

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: June 2, 2021

SUBJECT: Options to Support Business Recovery with Parking Programming

ORIGIN

On April 20, 2021 Councillor Mason tabled the following motion
That Regional Council

Request a staff report with recommendations and financial impacts for investing in projects to promote parking in areas with on street paid parking, including but not limited to via variable message signs at gateways to commercial areas and in the ROW at parking entrances, as well as a trial period of three to six months where the municipality may:

- *paying users Hotspot fees to encourage app use*
- *providing a measure of free parking on Thursday and/or Friday while continuing to support the goals of the parking management policy partnering with BIDs to provide funding to enable flexible free parking strategies for and definition of special events as a part of larger, BID lead marketing strategy*

LEGISLATIVE AUTHORITY

Motor Vehicle Act, R.S., c. 293, s. 153

Municipal parking meter by-law

153 (1) Notwithstanding Section 152, the council of a city, town or municipality may by by-law prohibit or restrict the parking or leaving standing of vehicles except in accordance with a sign or device on a parking meter.

Halifax Regional Municipality Charter, 2008, c. 39

Municipal expenditures

79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;

By-law P-500, the *Parking Meter By-law*, s. 10

10. The rate for parking meters and pay stations within the Municipality shall be set by the Council of the Municipality from time to time.

Administrative Order Number 15, the *License, Permits and Processing Fees Administrative Order*

12A. Council, by resolution, or the CAO, may waive any parking rate under section 12 where, in the opinion of Council or the CAO, such waiver would be beneficial to the Municipality.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Waive the requirement for the Audit & Finance Standing Committee to review and make a recommendation to Regional Council regarding the increase to Project No. CI990031 Parking Technology in the amount of \$24,000;
2. Approve an increase to Project No. CI990031 Parking Technology in the amount of \$24,000 with funding from General Contingency Reserve Q421, as outlined in the Financial Implications section of this report.

and direct the Chief Administrative Officer to:

3. Adopt and implement the marketing strategy valued at \$50,000;
4. Cover HotSpot pay-per-use fees for a period of three months up to \$15,000;
5. Execute a contract change order with Precise Parklink on terms satisfactory to the Chief Administrative Officer, to cover set up costs and the first year of subscription fees of a merchant validation program for up to 200 merchants, to be administered by the Business Improvement Districts; and
6. In support of the COVID Recovery Programming, waive parking rates pursuant to section 12A of Administrative Order 15 Respecting License, Permit and Processing Fees to offer free on-street metered parking between 4-6 pm on the following days, provided there are no public health directives that would cancel the programming:
June 17,18,24,25
July 2,8,9,15,16,22,23,29,30
August 5,6,12,13,19,20,26,27
September 3, 4, 10, 11

all of which is outlined in the discussion section of this report.

BACKGROUND

On April 20, 2021 Halifax Regional Council approved¹ new time-of-day demand pricing rates by zone and removal of the four-hour cap. Regional Council received correspondence (see attachment A) from Paul MacKinnon, CEO Downtown Halifax Business Commission, on behalf of the business associations asking for Council to “direct staff to work directly with the urban core BID’s who have paid parking in their districts to enhance parking promotions.”

Staff met with representatives from the downtown and surrounding area business districts and staff from the Halifax Partnership in response to this motion on April 29, 2021. The engagement has helped inform the recommendations in this report.

¹ <https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/210420rc1113.pdf>

DISCUSSION

The following sections provide an overview of options in response to the motion:

Marketing Opportunities

Staff has prepared two options for marketing campaigns to amplify existing BID messaging around parking and ensure that residents have ample access to signage, maps and resources as they relate to the new parking system and options available to park downtown. The range of offerings is between \$15,000-50,000 and includes social, print and digital assets. The price point depends on the length of time in market and various types of media. Staff is recommending the larger investment to achieve greater impact.

Wayfinding Signage

Based on feedback from residents, staff propose simple coroplast signs posted on paid parking poles indicating where the closest pay station is located along with detailed how-to-steps posted on the side of pay stations. This has been incorporated into the broader marketing plan mentioned above.

As directed in the 25-year Municipal Parking Strategy Functional Plan² and the Parking Technology Capital Project (C1990031), staff has begun the initial investigation of providing Variable Message Signage at key entry points to the Municipality and specifically in anticipation of the Cogswell Redevelopment Project.

An Opportunity Assessment was completed last fall exploring options available on the market and opportunities for partnership here in HRM with off-street providers. Wayfinding signage remains in scope for the parking technology project. Recommendations from the Opportunity Assessment (OA) and planning which will be completed in fiscal 2021/22 will inform future capital budgeting but the solution will not be addressed before 22/23 at the earliest.

