



Governance and Priorities Committee Report

Date: February 5, 2014 **From:** Ismo Husu, Manager, Parking Services
Subject: Update on Parking Services Review

Executive Summary

A Parking Services Review is identified by Council as a key initiative within the City's Strategic Plan. In April, Council approved a Project Charter for the Review that outlined the following objectives:

- increase turnover on-street, making it easier to find parking
- improve the customer experience parking downtown, and
- reduce operational costs.

The purpose of this report is to update Council on the progress of the Parking Services Review.

Parking management is a fundamental aspect of creating a positive downtown experience. Several enhancements have been made to parking services over the past six years to support a healthy, vibrant and convenient downtown. Continuous review and improvement is a key component of parking management.

Since the approval of the Project Charter, staff have completed a technical review and initial consultation with key downtown stakeholders. This initial issues identification outlined a common and strong desire to see greater turnover on downtown streets making it easier to find parking. This has resulted in a set of preliminary recommendations that are designed to increase on-street parking turnover and encourage greater use of parkades. These recommendations include a number of changes to current fee structures, both for parkades and for on-street parking.

Key recommendations to increase turnover in on-street spaces:

- variable hourly rates for on-street parking, seeing increases in areas within three minutes of parkades and decreases in other areas;
- \$1/hour rates for on-street parking between 6-9 pm and free parking in parkades after 6pm, Monday through Saturday;
- remove on-street parking permits for elected officials, staff, etc. freeing up spaces on-street for downtown shoppers and visitors;
- "First Hour Free" in all City parkades, eliminating use of coupon;
- streamline parking rates in parkades for ease of understanding;
- move longer term and monthly parkers to higher floors in parkades.

If fully implemented, these rate changes are estimated to result in an annual increase of \$170,000 in parking revenue, which will in turn cover the costs of funding additional action items that address improvements to customer service and enforcement.

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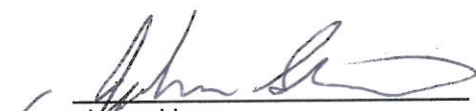
To advance further work on improvements to customer service and education, a key component of an effective parking strategy, staff recommends seeking input from the public about perceptions and behaviours as they relate to downtown parking, and seek feedback on the proposed changes to rates.

A summary of feedback and final recommendations will be provided to Council in June 2014. During this same period remaining technical analysis of internal operations, security, and reliance on revenues will be completed.

Recommendation

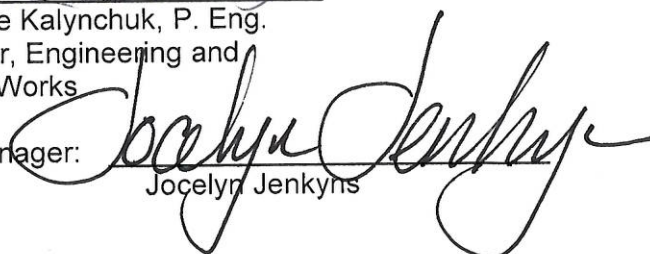
That City Council direct staff to seek public input about perceptions and behaviours as they relate to downtown parking, and seek feedback on the proposed changes to rates and report back to Council in June.

Respectfully submitted,


Ismo Husu
Manager, Parking Services


Dwayne Kalynchuk, P. Eng.
Director, Engineering and
Public Works

Report accepted and recommended by the Acting City Manager:


Jocelyn Jenkyne

Purpose

The purpose of this report is to update Council on the progress of the Parking Services Review ("the Review").

Background

The City oversees a parking inventory of close to 2,000 on-street metered parking spaces in the downtown area, five parkades and four surface parking lots. The City's last comprehensive review of its parking services occurred in 2007 and resulted in Council endorsement of a Parking Strategy, which has served as a guiding document for the Parking Services Division of the Engineering and Public Works Department for the past five years.

A number of economic, environmental and technological changes have occurred since 2007. A Parking Services Review was identified by Council as a key initiative within the 2013 to 2015 Strategic Plan. On April 18, 2013, Council approved a Project Charter (see Appendix A) that outlined the following objectives for the Review:

- increase turnover on-street, making it easier to find parking;
- improve the customer experience parking downtown and;
- reduce operational costs.

