor and parking expert Donald Shoup has promoted the idea of the parking benefit district, in which revenue generated by paid parking is used to improve the area in which it is generated or fund additions or alternatives to the parking supply. Ensuring that revenue generated from public parking in Oak Park is continually used for improvements in the Village parking system (consistent with the current Village policy), will increase the likelihood of greater acceptance among business owners and visitors of any proposed rate increases implemented to enhance revenue generation from paid parking.

An example of the success of such a program is the policy set up in Old Pasadena, California in the early 1990s. In the 1970s and 1980s Old Pasadena was considered the City's Skid Row. Storefront vacancies were high and buildings were in disrepair. There was little parking available as employees and business owners parked at the curb despite a two-hour time restriction. The City did not have money to provide public infrastructure in the area, let alone additional off-street parking facilities.

Merchants balked at the idea of paid parking, fearing that it would scare away customers. However, they agreed to the idea when, after years of negotiation, the City offered to return all meter revenue to the Old Pasadena area. Much of the funds were used to improve pedestrian infrastructure in the area including sidewalks and the conversion of its alleys into walkways that accessed shops and restaurants. Later the funds went to build off-street parking structures as well. While no single factor accounts for Old Pasadena's success, it is generally agreed that the solution to the parking problem was essential.

As Shoup quotes a driver in Old Pasadena in a *Los Angeles Times* interview in the 1990s¹:

"This place, it's perfect. They've kept the buildings and the streets well. That makes it so attractive. As a driver, I don't mind paying more for what you have here. I tell you what: For this, I will pay."

Using a policy of paid parking in tandem with a parking benefit district to manage parking demand and supply while also funding local improvements is becoming increasingly popular. Another example of this type of policy is in Downtown Redwood City in Northern California. Rather than set meter rates, the City has authorized the Parking Manager to survey the average occupancy on the street and adjust the meter rates periodically to achieve a target occupancy rate of 85%. The policy was adopted in part to deal with a new live performance theatre and movie cinemas. The City also created a tiered system of parking rates in which

¹ Shoup, Donald, "The High Cost of Free Parking", 2005



parking on its main commercial street, Broadway, costs 75¢ per hour while the fee for on-street parking in the rest of the core area is 50¢ per hour. The fee for parking outside the core area is 25¢ per hour.

THE DESTINATION IS THE DRAW

Finally, we note that objections to paid parking or rate increases often comes from neighborhood business owners who fear that charging for parking may scare away customers. Except in instances of rates that are extremely high, Walker's experience is that, as one parking expert has stated, "the destination is the draw." If people want to visit a destination, it is highly unlikely that a small fee for parking will affect their decision. Whether going shopping or dining out, the fee for parking in such instances typically represents a small enough percentage of the cost of the entire evening that it is an insignificant factor in the decision. What may be a more significant factor is the inability of the driver to find convenient parking, a problem which some drivers are likely experiencing when they come to Oak Park.

PARKING MANAGEMENT ANALYSIS

When drivers perceive a shortage of parking in a popular commercial area the question is often asked, "Why don't they just build more parking?" The answer is that building more parking is usually not the most efficient way of dealing with the problem. There is typically neither enough physical space nor the financial resources to allow everyone to park immediately adjacent to their destination. At the same time, in many cases parking places may in fact be available within walking distance, no further than where any new parking facility could be provided. Finally, existing parking spaces may not be used for the purpose that was intended, to serve the customer. To put it in real estate terms, the spaces are not being utilized for their highest and best use. As with any real estate development, the construction of a parking facility is extremely expensive. For this reason, maximizing the efficiency of existing parking spaces is the most cost effective way to increase the amount of parking available to the public in the location where it is most desirable.

When new parking facilities are constructed it is also equally important that the existing supply be efficiently utilized. Drivers virtually always prefer to park on the street than in an off-street facility, particularly in a parking garage. Without proper parking management measures, the streets may be crowded with drivers cruising for on-street parking spaces around the most popular blocks. At the same time, an ample number of parking spaces on the next block or in a nearby parking facility sit vacant. Only an intolerably impacted on-street parking situation or relatively high on-street parking rates are likely to persuade most drivers to park in a parking garage. Efficient policies can spread out demand, reducing congestion in the most impacted areas and better utilizing spaces in areas of lower demand.

PARKING RATES BY CATEGORY

For the study, we divided the Village operated off-street and on-street parking by rate categories that include: transient, permit, and meters. The parking structures provide transient parking to the general public on a daily basis that is governed by the transient rate structure.

Permit parking is provided in the structures and in some lots during the day, night or overnight and in addition, some of the off-street surface lots also provide metered parking on a per-use basis. Permits are sold on a quarterly basis at the Village Hall to residents and people that work within the Village. Overnight parking is prohibited on all streets in Oak Park from 2:30 a.m. – 6:00 a.m., seven days per week, except on certain holidays when some restrictions are temporarily lifted, and in designated permit zones. On-street overnight

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permits are valid from 9:00 p.m. – 10 a.m. in residential areas and from 11:00 p.m. – 10 a.m. in areas adjacent to some businesses. On-street parking is governed by both the permit parking rates and meter rates.

The meter rates are zoned and regulated by whether or not a meter resides in an area designated as the “higher demand area”. The higher demand area is defined as, Harlem Avenue on the west, Ridgeland Avenue on the east, Ontario Street on the north and Randolph Street on the south². The Village meter rate categories range from a minimum of fifteen minutes on the low end, to a maximum of 12 hours.

We examined the following three factors when considering appropriate management strategies and rates for the Village parking system. 1) We analyzed the current management policies and rate structures and 2) we surveyed parking rates in cities and commercial districts in surrounding communities for comparison purposes and finally, 3) we developed a series of rate proposals and management strategies for consideration by the Oak Park Village Board.

METER RATES

The rates in the prime on-street metered spaces located within the “higher demand” area are designated by Village Ordinance. Customers pay between 25¢ and \$3.00, depending upon the meter type and length of stay, while the price for parking in metered spaces located outside of the higher demand area range from 25¢ to \$12.00 for the 12 hour maximum time-limit.

This pricing structure would appear to contradict our earlier discussion of a parking system in which the spaces in highest demand are priced the highest and less convenient spaces are priced lower, while parking at the periphery of the demand area is priced the cheapest.

In order to distribute the demand for parking efficiently in Oak Park, the meter rates outside the higher demand area and in the off-street parking lots and structures less convenient to the CBD should be priced lower than the premium on-street spaces in the higher demand area near the CBD and Lake Street corridor.

Table 1: Meter Rates - Current

Meter Rates - Higher Demand Area - Current Rates					Outside - Higher Demand Area - Current Rates			
Meter Type	15 Minutes	30 Minutes	60 Minutes	Maximum	Meter Type	15 Minutes	20 Minutes	Maximum
15 Minute	\$ 0.25			\$ 0.25	15 Minute	\$ 0.25		\$ 0.25
1 Hour		\$ 0.25		\$ 0.50	1 Hour		\$ 0.25	\$ 0.75
90 Minute		\$ 0.25		\$ 0.75	90 Minute		\$ 0.25	\$ 1.00
2 Hour		\$ 0.25		\$ 1.00	2 Hour		\$ 0.25	\$ 1.50
3 Hour		\$ 0.25		\$ 1.50	3 Hour		\$ 0.25	\$ 2.25
4 Hour			\$ 0.25	\$ 1.00	4 Hour	\$ 0.25		\$ 4.00
6 Hour			\$ 0.25	\$ 1.50	6 Hour	\$ 0.25		\$ 6.00
12 Hour			\$ 0.25	\$ 3.00	12 Hour	\$ 0.25		\$ 12.00

Source: Village of Oak Park Ordinance

From a parking management perspective, when setting parking rates, the goal for the parking system is ultimately an occupancy rate ranging from 85% for on-street parking spaces (by block) to 90% - 95% in surface lots and parking structures, depending on the type of driver that the facility is intended to serve. If rates are set too low, too few spaces will still remain available and rates should be increased. If rates are set too high, too many spaces will remain available and rates should be reduced.

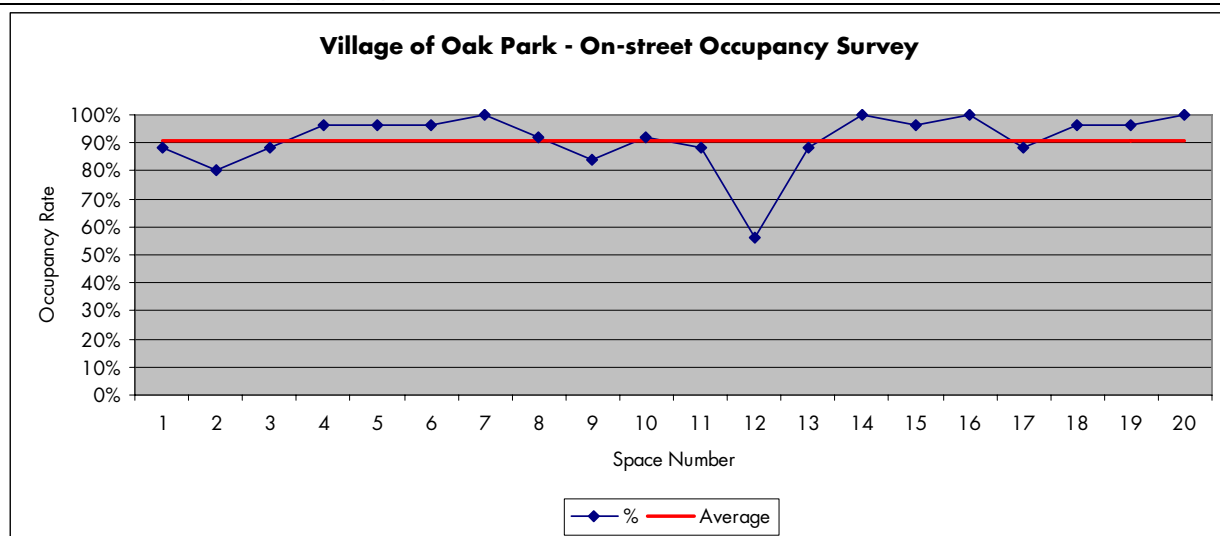
² Village of Oak Park Ordinance, Section 15-3-18.

To determine the on-street occupancy rate in the higher demand areas of Oak Park, we surveyed 20 spaces located on the north and south sides of Lake Street between Harlem Avenue and Marion Street. The survey was conducted during normal business hours (8:00 a.m. and 4:00 p.m.) on a typical Wednesday in March. The area surveyed is located within the higher demand area designated by the Village; therefore, the posted on-street meter rates are 25¢ for 30 minutes, 50¢ per hour, with a two-hour maximum rate of \$1.00.

The survey revealed that individual spaces were occupied between 56% and 100% of the time during the designated time-frame. One single-space was occupied for 56% of the time, representing 5% of the total spaces, and conversely, four spaces or 20% of the total spaces surveyed were occupied 100% of the time. The median occupancy percentage was 94% and the average occupancy rate was 91% on the survey day, as shown in the graph depicted below. In addition, the twenty spaces surveyed turned over an average of six times each during the eight hour period.

It should be noted that on the survey day, a construction cone was present to demark a pothole in the space that was 56% occupied. If we eliminate the 56% space from the survey data, the median occupancy percentage increases to 96% and the average occupancy percentage for the remaining 19 spaces increases to 93%.

Figure 2: On-Street Occupancy Survey



Source: Walker Parking Consultants

Based upon our observation and analysis, it is clear that several of the vehicles utilizing the surveyed spaces were either business owners, business operators or employees of the retail establishments located near the surveyed area; as we observed several people relocating vehicles throughout the day to avoid being ticketed for exceeding the two-hour time limit allowed in this area. The fact that over 91% of the spaces were consistently occupied verifies that rates are set too low in the higher demand area, as too few spaces are available for turnover. Therefore, the on-street meter rates in the higher demand area should be increased, emphasizing the previously stated theory; "when addressing access to premium parking spaces, customers must have priority".



For comparison purposes, we surveyed the on-street meter rates in several communities and the results of the survey are shown below.

Table 2: On-Street Meter Rate Survey

Parking Meter Rate Survey						
City	5 Minutes	15 Minutes	20 Minutes	30 Minutes	60 minutes	Max/ 1 Hr.
Chicago	\$ 0.25					\$ 3.00
Chicago		\$ 0.25				\$ 1.00
Chicago			\$ 0.25			\$ 0.75
Chicago				\$ 0.25		\$ 0.50
Chicago					\$ 0.25	\$ 0.25
Forest Park				\$ 0.25		\$ 0.50
Forest Park		\$ 0.25				\$ 1.00
Evanston				\$ 0.25		\$ 0.50
Evanston					\$ 0.25	\$ 0.25
Downers Grove					\$ 0.25	\$ 0.25
Waukegan				\$ 0.25		\$ 0.50
Joliet					\$ 0.25	\$ 0.25
Aurora					\$ 0.25	\$ 0.25
Peoria				\$ 0.25		\$ 0.50

Source: Walker Parking Consultants

The Village is located on the western border of Chicago between Forest Park and River Forest. Downtown Oak Park offers many enticing retail and residential opportunities that will continue to be enhanced in the future through continual exploration of new business opportunities by Village officials. Based upon this fact, we suggest the Village revisit the boundaries that designate the higher demand area of Oak Park and consider new boundaries and new rate structures for the on-street meters located within *four* newly designated districts: higher demand, mid demand, lower demand, and commuter areas. A map of the proposed new districts is shown on the following page that depicts the designated areas and also shows the proposed area we designated for commuter parking.

