Agenda – Executive Policy Committee – October 12, 2016

Report – Standing Policy Committee on Innovation – September 23, 2016

Item No. 1 Winnipeg Parking Authority (Special Operating Agency) Selection Report – 2016 Business Plan

STANDING COMMITTEE RECOMMENDATION:

On September 23, 2016, the Standing Policy Committee on Innovation concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the 2016 Business Plan for the Winnipeg Parking Authority including the 2016 budget and the 2017 and 2018 financial projections, as outlined in Appendix A, be received as information.

Agenda – Executive Policy Committee – October 12, 2016

Report – Standing Policy Committee on Innovation – September 23, 2016

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 23, 2016, the Standing Policy Committee on Innovation concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Winnipeg Parking Authority (Special Operating Agency) Selection Report - 2016 Business Plan

Critical Path: Standing Policy Committee on Innovation - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
C. Stewart/J. Chammartin	R. Topolniski COO, WPA	M. Ruta	M. Jack COO

RECOMMENDATIONS

That the 2016 Business Plan for the Winnipeg Parking Authority including the 2016 budget and the 2017 and 2018 financial projections, as outlined in Appendix A, be received as information.

REASON FOR THE REPORT

A Business Plan is provided to Council in accordance with the Winnipeg Parking Authority Operating Charter

EXECUTIVE SUMMARY

A summary of the annual business plan, the Selection Report, is provided to Council each year. The Selection Report contains a multi-year budget for the Agency.

The business plan includes a strategic overview, the Agency's goals and strategies, performance measures and projected financial statements.

IMPLICATIONS OF THE RECOMMENDATIONS

The attached 2016 Business Plan sets out the Winnipeg Parking Authority's plans for the future. Its 2016 budget has already been approved by Council through the 2016 Operating and Capital Budget process. The Agency will continue to operate as the City of Winnipeg's service provider for parking and by-law enforcement services and ensure that it provides the best balance between sound business practices and the public good.

HISTORY

The Winnipeg Parking Authority was designated as a Special Operating Agency effective January 1, 2005 with the mandate to manage city owned on and off-street parking resources, parking compliance, to advocate, encourage and develop growth in supply and service delivery standards of daily/hourly parking in Downtown Winnipeg, and to participate in municipal transportation demand management wherever possible.

As a Special Operating Agency, the Winnipeg Parking Authority is expected to operate according to sound business principles and fund its operations on a self-sustaining basis.

FINANCIAL IMPACT

Financial Impact Statement **Date:** April 15, 2016

Project Name: **First Year of Program** **2016**

Winnipeg Parking Authority (Special Operating Agency) 2016 Business Plan

	2016	2017	2018	2019	2020
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

See Appendix A for the 2016 to 2018 projected financial statements and notes.

Original signed by
Joseph Chammartin, CGA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

Legal Services

OURWINNIPEG POLICY ALIGNMENT

SUSTAINABLE TRANSPORTATION
05-1 Public Transit System

SUBMITTED BY

Department: Winnipeg Parking Authority
Division
Prepared by: Colin Stewart/Joseph Chammartin
Date: April 15, 2016
File No.

APPENDIX A

WINNIPEG PARKING AUTHORITY
SPECIAL OPERATING AGENCY (SOA)

BUSINESS PLAN

2016

Strategic Overview

The Winnipeg Parking Authority is a Special Operating Agency (SOA) of the City of Winnipeg with its own Operating Charter approved by Council. The SOA concept permits the Agency to operate in a business-like and transparent manner through managerial flexibilities including special delegations, exemptions and authorities.

The Agency's strategic direction, as set out by its Operating Charter, Business Plan and Annual Report, places emphasis on management for results, bottom-line accountability, cost-savings, customer satisfaction and full disclosure.

Mission

The Winnipeg Parking Authority is a Special Operating Agency of the City of Winnipeg, dedicated to providing world class public parking solutions to a world class city.

Vision

The Winnipeg Parking Authority facilitates proactive and effective public parking solutions, balanced and progressive client and customer relationships, enlightened and forward-oriented regulation and space management, and the best practical use of municipal parking resources to meet the changing needs of the City of Winnipeg, its constituent shareholders, stakeholders, clients and individual customers, as guided by best practices in the public parking industry.

Values

The Agency is committed to:

- providing a high quality and fairly priced public parking product on a full cost recovery basis.
- balancing public good initiatives with business goals where appropriate.
- earning the trust and respect of Winnipeggers.
- establishing a reputation for fair and enlightened monitoring and problem resolution.
- maximizing service value to customers and client groups through accountability and efficiency.
- providing service excellence through innovation and continuous improvement.
- serving as a positive example to peers and competitors.
- building client-agency relationships through cooperative problem solving.
- establishing an efficient, responsible, accountable, supportive, and compassionate workplace.

- achieving group goals through personal commitment, organization, consultation, teamwork, and empowerment.

Guiding Principles

The Agency functions in accordance with:

- best practices in parking business planning and implementation.
- best practices in parking services accountability, auditability and transparency.
- assessed requirements in terms of costs and benefits, supply and demand, and growth and development.

Mandate

- Provide an efficient, responsive and exemplary on- and off street, short- mid- and long-term public parking resource.
- Provide an efficient and responsible off-street, short- mid- and long-term parking resource for municipal employees and vehicles.
- Provide guidance and advice to City staff, development agencies, and other organizations on parking issues.
- Cooperate with, and use parking resources in support of client organizations, agencies, partners and stakeholder associations.
- Optimize the operational and financial performance of parking facilities so as to deliver service excellence.
- Provide exemplary service standards in all customer and client transactions.

Strategic Goals and Strategies for 2016-2018

Provide an efficient, responsive and exemplary on and off-street, short- mid- and long-term public parking resource.