Increasing HotSpot Users

HotSpot is the Municipality's mobile parking application provider and a subcontractor of Precise Parklink (formerly CALE Canada). There are several advantages to the municipality and to residents to increase usage on the app including a decrease in need for the installation and maintenance of hard assets and convenience for users. Currently there are 83,064 subscribers that have Halifax listed as their "home" city and payment via the mobile app accounted for 59% of transactions in March 2021.

Covering HotSpot Fees

Currently HotSpot users have the option to pay a per-transaction fee of \$0.10. Some other jurisdictions such as Toronto absorb the user fees associated with their parking apps to drive subscription and usage. Using the past four months of parking data and forecasting a moderate increase in volumes as COVID-19 restrictions are lifted and immunizations continue, HotSpot forecasts fees for the three-month period (Jun-Aug 2021) to be approximately \$15,200.

Merchant Validation

HotSpot presently offers merchant validation to any business. Under the current model the relationship is between the merchant and HotSpot, the Municipality is not involved. Merchants register and pay for a validation account; a tablet is provided; and a wallet is managed to reimburse customers for their sessions when they visit the store.

In response to this motion and discussions with the BIDs, staff explored with our vendors how we might be able to facilitate merchant validation at a broader scale in support of downtown recovery.

Precise Parklink and their subcontractor, HotSpot in partnership with HRM can introduce a merchant validation program at a larger scale than individual businesses applying for the service on their own. A contract change order can be initiated to the existing Parking Technology Contract to implement a merchant

² <http://legacycontent.halifax.ca/council/agendasc/documents/090203cow4.pdf>

validation program with Precise Parklink. This program will cover the initial start up costs and the first year of subscription fees for up to 200 businesses. Should businesses wish to continue with the service after the first year, they can renew their subscription with HotSpot for \$50 per year. Merchants would be responsible for covering the cost of the validated parking which is managed through the set up of a wallet with HotSpot. Business eligibility and the application process would be managed by the BIDs. The 200 subscriptions will be allocated across the four BIDs based on number of members and paid parking inventory within the district. Precise Parklink will provide HRM with access to certain administrative metrics generated by the initiative.

“Free Parking” and Special Events

The Integrated Mobility Plan encourages pricing on-street parking appropriately and based on demand. Studies show that free parking does not facilitate turn over and encourages single-occupant vehicle use. The recent changes adopted by Council to remove the four-hour cap and introduce a new rate table, places on-street parking well below market value. This was done as a short-term measure recognizing that COVID-19 has reduced overall demand and in acknowledgement of requests from local business to encourage people to come downtown.

In response to the first wave of COVID-19, the municipality introduced Halifax’s Mobility Response: Streets and Spaces Program³ which implemented several initiatives to support walking, rolling and cycling safely throughout the city as well the business community to adapt or expand their outdoor dining spaces. In addition, HRM’s Street Improvement Pilot Projects (Tactical Urbanism Program⁴) and the implementation of the Regional Centre All Ages and Abilities Bicycle Network has seen additional investment in walking, rolling and cycling infrastructure in the downtown core. The municipality has also recently introduced the “How to get around” website⁵ with resources to support residents in walking, rolling, cycling and taking transit. It is also important to note that Studies⁶ show that increased pedestrian, cycling and transit infrastructure supports economic growth and invigorates downtown revitalization strategies. As part of the Mobility Response, more than 30 15-minute loading spaces were added and in December 2020 staff introduced the “first 15 free” to facilitate short term parking and loading in support of business. More recently, staff has provided more than 350 spaces free for health care workers.

On April 21, 2021 as part of the Balance Adjustment process, Committee of the Whole approved the one-time budget adjustment of \$600,000 for the COVID Recovery Event Program. The funding planned for event program and delivery is to incentivize people to return to the downtown. Depending on COVID and Provincial Public Health guidelines, the event program will be hosted in Grand Parade and the Dartmouth Ferry Terminal Park on Thursday, Friday and Saturday evenings and Sunday afternoons (all during times when paid parking is free) throughout the summer.

First 15 minutes free

While not contemplated in the motion, this was discussed at the meeting with the business improvement districts and seemed to be a preferred option for most in combination with other activities. Most notably Quinpool and North End Business Districts indicated this would have the most benefit to their membership. This option would see the first 15 minutes of every transaction offered for free and has the greatest potential impact on budget.

³ <https://www.halifax.ca/transportation/how-get-around/covid-19-mobility-options>

⁴ <https://www.halifax.ca/about-halifax/regional-community-planning/transportation-planning/street-improvement-pilot-projects>

⁵ <https://www.halifax.ca/transportation/how-get-around>

⁶ <https://wsd-pfb-sparkinfluence.s3.amazonaws.com/uploads/2020/03/Economic-Impacts-of-Street-Improvements-summary-report.pdf>

Two hours free from 12-2 Thursday and/or Friday

Staff are not recommending this option. This option aligns with the request from business to consider ways to support growth in lunch-time business. However, usage indicates this time of day is in highest demand for parking. It stands to reason that offering parking for free would result in lack of availability for those looking for spaces near restaurants and shops. Downtown Halifax and Dartmouth Business Commissions indicated that this would be their member's preferred option likely because it would result in the highest-priced hours being offered for free.

