



## FOR IMMEDIATE RELEASE

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### **Parking Group Says Tax Proposal May Increase Road Congestion** ***Public education campaign launches to educate Chicago on parking taxes***

CHICAGO (October 31, 2011) – A congestion policy focusing exclusively on parking taxes has spurred a public education campaign from the Parking Industry Labor Management Committee, a parking industry trade group that represents the owners, operators and workers of Chicago’s parking industry.

“Any suggestion claiming to reduce traffic congestion gets a favorable reception, because no one likes congestion,” said Michael Prussian, Chairman of PILMC and Chief Investment Officer of InterPark. “The idea that increasing downtown parking taxes will reduce traffic congestion requires closer examination of the unintended negative consequences that may actually *increase* roadway congestion and create other problems.”

More than 70% of downtown parkers drive for work reasons, and PILMC believes many employers will need to compensate their employees for the increased parking cost through transportation reimbursements or higher wages. Therefore, higher parking taxes raise the cost of doing business in downtown Chicago.

Suburban Chicago office vacancy rates are currently much higher than downtown. PILMC believes additional parking taxes and higher business costs may encourage



businesses to relocate to suburban areas where rents are cheaper and parking is usually free.

“If businesses start relocating to the suburbs, many employees will shift from public transit, which serves downtown, to driving that then increases road congestion” said Prussian.

The campaign announced today will include fliers handed to every downtown parking user, an aggressive phone call strategy events, and other grassroots and coalition building efforts.

Chicago now has the second highest parking tax rate in the nation, even higher than New York City.

“I believe this is also an issue for working families,” said John Coli, President of the Teamsters Joint Council 25. “This proposed tax – which can be up to 50% for some parkers – is slap in the face to workers who must use their car for their business. It harms working families who can’t afford to live close to public transportation. A ‘congestion’ policy focusing exclusively on parking taxes is wrong to impose during a recession, will likely result in a worse economic and traffic situation than it seeks to improve, and will not generate the tax revenues as assumed,” said Coli.

### **About the Parking Industry Labor Management Committee (PILMC)**

PILMC represents the operators, owners and workers of Chicago parking garages, including more than 4,000 parking industry employees represented by Teamsters Local 727 in the Chicago area. The organization’s mission is to promote the parking industry’s important contributions to the Chicago metropolitan area, to improve communication between representatives of labor and management, to enhance economic development in the industry, and to involve employees in decisions affecting their jobs, including improving communication with respect to subjects of mutual interest and concern.

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