

# **A Parking Improvement District for Hyde Park**

---

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

# Existing conditions on 53<sup>rd</sup> Street

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



## **Existing conditions** *(continued)*:

- No rationale for the current rate structure
- The City Lot is priced at a \$1.00 an hour.
- Metered spaces on 53<sup>rd</sup> Street are .25 an hour.
- Existing rates do not reflect the convenience of curbside parking on 53<sup>rd</sup> Street.

# 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.**

**(*The High Cost of Free Parking*, Donald Shoup, 2006)**

# What are some of these management solutions?

- Establishing a Parking Improvement District (PID).
- Regulating time intervals and pricing curb spaces at a level that discourages meter feeding and all-day parking.

# 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.

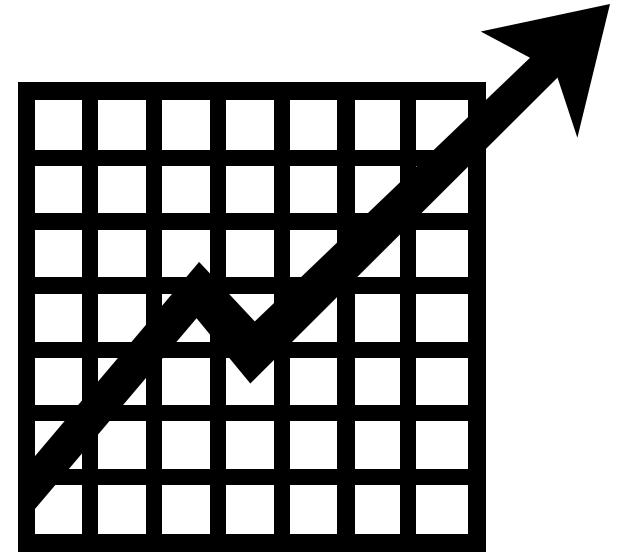
# How will raising the rates create more parking?

- Research shows that increases in curbside meter rates will lead to an increase in the available spaces (Clinch and Kelly, 2004).



# If parking rates go up, will businesses loose customers?

- Experiences around the country have demonstrated that an increase in parking rates alone, not negatively impact sales.
- In fact when Pasadena, CA installed meters, combined with major streetscape improvements, retail sales increased dramatically.
- The City Lot remained full even when rates were raised to a \$1.00 an hour a few years ago.



# Are there any PIDs in existence?

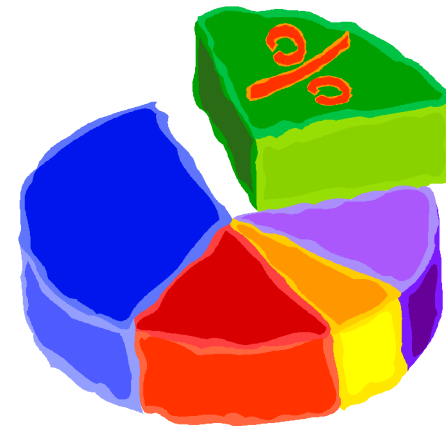


**Uptown Partnership, Inc.**  
Turning Small Change into Big Changes

- 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.

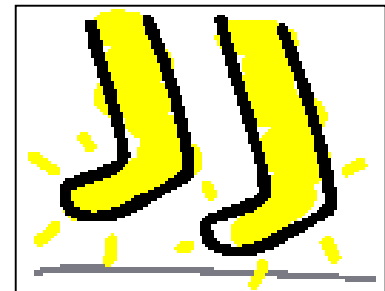
# The distinguishing feature of a PID is revenue sharing which facilitates both community and political support.

- 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
- 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.
- We propose a PID co-terminous with the 53<sup>rd</sup> Street TIF.



# How do you manage a PID?

- A PID is governed by a Commission appointed by the City.
- 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 that outlines the proposed budget, community process and improvements or projects.

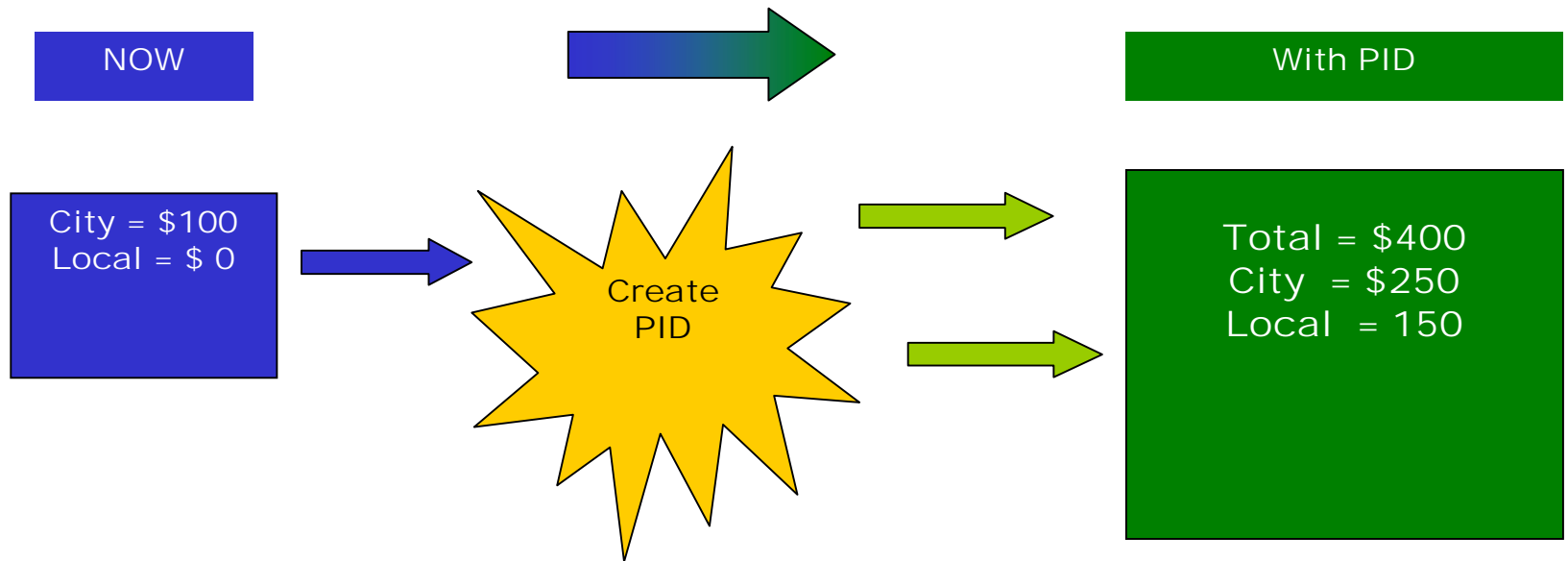
# What is the impact of PIDs?

