



Toronto Parking
Authority

Office des parcs de
stationnement de
Toronto

The Toronto Parking Authority exists to provide safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street public parking as an integral component of Toronto's transportation system.

NOTICE OF MEETING AND AGENDA

A meeting of the Toronto Parking Authority will be held at City of Toronto City Hall, located at **100 Queen Street West, Meeting Room B, 2nd Floor, at 4:00 PM on Tuesday, September 7, 2004.**

AGENDA

- A. Declarations of Conflict of Interest.
- B. Confirmation of the minutes of the July 27, 2004 meeting.
- C. Mr. David Brady of Hicks Morley Hamilton Stewart Storie will be present at 4:10 PM to update the Board regarding item 5.5.

Italicised items: Approval of these items will result in expenditure/receipt of funds

1.0 FINANCE & ADMINISTRATION

- 1.1 List of Cheques issued, for information only, and shown as Annex A. to this September 7, 2004 Agenda (vouchers 20858 – 21356).
- 1.2 Staff memorandum dated September 2, 2004, for information only, regarding the off-street revenue results for July, 2004 and year to date.
- 1.3 Staff memorandum dated August 25, 2004, for information only, regarding the on-street revenue results to July 2004.
- 1.4 Staff memorandum dated September 2, 2004 recommending that the 2005-2009 Capital Budget totalling \$163,134,000 in net expenditures be approved and submitted to the City of Toronto for Council approval. The budget was reviewed with the Finance and Budget Committee of the Board on Wednesday, September 1, 2004.
- 1.5 Staff memorandum dated September 3, 2004, for information only, regarding the June 2004 operating results and 2004 projection. (Copy of the report to be provided at the Board meeting).

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2.0 DESIGN & CONSTRUCTION

2.1 **Staff memorandum dated August 31, 2004 recommending that:**

1. ***the engineering consulting services for the reconstruction of Carpark No. 79 (405 Sherbourne Street) be awarded to SRM Associates for a sum total amount of \$31,000.00 plus GST; and,***
2. ***the work for the reconstruction of Carpark 79 at 405 Sherbourne Street be awarded to Mopal Construction Limited for a sum total amount of \$390,000.00 plus GST.***

3.0 PARKING OPERATIONS

Off-Street

3.1 Staff memorandum dated August 19, 2004 recommending that the Toronto Parking Authority approve the following rates for implementation at new Carpark 528 located at 1 Colonel Samuel Smith Park Drive opening on September 8, 2004:

1. \$0.50 per half hour, 7:00 to 15:00 hrs Monday to Friday
2. No daily maximum, 7:00 to 15:00 hrs Monday to Friday

3.2 Staff memorandum dated September 1, 2004 recommending that the Toronto Parking Authority:

1. approve the issuance of up to four permits at Municipal Carpark 658, Dufferin Street north of Rogers Road in accordance with Policy 2-10 "Lease of Parking Spaces at Toronto Parking Authority Facilities to Accommodate Zoning By-law Requirements"; and,
2. authorize Authority staff to enter into an implementing agreement.

3.3 Staff memorandum dated September 3, 2004 recommending 1) approval of rate changes for various facilities for implementation on October 4, 2004 2) that changes to the monthly permit rates be implemented for November 1, 2004 to allow a suitable notification period, and 3) that notices be posted in all carparks where rates are changing in order to provide notice to our customers.

5.0 IN-CAMERA

5.1 ***Staff memorandum dated September 2, 2004 regarding invoices received.***

5.2 Staff memorandum dated September 2, 2004 regarding the 2005 Operating Budget.

5.3 ***Staff memorandum dated August 31, 2004 regarding a License Agreement for municipal parking purposes.***

5.4 Staff memorandum dated September 3, 2004 regarding a legal opinion.

5.5 Update to the Board regarding the status of the Union negotiations.

6.0 OTHER BUSINESS

6.1 Copies of the following articles recently appearing in local newspapers:

- 1) "T.O. tops in parking fees" (Toronto Star, July 29, 2004);
- 2) "Parking firm takes city to court" (Toronto Star, August 13, 2004);
- 3) "Man hounded over parking ticket" (Toronto Star, August 16, 2004);
- 4) "Film fest casting about for deep pockets" (Toronto Star, Sept 1, 2004); and,
- 5) "No parking" (Toronto Star, August 27, 2004).

