

**Transportation Department****TO: Development and Infrastructure Committee****SUBJECT: Downtown Municipal Parking Service Operational Changes**

Report Number: TS-10-13

File Number(s): 745

Report Date: June 2, 2013

Ward(s) Affected: 1 ☐ 2 ☒ 3 ☐ 4 ☐ 5 ☐ 6 ☐ All ☐

Date to Committee: June 17, 2013

Date to Council: July 2, 2013

Recommendation: Direct the Director of Transportation Services to implement the following changes to downtown municipal parking and submit the necessary by-law amendments for consideration by Council to:

- (i) Eliminate all parking fees for municipal lots, garage and on-street spaces for the entire month of December each year effective December 1, 2013.
- (ii) Eliminate all parking fees for municipal lots, garage and on-street spaces on Saturdays effective December 31, 2013.
- (iii) Procure and install multi-space "pay and display" parking machines capable of accepting a wide variety of payment methods to replace single-space parking meters and existing machines with limited functionality by December 31, 2013;
- (iv) Increase the maximum allowable on-street paid parking duration from two hours to three hours effective with the completed installation of new parking payment equipment.
- (v) Introduce a \$0.25 per hour increase to all downtown municipal parking spaces, and increase the daily maximum and monthly fees proportionately effective January 1, 2014, and again on January 1, 2019.

Direct the Director of Transportation Services to replace all parking meters in the Downtown in 2013, funded from the Parking Reserve Fund with a budget of \$487,000.

Request that the Burlington Downtown Business Association develop a performance measurement methodology to quantify the benefit that free Saturday and free December municipal downtown parking contributes to the economic vitality of their member businesses, in consultation with the Downtown Parking Committee.

Direct the Director of Transportation Services to prepare annually a report on the performance of the downtown municipal parking service and conduct a comprehensive service review in 2017.

Purpose:

- ☒ Address goal or action in strategic plan
 - ☒ Establish new or revised policy or service standard
 - ☐ Respond to legislation
 - ☐ Respond to staff direction
 - ☐ Address other area of responsibility
-

Reference to Strategic Plan:

- | | |
|--|--|
| <input type="checkbox"/> Vibrant Neighbourhoods | <input checked="" type="checkbox"/> Prosperity |
| <input checked="" type="checkbox"/> Excellence in Government | <input type="checkbox"/> N/A |

Encourage a vibrant and healthy mixed-use downtown - complete the downtown parking supply and governance review.

Ensure we are financially sustainable.

Executive Summary:

Municipal public parking is a key City of Burlington service supporting the office and retail sectors, special events, tourism, and visitor activity in the downtown. This Service is funded by the users of the facilities through parking fees, parking fines and a special levy applied to the non-residential properties in the Defined Parking Area.

This report makes recommendations for changes to the parking fees, applicable days, operations and equipment while maintaining a sustainable cost-revenue framework to ensure downtown parking needs are met in the future without any burden on the general property tax levy.

Background:

On April 15, 2013, Development & Infrastructure Committee considered report TS-07-13 "2013 Downtown Parking Study Phase B – A Sustainable Financial Strategy". Committee recommended to:

Receive and file the Downtown Parking Study Phase B - A Sustainable Financial Strategy – April 2013 prepared by Carl Walker Inc.; and,

Direct the Director of Transportation Services to involve the Downtown Parking Committee and other stakeholders in the development and evaluation of alternative approaches to operational and financial strategies, assess and develop workplans to appropriately address the identified challenges in Phase B of the Downtown Parking Study; and,

Direct the Director of Transportation Services, in consultation with the Director of Finance, to report on a sustainable financial strategy for the operation, maintenance and expansion of municipal parking facilities in the downtown, with consideration of the potential changes identified in Appendix “C” of Transportation Services Department report TS-37-11.

Discussion:

In support of the strategic plan goals of encouraging a vibrant and healthy mixed-use downtown, the City of Burlington provides 1400 municipal public parking spaces serving the needs of business, special events, tourism, and visitors.

The expenses associated with maintaining, operating and expanding the available parking supply are funded through parking fees, parking fines and a special levy applied to non-residential properties within the area defined by zoning by-law 2020.220.

Phase A of the Downtown Parking Study examined the supply and demand for municipal public parking in Downtown Burlington. Using the current data and planned growth information, future municipal parking space needs were identified.

Phase B, the “*Sustainable Financial Strategy for Downtown Parking (April 2013)*” prepared by Carl Walker Inc. developed a framework for the parking service to examine the effects of changes to the existing expense/revenue regime. The Downtown Parking Committee identified changes to the service received during community consultation in 2011/12. The objective was to improve the parking experience and support economic activity, special events, tourism, and visitor activity in the downtown. The report recommends changes to the service in response to these goals.

