

CITY OF ORILLIA

TO:

FROM:

DATE:

REPORT NO:

SUBJECT:

Purpose

The purpose of this report is to respond to Request for comments regarding increase in Parking Revenues effective May 1st 2023.

At its meeting held on February 27th 2023, Council adopted the following resolution:

“THAT staff be directed to prepare a report with work with the Downtown Orillia Management Board and the Parking Advisory Committee to report solutions on how the parking rates are increased and distributed amongst municipal lots, permits, and on-street meters to meet eh revenue targets by April 17, 2023.”

Background & Key Facts

The motion for a parking rate increase was passed at the budget deliberations meeting held on February 13, 2023, Council adopted the following motion:

*THAT parking rates for all public on-street metered parking, and all public off-street pay-and-display parking be increased by \$1.00 per hour effective May 1, 2023;
AND THAT parking permit rates be increased by 10% effective May 1, 2023;
AND THAT parking revenue be increased by \$257,000;
AND THAT, of the additional revenue received, 50% be allocated to the Parking Reserve;
AND THAT the additional revenues in the amount of \$128,500 be utilized to decrease the tax levy requirement;
AND THAT the Parking Advisory Committee and Downtown Orillia Management Board be required to provide comment to Council by February 23, 2023.*

During Budget Ratification held on February 27 2023 the a recorded vote was required and the following amendments were made to the original motion:

Clause 189 of Report Number 2023-2 of Budget Committee was adopted with the

exception with the exception that the following was deleted:

- *“by \$1 per hour” in the first paragraph*
- *“by 10%” in the second paragraph*

The sixth paragraph was deleted and replaced with the following:

“AND THAT staff be directed to work with the Downtown Orillia Management Board and the Parking Advisory Committee to report solutions on how the parking rates are increased and distributed amongst municipal lots, permits and on-street meters to meet the revenue targets by April 17, 2023.”

Options & Analysis

Parking as a Service

Parking is a service to the people that come to live, visit, or shop in our downtown. Changes to the delivery of this service should be done not with the sole intention of increasing revenues from parking, but from the perspective of improving the service. The best metric to balance out the needs of service and revenue is occupancy level. By setting a desired occupancy level for parking, we can achieve a parking system that is used more thoroughly and can provide people with their desired parking locations while also increasing revenue.

Recommendations

1. Remove Free Lot Parking promotion during partial month of November and entire month of December.
2. Demand-priced balance between lots and street parking.
 - a. Lots can also be set at varying prices to encourage a more walkable downtown- exposure for businesses on slower blocks.
 - b. Implement tiered parking on street blocks, set a lower rate or hold rate on blocks where parking is sparse and increase rates in busy blocks to increase walkability.
 - c. Future potential could be to adjust prices seasonally, or as lots fill with updated equipment and smart meters.
3. Curb pricing should be more expensive to encourage more use in lots
4. Extend hours for pay parking on Friday nights to capitalize on restaurant patrons. Paid parking to be extended from 5pm to 8pm.
5. Change current permit structure and implement demand pricing for permit lots. Which focuses on employees in the Downtown BIA to increase usage in underused lots.
6. Create more curbed parking on streets surrounding BIA to increase walkability to the BIA core.
7. Future planning: Increase Lot rates, on and off-street parking rates during peak season months (6 months of the year)

Analysis of Recommendations 1,2 and 5

1. December Parking Lot Program

Mid November and December months bring an increase of visitors to the downtown core. The free lot parking provides minimal draw to bring visitors to the downtown. What has resulted from this program is confusion on street vs lot parking, as the BIA office receives at least double the amount of tickets for the 'ticket forgiveness program' coupled with irritation over receiving a ticket since parking is assumed to be free. Removing the program will allow for an increase in revenue during a time that the downtown is considered a destination spot.

A reference to an assumptive revenue number can be found in Schedule A. However, the assumed increase in customers could create approximately \$35,905.00 in additional revenue.

2. Demand-priced balance between lots and street parking.

There are currently sections of Mississaga and adjoining side streets that entertain substantially more pedestrian traffic comparatively. Mariposa Market, is a major tourist destination and as such lots 2 and 5 should be priced on a Demand Based structure, and the street parking should follow suit and be priced according to spot occupancy.

If lots are priced based on demand, it is recommended that the prices are still less than the cost of street parking to encourage walkability and overall use of lots.