6.2 Copy of letter dated August 13, 2004 from the Canadian National Exhibition regarding the 2004/2005 term – notice of appointment of representative to the CNE Association Membership.

Capital Budget Preparation - Process

1. Areas in the city where the demand for parking spaces exceeds the parking supply are identified through TPA planning department studies.
2. The number of deficient spaces in each area is quantified and the TPA development staff actively search for available sites. Sites are acquired either by outright land purchases or through joint ventures with the private sector. Estimates of land purchase costs and subsequent development costs are prepared/developed by the development and construction/design staff.
3. When the projects and related costs have been identified and quantified (Schedule B1) future annual profits and foregone investment income are estimated (Schedule B5). The benchmark return is an estimate of what we would forego if the funds were left earning investment income. These future profits are the primary funding source for the capital program expenditures.
4. Finally the projects and funding are combined in a cash-flow (Schedule B4) to determine if sufficient funding is available over the 5-year period to carry out the capital program.

Costs & Funding – Details

The cash-flow (B4) condenses as follows:

Projected opening funding available at January 1, 2005	27,392,000
Balance of Funding to Be Earned in Future Years	
5 years of operating profits (25% portion retained by TPA)	84,199,000
5 years of interest in OSPF	2,250,000
Expenditures for capital projects	(106,299,000)
Projected ending reserves @ December 31, 2009	<u>7,542,000</u>

The result at the end of 5 years would be \$7.542 million in funds available to continue day to day operations. Therefore, there are not sufficient excess funds at this time to return any money to the City in the form of a one-time contribution. However the City would receive, based on our projections, \$31 million in 2005 and increasing to \$36 million by 2009 as their annual share of our net operating income.



BOARD MEMORANDUM

TO: Maurice J. Anderson FILE NO: 5079-10
FROM: Amir Nathoo DATE: August 31, 2004
SUBJECT: **Reconstruction of Carpark No. 79 – 405 Sherbourne Street
Review and Award of Tender**

MEETING DATE: **Tuesday, September 7, 2004**

RECOMMENDATIONS:

1. To award the engineering consulting services contract to SRM Associates for the amount of \$26,160.00 plus the amount of \$2,000.00 as disbursements, and the amount of \$2,840.00 as contingency allowance being the sum total amount of \$31,000 plus G.S.T.
 2. To award the work for the reconstruction of Carpark No. 79 at 405 Sherbourne Street to Mopal Construction Limited for the amount of \$359,181.00 plus the amount of \$30,819.00 as contingency allowance being the sum total amount of \$390,000 plus G.S.T.
-

BACKGROUND:

1. Carpark No. 79 is located at 405 Sherbourne Street. The facility provides approximately 112 parking spaces.
2. It is proposed to provide new surface asphalt pavement with new granular base to replace existing which is in poor condition. The work also includes reconfiguration of the entrance, additional lighting, additional catchbasin, improvements within street allowance both on east and west side of the carpark, and provisions to operate the carpark as pay and display.
3. SRM Associates were retained as Consultants to provide Engineering Consulting service. The services include design, preparing tender documents and providing contract administration during the construction period. The services also include obtaining approvals for work within the street allowances.
4. Five (5) Paving Contractors were invited, of which three submitted their tenders. Tenders received are listed below in the ascending order without the G.S.T.

.1	Mopal Construction Limited (MCL)	\$359,181.00
.2	Gazzola Paving Limited (GPL)	\$390,287.50
.3	Loc-Pave Construction (LPC)	\$433,151.00

5. The Consultants' review of the Tenders, including Bid Comparison Sheet is attached herein and is self-explanatory. The summary is as follows:
 - .1 MCL's tender is the lowest and the unit rates are comparable and payment for the proposed work is dispersed evenly over all the parts or sections.
 - .2 MCL did not qualify their bid with any restriction or additional requirement.
 - .3 MCL has previously worked for TPA and TPA was satisfied with their work.
 - .4 MCL's tender has been recommended for approval.
6. We concur with the Consultant recommendation and request that Mopal Construction Limited's tender be approved for the above project.

