



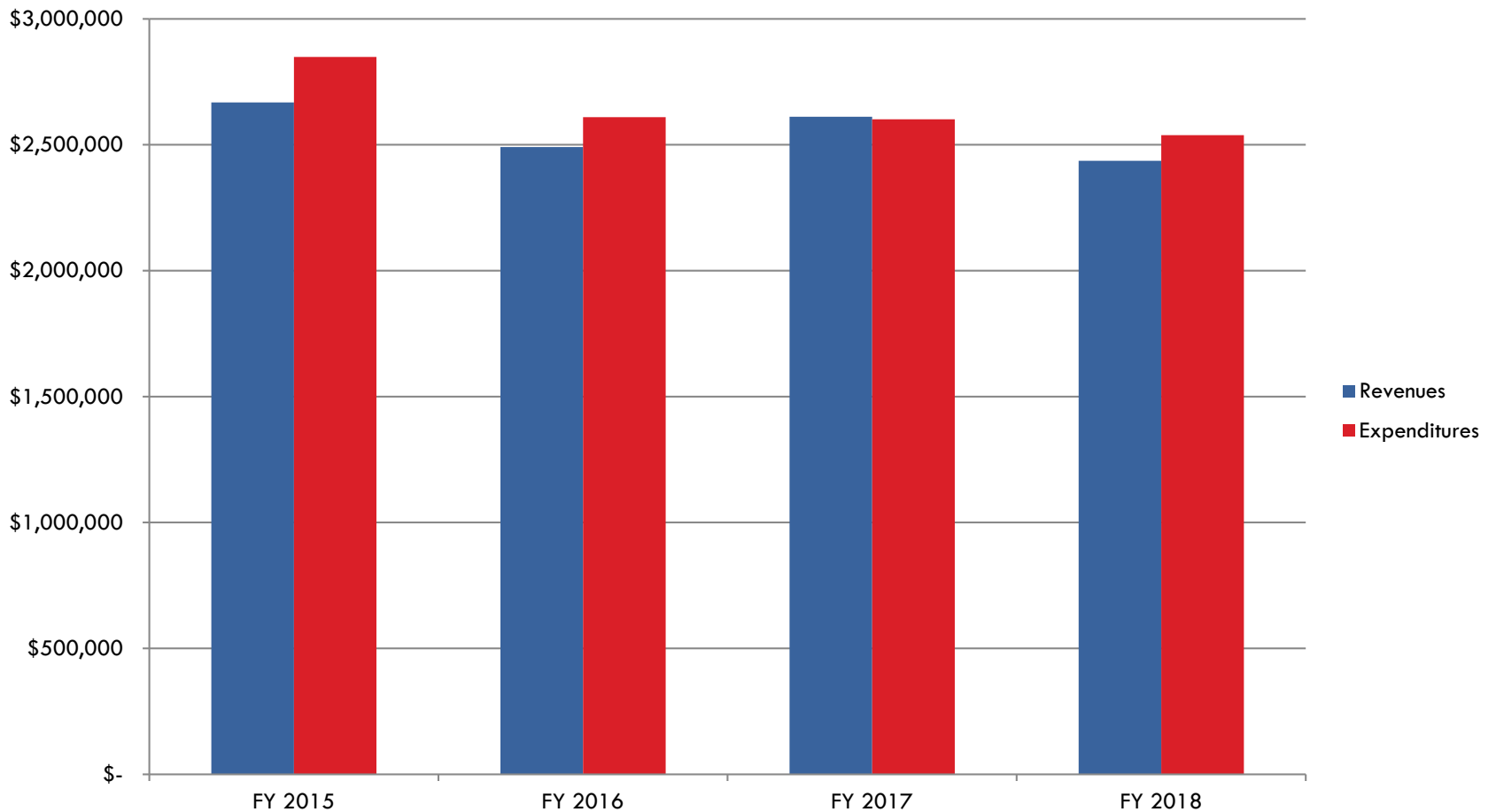
# EXEMPT PARKING IMPACT ON AVIATION FUND

DS-18-046

June 12, 2018

# KFHRA Revenues