

NO: **R112**

COUNCIL DATE: **May 17, 2010**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **May 12, 2010**

FROM: **General Manager, Finance &
Technology**

FILE: **3900-20**

SUBJECT: **Surrey Parking Authority and New City Centre Parking Facility**

RECOMMENDATION

The Finance and Technology Department recommends that Council:

1. Authorize staff to proceed with all necessary actions to establish a Surrey Parking Authority as generally described in this report;
2. Direct the City Clerk to bring forward for the required readings a by-law, as contained in Appendix "B" of this report, to obtain funds for the construction of a parking facility in City Centre that is part of the "**Build Surrey**" Program and that will be managed by the Surrey Parking Authority; and
3. Authorize the General Manager, Finance & Technology, to enter into discussions with the Municipal Finance Authority in support of Recommendation 2 and take all other necessary related actions.

INTENT

The purpose of this report is to provide information about and seek Council approval related to the establishment of a parking authority and to work with the Municipal Finance Authority to put in place funding to construct and operate a new parking facility that is part of the "Build Surrey" Program and which will support on-going development in Surrey City Centre.

BACKGROUND

At its meeting March 1, 2010, Council approved in principle the "**Build Surrey**" Program that is a program of capital projects across all of the City's communities focussed on "city building" in support of the City's expected growth over the next 10 years. It is also intended to encourage business development in the City. The projects included in the "**Build Surrey**" Program are listed in Appendix "A" and are to be constructed in a series over the next 6 years. The proposed parking structure was also included in the Five Year (2010-2014) Capital Financial Plan that was approved by Council late in 2009.

DISCUSSION

Proposed Parking Structure

The underground parking facility is to be constructed in City Centre and will have approximately 800 parking stalls. This parking structure in the short term is needed to serve the new City Centre Library, which is under construction and is part of the “**Build Surrey**” Program. The Library is to be completed by March 2011. The parking structure will be constructed with sufficient capacity to provide service for the new City Hall, another project that is part of the “**Build Surrey**” Program and other institutional and business development that will occur in the City Centre in the coming years. This parking structure will be the first parking facility that will be constructed by the City in City Centre and managed by the proposed Parking Authority. However, it is expected that other parking facilities will be constructed in the City Centre area over time (as demand for additional parking warrants such expansion) and be managed by the Parking Authority.

Establishment of a Parking Authority

A parking authority is an agency owned by the City, which manages City-owned off-street parking facilities and related services in support of new development. The City of Vancouver established a Parking Authority many years ago to manage City-owned parking facilities in Vancouver and that Authority has been operating successfully over the years. A similar type of parking authority has been established in each of Toronto, Winnipeg and Calgary. All of these others are operating successfully.

A parking authority is able to participate in the local parking market to stabilize rates and standards of service and to ensure that suitable high quality public parking is available to support new development. A parking authority normally operates on a self-sustaining basis, meaning that it generates sufficient revenues to pay the debt servicing and operating costs of the parking facilities for which it is responsible. It is expected as development occurs in the City Centre and demand for parking increases that the Authority could generate a positive income stream back to the City. This is generally the model that will be pursued with the Surrey Parking Authority.

The supply of good quality parking will assist in encouraging investment and economic development in the City Centre. Capital for constructing other parking facilities in the future can be raised by a variety of means, including “cash in lieu” contributions from development projects that do not want to construct separate private parking facilities. All new development in the high density area of City Centre is required to provide vehicle parking in a structure (i.e., not surface parking lots).

Funding Requirement

An 800-stall underground parking structure will require an investment of approximately \$32 million to construct but will be recoverable over time from parking revenues. The design and construction of the project will occur over the next 3 years (2010 – 2013).

Subject to Council approval of the recommendations of this report, staff will initiate the process of obtaining the necessary funding through the Municipal Finance Authority. The process is initiated by way of introduction and three readings of a loan authorization by-law. It is estimated that to complete the process of obtaining the funds through the MFA will take about six months.

Staff is also reviewing the potential for capital projects such as the subject parking structure to be funded through the use of internal investments/resources and will provide a report to Council on the findings of that review prior to completing the process of obtaining the funds from the MFA.

SUSTAINABILITY CONSIDERATIONS

This project as an element of the “**Build Surrey**” Program will encourage and support investment and development in Surrey. Such investment and development will assist the City in moving toward an improved balance between residential and business development. This will support many of Surrey’s sustainability objectives including, amongst others:

- Reducing greenhouse gas emissions by reducing trip lengths for its residents between home and work;
- Enhancing the City’s financial position through an enhanced property tax base; and
- Enhancing the quality of life for its residents through enhanced job and recreational opportunities close to home.

