



Agenda Item Summary

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Submitted By

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Agenda Item Title

Presentation on Parking Fund Revenue Increases

Overview

As part of the 2018 Budget Process, the Board has been reviewing the parking fund revenues. On October 23, 2017, staff presented several options. The Board was able to come to consensus on the addition of \$5 per quarter to the permit fees. The Village Ordinance increasing permit fees was adopted on November 20, 2017 and will result in an increase in revenues by \$105,350. The remainder of the revenue proposals will be reviewed during this presentation.

Anticipated Future Actions/Commitments

Once the Village Board provides direction on the revenues, ordinances implementing the changes will be presented. The following options (Exhibit 1) are available to the Board:

1. Charge after 60 minutes in Holley Court and Lake and Forest Garages which will generate approximately \$334,236 in additional revenue
2. Charge for the first hour Monday through Saturday at all three garages which will generate approximately \$175,051 in additional revenue
3. Charge for parking in all three garages on Sundays which will generate approximately \$361,453 in additional revenue
4. Charge \$1 per hour for all meters 8am until 6pm which will generate approximately \$329,184 in additional revenue
5. Charge 6pm until 10pm Monday through Saturday at all meters which will generate approximately \$628,301 in additional revenue
6. Charge for parking on Sunday at the meters until 10pm which will generate approximately \$397,052

Variations on these options are also possible and are outlined in the report below and attachments.

Report

GARAGES

Fiscal Impact

The proposal of eliminating a half hour of free parking (Exhibit 2) will generate an annual increase of \$338,654 (prior to subtracting the various subsidies: Employee Discount Cards, Large Employee and Boutique Hotel validation programs, free Sundays and holidays, etc.). The spreadsheet, Exhibit #3 - Garage Revenue Alternatives, includes various rate alternatives, changes in duration of usage rates, and revenue calculations. Staff proposes a change in paid time: from (0 -1.5 hours free) to (0-1 hour free); 1-2 hours at \$2.00; 2-3 hours at \$3.00 continuing up to 10 hours. No changes are proposed to the Oak Park/River Forest High School Garage however staff would request a future discussion with the Board regarding the structure's purchase. Staff would

propose a January 2018 implementation increase date.

Background

Staff conducted a review of the utilization, expenses and revenues associated with the Avenue, Holley Court, and Lake & Forest Garages. This proposed rate will help convey a consistent message that all Village garage parking is \$1 per hour for short term customers. However the one exception is the rate reductions for customers after a 10 hour duration (10-24 hours would be \$16). In 2016, Staff made changes to assist the business community during construction however; we now have sufficient garage space. Additionally, Downtown Oak Park (DTOP) suggested to the Village Board that the change of garage hours to 1.5 be a temporary solution with a return to the shorter time after construction

METERS

Fiscal Impact

The increased meter rate proposal (Exhibits 3 and 4) will generate an estimated annual increase of \$718,344. The increased meter rate of \$1 per hour for all meters will generate an annual \$329,184; a two (2) hour paid time extension would generate \$314,150; and the Credit Card minimum charge will generate \$75,000. Staff would propose an ordinance which staggered implementation dates of the new meter rates.

Background

The Village of Oak Park has 1,515 meters of which 510 are in a High Demand , 670 are Outside High Demand, 300 are in the Commuter categories and 35 are Red Top (a 15 min max.). This proposal will help convey a consistence message that Village meter parking is \$1 per hour. The first proposal is a \$.25 per hour meter increase in the "Outside High Demand" meter rate (from \$.75 per hour to \$1.00 per hour); and a \$.50 per hour meter increase in the "Commuter" rates (from \$.50 per hour to \$1.00 per hour).

The proposal extends the meter paid time by two (2) metered hours per day (from 8am through 6pm to 8am through 8pm). The rates for meter were last increased in October 2008.

Each hour of extended time metered parking at the proposed rate will generate an additional \$157,075 in annual revenue. Alternatives include rate alternatives associated with duration of usage, projections for extensions in one (1) hour increments and projected revenue calculations up to 12am. Additionally, staff calculated the projected revenue generated if meter rates were required on Sunday from 8am to 8pm at the proposed hourly rate.

Additionally, staff proposes that all credit card meter transactions be a minimum of one (1) hour. We currently pay \$75,000 in annual administrative costs plus \$.30 per transaction. (Exhibit 5)

Alternatives

Alternatives were presented in the report.