

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MONDAY MAY 28th, 2018
FROM:	GEORGE KOTSIFAS, P.ENG. MANAGING DIRECTOR DEVELOPMENT AND COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL
SUBJECT:	PAY BY APP FOR PARKING UPDATE

RECOMMENDATION

That, on the recommendation of the Managing Director, Development and Compliance Services and Chief Building Official the following report **BE RECEIVED** for information.

2015-19 STRATEGIC PLAN

The following report supports the Strategic Plan through the strategic focus areas of leading in public service – create, explore and implement new technology improvements to assist in management of corporate assets.

BACKGROUND

PURPOSE

In May 2017, an app to pay for parking in London was launched with a Canadian vendor Honk Mobile. This report is to provide an update on the experience in London over the past year.

The app allow residents and visitors in London the option of using a credit card or PayPal to pay for parking at a single space meter, master meter or City of London parking lots which include over 3000 parking spaces. The technology interfaces with the Parking Service Officers handhelds to confirm that the license plate is paid eliminating the need to feed the meter or display a receipt.

The chart below indicates the number of parking tickets issued for parking tickets parked beyond time paid. There has been a 16% decline in tickets issued for this violation when comparing September 2016 to April 2017 vs September 2017 to April 2018. The app notifies the user 10 minutes prior to the parking session ending and the decline in tickets may be in part due to the ability for the Honk user to extend their parking duration remotely by phone, thereby, eliminating the risk of receiving a parking ticket.

	September 2016 to April 2017	September 2017 to April 2018	Impact
# of parking tickets issued for parking beyond time paid	17,012	14,230	-2,782
Parking Ticket Revenue	\$502,905	\$419,910	(\$82,995)

The revenue comparison below indicates an increase in meter fees after Honk Mobile was launched. This may be due, in part, to the ability for the user to increase the length of the parking session midway and/or the ability to use a credit card or PayPal to make a higher payment (e.g. customer only had \$0.75 in change on hand but with Honk the user decided to pay more).

The number of complaints received regarding the app has been minimal and less than anticipated. The vast majority of those were user error. For example, the wrong plate was entered or the person left their vehicle prior to starting the app. There were a few where the payment information did not get relayed to the enforcement technology for several minutes and tickets were issued, however, they could readily be dealt by our customer service staff as it was evident the person had paid for parking using Honk. This rarely occurred and did not cause any significant issues.

	September 2016 to March 2017	September 2017 to March 2018	Impact
Parking Meter Fees (on-street & parking lots)	\$1,540,500	\$1,940,300	+399,800
Monthly Parking Permits	\$61,500	\$60,000	-1,500
Total Parking Meter Fees less Monthly Permits	\$1,479,000	\$1,880,300	+398,300
<i>Honk Revenue</i>	0	\$200,200	0

September 2017 to March 2018	
Total Meter Revenue Incl. Honk	\$1,880,300
Total Honk Revenue	\$200,200
% of Meter Revenue Collected using Honk Mobile	10.65%

FINANCIAL IMPACT

As stated above, there was a decrease in the number of parking tickets issued for this violation, however, it is not possible to know that this is 100% contributable to Honk Mobile. The fees for meter revenue have increased during the same timeframe by 26% which could indicate that this is in part due to Honk Mobile and/or an increase in voluntary compliance. What is known is the Parking Services' actual revenue received has increased over the previous period even with a decline in meter parking tickets.

A definitive cost saving measure is a decrease in receipt paper stock printed at the parking meters as well as rolling paper to process coins, as there were almost 74,000 transactions completed using the Honk Mobile app. An individual parking receipt is 3.75 inches in length, therefore, a total of 23,125 feet of paper was conserved equalling over 7 km during the time frame of May 2017 to April 2018 with a cost saving of over \$1000. Another benefit is a reduction in littering as we often see the paper receipts discarded on sidewalks and roads. Additionally the paper to roll the coins for processing was also reduced. Further statistics below indicate the usage and revenues relating specifically to Honk.

City of London - <u>On Street</u>	May 1 2017- Apr 1 2018
Convenience fees	\$12,294.25
Processing Fees	\$5,179.30
# of transactions	52,757
Total Revenue	\$98,572.75

City of London <u>Off Street Lots</u>	May 1 2017- Apr 1 2018
Convenience fees	\$4,814.25
Processing Fees	\$3,864.97
# of Transactions	20,776
Total Revenue	\$101,625.75

	Unique Users	Average # Transactions Per User
City of London - Lots	4,743	4
City of London - On Street	9,208	6
Combined	13,951	5.3

The City is divided into zones. Each parking lot is a separate zone and on-street parking is broken down by area, however, the motorist can move around and park on-street using the same transaction. A user can pay for 2 hours on any street and move their vehicle on street (does not apply to parking lots). The app has the ability to determine where vehicles are parking and for how long. The majority of the feedback to both office and on street enforcement personnel, has been extremely positive with highlights noted below:

- the app is very user friendly
- a great new tool to pay for parking conveniently
- provides receipts for work purposes
- notifies the motorist that their time is ending
- allows businesses the ability to pay for parking for customers
- less frustration on the part of the customer to find parking
- no digging through pockets, purse or ashtray for coins and risking a ticket
- no more lining up in inclement weather at a master meter
- the app is able to be utilized in many other Ontario Cities
 - Oshawa, Whitby, Waterloo, Kingston, Grand Bend/Lambton Shores, Wasaga Beach, Niagara Falls, Gananoque, Welland, St. Catharines
- “I haven’t had a parking ticket since I started using this app”

The vendor actively engages social media to promote the parking app and works with our Business Improvement Areas to engage the businesses. A campaign in the Old East BIA area will be undertaken in conjunction with the two parking lot rehabilitations this spring/summer.

CONCLUSION

There are benefits to both the customer and the City and we consider the past year to be successful. We will continue to educate the motoring public of the benefits of the app and monitor the effect on our resources and budget.

Acknowledgements

This report was prepared by Annette Drost, Manager of Municipal Law Enforcement Services with assistance by staff in Parking Services and Financial Services.

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