The eight key issues that were identified in the Project Charter and that are being addressed within the Review are:

1. Parking space availability
2. Notable reduction in parkade use
3. Partial automation of parkades during slow periods
4. Improved awareness and public information
5. Improve internal operations
6. Parking enforcement and violation collection
7. Parkade security
8. City reliance on parking revenue

The Project Charter initially anticipated that recommendations would be presented to Council in July 2013. Competing demands for necessary staff resources have resulted in this delay and have limited the scope of work performed to date.

The technical review and preliminary consultation with key stakeholders has been completed. Activities performed during these phases of the project included:

- Establishing a Parking Advisory Committee of City staff and downtown stakeholders, which identified top of mind issues. A list of committee members is provided in Appendix B.
- Conducting numerous one-on-one interviews with downtown parkers.
- Attending five scheduled roundtable discussions with business owners. Attendance at these discussions ranged from 7 to 30 attendees.
- Reviewing comments from both members of the public and business representatives delivered through letters, emails and social media.
- Reviewing 2013 Citizen and Business Survey results and verbatim comments.
- Reviewing parking strategies and best practices from over 20 cities, including Portland, San Francisco, Calgary, Montreal, Winnipeg, Barrie and London, Ontario.
- Interviewing parking professionals from various cities across Canada, including Vancouver, Edmonton, Montreal and Calgary.

This review has provided staff with a greater understanding of parking-related issues and possible solutions, and identified current best practices in parking management. Based on this information, a series of preliminary recommendations have been developed that are designed to address the first three issues noted in the Project Charter, and listed above.

Work to explore and address the remaining five issues identified in the Project Charter continues. Many of these issues require further investigation and consultation. The table below describes the action items, which will be occurring from now to the end of 2015.

Issue	Action Items	Anticipated Timeline
4. Improved awareness and public information	<ul style="list-style-type: none"> • Gather public input on perceptions and feedback to preliminary recommendations • Report back to Council with public input and feedback • Develop Communication Strategy to support changes and improved communications • Enhance website and online City GIS map parking layer • Review and improve street sign messaging to provide clearer information to parkers 	<ul style="list-style-type: none"> • Q1/Q2 2014
5. Improve internal operations	<ul style="list-style-type: none"> • Develop mobile on-street payment option • Maximize efficiencies and reduce expenses through best practices (operational costs, service fees etc.) • Review external contracts • Identify new revenue sources 	<ul style="list-style-type: none"> • Q3/Q4 2014 • Continuous • As contracts expire • Continuous
6. Parking enforcement and violation collection	<ul style="list-style-type: none"> • Develop customer service plan for parking enforcement and front line staff • Improve online payment process and seek new methods of payment • Investigate adjudication process • Seek options for violation discounts 	<ul style="list-style-type: none"> • Q3 2014 • Q4 2014 • 2014/2015 • 2015
7. Parkade security	<ul style="list-style-type: none"> • Reorganization of security throughout parkades • Conduct security analysis • Continue safety and parkade appearance improvements 	<ul style="list-style-type: none"> • Q4 2014 • Q3/4 2014 • Continuous
8. City reliance on parking revenue	<ul style="list-style-type: none"> • Ensure sufficient parking revenue is placed in The Parking Services Equipment and Infrastructure Reserve Fund 	<ul style="list-style-type: none"> • 2014/15

Issues

1. Parking Space Availability

On-street parking meters are in effect from 9 am to 6 pm Monday through Saturday, are limited to 90 minutes, and cost \$2.50/hour, with the exception of the Harris Green area where trial rates and parking durations are in effect. There is an average of nearly 10,000 transactions per day at on-street pay stations. In addition to metered spaces, the City also manages other on-street parking for:

- specialty zones (loading zones, hotel zones, etc.);

- limited time zones (1 and 2 hour limits) bordering paid parking areas (approximately 2000 spaces), and
- numerous residential zones surrounding areas where parking is protected due to possible parking spillover into residential neighbourhoods (hospital, malls, close to downtown, arena, etc.).