FINANCIAL BACKGROUND

1	Funds available under Capital Budget		\$470,000	
2	Consultant			
	.1 Fees	\$26,160		
	.2 Disbursements	\$ 2,000		
	.3 Contingency Allowance	\$ 2,840		
		\$31,000		(\$31,000)
3	Construction			
	.1 Tender	\$359,181		
	.2 Contingency Allowance	\$ 30,819		
		\$390,000		(\$390,000)
	Unused or Surplus Funds		\$49,000	

Amir Nathoo

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BOARD MEMORANDUM

TO: Maurice J. Anderson FILE NO: 5658-00
FROM: Ian Maher DATE: September 1, 2004
SUBJECT: ISSUANCE OF UP TO FOUR PERMITS AT CARPARK 658
TO ACHIEVE ZONING BY-LAW REQUIREMENT

MEETING DATE: Tuesday, September 7, 2004

RECOMMENDATION:

It is recommended that the Toronto Parking Authority:

- 1. approve the issuance of up to four permits at Carpark 658, Dufferin Street north of Rogers Road in accordance with Policy 2-10 "Lease of Parking Spaces at Toronto Parking Authority Facilities to Accommodate Zoning By-law Requirements"; and,**
 - 2. authorize Authority staff to enter into an implementing agreement.**
-

The Parking Authority received a request from the owner of premises 2031 Dufferin Street to provide up to four parking spaces under a lease arrangement to fulfill a zoning by-law requirement in association with their planned redevelopment.

The request was reviewed against the criteria identified in Policy 2-10, "Lease of Parking Spaces at Toronto Parking Authority Facilities to accommodate Zoning By-law Requirements" (attached). The results of the review are set out below.

Space Availability

The five-year average peak utilization of the lot is 15%. Doubled, this utilization would be 30%. Therefore, the Authority's space requirement in this location is for 35 spaces leaving a surplus of 59 spaces.

Real Estate Review

The property at 2050 Dufferin Street has not been reviewed with respect to its long term strategic role in the TPA portfolio. By entering into this agreement the Authority will be hampered with respect to its Disposal or Redevelopment options for a five-year period. Should the TPA wish to dispose of the property prior to the five-year period of the lease, replacement spaces will need to be provided at an alternate location for the remainder of the lease term.

Agreement Terms

The permits will be provided for a five-year term. The current rate is \$45.00 per permit per month. The permits will be provided at a fixed price of \$55.00 per month for the entire five-year term to account for potential changes in the rate.

Other Locations

This will be the second application of the policy. A similar arrangement is currently in effect at Carpark 651, Weston Road north of Eglinton Avenue. The agreement for that arrangement will serve as the template for this agreement.

CONCLUSION

The request for the long term lease of two spaces can be accommodated at Carpark 658 without compromising our service levels to our regular customers. The City's Transportation Department has indicated that the lease of these spaces for a five-year term would be suitable to achieve the by-law requirement.

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BOARD MEMORANDUM

TO: Maurice J. Anderson FILE NO: 4085-30
FROM: Ian Maher DATE: September 3, 2004
SUBJECT: ATTENDED AND UNATTENDED RATE REVIEW

MEETING DATE:

September 7, 2004

RECOMMENDATION:

That the Toronto Parking Authority (TPA) Board of Directors approve the rate changes identified in Schedule 'AU' Unattended Facilities and Schedule 'AA' Attended Facilities for implementation on October 4, 2004. The changes to the monthly permit rates will be implemented for November 1, 2004, to allow a suitable notification period.

BACKGROUND

This rate review includes all of the Authorities off-street facilities. The major facilities (annual revenue in excess of \$200,000) are reviewed twice per year, once in February/March and once in August/September.

The Spring review of the major facilities is the main review which considers changes to the overall rate structure while the Fall review is intended to deal with potential rate adjustments to handle unexpected changes in usage or revenue. Both of these matters are addressed at the Fall review for the carparks with revenue less than \$200,000.

ECONOMIC CONDITIONS

Official statistics indicate that the Canadian economy continues to expand at a moderate rate. Price inflation remain quite low with an annual rate of approximately 2%.

USAGE AND REVENUE

The usage and revenue summaries for all carparks are included as attachment 'B'. With the exception of the facilities described below, most of the carparks are performing within the range of expectation and have therefore not been examined in detail. Generally, the rate structure in place at most carparks is appropriate and effective and the usage has been optimized with respect to the use of rate adjustments. In addition, it has been determined that no major changes are warranted to the overall structure at this time. Localized adjustments are recommended where circumstances warrant.

