River Landing Parkade - 2017 Update

Recommendation
That the report of the Acting General Manager, Corporate Performance Department dated March 12, 2018, be received as information.

Topic and Purpose
The purpose of this report is to provide City Council a 2017 operational update on the River Landing Parkade.

Report Highlights
1. The River Landing Parkade (located underneath Remai Modern and Persephone Theatre) opened on May 1, 2017.
2. When Remai Modern opened on October 21, 2017, it had a positive impact on the Parkade usage.
3. To attract customers, parking fees were first priced conservatively. Administration is planning a phased increase to parking fees effective May 1, 2018, and October 1, 2018, to better align with current market rates.
4. In response to customer feedback, Administration is extending the hours of operation from 6:00 a.m. to 1:00 a.m. (from the current 7:00 a.m. to midnight).

Strategic Goals
River Landing supports the Strategic Goal of Quality of Life by ensuring existing recreational facilities are accessible physically and financially, and meet community needs. Under the Strategic Goal of Asset and Financial Sustainability, the mandate of the River Landing Parkade is to be self-sufficient, while also contributing to the priority of alternative sources of revenue to pay for ongoing operations.

Background
City Council, at its meeting held on June 13, 2011, resolved that the underground River Landing Parkade would generate revenues to pay its annual operating costs, make annual contributions for public amenities on the first floor atrium, and to repay the debenture associated with the parkade construction.

Report
The City’s First Parkade
The philosophy of City-owned parkades was introduced in the Comprehensive Downtown Parking Study, and the River Landing Parkade is the City’s first parkade structure. While the Parkade is owned and operated by the City, its parking operations are under contract with Precise ParkLink.

Within the River Landing Parkade, there are 154 parking spaces (including wheelchair accessible, hourly, daily, and monthly spaces). There are also free public bike racks, and a locked compound for building tenant bikes. Customers come from patrons/staff
of both Remai Modern and Persephone Theatre, nearby offices, retail and entertainment businesses, and River Landing community events.

Proposed Fees
In consultation with Precise ParkLink, the City set the current parking rates. The rates were priced conservatively in order to attract customers, as industry experience indicates it takes a year or more for a parkade to get established. Administration is planning to increase the parking fees in order to achieve better alignment with market rates.

Industry best practice shows that increasing rates is weather dependent (i.e. cold weather encourages people to come back inside). Respecting this, Administration recommends a fee increase effective May 1, 2018, for monthly parking, followed by all other increases on October 1, 2018. An additional increase to the monthly parking rate is proposed for October, as that fee is well below market rate and could, therefore, withstand incremental increases in both the spring and fall.

<table>
<thead>
<tr>
<th>Current Type of Parking</th>
<th>Current Fee</th>
<th>Proposed Fee Increase</th>
<th>Market Rates for Similar Underground Parkades</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Parking Permit</td>
<td>$150 plus GST</td>
<td>$175 plus GST (beginning May 1) and $200 plus GST (beginning October 1)*</td>
<td>$275 - $350 plus GST</td>
</tr>
<tr>
<td>Daily (7:00 a.m. - 6:00 p.m.)</td>
<td>$8 per day (GST included)</td>
<td>$10 day (beginning October 1)</td>
<td>$6 - $15 per day</td>
</tr>
<tr>
<td>Evening (6:00 p.m. – midnight)</td>
<td>$5 per evening (GST included)</td>
<td>$7 (for October 1)</td>
<td>$6 - $10 per evening</td>
</tr>
<tr>
<td>Hourly</td>
<td>$2 per hour (GST included)</td>
<td>$2 (stays the same to match the on-street rate)</td>
<td>$2 per hour</td>
</tr>
</tbody>
</table>

*Monthly parking permit customers were advised when they purchased their permits that the price was introductory and subject to change. If new fees are approved, they will be provided with 30 days’ notice before the change.

Operational Summary
Parkade revenue and usage has increased steadily each month. A detailed breakdown of these statistics are in Attachment 1, River Landing Parkade Stats and Influencing Factors. There has not been a full year of operations at the Parkade or Remai Modern, and nearby Parcel YY is not yet developed. As a result, it is difficult to track and project operational trends. However, there are some noteworthy observations. Specifically, it can be noted that activity at the Parkade is affected by events at Remai Modern and performances at Persephone Theatre, as well as by weather, seasonal events, nearby construction, and specific days of the week. Attachment 1 explores the influencing factors in more detail. Administration will continue to track and monitor usage statistics to identify trends.
In response to customer feedback, Administration is also opening the Parkade one hour earlier (i.e. 6:00 a.m.) and staying open one hour later (i.e. 1:00 a.m.) to accommodate customers.

**Communications**
Precise ParkLink will notify monthly parking permit customers by email, and update its website and parking app for the other changes. The City will update on-site signage, revise the website, and promote the Parkade, new hours and fees through social media channels.

**Financial Implications**
The River Landing Parkade is mandated to eventually be self-sufficient through its operations. The revenue from customers is expected to repay the capital loan cost to construct the parkade (a loan of $12M; repayments are $376,400 annually), fund annual operating and maintenance costs (approximately $125,000), and contributions for public amenities on the first floor atrium ($220,000).

**Other Considerations/Implications**
There are no options, public and/or stakeholder, policy, environmental, Privacy, or CPTED implications or considerations.

**Due Date for Follow-up and/or Project Completion**
Administration will report back to Standing Policy Committee on Environment, Utilities & Corporate Initiatives as appropriate with any new developments.

**Public Notice**
Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required at this time.

**Attachment**
1. River Landing Parkade Influencing Factors and Stats

**Report Approval**
Written by: Jill Cope, Project Manager, Environmental and Corporate Initiatives
Reviewed by: Brenda Wallace, Director of Environmental and Corporate Initiatives
Approved by: Dan Willems, Acting General Manager, Corporate Performance Dept.