



CITY OF KINGSTON

**REPORT TO ENVIRONMENT,
INFRASTRUCTURE & TRANSPORTATION
POLICIES COMMITTEE**

Report No.: EITP-13-004

TO: Chair and Members of the Environment, Infrastructure & Transportation Policies Committee

FROM: Denis Leger, Commissioner of Transportation, Properties & Emergency Services

RESOURCE STAFF: Sheila Kidd, Director of Transportation Services

DATE OF MEETING: March 6, 2013

SUBJECT: Transit and Parking Rate Review

EXECUTIVE SUMMARY:

A key component of the City's growth strategy is intensification within the downtown core and defined corridors (e.g. Princess Street). In support of the intensification goals, planning for the development of Block 4 in the North Block (the City-owned block fronting on Ontario Street, between Queen and the K-ROCK Centre) is advancing. Furthermore, it is expected that the City's process to advance development on this block will serve as a catalyst for development of the remaining blocks. The transportation objectives identified in the Official Plan, the Transportation Master Plan, the Sustainable Kingston Plan, and the Transportation Demand Management Strategy recognize and encourage sustainable transportation to support the growth strategy. As development and intensification occur in the downtown, and cycling and walking infrastructure is enhanced to promote active transportation, the availability of parking spaces will diminish.

Staff is currently planning for the development of Block 4 in the North Block. When Block 4 is developed, 170 surface parking spaces will be eliminated. When all of the blocks in the North Block area are developed, a total 561 surface public parking spaces will be eliminated, over the next several years. The implementation of cycling lanes on the upper portion of Brock and Johnson Streets and University Avenue from Clergy to Brock Street will result in a permanent reduction of about 145 spaces by the spring of 2014.

Ultimately, a total of 706 spaces will be eliminated over time to support these two initiatives. Staff is currently exploring strategies for replacement of the public supply which include optimizing

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the on-street supply in residential areas, the development of new parking supply and demand management strategies.

The City is making a substantial investment in public transit by adding three express routes, improving the bus stop infrastructure, and implementing technology to make the system easier to use and more reliable and convenient for riders. These service enhancements will help offset the impact created by the reduction of parking if we are able to encourage parkers, especially the daytime commuters to use alternate modes. Numerous studies conducted in both Canada and the United States have identified a fairly strong correlation between parking price, parking supply and transit use.

In September 2013, Kingston Transit will implement Phase 1 of the Transit Redevelopment Plan with the introduction of Express 1. This phase focuses on solving existing reliability and service issues in the system and will significantly increase the quality of service provided to west end neighbourhoods by providing a direct, high frequency service from the west end to downtown.

In May 2015, the implementation of Phase 2 will add two more express routes to complete the express backbone across the City. Express 2 is designed to reduce travel times/transfers for east end riders whose destination includes the Downtown-KGH-Queen's and also provide a more direct connection to employment lands in the east end. Express 3 will strengthen the express connection between the west end and downtown by adding service along Bath and Gardiners Road. With each phase, existing local routes will be modified to integrate with the new express service backbone.

As identified in the Transit Redevelopment Plan, in addition to improving the system convenience and reliability, the success of the new service relies heavily on the ability to market the service and attract new riders, particularly commuters. A new transit fare structure, designed to attract commuters is part of the marketing strategy.

The coordination of parking and transit strategies and policies will assist in supporting and encouraging public transit use and can help reduce the demand for parking.

The purpose of this report is to recommend transit and parking strategies and policies that create a relationship between the fare structure for transit and monthly parking pricing, encourages the use of transit, and fosters sustainable transportation behaviour.

This report specifically focuses on the monthly parking rates and does not address hourly on-street, residential permits, or event parking rates.

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RECOMMENDATION:

1. **THAT** the Environment, Infrastructure & Transportation Policies Committee recommend that Council approve the transit and parking pricing policy as follows:
 - a) Monthly parking rates be linked to the cost of a monthly transit pass by ensuring that the lowest monthly parking rate will be no less than 10% greater than the lowest regular monthly transit fare, being the commuter fare.
 - b) Monthly parking be priced based on rate categories, which are determined by parking demand, location and the quality of the space.
 - c) Once the lowest monthly parking rate category 1, being the base rate and the rate reflecting the area of lowest demand is established, the price for the remaining categories be established by applying standardized percentage increments as follows: rate category 2 at 15% over rate category 1, rate category 3 at 20% over rate category 2, rate category 4 at 25% over rate category 3.
 - d) Once the transit and monthly parking fee strategy is fully implemented, future monthly parking rate adjustments may occur under the following circumstances, subject to Council approval:
 - Annually, in accordance with the *Fees and Charges By-Law*.
 - When transit fares increase, in accordance with the new pricing policy. The lowest parking rate would be increased to maintain the minimum 10% premium over the lowest regular monthly transit fare. The remaining monthly parking rate categories would be adjusted based on the approved standardized percent increments.
 - As a result of increased parking demand due to new demand generators, land uses, or planning requirements, a parking lot may transition to a higher rate category.
 - As a result of development or in-fill areas such as the North Blocks or Williamsville, where parking in the area is impacted by supply loss and/or demand increase, new rate categories may be added.
 - As a result of a comprehensive transit fare and/or parking rate review.
2. **THAT** the Environment, Infrastructure & Transportation Policies Committee recommend that Council approve the interrelated transit and parking fees as follows:
 - a) The transit fare structure identified in Report Number (EITP-13-004) be adopted and implemented effective January 1, 2014, with the exception of the employer group (Transpass) fares, which will become effective September 1, 2013.
 - b) The monthly parking rates and structure identified in Report Number (EITP-13-004) be adopted and phased in, with 50% of the increase becoming effective January 1, 2014, and

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the remaining 50% effective June 1, 2015, following the implementation of the first and second phases of the new transit express service, respectively.