In conjunction with implementing new parking districts, we also propose that rate changes be considered that would maximize the efficiency of the parking system and improve the utilization of the off-street parking in the higher demand area. The proposed higher rates represent a more aggressive pricing strategy, but may be reasonable when customers consider the convenience of parking in a premium on-street space. The proposed pricing for parking within the higher, mid, and lower demand areas is discussed below:

- o Higher Demand Area - \$2.00 per hour (50¢/15 minutes) for the premium on-street parking spaces and \$1.00 per hour (25¢/15 minutes) for spaces within the most impacted higher demand surface lots. Examples of spaces that could be priced at this rate are any on-street metered spaces and metered lots that regularly experience occupancy rates above 85%, such as those in and around the Lake Street corridor. The recommended pricing for the lots resides at the lower end of the range and are less than the cost for on-street parking. In conjunction with the increase in on-street pricing, we propose an "all day rate" equal to roughly the parking fee for five hours (\$2.00 x 5 hours = \$10.00) should be considered for transient parking in the off-street parking structures. The proposed pricing for transient parking in the off-street parking structure is discussed in greater detail in the next section of the report.

VILLAGE OF OAK PARK

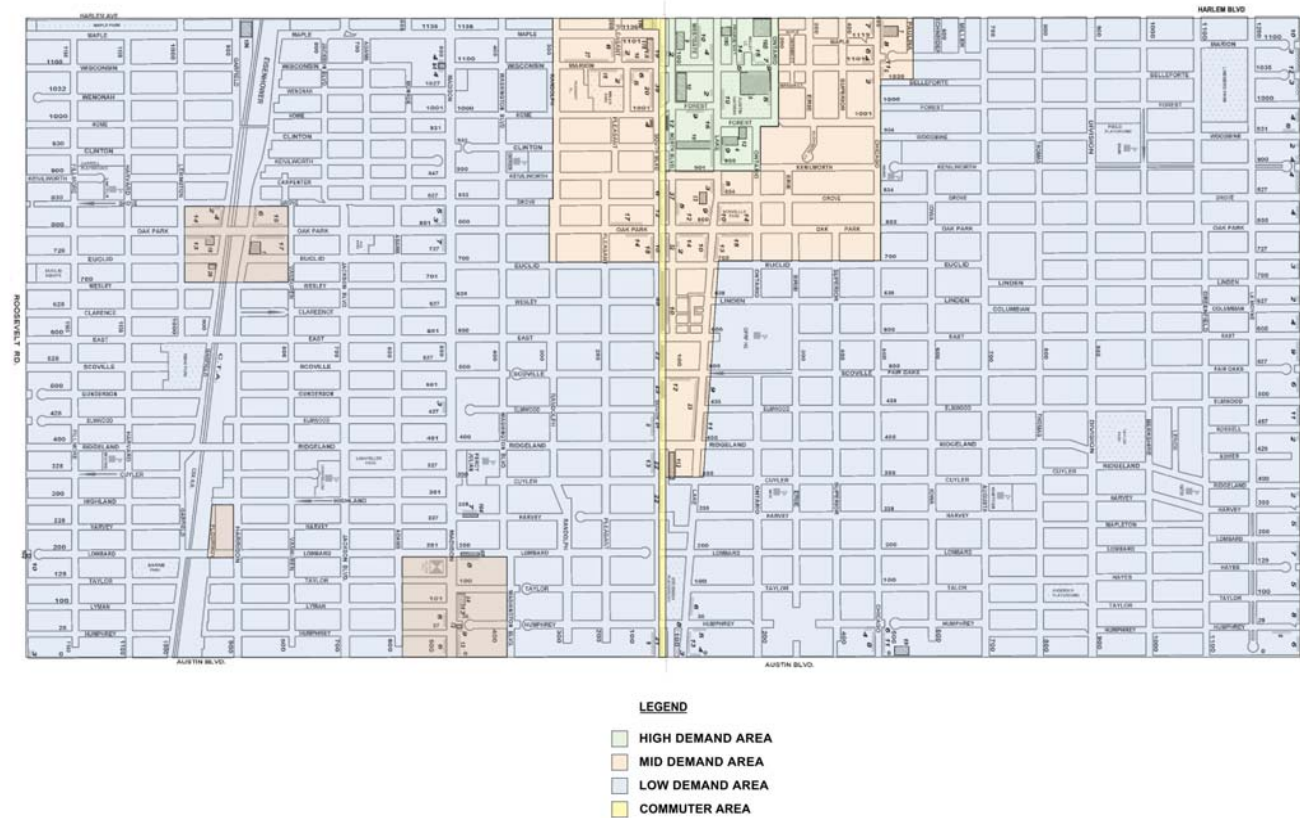
PARKING STUDY & RATE ANALYSIS



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Figure 3: Proposed Meter Districts



Source: Walker Parking Consultants

VILLAGE OF OAK PARK

PARKING STUDY & RATE ANALYSIS



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- Mid Demand Area - \$1.50 per hour (50¢/ 20 minutes) for the on-street parking spaces the mid demand area and 75¢ per hour (25¢/20 minutes) in the mid demand surface lots. Examples of spaces that could be priced at this rate are those at Chicago Avenue and Harlem Avenue or the spaces near Oak Pak Avenue and Lake Street that are currently metered. Consistent with the higher demand area, the recommended pricing for the lots are at the lower end of the range and less than the on-street parking.
- Lower Demand Area - 50¢ per hour for the on-street parking spaces located in the lower demand area and 25¢ per hour within the low demand surface lots. Examples of spaces that could be priced at this rate are those on North and South Boulevard and Lake Street near Austin Boulevard that are currently metered.

Oak Park is also conveniently located near both the Metra commuter train line and the Chicago Transit Authority's (CTA) Green-line elevated line. Several parking lots and spaces controlled by the Village are located on South Boulevard near the Metra and CTA stations. In 2007, the Village implemented an increase in the meter rates that impacted the metered spaces and lots located in the South Boulevard corridor. Since implementing the increase, average occupancy in these areas has dropped from over 90% on a consistent basis, to approximately 20%³ daily.

The South Boulevard corridor clearly offers an area of opportunity that could best serve local commuters traveling either downtown or to the western suburbs; based upon this fact, we included the survey of commuter rates in other cities that is shown below.

Table 3: Commuter Parking Rate Survey

Commuter Rate Survey - Quarterly Permits and Daily Fees					
City	Resident - High	Resident - Low	Non-Resident High	Non-Resident Low	Daily
Aurora	\$ 63.00	\$ 63.00	\$ 63.00	\$ 63.00	\$ 1.50
Naperville	60.00	50.00	65.00	55.00	2.00
Lisle	82.50	82.50	82.50	82.50	2.00
Belmont	80.00	80.00	110.00	110.00	
Westmont	75.00	75.00	75.00	75.00	
Clarendon Hills	110.00	110.00	110.00	110.00	
West Hinsdale	120.00	120.00	165.00	165.00	
Hinsdale	155.00	155.00	155.00	155.00	
Highlands	120.00	120.00	165.00	165.00	
Western Springs	75.00	75.00	90.00	90.00	2.00
LaGrange	90.00	90.00	90.00	90.00	
Congress Park	90.00	90.00	90.00	90.00	
Brookfield	90.00	90.00	90.00	90.00	
Hollywood	90.00	90.00	90.00	90.00	
Wheaton	60.00	60.00	75.00	75.00	1.50
Elmhurst	75.00	75.00	75.00	75.00	1.50
Arlington Heights	90.00	90.00	90.00	90.00	1.50
Park Ridge	125.00	75.00	125.00	75.00	
Downers Grove	90.00	90.00	120.00	120.00	3.00
Forest Park ¹	120.00	120.00	120.00	120.00	3.00
Glenview	75.00	75.00	100.00	100.00	2.00
Wilmette	120.00	120.00	120.00	120.00	1.75
River Forest	60.00	60.00	60.00	60.00	1.50
Mount Prospect	91.25	91.25	91.25	91.25	1.50
Oak Park - Current	N/A	N/A	N/A	N/A	N/A
Oak Park - Proposed	\$ 120.00	\$ 120.00	\$ 130.00	\$ 130.00	\$ 3.00

¹ Permit rate is for a private lot adjacent to the Forest Park park and ride Lot.

Source: Naperville 2008 Commuter Parking Permit Fee Study - Walker Parking Consultants

³ Internal memorandum issued January 3, 2008 from Joe Mendrick, Acting Director of Parking to Tom Barwin, Village Manager. The memorandum was provided to Walker as resource material by the Village.

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The survey was completed in February 2008 by the City of Naperville⁴ as part of an internal study conducted to compare the Naperville commuter rates with other communities. We enhanced the survey by adding rates from cities not included in the initial survey conducted by Naperville.

The commuter area would be used to maximize efficiency and improve utilization of the on-street spaces and off-street lots located in the proposed commuter corridor. In addition, the commuter area would add value to local residents and residents from neighboring communities by offering an affordable and convenient parking opportunity near one of the train stations. The pricing proposed for the commuter area is discussed in the following paragraph and is depicted in the chart below, which also shows the recommended rate structure for the on-street and off-street meters located within the higher, mid and lower demand areas.

- o Commuter Area - 25¢ for 45 minutes (\$3.00 maximum for 9 hours) for parking at the designated commuter meters or in the off-street lots. In addition, we recommend implementing a monthly commuter permit system that would be sold in the same manner as other permits are sold. The commuter permits would be priced on a quarterly basis (\$120 for residents and \$130 for non-residents) and would be valid for parking in only the designated commuter locations along the South Boulevard corridor.

Table 4: Proposed Meter Rates - Higher, Mid, Lower Demand Areas and Commuters

Proposed Parking Meter Rates - Oak Park					
High Demand	15 Minutes	20 Minutes	45 Minutes	60 Minutes	Max/ 1 Hr.
On-street	\$ 0.50				\$ 2.00
Off-street	\$ 0.25				\$ 1.00
Mid Demand					
On-street		\$ 0.50			\$ 1.50
Off-street		\$ 0.25			\$ 0.75
Low Demand					
On-street				\$ 0.50	\$ 0.50
Off-street				\$ 0.25	\$ 0.25
Commuter					
Daily Rate ¹			\$ 0.25		\$ 3.00

¹ Maximum daily rate for 9 hours.

Source: Walker Parking Consultants

The management objective of these pricing measures is to create turnover in the most popular parking spaces and allow drivers greater access to the parking spaces. The goal is achieved by providing incentives for drivers parking for long periods of time (usually employees, and in some instances residents or commuters) to park farther away from the area of highest demand, emphasizing that when it comes to access to the premium parking spaces, customers must have priority. The impact of implementing the proposed parking meter rates is discussed in the Revenue Projections section of the report.

In the section that follows, we discuss some available technology that is currently on the market that could also provide added economic value in managing the parking system.

ON – STREET – PAY-AND-DISPLAY METERS

In the on-street locations located within the higher demand area that are consistently 85–95% occupied during peak hours, we recommend the Village consider installing multi-space pay-and-display meters. We propose replacing approximately 120 ± single-head meters that are located within collection route #1 (within the

⁴ Commuter Parking Permit Fee Study, City of Naperville, Transportation, Engineering and Development Business Group, February 13, 2008

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proposed higher demand area), with six pay-and-display meters. We project the cost to purchase and install the six multi-space meters at \$12,000 to \$15,000 per meter, or a \$72,000 to \$90,000 one-time expense. The advantages to implementing pay-and-display meters are discussed in this section and the projected additional meter revenue is also discussed in the Revenue Projections section of the report.

A number of manufacturers now offer solar powered, pay and display meters that can accommodate up to 20 on-street spaces. The meters are programmable and capable of charging variable rates by time of day accept payment via cash and credit card and contain cellular technology that facilitates real-time credit card transactions as well as alarm mechanisms that send a cellular signal to an e-mail address or PDA, if the meter is malfunctioning or requires service.

Figure 4: Pay-and-Display Meter and Signage



Source: Walker Parking Consultants – City of Chicago, Illinois

THEORY OF OPERATION – PAY-AND-DISPLAY

Transient parkers would park in any open on-street space and walk to a pay-and-display meter conveniently located on the sidewalk near the on-street parking area. Each pay and display meter would be situated midway between the meter coverage area. Customers would select their intended duration of stay from the meter's menu and insert the appropriate fee in cash or pay with a credit card. The meter would issue a receipt that contained a printed time of expiration, and signage would direct customers to place the receipt on their dashboard in clear view for enforcement purposes. Enforcement officers would monitor the expiration time printed on each receipt displayed within vehicles throughout the metered locations and issue citations when required.

