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**Item No. 9.1.1**  
**Audit & Finance Standing Committee**  
**July 23, 2014**

**TO:** Chair and Members of Audit & Finance Standing Committee

**SUBMITTED BY:** Original Signed  
\_\_\_\_\_  
Richard Butts, Chief Administrative Officer

Original Signed  
\_\_\_\_\_  
Greg Keefe, Director of Finance & ICT/CFO

**DATE:** July 7, 2014

**SUBJECT:** Regional Parking Strategy & Urban Core Improvement Reserve Q329

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**ORIGIN**

April 1, 2014 Regional Council report *Parking Strategy Project – Roadmap*  
June 10, 2014 Regional Council report *Downtown I'm In – Urban Core Community Engagement Event*  
2014/15 Operating Budget, page Q6 – Q329 Parking Strategy Reserve – New reserve to be developed in 2014/15

**LEGISLATIVE AUTHORITY**

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

Halifax Charter, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; Halifax Charter, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; Halifax Charter, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; Halifax Charter, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

## **RECOMMENDATION**

It is recommended that the Audit & Finance Standing Committee recommend that Halifax Regional Council approve the establishment of the Regional Parking Strategy & Urban Core Improvement Reserve (Q329), as per the attached Reserve Business Case.

## **BACKGROUND**

In the *2008 Regional Parking Strategy* 25-year functional plan, parking was identified as closely linked to land use, economic development, and active transportation. In recognition of the relationship between parking and economic development especially in the urban core, the 2011-2016 Council-endorsed economic strategy, *A Greater Halifax*, includes an action to raise awareness of the availability of parking in the Regional Centre in alignment with the HRM Parking Strategy. These links were further supported by findings of the *Downtown... I'm In* public engagement event in early 2014, with many participants citing parking, awareness of parking availability and the promotion of alternative transportation modes as key components of building a vibrant and attractive urban core.

## **DISCUSSION**

The Parking Strategy Project Roadmap approved by Regional Council on April 1, 2014, sets out a plan to review the municipality's policy approach to parking, its connectivity with the larger transit and active transportation network, and its impact on economic development. Plans to address several multi-year projects will impact operations in the majority of Business Units across HRM. The roadmap will specifically address governance, management of parking supply and demand in the Regional Centre and key residential areas, and parking technology (payment, enforcement and management).

The Regional Parking Strategy & Urban Core Improvement Reserve is intended to utilize parking revenues generated from the MetroPark parking structure to reinvest in the larger, regional parking strategy.

Projects available to be funded from the reserve are required to support strategies that either increase the efficiency of the current parking system or reduce the parking demand. Other smaller scale opportunities with a high impact to urban core enhancement are also applicable for reserve funding.

## **FINANCIAL IMPLICATIONS**

Annual funding will be provided from MetroPark Parkade parking revenues, as of April 1, 2014. These revenues, estimated at approximately \$1 million per year, were previously directed to repay the Parkade construction costs. Payment was completed in fiscal 2013/14.

## **COMMUNITY ENGAGEMENT**

None

## **ENVIRONMENTAL IMPLICATIONS**

Implications not identified.

**ALTERNATIVES**

1. Regional Council may choose not to approve the proposed Regional Parking Strategy & Urban Core Improvement Reserve business case at this time. This is not the recommended option as the reserve provides a strategy to fund the multi-year project with minimal impact to the general tax rate.

**ATTACHMENTS**

Attachment 1: Regional Parking Strategy & Urban Core Improvement Reserve (Q329) Business Case

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A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Crystal Nowlan, Sr. Financial Consultant, Financial Policy & Planning, 490-1342

Original Signed

Report Approved by:

**Crystal Nowlan Acting for:** Bruce Fisher, Manager, Financial Policy & Planning, 490-4493

Original Signed

Report Approved by:

Jane Fraser, Director, Planning & Infrastructure, 490-7166

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# Reserves Business Case

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Halifax Regional Municipality • Finance and Information, Communication & Technology Division • 490-3696

**Date:** June 2014

**Contact:** Jane Fraser, Director, Planning & Infrastructure

## Regional Parking Strategy & Urban Core Improvement Reserve - Q329

### Purpose

The 2008 Regional Parking Strategy is a 25 year plan to ensure that parking in the HRM will be designed, supplied and managed to:

- Support a choice of integrated travel modes emphasizing active transportation, public transit and carpooling.
- Encourage alternatives to the single occupant vehicle trip.
- Help mitigate traffic congestion-in the Regional Centre and outlying employment and retail centres.
- Promote efficient land use and support the development of mixed-use, transit and pedestrian oriented centres as outlined in the Regional Plan.
- Operate efficiently and equitably and be affordable to the Municipality and its citizens.
- Support local business, tourism and service sectors and the community's economic development.
- Protect the environment by minimizing impacts of parking facilities on air, water land and other natural resources.
- Link with other ongoing studies, such as the Urban Design Study, Public Transit Functional Plan and Transportation Demand Management Functional Plan.

