INFORMAL REPORT TO CITY COUNCIL MEMBERS

To the Mayor and Members of the City Council

No. 23-0702

May 16, 2023

Page 1 of 1



SUBJECT: CONVENIENCE FEE INCREASE FOR PAY-BY-PHONE PARKING SERVICE

The purpose of this informal report is to provide an update to the City Council on a \$0.10 increase in the pay-by-phone service convenience fee. Pay-by-phone technology (i.e. smart phone application) enables customers to pay for metered on-street parking via a smart phone, receive alerts before time expires, and remotely extend a parking session up to the maximum time allotted for the spot.

The City began using pay-by-phone technology in FY 2016 after City Council approved M&C C-27507, which authorized a contract with Parkmobile, LLC, for pay-by-phone services. ParkMobile helps millions of people easily find and pay for parking on their mobile devices. People can use ParkMobile solutions to quickly pay for street and garage parking without having to use a meter or kiosk. Additionally, ParkMobile offers parking reservations for concerts, sporting events, airports, campuses and more.

ParkMobile's pay-by-phone offering is a fee-based service and has no cost to the City of Fort Worth. Customers have paid the City's standard parking fees in addition to a \$0.35 convenience transaction fee for pay-by-phone service since FY 2016. All costs associated with the program are absorbed by the customer. The \$0.10 increase, initiated by ParkMobile, is the first update in pricing since inception of the program in Fort Worth in 2016. Since then, ParkMobile's operational costs have increased by more than 40%. These operational costs include, but are not limited to, marketing, payroll, insurance, and research/development of ParkMobile's products and services—including the FW Park application. This increase will ensure that ParkMobile can continue to provide the City of Forth Worth with the best mobile applications and service to meet customer expectations for parking offerings.

Effective June 1, 2023, an increase of \$0.10 will be added to the existing fee of \$0.35 making the effective convenience fee \$0.45.

If you have any questions, please contact Martin Phillips Transportation and Public Works Assistant Director, at <u>martin.phillips@fortworthtexas.gov</u> or (817) 392-7861.

David Cooke City Manager

ISSUED BY THE CITY MANAGER