In the City of Chicago, research recently completed on multi-space, pay and display meters revealed that on the routes where these types of meters replaced single-head meters, revenue increased as much as 30% on an annual basis. The City attributes the increase to the time purchased being printed on a receipt that is placed within the customer's vehicle rather than residing on the actual meter head. This function prohibits the next parker from using any of the remaining time once a parking space is vacated. In addition, most multi-space meters contain a button that allows customers to purchase a maximum amount of time and the maximum time option is chosen by a vast majority of parkers, which results in the maximum amount of revenue being collected for each use of the meter.

OFF-STREET – PAY-BY-SPACE METERS

In addition to pay-and-display meters, we also recommend installing pay-by-space meters in selected surface lots within the higher demand area. Pay-by-space meters would allow transient parkers to purchase time in hourly increments without time restrictions and would function much like the new lot (Lot 3) in Oak Park

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depicted below that is located on Marion Street between Lake Street and North Boulevard. Lot 3 was constructed on a site that formerly housed an older building that was demolished. The interim use for parking implemented at Lot 3 mirrors the methodology that we propose for other off-street surface lots that are located within the higher demand area.

Figure 5: Pay-and-Display Meter & Signage – Lot 3 – Village of Oak Park



Source: Walker Parking Consultants – Village of Oak Park, Illinois

THEORY OF OPERATION – PAY-BY-SPACE

Rate signs would be posted and all of the spaces in each lot would be individually numbered. Customers would park and lock their vehicle in an open space, note their space number and walk to the area of the lot that contained the pay-by-space meter. The meter would display instructions that informed customers to enter their space number into the meter and purchase the desired amount of time. Customers would select the desired duration of stay from the meter's menu and insert the appropriate fee for the time selected in cash or pay with a credit card. The meter would issue a receipt to the customer and log the amount of time purchased into an internal database for reconciliation and enforcement purposes.

With this type of meter, similar to the methodology discussed above for pay and display, the time purchased is contained in the meter memory and is not shown to the next customer that purchases time for the same numbered space; this results in the maximum amount of revenue being collected for each use of the meter. Utilizing this type of system, the Village would continue to sell monthly permits for each location selected, and also be able to accommodate and enforce paid transient parking in any available open spaces on the lots throughout both the daytime and evening hours. In addition, installing multi-space meters could provide some economies of scale due to the fact that as the number of multi-space meters installed within the system increased, the meter collection and reconciliation process would be streamlined. Installing additional multi-space meters would also provide the parking department with a better means to track utilization and adjust pricing in areas of greater demand throughout the year.

PAY IN LANE (PIL) TECHNOLOGY

Pay-in-lane (PIL) technology is defined as any revenue control system in which payment for parking is rendered from a car in an exit lane. This form of traditional exit cashiering has been utilized for years throughout the industry. However, the practice of replacing the exit cashier with an automated PIL station, especially during non-peak hours or at locations with a smaller number of daily cash transactions, is being seen with much greater frequency at managed parking facilities. We feel that implementing PIL technology in conjunction with

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access control readers would provide an acceptable solution that could enhance the unattended Oak Park River Forest High School (OPRFHS) garage operation, which is currently managed with four multi-space meters.

To better manage this unattended OPRFHS garage, we recommend the Village consider installing a parking access and revenue control system (PARCS) including: a ticket dispenser, RFID readers (RFID technology is discussed in the permit section of this report) and a PIL machine in the OPRFHS garage, while at the same time, relocate the existing multi-space meters to the proposed higher demand area of the Village.

Installing this type of system would allow controlled ingress and egress for all valid permit holders displaying valid RFID windshield tags. Any transient customers that desired to park in the garage would take a ticket to gain access into the garage and then pay at the PIL machine located in the garage exit lane. Upon exiting, customers would insert their parking ticket into the PIL machine and the device would calculate the parking fee based upon length of stay. The customer would tender payment by placing either cash or a credit card into the device to satisfy the parking fee. Once the parking fee payment was verified by the PARCS, the customer would be allowed to exit the facility.

The Village currently staffs the OPRFHS garage during special events and pre-cashiers in the entrance of the garage charging a \$5.00 parking fee. In the PIL scenario, when special events occurred and if the anticipated amount of traffic warranted, the ticket dispensers would be converted to issue B-series or pre-paid tickets. An attendant would be stationed at the entrance ticket dispenser to pre-collect the special event parking fee from each customer. Upon receiving payment of the designated parking fee, the attendant would issue a pre-paid B-series ticket from the dispenser and hand it to the customer, informing him or her to place their pre-paid ticket into the exit machine upon leaving the location once the event ended. Customers that entered the lot prior to the ticket dispenser being converted to issue B-series tickets would possess an A-series ticket. Before exiting the facility, any customer with an A-series ticket would have to pay in the exit lane with cash or with their credit card at the PIL machine before being allowed to exit. The photos shown below are of existing PIL applications installed outdoors at Lincoln Park Zoo in Chicago and within a commercial garage also located in Chicago, Illinois.

Figure 6: Pay-in-Lane Devices - Chicago, IL



Source: Walker Parking Consultants

The OPRFHS garage appears to offer a perfect situation for implementing PIL technology in Oak Park. The facility experiences numerous permit transactions each day, facilitating parking for OPRFHS staff members and transient transactions occur on a very limited basis, which lends the garage as a perfect fit for PIL technology. In 2007, the average amount of revenue collected from the four multi-space meters in the OPRFHS Garage was approximately \$850.00 per month (\$28.00 daily). Two of the three Village parking structures are

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controlled with Amano McGann hardware and software, and Amano offers a credible PIL solution; therefore, we recommend the Village parking manager contact Amano McGann and obtain a cost estimate to implement this type of solution at the OPRFHS garage.

If PIL is implemented at OPRFHS, we propose a rate structure that correlates to the meter rates proposed for other off-street locations (Table 4) in the mid-demand area; 75¢ per hour with a \$6.00 maximum daily rate. We project the cost to purchase and install the PARCS equipment would range from, \$100,000 to \$115,000.

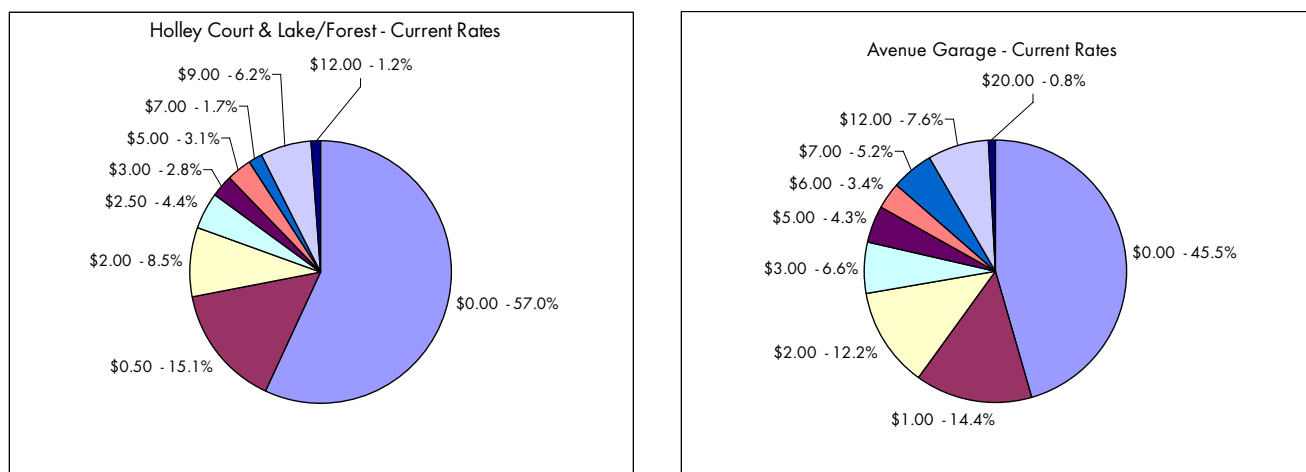
TRANSIENT PARKING RATES

Data was provided with respect to the number of tickets by duration of stay and revenue generated by rate at each of the Village parking structures. This information is routinely collected and compiled by the PARCS that controls each of the structures.

The existing transient rate structure at the Holley Court and Lake/Forest garages provides transient customers with two hours of free parking. Once a customer exceeds two hours, the charge for parking ranges from a minimum of 50¢ for less than 2½ hours to a maximum of \$12.00 for over 10 to 24 hours. At the Avenue garage, customers are allowed 1½ hours of parking free, and once the maximum free time is exceeded charges range from a minimum of \$1.00 for over 1½ to 2 hours, up to a maximum of \$20.00 for over 12 to 24 hours. The structures are operated as paid parking locations for five days per week throughout the year. On Saturdays, Sundays and on holidays, the entrance and exit gates are left in the up position and customers are allowed to park free of charge.

We analyzed the information provided by the Village and the graphs shown below summarize the percentage of tickets by rate category for the Holley Court, Lake/Forest and Avenue garages in 2007.

Figure 7: Percentage Breakdown of Transient Tickets by Rate Category - 2007



Source: Village of Oak Park

An analysis of the data collected reveals that over 57% of the transient customers utilizing the Holley Court and Lake/Forest garages and over 45% of the Avenue's transient customers are currently parking for free. In addition, over 30% of the total customers utilizing the structures are parking for \$3.00 or less.

To best assess transient parking rates in the Village, we conducted a survey of paid parking facilities that we feel are similar in nature to the Village structures. We chose parking facilities that reside on the fringe of downtown Chicago and in suburbs or cities that operate paid parking in structures on a daily basis that is not controlled by meters or permits. In general, the locations selected serve communities that contain restaurant activity and also have residential and retail components that are similar to the demographic make-up of Oak Park. The following chart shows the locations surveyed and also depicts three proposed transient rate structures for consideration by the Village. The proposed rates structures are discussed in greater detail later on in this section.

Table 5: Transient Rate Survey

Transient Rate Survey - Proposed Oak Park Transient Rates							
City	<30 Min.	<1 Hr.	<2 Hrs.	< 3 Hrs.	< 4 Hrs.	>4-10 Hrs.	>10-24 Hrs.
Waukegan	\$ -	\$ -	\$ 1.00	\$ 2.00	\$ 3.00	\$ 9.00	\$ 23.00
Evanston	-	-	2.00	3.00	4.00	8.00	13.00
Chicago North/Sheffield	6.25	6.25	9.50	12.00	15.25	17.00	17.00
Chicago North/Sheffield ¹	-	-	5.00	8.50	12.00	14.00	14.00
Chicago/University Center ²	3.00	4.50	6.50	8.50	10.75	11.50	11.50
Peoria, Illinois	0.75	1.50	3.00	4.50	6.00	6.00	6.00
Oak Park - Current	\$ -	\$ -	\$ -	\$ 2.00	\$ 3.00	\$ 9.00	\$ 12.00
Proposed - Conservative	-	-	1.50	3.00	5.00	8.00	10.00
Proposed - Moderate	-	1.00	2.00	4.00	6.00	8.00	10.00
Proposed - Aggressive	-	1.00	3.00	5.00	7.00	9.00	12.00

¹ North and Sheffield validated rate structure for retail tenants of the building that also contains the parking structure.

² Halsted and Maxwell Streets in Chgo., serves the U of Illinois and surrounding new residential & retail community.

Source: Walker Parking Consultants

Based upon our discussions with the Village, the current revenue produced by the parking system is insufficient to fund the operation and related debt service, therefore, changes to the rate structure must be considered for implementation in order to increase overall parking revenue and the amount of net income generated by the system.

We analyzed the data provided and developed three rate structures for consideration by the Village Board. Each rate structure retains provisions to provide some amount of free transient parking, while also increasing the net parking revenue income generated for the Village.

The following figures depict the percentage of tickets by rate category for the proposed rate structures, which are labeled and referred to throughout this section as, Option One, Option Two and Option Three. It should also be noted that we are recommending the same rate structure for implementation in each of the structures. The percentages depicted in each graph represent the consolidated number of transient parking tickets that would be collected in all of the parking structures on an annual basis. The graphs are based upon the actual ticket reports and duration of stay information provided for 2007.