Unfortunately the areas of most concern are the facilities located in the core commercial areas both downtown and midtown. The performance of the facilities in many of these areas seem to have deteriorated after the end of April. For the first four months of 2004, TPA revenue was

tracking at the budget estimate. Since that time the situation has changed in many areas as indicated below.

YONGE/ST.CLAIR

	YTD-April vs BUDGET (\$000)	YTD-July vs BUDGET (\$000)
Carpark		
11-Rosehill Garage	(32.90)	(121.00)
12-Alvin Avenue	(44.90)	(139.10)
13-Delisle Garage	31.60	14.40
161-St Clair Garage	11.20	(4.90)
223-1501 Yonge Lot	35.80	71.80
	<u>0.80</u>	<u>(178.80)</u>

As indicated, this area was at budget at the end of May, but has underachieved the budget of \$60,000 per month since that time. (Note: Carpark 223 was not budgeted, therefore, the results versus budget represent 100% of gross revenue). The reason for the decline would seem to be that the Yonge and St.Clair area has seen a major reduction in leased commercial space. The usage decline seems to be directly related to this. As there are no competing facilities and the facilities were busy with the same rates last year, it is not felt that a rate change would effect usage. No changes are being recommended with the exception of the establishment of a \$20.00 'comfort day maximum' at the new Carpark 223. The usage and revenue will recover once commercial activity improves in this area.

DOWNTOWN CORE

	YTD-April vs BUDGET (\$000)	YTD-July vs BUDGET (\$000)	CHANGES vs BUDGET APR-JUL (\$000)
Carpark			
26-Queen/Victoria	(18.5)	(83.8)	(65.3)
34-Dundas Square	108.3	174.9	66.6
36-Nathan Phillips Square	136.9	101.9	(35.0)
52-York/University	10.9	(89.3)	(100.2)
	<u>237.6</u>	<u>103.7</u>	<u>(133.9)</u>

The performance of three of the four facilities in the downtown core have shown a negative revenue performance vs budget in the May-July period. Carpark 36 has performed below budget for these three months despite the closure of the 800 space Eaton Centre North Garage. It is hoped that with the start of the peak parking season in mid September some of the displaced parkers from that garage will be attracted to Carpark 36. While Carpark 26 is performing well above the SARS effected 2003 results (increased revenue of \$161,219), it has not yet reached expected performance.

Dundas Square continues to out perform expectations and is full to near capacity at peak times on most weekdays, a further rate increase is not recommended due to the fact that rates were increased in May 2004. The Authority does not typically increase rates twice in a calendar year.

Carpark 52 began to decline in May and that decline has continued. The results vs 2003 and budget for the last 3 months are indicated below.

	vs 2003	vs BUDGET
MAY	(13.6)	(30.3)
JUNE	(10.0)	(35.8)
JULY	1.4	(33.9)
TOTAL	(22.2)	(100.0)
JAN-APR	1.4	(10.9)

The 2003 usage and revenue from May to July was negatively impacted by the SARS event. It was expected that the impacts of this event would have past by this year, however, the revenue has not recovered and, in fact, is trailing even the suppressed 2003 levels. Conversations with the Metro Convention Centre have indicated that they are also experiencing depressed activity levels. Specifically,

- The U.S. convention and tourism business has not recovered to levels experienced prior to the September 11, 2001 terrorist attacks. It was felt that the Canadian currency effect was not a real deterrent but the lowered activity levels are almost solely due to concerns of safety and security.
- There are virtually no U.S. based conventions actually occurring in Toronto at the present time.
- The parking levels at their garage are also depressed below expectations by approximately the same magnitude as at Carpark 52.

On the other hand, the parking activity levels at Simcoe Place (just west of Simcoe) have apparently improved somewhat since last year although this would seem to be largely a result of increases in long stay, particularly monthly parkers. Based on the above, it is not entirely clear whether the garage is losing market share or the market as a whole is depressed.

I note that the proportionate activity levels between the three main segments, short stay parking, long stay non-discretionary parking and discretionary long stay parking have remained relatively consistent, so the decline in the usage is spread evenly among segments.