- Conduct a comprehensive review of the Residential Permit Program and Loading Zones including best practices in other municipalities to, where appropriate, recommend changes to improve the management of on-street resources.
- Conduct surveys and data analysis of on and off-street parking in the downtown and in selected other locations within the city to ensure updated information is available for the development of policy recommendations to Council.
- Implement measures as directed by Council in order to generate desired turnover levels at on-street metered locations in the vicinity of the Sports, Hospitality and Entertainment District and the Cultural district.
- Based on customer usage levels, bring forward recommendations to Council for adjustment to metered parking zones.
- Continue ongoing evaluation of emerging paystation technologies to assess options for future replacement and/or enhancement of on-street service.
- Conduct a pilot project to assess the potential for electronic pay by phone only locations at specific on-street locations.

Provide exemplary service standards in all customer and client transactions.

- Continue to proactively engage with the City's 311 service to provide accurate and timely information on private uses of the public right of way to the public.
- Upgrade the 24 hour dispatch centre to allow for provision of support to other civic departments and more efficient information transfer with the City's 311 service.
- Provide support where appropriate to other civic departments in ensuring compliance with relevant bylaws and/or expansion of fine payment options for customers.
- Continue to work with the Provincial Department of Justice and the City's Legal Services department on ways to improve the court process for parking related municipal by-law offences through implementation of screening and adjudication processes envisioned by The Municipal Bylaw Enforcement Act.

- Upgrade various equipment utilized for by-law compliance, including life-cycle replacement of Automated Licence Plate Recognition vehicles and replacement of handheld computers.

- Conduct a pilot project to evaluate the feasibility of providing compliance officers with body cameras to protect the integrity of our service standards.

- Conduct upgrades to parking management information systems to allow for expanded e-business and a new permit management system and further enhancements to customer service.

Cooperate with, and use parking resources in support of client organizations, agencies, partners and stakeholder associations.

- Continue to collaborate with key stakeholders such as CentreVenture, Business Improvement Zones and other civic departments in relation to on and off-street parking in order to facilitate the continued development in a manner that balances the needs of residents, businesses and sustainability within the context of Our Winnipeg.

Optimize the operational and financial performance of parking facilities so as to deliver service excellence.

- In the context of the city's asset management framework, develop lot specific service level agreements to ensure operational responsibilities and budgetary responsibilities are defined for both capital and operational maintenance needs.

- Conduct additional service enhancements to the Millennium Library facility including upgrades to the entrance ramps, roll-up doors and customer information signage.

- In conjunction with the Planning, Property and Development Department, develop a long-term plan for the Civic Centre Parkade site as part of the City's overall asset management framework.

Provide guidance and advice to City staff, development agencies and other organizations on parking issues.

- Continue to engage with Planning, Property & Development and other civic departments as appropriate in discussions concerning the Downtown Zoning By-Law and the Private Parking By-Law to ensure that civic parking policies

contribute to downtown development in line with the principles outlined in Our Winnipeg.

Service Lines

Primary:

1. **On-Street Public Parking Services** including parking metering, revenue collection, cash control, parking monitoring and enforcement, disabled and fire route, sign placement, maintenance and replacement, all permit and prepayment programs.
2. **Off-Street Public Parking and Special Events Services** including routine daily and monthly public parking at municipal parkades and surface lots permit programs, monthly parking customer service, sign management, daily and special event staffing, and film shoot accommodations.
3. **Parking Fines, Adjudication and Collection** actions as required to better manage parking resources.
4. **Special Needs and Emergency Services Parking** (Disabled, Fire Route, etc.) on public and private properties as governed by provincial and municipal legislation.
5. **Public Parking Facilities and Services** including the planning and development of new services and facilities (public daily and monthly parking lots, parkades, public loading and service areas) in the downtown and other areas of the City.
6. **Customer Service** for all resources administered including contracting, billing and invoicing, collections, and management of service levels.
7. **Serve as a Center of Knowledge** and point of contact for the municipality in managing parking facility development and maintaining high quality urban design standards.

Secondary:

1. Serve as a center of knowledge and point of contact for the public seeking advice in general parking related matters.
2. Serve as a center of knowledge and point of contact for property owners, parking operators and service providers seeking advice in parking design, application, and enforcement related issues.
3. Serve as a center of knowledge and point of contact for municipal services and the media regarding parking policies, practices designs and services.
4. Administer internal municipal or other staff accommodation related to parking resources.
5. Provide parking enforcement services to private property owners via contract.

Policy Direction

The Winnipeg Parking Authority abides by the City's collective agreements and by-laws, and has its own Operating Charter approved by Council. The City of Winnipeg Charter, section 215, references the establishment and powers of Special Service Units.

The Agency follows applicable provincial regulations such as the Workplace Safety and Health Act and the Employment Standards Code.

Performance Measures

The Winnipeg Parking Authority (WPA) monitors a number of performance metrics to allow for comparison with other Canadian municipalities and, where appropriate, private parking operators. As a Special Operating Agency of the City of Winnipeg, the WPA is a participant in the Ontario Municipal Benchmarking Initiative (OMBI), which has expanded to include additional Canadian municipalities outside of Ontario – the City of Montreal is participating in a limited capacity in the OMBI for 2014. Where information presented in this Appendix is drawn from publicly reportable OMBI information, it is noted as such.