Figure 8: Consolidated Garages - Option One Proposal

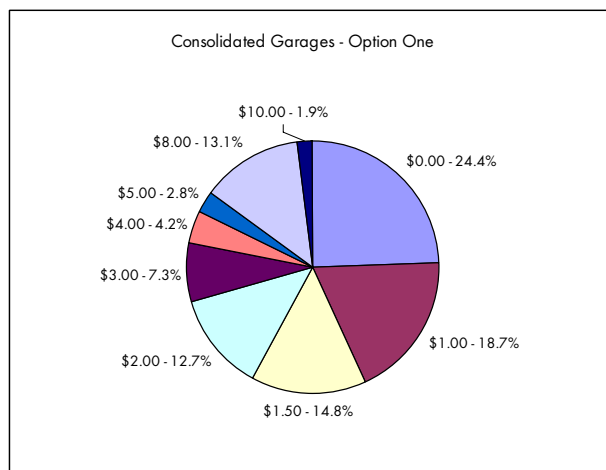


Figure 9: Consolidated Garages - Option Two Proposal

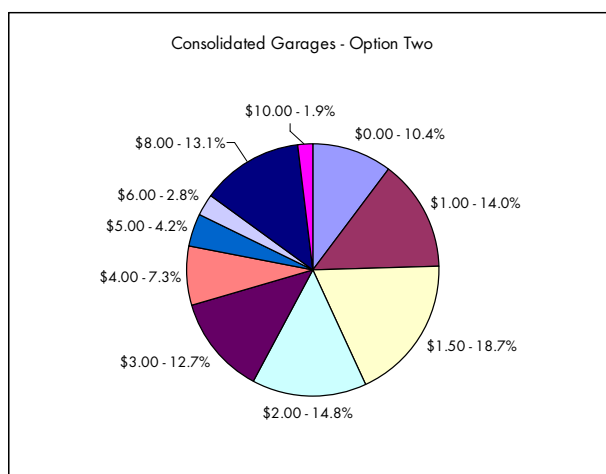
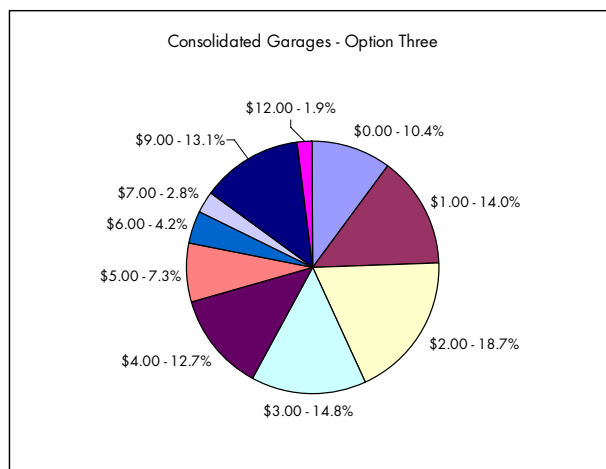


Figure 10: Consolidated Garages - Option Three Proposal



By reducing the amount of time allowed for free parking, shorting the rate categories to one half hour increments and limiting the number of rate categories before reaching the maximum daily rate, the proposed rate structures provide additional revenue generating opportunities. In fact, in two of the proposed rate structure options, the rate for parking over 6 to 10 hours is actually reduced from \$9.00 to \$8.00, and the rate for parking over 10 hours is also reduced from \$12.00 to \$10.00 when compared to the current rate structures.

In addition to the proposed rate changes, we also recommend the entrance and exit gates remain in the down position seven days per week at the Holley Court and Avenue parking structures. The PARCS in these structures could handle the change through a modification to the software programming that processes transient tickets with little disruption to service. Under the new operating methodology, permit holders would access the structures with their permit (same as today) and transient customers would take a ticket to enter the structures on weekends. When a weekend ticket was presented at an exit verifier, the PARCS would process the ticket as free (consistent with the weekend rate structure), raise the gate and allow the customer to exit (exactly as two-hour free transactions are handled today at Holley Court and the Avenue garages).

Changing the operating methodology could provide enhanced tracking of data that could be analyzed and used when contemplating future rate increases, and pave the way to operating the structures for paid parking on a six day per week basis, with Sundays free rather than both Saturdays and Sundays. The impact of the proposed transient rate changes on the overall annual revenue generated from the parking system and models that show the impact of operating paid parking for six days per week instead of five are discussed in the Revenue Projections section of this report.

EMPLOYEE PARKING

As part of the study, the Village requested that we review the existing employee parking program. The program provides parking for full-time and part-time employee parking in the following lots: Village Lot (#18), 20 spaces along the north side of South Boulevard between Kenilworth and Home, 18 spaces along the north side of South Boulevard between East Avenue and Euclid Avenue, 20 spaces along south side of South Boulevard between East Avenue and Euclid Avenue.

The program allows employers to purchase time that is stored on a debit card that can be read by the pay & display machines that are in place to monitor employee parking in the designated areas. Employers may purchase either 60 hour cards for \$9.00 or 200 hour cards for \$30.00. The cards are sold to the employers on a first come, first served basis between the 25th of each month and 5th of the following month by the permit office in Village Hall.

Since our recommendation for commuter parking suggests utilizing the existing designated employee parking areas for the commuter parking program, we recommend the Village consider upgrading the PARCS in the parking structures to accept debit cards. Software that would provide debit card capabilities utilizing the PARCS at the Holley Court and Avenue structures is available and could be purchased as a system upgrade. If implemented, the debit software is flexible and could be utilized to manage the employee parking program within the structures. The software is capable of marking up value by a designated percentage on each debit card, (i.e. for a \$20.00 purchase, if the Village offers a 100% mark-up, the user's card is loaded with \$40.00 in value). Much like today, employers would be allowed to purchase pre-loaded debit cards with marked-up value, \$30.00 cards would contain \$60.00 in value and \$50.00 cards would contain \$100.00 in value.

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When an employee parked in one of the Village structures, they would gain access using a transponder much like the permit users do today. The system would log the transponder into the system upon arrival and once the transponder was presented to exit the facility, the system would price the ticket at full price for the actual duration of stay and the full rate for parking would be decremented from the card. However, the actual rate paid for parking would be less than full price due to the marked-up value on the pre-loaded debit card; thus, providing employee parking at a 50% discount from the posted rates.

The debit card program could be facilitated through the use the existing transponders that are currently used to access the parking structures. Utilizing the transponders to manage the debit program would also provide an enforcement tool that does not currently exist today. Employees would be directed to park on the upper levels of the structures and to ensure compliance, the enforcement personnel would scan all of the vehicles with transponders that were parked in the structure and the scanning process would immediately identify scofflaw employees that parked in a prohibited area of the structure. The cost for the RFID tags is projected to be approximately \$12 per tag compared to the \$25 to \$30 currently being paid for the transponders used today. The cost to purchase the compatible hand-held scanners would be approximately \$5,000 per unit.

RADIO FREQUENCY IDENTIFICATION DEVICES (RFID)

We feel that radio frequency identification devices (RFID) wireless windshield tags provide a practical solution to control vehicular permitting and that consideration should be given to implementing RFID tags system-wide in Oak Park. The tags could be utilized for permit enforcement in the system's multitude of on and off-street surface parking lots.

Wireless vehicle identification through RFID technology, can provide efficient vehicle entry and exit control and improve customer service. RFID is now widely accepted and these types of systems are being sold as practical, easy to use control alternatives. An extensive line of products, tags and readers, which are easily configured and adaptable with new and existing parking access and revenue control systems (PARCS) are currently on the market. The hands-free vehicle access can be used in many environments including: corporate and university campuses, hospitals, commercial parking garages, residential communities, and resorts. Vehicle identification with RFID tags can help manage parking challenges by offering enhanced security, increased gate throughput during peak hours, and the ability to regulate premium and restrictive parking.

We spoke with representatives from Amano/McGann and TransCore to determine the advantages to implementing an RFID windshield tag system that could be seamlessly integrated into the Village parking system. TransCore has an extensive network of dealers in the United States specializing in parking access control and also has the expertise to interface with common industry parking and access control systems, including Amano/McGann and more.

While many types of control systems (i.e. proximity, barcode, license plate recognition, etc.) are in use today, and each performs at an acceptable industry-standard level, our consensus opinion was that RFID windshield tags may represent the most viable application for the Oak Park system.

Implementing a system-wide RFID tag program would afford the parking management department with the ability to control the following:

- o Enhanced control over permit parking in the on and off-street surface parking lots;

- The same RFID tags would be used to enter the structures and to park in other permitted areas (if desired);
- RFID tags would identify valid permit holders and could be read with handheld scanners by enforcement officers;
- Enforcement officers would immediately identify unauthorized vehicles throughout the parking system and react accordingly when scofflaws were identified through the scanning process.
- RFID tags stay with the vehicle and could be renewed on-line each quarter, eliminating the need to print and re-issue new permits every quarter.

PERMIT RATES

The Village currently manages an extensive parking permit program through an office located in the Village Hall. Residents and people that work in the Village are eligible to purchase parking permits that provide parking on certain streets, in lots and the parking structures. The permits are renewable quarterly, are non-transferable and are categorized as follows: Day, Night and 24 hour.

To assess the Oak Park permit rate structure, we conducted a survey of other communities that charge for parking through a permit based system. The results of our survey are included in the chart on the following page.

When compared to other cities that charge for parking permits, Oak Park ranks near the upper end of the scale. However, an argument could be made that since parking is a scarce resource managed by the Village and permit revenue represents a large portion of the annual parking system revenue generated, keeping rates at or near the upper end of the market is appropriate. The moderate increases proposed to the quarterly rates are detailed as follows:

- 24 Hour Permits - \$135 to \$140 (+ 3.7%) and \$160 to \$165 (+ 3.1%);
- Day Permits - \$110 to \$115 (+ 4.5%) and \$135 to \$140 (+ 3.7%);
- Night Permits - \$85 to \$90 (+ 5.8%) and \$95 to \$100 (+ 5.2%).

If implemented, the cost for permit parking would range from \$1.00 and \$1.83 per day based upon a quarter consisting of ninety calendar days. In addition, the changes would maintain the Village's permit rates near the upper end of the scale and also help reduce the annual parking deficit. The impact of the proposed permit rate increases on the annual parking revenue is discussed in the Revenue Projections section of this report.

Table 6: Permit Rate Survey

Permit - Rate Survey - Range of Quarterly Fees - Comparable Cities				
City	Type	Low/Quarterly		High/Quarterly
Downers Grove	Overnight	\$ 195.00		\$ 195.00
	Employee	\$ 25.00		\$ 25.00
Forest Park	Day	\$ 25.00		\$ 55.00
	Night	\$ 55.00		\$ 70.00
	Day-Night	\$ 85.00		\$ 115.00
Wheaton	Day	\$ 60.00		\$ 75.00
Evanston	Monthly	\$ 240.00		\$ 240.00
Aurora	Day	\$ 42.00		\$ 75.00
	Day-Night	\$ 72.00		\$ 105.00
	Night	\$ 25.00		\$ 25.00
Peoria	Monthly	\$ 111.00		\$ 225.00
Arlington Heights	Day	\$ 90.00		\$ 90.00
Mount Prospect	Day	\$ 91.25		\$ 91.25
Oak Park - Current	Day	\$ 110.00		\$ 135.00
	Night	\$ 85.00		\$ 95.00
	24 Hour	\$ 135.00		\$ 160.00
Oak Park - Proposed	Day	\$ 115.00		\$ 140.00
	Night	\$ 90.00		\$ 100.00
	24 Hour	\$ 140.00		\$ 165.00

Source: Walker Parking Consultants

Since the permit system must be managed through regulations and enforcement and the process of selling permits on a quarterly basis through an office in the Village Hall is cumbersome, in the section that follows we discuss some management strategies regarding permits, permit sales and enforcement that could possibly provide economic value to the Village, if implemented.

ON-LINE PERMIT SALES

Prior to implementing RFID technology, we recommend the Village investigate the possibility of adding on-line permit sales through the Village web-site. On-line permit sales would provide a medium that allows the distribution of RFID windshield tags (permits) that would be used to provide access into and from the parking structures and to identify vehicles that utilize any of the system's permitted parking areas.

There are a variety of advantages to offering permit sales through an on-line automated system, including but not limited to:

- Customers would enjoy the convenience of a point-of-sale electronic system;
- Customers would no longer have to apply in person, fill out hand-written forms, or wait in line to purchase a permit;
- Customers would register their vehicles and purchase permits from home;
- The Village would only issue one original permit, as subsequent quarterly permit renewals could be handled on-line or by offering customers the choice of having a credit card on file;
- All credit cards on file would be debited quarterly and the associated permit accounts would be automatically renewed for the next quarter of parking;

- o A portion of the required system upgrades and the initial costs of the RFID windshield tags could be paid for by service fees, ranging from \$.50 cents to \$1.00 per quarter, which could be charged on all permit sale transactions.

In addition to customer convenience, the permit sales operation would be significantly enhanced by the following:

- o Eliminating the waste associated with unsold preprinted permits;
- o Providing an electronic database of each permit sale for accounting and reconciliation purposes;
- o Providing an on-line database of all valid permits that would be uploaded daily to hand-held enforcement scanners and used to enforce permit parking throughout the system;
- o Allowing enforcement officers to verify permit information in the field at anytime of the day or night;
- o Allowing cross-checking of permits at the point of sale to prevent issuance of duplicate permits;
- o Allowing real-time monitoring of permit sales so the parking system could be more efficiently managed.

The application process would be simple. Customers would be asked to provide the following personal information: name, password, mailing address, e-mail address, work phone, as well as vehicle information including: make, model & year, plate number, state & expiration date. The windshield tags could be reused, as payment information and validity is contained in the on-line permit database and not on the windshield tag, which is used only to transmit information to the garage readers or to the hand-held scanners used for on-street enforcement. Implementing on-line permit sales could also result in economies of scale for the Village, as the current permit process is predominately a manual process and implementing an on-line sales program could streamline both the permit sales and reconciliation process.