- c) The daytime maximum rate of \$5.25 at the Drury Lot be eliminated to ensure all-day parking in this lot is not priced lower than all-day parking in adjacent lots or the cost of a Transit Day Pass.
- d) A by-law be presented to Council to amend By-law 2005-10 to establish the new parking and transit fees, as attached as Exhibit A to Report No. ETIP 13-004.

3. **THAT** the incremental revenue generated from the monthly parking rate increases identified in Report Number (EITP-13-04) be transferred to Transit operations for the years 2014-2016 inclusive to allow time for the new service to realize its expected ridership levels, and to generally maintain the municipal contribution percentage for transit.

AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY COMMISSIONER
<u>Denis Leger, Commissioner, <i>Transportation, Properties & Emergency Services</i></u>
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER
<u>Gerard Hunt, <i>Chief Administrative Officer</i></u>

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Cynthia Beach, <i>Sustainability & Growth</i>	N/R
Lanie Hurdle, <i>Community Services</i>	N/R
Jim Keech, President and CEO, <i>Utilities Kingston</i>	N/R

OPTIONS/DISCUSSION:**BACKGROUND:****A) Transit Redevelopment Plan****Enhanced Transit Service**

Phase 1 of the Transit Redevelopment will be implemented in September 2013 with the introduction of Express 1, from the west end of the City to the downtown, via the Princess Street, Front/King and Bayridge Drive corridors. This route links the existing major transfer points at the Cataraqui Town Centre, Kingston Centre, downtown, Queen's/KGH and St. Lawrence College, and travels into the west end neighbourhoods of Bayridge and Henderson/Reddendale.

This phase focuses on solving existing reliability and service issues in the system and significantly increases the quality of service provided to west end neighbourhoods by providing a direct, high frequency service from the west end to downtown.

Phase 2 will add two new express routes in May 2015 to complete the express backbone across the City. Express 2 is designed to reduce travel times/transfers for east end riders whose destination includes the downtown-KGH-Queen's and also provides a more direct connection to employment lands in the east end. Express 3 will strengthen the express connection between the west end, the central areas of the City and downtown by adding service along Bath Road, Gardiners Road, Brock Street and Johnson Street.

With each phase, existing local routes are modified to integrate with the new express service backbone.

Transit Fares and Monthly Parking Rates

Transit fares were last increased 2011, representing a 10% increase to cash fares, 7.5% increase to multi-ride fares, and a 5% increase for monthly passes. The increases were designed to encourage casual riders to shift from cash fares to multi-ride and from multi-ride fares to monthly passes.

The financial model in the Transit Redevelopment Plan forecasts the revenue and expenses to achieve a funding balance between operating revenues and the required municipal contribution (tax base). For the 2013-2015 timeframe, the model forecasts an average municipal contribution of 55.8%. This forecast is premised on a fare increase every 3 years (2011, 2014 and 2017), using a basic percentage increase as described above, as an interim approach until a full fare review could be conducted. The original financial plan also factored a simultaneous adjustment for monthly parking rates, representing an increase of 10%, with the incremental revenue being transferred to transit.

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B) Existing Fare/Rate Structure**i) Transit**

Transit fare structures are typically established based on the net revenues required to operate the system as offset by provincial contributions, miscellaneous revenue generated from advertising contracts and municipal taxes. The fare structure uses the adult cash fare as its base, and then discounts the fare for other fare categories, on a per ride basis, to achieve the following objectives:

- stimulate increased usage or shift ridership between fare categories (reducing per ride fares for frequent users through the sale of multi-ride and monthly passes).
- recognize social objectives and improve fare equity among users (establishing reduced fares based on demographics and socioeconomic factors, such as senior and low income fares).

Price adjustments are generally implemented by adding a percentage increase across all fare categories, or by changing the relative price among fare categories.

The existing Kingston Transit rate structure is essentially based on these principles and has been in place for many years. There is no defined rationale for the amount of discount applied to the various fare categories, and there is no relationship to monthly parking rates. The chart below summarizes the 2013 Kingston Transit fare structure that came into effect in 2011.

2013 Kingston Transit Fares				
	Adult	Youth (6-18)	Senior (65+)	Special
Cash	2.50	2.25	2.25	
Multi-Ride (sold in units of 10)	21.50	16.25	16.25	
Monthly Pass	68.25	50.50	46.25	
Affordable Monthly Pass	46.50	34.25	31.50	
Visitor Day Pass -1 adult plus 2 youth				5.50
* Children under 6 ride free * Employer Group Passes (Transpass) provides a 10% discount off the regular adult monthly pass * Smart Card replacement - \$5.00				

ii) Parking

Current parking rates for on-street and off-street inventory are included in the *Fees and Charges By-Law*. A comprehensive Parking Rate Review was last undertaken in 2007, presented in Report Number EITP-08-039 to the Environment, Infrastructure and Transportation Policy Committee and was deliberated by both the EITP and Council in 2008 without any substantive change being approved. The Parking Rate Review was based on the following three (3) fundamental objectives that were established by staff.

- **To ensure the product gets used by the intended market.** The pricing policies, coupled with the development and enforcement of appropriate time limits, provide a supply of parking to the intended customer. Rate zones were established in 2005 based on providing short-term, higher priced parking in key business districts to ensure high turnover, while lower priced zones encourage long-term parkers to locate away from high demand areas.
- **To develop fairness in the system.** From the provider's point of view, this means the City should expect to cover the full cost of delivering the parking service to the customer, while the customer should expect the price being charged to reflect the value and level of convenience of the product.
- **To develop a secure resource to fund capital and operational changes to the parking system.** The parking system evolves and grows with the economic health of the downtown. Securing financial reserves allows the municipality to adequately respond to new demands for parking capacity and to properly maintain existing facilities.

