



THE CITY OF KEY WEST

Parking Division

1300 White Street, Key West, FL 33040

TO: Patti McLaughlin, City Manager

FROM: John Wilkins, Parking Director

DATE: September 22, 2021

SUBJECT:

Amend Division 5 and 6 of the Key West Code of Ordinances to increase parking permit rates for the Residential Parking Permit and the Employee Assistance Parking Permit. Disclose adding required sales tax to Parking Permits.

ACTION STATEMENT:

Increases parking permit rates by Amending Division 5 and 6 of the Key West Code of Ordinances for the Residential Parking Permit and Employee Assistance Parking Permit as follows:

Division 5. Sec. 70-249. (b)

Residential Parking Permit annual fee from \$20.00 to \$35.00 (plus tax).

Division 6. Sec. 70-255

Employee Assistance parking Permit 4-month fee from \$700.00 to \$800.00 (plus tax).

Additionally, since we no longer issue Employee Assistance parking decals, remove all references to decal from Division 6.

Additionally, in section 70-262 disclose that the Truman Waterfront Parking Permit is subject to sales tax and that tax is passed along to the customer by adding the words "plus tax" to the permit fee wording.

Additionally, in section 70-265 disclose that the Employee Parking Lot Permit is subject to sales tax and that tax is passed along to the customer by adding the words "plus tax" to the permit fee wording.

BACKGROUND:

The City Commission approved the 2021/2022 fiscal budget on September 23, 2021 with the direction to increase annual fee for the Residential Parking Permit from \$20 to \$35. The Employee Assistance Parking Permit to increase from \$175.00 per month to \$200.00 per month. We bill the Employee Assistance Permit in 4-month increments, so the effect is an increase from \$700.00 to \$800.00 for 4 months. The benefits of these permits will remain unchanged. For example, the Residential Permit will still provide 4 hours free parking at select lots around town and the Employee Assistance permit will still provide 12 hours free parking at metered on-street spaces - even if the hourly meter rate increases.

Monthly parking rates in the downtown historic district are generally \$200 to \$250 per month in private lots. By comparison, the Employee Assistance Parking Permit provides even more desirable on-street parking in most cases closer to the employee's destination.

The Residential Parking Permit could be valued at providing between \$5,800 and \$7,300 if comparing the 4-hour free parking (one time per day) in select lots with the hourly metered rate in these lots.

Parking Permits are subject to sales tax and in some cases, we have passed along the tax and other cases we have not. While the other parking permits fees have not increased, we need to disclose that the permits are taxable, and the tax is passed along to the customer.

RECOMMENDATION:

Increases parking permit rates by Amending Division 5 and 6 of the Key West Code of Ordinances for the Residential Parking Permit and Employee Assistance Parking Permit.

Additionally, remove all references to decal from Division 6 and disclose that parking permits are subject to sales tax and the tax is passed along to the customer.

FINANCIAL IMPACT:

Using FY 2018/2019 as the basis for measure, increasing the annual fee for the Residential Parking Permit from \$20.00 to \$35.00 would potentially raise an additional \$180,000 in annual revenue. Increasing the Employee Assistance Parking Permit by \$25.00 per month would potentially raise an additional \$45,000 in annual revenue.