REVENUE PROJECTIONS

In this section, we discuss the impact on annual parking revenue if the proposed management strategies, and meter, transient and permit rate changes presented herein are implemented by the Village.

METER REVENUE

To assess the value of increasing the meter rates in the higher demand area of Oak Park, we created the chart shown below that is based upon the results of the On-street Occupancy Survey shown on page 15. As previously discussed, we surveyed the area from 8:00 a.m. through 4:00 p.m. and during the 8-hour survey period 122 different vehicles utilized parking spaces within the survey area; an average of 15 per hour. The meters in this "higher demand" area operate from 8:00 a.m. until 8:00 p.m. Rather than use a straight line average to calculate the number of vehicles that would use the meter over 12 hours ($15 \text{ per hr.} \times 12 \text{ hrs.} = 180$), we used a more conservative value of 120 vehicles per day, (assuming that seasonality and inclement weather would reduce the annual daily average) to calculate the value of an average daily ticket generated from one single multi-space, pay-and-display meter. The meter rates used to calculate the projected daily revenue shown depict an hourly meter rate of \$1.00, which is less than the proposed rates for the higher demand area discussed herein. We chose the \$1.00 per hour rate to show a conservative projection of the annual impact that multi-space meters would have on the Oak Park system.



Table 7: Projected Revenue – A Single Pay-and-Display Meter

Projected Meter Revenue- Pay & Display Meter				
Duration	Tickets	% Total	Rate	Rev./Day
15 minutes	50	41.8%	\$ 0.25	\$ 12.50
30 minutes	18	14.8%	0.50	9.00
45 minutes	9	7.4%	0.75	6.75
60 minutes	11	9.0%	1.00	11.00
1 hr. 15 min.	6	4.9%	1.25	7.50
1 hr. 30 min.	5	4.1%	1.50	7.50
1 hr. 45 min.	2	1.6%	1.75	3.50
2 hr. Maximum	19	16.4%	2.00	38.00
Daily Projected ¹	120			\$ 95.75
Avg. Ticket				\$ 0.80

¹ Assumes an average of 10 vehicles per hour.

Source: Walker Parking Consultants

To show the projected impact of increasing meter rates in the higher demand area, we compared the revenue collected in 2007 from meter route #1 to the projected revenue from the multi-space meter. We chose this route because this area somewhat simulates the proposed higher demand area.

Table 8: Revenue per Space – Comparison of Existing to Proposed Meters

Revenue per Space - Existing & Proposed - Higher Demand Area							
Category	Daily	Days/Yr. ¹	Annual	Avg. Tkt.	Annual Rev.	Spaces	Avg./Space
Pay & Display ²	120	300	36,000	\$ 0.80	\$ 28,725	20	\$ 1,436
Route #1 - 2007 ³					\$ 200,618	368	\$ 545
VOP Meters - 2007 ⁴					\$ 714,695	2,184	\$ 327

¹ The approximate annual number of days per year if operated 6 days/week.

² The projected revenue generated by one multi-spaces meter collecting for 20 spaces daily throughout the year.

³ Actual 2007 revenue collected from 368 meters, which closely assimilates the proposed higher demand area.

⁴ Actual 2007 revenue collected from the entire VOP meter system.

Source: Village of Oak Park & Walker Parking Consultants

The chart shows the projected average annual revenue per space for a single multi-space meter that covers 20 on-street spaces, utilizing a \$1.00 per hour meter rate structure. The revenue per space is compared to the actual revenue per space generated from the 368 ± meters (route #1) in 2007 and is also compared to the actual revenue per space generated for the entire Village meter system (2,184 meters).

Utilizing the results of the comparison, if the Village increases meter rates as proposed, the annual meter revenue could increase by well over \$100,000, as shown in the chart below.

Table 9: Projected Revenue Increase - Proposed Meter Rates

Projected Revenue - Proposed Meter Rates - Higher Demand Area			
Category	Meters	Avg./Meter	Annual
Pay & Display	6	\$ 28,725	\$ 172,350
Route #1 - 2007	120	\$ 545	\$ 65,419
Net Change vs. (120) Rte. #1 Meters			\$ 106,931

Source: Walker Parking Consultants

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TRANSIENT REVENUE

To calculate the value of the proposed transient rate increase under Option One, Option Two and Option Three scenarios, we created models for each of the parking structures that depict existing conditions and show the actual transient rates and revenue from 2007. The models include the number of annual tickets by rate category and duration of stay and are based upon reports provided by the Village. The future models also allocate tickets by rate and use the duration of stay to project revenue utilizing the proposed rate structures.

The following models depict the actual rates and revenue at the Avenue structure and combined revenue for the Holley Court and Lake/Forest structures in 2007. Two charts are shown for 2007 because the Avenue rate structure differs from the rate structure in place at the other two garages.

The future models depict consolidated revenue for all three structures, as we are recommending the same rate structure be implemented in each of the Village structures. In addition, the models also show the projected revenue assuming five-day and six-day paid parking operations in the parking structures.

Table 10: Actual Revenue 2007 - Holley Court & Lake Forest Consolidated and Avenue Garage

Avenue Garage - Current Rates ¹					Holley Court & Lake/Forest Garage - Combined - Current Rates ²				
Category	Rate	Annual	% of Total	Revenue	Category	Rate	Annual	% of Total	Revenue
< 1½ hours	\$0.00	38,994	45.5%	\$ -	< 2 hours	\$0.00	107,566	57.0%	\$ -
> 1½ to 2	\$1.00	12,341	14.4%	12,341	> 2 to 2½	\$0.50	28,493	15.1%	14,247
> 2 to 3	\$2.00	10,455	12.2%	20,911	> 2½ to 3	\$2.00	16,041	8.5%	32,081
> 3 to 4	\$3.00	5,656	6.6%	16,969	> 3 to 3½	\$2.50	8,300	4.4%	20,750
> 4 to 5	\$5.00	3,685	4.3%	18,426	> 3½ to 4	\$3.00	5,373	2.8%	16,118
> 5 to 6	\$6.00	2,914	3.4%	17,483	> 4 to 5	\$5.00	5,787	3.1%	28,936
> 6 to 8	\$7.00	4,456	5.2%	31,195	> 5 to 6	\$7.00	3,208	1.7%	22,458
> 8 to 12	\$12.00	6,513	7.6%	78,158	> 6 to 10	\$9.00	11,725	6.2%	105,525
> 12 to 24	\$20.00	686	0.8%	13,712	> 10 to 24	\$12.00	2,308	1.2%	27,694
Total - 5 Days	\$2.44	85,700	100.0%	\$ 209,194	Total - 5 Days	\$1.42	188,800	100.0%	\$ 267,807

¹ 2007 actual duration of stay and revenue.

¹ 2007 Holley Court & Lake/Forest actual duration and revenue.

Source: Village of Oak Park

Table 11: Projected Revenue – Consolidated Garages – Option One Proposal

Consolidated Garages - Option 1				
Category	Rate	Annual	% of Total	Revenue
< 1 hour	\$0.00	67,018	24.4%	\$ -
> 1 to 1½	\$1.00	51,258	18.7%	51,258
> 1½ to 2	\$1.50	40,625	14.8%	60,937
> 2 to 2½	\$2.00	34,921	12.7%	69,841
> 2½ to 3	\$3.00	20,069	7.3%	60,206
> 3 to 3½	\$4.00	11,642	4.2%	46,569
> 3½ to 4	\$5.00	7,601	2.8%	38,004
> 4 to 10	\$8.00	36,061	13.1%	288,486
> 10 to 24	\$10.00	5,307	1.9%	53,073
Total - 5 Days/Week		274,500	100.0%	\$ 668,372
Average Ticket	\$2.43			
Add Saturday		61,700		149,532
Total - 6 Day/Week		336,200		\$ 817,904

Source: Walker Parking Consultants



Table 12: Projected Revenue – Consolidated Garages – Option Two Proposal

Consolidated Garages - Option 2				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	28,542	10.4%	\$ -
> ½ to 1	\$1.00	38,476	14.0%	38,476
> 1 to 1½	\$1.50	51,258	18.7%	76,886
> 1½ to 2	\$2.00	40,625	14.8%	81,249
> 2 to 2½	\$3.00	34,921	12.7%	104,762
> 2½ to 3	\$4.00	20,069	7.3%	80,274
> 3 to 3½	\$5.00	11,642	4.2%	58,211
> 3½ to 4	\$6.00	7,601	2.8%	45,604
> 4 to 10	\$8.00	36,061	13.1%	288,486
> 10 to 24	\$10.00	5,307	1.9%	53,073
Total - 5 Days/Week		274,500		\$ 827,021
Average Ticket	\$3.01			
Add Saturday		61,700		185,356
Total - 6 Day/Week		336,200		\$ 1,012,377

Source: Walker Parking Consultants

Table 13: Projected Revenue – Consolidated Garages – Option Three Proposal

Consolidated Garages - Option 3				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	28,542	10.4%	\$ -
> ½ to 1	\$1.00	38,476	14.0%	38,476
> 1 to 1½	\$2.00	51,258	18.7%	102,515
> 1½ to 2	\$3.00	40,625	14.8%	121,874
> 2 to 2½	\$4.00	34,921	12.7%	139,682
> 2½ to 3	\$5.00	20,069	7.3%	100,343
> 3 to 3½	\$6.00	11,642	4.2%	69,853
> 3½ to 4	\$7.00	7,601	2.8%	53,205
> 4 to 10	\$9.00	36,061	13.1%	324,546
> 10 to 24	\$12.00	5,307	1.9%	63,688
Total - 5 Days/Week		274,500		\$ 1,014,181
Average Ticket	\$3.69			
Add Saturday		61,700		227,445
Total - 6 Day/Week		336,200		\$ 1,241,626

Source: Walker Parking Consultants

The chart and graph depicted below summarize the current value of transient parking revenue under the existing rate structures compared to the projected revenue that could be generated *assuming similar volume*, if the Option One, Option Two or Option Three rate structures were implemented by the Village.

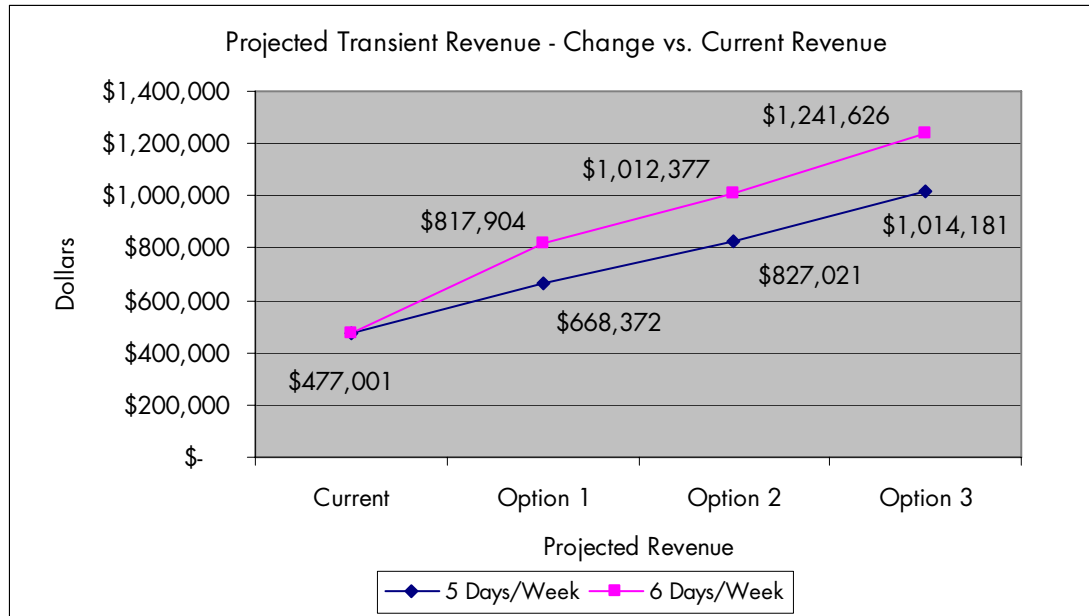


Table 14: Transient Revenue Summary – Five-day and Six-day Paid Parking Operation

Transient Revenue Summary - 5 & 6 Day Operation				
	Holley Court	Avenue	Lake/Forest	Consolidated
Current Revenue	\$ 168,144	\$ 209,194	\$ 99,664	\$ 477,001
5 Days/Week	Holley Court	Avenue	Lake/Forest	Consolidated
Option 1	\$ 272,669	\$ 239,232	\$ 156,472	\$ 668,372
Option 2	\$ 346,220	\$ 283,196	\$ 197,605	\$ 827,021
Option 3	\$ 428,282	\$ 342,200	\$ 243,699	\$ 1,014,181
Revenue Change vs. Current - 5 Day Operation				
Option 1	\$ 104,525	\$ 30,038	\$ 56,808	\$ 191,371
Option 2	\$ 178,077	\$ 74,002	\$ 97,941	\$ 350,020
Option 3	\$ 260,139	\$ 133,006	\$ 144,035	\$ 537,180
6 Days/Week	Holley Court	Avenue	Lake/Forest	Consolidated
Option 1	\$ 340,892	\$ 289,199	\$ 187,812	\$ 817,904
Option 2	\$ 432,847	\$ 342,346	\$ 237,184	\$ 1,012,377
Option 3	\$ 535,442	\$ 413,675	\$ 292,510	\$ 1,241,626
Revenue Change vs. Current - 6 Day Operation				
Option 1	\$ 172,749	\$ 80,006	\$ 88,148	\$ 340,903
Option 2	\$ 264,704	\$ 133,153	\$ 137,520	\$ 535,376
Option 3	\$ 367,298	\$ 204,481	\$ 192,846	\$ 764,625

Source: Walker Parking Consultants

Figure 11: Projected Transient Revenue – Change vs. Current Transient Revenue



Source: Walker Parking Consultants

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PERMIT REVENUE

To calculate the value of the proposed permit rate increase, we created a model utilizing permit sales information by permit category for the third-quarter of 2007 that was provided by the Village. The model annualizes third-quarter sales by multiplying the actual sales by 3.7; we used 3.7 as a multiplier instead of 4.0 (typically 4 quarters per year) because the third-quarter sales represented the largest quarterly sales for the year and therefore, we feel that a 3.7 multiplier provides the most accurate and conservative assessment of the actual annual permit sales. The future model also categorizes permits by rate and applies the proposed rate increase to calculate the projected annual revenue generated from future permit sales.