Monthly Parking Supply Management

The parking spaces in municipally operated lots are allocated to provide combinations of hourly, daily, and monthly use. Hourly use is typically limited to three hours, whereas daily use provides a longer stay option for occasional parkers, by paying the hourly rate for the duration of their stay. The daily parking option exists at the Frontenac, Springer, Chown, Hanson, and Drury locations. Of the lots that provide a daily rate, Drury is the only lot that has a daily maximum of \$5.25 per day versus \$8.00 in the other lots (based on \$1 per hour). This pricing maximum encourages regular all-day parkers to use the Drury spaces as monthly parking. Furthermore, the \$5.25 daily rate is only 25 cents more than a return cash fare on transit.

Staff is recommending the \$5.25 daily maximum rate at Drury be eliminated to make it consistent with the other lots in the area, to encourage turnover and optimize the use of these spaces and to price all-day parking higher than the cost of a return trip on transit.

The chart below identifies the current 2013 monthly permit parking rates, and the difference compared to the 2013 monthly (adult) transit fare, which is set at \$68.25.

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Parking Lot /Location	2013 Monthly Parking Permit Rates (including HST)	Difference between Monthly Parking Rates and Adult Monthly Transit Fare (\$68.25)
Fluhrer (Wellington west of Anglin)	\$52.75	<15.50>
Anglin (Wellington at Bay)	\$52.75	<15.50>
Ordnance (Sydenham between Ordnance and Bay)	\$59.35	<8.90>
Gorsline (MacDonnell at Princess)	\$59.35	<8.90>
Armstrong (Brock at Barrie)	\$68.79	<0 .54>
Barrack (Barrack at Wellington)	\$68.79	<0 .54>
Byron (Queen between Montreal and Sydenham)	\$68.79	<0 .54>
Drury (Queen at Wellington)	\$68.79	<0 .54>
McKee (Queen at Barrie)	\$68.79	<0 .54>
Pump House (Ontario at West)	\$68.79	<0 .54>
Court House (Barrie Street)	\$68.79	<0 .54>
Frontenac (King Street East between Queen and Barrack)	\$68.79	<0 .54>
Springer (Queen between Bagot and Montreal)	\$91.77	23.52
Angrove (Wellington between Princess and Queen)	\$91.77	23.52
Chown (Brock between Montreal and Clergy)	\$91.77	23.52
Hanson (Brock between Wellington and Bagot)	\$91.77	23.52
Sheraton 4 Points (Clarence at King)	\$112.10	43.85
Monthly On-Street (Brock between Barrie and Division)	\$68.79	<0.54>

Analysis of the current parking rate structure indicates that the objective of establishing lower prices for long-term parkers in locations furthest from the high demand areas appears to be somewhat achieved, although off-street rates are not clearly established by zones or categories. In addition, there doesn't appear to be any rationale for the price difference (spread) between the rates groups. The existing rates increase by 13-16% in the lower price ranges, and 34% and 23% as you move through the rate structure. The current pricing structure does not incorporate the element of demand and hence it makes it impossible to adjust rates strategically to match demand. Equally important, there currently exists no relationship between the parking rates and the cost of a monthly transit pass. As a result, the current rate structure does not support the City policies such as the Official Plan, the Transportation Master Plan, the Transportation Demand Management Plan, and the Sustainable Kingston Plan, which strive to promote sustainable transportation options.

C) Transit and Parking Interrelated Pricing Strategy Objectives

As identified in the Transit Redevelopment Plan, Kingston Transit's vision is:

"To make Kingston Transit a network-driven and market-focused organization that provides a transit service that all citizens of Kingston choose to use in support of the City's Sustainability Plan and transportation policies.

Kingston Transit is a viable transportation choice that is competitive with the automobile in terms of comfort, convenience, reliability, travel time, and cost."

In keeping with this vision, and building on the objectives from the previous parking rate review, staff adopted the following principles to guide the development of transit and parking strategies and policies, resulting in a new fare structure for transit and rate structure for parking. The guiding principles are supported by rationale based on best practice research.

1. Support and encourage transit usage and discourage the use of automobiles, particularly single occupant vehicle use, for commuter travel.

- Pricing methods focus on control of demand. Changing the design of parking price schedules, encourages redistribution of parking demand over space and over time, and/or reduction in the total demand level. The price of parking may be the most potent demand management strategy available in many areas. This stems from the fact that, as research has proven time and time again, the cost of parking is the single greatest determinant as to whether people will or will not drive (assuming they have an alternative).

- Numerous studies in Canada and the U.S. have identified a fairly strong statistical link between parking price, availability, and the use of transit. For example, an analysis of 1997 parking survey data from 17 U.S. cities shows a strong connection between parking supply ratios in downtown areas and commuter mode choice. However, the analysis also shows a much stronger first order relationship between parking fees and mode choice.

The rationale to support this principle is primarily sourced from a report published by the *Strategic Transit Research Program – Report STRP 12-1 Developing Transit Supportive Parking Policies*-(November 2000), and a *Parking Management and Supply* report produced by the *Transit Cooperative Research Program – Report 95 - Traveller Response to Transportation System Changes* –(2003).

2. Establish pricing policy with a marketing orientation that is specifically designed to capture specific segments of the transportation market.

- While enhancements to the existing transit system, including the introduction of express service are designed to attract new riders across the network, the marketing initiatives are specifically targeted to attract those who commute downtown and park during peak parking demand hours. In keeping with the traditional 3 P's of marketing (product, price and promotion), we have designed our product to meet a well defined need. Our pricing strategy has been developed to attract the “choice” rider (riders who typically have access to or are able to use another form of transportation, usually inferred to be an automobile, but choose to use public transit). Promotion of the service will be implemented in accordance with our marketing plan.
- Our research indicates that by improving the service and introducing lower, monthly transit commuter and employer group fares, we are more likely to attract new “choice” riders.

