

## **PARKING DIVIDEND POLICY - DEFERRAL**

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### **EXECUTIVE SUMMARY**

Administration continues to work on a parking revenue allocation policy which would provide for reinvestment in local infrastructure or services in paid parking areas. The policy would seek to direct a portion of the returns The City receives from the Calgary Parking Authority directly to BRZs with the objective of funding infrastructure or services that improve the public realm, enhance mobility and business vitality in these areas.

Additional time is needed to finalize the financial processes to facilitate implementation of the policy. An additional two months is requested to complete this work. Business Revitalization Zones (BRZs) and Community Associations (CAs) have been advised of the extended timeline. It is not expected that this additional time will delay any potential monies made available under the proposed policy.

### **ADMINISTRATION RECOMMENDATION**

That the SPC on Transportation and Transit recommend to Council to defer the report on the implementation of the Parking Dividend Policy to no later than the 2016 November meeting of the SPC on Transportation and Transit.

### **RECOMMENDATION OF THE SPC ON TRANSPORTATION AND TRANSIT, DATED 2016 SEPTEMBER 21:**

That the Administration Recommendation contained in Report TT2016-0756 be approved.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

Report TT2014-0935, "Consolidated Parking Policy Work Plan" was approved at the 2015 January 12 Combined Meeting of Council. The Parking Revenue Allocation Policy was included as a key issue to be reviewed as part of the Integrated Downtown-TOD Parking Strategy work item.

The Parking Revenue Allocation Policy was subsequently approved as part of Action Plan 2015-2018 as action P3.1 in the Transportation Planning business plan. A previous deferral request (report TT2016-0437) was approved by Council at the Regular Meeting on 2016 June 20 requesting a report back for the 2016 September SPC on Transportation and Transit.

### **BACKGROUND**

Administration has been developing a parking dividend policy in conjunction with BRZs and CAs to enable revenue sharing that will improve the vitality of paid parking areas. An initial 'draft' model was shared with BRZs and CAs in 2016 April. Subsequent direction from the Administrative Leadership Team (ALT) has requested the model be reviewed to look at using a direct dividend approach for a portion of parking revenues. Thus, a revised model is being prepared to reflect this approach.

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### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The Parking Dividend Policy currently being developed for Calgary looks at how returns from the Calgary Parking Authority (CPA) are distributed, and the ability to reinvest a portion of those revenues in the areas where they were collected. The policy identifies ways to make these reinvestments without impacting current City budgets, and how the funding is managed between The City, BRZs and adjacent CAs.

Work is ongoing with ALT to refine the financial process to facilitate the proposed policy. ALT has directed the policy take a direct dividend payment approach to BRZs. This differs from the original 'draft' concept which looked at The City retaining funds to be spent on improvements per BRZ and CA direction. Under the new working model, CAs would not receive direct payment of dividends. Rather The City would reinvest revenues through other processes. More time is needed to finalize the financial processes to enable potential funds to be available. As a result, Administration recommends deferring the final report and recommendations to no later than 2016 November. The earliest a dividend payment could be made available would be 2017 March if a dividend payment is provided for the 2016 period. The proposed deferral would not jeopardize this timeline.

### **Stakeholder Engagement, Research and Communication**

Business Revitalization Zones (BRZs) and Community Associations (CAs) have been advised of the delay.

### **Strategic Alignment**

The proposed policy is well aligned with Municipal Development Plan, Calgary Transportation Plan and Action Plan 2015-2018 objectives to support Main Street areas and the Centre City.

### **Social, Environmental, Economic (External)**

Supporting enhanced infrastructure and services in the Centre City and Main Street areas achieves many triple bottom line outcomes, including increasing local economic activity, creating a sense of place and community, and encouraging compact development.

### **Financial Capacity**

#### **Current and Future Operating Budget:**

Administration is currently evaluating options to implement the proposed policy without impacting the City operating budgets.

#### **Current and Future Capital Budget:**

An approach to implement the proposed policy without impacting City capital budgets will be outlined in the final report due no later than 2016 November.

### **Risk Assessment**

Deferral of the final report on the Parking Dividend Policy is not expected to delay implementation of the policy in 2017. The additional time provided by the deferral will allow Administration to finalize the financial processes to ensure the policy is successful.

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**REASON(S) FOR RECOMMENDATION(S):**

Deferral of the final report on the Parking Dividend Policy allows Administration to finalize the financial processes to facilitate proper implementation of the policy.

**Attachments:**

None