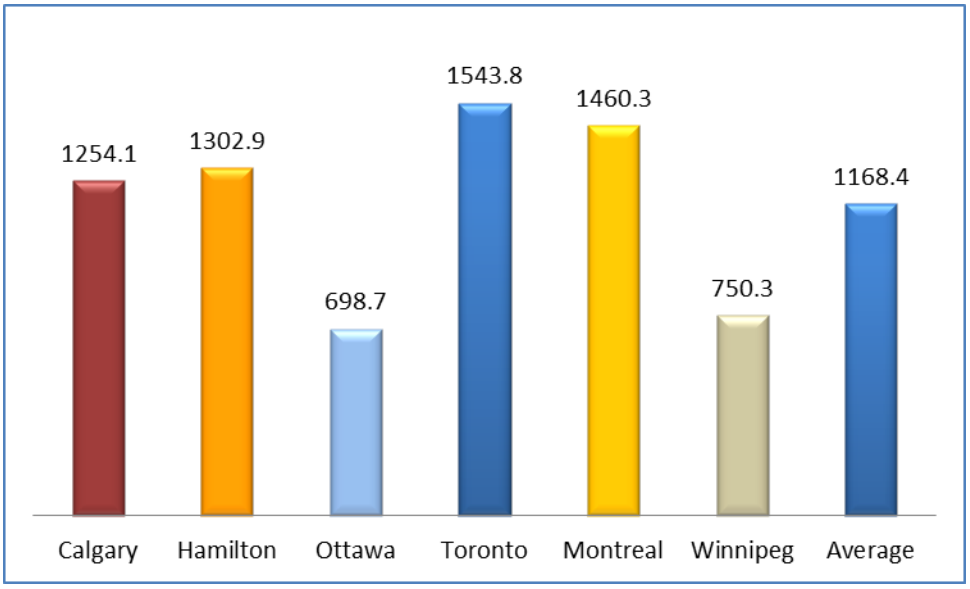
Unless otherwise noted all information is for 2014. Information presented in the City of Winnipeg Service Based Budget Document is not duplicated here.

1. Operations

Facilities under WPA management and/or administration

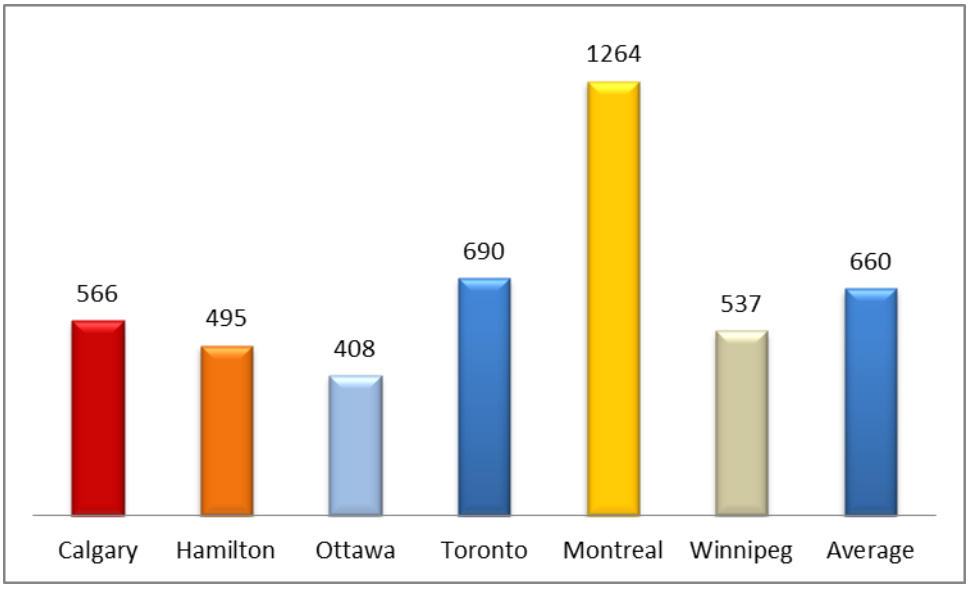
On-Street Areas	Paystations	Stalls	Remarks
Downtown	280	1694	Due to construction projects, the number of paystations in service can vary from year to year.
HSC/St. B	76	545	
Exchange	175	907	
Other	100	659	includes Selkirk Ave., West End, Exchange N of Pacific, Post Office & RCMP 'D' division locations
Parking Structures	Type	Stalls	Remarks
Millennium Library	Underground	486	
Surface Parking	Lots	Stalls	Remarks
Publicly Available	9	1033	operated at market rates, spaces available to the general public
Civic Employee Parking	39*	2409	operated on cost recovery basis, spaces available to civic employees only
Other	42*	2601	no cost recovery on operations – typically arenas, pools, etc.

Parking spaces under municipal management per 100,000 population



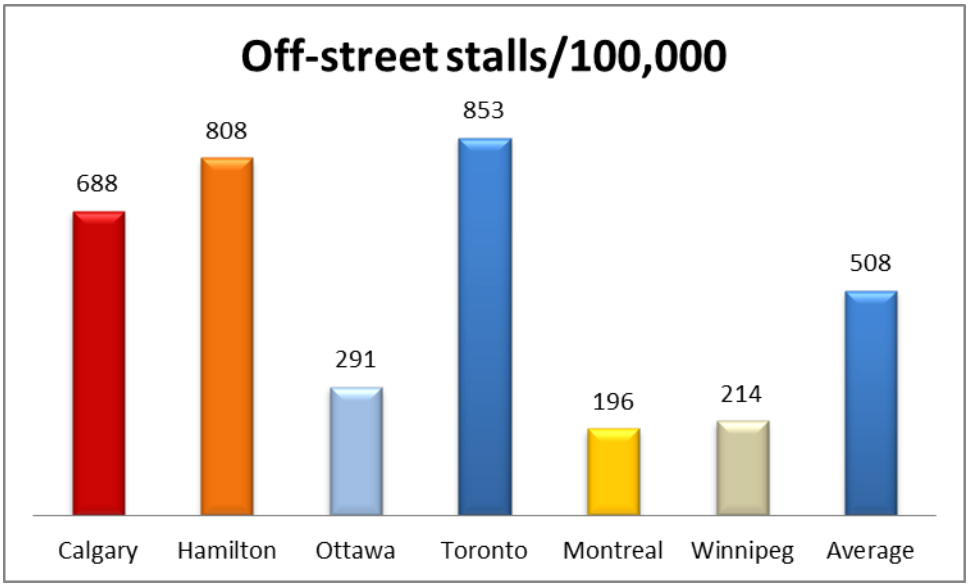
Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