At present, there is excess demand for on-street parking at peak hours of the day and on specific blocks of the downtown. The most-cited concern with on-street parking expressed by stakeholders was that there are not enough available spaces. The second-most expressed concern was that the maximum parking time at on-street spaces was not long enough. There is also a perception among stakeholders that too many metered parking spaces are blocked by “no parking” signs. Drivers indicate that they hunt for on-street parking first, rather than accessing a parkade, because:

- on-street parking results in shorter walking distances;
- the parkades are unsafe, and
- parking in a parkade for a short visit is inconvenient.

In particular, after 6 pm on many evenings there are very few available on-street parking spaces in the downtown core. Surveys of vehicles parked within two block of City parkades in October 2012 showed that 20 to 25% of vehicles are parked from 6 pm all the way through to 10 pm. Presumably, evening employees and downtown residents are parking vehicles in these spaces for the majority of the evening, leaving other users of the downtown circling the streets in search of a free parking space.

2. Notable Reduction in Parkade Use

Parkades (over 1,800 spaces) and surface lots (300 spaces) are accessible for parking 24 hours a day, 7 days a week. Parkades have 24 hour security and all but the Johnson Street parkade, which is fully automated, have a parkade attendant who collects parking fees when a vehicle exits. Attendants start at 7:30 am and work until various times in the evening, depending on the parkade. A cash-only pay-by-envelope system is used to collect parking fees after hours.

Parkades charge an hourly rate of \$1 for the first hour and \$2.25 for each hour following. There is a \$13.50 maximum daily rate charged as patrons exit from 8 am until 6 pm, with a \$2 flat rate for the evenings. Free parking is offered on Sundays and holidays.

Surface parking lots utilize a pay and display model where patrons determine how long they will park and pay accordingly.

There has been a notable decrease in off-street parking usage over the last few years. In 2007, City-operated parkades saw nearly 870,000 transactions and a steady decline has seen that number drop to just over 760,000 in 2012. A number of factors have contributed to this decline, including:

- a rate increase in 2010;
- repair work and partial closures;
- the economic downturn;
- increased gas prices, and
- commuters finding alternative modes of travel.

Meanwhile, City-managed parkades and surface lots have sufficient supply to accommodate current downtown parking demands. Understanding the perceptions and behaviours as it relates to parkade use is necessary. It is expected that there is low awareness of the many improvements made to the parkades over recent years.

3. Partial Automation of Parkades During Slow Periods

Council requested staff to investigate possible semi-automation of all parkades. The focus of the preliminary recommendations described below is to encourage increased public use of parking facilities

in the downtown core. With the anticipated increase in occupancy levels in parkades, it will be very important to ensure customer service is maintained, therefore at this time it is too early to conduct research and make recommendations regarding automation in parkades. Staff will need to evaluate the impact on parkade usage after any changes are implemented, before considering whether partial automation should be pursued.

Analysis

Parking demand management strategies can be used to attract drivers to the City's various off-street parking opportunities and increase turnover and availability of on-street parking. The goal is to achieve 85% occupancy of on-street parking in all areas of the downtown at all hours of the day and night. Other benefits of effective parking demand management may include:

- a reduction in traffic congestion in the downtown caused by drivers circling for on-street parking;
- a reduction in greenhouse gas emissions and other air contaminants, and
- an improvement in the downtown experience for shoppers, pedestrians and cyclists, ultimately attracting more visitors to the downtown.

The following preliminary recommendations should not be considered in isolation. Each demand management recommendation will impact directly and indirectly both on-street and off-street parking demand and availability. This suite of recommended actions takes into account the push and pull of demand and supply for public parking and should be considered collectively.