- *With an increase in curbside parking rates, significant new revenue can be generated for both the city and the local community.*

# What about the revenue that the City currently receives from meters?

- This program is *not* intended to reduce existing revenue streams from meters or enforcement and is implemented in a manner that precludes any reduction of City revenues or services.

# Example of impact of PID on Revenue Stream



# Revenue Projections for PID

| Option   | Metered Spaces | Price/Hour | Hours/Day | Days/Week | Weeks/Yr | Occupancy | Total Revenue       |  |  |
|----------|----------------|------------|-----------|-----------|----------|-----------|---------------------|--|--|
| <b>A</b> | 250            | \$0.25     | 9         | 6         | 52       | 60.00%    | <b>\$105,300.00</b> |  |  |
| <b>B</b> | 250            | \$1.00     | 9         | 6         | 52       | 60.00%    | <b>\$421,200.00</b> |  |  |
| <b>C</b> | 250            | \$1.00     | 9         | 7         | 52       | 60.00%    | <b>\$491,400.00</b> |  |  |
| <b>D</b> | 250            | \$1.00     | 12        | 7         | 52       | 60.00%    | <b>\$655,200.00</b> |  |  |
| <b>E</b> | 250            | \$1.00     | 12        | 7         | 52       | 75.00%    | <b>\$819,000.00</b> |  |  |
| <b>F</b> | 290            | \$1.00     | 12        | 7         | 52       | 75.00%    | <b>\$950,040.00</b> |  |  |

# Revenue Sharing Scenarios

|                         | Revenue Sharing Scenarios |                     |  |  | Percent Split |                     |
|-------------------------|---------------------------|---------------------|--|--|---------------|---------------------|
| <b>Minimum Scenario</b> |                           | \$421,200.00        |  |  |               |                     |
|                         |                           | \$105,300.00        |  |  |               |                     |
| <b>G</b>                |                           | <b>\$315,900.00</b> |  |  |               |                     |
|                         |                           | \$315,900.00        |  |  | 50.00%        | <b>\$157,950.00</b> |
|                         |                           |                     |  |  | 50.00%        | <b>\$157,950.00</b> |
|                         |                           |                     |  |  |               | <b>\$263,250.00</b> |
| <b>Maximum Scenario</b> |                           | \$950,040.00        |  |  |               |                     |
|                         |                           | \$105,300.00        |  |  |               |                     |
| <b>H</b>                |                           | <b>\$844,740.00</b> |  |  |               |                     |
|                         |                           | \$844,740.00        |  |  | 50.00%        | <b>\$422,370.00</b> |
|                         |                           |                     |  |  | 50.00%        | <b>\$422,370.00</b> |
|                         |                           |                     |  |  |               | <b>\$527,600.00</b> |
|                         |                           |                     |  |  |               |                     |
|                         |                           |                     |  |  |               |                     |

# 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.
- Expand duties of City Lot attendant to enforce meter regulations along 53<sup>rd</sup> Street and serve as an information resource and ambassador.



# **A PID makes *cents* in today's competitive urban retail environment:**

- City services can not fully address the needs of our retail districts.
- Local organizations find it increasingly difficult to raise funds to support programs and services as a result decreasing and limited government resources.

# Committee recommendations:



- Develop a parking, mobility and access plan that includes additional parking management recommendations and examines options regarding the location, size and financing of a garage to support significant new development

# Recommendations *(continued)*:

- There are off-street parking lots, like the one at nearby Kenwood Academy, that could be used for monthly parkers and overflow parking during peak demand periods.



# Recommendations:

- Develop a marketing and education program that includes brochures, a web site and maps to provide information about 'getting around Hyde Park'.



# Conclusion

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

# TIF Parking Committee

## Members

**Ilene Jo Reizner, Chair**

**Paul Andreson**

**Mary DeBacker**

**Greg Guttman**

**Roger Huff**

**Paula Jones**

**Gary Ossewaarde**

**Julia Parzen**

**Rod Sawyer**

**Virginia Vaske**

**Special thanks to:**

**Alderman Preckwinkle's Office: Pam Cummings**

**Community Counsel: Irene Sherr**

**Department of Revenue: Robert Banister, Tom Stevens, Turrana Cochran-**

**Persons,**

**Yusef Umar**

**South East Chicago Commission: Robert Mason**

**University of Chicago: Brian Shaw**

**Acknowledgements:**

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

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

# Thank You