One alternative explanation for the usage/revenue decline which has been examined is the possible impact of the hoarding which is located at the corner of York Street and Front Street. This hoarding impacts the visibility of the York Street ramp into the garage. The following table indicates the relative use of the two ramps for the last three years.

	York Ramp	University
	(%)	Ramp
		(%)
2002	65	35
2003	69	31
2004	68	32

The hoarding does not seem to have had an impact.

As the competitor rate data (attached) indicates the short stay rates do not appear to be a factor in the usage decline. As expected our short stay rates are well below competing facilities. The long stay rate seems to be relatively competitive with the area, with the long stay rates to the east (closer to the core) higher and the long stay rates further to the west slightly lower. There may be some argument for lowering the all day rate, however, assuming the area is suffering 'soft demand', this may just trigger a price war which 'lowers all the boats'. As a result, there are no recommended changes at this time.

It seems likely that the poor performance of this facility is mainly a result of slow economic activity and impacts related to the tourism and convention business centered in this area. It will likely only improve as business activity in this underlying sector recovers .

DOWNTOWN FRINGE

The three main lots of the downtown fringe are indicated below;

Carpark	YTD April vs Budget (\$000)	YTD July vs Budget (\$000)
32-Bay/Lakeshore	2.40	(108.50)
43-St. Lawrence Garage	94.50	112.40
125-Sherbourne/Richmond	15.20	(16.90)
Total	112.10	(13.00)

Carparks 32 and 125 are of concern.

Carpark 32 was downsized from 525 to 330 spaces in October of 2003. In addition, other surface parking facilities in the area have been downsizing or closing as a result of condominium construction activity. As a result of high usage levels and reduced parking supply the rates were raised in April 2004, notably the day maximum rate from \$10.00 to \$11.00. Despite the supply reduction, usage levels declined immediately following this rate increase. However, usage recovered in July leading to lengthy periods during most days when the carpark had to be closed because it was too full. This demand pressure may moderate once the summer season is over. However, should high usage levels persist in October, the day rate should be increased to \$12.00.

The all day rate at Carpark 125 was increased from \$8.00 to \$8.50. This rate increase coincided with the completion of the school year at George Brown College which is one of the major generators for the garage. It is expected that once school resumes this garage will again experience increased demand levels.

UNATTENDED LOTS

There are no rate recommendations for major unattended facilities except to adjust the rates at Carpark 223 to implement an all day rate of \$20.00 as discussed above.

There are a limited number of rate recommendations at the unattended facilities having annual revenues of less that \$200,000. In essence, rate increases are being recommended where either;

1. Usage has increased substantially and the facility is at or near capacity, or
2. Despite previous rate increases the facility is continuing to experience capacity problems.

The following changes are being recommended.

1. **Carpark 62-Queen Street West and Abell Avenue.** This section of Queen Street West has been revitalizing due in large part to the renovation of the Drake Hotel. Usage of the lot has increased by 40% since last year. Peak usage tends to occur in the afternoon and evening. It is recommended to increase;
 - Half hour rate from \$0.50 to \$0.75
 - All day rate from \$3.00 to \$3.50
 - Night rate from \$2.00 to \$3.00

