

## OPTIONS FOR CITY-OWNED PARKING MACHINES

### Recommendation

That the December 1, 2025, City Operations report CO03040, be received for information.

<b>Requested Action</b>	Information only
<b>ConnectEdmonton's Guiding Principle</b>	<b>ConnectEdmonton Strategic Goals</b>
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	<b>Urban Places</b>
<b>City Plan Values</b>	THRIVE
<b>Corporate Business Plan</b>	Serving Edmontonians
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>• EPark program</li> </ul>
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>• November 13, 2024, Financial and Corporate Services report FCS02529, Fall 2024 Supplemental Operating Budget Adjustment - 2023-2026 Operating Budget</li> </ul>

### Previous Council/Committee Action

At the April 22, 2025, City Council meeting, the following motion was passed:

That Administration provide a report to Council with:

- a. potential capital funding sources that could support the retention or upgrade of City-managed parking infrastructure, including but not limited to:
  - Projects currently on pause,
  - Projects awaiting further information, or
  - Projects otherwise held in abeyance,
 with a goal of minimizing service disruption and maximizing long-term public value from the City's parking assets; and
  
- b. current communication strategies and app updates to include enhanced marketing, education and transition efforts based on a GBA+ approach, including but not limited to

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seniors.

### Executive Summary

- EPark is the City of Edmonton's owned and operated paid parking program, which manages parking across the city through a combination of curbside, surface-lot and parkade spaces.
- Following approval by City Council during the December 2024 Supplemental Operating Budget Adjustment deliberations, the City transitioned to a mobile-only EPark payment system in mid-2025.
- The former EPark parking machines were beyond their service life and could not be repaired or upgraded to meet current telecom and chip-and-PIN payment standards.
- Replacing the machines would require a new system with an estimated \$2.8 million capital cost.
- From the analysis Administration has conducted, no capital or operating funding is available in the 2023–2026 budgets.
  - The recommendations in the FCS03159 Fall 2025 Supplemental Capital Budget Adjustment (SCBA), if approved, would result in a Corporate Funding Pool deficit of \$7.1 million and parking infrastructure is ineligible for debt financing.
- To ensure equitable access to parking services, Administration applied a GBA+ to identify the groups most affected by the transition to a mobile-only payment system, notably seniors without smartphones or data plans and visitors unfamiliar with EPark payment options, including newcomers who may face language or technological barriers. This analysis shaped the targeted outreach and communication efforts.
- The transition to mobile, web and phone-based payment systems continues to trend upwards. Active users have increased by 61 per cent since April 2025, bringing the user base in line with the previous EPark app.
- Accessibility improvements are ongoing, including an Interactive Voice Response (IVR) phone payment option launching in 2026 for customers without smartphones or data plans.
- Administration will return in Q2 2026 with a comprehensive curbside management report to outline options for Edmonton's parking programs (residential and commercial) and identify future investment priorities, technology solutions and funding approaches.

## REPORT

### Background

During the December 2024 Supplemental Operating Budget Adjustment deliberations, City Council approved several initiatives designed to achieve operational savings and minimize the 2025 tax levy increase. One of these measures was the removal of physical EPark payment machines.

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The former EPark parking machines did not meet the payment card brand (Visa) requirement that unattended kiosks must be chip and pin enabled by October 15, 2022. The City of Edmonton is required to comply with payment card brand rules under its merchant service requirement with TD Merchant Services. Additionally, these machines had exceeded their service life and could not be repaired or upgraded. In order to upgrade the technology, new EPark machines would be required. Given these considerations, Council approved transitioning to a mobile-only payment system as part of the overall program reductions as part of the 2024 Supplementary Operating Budget Adjustment. The first phase of removals began in April 2025, and all machines were fully removed by the end of July 2025.

Since that transition, Administration has focused on enhancing education, outreach and technology options to support residents and visitors through the change.

### **Funding Evaluation and Results**

Replacing the EPark machines would require a new system, with an estimated \$2.8 million capital investment required to procure compliant units. Additional annual operating costs would also be required to hire staff and support the operations and maintenance of the machines.

Administration has confirmed through an analysis of current projects on pause, awaiting further information and in abeyance that there is no additional funding available in the 2023–2026 budgets. The recommendations in the FCS03159 Fall 2025 Supplemental Capital Budget Adjustment (SCBA), if approved, would result in a Corporate Funding Pool deficit of \$7.1 million and parking equipment is ineligible for debt financing under the City's Debt Management Fiscal Policy C203D.

As outlined in the October 22, 2024, Financial and Corporate Services report FCS02471 – Analysis of the 2023–2026 Capital Plan, Administration conducted a corporation-wide review of available capital funding. That review confirmed that all funding within the current plan is fully allocated, with no paused or uncommitted projects available for redirection without new Council direction.

Projects added through Council budget amendments were prioritized based on:

- High safety impact,
- Legislative or regulatory requirement, or
- Eligibility for matching funds from other orders of government.

Items not meeting these criteria were not recommended for funding redirection, as doing so would require cancelling or delaying existing Council-approved initiatives. Based on this analysis, there is no viable capital funding source to support the purchase or installation of new parking machines within the current budget cycle.

### **Education, Outreach and Accessibility**

To support Edmontonians through the transition to mobile payments, Administration delivered multi-channel outreach and communication campaigns from April to September 2025. In-depth

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details about the education and outreach activities, including feedback received, can be found in Attachment 1: What We Heard Report - EPark's Move to a Mobile-only Payment System.

