Temporary Reserved Parking Program – Policy Considerations

ISSUE

The Temporary Reserved Parking Program, previously known as "meter hooding", allows parking spaces to be reserved for non-standard purposes, including construction, business, special events or service needs. This report addresses potential policy consideration related to fee reductions where new on-street parking spaces are created as a result of construction development.

BACKGROUND

City Council, at its Regular Business <u>meeting</u> on March 26, 2025, received the motion and resolved:

"That Administration be directed to report back no later than May 2025 on policy considerations to facilitate TRP fee reductions for construction projects, that upon completion, result in allowances for additional pay parking spaces, including analysis on financial implications for the City, financial risk and potential process."

City Council, at its Regular Business <u>meeting</u> held on February 26, 2025, approved <u>Council Policy C07-035</u>, <u>Temporary Reserve Parking Policy</u> (TRP Policy). Of note, the TRP Policy does not include fee reductions for construction projects, that upon completion, result in allowances for additional pay parking spaces. The only fee reductions included in the TRP Policy are for parking reservations that exceed 30 days in length.

DISCUSSION/ANALYSIS

Parking Services is responsible for the planning, design, coordination, administration, and enforcement of the City's on-and-off street parking facilities, as well as various parking initiatives, policies, and projects, such as the Temporary Reserved Parking (TRP) program and residential parking permit programs. In addition to contributing to general revenues, the parking program funds the Streetscape Reserve under the Urban Design service line, Parking Capital Reserve, Fire Community Support (formerly Community Support Officer Program), and distributes a portion of parking revenues to qualifying Business Improvement Districts.

The TRP program charges rental fees based on hourly parking rates for the exclusive use of paid parking spaces. The TRP Policy sets a consistent fee structure using a formula where the hourly parking rate set in Bylaw No. 7200, Traffic Bylaw, 1991, is considered the base rate, and fees are calculated as a percentage of that base.

At times, construction projects who have reserved parking spaces under the TRP Program result in opportunities for more curb lane space which can be generated through reductions in site crossings or eliminations of site crossings.

Pursuant to the Bylaw No. 7200, The Traffic Bylaw, 1991, the General Manager of Community Services may designate parking areas where payment is required. Any existing or new additional parking stalls would be reviewed for their suitability for inclusion as part of the pay parking zone. However, additional curb lane may not necessarily be utilized for pay parking and could be used for other uses such as accessible parking, a loading zone or transit bus stop. The public right-of-way is under the direction, control and management of the City, and its use is therefore determined by the City.

In a municipal scan of other cities across Canada (see Appendix 1), no other municipality offers any fee reductions for construction projects, that upon completion, result in allowances for additional pay parking spaces. During the scan, it was noted that municipalities did not offer any reduction or subsequent increase in fees during the period of a reservation. In providing a singular rate derived from the base rate, this provided the most transparent, impartial and equitable fee structure for all prospective customers.

FINANCIAL IMPLICATIONS

As TRP program volumes are subject to change every year, it is difficult to forecast revenue loss accurately. Any reduction of TRP program fee revenue may have a negative financial impact to the Streetscape Reserve and the contribution towards General Revenue.

The notion of fee reductions based on additional parking spaces being created through a project also assumes that the new parking spaces will be occupied in subsequent years at high enough rates to capture lost parking revenue. A case may be considered once the project is complete and the new parking spaces that were created are operationalized, there would be new incremental revenue which is now earned by the parking program on these new spaces. Whether this incremental revenue would be adequate to recover the lost revenue from the TRP program fee reduction is uncertain. Unless the parking spaces in the project's immediate vicinity had historically been fully utilized prior to the project, such as the demand for parking exceeded the supply of parking spots, the incremental revenue would likely be minimal.

In Administration's view, the creation of new parking spaces may result in more convenient parking but doesn't necessarily generate additional parking revenue unless the other pay parking spaces in the area were at full use. This approach involves a degree of risk as it relies on speculation that parking revenues will increase as a result of newly created pay parking spaces. Potential revenue scenarios have been provided (see Appendix 2), which outlines what a current reservation would produce in revenue in comparison to a fee reduction scenario.

OTHER IMPLICATIONS

To facilitate a reduced fee option, changes would be required to the current TRP Policy and administrative process. A contract or agreement would be required to outline the fee considerations and guarantee completion of any street parking improvements. While instances of this nature are anticipated to be infrequent, it is noted that additional administrative time would be required to manage such a process.

NEXT STEPS

If instructed, Administration would table a further report identifying revisions to the TRP Policy to facilitate fee reductions for instances noted in the report. Additional work would be required with other departments to identify process and procedural changes, and reporting would be anticipated in Q1 2026.

APPENDICES

- 1. Temporary Reserved Parking Program Municipal Scan
- 2. Temporary Reserved Parking Program Revenue Scenarios

REPORT APPROVAL

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SP/2025/CS/Transportation/Temporary Reserved Parking Program - Policy Considerations/mt