Table 15: Permit Revenue – Estimated (2007) & Projected

Actual Q3 Permit Sales (Annual Estimated) - Proposed Permit Rates (Projected Revenue)							
Type	Limit	Sold	% Sold	Price	Estimated \$	Proposed	Projected \$
24 Hour	1,012	980	96.8%	\$135.00	\$ 132,300	\$140.00	\$ 137,200
24 Hour	695	669	96.3%	160.00	107,040	165.00	110,385
sub-total	1,707	1,649	96.6%		239,340		\$ 247,585
Day	210	156	74.3%	\$110.00	\$ 17,160	\$115.00	\$ 17,940
Day	1,158	1,061	91.6%	135.00	143,235	140.00	148,540
sub-total	1,368	1,217	89.0%		160,395		\$ 166,480
Night	805	550	68.3%	\$85.00	\$ 46,750	\$90.00	\$ 49,500
Night	370	197	53.2%	95.00	18,715	100.00	19,700
sub-total	1,175	747	63.6%		65,465		\$ 69,200
Total	4,250	3,613	85.0%		\$ 465,200		483,265
Multiplier ¹					3.7	mos./qtr./yr.	3.7
Estimated Annual Sales (rounded)					\$1,721,200		\$1,788,100
Revenue Change vs. Current Year							\$66,900

¹ The projection is based upon the actual Q3 sales multiplied by 3.7 mos./qtr./yr., as Q3 sales exceed all other quarters in volume.

Source: Walker Parking Consultants

The model depicts the estimated permit sales (2007) compared to the projected permit revenue if the proposed permit rate increases are implemented by the Village. Utilizing the results of the comparison, if the Village increases permit rates as proposed, annual permit sales could increase by over \$66,000, as shown in the chart.

VALIDATION PROGRAM

Since the current parking rate structure allows an hour and one half to two hours of free parking, many of the customers that frequent the Village retail entities are parking for free. Implementing the proposed changes to the rate structure could impact some retail customers and if a pronounced negative impact occurs, the Village may want to consider implementing a retail validation program that could be structured to offer time, fee and/or percentage discounts for parking in the Village structures.

The Village's PARCS has the capacity to be upgraded to produce pre-encoded mass validations or to accept tickets that are validated by electronic or manual encoding devices that could be placed within each retail establishment.

The choice of implementing mass validations, controlled by the Village's parking department, or installing individual validators in each retail location would be dependant upon a final determination by the Village. Before implementing a retail validation program, we recommend the Village's parking department conduct a cost benefit analysis and a complete review of other successful retail validation programs (i.e. 900 North Michigan & Water Tower Place in Chicago, IL) to determine the most cost effective and best practice methodologies to use when implementing the program.

PARKING STRUCTURES – LONG-TERM - MAINTENANCE STRATEGIES

As part of the study, the Village requested that we address the issue of on-going maintenance for the Village parking structures, as the Village does not presently adhere to a planned maintenance schedule. To that end, we included this section, which addresses the need for planned maintenance and how a planned maintenance schedule can reduce long-term costs before structural problems arise.

Parking structures commonly have different maintenance requirements compared to other commercial buildings. Utility costs are less, HVAC and fire protection systems are minimal, tenant complaints are few, and repairs are usually structural in nature. Open parking facilities are exposed to wide temperature swings, rain snow, freezing and thawing, application of de-icing chemicals, and ultraviolet exposure. The location of the parking structure also requires cost consideration. The garage built in Chicago requires higher durability characteristics to resist the weather and salt contamination as compared to a parking structure built in Dallas.⁵

To reduce repair coats, follow this simple strategy: Keep water out! Maintenance of the waterproofing system can help prevent leaks from affecting embedded steel and lighting systems, as well as deter water ponding. A moderate waterproofing maintenance program should occur every seven to ten years, since this is the life span of most waterproofing materials. A more sophisticated maintenance plan also includes monitoring chloride ion concentration to upgrade waterproofing, if necessary, before deterioration begins.

Since each parking structure has different physical layouts and levels of deterioration, a "condition appraisal" survey is the best way to determine the extent of deterioration. Also, discussions with the owner are necessary to determine the desired time span until additional repairs are required. Upkeep for a 20-year time span will cost more than a two-year span. The average annual cost may be more or less for an initially more expensive, but longer lasting, repair program based on specific conditions. To find out which procedures cost the least over time requires further analysis.

The maintenance budget for a well-maintained garage should be in the range of \$30 to \$90 per space per year (10¢ to 30¢ per s.f per year) based on the location, age, and structural system. Typical maintenance activities can be done during periods of low parking demand reducing the impact on revenue. If maintenance is neglected, repairs become necessary and often can impact revenues as well as increase ownership costs.

Each year, parking structure owners and operators all over the country are faced with major unwanted "surprises". Either through lack of knowledge, awareness, or budget, their facility has deteriorated to the point of needing major repairs that will cost a great deal. In many cases, this work would not have been necessary if the parking structure had been properly maintained on a regular basis from the time it was first put into service.

⁵ Gregory M. Neiderer, P.E., Going Parking, Facilities Design Management, January 2001.

PRIVATIZATION

In addition to discussing a long-term structural maintenance program for the structures, the Village also requested that we provide an assessment of privatization and possible third-party management of the Village's parking system. The section that follows provides an overview on privatization and third-party management agreements.

Walker Parking Consultants knows of two municipalities that recently privatized their parking operations. In 2006, the City of Chicago contracted with Morgan Stanley on a long-term concession and lease agreement to operate four underground garages (9,300 spaces) beneath Millennium and Grant Park in downtown Chicago. The \$563 million generated from the agreement was used to retire debt, improve city parks and create a reserve fund for future City projects.

In 2007, the city of Minneapolis sold eight of the 24 parking ramps it operated under an \$88.2 million long-term deal that promised, "to allow the city to retire about one-third of the debt on its parking facilities, and strengthen its cash flow on the remaining ramps⁶". According to projections, the privately held ramps would generate an estimated \$3.4 million in annual property taxes for the city.

While sales of this nature have brought privatization to light, many cities have not considered the idea. As the Director of Parking for the City of Santa Monica recently expressed to a Walker employee, "The City maintains and manages the parking as a public resource. Because of the importance of well-run, shared parking resources to our economy, we do not recommend privatizing the parking system." Whether a city is willing to relinquish control of their parking system when many aspects of the city's economic development and land use policies are linked to its parking system, is a question that must be reviewed on an individual basis by local government officials.

This is not to say that privatizing a parking system does not offer some advantages to a city. These advantages may include:

- Reducing or eliminating city government's involvement in the discord associated with parking policies and politics;
- Lessening the impact of politics on the management of the parking system;
- Improving the ability (of private ownership) to raise parking rates, thereby increasing revenues, which could be used to fund future improvements to the parking system;
- Increasing the real estate tax base, as private owners may be obligated to pay real estate taxes the municipality may not incur;
- Allowing private ownership to use pricing to better regulate the parking supply and demand as well as encourage frequent turnover of transient parking spaces;
- Retiring existing debt on the parking assets or other city debt;
- Investing the proceeds in infrastructure or other city funded programs;
- Creating a reserve fund for future city projects.

It is interesting to note that in many cities, their general fund is used to provide significant funding that supports public parking. In these types of cities, reducing public outlays could be a key benefit to privatization. However, in instances where the parking fund contributes to the general fund, privatization may not offer the same financial benefits that it would in the aforementioned municipalities.

⁶ Minneapolis – St. Paul Tribune, July 23, 2007

A policy to privatize any parking system raises a number of important questions, the answers to which suggest some of the negatives that could result from such an undertaking. The questions include the following:

- Can the City legally privatize its parking resources?
- Is it necessary to ensure the privatized resources (surface parking lots, parking structures) remain as parking facilities?
- If not, from a practical standpoint, if the parking resources are used for other purposes, could parking in the CBD be effectively be eliminated?
- Could existing users that relied on public parking, which is typically priced less than private parking, afford the pricing implemented by the private operators, or would they be forced to retroactively seek alternative parking further from the CBD?
- Would the City need to require, as a provision of the sale of any parking assets, that rates remain affordable for use by the public?
- How would businesses or private property owners that have relied on public parking and are denied access through privatization handle the affects of the changes?
- Could these affected businesses make agreements with properties that have their own off-street parking to accommodate their customers?
- While some customers and visitors to the area might be willing to park further away from their destinations, is it likely that sufficient parking options would not be available?
- Would privatization lead to a battle between those businesses that have relied on and paid to develop the city's parking system and the City?
- Would privatization threaten the health of the economy in the CBD?
- What would be the impact of a reduction in the parking supply or increased pricing on the CBD, if employees seek free or available parking?
- Could a buyer be found who would maintain the parking system in a manner acceptable to the City?
- Is the City willing to relinquish control over the setting of parking rates?
- How would those property owners, who have been assessed in order to provide public parking, be treated with regard to the privatization of parking facilities?

While a buyer may be found for the Oak Park parking system's assets, the more relevant question is whether or not such a buyer could maintain and operate the entity on the present revenue stream generated from the parking system, which may not provide a sufficient financial return to justify such an undertaking. Whether raising the price charged for parking to market would provide such a return would require a detailed financial study conducted by the perspective buyer. In reality, only a handful of municipal off-street parking facilities in the United States generate enough revenue to cover both the capital and operating costs associated with managing and maintaining a parking system.

It is unrealistic to expect that a private party would not attempt to maximize profits by raising parking rates. Such a policy may conflict with a number of current city policies including, but not limited to; the desire to keep parking affordable, granting preferential parking rates to certain users, maintaining any validated discount rates provided to local business entities, monthly lease agreements for local government agencies, and lease agreements with any residential entities in the downtown community.

If the City relinquishes control of the parking system to private investors, it is in many respects putting the economic health of downtown into the hands of those individuals. While a wise investor(s) who purchased the parking property would realize that the health of his investment was dependent upon the health of downtown businesses, a shortsighted investor could possibly place the economic viability of the downtown area at risk.



Relying on the private sector to supply and operate a city's parking system presents opportunities, but also complex challenges. Privatizing an existing public system substantially increases the complexities, especially in cities that manage the majority of the parking spaces with little or no private ownership or management of other paid parking entities within the city system.

While the potential benefits of privatization are significant, the potential drawbacks are as well, and it is likely the drawbacks might not become apparent until the City and stakeholders were far along the policy path. Privatization provokes the question of whether the City is truly prepared to give up control over parking rates and also whether it is willing to tolerate what could be significantly higher rates and the resulting pushback from the community.

THIRD-PARTY MANAGEMENT

It is commonly thought that third-party management of a government function can lead to increased efficiencies and reduced costs. For example, third-party management companies may not be subject to many of the policies and regulations that govern municipalities and as a result, labor costs or benefit packages may be significantly lower.

Many cities presently utilize third-party management companies to operate their parking facilities or systems. Employing a third-party management company can in many cases, reduce costs, particularly for employees at the lower end of the pay scale. However, cities that use an outside contractor to manage their parking system often must still oversee the contracted firm and should continue to remain actively involved in the management of the parking operation.

The following describes two basic types of agreements that a city can enter into with a third-party operator to manage, operate and maintain their parking system.

MANAGEMENT AGREEMENT

The responsibilities of the contractor under a management agreement as the facility or system manager include:

- Hiring, training, and staffing parking personnel;
- Providing for the collection of daily and monthly receipts;
- Depositing of funds collected into a city account or into an interest bearing trust account opened in the name of the operator for the city;
- Reconciling daily bank and credit card deposits to monthly bank statements;
- Managing the monthly accounts receivables;
- Accounting and record keeping;
- Managing accounts payable for all parking system related expenses;
- Conducting audits, and reconciling accounts receivable, accounts payable, cash and credit card sales and deposits;
- Providing routine maintenance and custodial duties;
- Providing required insurance coverage's;
- Providing marketing services.

