

# DECISION/DIRECTION NOTE

**Title:** Paid parking application contract, transaction fee, and minimum parking time

**Date Prepared:** March 19, 2025

**Report To:** Committee of the Whole

**Councillor and Role:** Councillor Sandy Hickman, Engineering and Regulatory Services

**Ward:** N/A

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**Decision/Direction Required:** Extension of the PayByPhone contract at the new transaction rate of \$0.35, with the addition of a 15-minute minimum transaction time in application.

## **Discussion – Background and Current Status:**

In alignment with the Paid Parking Management Strategy, the City procured the electronic payment technology, PayByPhone, in April 2018. Since then, PayByPhone has become integral to the City's paid parking operations, accounting for 77 percent of all paid parking transactions in 2024. Consequently, the City is currently extending the PayByPhone contract.

PayByPhone does not charge a monthly fee; instead, transaction fees are applied to each session, regardless of its duration. The City currently absorbs the transaction cost of \$0.16, which has remained unchanged since 2018. PayByPhone is open to renewing the contract with an increased transaction fee of \$0.35. This new fee will raise the City's annual cost from \$100,000 to \$218,750, based on an estimated 625,000 transactions. Staff are seeking Council approval for the City to extend the contract and absorb the new transaction fee rate.

To help reduce the volume of transaction fees, staff recommend implementing a minimum parking transaction time of 15 minutes. While the average parking session cost \$1.83 in 2024, motorists can currently pay for as little as one minute. In 2024, 13 percent of transactions were for less than \$0.35. For zones with a base rate of \$1.75 per hour, a 15-minute minimum parking session will cost \$0.44. In areas with a base rate of \$1.00 per hour, a 15-minute minimum parking session will cost \$0.25.

## **Key Considerations/Implications:**

### **1. Budget/Financial Implications:**

Introducing a minimum transaction of 15-minutes will reduce the fees paid by the City for parking. This also aligns with the existing minimum time on pay stations serving the same areas.

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Operating costs for pay stations and PayByPhone have been fully covered by the paid parking program revenue to date. By continuing to fund the application, it maintains equity between both parking systems.

2. Partners or Other Stakeholders:

Currently, 15 percent of Churchill Square users pay less than 15 minutes when parking, compared to 7 percent outside of the Square. However, the minimum of 15 minutes for parking aligns with the pay stations in all areas.

3. Is this a New Plan or Strategy: No

4. Alignment with Strategic Directions:

A Sustainable City: Be financially responsible and accountable.

5. Alignment with Adopted Plans:

Paid Parking Management Strategy

6. Accessibility and Inclusion:

PayByPhone has improved accessibility for some motorists, allowing them to pay for parking from their mobile phones without having to navigate to a pay station.

7. Legal or Policy Implications:

The PayByPhone application is integrated with the current pay station hardware and is well tested and accepted in court as a reliable parking system.

8. Privacy Implications:

There are no new privacy implications, as this is not a change in the application.

9. Engagement and Communications Considerations:

The proposed minimum transaction will be communicated to the public in advance of implementation. This will include via City channels and an advisory in the application itself.

10. Human Resource Implications: N/A

11. Procurement Implications:

The new transaction fee will be reflected in the contract renewal with PayByPhone.

12. Information Technology Implications:

There are no IT implications for the contract renewal.

13. Other Implications:

If approved, the new transaction minimum of 15 minutes will be implemented effective April 16, 2025.

**Recommendation:**

That Council approves extension of the PayByPhone contract, while the City continues to absorb the transaction fee at the new rate of \$0.35. Additionally, Council is requested to approve a 15-minute minimum parking session time in the application.

**Prepared by:** Mary Beth Delaney, Supervisor Parking Services

**Approved by:** Randy Carew, Manager Regulatory Services

**Report Approval Details**

Document Title:	Paid Parking Application Minimum Parking Times.docx
Attachments:	
Final Approval Date:	Mar 19, 2025

This report and all of its attachments were approved and signed as outlined below:

**Randy Carew - Mar 19, 2025 - 2:32 PM**

**Jason Sinyard - Mar 19, 2025 - 2:35 PM**