The project also supports the Surrey Economic Investment Action Plan element “*Capital Spending to Build Infrastructure and Create New Jobs*”. This includes the City of Surrey making significant capital investments. The Action Plan is focussed on invigorating the Surrey economy.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Authorize staff to proceed with all necessary actions to establish a Surrey Parking Authority as generally described in this report;
- Direct the City Clerk to bring forward for the required readings a loan authorization by-law, as contained in Appendix “B” of this report, for obtaining funds for the construction of a parking facility in City Centre, which is part of the Council-approved “**Build Surrey**” Program and that will be managed by the Surrey Parking Authority; and
- Authorize the General Manager, Finance & Technology, to enter into discussions with the Municipal Finance Authority in support of Recommendation 2 and to take all other necessary related actions.

Vivienne Wilke, CGA
General Manager,
Finance & Technology

Appendix “A”: “Build Surrey” Program

Appendix “B”: Parking Facility at Surrey City Centre Loan Authorization Bylaw

"Build Surrey" Program

The projects that are included in the "Build Surrey" Program are listed below by community with a brief description and an approximate implementation schedule (in parenthesis) for each project:

Newton:

New Artificial Turf Field and Seating at Newton Athletic Park (2010-2011)

In partnership with Kwantlen Polytechnic University a new artificial turf field will be installed at the Newton Athletic Park and will include grandstand seating for 500 people, lighting for night use and a digital score board and game clock.

New Recreation Facilities in Newton Athletic Park (2010-2016)

Newton Athletic Park remains one of the City's most well used outdoor recreation venues offering an array of recreational opportunities. The City will construct on an annual basis additional recreational amenities in Newton Athletic Park including volley ball courts, children's' play area, additional parking facilities, etc.

New Artificial Turf Field at Tamanawis Park (2011)

A second artificial turf field will be installed at Tamanawis Park that will be focused on providing additional field hockey capacity to meet the growing demand in this area.

Relocation of the Newton Bus Exchange (2011-2012)

The Newton Transit Bus Exchange on 72 Avenue at the north end of the Newton Wave Pool will be relocated to a new location on King George Boulevard south of 72 Avenue to provide additional capacity to accommodate the growing transit ridership in and through Newton and to reflect the opportunities available within the Newton Town Centre to create a vibrant pedestrian-oriented environment.

New Newton District Police Station (2011-2012)

A new building will be constructed in the vicinity of the new Newton Transit Exchange to house the RCMP Newton District Police Station fronting King George Boulevard.

New Newton Fitness Facility (2012-2013)

A significantly expanded fitness facility will be constructed at the Newton Recreation Centre/Wave Pool to better meet the demands of the continuing growth in Newton.

West Newton Community Park Development (2012-2013)

The community park in West Newton will be developed to support the rapidly growing population in the West Newton community. The development will include both passive and active areas including, among other recreational amenities, a cricket field.

Cloverdale:

New Cloverdale Recreation Centre Including Multi-purpose recreation space, Three Gymnasiums, Seniors Space and a Fitness Facility (2010-2011):

This project with a floor area of 65,000 sq. ft. is being constructed on the east side of 176 Street at 62A Avenue adjacent to the Cloverdale Fairgrounds. It will contain gymnasiums, multi-purpose rooms, a fitness facility, seniors programming space, etc. It will serve the community of the rapidly growing communities of Cloverdale and Clayton.

Cloverdale Greenway Trails and North Creek Bridge (2010-2011)

The Cloverdale Greenway multi-use and a new bridge across North Creek will be constructed to accommodate the growing demand for passive recreational opportunities in Cloverdale.

New Amenities at Clayton Park (2012-2013)

New amenities will be constructed at Clayton Park to provide new opportunities for recreational programming at this park to meet the needs of the growing Clayton population.

New Animal Shelter (2010-2011)

A new 9,000 sq. ft. state of the art animal shelter will be constructed to provide animal care services for the City.

South Surrey:

New South Surrey Fitness Facility (2010-2011)

A new fitness facility will be added to the South Surrey Recreation Centre to provide service to the growing South Surrey community.

Kensington Prairie Community Centre (2010)

The former Kensington Prairie School will be converted to a multi-purpose community centre to serve the growing communities of Morgan Creek, Rosemary Heights and Grandview.

Kwomais Point Park Building Renovations (2010-2011)

The existing Sanford Hall and Kwomais Lodge buildings in Kwomais Point Park in South Surrey will be renovated to provide for recreation programming and community use space.

New Fire hall No. 14 in Grandview (2010-2011)

A new “full time” fire hall will be constructed in Grandview that will replace the existing “volunteer” hall and will provide enhanced fire and emergency services to the communities of South Cloverdale, Grandview Heights, Hazelmere valley, Douglas and Campbell Heights.

New South Surrey Swimming Pool (2011-2013)

This will be the second swimming pool in the South Surrey area to provide service to this rapidly growing community and will relieve some of the high demand currently being experienced at the existing South Surrey Pool.

Community Arts Space (2015)

An addition to the South Surrey Recreation Centre will provide arts-related programming space to serve the active and growing arts community.

Fleetwood:

New Fleetwood Recreation Centre Gymnasiums (2013-2014)

A pair of gymnasiums will be added to the Fleetwood Recreation Centre to allow for a broader range of recreation programming to be offered in Fleetwood. These gymnasiums will complement those that are already in place at the Guildford Recreation Centre and those that are currently being constructed in the new Cloverdale Recreation Centre.

