



REVIEW OF HMPS REVENUE SHARE AGREEMENT WITH PARTICIPATING BIAS

SEPTEMBER 12, 2023

Parking Update

- Hamilton Municipal Parking System (HMPS) has run a series of subsequent deficit budget years due to parking challenges related to COVID-19 and downtown development/re-development.
- Several key downtown, revenue-generating lots have been lost to redevelopment and new developments have taken on-street metered parking offline for many years.
- Demand for on-street parking remains high but should be managed and priced to ensure sufficient turn-over to support business activity.

June 15th Audit, Finance and Administration Committee Motion

That staff review the Business Improvement Area Parking Revenue Sharing Program and report back coincident with the 2024 allocation report with recommendations:

1. To ensure equitable and predictable funding for participating Business Improvement Areas;
2. To ensure alignment with the City of Hamilton's Climate Action Strategy and active transportation goals; and
3. To ensure the future sustainability and structure of the funding agreement given the recent lack of surpluses in the Hamilton Municipal Parking System.

BIA Revenue Share Agreement

- Approved at Council in 2010
- 10% of HMPS ***Net Operating Surplus*** Revenue
- Of the 10% net surplus, further calculation of a) The percent that the individual BIA levy/individual BIA assessment is of the total of all the BIA levies/assessments and b) The percent that the individual BIA generates through parking meters is of the total parking revenue generated from parking meters within all of the BIAs.

Past Years Revenue Share Contribution

Example – 2019

BIA	Total Revenues collected	% of overall meter rev.	Actual Revenue Share (incl. 50% levy assessment)
International Village	\$ 139,384.47	12.07%	\$ 14,941.29
Downtown	\$ 138,037.63	11.95%	\$ 13,839.04
King West	\$ 16,455.84	1.42%	\$ 2,307.26
Main St W	\$ 5,316.10	0.46%	\$ 866.69
Westdale	\$ 143,191.11	12.40%	\$ 19,133.75
Barton	\$ 107,878.96	9.34%	\$ 11,184.32
Concession	\$ 163,354.87	14.14%	\$ 16,099.45
Ottawa	\$ 135,478.23	11.73%	\$ 19,427.07
Ancaster	\$ 9,813.44	0.85%	\$ 6,012.81
Locke Street	\$ 35,239.68	3.05%	\$ 11,839.66
Dundas	\$ 260,756.94	22.58%	\$ 25,786.67
	\$ 1,154,907.27	100.00%	\$ 141,438.01

Potential Changes to Agreement

1. Change program from being percentage of “net-surplus operating revenues” to percentage of “on-street meter parking revenue” in order to avoid BIAs to be subject to annual operating costs of HMPS operation.
2. That the 50% BIA levy and assessment proportional calculation be removed and the calculation be based on meter revenue by BIA only.
3. Raise max. contribution rate from \$167.5k to something in order of \$250k to reflect rising inflation.
4. Implement a base rate for all BIAs of \$7,500 annually to increase equity and fairness.
5. Apply a top up in addition to the base rate related to 5-10% of the overall on-street meter parking revenue received in each BIA individually

Potential Changes to Agreement

1. Based on the premise of supporting the recommended \$3.00/hr meter increases in BIA areas to manage demand per the PMP and Climate Action Plan.
2. Amend eligible expenditures list in existing agreement to include active transportation and mobility expenses such as a bike racks/stations, active mobility community initiatives and programming, EV charging, e-mobility, discounted transit passes, temporary or permanent pedestrianization efforts, temporary or permanent curbside space such as patios or meeting hubs, etc.
3. In 2024, the Christmas Free Parking Program will be added to the eligible expenditures list in which BIAs can choose to extend their free parking period by two weeks through utilizing revenue share funds to cover the loss in revenue to HMPS. (Based on the reduction of the Christmas Free Parking Program to two weeks in duration)

Potential Options

Option 1 - No Change

The current agreement remains status quo with HMPS potentially not being able to continue to fund the program.

Option 2 – Base Amount + 5% of Overall Surplus + % of overall BIA Revenues

This scenario continues to tie revenue share revenues to HMPS net operating surplus but includes a base amount of \$7500 for all BIAs and a top up depending on BIA on-street meter performance.

Option 3 – Base Amount + 10% of BIA-Specific Revenues

This scenario provides a base amount of \$7500 to all BIAs and a top up of depending on BIA on-street meter performance.

Sample Calculations – Option 3

BIA	Total Revenues Collected (Based on 2019)	Projected Revenue \$7.5K base and 10% of overall BIA-specific revenues
International Village	\$ 139,384.47	\$ 21,438.45
Downtown	\$ 138,037.63	\$ 21,303.76
King West*	\$ 16,455.84	\$ 9,145.58
Main St W*	\$ 5,316.10	\$ 8,031.61
Westdale	\$ 143,191.11	\$ 21,819.11
Barton	\$ 107,878.96	\$ 18,287.90
Concession	\$ 163,354.87	\$ 23,835.49
Ottawa	\$ 135,478.23	\$ 21,047.82
Ancaster	\$ 9,813.44	\$ 8,481.34
Locke Street	\$ 35,239.68	\$ 11,023.97
Dundas	\$ 260,756.94	\$ 33,575.69
	\$ 1,154,907.27	\$ 197,990.73

Changes to Free Christmas Program

- The Pre-Christmas Parking Program to provide free parking for 2 weeks, for up to 2 hours, in all BIAs inclusive of December 12 to 26.
- Where a parking duration maximum less than 2 hours is posted, the free duration will be the posted maximum duration.
- Customers must register a parking session in the mobile payment app or at a pay-by-plate pay station, where available, to obtain a free parking period in a paid zone during paid hours (**preferred but up for discussion**).
- Parking Operations shall post promotion information on any payment accepting meter that does not have the promotion enabled to direct customers to the mobile payment app for free parking.
- Parking Operations will contribute up to a maximum of \$2,000 to assist in the promotion of the Program.