vs. Expenditures

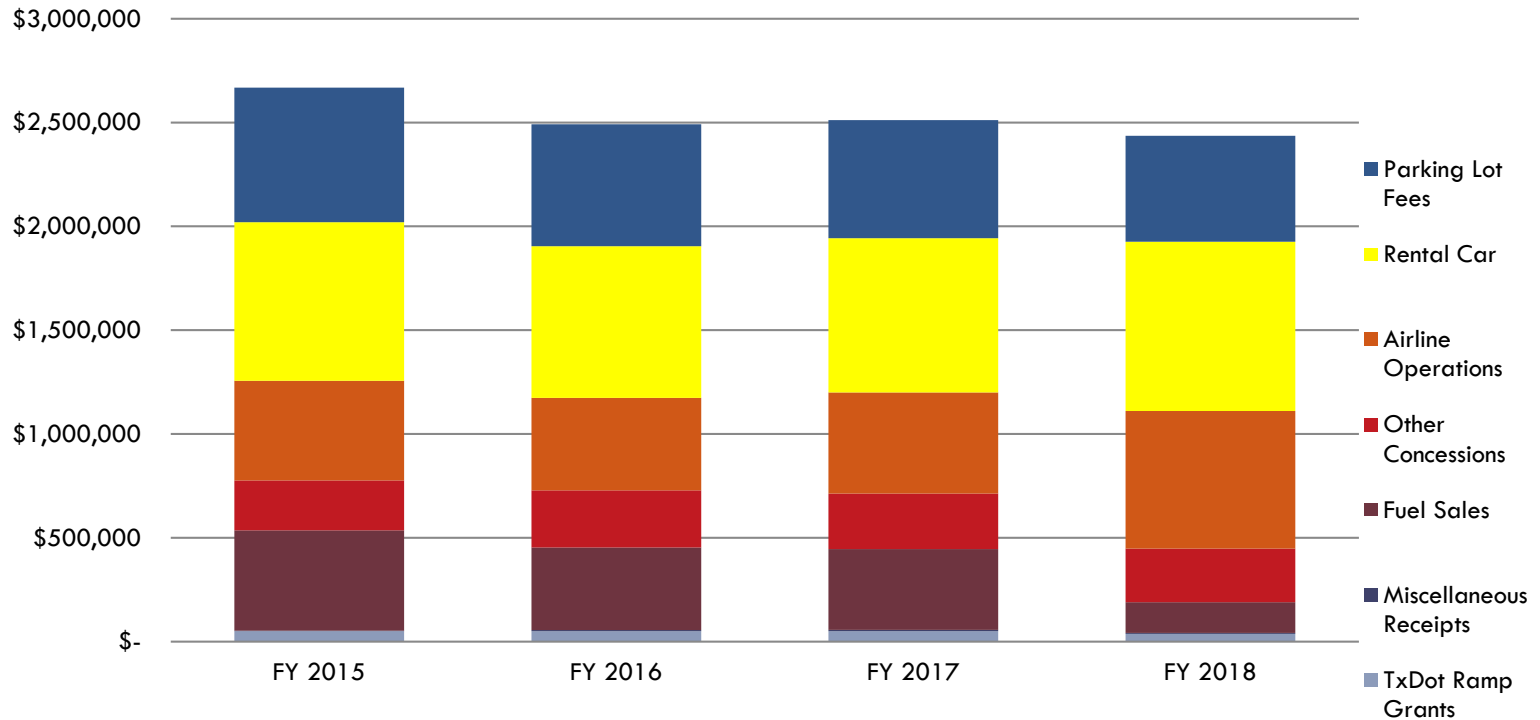
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# KFHRA Revenue Categories

