

Review of Residential Parking Program – Additional Information

ISSUE

This report provides additional information on the Residential Parking Program (RPP) permit fees required to achieve full cost recovery and an overview of how other comparable cities approach cost recovery for similar parking programs.

BACKGROUND

In response to the report presented at the May 4, 2020 meeting, of the Standing Policy Committee on Transportation, titled “Review of the Residential Parking Program”, Committee members had questions about the permit fees required to operate the RPP at full cost recovery and details of permit fees charged by other cities. This report provides additional information to address those questions.

CURRENT STATUS

The cost of delivering the Residential Parking Program is estimated at \$400,000 and includes costs of administration, enforcement, sign installation and maintenance. Budgeted revenues of \$56,600 were projected for 2020, based on permit fees of \$25 (for an RPP permit) and \$15 (for a permit in a Limited RPP area). Visitor permits are \$5, if purchased with a residential parking permit, or \$25 if purchased alone. Permits purchased midway through the year, or later, are sold at a 50% prorated rate.

DISCUSSION/ANALYSIS

Cost Recovery Calculation

Analysis of permit fees required to fully cover the costs of the RPP program is somewhat challenging, given the varied permit fee amounts. To identify an approximate value, the calculation was based on a total 3,200 permits (the average number of permit sales in 2018 and 2019). An assumption was made that the same fee would be charged for all permits, if operating under a cost recovery model.

Using an annual program cost of \$400,000 and 3,200 permit sales, a fee of \$125 per permit would be required to achieve full cost recovery. Of the 3,200 permits issued, 93% of these are for the RPP. This new permit fee would be five times the current RPP permit fee of \$25 and more than eight times the current fee for a Limited RPP permit of \$15.

This calculation does not include consideration for ticket revenue generated from RPP zones. At this time, ticket data does not distinguish parking infractions specific to the geographic areas of an RPP or to the Residential Parking Program. In addition, all parking ticket revenue is directed to general revenues in the Fines and Penalties Service Line within Taxation and General Revenues Business Line.

Approach to Cost Recovery in other Municipalities

Administration contacted five selected municipalities to obtain input on their current fees for comparable programs and to confirm intent to achieve cost recovery. As shown in

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the table below, this review confirmed fees are comparable to, or less than, the current fees charged in Saskatoon. Other municipalities are not setting fees to address cost recovery objectives.

City	Fee for RPP Permit	Undertaking Cost Recovery
Calgary	First 2 RPP permits are free (each permit thereafter is \$50)	No
Edmonton	Free (all permits)	No
Red Deer	\$20 fee – currently active program (Note - an additional program with a \$50 fee was created, however it was never implemented)	No
Regina	\$15	No
Winnipeg	\$25	Unable to contact

FINANCIAL IMPLICATIONS

There are no financial implications or changes associated with this report.

OTHER IMPLICATIONS

There are no legal, social, privacy or environmental implications identified.

REPORT APPROVAL

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SP/2020/CS/CITY COUNCIL/Review of Residential Parking Program – Additional Information/MH