Further to the point of demand-based pricing is the importance of creating a fully walkable downtown, and encouraging parking on all streets in the BIA. Due to a general lack of parking use on streets west of West street and Mississaga, the street and lot parking in these areas are often underutilized and in turn result reduced foot traffic. This results in a lower demand for commercial leases. Pricing these curbed parking spots by using a Demand strategy could assist with increasing pedestrian foot traffic, and in turn increase exposure of businesses that are not part of the high traffic Mariposa block. The recommendation is to price the curb parking on Mississaga west of West Street, and the adjoining side streets lower to entice visitors to park in those spots in order to increase occupancy levels' therefore increasing revenue in underutilized parking spaces.

Once this has been applied and an increase in foot traffic occurs it will positively impact curb appeal for future renters and building purchases. As of now the lease rates West of Mariposa and Peter Street show a dramatic drop in price. The range in the high traffic East end of Mississaga sits around \$25/sq foot and common rental rates are between \$3500-\$4100 monthly, whereas west of Mississaga and Peter the rates begin to drop to \$10-20/sq ft and West of Mississaga and West street show a rental rate as low as \$7.25/sq ft. On average a difference of almost \$2000.00 per month occurs within two blocks of the high demand section of Mississaga Street. Filling these underused parking spots will give feasible parking options to visitors and create a thriving downtown.

Following this model will also increase parking on side streets, and with that increase in curb parking, underused lots, such as lot 6 will not appear to be as far from downtown with an increase in curb parking occupancy the lot will no longer appear so far removed from the BIA.

Current lease rates are available in Schedule B.

5. Create Employee Benefit Parking Permit Structure

Concerns regarding increases in parking rates and the stress on part time employees to pay increase in fees to work downtown can be resolved by creating a discounted permit program for businesses in underused lots 6 and 11. This will move employee vehicles from in demand lots, and from curb parking. The increase in prices and reduced usage of those high demands spots will also increase revenue and turnover use. It will also allow staff to have designated lots on either end of Mississaga street. It would be ideal to increase lighting in these lots for safety of staff and employees downtown.

Financial Impact

See Projected Financials Indexed in Schedule A.

Consultation

The BIA Office Manager and Chair met with Wesley Cyr, Lisa Dobson, and Shawn Crawford to discuss ideas regarding parking in the Downtown.

Resources that were consulted for these recommendations include the following:

1. Waterfront and Downtown Area Traffic and Parking Study (January 2022)
2. City of Orillia Multi-Modal Transportation Master Plan (November 2019)
3. Downtown Orillia Parking Study Final Report (September 2011)
4. City of Orillia 2011 Transportation Master Plan Update
5. Jeff Speck, *Walkable City Rules* (October 2018)
6. Donald Shoup, *Parking and the City* (April 2018)
7. Manville, Michael & Chatman, Daniel, (2016, Fall) Market-Price Parking in Theory and Practice, ACCESS, 49, 16-22
8. Wilson, Richard, (2016, Fall) Parking Management for Smart Growth, ACCESS, 49, 23-27
9. Shoup, Donald (2021) Pricing Curb Parking, Transportation Research Part A, 154, 399-412

Relation to Formal Plans, City of Orillia Policy Manual and/or Guiding Legislation

The recommendation included in this report is not specifically related to formal plans, the City of Orillia Policy Manual and/or guiding legislation. The recommendation included in this

report do support section 6.4 of Sustainable Growth but is not clearly identified in current Strategic Plans.

The recommendation presented are predominantly present in several studies that have already been conducted by the City. The key studies in relation to this are the Multi-Modal Transportation Master Plan (November 2019) and the Downtown Orillia Parking Study Final Report (September 2011). Increasing parking rates with the goal of creating occupancy in key areas will not only meet the Age Friendly Community Master Plan by having spots available in key blocks, but also create a more walkable downtown by spreading out parking and achieving some goals from the Active Transportation plans.

Conclusion

The Downtown Orillia Management Board supports a new structure to the previous parking rates in both lots and curb parking. The suggestions listed in this report will assist with increasing capacity in lots, as well as blocks that traditionally have low occupancy in parking spaces. The increase in use on the aforementioned blocks will not only provide the community with feasible parking options but it will concurrently assist in the valuation of the buildings and storefronts by increasing the walkable traffic in front of them. Exploring options that support the downtown labour force will positively impact the use of in demand lots by the community and give staff a designated lot to use with a reasonable parking permit fee. Overall the restructuring of our BIA pay parking structure has the potential to benefit not only the revenue offset but it will assist with the low occupancy rates found in some of the parking lots and side streets.

Schedules

- Schedule "A" -Spreadsheet of Options for December Lot Program and Seasonal Parking
- Schedule "B" - Lease Comparative

Prepared by & Key Contact:

Approved by:

- or -

When the report is being prepared on behalf of an Advisory Committee:

Prepared by: _____Name, Title

On behalf of the _____Committee:

List Members