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A third-party manager is typically not responsible for structural, mechanical or electrical maintenance or repairs, or for providing security services, which are typically sub-contracted with another third-party firm.

The manager typically receives a base monthly fee for the management services provided and may receive additional fees for ancillary services such as, accounting or consulting. The manager could also negotiate a percentage of the system's annual revenue or net income above a base amount or threshold as an incentive to ensure best practices are adhered to when managing the city's parking system.

Under a typical management agreement, the owner is responsible for the minimum management fee and operating expenses including, but not limited to:

- Salaries and Wages for any assigned personnel;
- Payroll taxes and fringe benefits;
- Utilities;
- Real estate taxes;
- License and permit fees;
- Insurance coverage's;
- Accounts receivable, payable and credit card processing fees;
- Structural maintenance;
- Capital improvements.

The typical management agreement is for a term ranging from one to five years with renewable options and cancellation rights for both the owner and operator for cause. Some agreements are cancellable at the owner's discretion without cause, provided sufficient notice is given (typically 30 to 90 days) to the third-party manager.

LEASE AGREEMENT

In contrast to management agreements, lease arrangement terms typically range from three to ten years, with a renewal term, and provide for a contractually established annual or monthly payment (rent) to the city or facility owner regardless of the operating earnings generated from the parking entity(s). The rent structure is generally comprised of a flat annual amount, a percentage of the gross revenues, or a combination of both. Under a lease agreement, the company (lessee) is responsible for all facets of the parking operations, including, but not limited to:

- Salaries and wages;
- Fringe benefits and payroll taxes;
- Insurance;
- Utilities;
- Routine maintenance;
- All other direct operating expenses.

In turn, the city (lessor) is typically responsible for the following:

- Major maintenance repairs;
- Structural repairs to buildings;
- Real estate taxes;
- Any other capital expenditures.

Leased facilities require a longer commitment and a larger capital investment by the third-party manager, but can provide a more stable source of revenue and a greater opportunity for long term revenue growth, as the operator typically would like to earn greater compensation for their efforts, since they are accepting much greater risk under a lease agreement. Conversely, under a lease agreement the City has limited recourse other than legal action to nullify the arrangements should the third-party manager violate the terms of the agreement.

It should also be noted that over 90% of the agreements negotiated by cities with third-party parking operators result in the city choosing a management agreement over a lease, as management agreements typically contain language that will allow the city to terminate the agreement without cause, provided sufficient notice is given to the third-party operator.

WILL THIRD-PARTY MANAGEMENT REDUCE COSTS?

The Village of Oak Park currently manages the parking system and wanted us to investigate whether employing a third-party parking operator to take over that role would make the operation more economically efficient. To that end, Walker evaluated the parking related expenses required to manage the Village's parking system earlier in this section and compared them to our data base of private and public parking operations throughout the United States. Direct, apples-to-apples comparisons of the different operations are often difficult as the way in which parking operators categorize expenses varies significantly.

Employees of the Oak Park system are unionized and as a result labor costs for operating the parking system could be relatively high compared to the private sector when you factor in the cost of the union's wage rates and fringe benefit package. If a third-party operator were to take over management of the Oak Park system, would the operator have to grandfather in some or the entire existing workforce and at the same time, also keep the workforce in the union? If true, this would make it nearly impossible to reduce the labor costs associated with the union employees. At the same time, if allowed to operate in Oak Park without the employees being in the union, the total labor costs for cashiers, attendants, clerical and facility managers could possibly be reduced.

Overall, except for the issue with the union employee's salary and benefit packages, the Village's limited expenses that were reviewed appear to be in line with what we typically see in audits performed throughout the industry.

Discussions of the potential savings related to a private company managing the parking system often focus on the cost of administering the system and the City may realize some savings resulting from a reduced role in administering parking. However, the Village will still pay for the administration of the parking system in the form of a management fee, which could range from \$50,000 to \$150,000, as any parking company will expect to make a profit on the management and administration services provided to operate the system. In addition, the Village would still need to maintain some staff to oversee the parking operator to ensure good customer service and accurate financial reporting throughout the term of a management or lease agreement and as a result, the administrative savings may not be as great as many people imagine.

Cities that use third-party parking operators under the terms of a management or lease agreement tend to do so because the operators provide them with more flexibility in their labor practices. Having all of the parking

system staff members as city employees presents significant human resource challenges, particularly when it comes to hiring or firing practices. Third-party management offers advantages in this area with the trade-off being a reduction in the city's control over the parking operation.

Whether or not to utilize a third-party operator depends on how important direct control of the parking system is to the City and the confidence the City has in the third-party operator's ability to understand and carry out the City's wishes regarding the overall management of their parking system.

REQUEST FOR PROPOSAL (RFP)

Finally, to best assess the potential impact of third-party management, the Village could solicit proposals through a request for proposal (RFP) process. The Village would issue an RFP to all qualified parking operators that serve the city's surrounding communities, and the RFP would contain language that requested proposals to either manage or lease the Oak Park system, while at the same time, did not obligate the Village to award an agreement. The Village would provide the operators with the historical revenue and expenses associated with the Village's management of the parking system for use in preparing responses to the RFP. The RFP response would require the operators to provide both their best estimate of operating expenses and management fee to manage the system and also outline the terms of their best offer to lease the system from the Village.

Upon receipt of the operator's submittals, the Village would evaluate the proposed benefits of the management or lease proposals against the historical financial results of the city operated parking system. Based upon the results of the review process, the Village would determine whether the benefits of privatization were worth exploring and whether it made sense to take the next step of interviewing a short-list of qualified operators to hear their oral presentation on their qualifications and future plans to operate and improve the Oak Park system.

CONCLUSION

We emphasize that the parking system in Oak Park would be managed more efficiently and accommodate more drivers, if a parking management plan that reduced the concentration of demand were implemented. Without a parking plan it is unlikely the on-street spaces and off-street parking lots and parking structures would be more efficiently utilized by drivers visiting Oak Park. Based upon the findings discussed in this report, we recommend the following regarding managing and pricing for the Oak Park parking system:

- Create a tiered system of meter rates in which the most popular on and off-street locations for parking (higher demand area) are priced at the highest hourly rates to encourage the most turnover. Locations that experience less demand for parking (mid demand area), such as the on and off-street spaces east of Kenilworth near Oak Park Avenue, should be priced lower and the areas of least demand (low demand area) should be priced the lowest. Parking within each of the demand areas on the street and in the off-street structures and lots would be priced accordingly. Parking rates should ideally be set so as to maintain a roughly 85% to 90% occupancy rates for the on-street parking spaces. The revenue change associated to the proposed meter rates is projected to be approximately \$100,000 annually.
- In conjunction with the proposed tiered system of meter rates, the Village should consider the installation of multi-space meters that can accept coins, bills, credit cards and perhaps a local city cash key or card, for the convenience of residents and frequent visitors to the area. If multi-space

meters are installed, the projected meter revenue increase could be understated, as with multi-spaces meters the time purchased remains on the parking ticket issued by the meter and departs with the vehicle leaving the metered space, unlike traditional single-space meters, where the time purchased remains on the meter and is often used by the next customer utilizing the metered space.

- The projected cost for consideration should the Village choose to replace approximately 120 single-head meters located in the proposed higher demand area with six multi-space pay-and-display meters, is projected to be approximately \$72,000 to 90,000.
- Consider the installation of PARCS equipment in the OPRFHS structure to enhance access control and the collection of transient revenue. In conjunction with the installation of the PARCS, relocate the existing multi-spaces meters within the newly created higher demand area of the Village. The estimated cost to install the PARCS equipment is \$115,000.
- Consider one of three rate change scenarios proposed for transient parking in the Village structures (Option One, Option Two and Option Three) that project revenue by rate category utilizing duration of stay information provided by the Village. The proposed rate structures all offer customers free parking ranging from one hour to one half hour in duration. This is less than the existing rate structure, which provides two hours of free transient parking.
- The impact of implementing the proposed rate changes assuming similar demand and the same five-day per week operation as today, is projected to range from an increase of approximately \$191,000 utilizing Option One, \$350,000 from Option Two and \$537,000 annually, if the Option Three model is implemented by the Village.
- Consider implementing paid parking in the structures on a six-day per week basis. The impact of implementing paid parking on Saturdays (Saturdays are free today), is projected to range from an annual increase of approximately \$340,000 utilizing Option One, \$535,000 from Option Two and \$764,000 annually, if the Option Three model is implemented by the Village.
- Consider developing an employee debit-card program to replace the existing employee parking program. The new program would offer a 100% mark-up to employers that purchase debit cards for their employees, and the employee parking would be accommodated in the Village parking structures.
- RFID tags could be used to manage the employee program, as well as the on-street and off-street permit program. If implemented, the change would necessitate replacing the existing access control readers used in the Village parking structures. The projected cost for consideration by the Village to replace the readers is approximately \$5,000 per reader and RFID tags are projected to cost \$12 per tag compared to the \$25 to \$30 paid today for the transponders used to access the parking structures.
- In conjunction with implementing RFID tags, the Village could purchase hand-held scanners, which in conjunction with the RFID tags would provide an enforcement component not in place today. Parking enforcement personnel would use the hand-held scanners to enforce where employees parked within the parking structures (upper levels) and to verify the validity of all on-street permits throughout the system. The projected cost to purchase the hand-held units is \$5,000 for each hand-held scanner.
- Consider the proposed permit meter rate increase that would result in approximately \$66,000 in additional projected revenue from annual permit sales. If implemented, the cost for permit parking would range from \$1.00 to \$1.83 per day, based upon a quarter consisting of ninety calendar days.

- To enhance the management of the permit process, consider implementing an on-line permit sales program in conjunction with replacing the existing permits (decals) with RFID windshield tags. On-line permit sales and RFID tags could provide economic benefits to the Village by streamlining a process that is predominantly manual today.
- Permit sales and reconciliation would be enhanced and the fact that RFID tags would not have to be reissued each quarter should provide an economic benefit to the Village. On-line sales would create a live database that could be uploaded daily to the hand-held scanners used by enforcement personnel to verify permit validity in the field. This is possible since the permit information is kept within the system, which identifies the RFID tag and not on a manually issued permit.
- The Village should compare the current cost for permit printing to the projected cost for RFID tags (\$12/tag) to determine the projected annual savings that could be realized from a permanent tag compared to a disposable permit that must be replaced every quarter.
- Implementing any proposed changes to the rate structure could impact some retail customers and if a pronounced negative impact occurs, the Village may want to consider implementing a retail validation program that could be structured to offer time, fee and/or percentage discounts for parking in the Village structures.
- Before implementing a retail validation program, we recommend the Village's parking department conduct a cost benefit analysis and a complete review of other successful retail validation programs (i.e. 900 North Michigan & Water Tower Place in Chicago, IL) to determine the most cost effective and best practice methodologies to use when implementing the program.
- Consider implementing a planned maintenance program in the Village parking structures that would entail an annual condition assessment of each structure and the creation of an annual reserve fund that would be used for future structural repairs to maintain the parking structures. To ensure the reserved fund is properly funded, the Village would pledge \$30 to \$90 per space annually for each parking structure included in the planned maintenance program.
- Review the section on privatization and third-party management for content and determine whether the Village parking system would benefit from either privatization or third-party management.