Number of On-Street spaces per 100,000 population



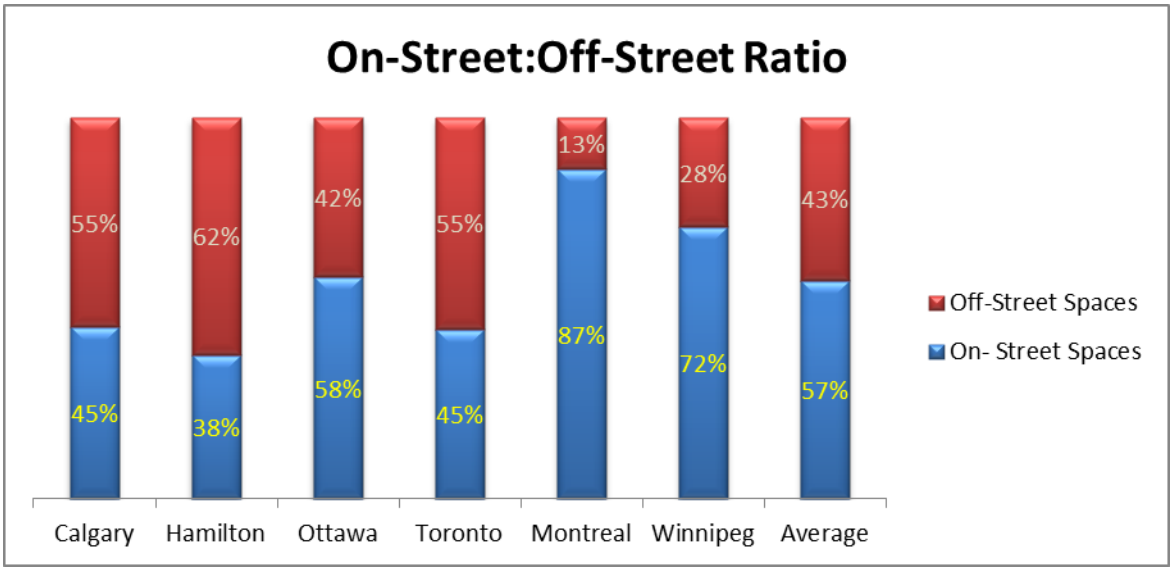
Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

Number of Off-Street spaces per 100,000 population



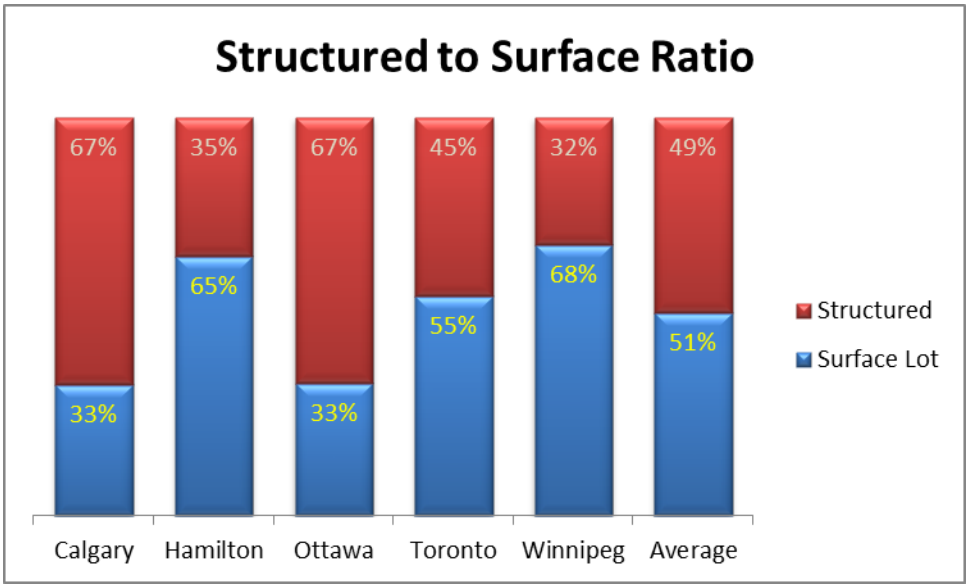
Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

Ratio of On-Street parking spaces (metered) to Off-Street parking spaces (structured & surface)



Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

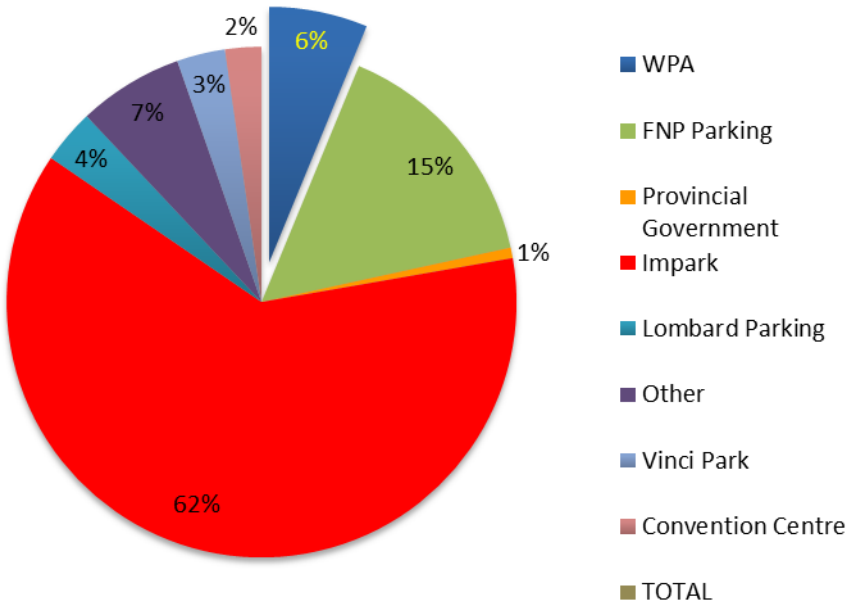
Ratio of Structured parking to surface parking lots under municipal management.



