

**EX11.4**

## Decision Letter

### Budget Committee

<b>Meeting No.</b>	11	<b>Contact</b>	Julie Amoroso, Committee Administrator
<b>Meeting Date</b>	Monday, November 25, 2019	<b>Phone</b>	416-392-4666
<b>Start Time</b>	9:30 AM	<b>E-mail</b>	buc@toronto.ca
<b>Location</b>	Committee Room 1, City Hall	<b>Chair</b>	Councillor Gary Crawford

BU11.3	ACTION	Amended		Ward: All
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### 2020 Rate Supported Budgets - Toronto Parking Authority

*Public Notice Given*

**Confidential Attachment - Personal matters about an identifiable individual, including municipal or local board employees, and labour relations or employee negotiations**

#### Committee Decision

The Budget Committee recommends to the Executive Committee that:

#### Operating Budget

1. City Council approve the 2020 Operating Budget for Toronto Parking Authority of \$101.8 million gross, (\$70.1 million) net for the following services:

Service:	Gross (\$000s)	Revenue (\$000s)	Net (\$000s)
On-Street Parking	11,662.4	63,864.0	(52,201.6)
Off-Street Parking	83,689.6	101,587.9	(17,898.3)
Bike Share Program	6,420.0	6,420.0	-
Total Program Budget	101,772.0	171,871.9	(70,099.9)

2. City Council approve the 2020 staff complement for Toronto Parking Authority of 326.5 operating positions.

#### Capital Budget

3. City Council approve the 2020 Staff Recommended Capital Budget and Plan for Toronto Parking Authority with cash flows and future year commitments totalling \$203.666 million as detailed by project and by year in Appendix 5a to the 2020 Staff Recommended Capital and Operating Budget Notes - Toronto Parking Authority.

4. City Council approve the new 2021-2029 Staff Recommended Capital Plan for Toronto Parking Authority totaling \$151.6 million in project estimates as detailed by project in Appendix to the 2020 Staff Recommended Capital and Operating Budget Notes: Toronto

Parking Authority.

### Service Levels

5. City Council approve the 2020 service levels for Toronto Parking Authority as outlined in Appendix 1 to the report (November 15, 2019) from the Acting President, Toronto Parking Authority titled "Recommended 2020 Service Levels – Toronto Parking Authority".

### Other

6. City Council direct the Chief Financial Officer and Treasurer, in consultation with the President, Toronto Parking Authority to report to the Budget Committee on an updated Income Sharing Renewal Agreement no later than December 31, 2020.

7. City Council extend the existing Income Sharing Agreement with the Toronto Parking Authority, which expires on December 31, 2019, until such time as City Council considers an updated Income Sharing Agreement.

8. City Council direct that Confidential Attachment 1 to the report (September 19, 2019) from the Acting President, Toronto Parking Authority remain confidential in its entirety, as it pertains to personal matters about identifiable individuals, including municipal or local board employees, and labour relations or employee negotiations.

### **Summary**

The City Manager and the Chief Financial Officer and Treasurer have submitted recommendations for the 2020 Recommended Operating Budget and 2021 - 2029 Recommended Capital Budget and Plan for Toronto Parking Authority.

### **Background Information**

2020 Staff Recommended Capital and Operating Budget Notes - Toronto Parking Authority (<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140017.pdf>)

Attachment 1 to 2020 Staff Recommended Capital and Operating Budget Notes - Toronto Parking Authority - 10 Year Capital Budget and Plan

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140026.pdf>)

Attachment 2 to 2020 Staff Recommended Capital and Operating Budget Notes - Toronto Water - 10 Year Capital Budget and Plan

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140027.pdf>)

(November 15, 2019) Revised Report and Appendix 1 from the Acting President, Toronto Parking Authority on Recommended 2020 Service Levels - Toronto Parking Authority

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140021.pdf>)

(November 15, 2019) Public Notice - Toronto Parking Authority - 2020 Recommended Operating Budget, 2020 Recommended Capital Budget and 2021 - 2029 Recommended Capital Plan

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139954.pdf>)

### **Speakers**

Kevin Currie, Wheel Excitement Inc.