Two hours free from 4-6 Thursday and/or Friday

Staff recommend this option. This option best aligns with the desire to support the COVID Recovery Programming being offered by Parks and Recreation and has smaller potential impact on revenues as demand pricing presently has these hours ranging from \$1-\$2 per hour, depending on zone. This option was favoured by the Spring Garden Area Business Commission.

Relaxing Enforcement and Ticket Reviews

On average, paid parking violations make up less than 25% of total parking enforcement revenue. Since the launch of the new system in October, staff has waived 630 paid parking violations submitted for review by residents. Such a consideration has been afforded to anyone that felt they were issued a ticket unfairly, indicated they were unfamiliar with the system or that they required support. In addition to waiving the ticket fee, staff sent helpful step-by-step tutorials to residents to ensure they avoided future tickets.

As part of this initiative and for the summer months, staff propose including a warning for first-time offenders instead of issuing a ticket. This would be developed as part of a broader marketing campaign welcoming residents and visitors back to downtown.

Other Jurisdictions

During debate on April 20, 2021 Councillor Mason mentioned both Calgary and Winnipeg as jurisdictions that had been successful in pairing parking initiatives with business revitalization. Both cities have parking authorities: a publicly owned and managed, self-funding agency responsible for on-street and off-street parking management, as opposed to parking embedded in their municipal operations like HRM. Staff felt it prudent to provide an overview of activities happening in each jurisdiction.

Calgary Parking Authority

The Calgary Parking Authority (CPA) has offered 15 minutes of free on-street parking in Calgary's Business Improvement areas and Business Revitalization Zones to support local businesses by accommodating expanded curbside pick-ups and deliveries given COVID-19 restrictions. Registration is required.

The CPA also offers "Local Deals" via their MyParking app which connects users with exclusive offers from Calgary businesses and unlocks coupon codes that can be used at participating businesses after a parking session is activated.

At the Calgary Convention Center the parkade which is managed by CPA is offering 90 minutes free to coincide with COVID testing and vaccination clinics happening at the same location. The CPA also converted the top floor of their High Park parade to a pilot placemaking parklet with benches and other amenities. Residents and business can book this space for special events.

Winnipeg Parking Authority

Effective March 28, 2020 the Winnipeg Parking Authority (WPA) offers one-hour complimentary parking at all metered locations throughout Winnipeg. No registration is required. Enforcement of 1-2 hour time limits on residential streets have been relaxed and several 15 minute loading zones in various locations throughout the Downtown were added.

Short Term Options

Item	3 months	6 months
Covering HotSpot fees for new registrants	\$15,000	\$30,000
First 15 minutes free	\$210,000	420,000
Free Parking 12-2	\$174,000	\$293,500
Free Parking 4-6	\$85,600	\$151,300
Relaxing Enforcement	\$12,600	\$25,200
Marketing Campaigns	\$15,000	50,000

Longer term, one-time investment

Item	Development	Subscription Costs
HotSpot Merchant Validation for 200 businesses	\$24,000 (contract amendment to Capital account CI990031 – Parking Technology)	\$10,000* in operating costs

*covers first year of subscription costs for 200 accounts. Businesses would be responsible for subscription renewal and any associated costs after the first year.

FINANCIAL IMPLICATIONS

The recommendations result in additional operating expenditures of \$184,600, summarized as follows:

Adoption and implementation of marketing strategy	\$50,000
Hot-Spot pay per use fees for new registrants	15,000
Operating costs associated with Precise Park Link change order	10,000
Waiving parking rates between 4-6pm	85,600
Transfer to Q421 – General Contingency Reserve	<u>24,000</u>
Total impact on Operating A315 Ticket Office	\$184,600

Since these costs are not included in the 21/22 Operating Budget approved by Halifax Regional Council on May 4, 2021, they will be offset by managing to find savings in other areas of the TPW budget.

Budget Summary: **Project No. CI990031 – Parking Technology**

Cumulative Uncommitted Budget	\$	91,369
Plus: Transfer from Reserve Q421	\$	24,000
Less: Contract amendment	(\$)	<u>24,000</u>
Balance	\$	91,369

Budget Summary: General Contingency Reserve Q421

Projected Net Available Balance as of April 1/21	\$ 33,331,594
Budgeted Contribution 2021 - 22	\$ 2,800,000
Budgeted withdrawals 2021 – 22	(\$ 35,707,350)
Projected interest 2021 – 22	6,800
Transfer from operating A315	\$ 24,000
Unbudgeted withdrawals	<u>(\$ 24,000)</u>
Projected Net Available Balance	\$ 431,044

RISK CONSIDERATION

There is financial risk associated with this report. Projected revenues are already reduced for this year given COVID-19 restrictions. Any further subsidy will result in lost revenue to the municipality.

