

February 26, 1998

**SUBJECT: STANLEY PARK SERVICE YARD PARKING LOT
REDEVELOPMENT INTERIM FUNDING**

RECOMMENDATION:

- A. THAT the Board request council to transfer \$100,000 from each of the following accounts:**
- **Stanley Park Transportation**
 - **General Parks Asphalt**
 - **Stanley Park Zoo Redevelopment to the Stanley Park service yard parking lot project**
- B. THAT the Board request the temporary transfer of \$255,000 from the Stanley Park Zoo Redevelopment account to the Stanley Park service yard parking lot project.**
- C. THAT the Board allocate \$74,000 per annum for 3.5 years from Stanley Park pay parking revenue to refund the \$255,000 temporary transfer from the Stanley Park Zoo Redevelopment account.**

BOARD POLICY

The Board Report of April 4, 1997, Stanley Park Jitney Service - contained the following approved resolutions:

- D. THAT parking fees in Stanley park be increased during the summer from \$1.00 per two hours to \$1.00 per hour, and from \$3.00 to \$5.00 maximum rate per day, from May 1 to September 30, starting in 1997.**
- E. THAT a new parking lot for approximately 300 vehicles be built in the location of the service yard prior to the start of the jitney service, at a cost estimated at \$450,000, to be funded in part by additional pay parking revenue generated by the increase in parking fees in Stanley Park, and in part by a temporary reallocation of funds from the Zoo Development Account."**

BACKGROUND

The Board has approved the redevelopment/consolidation of the Stanley Park service yard and has approved the award of a shuttle service contract for the Park (report attached). Part of the shuttle strategy is to create a central

parking lot in the abandoned service yard area. The capital cost of the lot was to be recovered by revenue derived from increased parking fees and using interim funding from the Zoo Development account.

DISCUSSION

The April 4, 1997 report estimated the parking lot construction cost at \$450,000. This figure unfortunately did not account for the removal of rubble and wood waste left over from the service yard, building a new and larger refuse facility, and the development of a biofiltration demonstration project to handle the surface runoff. The current estimated cost for the project is \$725,000. Of this amount, \$170,000 is available from 1997 parking revenue, as directed by the Board. The remainder could be temporarily covered from the zoo account and repaid at a rate of \$74,000 per annum from the Stanley Park pay parking. This amount is the projected revenue increase in the off-peak seasons over the base established in 1996. Staff recommend this funding source instead of raising the off-peak rates as the latter may reduce visitations and produce significantly less revenue than previously estimated.

However to rely completely on this form of project cost repayment will require a 7.5 year amortization period.

The \$560,000 remaining in the Zoo account is slated for phase two of the zoo area redevelopment project. This will be the development of the recirculating stream feature. The Aquarium will partner with the Board on this aspect of the project to add a salmon spawning demonstration facet to the stream. The Aquarium is fund raising for this project and is expected to require at least three years to secure all the funding required for the salmon features. Hence the zoo funding will be required prior to the 7.5 year amortization period.

Staff recommend that other sources of capital be permanently directed to the project to cover part of the costs. This recognizes that neither the new refuse facility nor the biofiltration demonstration project are costs normally attributed to a parking revenue facility. By adding \$300,000 to the project, the amortization period for the funds temporarily transferred from the zoo account can be repaid on a time line which should match the completion of fund raising for the salmon stream project.

CONCLUSION

The source of funding must be identified prior to the awarding of a contract for the parking lot construction.

Prepared by:
Planning and Development Division
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JDL:ss
Attachment.

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