## **3a Parking Market Analysis for 2020 Toronto Parking Authority Budget Submission**

### **Origin**

(September 20, 2019) Letter from the Board of Directors of the Toronto Parking Authority

## Summary

At its meeting of September, 20, 2019, the Board of Directors of the Toronto Parking Authority:

1. Referred the report (September 18, 2019) from the Acting President, Toronto Parking Authority, to the Budget Committee for consideration during the 2020 budget process

This report responds to the request from Toronto City Council to the President of Toronto Parking Authority to include a parking market analysis, annually, as part of its budget submission.

The parking market served by Toronto Parking Authority consists of two main service streams: the on-street program and off-street program. The on-street parking stream includes all of the approximately 19,000 paid on-street parking spaces, which accept payment by way of parking machines or through the Green P App, and a few legacy single-space parking meters. The comprehensive parking market analysis of this on-street program is undertaken for all locations once every three years when the rates and rules of operation are reviewed and aligned with utilization levels and to ensure equitable treatment of all areas of the city. The last comprehensive review was undertaken in October 2017. Implementation was completed in late 2018. The next comprehensive review is scheduled for the middle of 2020.

In addition to the comprehensive review, in-year adjustments are undertaken as circumstances warrant. On-street parking is competitively priced with Toronto Parking Authority off-street pricing, where applicable, and to below prices set by private parking operators. On-street parking is almost always the first choice of short-stay (under three hours) parkers.

Toronto Parking Authority also operates an extensive inventory of approximately 300 off-street parking facilities containing over 40,000 spaces, however, over one-third of these spaces are managed and operated by Toronto Parking Authority on behalf of other City departments or agencies, including City Real Estate Services, Parks, Forestry and Recreation, the Toronto Transit Commission, Exhibition Place, and the Toronto Community Housing Corporation. While consultation usually occurs, in most of these facilities, the parking fees are set by the department or agency and reflect their policy objectives. In addition, there are 26 locations where garages or surface locations are leased from public or private landowners. The facilities where rates are set by the Toronto Parking Authority Board of Directors are subject to a comprehensive annual rate review. The next comprehensive review is scheduled for November 2019 for implementation in January 2020. Each year, the comprehensive review includes surveys of rates being charged by private parking competitors located in the vicinity of Toronto Parking Authority parking facilities. All of the Toronto Parking Authority's large garages had competitors identified as part of the 2019 rate review.

The primary objective of Toronto Parking Authority's rate setting process is to achieve high usage levels in its facilities. Toronto Parking Authority would not normally change rates where usage levels are low or declining. Toronto Parking Authority's service mandate is to serve short-stay, high turnover parkers. These are the customers to the City's businesses. The Toronto Parking Authority only accommodates longer stay parkers where all short-stay parkers have been served and additional space is available in the facility. Toronto Parking Authority's rate setting practices reflect this service mandate by having short-stay rates lower than most competitor rates. There are many other factors which influence parking behaviour and choice of parking location. These include selecting other travel modes, road congestion, and general traffic issues in the vicinity of a given facility and general economic conditions, either local to

an area or on a more widespread basis.

There was an extensive series of rate adjustments implemented in early 2019 which impacted 93 of Toronto Parking Authority's approximately 230 off-street locations. This report analyzes the effect that these price changes had in terms of usage levels and parking revenues as well as calculating the price elasticity associated with the changes. In general, with the exception of eight Toronto Parking Authority garages in the core commercial areas, the price adjustments resulted in no change in overall parking transactions in the 93 locations where they were implemented and generated 5.52 percent in additional revenue at these locations. Additional rate change recommendations will be considered by Toronto Parking Authority Board of Directors at their November 25, 2019 meeting. Toronto Parking Authority is projecting a total increase in 2019 revenues across all revenue streams of 2.4 percent for 2019 over 2018. This represents the results of the revenue increases at the car parks referenced in this report as well as car parks where rates were not increased and performance of the on-street metered parking program. There is also a brief description of the 2019 competitor rate analysis which is currently underway. Overall, private sector competitors were identified for the car parks in the core commercial areas, including the downtown, the midtown centers, and North York Centre. Results indicate that, as per Toronto Parking Authority policy, half-hour rates at Toronto Parking Authority locations are in most cases lower than the private sector while daily rates tend to be at, or near, the level of competitors.

