



Dallas/Fort Worth International Airport Airport Parking Privilege Fees

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Dallas City Council
Transportation & Environment Committee
October 9, 2006



Airport Parking Privilege Fees

DFW Airport Off-Airport Parking Proposal

- DFW International Airport Board is requesting Fort Worth and Dallas City Councils' approvals of the revised Code of Rules and Regulations.
 - Move regulation of Off-Airport Parking companies from Chapter 5.
 - Include in Chapter 8 regulations of Off-Airport Parking companies including Valet companies.



Airport Parking Privilege Fees

Parking Privilege Fee Definition

- Most airports, including DFW, require that all commercial ground transportation (CGT) operators doing business on the airport (i.e., picking up airline passengers) agree to:
 - Comply with airport rules
 - Pay one or a combination of the following fees:
 - Annual permit fees (or operating authorities)
 - Access fees
 - Privilege fees
- Off-Airport Parking companies are operating on DFW Airport property at a relatively low cost while gaining exceptional revenue and opportunity.



Airport Parking Privilege Fees

DFW Airport Off-Airport Parking Proposal

- On September 7, 2006, DFW Airport Board proposed an amendment to its Code of Rules and Regulations, moving off-airport parking regulation from Chapter 5 to Chapter 8.
 - Parking companies will be required to operate under a permit.
 - New language in Chapter 8 would bring Valet Parking companies under the Board's regulation.
- On September 7, 2006, DFW Airport Board also approved a Schedule of Charges revision, changing the privilege fee for off-airport and valet parking companies to 8% of gross revenues.



Airport Parking Privilege Fees

DFW Airport Privilege Fees

- **In-Terminal Concessions**
 - 8% to 20% of Gross
- **Off-Airport Rental Car Companies**
 - 8% of Gross
- **Off-Airport Parking Companies**
 - ***Current***
 - \$290/Yr.
 - \$10/Yr/Vehicle
 - \$1.25/Trip/Vehicle
 - ***Proposed***
 - 8% of Gross
- **Valet Parking Companies**
 - No fees currently assessed
 - Proposed 8% of Gross



Airport Parking Privilege Fees

Off-Airport Parking Use Fees in Major Texas Airports

- **Austin**
 - 5% of Gross for existing businesses
 - 10% of Gross for new market entrants
- **Dallas/Fort Worth International***
 - ***Current***
 - \$290/Yr.
 - \$10/Yr/Vehicle
 - \$1.25/Trip/Vehicle
 - ***Proposed***
 - 8% of Gross
- **Dallas Love Field**
 - No fees are paid
- **Houston/Bush**
 - 6% of Gross and \$50/Yr/Vehicle
- **Houston/Hobby**
 - 6% of Gross and \$50/Yr/Vehicle
- **San Antonio**
 - 8% of Gross



Airport Parking Privilege Fees

Currently, Fifteen Airports charge at least an 8% Parking Privilege Fee, according to the Leigh Fisher study

Table 2
U.S. AIRPORTS WITH OFF-AIRPORT PARKING LOT PRIVILEGE FEES
 Review of Potential Off-Airport Parking Lot Privilege Fees
 Dallas/Fort Worth International Airport

Airport	Originating Privilege fee (b)	Privilege fee (b)
Kansas City International	4,599,860	10%
Raleigh-Durham International	4,170,890	10
Indianapolis International	3,765,390	10
Bob Hope (Burbank)	2,419,500	10
Ted Stevens Anchorage International	1,506,350	10
Huntsville International	551,660	10
Fairbanks International	336,540	10
Louis Armstrong New Orleans International	4,614,440	9
Port Columbus International	2,803,340	9
Norman Mineta San Jose International	4,839,520	8
Charlotte Douglas International	3,327,550	8
San Antonio International	3,208,050	8
Memphis International	1,883,250	8
Norfolk International	1,863,610	8
Fort Lauderdale/Hollywood International	9,293,350	8 (c)
Tucson International	1,786,350	7.5
Portland International (Oregon)	5,465,510	7
Orlando International	13,839,750	6
George Bush Intercontinental/Houston	6,906,260	6
William P. Hobby (Houston)	2,904,460	6
T. F. Green (Providence)	2,716,640	6
Jacksonville International	1,322,460	6
Rochester	1,322,450	6
McGhee Tyson (Knoxville)	718,120	5
Austin-Bergstrom International	3,316,760	5 (d)
Bradley International (Hartford)	3,332,650	4
Baton Rouge	370,530	3
Albuquerque International Sunport	2,663,870	2
Cincinnati/Northern Kentucky International	2,716,590	2 (e)
Oakland International	6,421,790	1

(a) U.S. Department of Transportation, Survey of Origin-Destination Passengers, Domestic and International September 2005—for 12 months ended June 30, 2005.

(b) Off-airport parking lot privilege fee calculated as a percentage of gross revenues derived from airport business.

(c) 8% if over \$20,000 per month, 4% if under \$20,000 per month.

(d) New market entrants are charged 10%.

(e) Increasing to 2% on January 1, 2006.

Source: Leigh Fisher Associates based on information provided by individual airport operators and 2004 Ground Transportation Fees and Fares Survey, Airport Ground Transportation Association.



Airport Parking Privilege Fees

Benefit of Policy Change to DFW Airport and Surrounding Communities

- Generate more non-airline revenue
 - Offset airport expenses, resulting in lower landing fees
- DFW Airport becomes more competitive with other airports
- Generate greater airline traffic/flights and passengers
 - More jobs
 - Competitive airfares
 - Increases revenues for concessionaires



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