

Parking Improvement Districts for Chicago

An innovative proposal to manage the local parking inventory, generate revenue, and finance community improvements

Typical conditions in neighborhood shopping areas:

- Residents, customers and businesses perceive a 'parking problem'
- Little turnover in spaces



Existing conditions *(continued)*:

- No rationale for the current rate structure
- Curb side metered spaces in the center of the shopping district are often priced at .25 an hour
- Off-street lots (less convenient) are often priced at a lower rate
- Existing rates do not reflect the convenience of curbside parking.

Existing conditions *(continued)*:

- There are peak times when existing parking options are insufficient.



A new parking paradigm has emerged that emphasizes management and market solutions to address local parking problems.

(*Parking Management Best Practices*, Todd Litman, 2006 and *The High Cost of Free Parking*, Donald Shoup, 2006)

What are some of these management solutions?

- Establishing a Parking Improvement District (PID)
- Shared parking
- Regulating time intervals and pricing curbside spaces at a level that discourages meter feeding and all-day parking.
- There are many options for a community to consider. No single strategy will solve all problems. It is best to consider solutions as part of an overall parking management plan.

What is a Parking Improvement District (PID)?

- PIDs are a tool that help a community manage the metered parking inventory,
- And, generate revenues to support local improvement programs and services.

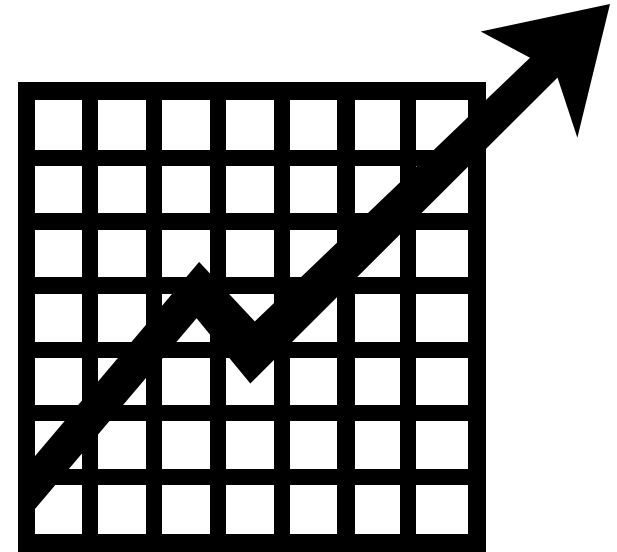


How does a PID help manage parking?

- Parking experts recommend that charging the 'right price' will lead to an 85% occupancy rate.
- The 'right price' should be high enough to lead to a shift in meter usage, transportation modes and destinations.

If parking rates go up, will businesses loose customers?

- Experiences around the country have demonstrated that an increase in parking rates alone, does not negatively impact sales.
- In fact when Pasadena, CA installed meters, as part of a commercial revitalization plan, retail sales increased dramatically.
- In Hyde Park, the metered City of Chicago lot remained full even when rates were raised to a \$1.00 an hour.



Are there any PIDs in existence?

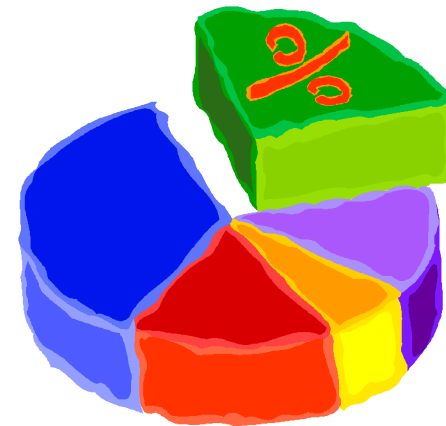


Uptown Partnership, Inc.
Turning Small Change into Big Changes

- Yes. PIDs are utilized in several cities throughout the country, including: San Diego, CA Pasadena, CA, Portland, OR, Redwood City, CA and Austin, TX
- San Diego's program includes a district for the downtown area as well as several neighborhoods. In FY-05 the neighborhood districts generated between \$23,000 to \$1,770,000 each.

The distinguishing feature of a PID is revenue sharing which facilitates both community and political support.

- Parking revenues earned by the City from the meters, within the district, are *shared* between the municipality and the local community.



Communities have used meter revenues to support:

- Parking facilities and improvements
- Improved access & circulation
- Pedestrian mobility and safety
- Marketing materials promoting alternative modes of transportation.