### **Background Information**

(September 20, 2019) Letter from the Toronto Parking Authority on Parking Market Analysis for 2020 Toronto Parking Authority Budget Submission

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139966.pdf>)

(September 18, 2019) Report and Attachments A and B from the Acting President, Toronto Parking Authority on Parking Market Analysis for 2020 Toronto Parking Authority Budget Submission

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139967.pdf>)

### **3b Feasibility and Financial Impact of Extending Bike Share Toronto Travel Times and Ridership Impact from the Implementation of the Richmond-Adelaide and Bloor Street West Bike Lanes**

#### **Origin**

(September 20, 2019) Letter from the Board of Directors of the Toronto Parking Authority

#### **Summary**

At its meeting of September, 20, 2019, the Board of Directors of the Toronto Parking Authority:

1. Referred the report (September 6, 2019) from the Acting President, Toronto Parking Authority, to the Budget Committee for consideration during the 2020 budget process.

This report responds to City Council's request to the Toronto Parking Authority Board to request the President, Toronto Parking Authority, to report to the Budget Committee on the following for consideration prior to the 2020 budget process:

- a. ridership changes at Bike Share stations directly adjacent to the Richmond/Adelaide and Bloor Street West bike lanes, from before implementation to implementation; and

b. the feasibility and financial impact of extending Bike Share travel times from 30 minutes to 45 minutes for annual members.

### **Background Information**

(September 20, 2019) Letter from the Toronto Parking Authority on Feasibility and Financial Impact of Extending Bike Share Toronto Travel Times and Ridership Impact from the Implementation of the Richmond-Adelaide and Bloor Street West Bike Lanes  
(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139968.pdf>)

(September 6, 2019) Report and Attachments 1-6 from the Acting President, Toronto Parking Authority on Feasibility and Financial Impact of Extending Bike Share Toronto Travel Times and Ridership Impact from the Implementation of the Richmond-Adelaide and Bloor Street West Bike Lanes  
(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139969.pdf>)

### **3c Toronto Parking Authority - 2020 Operating Budget and 2020-2029 Capital Budget**

**Confidential Attachment - Personal matters about an identifiable individual, including municipal or local board employees, and labour relations or employee negotiations**

#### **Origin**

(September 20, 2019) Letter from the Board of Directors of the Toronto Parking Authority

#### **Summary**

At its meeting of September, 20, 2019, the Board of Directors of the Toronto Parking Authority:

1. Approved the 2020 Operating Budget and 2020-2029 Capital Budget for Toronto Parking Authority, as outlined in the report (September 10, 2019) from the Acting President, Toronto Parking Authority.
2. Forwarded the 2020 Operating Budget and 2020-2029 Capital Budget for Toronto Parking Authority, as outlined in the report (September 10, 2019) from the Acting President, Toronto Parking Authority, to City Council for consideration during the 2020 budget process.
3. Directed that the confidential information contained in Confidential Attachment 1 to the report (September 19, 2019) from the Acting President, Toronto Parking Authority, remain confidential in its entirety, as it pertains to personal matters about identifiable individuals, including municipal or local board employees, and labour relations or employee negotiations.

This report presents the 2020 Operating Budget and 2020-2029 Capital Budget to the Board of Directors of Toronto Parking Authority for approval, as referenced in Attachment 1 to the report dated September 10, 2019 (budgetTO 2020 Administrative Review - Toronto Parking Authority 2020 Operating Budget and 2020-2029 Capital Budget and Plan Submission).

### **Background Information**

(September 20, 2019) Letter from the Toronto Parking Authority on Toronto Parking Authority - 2020 Operating Budget and 2020-2029 Capital Budget  
(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139970.pdf>)

(September 10, 2019) Report from the Acting President, Toronto Parking Authority on Toronto Parking Authority - 2020 Operating Budget and 2020-2029 Capital Budget

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139971.pdf>

Attachment 1 - budgetTO 2020 Administrative Review - Toronto Parking Authority 2020 Operating Budget and 2020-2029 Capital Budget and Plan Submission

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139972.pdf>

(September 19, 2019) Report from the Acting President, Toronto Parking Authority on Additional Information on Toronto Parking Authority - 2020 Operating Budget

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-139976.pdf>

Confidential Attachment 1 - Additional Information Regarding Administration and Payroll Expenses