

Staff Report

Report To: City Council
Report From: Tim Simmonds, City Manager
Meeting Date: October 18, 2021
Report Code: CM-21-025
Subject: Non-Resident Paid Parking at City Parks

Recommendations:

THAT in consideration of Staff Report CM-21-025 respecting Non-Resident Paid Parking at City Parks, City Council directs staff to:

1. Implement the 18-week Data Collection Trial May through September as detailed in the report; and
2. Report back in Q4/2022 with a business case regarding Non-Resident Paid Parking for Council's consideration.

Highlights:

- Non-resident paid parking is widely used across municipalities in Ontario and North America.
- Harrison Park vehicle and movement data confirm more than 380,000 round trips per year into the park.
- The City-wide parks five-year capital program supported by tax is estimated at \$3.6MM and the 2022 DRAFT operating budget is projected to be \$1.8MM.
- Implementing non-taxation revenue opportunities could support the economic health of the City and reduce capital from taxation.
- There are impacts to users and current lease holders that should be considered.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: Clear Direction - KR2 - Align total municipal levy to Council's directed threshold each year while maintaining capital increase of 1 per cent annually

Background:

On December 3, 2020 at the Special Meeting of Council – Annual Budget, the following resolution was approved by Council: "THAT in consideration of the draft 2021 operating budget, City Council directs staff to bring forward a report on non-resident fees for parking at:

1. Harry Lumley Bayshore Community Centre;
2. Julie McArthur Regional Recreation Centre;
3. Harrison Park;
4. Kelso Beach Park; and
5. Other areas recommended by staff."

On August 30, 2021 a withdrawn Notice of motion clarified that the report should anticipate exempting not only residents of the City of Owen Sound but also campers at Harrison Park and Kelso Beach Park as well as those possessing memberships at the Family YMCA. While not explicit in the motion, the intent for the investigation of introducing non-resident paid parking is to generate non-taxation revenue in support of the ongoing operations, maintenance, repair and replacement of amenities and infrastructure in City's Parks.

Analysis:

The report is structured to:

1. Examine estimated vehicle trips to Parks,
2. Report on other municipal paid parking,
3. Explore potential non-resident paid parking revenue,
4. Consider how paid parking might be implemented,
5. Propose an 18-Week Trial to collect Data

While vehicle counts can be reasonably obtained and estimated, the demographic information of park users arriving in vehicles is not something that the City has collected. In addition to vehicle count, the City has not

undertaken a parking study or in-depth data collection directly related to the parks.

Through a Data Collection Trial, Staff would identify overall parking availability and usage. This is important as Staff confirms that Harrison Park has 182 parking stalls and Kelso Beach Park has approximately 180 parking stalls. Not all of those stalls are available at all times of the day. Understanding parking stall turnover and time of day use is another important consideration and a potential revenue predictor. Vehicle count vs. parking stalls; which methodology to use or a combination of revenue generation methodology would impact the revenue potential for non-resident parking.

Staff has consulted with other municipalities and government agencies that have implemented non-resident paid parking either as a pilot project or on a full-time basis in their respective jurisdictions. Results vary widely in the financials associated with each municipality due to the “Why” of implementing paid parking at key destinations within the municipality. Two main reasons were cited for implementing paid parking–

- Non-Taxation revenue
- Parking Control

What was common in these discussions without regard to the “Why” is that those entering parks or facilities with paid parking was approximately a 50 per cent split - resident vs. non-resident. Another common theme that emerged was that COVID had impacted the usage at parks (positively), which in their opinion may alter the data as “normal” is not understood.

Furthermore, City Staff also queried other aspects to paid parking during those discussions – such as:

- Total revenue generation since inception of paid parking
- How were hourly and daily rates determined
- How to enforce
- Administration of program – digital/cloud based

Other overarching comments received through these conversations included:

- Non-taxation revenue did not achieve projections
- Introducing paid parking seemed to discourage people from using a particular park and pushed use at other parks within their city

Using limited data, Staff estimate approximately 51,000 non-resident vehicles enter Harrison Park and Kelso Beach Park each year (combined).

Therefore, using information collected through those conversations, including the notion that parking usage was generally a 50/50 split in resident vs. non-resident, Staff began building high-level assumptions about non-resident paid parking revenue potential, specifically at Harrison Park and Kelso Beach Park.

The result of this work generated much discussion by Staff and agreement that before recommending a non-resident paid parking system, more detail is required on which to base a business plan.

The request of the Council also indicated that Staff reviews other City-owned facilities such as the Harry Lumley Bayshore Community Centre and Julie McArthur Regional Recreation Centre.

Both of those facilities may provide an opportunity for a non-resident paid parking program, but both require more in-depth discussions with the City's partners located at each. Namely, the Owen Sound Attack and the YMCA. Therefore, this report focuses only on two parks - Harrison Park and Kelso Beach Park.