New Arena at the Surrey Sport and Leisure Complex (2015-2016)

A fourth sheet of ice will be added to the Surrey Sport and Leisure Complex to add capacity to accommodate arena-related recreational programming.

Guildford:

New Guildford Swimming Pool (2013-2015)

This pool will be added to the Guildford Recreation Centre complex and will serve the north Surrey area, particularly the communities of Guildford and Fraser Heights. It will complement the service being provided by the pool at the North Surrey Recreation Centre and the pool at the Surrey Sport and Leisure Complex.

New Artificial Turf Field at Hjorth Road Park (2012)

A second artificial turf field will be installed at Hjorth Road Park to complement that recently installed artificial turf field and provide additional capacity to accommodate the growing demand for outdoor field programming.

Fraser Heights:

New Fraser Heights Recreation Centre Fitness Facility and Gymnasium (2010-2011)

A new fitness facility and gymnasium will be added to the Fraser Heights Recreation Centre to serve the citizens of the rapidly growing community of Fraser Heights.

City Centre:

New City Centre Flagship Library (2010-2011)

The construction of a new flagship central library in Surrey City Centre with a floor area of 75,000 sq. ft. will act as the hub for Surrey library services. The project is being cost shared with the Federal and Provincial governments. It will add vibrancy to the Surrey City Centre and be a significant new iconic building in the physical profile of City Centre. It will act as a gathering place for the City's citizens and serve all age groups.

New City Centre Covered Youth Park (2010)

A new covered outdoor youth park will be constructed in City Centre next door to the Chuck Bailey Recreation Centre to provide additional opportunities for outdoor recreation programming for youth, particularly during wet weather.

Parking Facility in City Centre (2010-2013)

The City will be investing in the construction of an underground parking facility in City Centre that will provide parking for the new library and City Hall projects and will have capacity to support additional private sector development in the City Centre area as well. This additional capacity will be sold to private sector development on a fee for service basis such that the City will recover its investment over time. The provision of structure parking on a fee basis will assist in encouraging private sector investment in City Centre since the provision of parking is often an impediment to development. The parking facility will be managed by a Parking Authority on a cost recovery basis (i.e., both capital and operating).

New City Hall in City Centre (2010-2013)

To demonstrate its commitment to and to add vitality and energy to the Surrey City Centre, the City has committed to constructing a new City Hall in Surrey City Centre. The City Hall, projected to have a floor area of approximately 165,000 sq. ft., will act as a catalyst for development in City Centre by adding a high activity use and by creating additional physical profile for the City Centre area. The new City Hall is currently being designed and is expected to proceed to construction by year-end 2010 or early 2011.

City-wide:

New Pedestrian and Cycling Trails and Bridges (2010-2015)

In addition to other specific greenway multi-use pathways referenced in this program, to ensure an active and healthy population, the City will be constructing 20 km of multi-use (pedestrian/cycling) trails throughout the City including at least 2 pedestrian/cyclist bridges linking communities across highways and ravines.

New Addition to the RCMP Main Detachment Building (2010-2011)

A 35,000 sq. ft. building is being constructed next door to the Main RCMP Detachment in Newton to house the growing number of policemen that are being hired to serve Surrey's growing population and businesses. The building will house many of the 641 RCMP members that currently serve the City and others that will be added in future years to ensure the continued safety of Surrey's communities and businesses.

New artificial turf fields (2013-2015)

Demand for soccer and other field activities continue to grow in Surrey as the City's population increases. Two new artificial turf fields, in addition to those described specifically within this summary, will be constructed to address the growing demand for outdoor field space. These fields will be constructed at athletic parks in the City at locations still to be determined.

Parkland Acquisition

The City will continue to acquire both active and passive parkland across the City to support the environmental objectives of the City and the demands of growth including land that needs to be acquired to accommodate the other capital projects listed in this summary.

CITY OF SURREY
BY-LAW NO. 1XXXX

A by-law to authorize the borrowing of the
estimated cost of the construction of a parking facility in Surrey City Centre
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WHEREAS it is deemed desirable to construct a parking facility in Surrey City Centre;

AND WHEREAS the estimated cost of constructing a parking facility including expenses incidental thereto is the sum of \$32 million which is the amount of debt created by this bylaw;

NOW THEREFORE, the Council of the City of Surrey, in open meeting assembled,
ENACTS AS FOLLOWS:

1. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of a parking facility generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
 - a) To borrow upon the credit of the Municipality a sum not exceeding \$32,000,000.00; and
 - b) To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the construction of a parking facility.
2. The maximum term for which debentures may be issued to secure the debt created by this bylaw is thirty (30) years.
3. This bylaw may be cited as "Parking Facility at Surrey City Centre Loan Authorization Bylaw No. 1XXXX".

PASSED THREE READINGS by the City Council on the ____ day of _____, 2010.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the ____ day of _____, 2010.

_____MAYOR

_____CLERK