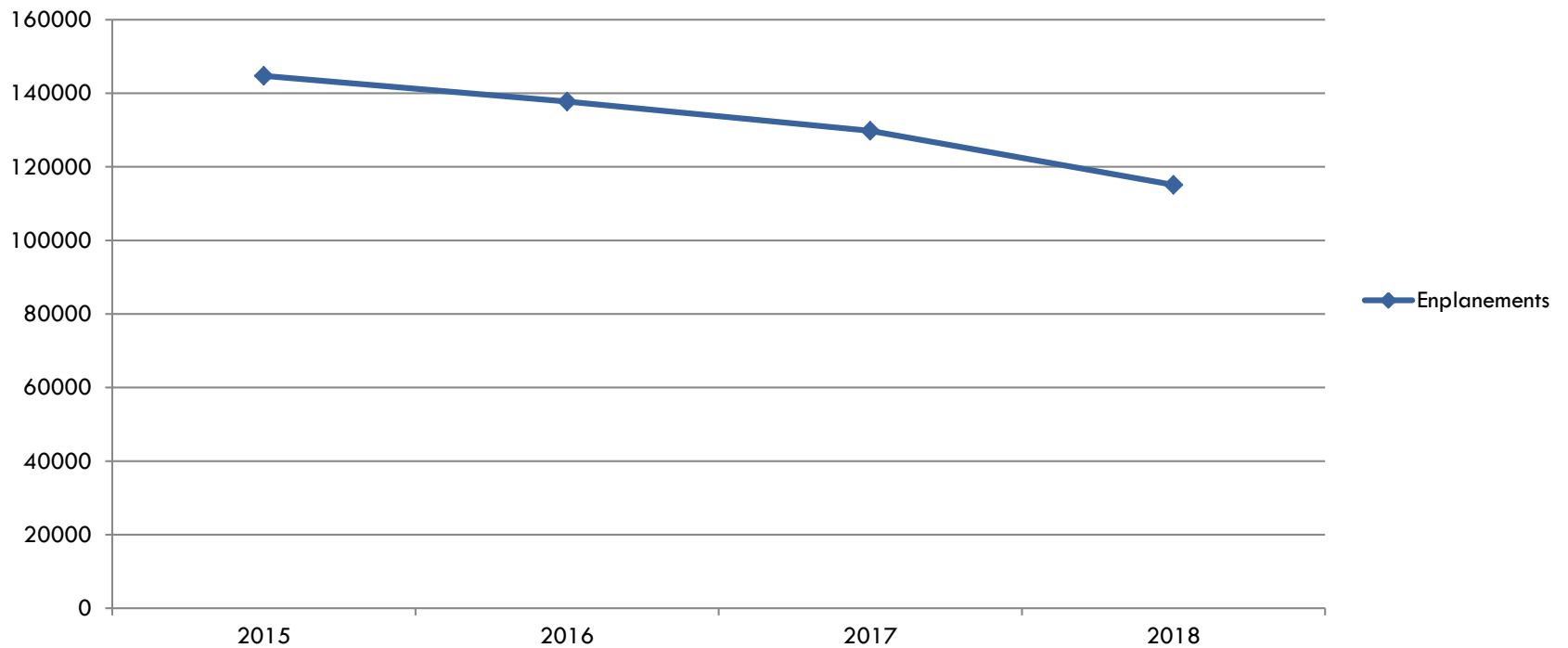
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## KFHRA Revenue Categories