“In most communities, (particularly outside of large cities) transit dependent people are a relatively small portion of the total population while discretionary riders (people who have the option of driving) are a potentially large but more price sensitive market segment. As a result, increasing transit ridership requires pricing and incentives that attract travellers out of their car. Combinations of fare reductions and discounted passes, higher vehicle user fees (such as priced parking or road tolls), improved transit service, and better marketing can be particularly effective at increasing transit ridership and reducing automobile use.”
(Victoria Transportation Policy Institute – 2002).

3. Align pricing policies with other policies that support sustainability – Transportation Demand Management Strategy (TDM), Sustainable Kingston, Official Plan, Transportation Master Plan (TMP).

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- Transportation modal split is measured through a household survey designed to capture trip patterns. The last survey conducted in 2009, shows that work trips represent 35% of daily trips in the City (compared to 25% in the 2004 survey). Transit usage had increased from 3% to 5% of daily trips, with 4% of work trips taking transit. The 2002 Transportation Master Plan established a target of 11% transit mode share during the PM Peak Period by 2026. The survey report concluded that, "Achieving this level of ridership would require a significant investment in new transit infrastructure, additional transit routes, enhanced service levels on existing routes, and an aggressive set of policies designed to encourage additional transit use." (*Transportation Model Update – AECOM 2009*)
 - Our transit and parking rate policies need to be linked to ensure that transit fares are consistently priced lower than monthly parking rates.
 - We collect parking data based on occupancy observations and customer input to match supply to demand. Our pricing strategy promotes the concept of walk a little further, pay a little less.

4. Ensure parking rates do not counteract our investment in transit.

- Council's commitment to improve the transit system has necessitated an increased municipal investment. Upon completion of the redevelopment phases 1 and 2 in 2015, the annual operating budget for transit is projected to grow from \$15.4M to \$22.2M. The plan also includes \$18M in capital costs between 2011 and 2015. Our parking studies have confirmed that it costs approximately \$35,000 per space to build new aboveground parking supply. Transit improvements, coupled with a new interrelated transit fare and monthly parking pricing strategy will enable us to encourage redistribution from single- occupant automobile trips to transit and carpooling. Continuing to price monthly parking at a lower rate than a monthly transit pass would be unsound and will affect our ability to support the investment in Transit, and achieve our modal shift objectives.

D) Proposed Transit Fares

As identified in the Transit Redevelopment Plan, transit fares should be reviewed every 3 years and monthly parking rates should be increased proportionately to any transit fare increase. Fares were last increased in 2011.

The chart below summarizes the proposed transit fares to be effective January 1, 2014, with the exception of the Employer Group Passes. Staff is recommending the Employer Group Pass fares become effective September 1, 2013, to enable us to promote the Express Transit service that will be implemented at that time.

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2014 Transit Fares				
Fare Category	Adult	Youth (6-18)	Senior (65+)	Comments
Cash	2.75	2.50	2.50	Children Under 6 Ride Free
Multi-Ride	13.75	10.50	10.50	Sold in Units of 6
Passes				
Weekly Commuter	20.50	-	-	Monday – Friday Unlimited
Weekly – 7 Days	27.00	19.50	19.50	7 Consecutive Days Unlimited
Monthly Commuter	62.00	-	-	Monday – Friday Unlimited
Monthly	72.00	53.50	53.50	Unlimited
Affordable Monthly Pass	46.75	34.75	34.75	Unlimited
Day Pass	7.25	7.25	7.25	Per Person - Unlimited for the Day
Family Pass – Family of 4	14.50	-	-	Unlimited for the Day
Employer Group Passes				
Employer 0 – 10 employees	62.00	-	-	Unlimited
Employer 11 – 25 employees	60.00	-	-	Unlimited
Employer 26 – 100 employees	57.00	-	-	Unlimited
Employer 101–250 Employees	53.00	-	-	Unlimited
Employer 251 + Employees	TBD	-	-	Unlimited
Conference and Event Fares				
Convention & Event Pass	8.00	-	-	4 Consecutive Days
Miscellaneous				
Smart Cards	3.00	3.00	3.00	Initial and Replacement

Transit Fare Category Descriptions

Cash Fares: There is no change to the rules for cash fares. The cash fares are increasing by 25 cents in each category.

Multi-Ride: Multi-Ride (6) cards are transferrable to other patrons within the same age category. Previously, the multi-ride card was sold in increments of 10 rides. In 2014, multi-rides are proposed to be sold in increments of 6 rides. This change compliments the new weekly pass and discounts the cost per ride, compared to cash, while also allowing for a more manageable cash outlay (reducing the amount riders must pay up front). Multi-Ride 6-rides will be available in Adult, Youth and Senior categories and valid for travel at any time. This fare product is available on disposable and reloadable cards (Smart Cards).

Weekly Passes: Weekly passes represent a new fare category designed to attract new riders and offer greater flexibility for existing riders. Weekly pass options include a 7-Consecutive Day Unlimited rides for all age categories, and an adult commuter pass that allows for unlimited rides for 7 consecutive days from Monday to Friday.

Monthly Passes: The traditional monthly pass is unchanged in that it provides unlimited use during a calendar month, with price variations based on age categories. A new monthly commuter pass is being introduced. The monthly commuter pass provides unlimited rides from Monday to Friday for a single reduced fare that applies to all age categories. It should be noted that the new fare proposal adjusts the senior monthly pass to be the same as the youth monthly pass. Currently the senior and youth fares for cash and multi-ride are the same, however the senior monthly pass is priced lower than youth. As an added convenience, monthly fare products can be renewed on-line and staff will continue to explore options to enable on-line renewal of other fare categories.

