

Report to Council



Date: March 18, 2019
File: 1862-01
To: City Manager
From: D. Duncan, Manager, Parking Services
Subject: Downtown Area Parking Plan Development – Project Update

Recommendation:

THAT Council receives, for information, the Report from the Manager, Parking Services, dated March 18, 2019 with respect to the development of an updated parking plan for the downtown area.

Purpose:

To provide Council with an update on development of a parking plan for the downtown area.

Background:

Parking management is a key consideration when trying to balance convenience for citizens and visitors with providing a self-sustaining investment in multi-modal transportation. As part of the City-wide parking management strategy, Council endorsed five guiding principles for parking management and directed staff to proceed with development of an updated area parking plan for downtown. Staff are nearing completion of this updated plan, which will build upon previous plans completed in 1991, 2000, 2009, and the interim plan presented in 2015. The downtown plan will help deliver on the City's goal to ensure Kelowna remains a safe, vibrant and sustainable community.

To develop the downtown plan, current on-street and City owned off-street parking regulations (rates, time restrictions, locations, etc.) were reviewed, and occupancy/turnover data was gathered with a view to maximize use of this resource by applying current industry practices and trends to manage demand. It should be noted that staff operate within best practices for parking management, including targeting occupancy rates of 85 per cent for on-street parking and 90 per cent for off-street parking.

Guiding Principles

The City's Parking Services branch operates within parameters established by the five guiding principles previously endorsed by Council. These principles act as a framework to provide high-level direction in the

City's goal of becoming a municipal leader in parking services and technology. The five principles are as follows:



GUIDING PRINCIPLE # 1

Focus on excellent short-term parking management to support higher turn-over while maintaining a governing role in long-term parking solutions.



GUIDING PRINCIPLE # 2

The parking system will continue to pay for itself (will operate under a user-pay cost recovery model)



GUIDING PRINCIPLE # 3

Focus on customer service and fairness in parking practices by providing options, technologies and information.



GUIDING PRINCIPLE # 4

The City will work with institutions, businesses and developers to plan solutions for parking management.



GUIDING PRINCIPLE # 5

Parking will be used to support a more balanced transportation system.

Big Ideas

In [December 2017](#), staff provided several "big ideas" that are consistent with the five Guiding Principles, and which staff believe will help ensure the City's downtown parking program remains sustainable into the future. To assist with development of recommendations related to the downtown parking plan, extensive public engagement was completed to gauge community perception of, and receptiveness to, specific initiatives based on the "big ideas".

Public Engagement – Big Ideas

An on-line open house and survey were undertaken in November 2018, to share findings collected during the initial open house, on-line survey and stakeholder engagement meetings held in October and November of 2017. The most recent 2018 public engagement activities were also intended to gather feedback and gauge public perception on several potential recommendations based on the "big ideas" that Council endorsed for further research in December 2017. Feedback from the 2018 public engagement, a comprehensive summary of which is attached as Appendix A, was based on a total of 354 responses.

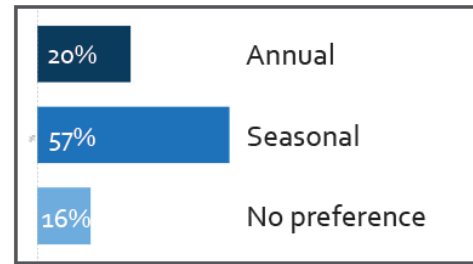
A more detailed discussion of the "big ideas", as well as a further discussion of the associated public engagement results, is provided below.

Big Idea #1: Variable Rates

The concept of variable rates is intended to address the localized supply/demand factors within the parking environment. Rates in popular locations would increase to free up parking spaces, and rates in

underused areas would decrease to encourage use. Additionally, adding an optional third hour at double the regular rate would provide flexibility while maintaining turnover in prime on-street locations.

Based on public engagement results, 20 per cent of respondents supported annual rate adjustments, while the majority supported seasonal adjustments.



Preferred Frequency of Rate Adjustments

Options Under Consideration

Implementation of variable rates may include the following:

- Vary parking prices by time, day, season and/or location to achieve a target on-street occupancy of 85 per cent and 90 per cent for off-street locations.
- Addition of an optional third hour of on-street parking at double the price.
- Modification of pay parking hours and days to reflect demand (this would result in a reduction in off-street parking hours and an increase to on-street spaces to encourage a shift of longer stay parking to off-street facilities).

