

# Lexington and Fayette County Parking Authority Presentation to Council 2026



## CHALLENGES OF GARAGE STRUCTURES

**CAMP - \$13,000,000** capital investment in three garages (excludes Courthouse Garage of additional \$5,000,000 )

- Year to date expensed approximately \$1,300,000 on this effort .
- Seven -year renovation program

**On going maintenance** – Annual spend is approximately \$500,000 to maintain garages. This does not include the necessary upgrades to technology of approximately \$500,000 in next three years. On street meters, LPR, FLASH equipment all at or exceeding useful life.

**Subscription contracts** – much of equipment is driven by third party vendors. Cost of subscription has significantly increased in last five years. Many costs are fixed, non-negotiable.

**Overall inflation** - Between 2019 and April 2026, cumulative inflation in the USA is approximately **29.16%**, meaning prices are 1.29 times higher on average, according to the Bureau of Labor Statistics.

**Personnel demands** – To assure the client experience, we are asked to double staffing on evening, weekends, early morning in addition to increasing rounds of Signal 88.



What we manage

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# Escalating issues and costs to maintain garages

- 18 Feb 2021 – Truist garage collapses
- 26 Feb 2026 - Dearborn Michigan parking garage collapses



# LEXPARK Business Components and History of Rates

## ***On Street –***

### **Citation Rates –**

Increase in 2025 – last increased in 2008 representing 17- year span

(17-year span)

## ***Garages –***

### **Monthly Parking –**

350 Garage – Increase in 2025; prior increase 2018

(7- year span)

Transit and Helix Garage – Increase in 2024; prior increase 2018

(6- year span)

### **\*Transient Parker -**

Last increase was 2019 – no increase to this component in last 7 years.

(7-year span)



**Request** - increase in transient rate at garages from \$1 per each 18 minutes to \$3 for first thirty minutes and \$4 per hour after.

These are necessary and responsible financial adjustments to manage the capital demands of the aging garage structures, client experience, overall functionality of organization and required technology needs.

- **This is first time for a transient increase since 2019 – seven years against inflation of 29% cumulative.**

- **Currently 30 minutes is \$2 and will be \$3; first hour is \$4 and remains at \$4**

	FY2026 Budget	FY2026 Year End Projection	FY2027 Proposed Budget	
<b>OPERATING BUDGET</b>				
<b>Revenue</b>				
<b>Revenue OnStreet</b>				
1	Parking - Monthly Rental	130,776	130,776	135,125
2	Parking - Meter Collections	1,251,732	1,251,732	1,298,035
3	Parking - Fines Violations and Booting	943,404	943,404	1,127,836
4	<b>Total Revenue OnStreet</b>	<b>2,325,912</b>	<b>2,325,912</b>	<b>2,560,996</b>
<b>Revenue OffStreet</b>				
5	Parking - Monthly Rental	1,926,288	1,926,288	2,129,024
6	Parking - Transient Rental	1,077,780	1,077,780	1,110,254
7	Parking - Event	376,056	376,056	397,297
8	Parking - Validations	74,952	74,952	57,761
9	Parking - Citations	16,632	16,632	4,390
10	<b>Total Revenue OffStreet</b>	<b>3,471,708</b>	<b>3,471,708</b>	<b>3,698,726</b>
11	<b>Commerical Property Revenue Net</b>	73,620	241,000	399,698
12	<b>Total Commercial Property Revenue Net</b>	73,620	241,000	399,698
13	<b>Total Revenue</b>	<b>5,871,240</b>	<b>6,038,620</b>	<b>6,659,420</b>
<b>Operating Expenses</b>				
<b>OnStreet Operating Expenses</b>				
14	PCI Operating Expenses	1,377,960	1,377,960	1,508,372
15	Property & Casualty Excess Insurance	3,500	2,723	3,500
16	Bank & Credit Card Fees	125,004	140,000	154,000
17	<b>Total OnStreet Operating Expenses</b>	<b>1,506,464</b>	<b>1,520,683</b>	<b>1,665,872</b>
<b>OffStreet Operating Expenses</b>				
18	PCI Operating Expenses	1,555,368	1,555,368	1,730,801
19	Property & Casualty Excess Insurance	95,001	102,740	109,932
20	Bank & Credit Card Fees	60,000	55,000	58,850
21	ROU	279,600	280,000	280,000
22	Repairs and Maintenance	1,500	1,500	1,500
23	Utilities	90,264	129,000	138,030
24	<b>Total OffStreet Operating Expenses</b>	<b>2,081,733</b>	<b>2,123,608</b>	<b>2,319,113</b>
25	<b>Personnel Expenses</b>	488,124	488,124	510,437
<b>Administrative Expenses</b>				
26	Property & Casualty Excess Insurance	35,000	31,813	35,000
27	Bank & Credit Card Fees	3,996	274	4,000
28	Other Professional Services	210,000	213,000	227,000
29	Landline Phones	4,500	3,100	3,200
30	Business Travel & Training	9,000	8,000	10,000
31	Dues Subscriptions & Publications	3,000	5,700	5,900
32	Office Expense	13,200	5,200	6,000
33	Office Machines & Equipment	2,004	5,000	10,000
34	Connect for Community		3,199	4,500
35	Office Repairs & Maintenance	3,000	200	1,000
36	Interest Expense ROU	624	1,200	700
37	Operating Contingency	249,996	200,000	331,214
38	<b>Total Administrative Expenses</b>	<b>534,320</b>	<b>476,686</b>	<b>638,514</b>
39	<b>Total Operating Expenses</b>	<b>4,610,641</b>	<b>4,609,101</b>	<b>5,133,936</b>