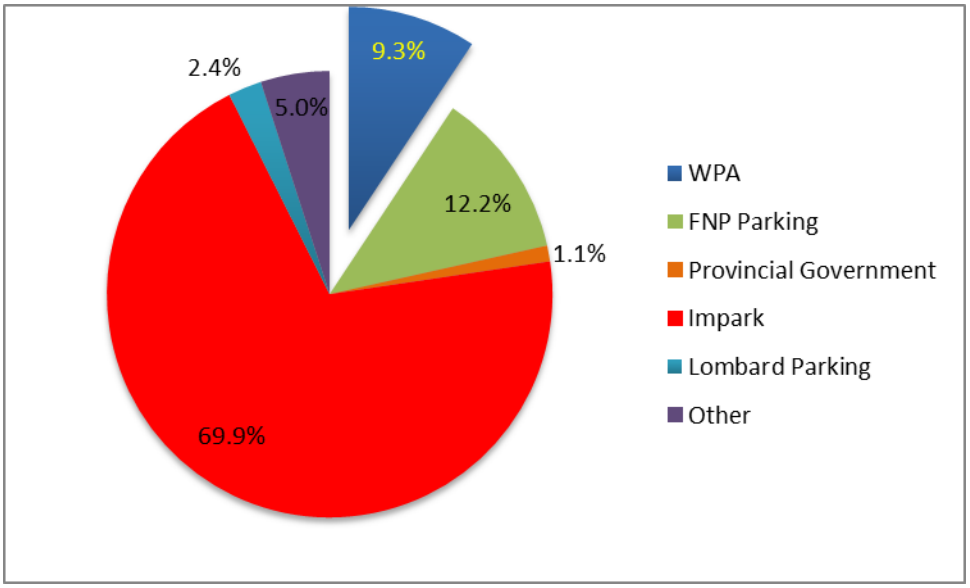
Information is drawn from OMBI data for 2014 and is based on number of stalls under municipal management. Average is based on above noted cities rather than complete OMBI data. The Toronto Parking Authority operates all Park & Ride lots for the TTC. As a partial participant in the OMBI process, the City of Montreal did not provide a breakdown of structured vs. surface off-street parking.

Management of Off-Street Parking Facilities in downtown Winnipeg Overall

(based on 2014 Survey of Downtown Winnipeg conducted by WPA staff)

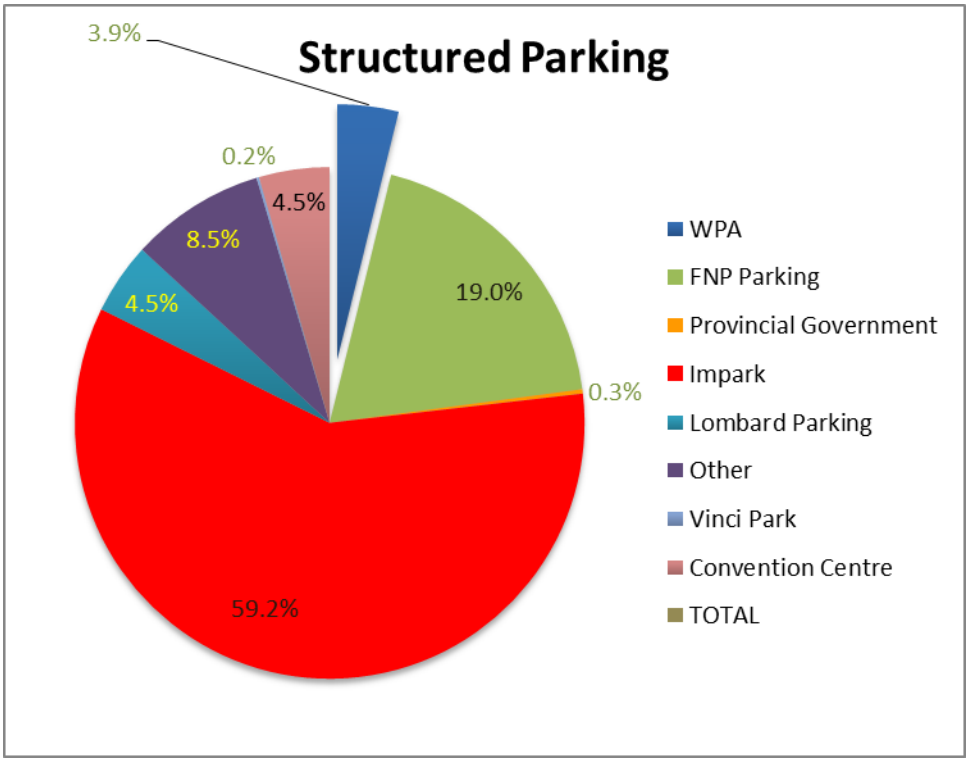


Surface Parking Lots



Transfer of Parcel 4 to FNP would reduce WPA to 2.7% and increase FNP to 14.5%.

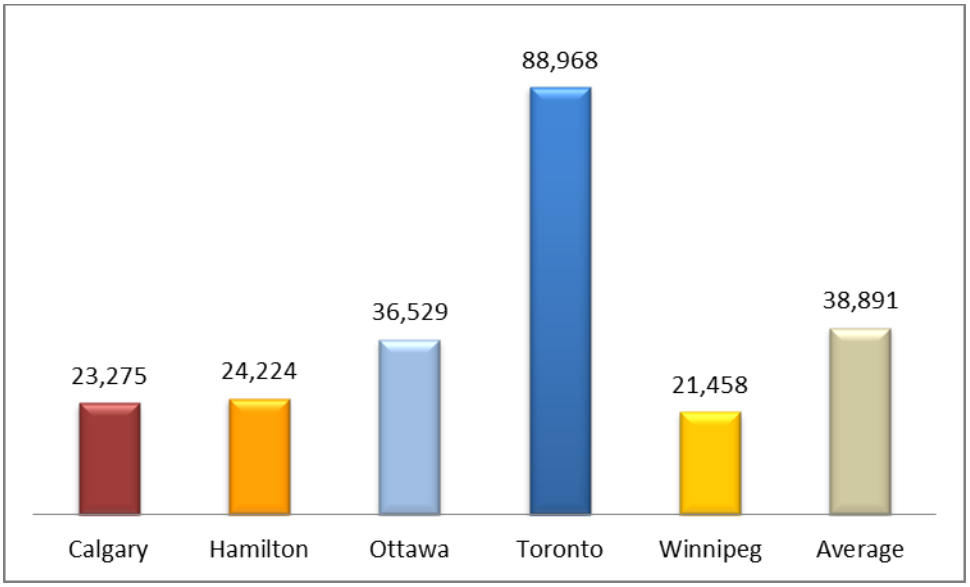
Structured Parking



Drawn from internal WPA data analysis.