Affordable Monthly Pass: The affordable pass was introduced in 2010 to assist low-income riders by reducing the monthly pass fare for all age categories by 32%. The discount percent for this fare category is being increased to 35%, which will essentially offset the fare increase being proposed for monthly passes.

Day Pass: The Day Pass is a new fare category that provides unlimited rides for all age categories, priced at a single discounted rate. This fare will provide occasional riders a discounted option and will appeal to residents and visitors.

Family Pass: Our previous Family Pass was limited to 1 adult travelling with up to 2 children between the ages 6 and 18. The new Family Pass is valid for a family of 4 (1 or 2 adults and 2 or 3 children). This pass provides unlimited rides for a day.

Convention and Event Pass: This is a new pass that will be available to registered conference and event delegates, and their travel companion. The pass is valid for 4 consecutive days. To

be eligible, a convention or event must be more than one day long and registered with the Kingston Economic Development Corporation (KEDCO), ideally 4 weeks in advance of the event. Passes will be facilitated through Tourism Kingston, a division of KEDCO.

Employer Passes: Employers receive group passes with rates reflecting their purchase volume commitment. Employer passes offer greater discounts based on the number of employees participating. These passes benefit the employer by reducing the employee parking demand and help them support sustainability. Employee benefits include lower transportation costs, and easy payment through payroll deduction, in addition to having access to an improved and more convenient transit service.

Miscellaneous: The fare categories that address short-term travel needs, such as the day and visitor passes and the 6-ride multi ride cards, will be available on a disposable card. There is no charge for a disposable card. Reloadable smart cards with photo identification and registration are used primarily for monthly passes. This also facilitates the capability for a registered user to conveniently renew passes online and assist in the return of lost cards to them. There is a \$3.00 initial fee for a reloadable Smart Card and for the replacement of a lost Smart Card.

E) Proposed Monthly Parking Rates

Currently, there are 1976 off-street parking spaces and 865 on-street paid parking spaces in the City's inventory. Beginning as early as the late fall 2013, 145 on-street spaces will be permanently removed from inventory to accommodate new cycling infrastructure on University Avenue and on upper Brock and Johnson streets. As the blocks in the North Block are developed over the next several years, developers will supply parking in accordance with the Zoning By-law requirements. However, the existing 561 public off-street spaces that are currently provided on surface lots in the area will be eliminated. The provision of reasonable transportation options, such as convenient, reliable transit and improved cycling and pedestrian infrastructure, coupled with a linked transit and parking pricing strategy, can help reduce parking demand and reduce the requirement to replace supply.

The proposed monthly parking rate structure was developed to support the identified transit objectives and fare pricing strategy. Four rate categories are being proposed for on and off-street monthly parking permits, based on parking demand, location, and the quality of the space. As with the on-street parking hourly rate zones, the monthly parking rate categories support the principle that parking spaces in the core (highest demand) area are priced higher than spaces in the peripheral (medium and lower demand) zones.

The price for the lowest monthly parking rate, in the area of lower demand (category 1) is established at a 10% premium of the lowest proposed monthly transit fare, the \$62 monthly commuter pass. Prices for the remaining parking rate categories are established by applying a standardized increment, relative to the category 1 (lowest demand) parking rate, to reflect demand, location, and the quality of the space. The proposed increments for rate categories 2, 3,

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and 4 (lower to higher demand) are standardized at 15%, 20%, and 25% respectively. Currently, there exists no rationale to the comparable respective increments of 13%-16%, 34%, and 23%. The resulting rates would be rounded up to the next 25-cent increment.

By setting the lowest monthly parking rate at a 10% premium of the lowest regular monthly transit fare, the \$62 monthly commuter pass, and standardizing the percentage increments between the parking rate categories, we have developed a logical pricing strategy for monthly parking and a new, competitive monthly transit rate to attract commuters.

The chart below summarizes the proposed monthly parking rates. Staff is recommending the parking rates be phased in, with 50% of the increase effective January 1, 2014, and the remaining 50% effective June 1, 2015, which follow the implementation of the first and second phases respectively of the new transit express service.

Monthly Parking Rate Categories and Rates				
*All rates include applicable taxes				
Lot Name	2013 Rate	New Rate Category	January 01, 2014 (50% of proposed increase)	June 01, 2015 (full implementation)
Fluhrer	52.75	ML-1	60.50	68.25
Gorsline	52.75	ML-1	60.50	68.25
Anglin	52.75	ML-2	65.65	78.50
Ordnance	59.35	ML-2	68.95	78.50
Armstrong	68.79	ML-2	73.65	78.50
Barrack	68.79	ML-2	73.65	78.50
Byron	68.79	ML-2	73.65	78.50
Drury	68.79	ML-2	73.65	78.50
McKee	68.79	ML-2	73.65	78.50
Pump House	68.79	ML-2	73.65	78.50
Court House	68.79	ML-2	73.65	78.50
Frontenac	68.79	ML-2	73.65	78.50
Springer	91.77	ML-3	93.00	94.25

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Monthly Parking Rate Categories and Rates (continued)				
*All rates include applicable taxes				
Lot Name	2013 Rate	New Rate Category	January 01, 2014 (50% of proposed increase)	June 01, 2015 (full implementation)
Angrove	91.77	ML-3	93.00	94.25
Chown	91.77	ML-3	93.00	94.25
Hanson	91.77	ML-3	93.00	94.25
Sheraton	112.10	ML-4	114.95	117.75
On-Street Permit Rates				
On- Street Permits	N/A	MO-1	68.25	
On-Street Permits	68.80	MO-2	68.25 - 78.50	
On-Street Permits	N/A	MO-3	78.50 - 94.25	
On-Street Permits	N/A	MO-4	94.25 - 117.75 In the high demand, commercial area, on-street spaces will be limited as most spaces are controlled through Pay & Display meters	
ML - Monthly Lot MO - Monthly On-Street				

Currently, there are a limited number (9 spaces on Brock Street between Barrie and Division Streets) of monthly on-street permits. In accordance with the approved recommendation in Council Report 12-336 Hotel Dieu Parking Study, staff is developing an on-street permit parking strategy that identifies how to expand the parking supply while achieving an appropriate balance of supply for residents, and for short-term and monthly parkers. Staff is currently developing the full on-street strategy, which will include required changes to parking regulations and will be presented to the EITP Committee in May, 2013. On-street permit areas will be established relative to demand generators using a standard walking distance of 500 metres. The proposed rates for on-street permits include a price range, to support the walk a little, save a little concept.