Examples from Other Communities

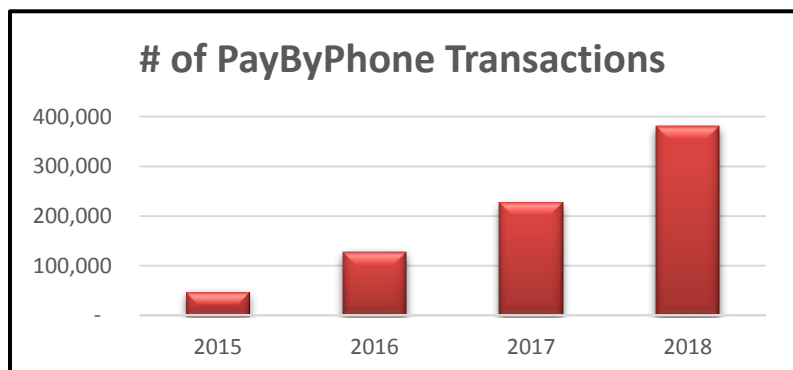
- Vancouver – Uses a data driven parking meter program where on-street parking rates are adjusted annually, with rates increasing in areas where occupancy exceeds 85 per cent, and decreasing on blocks with occupancies less than 60 per cent. Rates during the day and evening period may also be different to achieve the target occupancies. Pay parking is in effect 7 days a week, from 9 a.m. to 10 p.m., including holidays.
- Calgary – Policy to review on-street rates annually. Prices decrease by \$0.25 where occupancy is below 50 per cent, increase by \$0.25 in areas when occupancy is above 80 per cent, and stay the same where occupancy is between 50-80 per cent.
- Kamloops – The first two hours of on-street parking are \$1.25/hour, with an optional third hour available for \$2.50. Rates in effect Monday to Saturday, from 9 a.m. to 6 p.m.

Big Idea #2: Leverage Technology

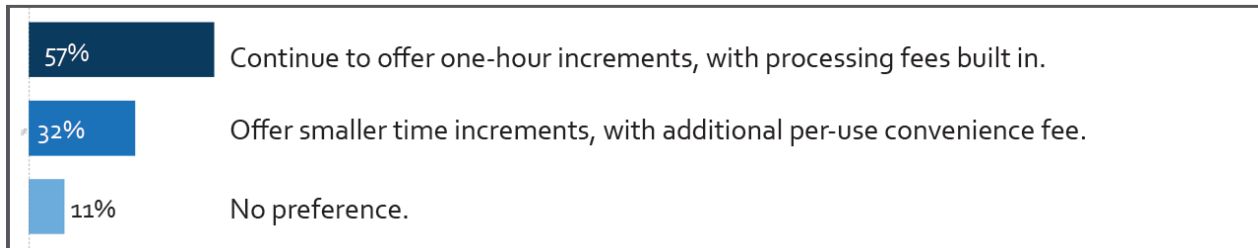
Embracing development in parking technology continues to be a primary factor in enhancing the user experience. As shown in the table below, the strong growth in pay-by-phone transactions reflects consumers' willingness to embrace these technologies and the convenience they offer.

Other recent examples of leveraging technology include equipping the City's parkades with [real-time occupancy data](#) (both on-site and

on-line) to provide transparency on availability and occupancy levels.



Specific technology-related initiatives that are currently being explored include offering less than one-hour increments (e.g. 15 or 30 min.) for mobile app parking. Based on the potential addition of a per-use convenience fee associated with increments of less than one hour, the majority of respondents polled on this subject indicated a preference to continue purchasing parking in one-hour increments.



Preferred Minimum Time Increments for Mobile App Parking

Options under Consideration

Enhancements in technology may include the following:

- Continue to enhance real-time info to ensure it is accessible online and at street level. Providing real-time information helps to improve public awareness of parking availability and reduce driver frustration when looking for parking.
- Expand payment options to improve customer convenience (e.g. debit card).
- Pursue addition of an option to pay for smaller time periods without an additional service fee (currently all credit card payments, including PayByPhone, are limited to a one-hour minimum to cover processing costs). Allowing payment for shorter increments encourages users to park only as long as necessary, especially in higher priced “premium” locations.
- Promote mobile technology to reduce the need to purchase equipment in the future (when equipment reaches end of life, install one pay station per block instead of two).
- Enhance permit system to offer online access for monthly, residential, visitor and accessible permit applications and renewals.

Examples from Other Communities

- Banff – Has a well-developed parking guidance system that helps direct visitors to available parking and reduces traffic congestion.
- Calgary – Shares real-time occupancy data for parkades along with an on-street parking map that provides an estimation of parking availability using historical data.