Key results include:

- One hundred and twenty nine outreach events at community leagues, libraries, markets and senior centres, reaching approximately 2,500 residents.
- Sixty one per cent increase in active EPark users (to 111,500), bringing total user base to approximately 95 per cent of the previous app's total base, indicating strong public uptake and system stability. Further details are outlined in Attachment 2: HotSpot Transactions and User Adoption.
- Eighty per cent increase in total parking transactions, with QR-code payments accounting for roughly two-thirds of all sessions.
- 311 inquiries decreased by 58 per cent, from 522 in June to approximately 220 per month by August 2025.

Public feedback collected during outreach and engagement indicated that most customers required little to no assistance starting their parking sessions. While many found the system intuitive, some users faced technology barriers, security concerns, or needed more time to gain confidence in using different payment methods.

Feedback themes included:

- Requests for additional payment options (such as account-free or non-digital methods for those without credit cards);
- Clearer information on session duration and notifications; and
- Improved communication around data privacy and payment security.

This feedback has resulted in improvements to EPark, specifically:

- An Interactive Voice Response (IVR) phone-payment system will be implemented in 2026, allowing customers to start a session without an account, smartphone or data plan.
- On-street signage and instructions are being reviewed for clarity and updated where needed.
- Additional communications will be developed to address public concerns about security and data privacy.

Campaigns used a GBA+ lens, focusing on seniors, visitors and residents with limited digital access. Marketing through digital, print and out-of-home media generated over 1.2 million impressions and 25,000 website visits, demonstrating strong awareness.

This feedback-driven approach continues to guide Administration's efforts to create a modern and efficient parking system that serves people of all ages and abilities and will be used to support the Q2

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2026 report that outlines Administration's recommended approach for evolving and modernizing Edmonton's parking program.

### HotSpot Application Updates

HotSpot has implemented significant changes to its user interface to enhance the customer experience. This can be seen in Attachment 3 and includes:

- Clearly displaying the details of a parking session (e.g., location, duration, cost) so the customer can review and confirm the parking details and payment prior to starting a session.
- Providing clear receipts and summaries at each stage of the parking transaction (e.g., when a session starts, when time is added, when the session is ended) to give users timely confirmation.
- Adding a corporate account functionality to allow users to designate sessions billed personally or by their corporation.
- Adjusting the push notifications to alert users five minutes before session expiration (previously 15 minutes).

Visual examples of these updates are included in Attachment 3: HotSpot Application Updates.

### Next Steps

Administration is advancing a comprehensive review of Edmonton's curbside management system to guide long-term investment and service delivery.

The Q2 2026 report to Council will:

- Present a programmed and data-driven approach to managing curbside assets aligned with City Plan, Safe Mobility Strategy and climate goals.
- Identify investment priorities for technology, accessibility and customer experience.
- Provide funding and implementation options for future Council consideration.
- Represent a full refresh of the City's parking program, including:
  - Enhancements to both the residential and commercial parking programs.
  - Integration of automated parking enforcement and advanced technology solutions.
  - Updates to how users access permits, pay for parking, and how parking demand and inventory are managed across the city.
  - Consideration of evolving residential contexts driven by infill and mixed-use developments, introducing new user patterns.
  - Modernization of commercial parking to support flexible, economically vibrant curbside spaces.

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The framework will incorporate feedback from Edmontonians, with opportunities for public validation and refinement before the final program recommendations are presented to Council in Q2 2026.

Council's direction on this work will help refine any budgetary requirements to be considered as part of the 2027–2030 Budget. Should Council proceed with funding the \$2.8M capital requirement as part of the 2025 Fall SCBA, Administration would commence a Request for Proposal to procure compliant machines per existing trade agreements. Additional Operating Impacts of Capital (OIC) would also be brought forward as part of future operating budget discussions.

### **Budget/Financial Implications**

Administration has confirmed that there is no capital funding source to support the purchase or installation of new parking machines within the current budget cycle.

### **Community Insights**

Public feedback collected through outreach and marketing campaigns between April and September 2025 shows increasing comfort with mobile payment options. Administration will continue to gather feedback through public engagement on the comprehensive curbside management framework, including validation of draft program recommendations prior to the Q2 2026 Council report.

### **GBA+**

To ensure equitable access to parking services, Administration applied GBA+ to identify the groups most affected by the transition to a mobile-only payment system, notably seniors without smartphones or data plans and visitors unfamiliar with EPark payment options. This analysis shaped the targeted outreach and communications and resulted in hosting a total of 129 outreach events, which reached over 2,471 people.

Outreach events consisted of offering in-person support at high-traffic locations and festivals and events, drop-in sessions at senior centres and community leagues. These efforts helped reduce some of the barriers to access and helped build user confidence with the payment options.

A combination of resources was developed to assist audiences and included: brochures, posters, presentations and videos. These, along with one-on-one assistance, provided support to those who needed it.

### **Environment and Climate Review**

Eliminating City-owned parking machines contributes to the City's climate and environmental goals by cutting down on material waste and energy consumption within parkades.

### **Attachments:**

1. What We Heard Report - EPark's Move to a Mobile-only Payment System

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2. HotSpot Transactions and User Adoption
3. HotSpot Application Updates