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FOR IMMEDIATE RELEASE

April 29, 2013

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**MAYOR EMANUEL ANNOUNCES \$1 BILLION IN REDUCED
PARKING METER CHARGES, FREE SUNDAYS AND PAY-BY-CELL
FOR CHICAGO PARKERS**

*Dispute Agreement Between the City of Chicago and Chicago Parking Meters
Results in Big Win for City and its Residents;*

*\$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 today announced that he, along with the City of Chicago's finance and legal teams and Chicago Parking Meters (CPM) has settled the outstanding legal disputes associated with the parking meter contract, and have negotiated improvements that benefit Chicagoans. 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.

"When I was elected Mayor, I said this was a bad deal, but promised to do everything I could to make improvements on behalf of the taxpayers of this city," said Mayor Emanuel. "So, my administration fought to ensure not one tax dollar was paid that we didn't need to pay. After thorough and ultimately constructive negotiations, I am proud to say that on behalf of the taxpayers of Chicago, we were able to successfully reach agreement with CPM to make some necessary and positive changes to this contract."

CPM reached out to the City and expressed its shared interest in resolving the outstanding legal disputes. The City welcomed CPM's willingness to address key areas of concern and work constructively toward a positive solution for Chicago taxpayers. While accepting the contract as binding, both sides worked together on important adjustments that, if approved by the City Council, make important improvements for Chicagoans.

The proposed settlement agreement reached between the City and CPM and the proposed amendment to the parking meter contract will be introduced to City Council on May 8, 2013 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. Corporation Counsel Steve Patton, Chief Financial Officer Lois Scott, Deputy Mayor Steve Koch, Commissioner of the Department of Innovation and Technology Brett Goldstein, Vice Chairman of World Business Chicago Michael Sacks, were heavily involved in the effort.

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

Taxpayers Will See \$1 Billion Less in Charges

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 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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