

DATE OF MEETING SEPTEMBER 9, 2024

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**SUBJECT COMMERCIAL STREET CONSTRUCTION PROJECT – PARKING MANAGEMENT**

## **OVERVIEW**

### **Purpose of Report**

To seek Council direction on pay parking downtown for the duration of the Commercial Street Phase One construction.

### **Recommendation**

That Council provide direction to Staff of its desired downtown parking approach during Commercial Street Phase One construction.

## **BACKGROUND**

Downtown, the City's primary urban centre has been identified as an area of focus of both current and previous strategic plans. Several projects came from the Downtown Mobility Hub Study, one of which was "[Design Commercial Street](#)" which is also [Item 57 from the Integrated Action Plan](#). Work, including extensive public involvement has progressed on this project since 2021 and Phase One, Commercial Street, Wharf Street to Church Street, as shown in Attachment A, was originally to begin construction in January of 2024; however, it was delayed until September to facilitate filming in the downtown in May.

This area was chosen as the first phase because the signal and intersection (pavement, sidewalks, streetlights) are at end of life and in need of renewal. Through project planning, it was also identified that underground utilities would need to be renewed in the relatively near future and, as such, should be renewed prior to upgrading the surface infrastructure.

Extensive consultation with nearby property owners and businesses has taken place over several years leading up to this project. Given the substantial number of business stakeholders in the project area, the Downtown Business Area (DNBA) has assisted with the engagement. Through the consultation with the public and the business community, the project has been viewed as positive; however, there have been concerns raised around the impact construction will have on the businesses downtown. Specifically, concerns have been expressed around the road closures required during construction and associated loss of street parking, particularly through the busy holiday shopping season.

## **DISCUSSION**

A key element of the work done through the Downtown Mobility Hub Study was an assessment of parking. It was determined that the downtown overall parking supply was sufficient, but purposeful management would be needed as the City (demand) grows. Although supply is expected to be sufficient, the available parking location may not be as close to the destination as desired. Parking management requires consistent enforcement and a review of pricing to ensure the objectives are met. Fees for parking should be tied directly to the value (convenience) of the location; it is important to ensure that the most convenient locations are not occupied longer than is necessary since this creates a barrier to others accessing businesses. Longer duration stays are better accommodated through off street parking facilities such as parkades or surface lots.

### **On Street Parking**

Currently, on street parking downtown (east of Terminal) includes approximately 120 pay parking stalls, 60 time limited stalls, and 64 accessible or loading zone stalls. Pay parking is currently in the highest demand areas (Commercial Street) and costs \$1.25/hr between 8am and 5pm Monday to Friday, street parking is free on weekends. Attachment B is a map outlining the various on street parking regulations.

### **Off Street Parking**

The City currently operates three parkades east of Terminal: Bastion, VICC/Port of Nanaimo Centre, and Harbour Front. The parkades have stalls that are allocated for different purposes including public parking. Detailed allocations and fee structure are shown in Attachment C, it is noteworthy that short duration parking in these facilities is significantly less expensive than on street.

### **Construction Management**

Through engagement, the DNBA has indicated that they have concerns with the impacts that the traffic detours and temporary loss of street parking may have on business and have submitted a request for a suspension of pay parking for the duration of construction, roughly between September 2024 and April 2025. The construction will have a direct impact (loss) on approximately 30 pay parking stalls, or 17% of street parking in the area.

Noting that the primary purpose of on street pay parking is for curb space management, suspending it for the duration of construction could have the unintended consequence of reducing turnover. Less turnover would result in reduced parking availability for potential customers, the opposite of the objective. Eliminating pay parking on downtown streets for the duration of construction would also result in a loss of roughly \$55,000 in revenue to the City. In this case, staff would suggest that on-street parking be time-limited to 2 hours.

Offering free parking in the parkades would be problematic given the existing paid allocations and the technical limitations of kiosks. Staff explored other opportunities which may address the

concern while minimizing the potential negative impacts and noted that part of 1 Port Drive could be converted to over 200 additional parking stalls for roughly the same amount, \$55,000. See Attachment D – 1 Port Drive Location Plan. This new facility would not be as convenient, but it could accommodate a significant number of vehicles without compromising the function of the short term on street pay parking in the highest demand areas.

### Conclusion

Construction is often the most challenging step in a project, and this will be no different for Commercial Street Phase One. Having said that, suspending pay parking is likely not going to have the benefits that are intended, in fact, it is quite likely they will have the opposite effect. Acknowledging this, Staff prepared an option to allocate \$55,000 from the Parking Reserve Fund to convert part of 1 Port Drive into a surface parking lot for at least 200 vehicles with time-limited parking of up to 4hrs, all day, everyday for the duration of construction. The Parking Reserve Fund has sufficient funding available to complete the work with a current projected 2024 closing balance of \$948,801 before any funds are allocated to this project. Once construction of Commercial Street Phase One is complete, Staff would provide a report with options for Council to direct the future use of the lot.

### OPTIONS

1. That Council direct Staff to allocate \$55,000 from the Parking Reserve Fund to convert the easterly portion of 1 Port Drive into a temporary, free, time limited parking lot, and to provide a report back to Council following construction with longer term options for the space.
  - The advantages of this option: The parking lot could provide up to 200 parking spaces in the downtown and would extract value from a currently underutilized space.
  - The disadvantages of this option: The parking lot is about 400m away from the construction zone, so it may not be ideally convenient for some users. This option is unlikely to provide the hoped-for benefit.
  - Financial Implications: The cost to establish a surface parking lot at 1 Port Drive is expected to be about \$55,000. The 2024 – 2028 Financial Plan will be amended at a later date to add a project for \$55,000 to 2024 for 1 Port Drive Parking funded from the Parking Reserve Fund.
  
2. That Council direct Staff to suspend pay street parking in the downtown for the duration of Commercial Street Phase One project and replace it with a 2 hour time limit.
  - The advantages of this option: Free parking spaces would be available in the downtown in areas close to the construction zone.
  - The disadvantages of this option: The goal of ensuring parking space availability would likely be hampered by reduced turnover and may result in less actual parking space availability.
  - Financial Implications: Lost revenue for the duration of the project is expected to be about \$55,000. There's also some marginal costs for signs.

3. That Council direct Staff otherwise. |

**SUMMARY POINTS**

- Phase One of the Commercial Street Upgrades project will begin construction in September.
- 30 on street parking stalls will be unavailable during construction.
- Removing pay parking for street parking could have unintended consequences of reduced street parking availability.
- 1 Port Drive could be converted into a temporary parking facility during construction to bolster the parking supply downtown.

**ATTACHMENTS:**

Attachment A – Phase One Streetscape Upgrades

Attachment B – Downtown Parking Regulations

Attachment C – Parkade Space Allocation Breakdown and Fees

Attachment D – 1 Port Drive Location Plan |

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