

DATE OF MEETING APRIL 20, 2020

AUTHORED BY WENDY FULLA, MANAGER, BUSINESS, ASSET AND FINANCIAL
 PLANNING
 LAURA MERCER, DIRECTOR, FINANCE

SUBJECT **2020 PARKING FEE RELIEF**

OVERVIEW

Purpose:

Consistent with the COVID – 19 Financial Response, Relief and Recovery Framework, provide Council with an update on the projected impact to parking operations and the parking reserve as a result of the Province of BC declaring a Provincial Health Emergency on March 17th. Further, provide information about potential temporary parking fee relief.

BACKGROUND

The City currently provides a number of parking options:

- On-street parking consisting of:
 - Unmetered – 619 stalls
 - Metered – 285 stalls
 - A project to install additional on-street metered parking in the Hospital Area is currently underway.
 - Mobility Challenged – 20 stalls
- Three parkades:
 - Vancouver Island Conference Centre/Port of Nanaimo Centre – 308 stalls
 - Harbour Front Parkade – 301 stalls
 - Bastion Street Parkade – 262 stalls
- Off-street parking:
 - Wallace and Wentworth Parking Lot – 59 stalls
 - Cavan Street Parking Lots – 82 stalls
 - Selby Street Parking Lot (monthly permit only) – 24 stalls
 - Prideaux Street Parking Lot (free parking) – 37 stalls

Under the parking function, the City rents space to the Regional District of Nanaimo for the Transit Exchange, rents parking stalls to the RCMP at 575 Fitzwilliam, and provides employee parking downtown (monthly fee or taxable benefit depending on start date with City).

Revenue from parking funds the day-to-day operations and maintenance of the City's parking facilities including five Bylaw Enforcement Officer – Parking Patrollers and one Parking Clerk. Any surplus from parking operations is transferred to the General Parking Reserve to fund future

parking infrastructure. In 2019, the City generated \$1.88 million in parking revenue and \$617,000 was transferred to the General Parking Reserve.

DISCUSSION

On March 17th, the Province of BC declared a Provincial Health Emergency as a result of COVID-19. As a result, numerous businesses have temporarily closed, reduced hours of operations and/or moved to alternative modes for delivering services including employees working from home. These changes have resulted in a significant decrease to parking revenue since mid March.

For 2020, the City budgeted \$1.81 million in parking revenue with approximately 42% from parking fees (hourly parking) and 48% from parking permits. The net surplus to be transferred to the General Parking Reserve is budgeted at \$379,000.

Parking fee revenue for the second half of March has decreased approximately 80% for on-street parking and over 80% for off-street parking/parkades over the same period last year: with further declines in revenue for the first week of April.

Parking permit revenue has also declined. As of April 9th, 109 cancellations of parking permits have been received. The City also anticipates a decline in parking pass sales to the Coast Bastion Hotel due to lower occupancy.

Staff are working on refining projected revenue and expenditures based on reduced usage and the delay in the multi-meters going in-service in the Hospital Area. Based on current trending it is anticipated that if the Health Emergency continues into August parking revenue for the year will be insufficient to fund day-to-day operations and no contribution will be made to the General Parking Reserve. Any shortfall in funding for day-to-day operations would be funded from general revenue and result in an increase to the projected overall net shortfall of the City.

The current projected funding requirement could be as high as \$445,000 for parking if the Health Emergency persists and no relief is approved.

There is sufficient funding in the General Parking Reserve to fund the projects budgeted from the reserve in the 2020 – 2024 Financial Plan even with no contribution to the reserve for 2020.

Financial Relief Option

Council could provide additional financial relief to residents by providing 3 hours of free parking at all on-street metered parking and at City owned parkades and surface lots. It is anticipated that this would increase the projected net funding shortfall by \$190,000 to \$635,000. |

CONCLUSION

Staff will be returning to Council 2020-APR-27 with a decision report on parking fee relief. |

SUMMARY POINTS

- Parking revenue funds day-to-day parking operations and contributes to the General Parking Reserve for future parking infrastructure.
- Parking revenue has dropped significantly since mid-March.
- Staff continue to revise projections based on current trending. Current projections indicate \$445,000 in general revenue funding may be required to fund parking operations in 2020.
- If parking fee relief is approved, current projections indicate \$635,000 in general revenue funding may be required to fund parking operations in 2020.

ATTACHMENTS

Attachment A – Projections

Attachment B – Parking Rates |

Submitted by:

Wendy Fulla
Manager, Business, Asset and Financial
Planning

Laura Mercer
Director, Finance |

Concurrence by:

Shelley Legin
General Manager, Corporate Services