1. Offer First Hour Free to Every Parkade User: The goal is to encourage drivers to use a parkade first before circling in search of on-street parking. Currently the City sells 'First Hour Free' coupons to participating downtown businesses. In 2012 approximately 220,000 coupons were sold and used in parkades. Offering the first hour free to all users will eliminate the administration costs of the program altogether and provide an incentive to visit downtown. Although there is a budget impact of approximately \$500,000, this incentive could create a large lift in short-term visits to the downtown core.
2. Change Parkade Rate Schedule: Current rate schedules are convoluted and difficult to explain. It is recommended that all parkades offer the same parking rates, with the first hour being free and subsequent hours at \$2 an hour (based on 15 minute increments of \$0.50) with daily maximums varying from \$10 to \$14 (\$14 for the heavily used Bastion Square parkade, \$10 for Broughton and \$12 at the others). While this recommendation is driven primarily by the City's customer service objectives, any change to rates will have implications on demand. Assuming parkade use remains consistent with recent years, the estimated annual shortfall is \$280,000; however, increased use is expected. When rates were increased in 2010, the City experienced a reduction in use although revenue remained relatively even. If this change is implemented, it will be much less expensive to use a parkade than to park on-street. This will promote off-street parking options in the downtown core and create availability at on-street spaces.
3. Variable Rate Structure for Metered Areas: Currently to ensure turnover on-street, the City regulates paid parking spaces in two ways: with a single rate and with time limits. An extended trial with different tariff structures in areas where a lower rate and longer time allowance may be beneficial has proved to be very positive. Through statistical analysis of data obtained from on-street parking equipment, staff have determined where flexible parking tariff structures would provide a more positive experience for the public in less used areas. Approval of a rate range from \$1 to \$3 per hour, with time limits ranging from 90 minutes to all day is recommended. The attached map (see Appendix C) indicates recommended rates for each street, with time restrictions. On-street tariffs will be reviewed on a semi-annual basis to ensure parking is priced according to use. The impact of this change is estimated to be an annual revenue increase of \$800,000, based on 2012 use.
4. Free Parking in Parkades After 6 pm: This recommendation will encourage downtown evening employees and residents to use off-street parking and create availability of on-street spaces for

short-term downtown parkers. Based on 2012 data, an annual revenue decrease of \$200,000 can be expected.

5. Extend On-Street Hours of Operation: A \$1 per hour rate from 6 pm to 9 pm is recommended for on-street parking spaces within the Downtown Parkade Zone (see map in appendix C). This area borders the five City-operated parkades and consists of 835 parking spaces. This initiative, in conjunction with free parking after 6 pm in the parkades, is expected to cause a shift in long-term parking from the streets to the parkades. This will result in an estimated annual revenue increase of \$350,000.
6. Three Hour Limited Parking on Lower Floors in Parkades: This recommendation will ensure that users do not need to drive up to the top of the parkade when looking to park for a short visit. Parkers staying longer than three hours would be encouraged to park further up the parkade where turnover is not as important. Currently, monthly and other long-term parkers arrive at the parkades early and fill the lowest, most convenient spaces.
7. Increase Payment Options in Parkades: It is recommended that staff continue to provide pay-on-foot machines in parkades to encourage patrons to pay prior to returning to their vehicle. Currently, the only option is to pay the attendant or machine at exit. During busy times this can lead to line-ups and frustration from parkers. This pay-on-foot option has been used at the Johnson Street parkade, which has been fully automated since 2001. Adding a payment station at the exit will also offer parkers exiting after-hours a more convenient option than the pay-by-envelope system that has been in place for more than 30 years. A pay-on-foot station would allow for both cash and credit card transactions. Each machine will have a capital cost of \$40,000 and some additional maintenance expense. These capital costs are paid out of the Parking Services Equipment and Infrastructure Reserve Fund.
8. Eliminate Use of On-Street Parking Permits in the Downtown: Currently, hundreds of permits are issued by the City (free and paid) that allow for long-term parking on City streets. Included are permits for City staff and Council, other municipal elected officials, Provincial and Federal elected officials, outside agencies, residents and contractors. The use of street parking on a long-term basis is appropriate in some areas of the City; however, a change is recommended that would prohibit the use of these permits within the Downtown Parkade Zone identified on the map in Appendix C. Off-street parking facilities can be found within a two or three minute walk from any location in that zone. The passes would simply be accepted at all parkades and parking lots to open to on-street parking spaces.