2. **Carpark 108-Esplanade west of Jarvis.** It is recommended that the half-hour rate be increased from \$1.25 to \$1.50. The establishment of an all day rate of \$20.00 is also being recommended with the exception that Saturdays will not have the maximum rate.
3. **Carpark 152-Yonge Street/Glenforest Road.** This lot fills to capacity frequently and is mainly occupied by all day parkers. An increase in the all day rate from \$5.00 to \$5.50 is recommended.
4. **Carpark 177-York Street at Harbour Street.** Due to the high activity levels, it is recommended that the all day rate and event rate be increased from \$8.50 to \$9.00 and from \$20.00 to \$25.00, respectively. The half hour rate should also be increased from \$1.00 to \$1.50 in accordance with competing area rates.
5. **Carpark 205-Huron north of Bloor Street.** Due to extremely high usage levels it is being recommended that the half-hour rate be increased from \$1.00 to \$1.25 and the night maximum be increased from \$5.00 to \$6.00.
6. **Carpark 221-St Patrick.** This carpark fills every morning with all day parkers. Therefore we are recommending an increase of the daily maximum rate from \$12.00 to \$13.00.
7. **Carpark 223-1501 Yonge Street north of St. Clair Avenue.** This lot was opened in January of 2004. It was expected to substantially fill with short stay parkers so no day maximum rate was posted. Due to the underlying weakness in the Yonge/St. Clair area the demand has not been realized. An all day rate of \$20.00 is being recommended to increase utilization and revenue.
8. **Carpark 402/415-Yonge Street and Empress Avenue.** These carparks are adjacent to one another and have 29 and 32 spaces, respectively. Despite the lower daily rate at Carpark 415 usage remains low. In fact, the per space revenue at Carpark 415 is one third that of Carpark 402. This is solely due to the poor access and the fact that half of the access driveway to Carpark 415 is occupied by a temporary sales office for a condominium project. (Although it has been in place for five years.) This office should either be removed or a connecting driveway should be implemented from Carpark 402. If the lots are connected the daily rate at Carpark 415 should be raised to \$8.50 to be consistent with Carpark 402.
9. **Carpark 412-11 Finch Avenue West.** This carpark fills to capacity in the morning virtually every weekday. The all day rate should be increased from \$7.50 to \$8.00.
10. **Carpark 418-68 Sheppard Avenue West.** This carpark fills to capacity early in the day virtually every weekday. The all day rate should be increased from \$7.00 to \$8.00.
11. **Carpark 600-East York Civic Centre.** Utilization at this carpark exceeds capacity for lengthy periods of time on most weekdays. There is presently no day maximum in effect at this lot and none is being recommended. However, an increase in the half-hour rate from \$0.50 to \$0.75 is recommended.

CHANGES TO MONTHLY PERMIT RATES

Monthly rate changes were recommended at the following facilities;

Carpark Location	Carpark Number	Spaces	Monthly Permit				
			Rate	Quota	Avail.	Waiting List	Proposed Change
Bellevue Ave	71	91	\$95.00	10	1	27	\$100.00
Parliament/Front	126	84	\$75.00	25	1	14	\$80.00
Danforth/Coxwell west	173	24	\$55.00	5	0	16	\$60.00
York/Lakeshore	177	40	\$125.00	0	-1	10	\$135.00
Bloor/Jackson (KWY)	500	55	\$60.00	25	1	39	\$65.00
Bloor/Grenview (KWY)	501	80	\$60.00	40	1	3	\$65.00
Bloor/Prince Edward (KWY)	502	44	\$60.00	20	2	1	\$65.00
Bloor/Willingdon w (KWY)	503	79	\$60.00	23	7	1	\$65.00
Bloor/Willingdon e (KWY)	504	116	\$60.00	50	-4	1	\$65.00
Bloor/Central Park	512	57	\$70.00	18	0	31	\$75.00

Note: Due to a special arrangement, the indicated waiting list of 39 for Carpark 500 is actually a combined waiting list for Carparks 500 to 504 inclusive.

REVENUE IMPACTS

The changes being recommended will have a relatively moderate revenue impact due to the small number of changes and the relatively low revenues of the impacted carparks. The following table indicates the impacts for a calendar year and the remainder of 2004.

Carpark	Calendar	
	2004 (\$)	Year (\$)
223	6,000	24,000
62	3,000	12,000
108	12,000	48,000
152	1,500	16,000
177	3,000	12,000
205	4,500	18,000
412	3,000	12,000
415	7,500	30,000
418	1,500	6,000
600	1,500	6,000
Monthly Permit Changes	4,000	24,000
Total	47,500	208,000

ADJUSTMENTS TO DAY/NIGHT MAXIMUM START AND END TIMES

Currently at Carpark 15 (Yorkville Garage), the Sunday all day rate starts at 7:00am and ends at 11:59pm. The night maximum then begins at 6:00pm and operates to 7:00am Monday morning. A change to the all day rate start and end time is being recommended to begin at 7:00am Sunday and end at 7:00am Monday.

The possible implementation of a night maximum end time of 9:00am instead of the current 7:00am is being investigated at Carpark 26 (Queen/Victoria Garage). This will coincide with the shift end time at St. Michael's Hospital. The all day rate would still begin at 7:00am. This will only be implemented if the fee computer can be programmed to accept it which has yet to be determined.

