

ATTACHMENT 3: Competitor Rates' Analysis

The TPA Board Policy 2-1, "Parking Rates – Off Street Facilities" establishes two guidelines for the relationship of the parking rates at Toronto Parking Authority facilities as compared to privately owned/operated parking facilities offering parking to the general public ("private lots"):

- The half-hourly rate should normally be less than 75 percent of the average of nearby competitor rates; and
- The day maximum should normally be not less than the average of nearby competitor rates (benchmarked to competitor's early bird rates where appropriate).

These longstanding benchmarks were established to achieve the overall mandate of TPA, namely, to support local businesses which were facing competition from rapidly expanding suburban establishments offering ample free parking, by providing customers with affordable, convenient, clean and safe parking options (first guideline) and to discourage discretionary journey to work commuting trips by encouraging commuters to use other modes (second guideline). These two principles remain core to TPA operations, and largely of the City as reflected in the transportation and parking policies in the Official Plan. When applying the guidelines with respect to competitor rates, however, staff are cognizant of the following:

1. Number of "competitors" across the City vs. TPA's 200+ facilities - Outside the commercial centres, there are significantly less, or in some cases, no competitors in proximity to TPA lots. From TPA's perspective, the "competitor" parking market is generally limited to those TPA facilities in intense commercial areas of the city, including the Downtown core and periphery, and the nodes centered on Yonge/Bloor, Yonge/St. Clair, Yonge/Eglinton, and North York Center. Therefore, Policy 2-1 is essentially applicable to only a select portion of the City and TPA's off-street inventory.
2. Changing Nature of the Parker and Rates in Competitors vs. TPA facilities - In the commercial areas where the "competitors" are applicable, the ratio of private and municipal parking spaces to trips by all modes to these locations has changed substantially over the years. The TPA no longer operates traditional journey to work parking in the core commercial areas and will not provide this type of parking in facilities as TPA facilities redevelop. The TPA has largely phased out its monthly parking permits in the core commercial areas as these permits are almost entirely used for journey to work trips. On the other hand, the competitor market continues to reduce, as expansion of commercial activity and resultant redevelopment of surface parking lots continues. Although the TPA parking service and its competitor market continues to diverge, the competitor market still generally accommodates traditional journey to work trips and are priced as such. Therefore, the competitor's early bird rate (or in its absence, the day maximum rate) is the predominant rate for the facility. Subsequently, it was noted the competitors' half-

hour rate is a prorated amount of the early bird/commuter rate and is not geared to attract or accommodate a short-stay parker. This has presented a challenge in determining an appropriate short-stay rate (less than 3 hours) that can be used as a comparable to a TPA facility.

The following tables below review the current and proposed half-hour rate and the day maximum rate at select TPA facilities, and their respective average competitor rates (where applicable). Observing the analysis, the following is noted:

- **For the proposed half hour rates:** The number of locations falling outside the guideline will increase from 1 facility to 3 facilities: Carpark 58 and 150 will deviate from the benchmark by marginal amounts of \$0.06 and \$0.31, respectively. Carpark 270's deviation is warranted (that is, a higher half-hour rate) given the notably high usage experienced at the Carpark.
- **For the proposed day maximum rates:** The number of facilities falling outside this guideline will reduce from 10 facilities to 5 facilities: Carpark 36's day maximum rate recently increased in February 2017 to address its high usage and is already approved for a rate change of up to \$20.00 to be phased in. Carpark 49 recently reopened and is still developing a customer-base, and so no changes are being proposed at this time. Carparks 52 and 58 are both scheduled for work which will result in partial closures and as such, impacts to the customer base are expected. Finally for Carpark 404, a day maximum rate change of \$13.00 is being proposed, with the ability to implement a rate change of up to \$15.00 to be phased in, as needed, again balancing against anticipated demand.