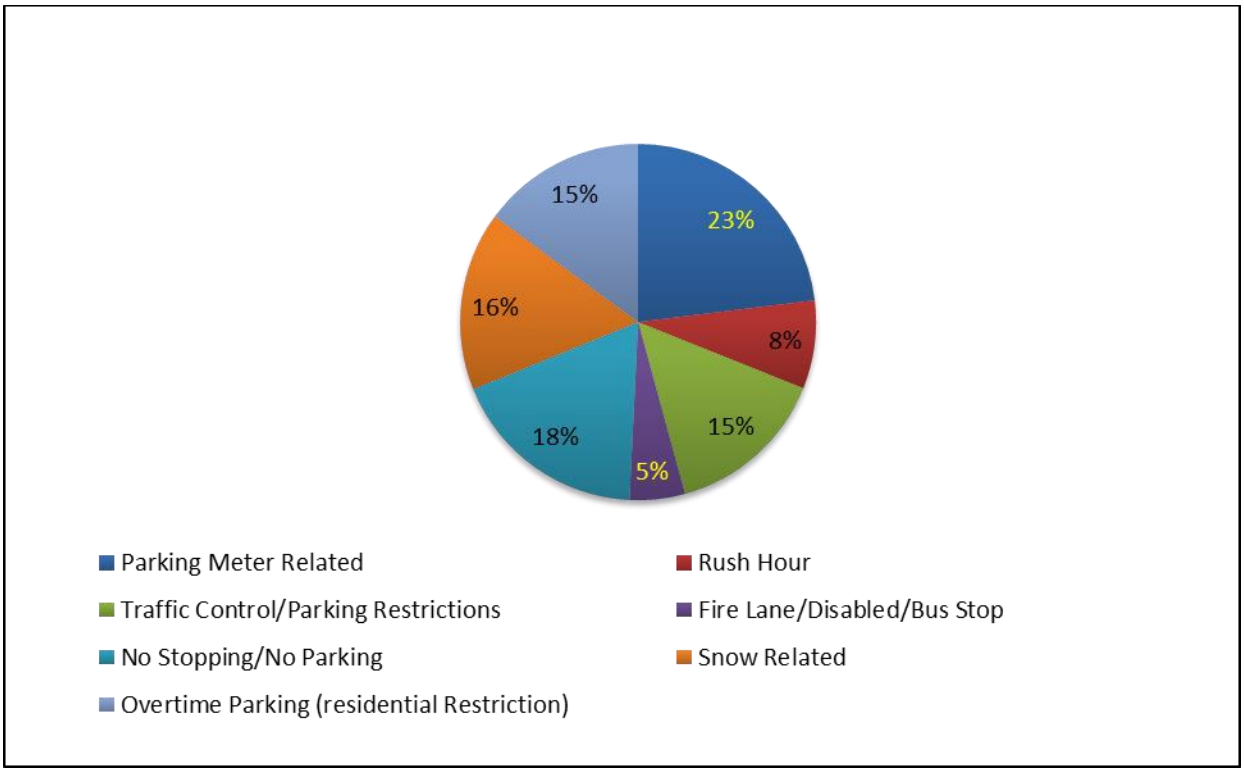
2. Compliance

Number of Citations Issued per 100,000 population



Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

Citations Issued by Offence Category - 2014



Total Citations Issued by Offence Category

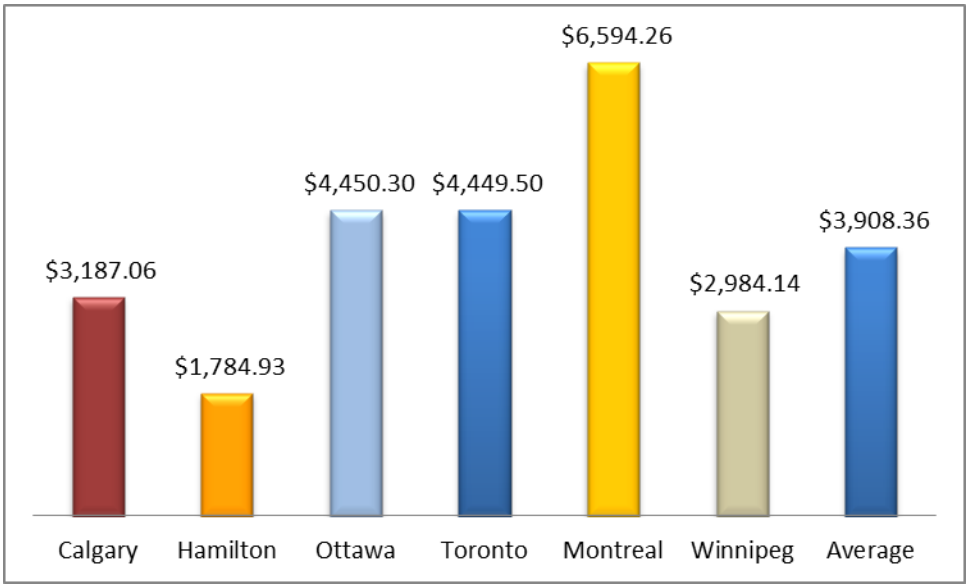
Offence Category	2014	%	2013	%
Parking Meter Related	34,016	23.0%	37,153	26.0%
Rush Hour	11,828	8.0%	11,112	7.8%
Traffic Control/Parking Restrictions	21,675	14.7%	14,978	10.5%
Fire Lane/Disabled/Bus Stop	7,429	5.0%	7,229	5.1%
No Stopping/No Parking	26,686	18.1%	25,123	17.6%
Snow Related	24,009	16.3%	27,986	19.6%
Overtime Parking (residential Restriction)	21,965	14.9%	19,116	13.4%
Total Offence Notices Issued	**147,608**		**142,697**	