CONCLUSION

Overall the vast majority of the attended and unattended off-street lots are operating within their expected performance range and have the proper rates in effect. The relatively moderate changes being recommended will generate relatively moderate revenue increases. There are a couple of notable problem areas, particularly the Downtown Core and Midtown. These lots will only improve with changes in underlying economic activity.



BOARD MEMORANDUM

TO: Maurice J. Anderson FILE NO: 4085-26
 FROM: Ian Maher DATE: September 2, 2004
 SUBJECT: OFF-STREET REVENUE RESULTS - JULY 2004

MEETING DATE: Tuesday, September 7, 2004

RECOMMENDATION:

That this report be received for information purposes.

The off-street revenue results for July and for the year to date are indicated below:

	Unadjusted Results (\$000)	Adjusted for Parks Lots (\$000)
Month of July	(166)	(69)
Year to Date	(652)	(414)

Overall, the month, adjusted for the loss of the Parks facilities was under budget by \$69,000.00.

The underperforming facilities were largely confined to the core commercial and midtown garages. They are indicated below.

Carpark	Budget Shortfall (\$000)	Vs. 2003 (\$000)
1 (Hayden/Charles)	(15)	8
15 (Yorkville)	(28)	(13)
26 (Queen/Victoria)	(20)	26
52 (University Garage)	(34)	1
	(101)	22
Yonge & St. Clair		
11	(39)	(25)
12	(33)	(36)
13	(12)	(6)
161	(8)	(6)
223	10	10
	(82)	(63)

The **core commercial** facilities listed underperformed budget by \$101,000, but were slightly (\$22,000) ahead of the SARS affected 2003 results. Carpark 15 is of significant concern.

Carpark 52 began to decline in May and that decline has continued. The results vs 2003 and budget for the last 3 months are indicated below.

	vs 2003	vs BUDGET
MAY	(13.6)	(30.3)
JUNE	(10.0)	(35.8)
JULY	1.4	(33.9)
TOTAL	(22.2)	(100.0)
JAN-APR	1.4	(10.9)

The 2003 usage and revenue from May to July was negatively impacted by the SARS event. It was expected that the impacts of this event would be past by this year, however, the revenue has not recovered and, in fact, is trailing even the suppressed 2003 levels. Conversations with the Metro Convention Centre have indicated that they are also experiencing depressed activity levels. Specifically,

- The U.S. convention and tourism business has not recovered to levels experienced prior to the September 11, 2001 terrorist attacks. It was felt that the Canadian currency effect was not a real deterrent but the lowered activity levels are almost solely due to concerns of safety and security.
- There are virtually no U.S. based conventions actually occurring in Toronto at the present time.
- The parking levels at their garage are also depressed below expectations by approximately the same magnitude as at Carpark 52.

On the other hand, the parking activity levels at Simcoe Place (just west of Simcoe) have apparently improved somewhat since last year although this is mainly due to monthly permit sales. So it is not entirely clear whether the garage is losing market share or the market as a whole is depressed.

I note that the proportionate activity levels between the three main segments, short stay parking, long stay non-discretionary parking and discretionary long stay parking have remained relatively consistent, so the decline in the usage is spread evenly among segments.

One alternative explanation for the usage/revenue decline which has been examined is the possible impact of the hoarding which is located at the corner of York Street and Front Street. This hoarding impacts the visibility of the York Street ramp into the garage. The following table indicates the relative use of the two ramps for the last three years.

	York Ramp (%)	University Ramp (%)
2002	65	35
2003	69	31
2004	68	32

The hoarding does not seem to have had an impact.

It seems likely that the poor performance of this facility is mainly a result of slow economic activity and impact related to the tourism and convention business and if it is to improve, it will only improve with businesses in the underlying parking generating activity.

Yonge and St. Clair is indicated separately. It is a significant problem. The underperformance seems to be a result of high commercial vacancy rates in the area. These facilities are badly underperforming both budget and the 2003 results.

It is hoped that the revenue performance will improve through the core fall revenue season. In addition, the recently opened Carparks 668 and 669 will contribute approximately \$30,000.00 monthly in previously unbudgeted revenue. There is some likelihood that Carpark 36 (Nathan Phillips Square) will experience a usage increase associated with the closure of the Eaton Centre North garage.

IM:tt
Attach.

File: imaher\2004\corresp\boardreports\mja(recc)\off-street revenue results (Sept.2004 mtg)