# KFHRA Enplanements

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# Issues

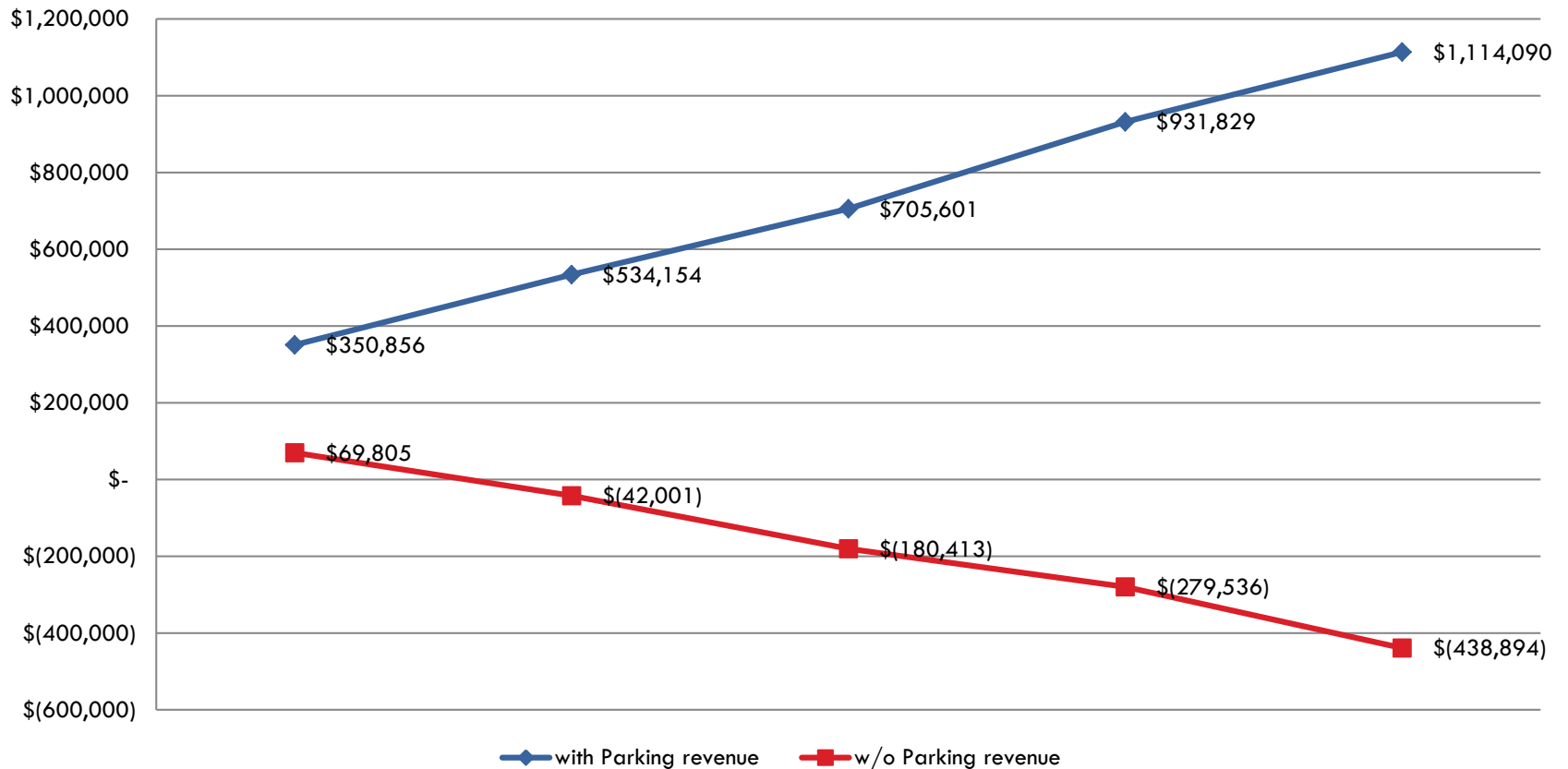
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- ❑ Aviation fund is approaching the need for General Fund subsidy
- ❑ Exempt parking adversely affects the Airport's ability to generate positive revenue (at this time)
- ❑ Exempt parking revenue loss is 11% of Airport revenue
- ❑ Hinders the Airport's ability for development

# Aviation Fund Balance Trend

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## Fund Balance With and Without Parking Revenue



# Background

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- ❑ Texas Transportation Code Section 681.008
  - ▣ 1995 Act Defined Disabled Parking Requirements
  - ▣ Exempt from the payment of a parking fee collected through a parking meter charged by a governmental authority
  - ▣ A governmental unit may provide by ordinance...also applies to payment of a fee...imposed by the governmental unit for parking in a parking garage or lot or in a space with a limitation on the length of time for parking
- ❑ Where can exemptions be valid?
  - ▣ Parking meters, public parking lots, public parking facilities
  - ▣ Airports
  - ▣ Designated space/area for persons with physical disabilities