The urban core is the downtown hub of the Atlantic Provinces and the showcase for greater Halifax because of its concentration of historic, cultural and economic assets. The function and appearance of the urban core are important to the attraction and retention of businesses;

commercial, retail and industrial as well as the recruitment and retention of one of the economy's most important assets – people. As such focus on the urban core supports broader economic objectives of population, employment and income level growth, as well as growth in the business tax base. The benefits of urban core improvement extend beyond its boundaries. Success throughout the municipality is connected to the economic strength of its urban core.

The social benefits of urban core improvements include the improved social cohesion that comes from making a space more usable and more frequently used, a more inviting and inclusive space for those of all abilities and friendly to those of different backgrounds, and improved public safety.

The purpose of the Regional Parking Strategy & Urban Core Improvement Reserve is to establish long-term support for the recommendations arising from the *2008 HRM Regional Parking Strategy Functional Plan* and the Parking roadmap, as well as address recommendations arising from the *Downtown I'm In* initiative. The parking strategy seeks to address a regional solution to create opportunity for linking a dynamic transportation network including active transportation trails and transit with encouraging access to commercial activity.

The Regional Parking Strategy & Urban Core Improvement Operating Reserve represents an “Obligation” classification under the Reserve Framework.

### **Source of Funds**

The Regional Parking Strategy & Urban Core Improvement Reserve will be funded from the following sources:

- Beginning in 2014/15, funding will be provided annually from the MetroPark Parkade. As of the end of fiscal 2013/14, the outstanding construction costs associated with the Parkade were repaid in full (Project Account No. YB100209 – Public Parking Facility). MetroPark revenues received in cost centre M555 previously put towards construction repayments, approximately \$1,000,000 annually, will be redirected into this reserve beginning April 1, 2014.
- Other – Private sector and quasi-private sector parking providers in the urban core will be enlisted to collaborate on projects related to tracking and communicating parking inventories.
- Interest will be paid to the Reserve in accordance with the HRM Reserves Policy.

### **Application of Funds**

Although the individual projects have not yet been determined, Council has created the intent to commit future capital funds by approving (April 1, 2014) the creation of a roadmap addressing the implementation considerations of the Functional Plan. These have initially been identified as: governance; use of technology for parking payment (such as pay by plate technology); and the management of parking in high-demand neighbourhoods.

As identified in the *Parking Strategy Project – Roadmap* report presented to Council on April 1, 2014, the project boundary includes the five urban core business districts: Downtown Halifax Business Commission, Downtown Dartmouth Business Commission, Quinpool Road & Mainstreet District Association, Spring Garden Area Business Association, North End Business Association, as well as other areas experiencing parking challenges. The intent is to include the private sector in the plan for partnering opportunities.

Parking projects arising from the roadmap, and funded by the reserve, should support three broad themes:

1. Strategies that increase the efficiency of the existing parking system;
2. Strategies that reduce parking demand; and
3. Additional supporting parking related strategies.

Applicable urban core enhancement projects arising from the Downtown I'm In initiative should be natural extensions of the parking enhancements, contribute to the attractiveness of the urban core, and generally be smaller in scope but have a big impact on the public experience. As defined in the *Downtown I'm In – Urban Core Community Engagement Event* report presented to Council on June 10, 2014, applicable initiatives should be “low cost/high impact opportunities to improve the urban core” with an emphasis on immediate steps versus longer term interventions which will be addressed through other Downtown projects and funding commitments.

### **Time Line and Balances**

The 2008 Regional Parking Strategy is a 25 year functional plan and as such, the Regional Parking Strategy & Urban Core Improvement Reserve is intended to be maintained to the same end date, March 31, 2032. Any extension of the reserve's term deemed necessary by changes in the functional plan will be approved through staff recommendation and a vote of Regional Council.

A minimum reserve balance sufficient to cover unplanned project contingencies will be maintained beginning in 2014/15. A suggested guideline is 10% of the total planned project expenditures from the Reserve for the fiscal year.

**Approval Process**

All requests for withdrawals must be initiated by the Director of Planning & Infrastructure as part of the proposed annual budget and business planning process. If funding from the Reserve is required after approval of the annual budget, Council must approve withdrawal of funds through a resolution of Council by way of a Council Report.

Finance (Accounting) is responsible for ensuring availability of funds and appropriateness of withdrawals in accordance with the Reserve Policy prior to submission to council for their approval.

**Attachments**

- A) 5-year Cash Flow Projection

**Approval**

Original Signed

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**CAO**

## ATTACHMENT A

### Regional Parking Strategy & Urban Core Improvement Reserve Source and Application of Funds

	Estimated 2014/15	Estimated 2015/16	Estimated 2016/17	Estimated 2017/18	Estimated 2018/19
<b>Opening Balance</b>	-	1,006,534	2,025,985	3,058,252	4,103,497
<b>Contribution</b>					
Initial Transfer from other sources	-	-	-	-	-
MetroPark Parkade revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other	-	-	-	-	-
Sub-Total	1,000,000	2,006,534	3,025,985	4,058,252	5,103,497
<b>Withdrawals</b>	-	-	-	-	-
<b>Interest Earned</b>	6,534	19,451	32,267	45,245	58,385
<b>Closing Balance</b>	<b>\$ 1,006,534</b>	<b>\$ 2,025,985</b>	<b>\$ 3,058,252</b>	<b>\$ 4,103,497</b>	<b>\$ 5,161,882</b>

Estimated Withdrawals are not yet available