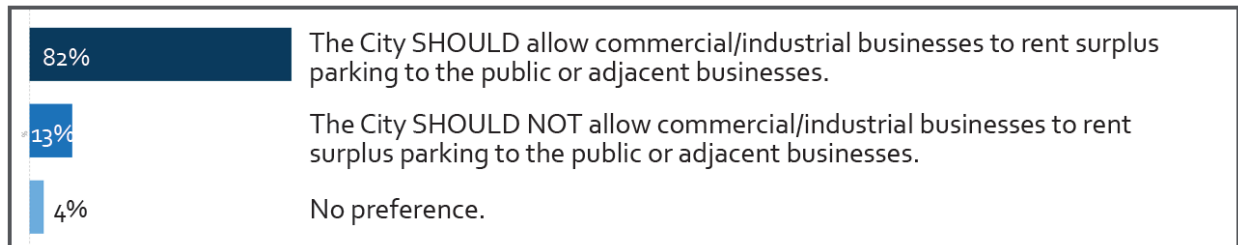
Big Idea #3: Focus on Private Off-Street Parking

Recent City parkade construction projects demonstrated the true cost of creating new structured parking stalls. These projects also confirmed that existing parking rates remain too low to encourage a purely private investment in structured parking.

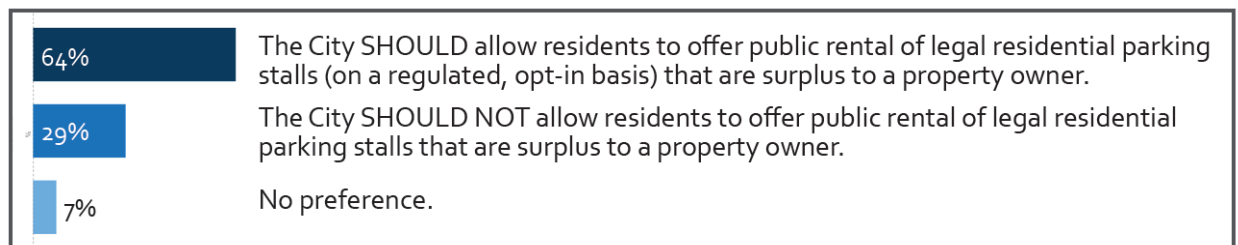
Given the rapid development of parking technologies (such as driver-less cars), staff are not currently looking to make significant investment in off-street parking (i.e. constructing new parkades) until the implications of emerging technologies are better understood. Nevertheless, strategic and forward-

looking planning suggests that the City should continue to acquire land and ensure funding is in place in the event additional structured parkades are deemed necessary in the future.

In the short-term, staff are considering a number of initiatives that would maximize current off-street parking opportunities, including allowing business to rent surplus on-site parking stalls to other businesses or the public. As shown below, 82 per cent of respondents were favorable of this approach, which could expand use of existing parking.



Based on the same rationale, respondents were asked whether they would support allowing residential properties to offer excess parking stalls to the public. While the majority of respondents supported this on a regulated, opt-in basis, this support was somewhat lower than the previous question relating to commercial and industrial properties.



Options under Consideration

Focusing on expanding the inventory of privately supplied off-street parking may include:

- Allowing regulated public rental of excess parking on residential/commercial properties.
- Pursuing a public/private partnership for next downtown parkade or the purchase of stalls within private developments.
- Continuing work toward rates at City-owned facilities that reflect the true cost of providing these stalls.
- Planning future parking developments with the ability to be repurposed due to market uncertainty related to self-driving vehicles and transportation as a service (e.g. Uber).

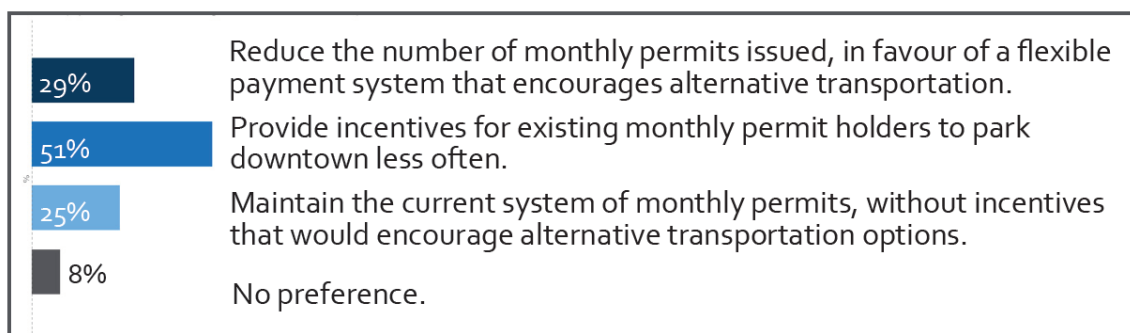
Examples from Other Communities

- Vancouver - Working to enable residential buildings in the West End with excess parking to rent spaces to other residents.

- Calgary – Joint venture projects allow the City to buy back strata-titled parking stalls and/or lease stalls in private parkades, allowing the City to maintain a role in the delivery of parking services without the liability of owning/operating infrastructure.