# Background

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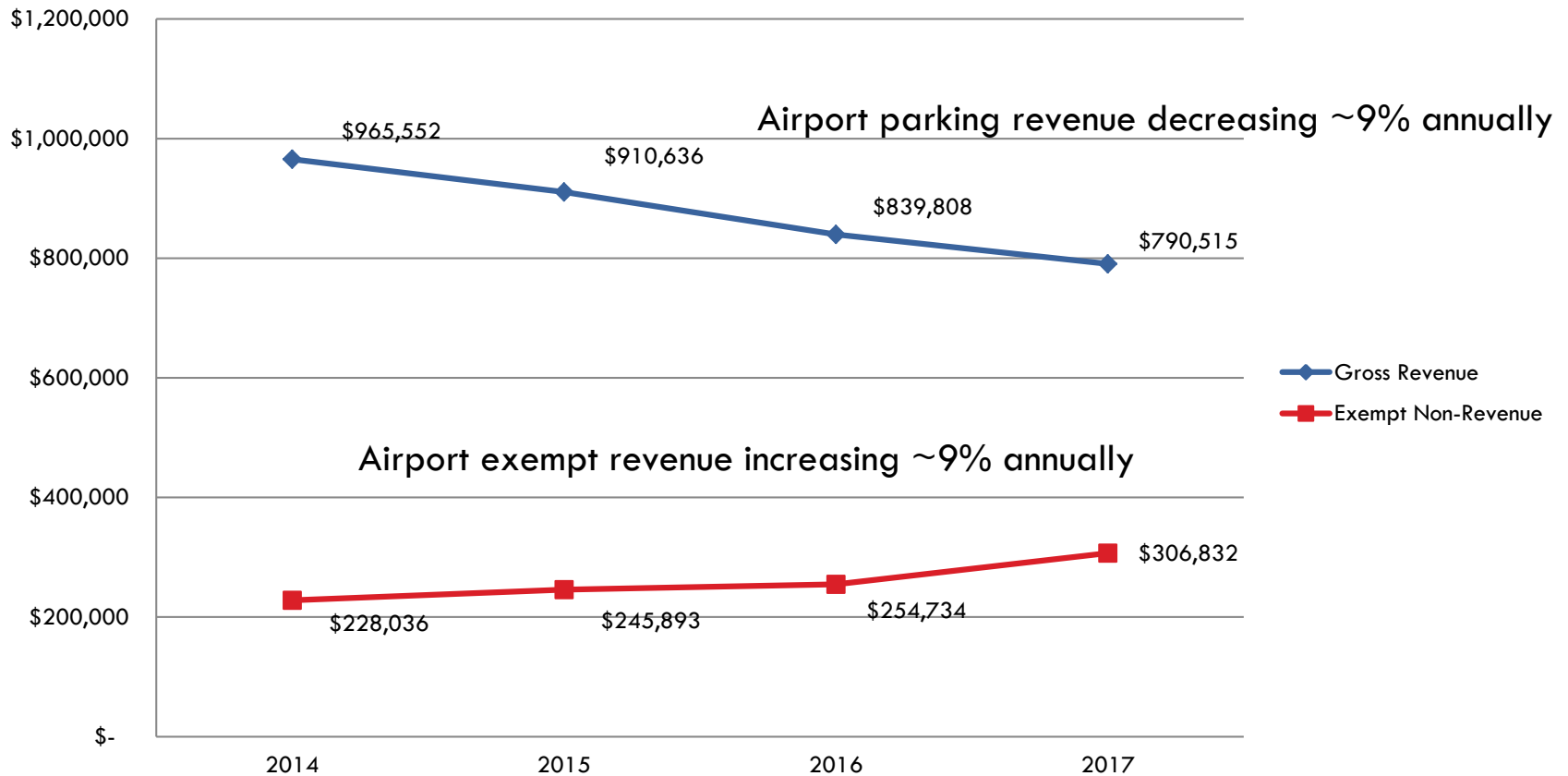
- Initial law had two (2) exemptions; expanded to five (5) in 1999
- Current law has twenty-three (23) exemptions
- Killeen informally honored exemptions beginning 1995
- In 2000, City Attorney opinion that it was mandatory to honor all exemptions
- Formally adopted ordinance for exemptions in 2015
- 41.3% of parking revenue / 11.7% of total airport revenue