APPENDIX

VILLAGE OF OAK PARK

PARKING STUDY & RATE ANALYSIS



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Actual 2007 Transient Revenue

Holley Court Garage - Current Rates				
Category	Rate	Annual	% of Total	Revenue
< 2 hours	\$0.00	66,708	55.6%	\$ -
> 2 to 2½	\$0.50	19,536	16.3%	9,768
> 2½ to 3	\$2.00	10,322	8.6%	20,644
> 3 to 3½	\$2.50	5,475	4.6%	13,688
> 3½ to 4	\$3.00	3,650	3.0%	10,950
> 4 to 5	\$5.00	3,789	3.2%	18,945
> 5 to 6	\$7.00	2,037	1.7%	14,259
> 6 to 10	\$9.00	6,902	5.8%	62,118
> 10 to 24	\$12.00	1,481	1.2%	17,772
Total - 5 Days/Week	\$1.40	119,900	100.0%	\$ 168,144

Avenue Garage - Current Rates ¹				
Category	Rate	Annual	% of Total	Revenue
< 1½ hours	\$0.00	38,994	45.5%	\$ -
> 1½ to 2	\$1.00	12,341	14.4%	12,341
> 2 to 3	\$2.00	10,455	12.2%	20,911
> 3 to 4	\$3.00	5,656	6.6%	16,969
> 4 to 5	\$5.00	3,685	4.3%	18,426
> 5 to 6	\$6.00	2,914	3.4%	17,483
> 6 to 8	\$7.00	4,456	5.2%	31,195
> 8 to 12	\$12.00	6,513	7.6%	78,158
> 12 to 24	\$20.00	686	0.8%	13,712
Total - 5 Days/Week	\$2.44	85,700	100.0%	\$ 209,194

Lake/Forest Garage - Current Rates				
Category	Rate	Annual	% of Total	Revenue
< 2 hours	\$0.00	40,858	59.3%	\$ -
> 2 to 2½	\$0.50	8,957	13.0%	4,479
> 2½ to 3	\$2.00	5,719	8.3%	11,437
> 3 to 3½	\$2.50	2,825	4.1%	7,062
> 3½ to 4	\$3.00	1,723	2.5%	5,168
> 4 to 5	\$5.00	1,998	2.9%	9,991
> 5 to 6	\$7.00	1,171	1.7%	8,199
> 6 to 10	\$9.00	4,823	7.0%	43,407
> 10 to 24	\$12.00	827	1.2%	9,922
Total - 5 Days/Week	\$1.45	68,900	100.0%	\$ 99,664

Holley Court & Lake/Forest Garage - Combined - Current Rates ²				
Category	Rate	Annual	% of Total	Revenue
< 2 hours	\$0.00	107,566	57.0%	\$ -
> 2 to 2½	\$0.50	28,493	15.1%	14,247
> 2½ to 3	\$2.00	16,041	8.5%	32,081
> 3 to 3½	\$2.50	8,300	4.4%	20,750
> 3½ to 4	\$3.00	5,373	2.8%	16,118
> 4 to 5	\$5.00	5,787	3.1%	28,936
> 5 to 6	\$7.00	3,208	1.7%	22,458
> 6 to 10	\$9.00	11,725	6.2%	105,525
> 10 to 24	\$12.00	2,308	1.2%	27,694
Total - 5 Days/Week	\$1.42	188,800	100.0%	\$ 267,807

Source: Village of Oak Park

VILLAGE OF OAK PARK

PARKING STUDY & RATE ANALYSIS

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Projected Transient Revenue – Option One Proposal

Holley Court Garage - Option 1				
Category	Rate	Annual	% of Total	Revenue
< 1 hour	\$0.00	29,793	24.8%	\$ -
> 1 to 1½	\$1.00	19,052	15.9%	19,052
> 1½ to 2	\$1.50	17,863	14.9%	26,795
> 2 to 2½	\$2.00	19,536	16.3%	39,072
> 2½ to 3	\$3.00	10,322	8.6%	30,966
> 3 to 3½	\$4.00	5,475	4.6%	21,900
> 3½ to 4	\$5.00	3,650	3.0%	18,250
> 4 to 10	\$8.00	12,728	10.6%	101,824
> 10 to 24	\$10.00	1,481	1.2%	14,810
Total - 5 Days/Week		119,900	100.0%	\$ 272,669
Average Ticket	\$2.27			
Add Saturday		30,000		68,224
Total - 6 Day/Week		149,900		\$ 340,892

Avenue Garage - Option 1				
Category	Rate	Annual	% of Total	Revenue
< 1 hour	\$0.00	20,482	23.9%	\$ -
> 1 to 1½	\$1.00	18,426	21.5%	18,426
> 1½ to 2	\$1.50	12,427	14.5%	18,640
> 2 to 2½	\$2.00	6,428	7.5%	12,855
> 2½ to 3	\$3.00	4,028	4.7%	12,084
> 3 to 3½	\$4.00	3,342	3.9%	13,369
> 3½ to 4	\$5.00	2,228	2.6%	11,141
> 4 to 10	\$8.00	15,340	17.9%	122,722
> 10 to 24	\$10.00	3,000	3.5%	29,995
Total - 5 Days/Week		85,700	100.0%	\$ 239,232
Average Ticket	\$2.79			
Add Saturday		17,900		49,968
Total - 6 Day/Week		103,600		\$ 289,199

Lake/Forest Garage - Option 1				
Category	Rate	Annual	% of Total	Revenue
< 1 hour	\$0.00	16,743	24.3%	\$ -
> 1 to 1½	\$1.00	13,780	20.0%	13,780
> 1½ to 2	\$1.50	10,335	15.0%	15,503
> 2 to 2½	\$2.00	8,957	13.0%	17,914
> 2½ to 3	\$3.00	5,719	8.3%	17,156
> 3 to 3½	\$4.00	2,825	4.1%	11,300
> 3½ to 4	\$5.00	1,723	2.5%	8,613
> 4 to 10	\$8.00	7,992	11.6%	63,939
> 10 to 24	\$10.00	827	1.2%	8,268
Total - 5 Days/Week		68,900	100.0%	\$ 156,472
Average Ticket	\$2.27			
Add Saturday		13,800		31,340
Total - 6 Day/Week		82,700		\$ 187,812

Consolidated Garages - Option 1				
Category	Rate	Annual	% of Total	Revenue
< 1 hour	\$0.00	67,018	24.4%	\$ -
> 1 to 1½	\$1.00	51,258	18.7%	51,258
> 1½ to 2	\$1.50	40,625	14.8%	60,937
> 2 to 2½	\$2.00	34,921	12.7%	69,841
> 2½ to 3	\$3.00	20,069	7.3%	60,206
> 3 to 3½	\$4.00	11,642	4.2%	46,569
> 3½ to 4	\$5.00	7,601	2.8%	38,004
> 4 to 10	\$8.00	36,061	13.1%	288,486
> 10 to 24	\$10.00	5,307	1.9%	53,073
Total - 5 Days/Week		274,500	100.0%	\$ 668,372
Average Ticket	\$2.43			
Add Saturday		61,700		149,532
Total - 6 Day/Week		336,200		\$ 817,904

Source: Walker Parking Consultants

VILLAGE OF OAK PARK

PARKING STUDY & RATE ANALYSIS



APRIL 2008 – FINAL

PROJECT #31-6869.00

Projected Transient Revenue – Option Two Proposal

Holley Court Garage - Option 2				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	13,682	11.4%	\$ -
> ½ to 1	\$1.00	16,111	13.4%	16,111
> 1 to 1½	\$1.50	19,052	15.9%	28,578
> 1½ to 2	\$2.00	17,863	14.9%	35,726
> 2 to 2½	\$3.00	19,536	16.3%	58,608
> 2½ to 3	\$4.00	10,322	8.6%	41,288
> 3 to 3½	\$5.00	5,475	4.6%	27,375
> 3½ to 4	\$6.00	3,650	3.0%	21,900
> 4 to 10	\$8.00	12,728	10.6%	101,824
> 10 to 24	\$10.00	1,481	1.2%	14,810
Total - 5 Days/Week		119,900	100.0%	\$ 346,220
Average Ticket	\$ 2.89			
Add Saturday		30,000		86,627
Total - 6 Day/Week		149,900		\$ 432,847

Avenue Garage - Option 2				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	7,970	9.3%	\$ -
> ½ to 1	\$1.00	12,512	14.6%	12,512
> 1 to 1½	\$1.50	18,426	21.5%	27,638
> 1½ to 2	\$2.00	12,427	14.5%	24,853
> 2 to 2½	\$3.00	6,428	7.5%	19,283
> 2½ to 3	\$4.00	4,028	4.7%	16,112
> 3 to 3½	\$5.00	3,342	3.9%	16,712
> 3½ to 4	\$6.00	2,228	2.6%	13,369
> 4 to 10	\$8.00	15,340	17.9%	122,722
> 10 to 24	\$10.00	3,000	3.5%	29,995
Total - 5 Days/Week		85,700	100.0%	\$ 283,196
Average Ticket	\$ 3.30			
Add Saturday		17,900		59,151
Total - 6 Day/Week		103,600		\$ 342,346

Lake/Forest Garage - Option 2				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	6,890	10.0%	\$ -
> ½ to 1	\$1.00	9,853	14.3%	9,853
> 1 to 1½	\$1.50	13,780	20.0%	20,670
> 1½ to 2	\$2.00	10,335	15.0%	20,670
> 2 to 2½	\$3.00	8,957	13.0%	26,871
> 2½ to 3	\$4.00	5,719	8.3%	22,875
> 3 to 3½	\$5.00	2,825	4.1%	14,125
> 3½ to 4	\$6.00	1,723	2.5%	10,335
> 4 to 10	\$8.00	7,992	11.6%	63,939
> 10 to 24	\$10.00	827	1.2%	8,268
Total - 5 Days/Week		68,900	100.0%	\$ 197,605
Average Ticket	\$ 2.87			
Add Saturday		13,800		39,578
Total - 6 Day/Week		82,700		\$ 237,184

Consolidated Garages - Option 2				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	28,542	10.4%	\$ -
> ½ to 1	\$1.00	38,476	14.0%	38,476
> 1 to 1½	\$1.50	51,258	18.7%	76,886
> 1½ to 2	\$2.00	40,625	14.8%	81,249
> 2 to 2½	\$3.00	34,921	12.7%	104,762
> 2½ to 3	\$4.00	20,069	7.3%	80,274
> 3 to 3½	\$5.00	11,642	4.2%	58,211
> 3½ to 4	\$6.00	7,601	2.8%	45,604
> 4 to 10	\$8.00	36,061	13.1%	288,486
> 10 to 24	\$10.00	5,307	1.9%	53,073
Total - 5 Days/Week		274,500		\$ 827,021
Average Ticket	\$3.01			
Add Saturday		61,700		185,356
Total - 6 Day/Week		336,200		\$ 1,012,377

Source: Walker Parking Consultants

VILLAGE OF OAK PARK

PARKING STUDY & RATE ANALYSIS



APRIL 2008 – FINAL

PROJECT #31-6869.00

Projected Transient Revenue – Option Three Proposal

Holley Court Garage - Option 3				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	13,682	11.4%	\$ -
> ½ to 1	\$1.00	16,111	13.4%	16,111
> 1 to 1½	\$2.00	19,052	15.9%	38,104
> 1½ to 2	\$3.00	17,863	14.9%	53,589
> 2 to 2½	\$4.00	19,536	16.3%	78,144
> 2½ to 3	\$5.00	10,322	8.6%	51,610
> 3 to 3½	\$6.00	5,475	4.6%	32,850
> 3½ to 4	\$7.00	3,650	3.0%	25,550
> 4 to 10	\$9.00	12,728	10.6%	114,552
> 10 to 24	\$12.00	1,481	1.2%	17,772
Total - 5 Days/Week		119,900	100.0%	\$ 428,282
Average Ticket	\$ 3.57			
Add Saturday		30,000		107,160
Total - 6 Day/Week		149,900		\$ 535,442

Avenue Garage - Option 3				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	7,970	9.3%	\$ -
> ½ to 1	\$1.00	12,512	14.6%	12,512
> 1 to 1½	\$2.00	18,426	21.5%	36,851
> 1½ to 2	\$3.00	12,427	14.5%	37,280
> 2 to 2½	\$4.00	6,428	7.5%	25,710
> 2½ to 3	\$5.00	4,028	4.7%	20,140
> 3 to 3½	\$6.00	3,342	3.9%	20,054
> 3½ to 4	\$7.00	2,228	2.6%	15,597
> 4 to 10	\$9.00	15,340	17.9%	138,063
> 10 to 24	\$12.00	3,000	3.5%	35,994
Total - 5 Days/Week		85,700	100.0%	\$ 342,200
Average Ticket	\$ 3.99			
Add Saturday		17,900		71,475
Total - 6 Day/Week		103,600		\$ 413,675

Lake/Forest Garage - Option 3				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	6,890	10.0%	\$ -
> ½ to 1	\$1.00	9,853	14.3%	9,853
> 1 to 1½	\$2.00	13,780	20.0%	27,560
> 1½ to 2	\$3.00	10,335	15.0%	31,005
> 2 to 2½	\$4.00	8,957	13.0%	35,828
> 2½ to 3	\$5.00	5,719	8.3%	28,594
> 3 to 3½	\$6.00	2,825	4.1%	16,949
> 3½ to 4	\$7.00	1,723	2.5%	12,058
> 4 to 10	\$9.00	7,992	11.6%	71,932
> 10 to 24	\$12.00	827	1.2%	9,922
Total - 5 Days/Week		68,900	100.0%	\$ 243,699
Average Ticket	\$ 3.54			
Add Saturday		13,800		48,811
Total - 6 Day/Week		82,700		\$ 292,510

Consolidated Garages - Option 3				
Category	Rate	Annual	% of Total	Revenue
< ½ hour	\$0.00	28,542	10.4%	\$ -
> ½ to 1	\$1.00	38,476	14.0%	38,476
> 1 to 1½	\$2.00	51,258	18.7%	102,515
> 1½ to 2	\$3.00	40,625	14.8%	121,874
> 2 to 2½	\$4.00	34,921	12.7%	139,682
> 2½ to 3	\$5.00	20,069	7.3%	100,343
> 3 to 3½	\$6.00	11,642	4.2%	69,853
> 3½ to 4	\$7.00	7,601	2.8%	53,205
> 4 to 10	\$9.00	36,061	13.1%	324,546
> 10 to 24	\$12.00	5,307	1.9%	63,688
Total - 5 Days/Week		274,500		\$ 1,014,181
Average Ticket	\$3.69			
Add Saturday		61,700		227,445
Total - 6 Day/Week		336,200		\$ 1,241,626

Source: Walker Parking Consultants