Big Idea #4: Flexible Monthly Permit Program

Development of a flexible monthly parking permit program that incentivizes reduced use of monthly passes in City owned facilities will motivate those who wish to occasionally travel downtown by other means, such as by carpooling or riding a bicycle. Based on its fixed-rate structure, the existing monthly permit program encourages driving/parking when a customer would normally choose another transportation option, as the perception is that parking has already been “paid” for as a sunk, monthly cost. Respondents were asked to consider preferences for several alternatives related to monthly permits, including reducing the number of permits issued, providing incentives for permit holders to park downtown less often, and maintaining the current system. As shown below, the majority of respondents preferred initiatives to incentivize existing permit holders to park downtown less often.



Options under Consideration

A flexible monthly permit program may include:

- Offering credits/rewards to users for time that they don't use their monthly parking pass.
- Implementing wait list controls to prevent artificial inflation of actual demand (note that total parkade wait list entries decreased from 1,855 in March 2017 to 269 in February 2019).
- Ceasing sales of new monthly permits in smaller surface lots and allowing existing permits to lapse via attrition.
- Restricting sales of new monthly permits to upper levels in parkades and larger surface lots.
- Working toward monthly permit prices that are at least 20 times the daily rate so paying daily makes sense for most people.

Examples from Other Communities

- Seattle – Gates Foundation eliminated monthly parking passes for employees and instead charges a daily rate. The parking fees are capped at the monthly market rate for the area.
- Vancouver (EasyPark) – Offers a reloadable “Flex Pass” in several locations that provides a discount for prepayment without the need to make a monthly contract commitment.

Big Idea #5: Support Alternative Transportation

Experience in many cities has indicated that the price of parking can influence individuals' choice to drive or use alternate modes of travel. Specifically, daily and monthly parking rates set higher than related transit fees encourage people to use transit for work trips. Car sharing is a transportation demand management strategy that helps to reduce reliance on private vehicle ownership.

Options under Consideration

Support for alternative transportation options and car sharing could include:

- Provide parking spaces/monthly permits for car share vehicles at a reduced rate.
- Adding authorized car share vehicles to the Eco Pass parking permit program.
- Using parking revenue to fund the purchase of land for future loading and charging areas to support ride and car sharing.
- Increasing the differential between parking rates and the cost of transit from 10 per cent to 15 per cent to encourage increased use of transit.

Examples from Other Communities

- Vancouver - Transportation 2040 plan includes car sharing as part of the City's efforts to encourage more efficient and sustainable driving practices. The 2040 transportation plan also provides direction to support the use of on-street parking for car sharing vehicles as a Transportation Demand Management ("TDM") strategy.
- Calgary – Plans limit the amount of long-stay (all day commuter) parking in the downtown area. The intention is to limit the amount of parking in favor of increased transit or alternative transportation use. Overall, the number of spaces will continue to increase with the continued development, but fewer spaces will be designated for long-stay parking.
- Victoria – Has identified car sharing as part of their Sustainability Vision and developed several Council resolutions to support the use of car sharing to encourage transportation demand management.

Other Ideas Under Consideration

In addition to the big ideas described above, staff are considering the following initiatives to enhance the level of parking services based on the vision articulated by the five Guiding Principles.

- **Blanket On-Street Parking Restriction**
Impose a blanket, maximum three-hour time restriction for weekday on-street parking within urban center area boundaries, as defined in the Official Community Plan. A blanket restriction would apply only in the absence of other restrictions as indicated by posted signage, and holders of valid resident parking permits would be exempt.
- **Update Payment in Lieu of Parking Bylaw**
Increase rates to reflect the true (100%) cost of constructing surface and structured parking stalls (not including land costs).

- **Support Expanded Use of Electric Vehicles**
Continue to pursue partnership and grant opportunities to expand electric vehicle infrastructure.

Conclusion & Next Steps

Staff are currently in the process of drafting specific recommendations relating to the implementation of the big ideas discussed in this report. By leveraging the implementation of key 'big idea' initiatives under the framework established by the Guiding Principles, the City of Kelowna strives to be a leader in the delivery of parking services and parking related technologies. Staff anticipate returning to Council in Spring 2019 with a final report and implementation plan for Council's consideration.

Internal Circulation:

Divisional Director, Community Planning & Strategic Investments
Communications Advisor, Community Engagement

Communications Comments:

Communications staff resources are dedicated to this project

Considerations not applicable to this report:

Legal/Statutory Authority
Legal/Statutory Procedural Requirements
Existing Policy
Financial/Budgetary Considerations
Personnel Implications
External Agency/Public Comments
Alternate Recommendation

Submitted by: D. Duncan, Manager, Parking Services

Approved for inclusion: J. Säufferer, Acting Director, Strategic Investments

Attachments: 1. Attachment A – Community Engagement Summary – January 2019
2. Attachment B – Draft Recommendations and Summary of Public Feedback
2. Attachment – PowerPoint Presentation

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