Several other possible parking demand management options have been identified and will be the subject of additional research and consultation:

- Increasing and promoting specialty spaces in parkades, including Van Pool spaces, young family spaces, car share opportunities, electric vehicle spaces, accessible parking for persons with disabilities and motorcycle parking spaces. These spaces are typically located either on the first floor of the parkade or near elevators to provide easy access. Bicycle racks (including outlets for electric bicycles) are located near security and attendant booths.
- Reviewing on-street specialty spaces such as taxi and loading zones, tour bus parking, 20 minute meters, small vehicle and motorcycle spaces and car share spaces to ensure these spaces are used efficiently and improve downtown traffic.
- Adjusting monthly parkade rates to ensure parking is priced according to use. The parkades were built to ensure parking is available for downtown shoppers and visitors. As parkade use increases, the City can utilize rate adjustments to reduce commuter parking availability.
- Expanding on-street pay parking areas. Limited time zones where parking occupancy is over 80% should be reviewed to ensure turnover and opportunities for drivers to find parking.

Public Engagement

Parking impacts thousands of people, including residents, businesses and tourists. Before proceeding with implementing changes it is recommended that the City seek input from downtown parkers about their perceptions and behaviours as it relates to parking downtown. This information will help assess levels of understanding about parking management, support for parking services objectives and behaviours as they relate to making parking choices (convenience, safety, access etc.).

Upon consideration of these strategies, staff would seek input from the public about perceptions and behaviours as they relate to downtown parking, and seek feedback on these proposed changes to rates.

A variety of tools can be utilized including a new online consultation portal and open houses. The feedback would be compiled and provided to Council to assist in final consideration of proposed changes, and would further inform public information and education about parking in future.

Financial Impact

A summary of the preliminary recommendations that have direct financial impacts is provided in the table below. If all these recommendations are implemented, it is anticipated that an additional \$170,000 in annual parking revenue would be realized and would pay for the action items listed above in the Background section of this report. An excess or shortfall would be placed in or removed from the Parking Services Equipment and Infrastructure Reserve Fund.

	Current	Proposed	Estimated Annual Changes in Revenue (\$)
Parkades			
First daytime hour (9 am to 6 pm)	\$1 (or free if coupon provided by participating business)	Free	(500,000)
Subsequent daytime hours (9 am to 6 pm)	\$2.25 per hour	\$2 per hour	(280,000)
Daily Maximum	\$13.50	\$10 to \$14, depending on location. Parking on lower floors will be limited to a maximum of three hours.	
Evenings (6 pm to 9 am)	\$2	Free	(200,000)
Sundays and Holidays	Free	Free	0
Streets			
Daytime hours (9 am to 6 pm)	\$2.50 per hour with a 90 minute maximum parking time	Variable from \$1 to \$3 per hour with variable maximum parking time from 90 minutes to all day.	800,000
Evening hours – within Downtown Parkade Zone (6 pm to 9 am)	Free	\$1 per hour from 6 pm to 9 pm in downtown, free for all other times and areas	350,000
Sundays and Holidays	Free	Free	0
Cost of Action Items			(170,000)
Total			0

Recommendation

That City Council direct staff to seek public input about perceptions and behaviours as they relate to downtown parking, and seek feedback on the proposed changes to rates and report back to Council in June.