Future Monthly Parking Rate Increases

Once the proposed transit fare and parking fee strategy is fully implemented, future monthly parking rate adjustments are expected to occur under the following circumstances, subject to Council approval.

1. Annually, in accordance with the *Fees and Charges By-Law*.
2. When transit fares increase, in accordance with the new pricing policy. The lowest parking rate would be increased to maintain the minimum 10% premium over the lowest regular monthly transit fare. The remaining monthly parking rate categories would be adjusted based on the approved standardized percent increments.
3. As a result of an increased parking demand due to new demand generators, land uses, or planning requirements, a lot may transition to a higher rate category.
4. As a result of development or in-fill areas such as the North Blocks or Williamsville, where parking in the area is impacted by supply loss and/or demand increase, new rate categories may be added.
5. As a result of a comprehensive transit fare and/or parking rate review.

F) Implementation of Transit Fares and Parking Rates

Staff is recommending the proposed transit fares become effective January 1, 2014, with the exception of the Employer Group Passes, which will become effective September 1, 2013, to enable us to promote the Express Transit service that will be implemented at that time.

The 4-month period between implementation of Express 1 (September 2013) and the introduction of new fares and rates will provide an opportunity to resolve any route issues that may be experienced. Building on the Express 1 experience, the second half of the monthly parking rate increase is being recommended for June 1, 2015, 30 days after the implementation of Express 2 and 3 in May 2015.

Industry experience indicates that it can take between one and three years for a new route to reach its expected ridership impact. Staff has conducted extensive analysis regarding the impact to revenues as a result of the new service, and the revenue shifts that will occur with the new transit fare structure. To allow time for the new service to be impactful and to help offset the revenue loss due to fare category shifts, staff is proposing that the incremental revenues realized from the proposed monthly parking rate increases be transferred to transit, at least until the end of 2016. Revenues will be monitored regularly with the intent of reducing and/or eliminating the need for this transfer over time to ensure we do not compromise the long-term health of the Parking Reserve Fund. This strategy will enable us to maintain the municipal funding contribution (i.e. tax impact) percentages outlined in the Transit Redevelopment Plan.

March 6, 2013

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Summary

Encouraging a shift in transportation modes requires a thorough understanding of the current situation and a program of strategies that helps to overcome the resistance to change. Transportation planners have long recognized that motorists will be more inclined to change their travel behaviour if viable transportation options exist (transit, cycling, and walking), and automobile costs (driving and parking) increase and/or the use of the automobile becomes less convenient relative to other modes of transportation.

The recommendations in this report support the goals expressed in the City's Official Plan, the Transportation Demand Management Plan, the Sustainable Kingston Plan, and the Transit Redevelopment Plan. Staff are presenting these recommendations well in advance of the proposed effective dates and the transit express service implementation dates to enable us to develop marketing materials to promote the new transit service, which will be implemented over the next 6 to 24 months.

EXISTING POLICY/BY LAW:

By-law 2005-10 "*Fees and Charges*"

NOTICE PROVISIONS: N/A**ACCESSIBILITY CONSIDERATIONS:** N/A**FINANCIAL CONSIDERATIONS:**

The fare strategy being proposed for Transit is expected to reduce the total annual forecasted fare revenue by approximately \$150,000 in 2014, primarily due to shifts within the fare categories. While the transit service enhancements are expected to generate increased ridership, it will take some time for the routes to realize the projected ridership levels. For 2014 to 2016 inclusive, it is proposed that the forecasted revenue reduction be offset by operational efficiencies in the Transit budget and by transferring the incremental revenue generated from monthly parking rate increases to Transit.

CONTACTS:

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OTHER CITY OF KINGSTON STAFF CONSULTED:

Jeremy DaCosta, Transit Manager (613) 546-4291, Ext. 1310
Paula Nichols, Manager of Parking Operations (613) 546-4291, Ext. 2392

EXHIBITS ATTACHED:

Exhibit "A" – By-Law 2005-10 Fees and Charges – Schedule A – Parking and Transit

BY-LAW NO. 2013-XXX

A BY-LAW TO AMEND BY-LAW NO. 2005-10 “A BY-LAW TO ESTABLISH FEES AND CHARGES TO BE COLLECTED BY THE CORPORATION OF THE CITY OF KINGSTON”.

PASSED: , 2013

The Council of the Corporation of the City of Kingston enacts as follows:

- 1. By-law 2005-10, entitled “A By-Law to Establish Fees and Charges to be collected by the Corporation of the City of Kingston”, as amended, is hereby further amended as follows:**
- 1.1 AMEND attached Schedule ,A' Transit and Parking to reflect the new rates as per Report No. EITP 13-004.**

