

# Calgary's parking revenue called cash cow for city

## Authority boss urges focus on service

BY KIM GUTTORMSON, CALGARY HERALD NOVEMBER 20, 2009 6:14 AM



Commuters walk to their cars in a Calgary parking lot

**Photograph by:** Grant Black, Calgary Herald Archive

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CALGARY - The beleaguered head of the Calgary Parking Authority says the city should stop using the agency as a cash cow.

"City council needs to review that element of our success. Our mandate should not be to generate an excessive amount of revenues that are returned to the City of Calgary on a regular basis," general manager Dale Fraser said Thursday, adding its role should be providing quality service around parking.

"I believe that we have found ourselves in a situation where there is an increasing dependency on the revenues of the parking authority."

Fraser's comments come after days of criticism over proposed revenue hikes -- including higher fines and the unpopular notion of starting to charge for parking on Sundays.

They were echoed by some on council.

"The parking authority is a front for the City of Calgary," Ald. Diane Colley-Urquhart said, a day after

being critical of the authority and Fraser. "They go out and do the dirty work and the money is filtered right back.

"(Fraser) is a bill collector on our behalf and he takes all the heat for it."

Ald. Druh Farrell said that as part of an external governance review, the revenue the authority returns to the city should be examined.

She noted that utilities, for example, have an expected rate of return.

"With the parking authority, that could change from year to year. There has to be a balance between revenue and public benefit," Farrell said.

The parking authority took a number of direct hits Wednesday when proposed fine increases -- ultimately rejected--were before a civic committee. Some aldermen questioned why the increases were only appearing in the budget to be debated next week and not brought to them earlier.

But Mayor Dave Bronconnier says the system is working the way it's designed.

"(The parking authority wants) to crank out virtually every loonie and toonie they can, that's what their job is, to manage the resource," he said. "City council's job is to look at it from a public policy point of view and say, 'Do we always need that much revenue?'"

"They bring forward the parking recommendations. We do not have to accept that advice, nor turn it into a theatrical display."

Bronconnier, who isn't in favour of extending parking hours, believes it makes more sense for the city to take the money it makes renting parking spaces than to increase taxes.

"At the end of the day, taxpayers are getting a return from people using their asset," he said.

This year and next, the parking authority expects to return \$11.9 million to the city as a percentage of its overall revenues and an additional \$4 million through parking tickets.

The rejected fine increases -- which could still be approved during budget deliberations-- account for about \$1 million of that. And it would cost city coffers another \$1.5 million -- although that's a rough estimate--if extended hours and increased impound fees aren't approved.

The Calgary Parking Authority's board--which includes an alderman and three senior city bureaucrats--asked him to bring back ways to increase revenues and cut costs, Fraser said, which is what he did.

"There is certainly an increasing interest in seeing whether we can provide more return to the City of Calgary, or cut costs, and we are looking at both opportunities where we can," Fraser said. "It certainly

provides the wrong message to Calgarians that we appear to be largely an organization that appears to be creating huge revenues on the backs of Calgarians when the true mandate of the parking authority is to provide a parking service."

When other city departments were asked to cut 1.7 per cent from their budgets earlier in the year as part of council's push to meet its proposed tax increase, the parking authority was asked to find savings and "where possible increase revenues," Fraser said.

What's been lost in the maelstrom, he added, is the fact the parking authority has also reduced its expenditures by \$2.4 million, as well as lowering rates for short-term stays downtown, for a hit of \$1.4 million.

The parking budget blunder-- where some aldermen weren't clear on how the parking authority fit with council and what the processes were -- seems to underscore the need for the \$200,000 governance review that will be completed by next June.

"It's obviously becoming a more important authority and council has been expanding (the authority's) role in the last few years," said Farrell, who requested the review. "It's very important we talk about the relationship parking has with the city."

Not only is it a source of revenue, she says, but it's integral for a number of city planning policies, such as keeping a lid on available space to encourage people to take transit.

The parking authority's budget adjustments -- and those of all other city departments and agencies--will be debated by council starting Monday.

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