The risks contemplated rate as low as they will be off-set via benefit to business recovery.

COMMUNITY ENGAGEMENT

In response to this motion, staff met with representatives from the business improvement districts with paid parking (Halifax, Dartmouth, Spring Garden, North End and Quinpool Road) and staff from the Halifax Partnership to discuss their letter to Council. General themes of the report were discussed, and the BIDS were in favour and supportive of staff recommendations in principle. Some BIDS with smaller amounts of paid parking indicated that the initiatives around driving HotSpot membership and merchant validation would offer have the least amount of impact for their members but were in favour of marketing campaigns and way finding signage that informed users of options for parking and where it was located. The general consensus that emerged from the meeting was that marketing and on-street signage would be most impactful to all parties along with targeted free parking promotion to coincide with special events.

ENVIRONMENTAL IMPLICATIONS

There are environmental implications associated with further promoting car culture and encouraging single occupant vehicle use in the core.

ALTERNATIVES

1. Council could adopt an option presented in this report but not included in the staff recommendation.
2. Council could direct staff to generate other options to promote and support paid parking that are not discussed in this report. This would require a supplementary staff report.

ATTACHMENTS

A: Letter from Paul MacKinnon, CEO Downtown Halifax Business Commission on behalf of Business Improvement Districts

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Victoria Horne, Director, Parking Services, Transportation and Public Works 902.292.8434

From: [Paul MacKinnon](#)
To: [Hendsbee, David](#); [Austin, Sam](#); [Mancini, Tony](#); [Mason, Wayne](#); [Smith, Lindell](#); [Cleary, Shawn](#); [Blackburn, Lisa](#); [Outhit, Tim](#); [Mike Savage](#); [Russell, Paul](#); [DeagleGammon, Cathy](#); [Kent, Becky](#); [Purdy, Trish](#); [Morse, Kathryn](#); [Cuttell, Patty](#); [Stoddard, Iona](#); [Lovelace, Pam](#); [Office, Clerks](#)
Cc: [Dube, Jacques](#); [Ivy Ho](#); [Sue Uteck](#); [Tim Rissesco \(tim@downtowndartmouth.ca\)](#); ["Karla Nicholson"](#); [Tracy Jackson](#); [Horne, Victoria](#); [Paul MacKinnon](#)
Subject: [External Email] Parking Proposal
Date: Monday, April 19, 2021 2:45:37 PM

[This email has been received from an external person or system]

Dear Mayor Mike Savage and HRM Councillors,

As in other cities across Canada, the loss of office workers, tourists, students, and other customers has hit the urban cores of Halifax and Dartmouth particularly hard during the pandemic. In a recent survey of Downtown Halifax businesses, conducted by Thinkwell, 83% of retailers reported that their sales had decreased in the past year, with 100% of restaurants reporting the same. Almost 20% of ground floor businesses anticipate closing for good, by 2022. Many of them are barely hanging on only due to the Federal wage and rent programs (both scheduled to end in June). It is critical that the latter half of 2021 sees a turnaround.

Available, convenient, affordable parking is a key component to any downtown business district. We appreciate the efforts of HRM in investing in new technology and the ongoing work of HRM's parking division.

Parking is largely seen as a negative for downtown visitors. People dislike looking for parking spaces and people dislike paying for parking, regardless of the price. The new technology and app have made paying for parking easier (though not cheaper), and continued promotion of availability of parking is required. We would ask that HRM Council and staff look at 2021 as a critical period for downtown businesses, and use parking as a means of helping.

Specifically, we would ask that HRM's parking department be directed to work with those urban core BIDs who have paid parking in their districts, to enhance parking promotions. Regarding budget, \$700,000, which represents just 10% of parking revenues, would be impactful in undertaking this work for 2021-22. Specific measures of the promotion could include: promoting the availability of parking, improving signage to off-street lots, gathering and sharing realtime data on available parking, providing limited/targetted free customer parking, encouraging further adoption of the parking app, etc.

The short-term goal is to assist in business survival. The long-term goal is to maintain the critical downtown tax assessment base and reduce the barriers (perceived and real) to parking downtown.

We hope you will agree such an investment can be used wisely, to help ensure we maintain a viable business area.

Sincerely submitted,

Downtown Dartmouth Business Commission
Downtown Halifax Business Commission
North End Business Association
Quinpool Road MainStreet District Association
Spring Garden Area Business Association