


City of Alexandria, Virginia

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6-22-10

MEMORANDUM

**DATE:** JUNE 17, 2010  
**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
**FROM:** JIM HARTMANN, CITY MANAGER   
**SUBJECT:** ORDINANCE SETTING FEES FOR RESIDENTIAL PARKING PERMITS

**ISSUE:** Fees for residential parking permits.

**RECOMMENDATION:** That City Council adopt the proposed ordinance as proposed with the fees established in the FY 2010 Approved Budget and consider any further changes in residential parking permit fees during the FY 2012 budget deliberations.

**DISCUSSION:** At the June 12 public hearing meeting Council deferred final action on the ordinance to increase residential parking permit fees in order to provide staff time to prepare possible options for maintaining current fees for the first vehicle and increasing fees for subsequent vehicles. Below are some revenue neutral options for residential parking permits that would not double the fee for the first vehicle.

For fiscal year 2010 City has issued approximately 9,580 residential parking permits, representing about 8,250 households. The \$15 fee increase for the first permit per household (the 8,250 permits) represents approximately \$120,000 in revenue. This fee has not increased since 1998.

Since more than 75 percent of the revenue increase included in the FY 2011 Approved Budget for neighborhood permits is for the first vehicle in each household, a revenue neutral proposal has to increase revenue by about \$120,000 among the remaining 1,400 vehicles. Of these 1,400 vehicles, 1,245 represent the second vehicle in a household.

The table below includes several "revenue neutral" options for eliminating or reducing the proposed \$30 fee increase for the first vehicle. The table also includes the per vehicle fees for Arlington; the Arlington fee structure would not be revenue neutral for Alexandria.

Parking District Fees and Revenue Neutral Options

	Current Fee	FY 2011 Adopted Budget	Revenue Neutral Options				Arlington
			Option 1	Option 2	Option 3	Option 4	
First vehicle	\$ 15	\$ 30	\$ 15	\$ 20	\$ 20	\$ 25	\$ 20
Second vehicle	\$ 20	\$ 40	\$ 55	\$ 50	\$ 65	\$ 50	\$ 20
Third Vehicle	\$ 50	\$ 100	\$ 325	\$ 480	\$ 350	\$ 250	\$ 50
Fourth Vehicle	\$ 50	\$ 100	\$ 325	\$ 480	\$ 350	\$ 250	\$ 250
Fifth Vehicle	\$ 50	\$ 100	\$ 325	\$ 480	\$ 350	\$ 250	\$ 250
Sixth Vehicle	\$ 50	\$ 100	\$ 325	\$ 480	\$ 350	\$ 250	\$ 250

- Option 1 No increase in first permit and \$35 increase in second. Other permits increase by \$275
- Option 2 \$5 increase in first permit and \$30 increase in second. Other permits increase by \$430
- Option 3 \$5 increase in first permit and \$45 increase in second. Other permits increase by \$300
- Option 4 \$10 increase in first permit and \$30 increase in second. Other permits increase by \$200

Because we have not had the opportunity to seek public input on the options above, which would have a very significant impact on the persons owning the remaining 1,400 second, third and fourth vehicles, I recommend that Council adopt the ordinance with the fees included in the FY 2011 Approved Budget. I also recommend that Council consider this issue again during the FY 2012 budget deliberations.

**STAFF:**

Bruce Johnson, Chief Financial Officer  
 Laura Triggs, Finance Director