GIVEN FIRST AND SECOND READINGS , 2013

GIVEN THIRD READING AND PASSED , 2013

CITY CLERK

MAYOR

2013 FEES					2014 FEES				2015 FEES				
TYPE OF FEE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	HST
PARKING (INCLUSIVE OF APPLICABLE TAXES) - 2015 Parking Rates Effective June 1, 2015 -													
ON STREET PARKING (Zone information reference Bylaw 2010-128 "Regulate Parking")													
METERS AND PAY AND DISPLAY (Zone B, Zone C, Accessible Parking Meter Zones as per Schedule A-2)	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	Y
METERS AND PAY AND DISPLAY (Zone A, Zone D)	\$1.50	N/A	N/A	N/A	\$1.50	N/A	N/A	N/A	\$1.50	N/A	N/A	N/A	Y
TOUR BUS PARKING METER ZONES	\$2.00	N/A	N/A	N/A	\$2.00	N/A	N/A	N/A	\$2.00	N/A	N/A	N/A	Y
METERS AND PAY AND DISPLAY - LOWER GEORGE STREET AND CITY PARK INNER ROAD	\$1.00	\$5.00	N/A	N/A	\$1.00	\$5.00	N/A	N/A	\$1.00	\$5.00	N/A	N/A	Y
ON STREET PERMITS													
PERMIT PARKING MO-1	N/A	N/A	N/A	N/A	N/A	N/A	\$68.25	N/A	N/A	\$68.25	N/A	N/A	Y
PERMIT PARKING -MO-2	N/A	N/A	\$68.79	N/A	N/A	N/A	\$68.25- \$78.50	N/A	N/A	\$68.25- \$78.50	N/A	N/A	Y
PERMIT PARKING -MO-3	N/A	N/A	N/A	N/A	N/A	N/A	\$78.50- \$94.25	N/A	N/A	\$78.50- \$94.25	N/A	N/A	Y
PERMIT PARKING -MO-4	N/A	N/A	N/A	N/A	N/A	N/A	\$94.25- \$117.75	N/A	N/A	\$94.25- \$117.75	N/A	N/A	Y
PARKING RATES IN LOTS													
ARMSTRONG (BROCK AT BARRIE)	\$1.00	N/A	\$68.79	N/A	\$1.00	N/A	\$73.65	N/A	\$1.00	N/A	\$78.50	N/A	Y
BARRACK (BARRACK AT WELLINGTON)	\$1.00	N/A	\$68.79	\$5.00	\$1.00	N/A	\$73.65	\$5.00	\$1.00	N/A	\$78.50	\$5.00	Y
BYRON (QUEEN STREET)	\$1.00	N/A	\$68.79	N/A	\$1.00	N/A	\$73.65	N/A	\$1.00	N/A	\$78.50	N/A	Y
DRURY (QUEEN AT WELLINGTON)	\$1.00	\$5.25	\$68.79	\$5.00	\$1.00	N/A	\$73.65	\$5.00	\$1.00	N/A	\$78.50	\$5.00	Y

2013 FEES					2014 FEES				2015 FEES				HST
TYPE OF FEE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	
PARKING (INCLUSIVE OF APPLICABLE TAXES) - 2015 Parking Rates Effective June 1, 2015 -													
GORSLINE (MACDONNELL AT PRINCESS)	\$1.00	N/A	\$59.35	N/A	\$1.00	N/A	\$60.50	N/A	\$1.00	N/A	\$68.25	N/A	Y
KING QUEEN (KING AT QUEEN)	\$1.00	N/A	N/A	\$5.00	\$1.00	N/A	N/A	\$5.00	\$1.00	N/A	N/A	\$5.00	Y
KINGSTON PUBLIC LIBRARY (JOHNSON)	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	Y
MCKEE (QUEEN AT BARRIE)	\$1.00	N/A	\$68.79	N/A	\$1.00	N/A	\$73.65	N/A	\$1.00	N/A	\$78.50	N/A	Y
ORDNANCE	\$1.00	N/A	\$59.35	N/A	\$1.00	N/A	\$68.95	N/A	\$1.00	N/A	\$78.50	N/A	Y
SPRINGER (140 QUEEN)	\$1.00	N/A	\$91.77	\$3.00	\$1.00	N/A	\$93.00	\$3.00	\$1.00	N/A	\$94.25	\$3.00	Y
KGH WATERFRONT (KING WEST)	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	Y
RICHARDSON BEACH (KING WEST)	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	\$1.00	N/A	N/A	N/A	Y
PUMP HOUSE (ONTARIO)	\$1.00	N/A	\$68.79	N/A	\$1.00	N/A	\$73.65	N/A	\$1.00	N/A	\$78.50	N/A	Y
COURT HOUSE	\$1.00	N/A	\$68.79	N/A	\$1.00	N/A	\$73.65	N/A	\$1.00	N/A	\$78.50	N/A	Y
SHERATON (KING AT CLARENCE)	N/A	N/A	\$112.10	N/A	N/A	N/A	\$114.95	N/A	N/A	N/A	\$117.75	N/A	Y
ANGLIN (WELLINGTON)	N/A	N/A	\$52.75	\$4.00	N/A	N/A	\$65.65	\$4.00	N/A	N/A	\$78.50	\$4.00	Y
DOUG FLUHRER (WELLINGTON)	N/A	N/A	\$52.75	N/A	N/A	N/A	\$60.50	N/A	N/A	N/A	\$68.25	N/A	Y
ANGROVE (WELLINGTON)	\$1.00	N/A	\$91.77	\$4.00	\$1.00	N/A	\$93.00	\$4.00	\$1.00	N/A	\$94.25	\$4.00	Y
CHOWN (BROCK)	\$1.00	N/A	\$91.77	\$3.00	\$1.00	N/A	\$93.00	\$3.00	\$1.00	N/A	\$94.25	\$3.00	Y
HANSON (BROCK)	\$1.00	N/A	\$91.77	\$3.00	\$1.00	N/A	\$93.00	\$3.00	\$1.00	N/A	\$94.25	\$3.00	Y
LOWER ROBERT BRUCE (BAGOT)	\$1.00	N/A	N/A	\$3.00	\$1.00	N/A	N/A	\$3.00	\$1.00	N/A	N/A	\$3.00	Y
UPPER ROBERT BRUCE (MONTREAL)	\$1.00	N/A	N/A	\$3.00	\$1.00	N/A	N/A	\$3.00	\$1.00	N/A	N/A	\$3.00	Y
FRONTENAC	\$1.00	N/A	\$68.79	\$5.00	\$1.00	N/A	\$73.65	\$5.00	\$1.00	N/A	\$78.50	\$5.00	Y