Appendix A – Parking Services Review Project Charter

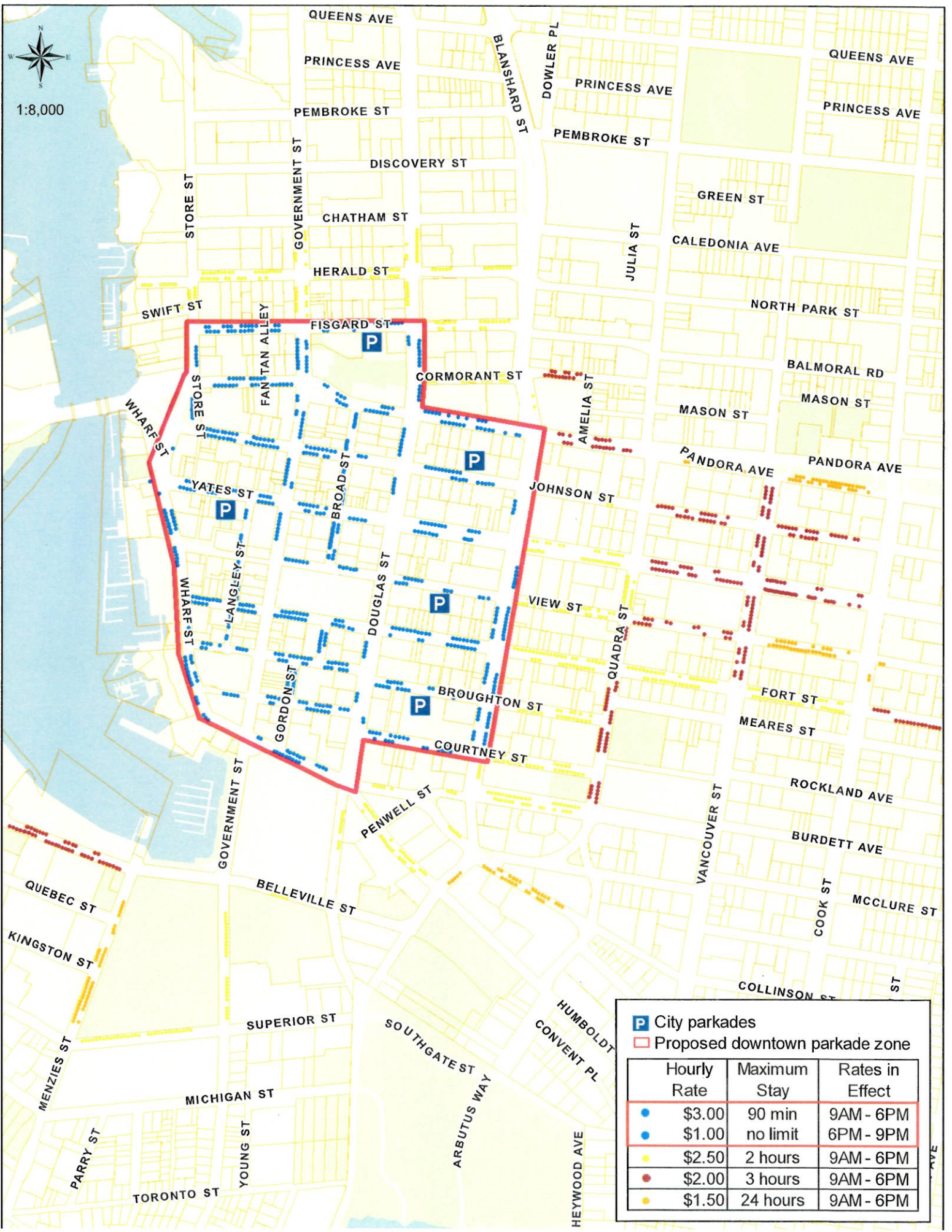
To be included

Appendix B – Members of Parking Advisory Committee

- Darlene Holstein, President - Chamber of Commerce
- Ken Kelly, General Manager - Downtown Victoria Business Association
- Erinn Pinkerton, Transportation Committee - Tourism Victoria
- Ian Sutherland, Chair of the Land Use Committee - Downtown Residents Association
- Eric Ney, Chair of the Healthy Living Committee – Downtown Residents Association
- Richard Adam, City of Victoria Supervisor - Transportation Operations
- Robert Batallas, City of Victoria Senior Planner – Community Planning
- Michael Hill, City of Victoria - Downtown Coordinator
- Allison Ashcroft, City of Victoria Senior Planner – Environmental Issues
- Ismo Husu, City of Victoria Manager - Parking Services

Appendix C – Proposed Tariff Structure for Metered Areas

To be included



P City parkades			
[Red Line] Proposed downtown parkade zone			
Hourly Rate	Maximum Stay	Rates in Effect	
[Blue Dot]	\$3.00	90 min	9AM - 6PM
[Blue Dot]	\$1.00	no limit	6PM - 9PM
[Yellow Dot]	\$2.50	2 hours	9AM - 6PM
[Red Dot]	\$2.00	3 hours	9AM - 6PM
[Yellow Dot]	\$1.50	24 hours	9AM - 6PM