Strategy/Process

City staff and the Downtown Parking Committee, in consultation with the Burlington Downtown Business Association, reviewed the options presented by Carl Walker Inc. and are proposing the following changes:

- Free Saturday parking
- Free December parking
- Increasing the maximum duration of on-street parking from two to three hours

- Improving ease and consistency of parking fee collection (replacement of coin only meters and machines)

In order to ensure that the parking reserve remains adequately funded to cover annual operating and capital costs and to provide funding for future additional parking spaces, city staff and the Downtown Parking Committee recommend:

- Increasing the hourly parking fee by \$0.25 on January 1, 2014 and again on January 1, 2019 and proportionately applying the increase to the daily maximum and monthly permit fees; and,
- Adjusting monthly permit fees to achieve the same annual revenue over 11 months (subject to the above hourly increase).

The current parking fees have been in effect since July 1, 2008.

As a result the parking fee rate changes on January 1, 2014 would be:

- Hourly parking fee will increase from \$1.50 to \$1.75.
- Daily maximum parking fee will increase from \$12.00 to \$14.00.
- Monthly permits will increase from \$65.00 to \$83.00 and from \$104.00 to \$132.00 (January to November)

If approved, on January 1, 2019 the rates would become:

- Hourly parking fee will increase from \$1.75 to \$2.00.
- Daily maximum parking fee will increase from \$14.00 to \$16.00.
- Monthly permits will increase from \$83.00 to \$91.00 and from \$132.00 to \$151.00 (January to November)

In order to make payment of parking fees, more convenient, flexible and consistent, and to facilitate efficient change, new payment machine technology should be implemented throughout the downtown. New multi-space pay and display parking machines are available that accept payment by cash, credit card, city tokens, smartphone or internet browser. The technology allows for monitoring, malfunction reporting, and can be adapted to the needs of the City and its residents. Transportation Services staff recommend that the existing three year meter replacement funding in the approved 2013-2022 Capital Budget be adjusted to allocate all existing funds to 2013 to allow all machines to be deployed before the end of 2013. This will provide better customer service through simpler messaging of change and consistency of experience.

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 Parking Reserve Fund. If annual expenses exceed revenues, funds are withdrawn from the reserve.

The 2006 General Financial Management Guiding Principles for downtown parking identified the need to maintain a minimum reserve balance of \$200,000. In recognition of inflation, operational expense changes and the current city practice for reserve funding, this minimum should be adjusted to \$400,000 in 2013.

Total Financial Impact

Using the financial framework analysis developed by Carl Walker Inc., staff have applied the estimated value of the changes recommended in this report and calculated the reserve balance at the end of each calendar year through 2023. The low point occurs in 2019, with a balance of approximately \$600,000 based upon the identified assumptions and estimated expenses/revenues shown in Appendix "A".

Source of Funding

All operating, maintenance and capital costs for the provision of parking in the downtown are assessed to the users of the parking facilities through rates, fees, parking fines and a tax levy on non-residential properties in the defined parking area. A Parking Reserve Fund (PRF) has been established for use in financing future needs.

Communication Matters:

City staff has involved the Downtown Parking Committee, the Burlington Downtown Business Association, individual business owners and the downtown community in the development of this report. Draft report recommendations were discussed and support was widely received for them.

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

Conclusion:

For those persons who must drive to Downtown Burlington, the experience of parking a vehicle should be convenient and affordable. The community should be confident that the city's management and delivery of the municipal parking service is self-sustaining, responsive and evolving to changing needs.

The analysis by Carl Walker Inc. indicates that the goals of the downtown business community can be achieved through a modest price increase in January 2014 and again five years later.

In order to monitor the success of the newly implemented measures, data will be collected regarding the volume of parking activity, parking infraction rate and expenses/revenues by the Transportation Services Department. In addition, in order to measure the degree to which the changes have stimulated business activity, the

Burlington Downtown Business Association must work with their members to identify a performance measure that quantifies the change.

Respectfully submitted,

Paul Byrne
Project Leader, Transportation Services
905 335 7600 x7828

Appendices:

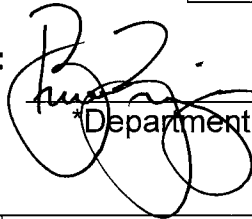
A. 2013 to 2022 Reserve Fund Continuity Analysis

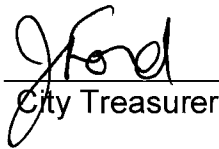
Notifications:
(after Council decision)


Name	Mailing or E-mail Address
Mr. Brian Dean, Executive Director, Burlington Downtown Business Association	brian@burlingtondowntown. ca
Mr. David Hayward, and Mr. Ed Keenleyside Co-Chairs, Burlington Downtown Parking Committee	

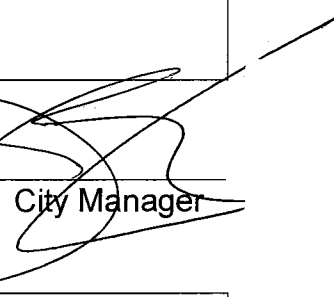
Approvals:

*required


*Department


City Treasurer


General Manager


City Manager

	To be completed by the Clerks Department						
Committee Disposition & Comments							
	01-Approved	02-Not Approved	03-Amended	04-Referred	06-Received & Filed	07-Withdrawn	
Council Disposition & Comments							
	see attached						
	01-Approved	02-Not Approved	03-Amended	04-Referred	06-Received & Filed	07-Withdrawn	