2013 FEES					2014 FEES				2015 FEES				
TYPE OF FEE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	HST
PARKING (INCLUSIVE OF APPLICABLE TAXES) - 2015 Parking Rates Effective June 1, 2015 -													
CRAWFORD WHARF	N/A	\$10.30	N/A	N/A	N/A	\$10.60	N/A	N/A	N/A	\$10.95	N/A	N/A	Y
TYPE OF FEE	PER HOUR	PER YEAR			PER HOUR	PER YEAR			PER HOUR	PER YEAR			
PARKING SPACE RENTAL FEES													
SETUP FEE	\$36.05	N/A			\$37.15	N/A			\$38.25	N/A			Y
CHURCHES - WEDDINGS & FUNERALS - 6 SPACES - FROM ONE HOUR PRIOR TO SERVICE TO END OF SERVICE	N/A	\$103.00			N/A	\$106.10			N/A	\$109.25			Y
FUNERAL HOMES - FUNERALS - 6 SPACES - FROM ONE HOUR PRIOR	N/A	\$103.00			N/A	\$106.10			N/A	\$109.25			Y
CONTRACTORS, MOVERS, PRODUCERS - CONSTRUCTION PROJECTS, MOVING OF FURNITURE OR GOODS, FILMING OR OTHER LEGITIMATE PROJECTS	Current daily meter rate per space in that zone or nearby zone	\$51.50 Deposit per sign, meter hood, barricade \$25.75 Deposit per Pylon			Current daily meter rate per space in that zone or nearby zone	\$53.05 Deposit per sign, meter hood, barricade \$26.75 Deposit per Pylon			Current daily meter rate per space in that zone or nearby zone	\$54.65 Deposit per sign, meter hood, barricade \$27.35 Deposit per Pylon			Y
TYPE OF FEE	2013 FEES				2014 FEES				2015 FEES				
TRANSIT													
SINGLE CASH FARE - ADULT		\$2.50			\$2.75				\$2.75				N
SINGLE CASH FARE - YOUTH/SENIOR		\$2.25			\$2.50				\$2.50				N
10 RIDE CARD - ADULT		\$21.50			N/A				N/A				N
10 RIDE CARD - YOUTH/SENIOR		\$16.25			N/A				N/A				N

2013 FEES					2014 FEES				2015 FEES				
TYPE OF FEE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	HST
PARKING (INCLUSIVE OF APPLICABLE TAXES) - 2015 Parking Rates Effective June 1, 2015 -													
6 RIDE CARD - ADULT		N/A				\$13.75				\$13.75			N
6 RIDE CARD - YOUTH/SENIOR		N/A				\$10.50				\$10.50			N
WEEKLY COMMUTER		N/A				\$20.50				\$20.50			N
WEEKLY - 7 CONSECUTIVE DAYS - ADULT		N/A				\$27.00				\$27.00			N
WEEKLY - 7 CONSECUTIVE DAYS - YOUTH/SENIOR		N/A				\$19.50				\$19.50			N
MONTHLY COMMUTER		N/A				\$62.00				\$62.00			N
MONTHLY PASS - ADULT		\$68.25				\$72.00				\$72.00			N
MONTHLY PASS - YOUTH		\$50.50				\$53.50				\$53.50			N
MONTHLY PASS - SENIOR		\$46.25				\$53.50				\$53.50			N
AFFORDABLE TRANSIT PASS - ADULT		\$46.50				\$46.75				\$46.75			N
AFFORDABLE TRANSIT PASS - 10 RIDE ADULT		N/A				N/A				N/A			N
AFFORDABLE TRANSIT PASS - 10 RIDE YOUTH/SENIOR		N/A				N/A				N/A			N
VISITOR DAY PASS - 1 ADULT + 2 YOUTH		\$5.50				N/A				N/A			N
FAMILY PASS - FAMILY OF FOUR - 1 OR 2 ADULTS & 2 OR 3 CHILDREN		\$31.50				\$34.75				\$34.75			N

2013 FEES					2014 FEES				2015 FEES				
TYPE OF FEE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	PER HOUR	DAYTIME MAX	PER MONTH	EVENT RATE	HST
PARKING (INCLUSIVE OF APPLICABLE TAXES) - 2015 Parking Rates Effective June 1, 2015 -													
DAY PASS					N/A				\$7.25				N
TRANSPASS					10% DISCOUNT OFF MONTHLY ADULT FARE				N/A				N
EMPLOYER GROUP PASS		EFFECTIVE SEPTEMBER 01, 2013											
0-10 EMPLOYEES		\$62.00			\$62.00				\$62.00				N
11-25 EMPLOYEES		\$60.00			\$60.00				\$60.00				N
26-100 EMPLOYEES		\$57.00			\$57.00				\$57.00				N
101-250 EMPLOYEES		\$53.00			\$53.00				\$53.00				N
250 + EMPLOYEES		TBD			TBD				TBD				N
CONFERENCE & EVENT PASS		\$8.00			\$8.00				\$8.00				N
SMART CARDS		\$5.00 REPLACEMENT			\$3.00 INITIAL & REPLACEMENT				\$3.00 INITIAL & REPLACEMENT				N
Transit: The Affordable Transit Pass provides a 35% discount off the monthly pass fare for adult, senior and youth which is based on income eligibility and does not apply to single cash fares or multi-ride fares. Children under 6 ride free. Refer to Kingston Transit for fare category details.													