40	<b>Change in Net Position Before Depreciation</b>	<b>1,260,599</b>	<b>1,429,519</b>	<b>1,525,484</b>
41	Depreciation & Amortization	850,000	850,000	860,000
42	ROU Lease Amortization	390,000	390,000	390,000
43	Total Expenses For Capital Assets	<b>1,240,000</b>	<b>1,240,000</b>	<b>1,250,000</b>
	<b>Other Financing Sources</b>			
44	Interest Expense		(6,500)	(175,458)
45	Interest Income	175,000	110,000	20,000
46	Lease Interest Income	4,000	4,600	3,500
47	Unrealized Gain (Loss) Investments	-	4,000	-
48	Total Other Financing Sources	<b>179,000</b>	<b>112,100</b>	<b>(151,958)</b>
49	<b>Total Change Net Position Operating Budget</b>	<b>199,599</b>	<b>301,619</b>	<b>123,526</b>
50	CAMP Expenditures Estimate		1,100,000	1,300,000
51	Contribution to Reserves		301,619	123,526
52	Parking Repairs and Maintenance Regular Estimate		250,000	250,000
53	TOTAL USE OF CASH		1,651,619	<b>1,673,526</b>
54	NON CASH EXPENSES		1,240,000	<b>1,250,000</b>
55	<b>NET ADJUSTMENT TO CASH POSITION</b>		(411,619)	(423,526)

# Market Rate Comparison

(\$) Property	First Hour	Additional Hours	Daily Max
Garage			
Premium Parking	7	5	28
Fifth Third	4	5	23
Hilton	4	10	15
Truist	3	2	20
City Center	3	5	17
Library*	2	3	12
<b>Average</b>	<b>3.83</b>	<b>5</b>	<b>19.17</b>
<b>W/O Library</b>	<b>4.2</b>	<b>5.4</b>	<b>20.6</b>
Surface Lot			
Pronto	4.35	3.35	16.8
201 West Short	6	6	24
339 West Short	14.97	4.99	28.17
<b>Average All</b>	<b>5.12</b>	<b>4.98</b>	<b>20.34</b>
<b>W/O Library</b>	<b>5.79</b>	<b>5.17</b>	<b>21.5</b>
<b>LEXPARK REQUEST</b>	<b>4</b>	<b>4</b>	<b>19</b>

## Proposed LEXPARK Rate Structure and Schedule of Implementation

- **REQUESTED ADJUSTMENT TO TRANSIENT RATES**
- **FIRST INCREASE SINCE 2019 (7 years)**
- **Current rate is \$1 per 18 minutes**

Garage	Hourly Rate	Schedule of adjustments	Notes
Helix	\$3 for first 30 min \$4 after per hour to maximum \$19	01 Sep 2026	Replaces 18-minute pricing
Courthouse	\$3 for first 30 min to \$4 after per hour to maximum \$19	01 Sep 2026	Consistent & predictable
350 W Short	\$3 for first 30 min to \$4 after per hour to maximum \$19	01 Sep 2026	Simplified customer experience
Transit	\$3 for first 30 min to \$4 after per hour to maximum \$19 starting 2027	01 Jan 2027	Phased through Jan 1, 2027

# Existing Rate Chart – LEXPARK (All garages except Transit)

Start (min)	End (min)	Pre-Tax	Sales Tax	Posted Rate	Duration	PROPOSED
0	18	\$0.94	\$0.06	\$1.00	Up to 18 min	\$3.00
19	36	\$1.89	\$0.11	\$2.00	0.5 hour	\$3-\$4
37	54	\$2.83	\$0.17	\$3.00	~1 hour	\$4.00
55	72	\$3.77	\$0.23	\$4.00	1 hour	\$4-\$8
73	90	\$4.72	\$0.28	\$5.00	1.5 hours	\$8.00
91	108	\$5.66	\$0.34	\$6.00	~2 hours	\$8.00
109	126	\$6.60	\$0.40	\$7.00	2 hours	\$8-\$12
127	144	\$7.55	\$0.45	\$8.00	~2.5 hours	\$12.00
145	162	\$8.49	\$0.51	\$9.00	2.5 hours	\$12
163	180	\$9.43	\$0.57	\$10.00	~3 hours	\$12
181	-	\$11.32	\$0.68	\$12.00	Over 3 hours	Up to \$19