Results of Citations dealt with by Provincial Court

	2014	% of issued	2013	% of issued	2012	% of issued
Total Tickets Issued	147,608		142,697		164,061	
Fine Imposed	1,737	1.18%	1,655	1.16%	1,412	0.86%
Reprimand	1,047	0.71%	1,213	0.85%	910	0.55%
Stayed by Crown Attorney	275	0.19%	249	0.17%	397	0.24%
Acquitted	22	0.01%	10	0.01%	10	0.01%
Total Tickets to Court	*3,081*	*2.09%*	*3,127*	*2.19%*	*2,729*	*1.66%*

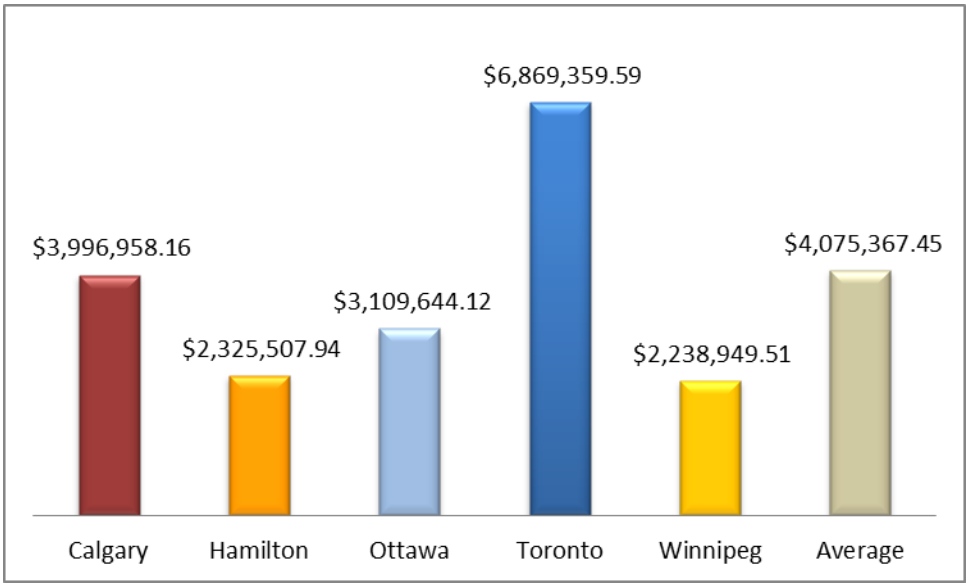
3. Financial

Revenue per parking space under municipal management



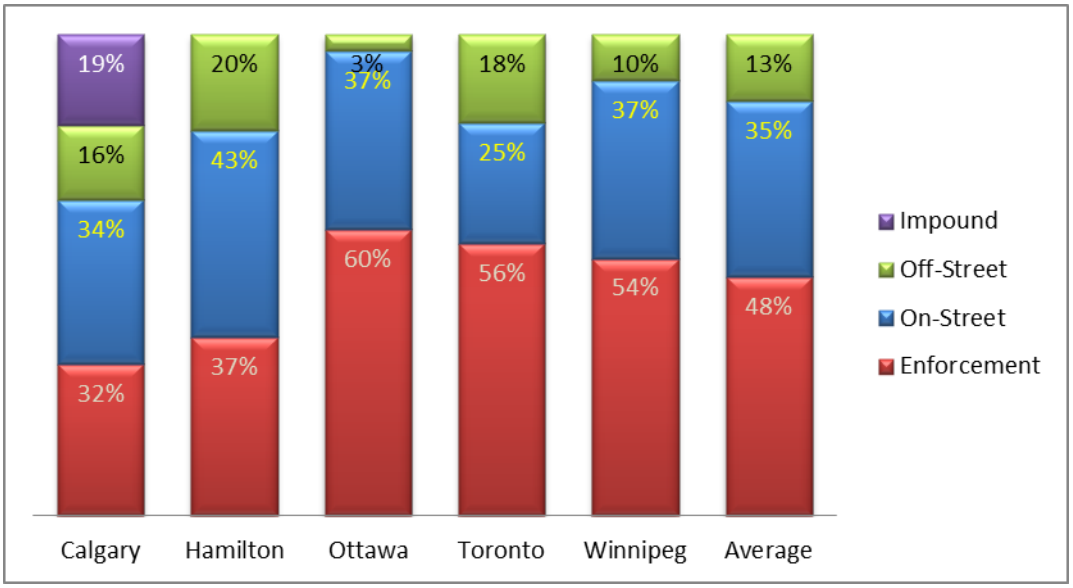
Information is drawn from 2014 OMBI data. Average is based on above noted cities rather than complete OMBI data.

Revenue per 100,000 population



Information is drawn from OMBI and publicly reported financial data for 2014.

Sources of Revenue



Drawn from published annual reports and OMBI data for 2014. Under Alberta law, all tows in Calgary must be ordered by a peace officer and all vehicles towed in Calgary are impounded at the Calgary Parking Authority. Parking Enforcement in Toronto is carried out by the Toronto Police Service and revenue is directed to general civic revenue.

Assumptions to the Projected Financial Statements and Notes

The projected financial statements include management's best estimates of future financial performance and incorporate the financial implications of the Agency's goals and strategies. The financial projections are estimates of the financial position, operations and accumulated surplus, cash flows and net financial liabilities using management's assumptions that reflect the Agency's planned course of action for the three years ending December 31, 2018.

Management's judgment has been used in the assumptions, with the most probable set of economic conditions. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this projection. Therefore, the actual results achieved during the projected period will vary from the projections, and the variations may be material.

The financial forecast and projections are based on historical results of operations with inflationary increases derived from Consumer Price Index (CPI), except where otherwise described in the notes to projected financial statements, or as noted in these assumptions.