Meter revenues can support:

- Sanitation services
- Beautification programs



How do you create a PID?

- In response to a local initiative, the City establishes a PID within a defined geographic area similar to the way the City currently establishes a TIF or an SSA.



How do you manage a PID?

- A PID is governed by a Commission appointed by the City, similar to the management of Special Service Areas (SSAs)
- The Commission develops programs and policy for the use of the PID funds
- The Commission annually contracts with a “service provider” such as a local community organization to implement the programs.



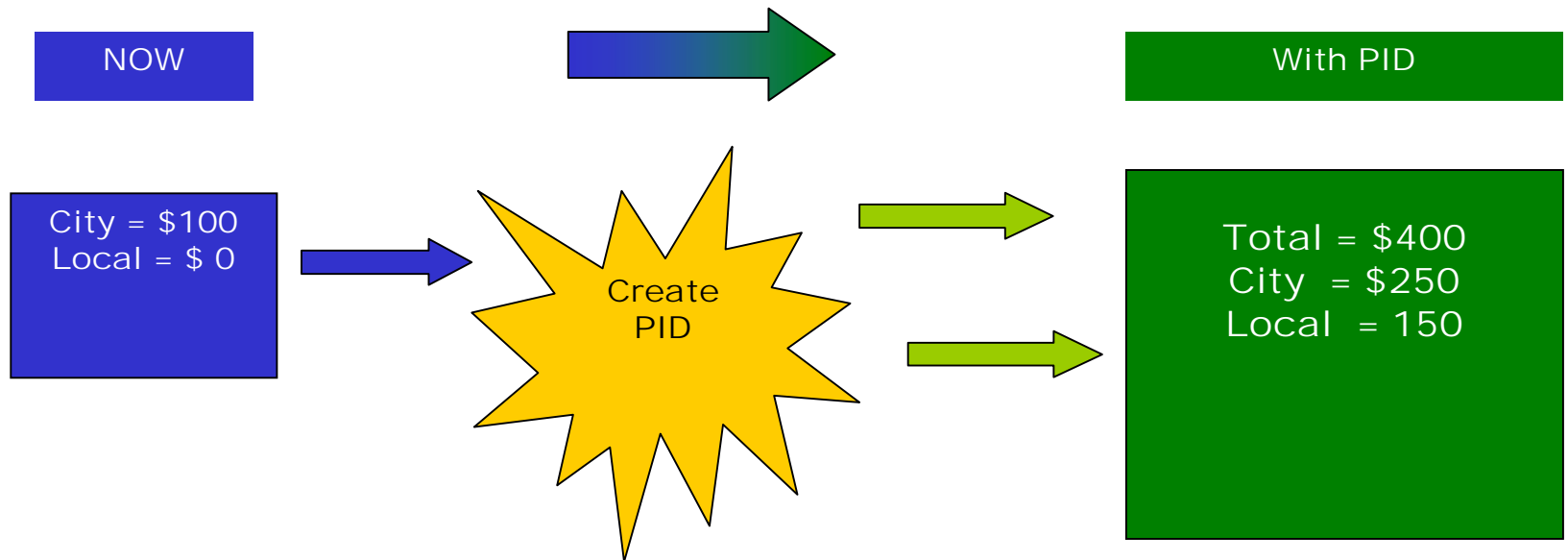
How do these districts work?

- Each PID develops and submits an annual budget and plan for the upcoming year to the relevant departments and City Council for review and approval. Again, similar to the SSA process.
- This annual plan would outline the proposed budget, community process and improvements or projects for the coming year.

What is the impact of PIDs?

- *With an increase in curbside parking rates, significant new revenue can be generated for both the city and the local community – without a tax increase.*

Example of impact of PID on Revenue Stream



How does one manage and account for the revenue?

- Establishment of a PID works best with multi-space Pay & Display meters.
- P & D equipment maximizes customer convenience, leads to an increase in the number of curbside spaces and facilitates proper management and accountability of revenue.



Don't forget

- Enforcement is key.



**It makes *cents* to raise meterd
parking rates.**

Conclusion

- PIDs can help neighborhood business districts address parking issues.
- PIDs can generate new revenue for the City and local communities.
- PIDs create an equitable source of revenue for community improvements.

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Acknowledgements:

***The High Cost of Free Parking*, Donald Shoup**

***Parking Management: Best Practices*, Todd Litman**

Thank You