# Airport Parking Revenue Trends

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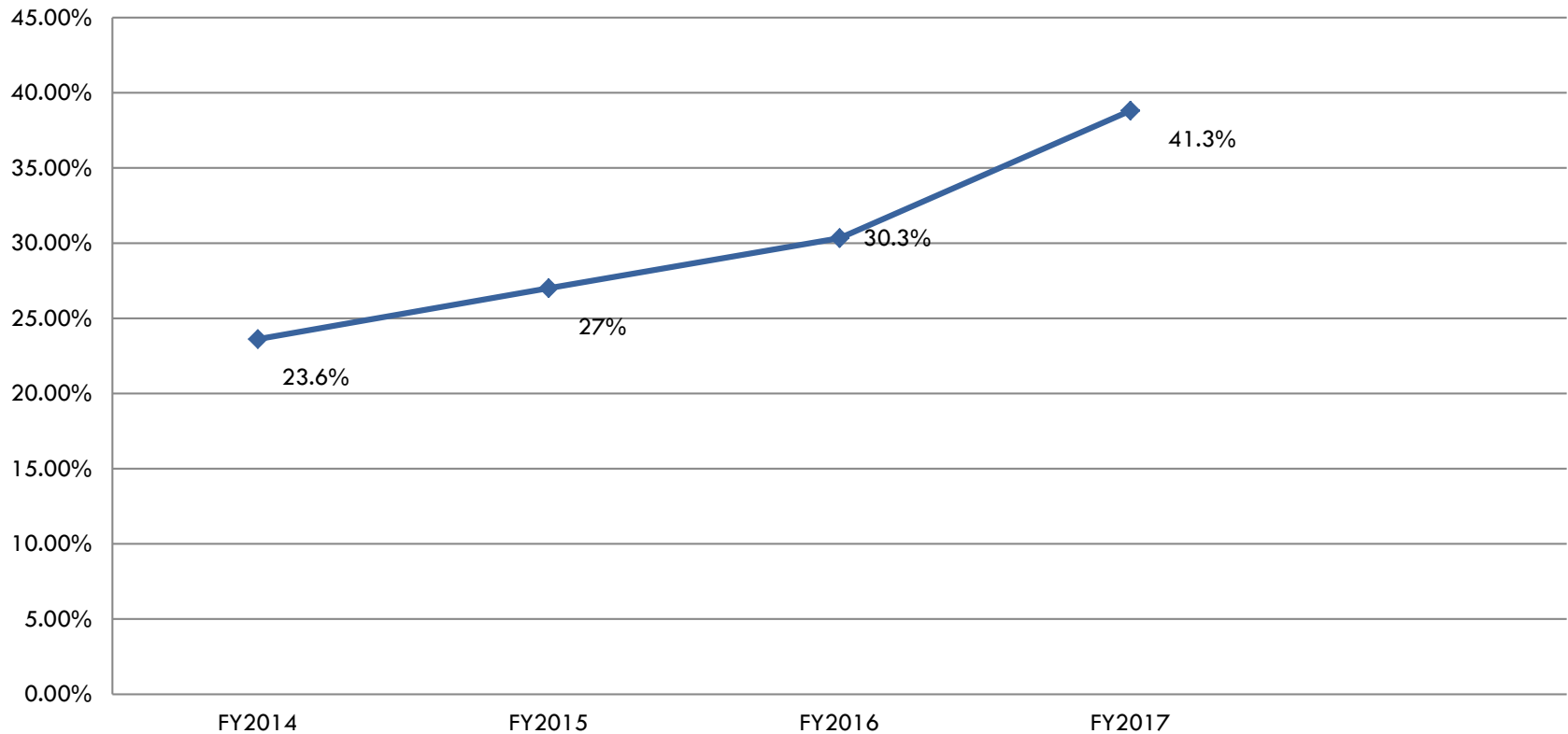
## Gross Revenue vs. Exempt Non-Revenue



# Exempt Parking Trend

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**Non-Revenue - Exempt Customer Trend  
As Percentage of Gross Parking Revenue**



# Comparative Airports

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<u>Airport</u>	<u>Military Base</u>	<u>Revenue</u>	<u>Exempt Loss</u>	<u>Percent</u>
Abilene	Dyess AFB	\$644,680	\$28,883	4.5%
Austin	None	\$22,050,593	\$1,200,000	5.4%
El Paso	Fort Bliss	\$6,590,485	\$457,791	6.9%
<b>Killeen-Fort Hood</b>	<b>Fort Hood</b>	<b>\$790,515</b>	<b>\$306,832</b>	<b>41.3%</b>
San Antonio	Numerous	\$18,918,811	\$2,687,855	14.2%

# Alternatives

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- Do Nothing – Continue with Exemptions
  - ▣ Aviation will need General Fund subsidy to operate
    - Estimate 2021
- Raise Parking Fees Paid by Non-Exempt Customers
  - ▣ Initially \$4.00; increasing approximately 0.50\$ per year
  - ▣ Short-term \$14.00/day; long-term \$12.00 / day
- Accept Exemptions; Provide exempt qualifiers with a 50% discount

# Alternatives

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- Accept Exemptions, but Limit the Time in Parking Areas
  - ▣ For example, exempt from fees for two (2) days; thereafter charged the nominal rate
  
- Eliminate the Fee
  - ▣ Aviation will not need GF subsidy and Fund Balance will increase