



SUBJECT: 90-Minute waived parking fees update

TO: Community Planning, Regulation & Mobility Cttee.

FROM: Transportation Services Department

Report Number: TS-11-21

Wards Affected: 2

File Numbers: 745-01

Date to Committee: November 9, 2021

Date to Council: November 23, 2021

Recommendation:

Direct staff to cease the 90-minute waived parking fees pilot program and reinstate paid hourly parking within the downtown, effective November 23, 2021.

PURPOSE:

The purpose of this report is to provide Council with an update on the 90-minute waived parking fees initiative, as directed by Council at the meeting of April 15, 2021.

Vision to Focus Alignment:

- Deliver customer centric services with a focus on efficiency and technology transformation

Background and Discussion:

On November 5, 2020, the Downtown Parking Advisory Committee (DPC) recommended that the City of Burlington temporarily waive parking fees for 90-minutes within all public on-street and off-street parking assets within the Downtown as an emergency recovery measure to the ongoing COVID-19 Pandemic. The intent of the program was to inspire customer confidence and promote longer durations of stay within the Downtown and proactively mitigate revenue loss expected in 2021 by the local business community.

On December 1, 2020 the program was put into effect which offered 90-minutes of free parking within the Downtown once the minimum payment (0.25 cents) was received.

On December 26, 2020, the Province of Ontario ordered a “lockdown” which prevented restaurants and retail stores from being open to the public.

On January 14, 2021, the Province of Ontario declared a subsequent stay-at-home order. Due to these public health measures, the 90-minute Waived Parking Fee program was not afforded the opportunity to be tested and evaluated without incurring significant impact as a result of escalating public health measures.

At the February 11, 2021 meeting of the DPC, it was recommended by the Committee that an extension of the program be requested to run with businesses operating in the “red zone”.

At its meeting of April 20, 2021, Council approved the extension of the 90-minute Waived Parking Fees pilot program by 6 months and requested that staff report back as part of the October 2021 meeting cycle.

Given that the Province of Ontario entered into Step One of the Roadmap to Reopen on June 11, 2021, which saw the reopening of patios and non-essential retail to accept in-person customers, the 90-minute Waived Parking Fees program satisfied the requirement to report back after continuous business operation in the “red zone” or a less-restricted level.

Strategy/process

The Burlington Downtown Business Association (BDBA) proposed the initiation of this program to the DPC, who then made the recommendation to Council with the following outcomes in mind:

1. Increase the length-of-stay (parking duration) within the legal limit; and
2. Determine the impact of this approach to pricing on the total fees collected

To determine the ability of the program to achieve the intended results, analysis of parking duration and fees collected within a defined 3-month period was undertaken.

Data collected from the on-street parking occupancy sensors was utilized to determine the average length-of-stay within the defined Downtown Parking Area. For the purposes of analysis, a 3-month period from mid-June to mid-September was assessed, representing Stage One of the Roadmap to Reopen, a period where patrons were again permitted in restaurants and shops.

The comparative analysis of on-street parking duration is summarized below:

	3-Month Analysis Period (June – Sept)		
	2019	2020	2021
Average Parking Duration (minutes)	30	27	30

The analysis indicates that the average length-of-stay increased by approximately 3 minutes between 2020 and 2021. However, the length-of-stay was significantly lower than the permitted 90-minute maximum and as such, may not correlate with increased activity and spending within the Downtown, as intended.

A review of parking revenues within the Downtown Parking District (surface parking lots, on-street parking and parking garage) was also undertaken. While 2021 revenues saw a marked increase over 2020, this is largely attributed to reinstating paid daily parking in the Downtown beginning in August.

	3-Month Analysis Period		
	2019	2020	2021
Total Downtown Parking Revenue (dollars)	\$324,300.00	\$59,250.00	\$127,150.00

Based on the metrics used to assess the viability of the 90-Minute Waived Parking Fee program, the program has not been deemed successful in incentivizing patrons to extend their length-of-stay in the Downtown. Review of revenue impacts have concluded that collected revenues are not an ideal indicator of viability of the program as they are not true comparators of 2021 conditions relative to earlier years. (Business as usual in 2019 compared to free parking and relaxed enforcement through the same period in 2020).

A survey of Downtown Merchants was undertaken to supplement the duration and revenue metrics with qualitative data. The Burlington Downtown Business Association surveyed its membership on the 90-Minute Waived Parking Fee program to garner insight as to the lived experience of the program and what impact, if any, it had on local businesses.

Survey findings are summarized as follows:

- A total of 16 merchants provided response to the survey representing restaurants, professional and personal services and retail services.

- When asked what kind of overall feedback was received from customers/clients, 67% of respondents indicated positive feedback, while the remaining 33% indicated the program made no difference to their business.
- When asked if the business saw added foot traffic/sales during the program, 33% of respondents indicated yes, there was added foot traffic/sales, 20% responded no impact from the program, while the remaining 47% indicated the program made no difference to their business.
- When asked to what degree the program was an incentive to bringing patrons to the Downtown, 56% of respondents indicated it was a strong incentive while the remaining 44% indicated the program made no difference.

Options Considered

Options considered were to maintain the program status quo or discontinue the program. Given that the program resulted in negligible impact in increasing parking duration, negative impact to revenue generation, and resulted in a largely neutral response from the business community; it is the recommendation of staff that the program be discontinued effective immediately.

Furthermore, at its meeting of September 16, 2021 the Downtown Parking Committee requested that staff discontinue the program at the end of the 6-month pilot (October 6, 2021) and revert to paid parking.

Financial Matters:

The Downtown municipal parking service functions with a net zero annual operating budget. Net revenues in excess of expenses are allocated to the Downtown Parking Reserve Funds. Should expenses exceed revenues, funds are withdrawn from the reserve to ensure that Downtown parking continues to be self-sufficient.

Initiating the 90-Minute Waived Parking Fee program significantly reduced potential parking revenue and has had a negative impact on the Downtown Parking Reserve. Eliminating the program will reinstate paid parking revenue which will contribute to the reserve fund.

Total Financial Impact

Staff do not anticipate negative financial impact in discontinuing the 90-Minute Waived Parking Fee program. Staff anticipate additional 2021 revenue as a result of the resumption of paid daily parking.

Source of Funding

N/A

Other Resource Impacts

Approximately two days of staff time will be required to reprogram the parking machines and remove all associated branding / marketing materials. Resource impact is negligible.

Climate Implications

Not Applicable

Engagement Matters:

Staff will work with the Communications Department to develop appropriate communication and media releases.

Council's decision on these matters will be communicated to stakeholders and local business community through the Downtown Parking Committee membership, the BDBA, a media release and marketing campaign via the City's website.

Conclusion:

That the 90-Minute Waived Parking Fee program should be discontinued, and that paid parking be resumed at the regular rate of \$1.75 per hour, effective immediately.

Respectfully submitted,

Stephen Camm

Supervisor of Parking Services

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.