



SCHEDULED

ORDINANCE 6615

DOC ID: 3405

Ordinance No. 6615 -VC, An Ordinance to Amend Chapter Two (Stopping, Standing, Parking) of Title Nine (Traffic) of the Village Code to Modify Fees for Municipal Permit Only Parking Lots.

Background

As part of its strategic plan, the Village has been reviewing current fee structures to determine that the rates charged for Village services are in line with comparable municipalities and commensurate with the cost of providing the service. The Village last did a major update to parking permit fees in 2002, over 16 years ago.

The Village Board discussed parking permit rates at the December 18, 2017, Village Board workshop and instructed staff to continue to pursue increasing the permit rates. Staff has continued to provide information regarding rates as the Board has reviewed funding for the proposed parking garage in the Central Business District (CBD)

Issues

Updated Permit Fees

As noted above, the majority of permit fees were last adjusted in 2002, almost 16 years ago. Staff believes that our fees are out line with the surrounding market for permit parking and that an adjustment is needed. **Exhibit A** outlines some benchmarks for comparable communities. Staff sought pricing for most communities on the Union Pacific (UP) train line. Staff also targeted a few communities off the UP line such as Naperville, Downers Grove, and Lisle which had central business districts near train lines. Each community in the comparison has unique abilities and challenges when it comes to parking. Several communities on this list already have a municipal parking garage or multiple garages.

Staff is recommending raising the rates in 2018 and again in 2020. Raising the rate today would not impact the majority of customers until permit renewal occurs at the end of 2018. The rates for a resident permit in a regular commuter lot would be \$350 per year in 2018 and \$400 per year in 2020. The resident rates for the train lot, our most premium lot, would be \$400 in 2018 and \$500 in 2020. Merchant rates are proposed to be discounted 50% from commuter rates. Non-resident rates are proposed to be 150% of the resident rates. In the plan, the Duane/Lorraine daily fee would be raised to \$2.50 in 2020. **Exhibit B** outlines a 10-year forecast for the Parking Fund given these rates.

This rate adjustment is needed for several reasons. First, the Board has directed staff to continue to move towards constructing a parking garage in the Central Business District. As part of the current funding plan, the Parking Fund needs to contribute \$50,000 per year towards repayment of the debt service of the garage. In order to have this funding available, rates need to be increased. Also, the increased rates are necessary to provide funding for the maintenance of the current lots. In the next

few years, a series of resurfacings of the parking lots will occur. After these resurfacings, the next iteration of maintenance of the lots will call for complete rehabilitation, which is costlier than a simple resurfacing. Working with this information as well as operating costs, staff prepared an attached 10-year forecast for the Parking Fund (**Exhibit B**). Even with increasing rates as proposed by staff in 2018 and 2020 and continuing with CPI increases thereafter, the fund does not have adequate cash levels to pay for all scheduled rehabilitations. However, staff does not recommend prematurely raising rates to a level outside of our market comparisons. Many of the complete rehabilitations are 15 years in the future. While it is prudent to be saving some dollars at this point, it is also not necessary to fund the entire outlook as a forecast is only a guideline and many factors can change within 15 years. As we grow nearer to the rehabilitations, the Village will need to review the scope of the rehabilitation and determine what dollar amounts are needed for an appropriately scoped project. If additional funding is needed, the Village can determine what options are available at that point.

Increasing rates will also help reduce the waiting list for Village parking. The current first available commuter spot is a 3 to 4-year wait. By raising rates to be in line with our market comparisons, there will be those individuals that relinquish their permit. The Cashier's Office regularly hears from individuals that they hold onto their permit for occasional use because the cost is so low. By increasing the price, some of these occasional users may relinquish their permit and allow others to move up on the waiting list. The Village would need to balance the oversold percentages in each lot if the prices were raised. It is possible the number of available permits would need to decrease if those purchasing the permits were more regular users rather than occasional users.

Staff believes the proposed rate increases are in line with the comparable communities without moving to the top end of the comparisons. After the increases are completed in 2020, the Village should again review this analysis to determine if additional changes are necessary.

CPI Increase

Staff is recommending that rates include a CPI or cost of living adjustment each year subsequent to 2020. Staff believes this is a prudent way to manage fees. Fees are increased as inflation or cost of living is increased, which should be relative to the costs that the Village incurs. If this manner is employed, fees will increase gradually each year rather than waiting several years before larger increases are done. This does not remove the necessity to revisit fees every 5 or so years, but it allows the Parking Fund to progress more gradually rather than in big jumps. Staff has proposed language in the ordinance similar to what was included in the building permit ordinance approved a month ago.

Finance Commission Feedback

The Finance Commission reviewed parking rates at its December 8, 2017 meeting and were generally supportive of increasing permit fee rates and in favor of adding a CPI increase to the rate structure.