The City has not collected data regarding specific demographic information regarding residency; in addition to the 50/50 split discerned from other jurisdictions, another data set that may add insight to total non-resident vehicles entering these parks would be to use the split of resident/non-residents who participate in winter sports programs.

Staff can confirm that based on resident and non-resident fees for participating in City programs, the overall breakdown is a 70/30 split - 70 per cent resident and 30 per cent, non-resident. Coupled with the information garnered from other jurisdictions and the notion that COVID has impacted park usage, Staff, suggest moving the split for this report to align with the City's resident/non-resident programs rather than the 50/50 split experienced elsewhere.

As noted previously, a parking study has not been undertaken for the parks. However, collecting vehicle data as well as pedestrian counts on trails at Harrison Park was initiated in May 2020 to help better Staff understand park usage – i.e., time of day, month, and year – this data has assisted management with creating operational plans that positively affect the user's

experience and develop better annual budgets. A drawback is that the City has only one year of data on vehicle trips into Harrison Park to assist in generating a high-level estimate of non-resident vehicle count.

To create a revenue assumption, Staff are only using vehicle data from Harrison Park for this report as this is the only available data set. Staff would recommend more study be undertaken before implementing a permanent non-resident paid parking policy but believe a Trial Period for Data Collection would be advantageous as outlined later in the report.

In reviewing the Harrison Park vehicle data, Staff ascertained that the annual vehicle round trips at Harrison Park total 310,000 trips or 155,000 single trips. Data does not include cyclists or walking, nor does the data determine same-day entry. As a high-level assumption, Staff has discounted the 155,000 one-way annual vehicle count by 10,000 trips to account for other factors that impact vehicle counts, which include but are not limited to; people that drive through the park but don't park, those that have rented the community hall, parents dropping children (forest school, bike camps, birthday groups, etc.), Festival of Northern Lights, campers/guests of campers, city staff, city vehicles or partners located in the park for a net annual single-vehicle count of 145,000.

Kelso Beach Park does not currently have vehicle counters on site. Therefore, determining a meaningful vehicle count is a best-case guesstimate based on conversations with Parks Staff. Staff has said a reasonable assumption for this report would be an annual net single entry vehicle count of 25,000 vehicles.

When combined, both parks have an estimated total annual vehicle count (entries only) of 170,000 (145,000+25,000). Staff went further and applied the 70/30 split to the 170,000 to determine a resident and non-resident vehicle ratio. Using the 70/30 split equals 119,000 resident vehicles and 51,000 non-resident vehicles.

The potential annual gross revenue from non-resident parking fees are difficult to estimate at this time but could range from \$100,000 or less to more than \$1,000,000 based on estimated vehicle counts

Noting conversations with other jurisdictions, the prevalent hourly rate for paid parking ranged from \$3 to \$10 per hour and daily rates ranged from \$10 to \$50. Another payment consideration was the implementation of an annual pass. At this time, Staff are also not proposing a specific dollar value for an hourly rate, day pass or annual pass.

Other jurisdictions did not have a more formal breakdown of payment preference at the time of Staff’s conversations – i.e., hourly purchase (single or multiple hours) vs. day pass vs. annual pass – this modal split would be important to understand in a more in-depth business case as payment options directly impact potential gross revenue.

Below is an illustrative table (**TABLE 1**) using the assumed non-resident vehicle count of 51,000 single trips into the parks and the corresponding gross revenue if every non-resident vehicle paid a single day pass/fee regardless of total hours in the park. This simplified approach was created only to provide context to the potential gross revenue.

Through enhanced data, Staff could better estimate non-resident paid parking if implemented as a combination of parking fees would be generated – some people opting to purchase (1) hour increments at a specified cost and others buying a day pass or annual pass.

Day Rate	Gross Non-Resident Parking Revenue (51,000 trips)
\$5	\$255,000
\$10	\$510,000
\$20	\$1,020,000

TABLE 1

Implementing non-resident paid parking will require additional administrative coordination and capital costs but is technologically feasible

The City currently employs Fairmont Security, a cost-effective third-party contractor, to manage its Parking Enforcement in the River District (downtown). Parking enforcement is done via foot patrol Monday through Friday. Expanding parking enforcement to both parks on a year-round basis will require a substantial increase to the current third-party contract as the staff complement provided through the Fairmont contract would require a minimum of two or three additional full-time parking enforcement officers. Parking enforcement would be extended to seven days per week with expanded daily hours to capture maximum revenue potential. Costs associated with the expanded contract could add as much as \$125,000 per year to enforcement costs if Staff did not deploy technology solutions.

Staff has been researching parking enforcement capability through our current parking software provider – Gtechna. By partnering with Gtechna and Tannery Creek ALPR Systems, coupled with on-site parking kiosks at each park, the expansion of paid parking into the two parks could be feasible via this technology.

The capital costs to implement the technology solution would require a new electric vehicle and the ALPR system installed on the vehicle. The estimated one-time costs for both the vehicle and ALPR system would be approximately \$200,000-\$250,000. As previously noted, this technology would lessen the need for additional full-time parking enforcement personnel, but the contract with Fairmont would still require a further part-time complement.