HALF HOUR - RATE ANALYSIS							
Carpark No.	Existing Rates (A)	Proposed Rate (B)	Avg of Competitor Rates (C)	Max Benchmark (D) $\leq 0.75 \times C$	Difference to Existing Rate $\Delta(A-D)$	Difference to Proposed Rate $\Delta(B-D)$	NOTES
1	\$2.50	\$2.50	\$5.25	\$3.94	-\$1.44	-\$1.44	Rates/Usage to Monitor upon Opening
3	\$2.50	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
5	\$2.50	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
11	\$2.00	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
12	\$2.50	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
13	\$2.50	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
15	\$2.50	\$3.00	\$6.38	\$4.78	-\$2.28	-\$1.78	
26	\$3.00	\$3.00	\$5.55	\$4.16	-\$1.16	-\$1.16	
29	\$2.00	\$2.00	\$2.83	\$2.13	-\$0.13	-\$0.13	
32	\$3.00	\$3.00	N/A	-	-	-	CLOSED MAY 22, 2017
34	\$3.00	\$3.00	\$4.46	\$3.35	-\$0.35	-\$0.35	
36	\$3.00	\$3.00	\$4.81	\$3.60	-\$0.60	-\$0.60	Day max rate approved for up to \$20.00
39	\$2.50	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
43	\$2.50	\$2.50	\$3.75	\$2.81	-\$0.31	-\$0.31	Day max rate approved for up to \$14.00
49	\$2.00	\$2.00	\$3.67	\$2.75	-\$0.75	-\$0.75	Recently reopened
51	\$1.50	\$2.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
52	\$3.50	\$3.50	\$6.42	\$4.81	-\$1.31	-\$1.31	Work scheduled
58	\$2.50	\$3.00	\$3.92	\$2.94	-\$0.44	\$0.06	Work scheduled
68	\$1.50	\$2.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
71	\$2.00	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
106	\$2.50	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
125	\$2.00	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
150	\$1.50	\$2.00	\$2.25	\$1.69	-\$0.19	\$0.31	Medium Usage Observed
161	\$2.00	\$2.00	\$3.50	\$2.63	-\$0.63	-\$0.63	
212	\$3.00	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
215	\$3.00	\$3.00	\$4.31	\$3.23	-\$0.23	-\$0.23	
223	\$2.50	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
227	\$3.00	\$3.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
262	\$2.25	\$2.25	N/A	-	-	-	CLOSED JANUARY 2, 2017
270	\$2.75	\$3.00	\$3.00	\$2.25	\$0.50	\$0.75	Very High Usage Observed
403	\$2.25	\$2.50	N/A	-	-	-	No qualifying competitor lots within 600 ft.
404	\$2.00	\$2.00	\$4.00	\$3.00	-\$1.00	-\$1.00	No Day Max
410	\$1.75	\$2.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.

	Proposed rates
	Deviation from TPA Policy 2-1 Benchmark

DAY MAXIMUM - RATE ANALYSIS							
Carpark No.	Existing Rates (A)	Proposed Rate (B)	Avg of Competitor Rates (C)	Min Benchmark (D) >C	Difference to Existing Rate Δ(A-D)	Difference to Proposed Rate Δ(B-D)	NOTES
1	\$14.00	\$20.00	\$15.33	\$15.33	-\$1.33	\$4.67	Approval to increase up to \$20.00
3	N/A	N/A	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
5	\$16.00	\$18.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
11	\$11.00	\$12.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
12	\$22.00	\$25.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
13	\$14.00	\$15.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
15	\$13.00	\$15.00	\$15.00	\$15.00	-\$2.00	\$0.00	
26	\$25.00	\$28.00	\$24.40	\$24.40	\$0.60	\$3.60	
29	\$13.00	\$15.00	\$15.00	\$15.00	-\$2.00	\$0.00	
32	\$20.00	\$20.00	N/A	-	-	-	CLOSED MAY 22, 2017
34	\$20.00	\$22.00	\$16.82	\$16.82	\$3.18	\$5.18	
36	\$18.00	\$20.00	\$21.78	\$21.78	-\$3.78	-\$1.78	Day max rate approved for up to \$20.00
39	\$12.00	\$15.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
43	\$12.00	\$14.00	\$13.40	\$13.40	-\$1.40	\$0.60	Day max rate approved for up to \$14.00
49	\$15.00	\$15.00	\$16.33	\$16.33	-\$1.33	-\$1.33	Recently reopened
51	\$8.00	\$10.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
52	\$25.00	\$25.00	\$26.14	\$26.14	-\$1.14	-\$1.14	Work scheduled
58	\$12.00	\$14.00	\$15.33	\$15.33	-\$3.33	-\$1.33	Work scheduled
68	\$7.00	\$8.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
71	\$14.00	\$16.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
106	\$14.00	\$15.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
125	\$13.00	\$15.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
150	\$8.00	\$8.00	\$8.00	\$8.00	\$0.00	\$0.00	
161	\$20.00	\$20.00	\$20.00	\$20.00	\$0.00	\$0.00	
212	N/A	N/A	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
215	\$18.00	\$20.00	\$18.50	\$18.50	-\$0.50	\$1.50	
223	\$20.00	\$20.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
227	N/A	N/A	N/A	-	-	-	No qualifying competitor lots within 600 ft.; No Day Max
262	\$16.00	\$16.00	N/A	-	-	-	CLOSED JANUARY 2, 2017
270	\$16.00	\$16.00	\$14.50	\$14.50	\$1.50	\$1.50	
403	\$15.00	\$15.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.
404	\$12.00	\$15.00	\$16.00	\$16.00	-\$4.00	-\$1.00	Approval to increase up to \$15.00
410	\$11.00	\$12.00	N/A	-	-	-	No qualifying competitor lots within 600 ft.

	Proposed rates
	Deviation from TPA Policy 2-1 Benchmark