Strategic Plan Initiative

This item would complete two items in our strategic plan. It would provide a funding source to construct a new parking garage as well as ensure the financial sustainability of the Village.

Strategic Issue I: INFRASTRUCTURE. Invest in infrastructure to meet key needs, including downtown accessibility, Village facilities, streets, utility, and technology improvements.

Strategic Issue IV: FINANCIAL SUSTAINABILITY. Grow revenue and focus spending in line with anticipated resources to meet the highest priority needs and maintain the Village's AAA bond rating.

Budget Impact

The 2018 budget included \$275,000 for annual permit fees. For 2018, revenue would be projected at \$313,000 if this change was made.

Action Requested

Approve the attached ordinance making changes to fees to the municipal permit parking lots.

ORDINANCE NO.6615 - VC

AN ORDINANCE TO AMEND CHAPTER TWO (STOPPING, STANDING, PARKING) OF TITLE NINE (TRAFFIC) OF THE VILLAGE CODE OF GLEN ELLYN, ILLINOIS TO MODIFY FEES IN MUNICIPAL PERMIT ONLY PARKING LOTS

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GLEN ELLYN, DUPAGE COUNTY, ILLINOIS, in the exercise of its home rule powers, as follows:

SECTION ONE: Subsection (E) of Section 9-2-12 is hereby deleted and replaced with the following:

(E) Fees:

1. Annual permits are issued for January 1 to December 31. The annual fee for the issuance of a parking permit shall be as follows:

	<u>Rate Effective July 1, 2018</u>	<u>Rate Effective July 1, 2020</u>
<u>Glen Ellyn residents</u>		
Train Station lot sections A, B, C, D	\$400.00	\$500.00
All other lots	\$350.00	\$400.00
Motorcycle (designated motorcycle parking in Train Station lot sections B & D)	\$100.00	\$125.00
<u>Non-residents</u>		
Train Station lot sections A, B, C, D	\$600.00	\$750.00
All other lots	\$525.00	\$600.00
Motorcycle (designated motorcycle parking in Train Station lot sections B & D)	\$150.00	\$187.50
<u>Central Business District Employees and Business Owners</u>		
Train Station lot sections A, B, C, D	\$200.00	\$250.00
All other lots	\$175.00	\$200.00

2. Proration of Annual Fees: Permits purchased outside of the annual renewal will be

- prorated in whole months. Refunds will be made for unused full months. A \$5.00 processing fee will be deducted from the refund.
3. Beginning July 1, 2022, the Schedule of Fees shall be subject to a biennial increase based the Consumer Price Index (CPI) as defined under section 1-5 of the Property Tax Extension Limitation Law. This represents the applicable December to December change in the national CPI for all urban consumers for all items as published by the United States Department of Labor. The increase shall be equal to the prior two (2) year cumulative increase and all dollar amounts shall be rounded to the nearest five dollars (\$5).

SECTION TWO: Subsection (I) of Section 9-2-12 is hereby deleted and replaced with the following:

- (I) Nontransferability: A permit may be used only by the person to whom it is issued or a member of his family residing in the same household, except a permit issued to an employer within the Village limits may be used only by those employees designated to the Village in writing by the employer. Permits may not be sold, assigned, lent, or otherwise transferred for use by any other person. Any person found to have sold, assigned, lent or otherwise transferred a permit for use by any other person shall be subject to a fine of \$150.00.

SECTION THREE: Subsection (H) of Section 9-2-12 is hereby deleted and replaced with the following:

- (H) Refund: Upon surrender of a parking permit prior to its expiration, a refund will be paid no sooner than ten days after surrender of the permit. A refund will be given for unused full months. A \$5.00 processing fee will be deducted from the refund.

SECTION FOUR: Subsection (Q) of Section 9-2-12 is hereby deleted and replaced with the following:

(Q) Late Fee: A late fee of \$25.00 shall be charged for failure to pay the annual renewal on or before December 31.

SECTION FIVE: Subsection (R) of Section 9-2-12 shall be added as follows:

(R) Relinquishment of Permit: If payment for annual renewal is not received by January 15, the opportunity to obtain a renewal permit is forfeited.

SECTION SIX: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION SEVEN: This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form.

PASSED by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this ____ day of _____, 2018.

AYES:

NAYS:

ABSENT:

APPROVED by the Village President of the Village of Glen Ellyn, Illinois, this ____ day of _____, 2018.

Village President of the Village of

Glen Ellyn, Illinois

ATTEST:

Village Clerk of the Village of Glen Ellyn, Illinois

(Published in pamphlet form and posted on the _____ day of _____, 2018)

ATTACHMENTS:

- Exhibit A - Parking Rate Comparison (PDF)
- Exhibit B - 10 Year Forecast Parking Fund One Garage 2018-06-25 (PDF)