

PRESENTATION TO ST. CATHARINES CITY COUNCIL

2007 PARKING BUDGET AND ITS IMPACT ON BUSINESS

**MONDAY, JULY 9 2007
PRESENTED BY WALTER SENDZIK**

**St. Catharines – Thorold Chamber Presentation to City Council
Re: 2007 Parking Budget**

The Chamber of Commerce has been working with the city staff over the past year with regard to the 2007 Parking Budget and its impact on businesses in the city's urban core, and with respect to downtown revitalization.

In August 2006, city council passed a parking budget that reduced multiple rental space discounting from 30% to 15% on monthly parking locations, increased the monthly permit rates by 10% from \$67 per month to \$74 per month, and the metered parking went from a \$1.00 to a \$1.25.

The **Downtown Parking Strategy** – which was approved by the previous city council in June of last year - also included a recommendation to increase the monthly parking fees a further 10% - and reduce the multiple space rental discounting a further 15% - to a net of 0% in 2007-2008.

The Chamber urged the city to consider the impact of further increases in raising rates.

Based on a survey of member businesses in the downtown with more than 50 car space rentals from city lots, the rate increases and removal of bulk space discounting had a significant impact.

In one case, the company offers all employees (160 in total) parking spaces as a perk of working with the company. With the removal of the discount for bulk spaces, and the increase in rates, the company will now pay an additional \$50,000 a year in parking benefits for its employees. In the case of this company, the increased costs have made it less competitive to operate in the downtown core.

And in today's aggressively competitive economy in which municipalities are competing to attract business, shifts in rates controlled by municipalities that impact on businesses would be a factor in whether or not a city can retain and build its economic prosperity.

Therefore, Chamber supports the freeze on rate increases for 2007-08.

Now, the Chamber fully understands the rationale for the 2006-07 parking rate increase, as it was part of a Downtown Parking Strategy that included the re-construction of Carlisle Parking facility. According to the strategy, the re-construction of Carlisle was to begin in 2007 based on a revenue model that included increased rates commencing in 2006. Yet, the previous council voted immediately after the adoption of the strategy to not proceed with the rebuilding of Carlisle until a later date – but still followed through with the rate increases – both monthly and metered.

Herein lies the Chamber's concern. The 2007 Parking Budget does not even mention nor reference the 2006 Downtown Parking Strategy. For two years, city staff and a consulting company undertook a detailed technical review of the parking situation in the downtown – and the result was a strategy supported by council – but when it came to putting the plan into place there was little action and the action that was taken had a negative impact on businesses in the downtown area.

Therefore, the Chamber of Commerce has the following questions:

1. Is the 2006 Downtown Parking Strategy still a guiding document of city council and staff?

If not, what are the timelines for a new Parking Strategy as there are a number of projects and possibilities under way that could dramatically change the landscape of downtown St. Catharines – including the Niagara Ice Dogs, School of Fine Arts and Performing Arts Centre and the Niagara wine route through the downtown?

2. What role should the city play in attracting business to the downtown – and keep existing business in the core? Any future parking strategy should take into consideration impacts on all areas of business from commercial to retail.

If the city wants to build on its economic prosperity, keeping companies in St. Catharines is a must – and the city must find ways to be competitive – it is time for the city to be creative in keeping and attracting business to St. Catharines.

3. According to the *Places to Grow – A Growth Plan For Greater Golden Horseshoe*, St. Catharines has been identified as a place of increased urban growth – and the downtown has been specifically identified as a place of commercial and residential intensification.

How will the city's downtown parking strategy fit into a larger master plan for the downtown – one that must use the Places to Grow Plan as a foundation for future growth?

The Chamber of Commerce is committed to working with the city to build a stronger, more vibrant community. We look forward to the city's response to the Chamber's questions and concerns.