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**MAYOR EMANUEL INTRODUCES CHANGES TO PARKING METER DEAL TO PROVIDE
NEEDED RELIEF ON SUNDAYS, \$1 BILLION IN REDUCED PARKING METER CHARGES, AND
CONVENIENT PAY-BY-CELL OPTION**

*\$20 Million Per Year Over the Life of the Contract Will No Longer Be Billed to the City; Chicagoans
Will Get Free Sundays in Neighborhoods, Convenient Pay-By-Cell Options*

Mayor Rahm Emanuel introduced to City Council newly agreed upon improvements to the despised parking meter contract. The proposed changes will provide for free parking in Chicago neighborhoods on Sundays and will introduce a pay-by-cell option that will provide convenience for parkers choosing to use it. The settlement of outstanding legal disputes will eliminate more than \$1 billion of estimated additional charges over the life of the contract.

"This deal should have never been done in the first place. It was badly negotiated, too long and prices rose too quickly. To add insult to injury, all of the funds were spent filling past budget holes year after year rather than investing in the future strength of our city," said Mayor Emanuel. "With all of this in mind, we shouldn't just throw up our hands and accept being stuck in this straight jacket for 71 more years. We have to face the reality that no one can ever turn this bad deal into a good one, but we do have an opportunity to give residents of Chicago a little bit of needed relief."

The proposed settlement agreement reached between the City and CPM and the proposed amendment to the parking meter contract has been introduced today to City Council for its thorough review. In contrast to the original deal, which allowed for just three days of review, the City Council will have 30 days to review the proposed agreement and amendment.

These revisions were the result of Mayor Emanuel's directive to his financial, technology and legal teams to obtain the tools and strategic positioning necessary to effectively manage the contract.

The resulting dispute resolution and agreements include three important changes to the current parking-meter construct:

Taxpayers Will See \$1 Billion Less in Charges

121 NORTH LASALLE STREET, ROOM 507, CHICAGO, ILLINOIS 60602

CPM would release more than \$1 billion in estimated future charges to the City. The City received invoices totaling \$49 million for the two-year period ending March 31, 2013. As part of the settlement, the City would pay \$8.9 million for those two years, in line with its accounting of the amounts due to CPM under the original contract. These amounts were contemplated by the original transaction to compensate either the City or CPM for the City closing or adding parking spaces or changing periods of stay, hours of operation or parking rates. The \$40 million difference between what was invoiced and what would be paid under this agreement represents over \$1 billion in estimated future charges in today's dollars to the City over the life of the contract that will no longer be payable.

Thanks to Mayor Emanuel's directive to his financial and legal team, the City is now in a position to access, control and process the data necessary for determining amounts due to or from the City under the contract. Previously, CPM had been performing its own calculations and submitting them to the City for review. Going forward, the City will perform the calculations and present them to CPM.

Free Sundays

Metered parking spaces in Chicago neighborhoods will now be free on Sundays. This will provide a much-needed benefit to people attending religious services and to those enjoying all that our neighborhoods have to offer on Sundays. Neighborhoods affected are those south of Roosevelt, west of Halsted and north of North Avenue. Free Sundays are expected to go into effect by the end of summer 2013.

Convenient Pay-By-Cell Option

CPM will introduce a new pay-by-cell convenience option. This new feature will eliminate the need for parkers to visit the pay box, print a parking receipt and then place the receipt in their windshields. Instead, parkers will be able to simply enter a pay box number visibly posted on street signage into a cellular phone application without the need for a receipt. Parkers choosing to pay-by-cell will see a convenience charge of .35 cents applied to purchases of less than two hours at one time. Their phones will operate as their payment method and individuals can create an account with an initial balance of \$20. The pay-by-cell option will be available by the summer of 2014.

Parking Hour Extensions

In connection with the agreement, the City has agreed to extend metered parking by one hour for all blocks where metered parking currently ends at 9:00pm (from 9:00pm to 10:00pm). The area bordered by the Chicago River to the South, the lake to the East, Division Street to the North and the Chicago River to the West will extend meter times by three hours (from 9:00pm to Midnight.) Residential streets where meters currently run until 6:00pm will not see their hours of operation extended.

"These changes provide relief on Sundays in Chicago's neighborhoods, some convenience for those that choose to use it and significant savings for taxpayers," said Mayor Emanuel. "While we cannot

turn back the clock and undo the parking meter deal, we have shown we can improve it and can certainly learn from it.”

In addition to these three major points, the settlement agreement and amendment provide for numerous measures designed to improve the dispute process and improve communications and operations between the City and CPM going forward.

With respect to the EPAEL, or the disabled placard use dispute, an arbitration panel in *In the Matter of the Arbitration between Chicago Parking Meters, LLC and City of Chicago*, made findings in favor of both the City and CPM on various issues. In accordance with the arbitrator’s findings bound the City to pay CPM \$12 million to close that dispute and will pay an additional \$42.9 million of outstanding EPAEL claims from the past two years.

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