In addition to enforcement, using an ALPR system will require significant administrative start-up efforts with a robust communication effort to create Owen Sound Resident Exemptions.

The foundation of the ALPR system is digitizing the traditional window sticker or rear-view mirror hang-tag parking permit. Gtechna's software would allow residents, on an annual basis, to access a link on the City's website to register and enter their license plate(s) with an Owen Sound street address. From the registration date on the website and for the remainder of each calendar year, whenever the resident or exempted user drove to a paid parking area with a registered license plate, the ALPR would identify that the vehicle belongs to an Owen Sound resident and be excluded from any enforcement. For non-residents, signage at the park would direct the vehicle owner to conveniently pay for parking online or at a parking kiosk located at the park. The ALPR would capture the license plate information of those non-resident vehicles or non-exempt vehicles and, through the technology, coordinate and enforce appropriately.

The gross revenue and cost estimates provided should be considered working estimates. Staff will need to investigate further costs for a pay-at-the-park kiosk(s), signage, communications, and staff resources to support ticket processing and payment, as well as the impact on accessibility.

Contextually, current parking enforcement in the downtown generates approximately 1,700 tickets per year. More than 350 tickets are challenged and require staff intervention to resolve. The added complexity of exempting users for various reasons will need to be considered as to how that exemption will be implemented and verified.

The estimates for all costs noted in this report, along with the revenue projections are working estimates and need further refinement and study with additional verifiable data

In summary, Staff estimate to properly implement non-resident paid parking at Harrison Park and Kelso Beach Park would require one-time capital costs of approximately \$200,000-\$250,000 and additional ongoing annual operating expenses of roughly \$75,000. Operating costs include enforcement activity, Staff time, and property tax, as the parking lot areas would transition to a taxable entity.

Staff would recommend that further research and study with verifiable data be undertaken before implementing a full-time non-resident paid parking policy into the City's operations.

Furthermore, not included in this report are any social considerations and limited qualitative feedback. Staff has requested input from select stakeholders directly impacted by a non-resident parking fee; including, Harrison Park Inn, Sisters Café, YMCA, Kelso Beach Park Chip wagon, and local senior groups that utilize the parks. Further engagement will be needed. This would include Minor Sports Groups, Putt n Paddle, regular renters of the community centre, Summerfolk, Kiwanis and Good Cheer. Staff requires additional time to understand better how parking directly impacts these users.

Staff had initially contemplated numerous options to offset the costs associated with the 18-week Trial, such as using a \$5 flat fee for non-resident vehicles. However, to facilitate the potential exemptions that would have to be accommodated – e.g., restaurant patrons, swimming lessons, and pool use, Putt 'n' Paddle and other seasonal camps would prove challenging to administer during the Trial period.

18-Week Data Collection Trial for the sole purpose of collecting residency and usage data for all vehicles entering Harrison Park and Kelso Beach Park using a traditional point-of-person collection method.

Three or four part-time summer students will manage the Data Collection Trial. The students will report to the Tourism division. A parking booth will be located at Harrison Park and Kelso Beach Park, each for nine weeks beginning in early May. The students will collect demographic and usage information. The four summer students will be cross-trained to be 'Tourism Ambassadors,' which will support the overall tourism function in the City.

As Tourism Ambassadors, the students will offer proactive tourism information to those visiting. The additional summer students must capture data for seven days per week to replicate a non-resident paid parking model. Complete details as to the hours etc., have yet to be developed but would generally be from 8:30 a.m. – 7:00 p.m. daily.

In conclusion, non-resident paid parking could be a viable non-taxation revenue business for the City to offset a percentage of the ongoing parks operations and capital budgets. However, through conversations with other jurisdictions and municipalities, Staff do not have enough qualified data to establish the business case as of the writing this report to inform Council on implementing a permanent policy – only high-level assumptions.

However, Staff is confident that with the adoption of the recommendation to implement the 18-week Data Collection Trial, a fulsome business plan could be brought to Council in Q4/2022 that outlays the appropriate financial and other background information for a policy decision regarding non-resident paid parking in the 2023 Budget.

Financial Implications:

The proposed budget to implement the 18-week data collection Trial is \$40,000. The costs are directly tied to wages and other operating costs.

Communication Strategy:

A communications plan will be prepared pursuant to Council's direction.

Consultation:

Kate Allan, Director Corporate Services and City Treasurer

Pam Coulter, Director Community Services

Briana Bloomfield, City Clerk

Michelle Palmer, Senior Manager Strategic Initiatives and Operational Effectiveness

Kristen Shrider, Senior Manager Corporate and Facility Services

Mark Giberson, Manager, Information Technology

Adam Parsons, Manager, Parks and Open Spaces

Brent Fisher, Manager, Community and Business Development

Attachments:

None

Recommended and Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Tim Simmonds at tsimmonds@owensound.ca or 519-376-4440 ext. ext. 1210.