The 2016 to 2018 Projected Financial Statements and Notes are presented in Appendix A-1. The 2014 Auditors' Report and Financial Statements are presented in Appendix A-3.

Revenue Assumptions

Enforcement

Enforcement revenue is primarily comprised of fines collected for current year's offence notices.

Parking Fees

Parking fee revenue includes fee increases as itemized in Appendix A-2.

Special Events

Special Events revenue includes revenue associated with parking fees in accordance with fee increases as itemized in Appendix A-2.

Meters

Meter fee revenue has been forecasted based on prior years' performance. Significant reductions to the on-street inventory as a result of major downtown construction projects affect meter revenues.

Expense Assumptions

Services

- *Parking Enforcement* – Projections for 2016-2018 include primarily estimate of costs associated with the parking enforcement and communications services contract.
- *Meters* - Meter contract (maintenance and pay/display communications) $1,855 thousand in 2016, $1,891 thousand in 2017 and $1,928 thousand in 2018.
- *Parkade Management* – Includes for 2016-2018, primarily costs associated with the parkade management contract at the Millennium Library Parkade.
- *Special Events* – Includes forecast for expenses associated with staffing for special event parking.
- *Other Services*
    - Winnipeg Fleet Management expenditures for rental of vehicles owned/leased by the agency $347 thousand annually (does not include operating expenditures).
    - Consulting and professional services expense is based on estimated project requirements $176 thousand annually.
    - Allocated departmental costs include forecast for services provided at the Civic Centre Parkade by Municipal Accommodations $136 thousand in 2016 and 2017.

Salaries

Salaries and benefits expense for 2016 is based on collective agreements for 48 FTE positions, and 10.66 temporary positions as follows:

- 30 CUPE FTE
- 11 WAPSO FTE
- 1 WAPSO exempt FTE
- 1 CUPE exempt FTE
- 7.66 CUPE temporary
- 3 WAPSO temporary

Note 5 FTE's, as approved in the 2015 Business Plan, related to the implementation of the Municipal By-Law Enforcement Act (MBEA) are included in the WPA's 2016-2018 Business Plan.

Materials, parts and supplies

- Snow clearing costs $510 thousand annually.
- Grounds maintenance costs $204 thousand annually.
- Paper for meters $260 thousand annually.
- Computer software expense is based on estimated project requirements $231 thousand in 2016, $183 thousand in 2017 and $198 thousand in 2018.

Amortization

Tangible capital assets are amortized on a straight-line basis over the estimated useful life of the asset as follows:

• Leasehold improvements	15 years
• Parking surfaces	5%
• Parkades	4%
• Vehicles	20%
• Meters and pay stations	10%
• Equipment	10-20%
• Computer equipment	33%
• Office furniture and equipment	20%
• Parkade betterments	5%

During 2012, there was a change in the estimated useful life of the remaining parkade assets, which are now being amortized at a rate of 4%. This change in estimate has been accounted for prospectively.

Provision for Bad Debts

Provision for bad debt expense is based on Citations receivables considered to be uncollectible.

Other

- $1,834 thousand in 2017 represents the estimated demolition cost of Civic Centre Parkade. Consultation with Planning, Property & Development, who is managing the Public Safety Building redevelopment site project, has confirmed demolition may be pursued in 2017, pending Council approval of the same.
- Transfer to Municipal Accommodations Fund includes $283 thousand annually for office space at 495 Portage Avenue
- Transfer to General Revenue – Corporate Support Services include:
    - 311 services of $133 thousand annually.
    - Business technology services of $243 thousand annually.
    - Campus HR of $104 thousand in 2016, $106 thousand in 2017 and $108 thousand in 2018.
- Transfer to Assessment and Taxation for payments-in-lieu of municipal taxes of $195 *(Civic Centre - $107, Millennium Library - $84 and Surface lots - $4)* thousand in 2016, $199 thousand in 2017 and $92 thousand in 2018.
- Grants to Business Improvement Zones
    - The following grants are provided to the noted BIZ groups for services rendered with respect to services beneficial to the Agency including, but not limited to:
        - Snow removal around paystations;
        - Graffiti removal from paystations;
        - Extended hours for Downtown Watch patrols of Millennium Library Parkade and parkade stairwells; and
        - Provision of safewalk and safety patrols in City owned and administered parking lots as required.
    - Downtown Biz - $115 thousand annually
    - Exchange Biz - $60 thousand annually
    - West End Biz - $33 thousand annually

Asset Assumptions

Accounts Receivable

- In 2010, Winnipeg Square Parkade was sold and the proceeds of disposition were deposited to The City of Winnipeg – Land Operating Reserve. An amount of $10 M remains on deposit in the Land Operating Reserve and Payable to The Winnipeg Parking Authority. No specific repayment terms have been determined.
- The remaining accounts receivable balance is comprised of citations, net of applicable adjustments.

Tangible Capital Asset Additions - (in thousands of dollars)

		2016	2017	2018	Total
Millenium Library Parkade Improvements					
	Overhead door upgrade	$ 78	$ -	$ -	$ 78
	Digital signs	51	-	-	51
	Exit exterior ramps	-	973	-	973
	Lighting upgrade	-	-	297	297
New ALPR units		228	155	158	542
New Handhelds and Accessories		116	13	39	168
Other Equipment		-	2	2	4
		$ 473	**$ 1,143**	**$ 496**	**$ 2,112**

Liability Assumptions

Due to The City of Winnipeg- General Revenue Fund

The City of Winnipeg operates a centralized treasury function with a single operating bank account in the General Revenue Fund. Bank transactions are credited or charged to the "Due to" account when they are processed through the bank. Interest is charged based on The City of Winnipeg's average short-term cost of funds, which is a function of the Bank of Canada rate.

Debt

	Forecast 2015	2016	2017	2018
The City of Winnipeg General Revenue Fund – Start-up loan with no specific terms of repayment	**$3,918**	**$3,918**	**$3,918**	**$3,918**

Appendix A1:



Appendix A1

Appendix A2:



Appendix A2

Appendix A3:



Appendix A3