REPORT FOR ACTION

Accommodation of Alternate Subway Access - Toronto Transit Commission (TTC) Chester Station: Toronto Parking Authority (TPA) site, Portion of 14 Arundel Avenue (Municipal Carpark 87)

Date: December 4, 2017
To: Board of Directors, Toronto Parking Authority
From: Acting President, Toronto Parking Authority
Wards: Ward 29 (Toronto - Danforth)

SUMMARY

The Toronto Transit Commission ("TTC"), has identified needed improvements at its Chester Station involving provision of additional exit capacity. Following an extensive design process, the northwest corner of Municipal Carpark 87, located at 14 Arundel Avenue ("Subject Property") in vicinity of the station, which is under TPA jurisdiction, ranked highest amongst a number of options assessed as the most viable location to accommodate the required infrastructure. The project will result in the permanent loss of ten (10) parking stalls. In addition, during construction, TTC will occupy different sections of the Subject Property on a temporary basis over a three (3) year period.

This report seeks approval of the Board of Directors of the TPA to establish a Memorandum of Understanding ("MOU") or such other form of agreement as may be acceptable to the City Solicitor with the TTC, setting out the parameters for TTC's occupancy of the portions of the Subject Property during the construction phases and after completion of the work. Subject to TPA Board approval, TPA and TTC will work with City Real Estate Services to complete any required City actions to accommodate the TTC construction and resulting permanent infrastructure. City Real Estate Services and Legal Services have been consulted in the preparation of this report.

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors of the Toronto Parking Authority ("TPA") authorize staff to enter a Memorandum of Understanding ("MOU") or such other form of agreement as may be acceptable to the City Solicitor with the Toronto Transit Commission ("TTC") to accommodate TTC's construction and ongoing operation and maintenance of a structure providing additional exit capacity for the Chester Subway Station under its "*Easier Access Phase III and Fire Ventilation Upgrade Program"*, on the northwest portion of 14 Arundel Avenue (Municipal Carpark 87) in accordance with the parameters set out in the section, "*Terms and Conditions*" of this report (December 4, 2017), and any such other amended terms and conditions as may be acceptable to the Acting President, Director, City Real Estate Services Division and the City Solicitor.

FINANCIAL IMPACT

Based on the formula agreed to with TTC as outlined in Table 1.0 - *Compensation of Temporary Revenue Loss*, of this report, TPA will be compensated in the amount of approximately $6,270 per stall per annum (adjusted for inflation) taken out of service over and above the permanent loss of 10 spaces, for revenue loss associated with the temporary loss of parking spaces during the construction period (approximately three (3) years). For illustrative purposes, if 25 spaces are subject to the formula, total annual compensation would be in the order of $161,000.

The permanent loss of ten (10) parking spaces will result in the reduction of revenues by approximately $62,700 (plus any inflationary factors) on an annual basis (the entire 83-space lot is estimated to generate approximately $520,500 revenue in 2017).

DECISION HISTORY

There are no previous decisions on this matter

COMMENTS

Toronto Transit Commission ("TTC") is presently carrying out the Easier Access Phase III and Fire Ventilation Upgrade programs designed to enhance safety for customers and staff by providing additional exit capacity for subway stations, and in cases where feasible, constructing accessible elevators to ensure the alignment of the City of Toronto's accessibility policies with the Accessibility for Ontarians with Disabilities Act ("AODA") legislation. Chester Station has been identified for needed improvements under the program.

An extensive design process involving a working group, consisting of members of the local community, evaluated seven (7) potential locations for the required infrastructure. The northwest corner of Municipal Carpark 87, located at 14 Arundel Avenue ("Subject Property") ranked highest amongst the options as most viable based on the program requirements (refer to Appendix 'A' - Site Location Map). The local Councillor and TTC are supportive of the selection of the local working group.

Carpark 87 contains 83 parking spaces and is one of TPA's highly utilized parking facilities, serving many commercial establishments in the Danforth community. TPA has worked with TTC and the City Transportation Services Division**,** in consultation with the Ward Councillor, to minimize the impact of the project on the parking lot as well as partially offset the loss of spaces by seeking other opportunities, including some additional on-street areas.

The construction will result in the loss of ten (10) parking stalls on a permanent basis. In addition, as part of the construction work, TTC will occupy different sections of the Subject Property on a temporary basis over a three (3) year period.

Terms and Conditions

The following parameters will be incorporated in an agreement to accommodate TTC's construction and ongoing maintenance and operation of the Chester Station exit infrastructure project:

1.	TPA will relocate and/or remove parking equipment, light standards, and 'Green P' signage located on the Subject Property;
2.	TTC shall provide temporary traffic management signage;
3.	TPA shall relocate the existing bike share station to a location agreeable to TTC, TPA and City Real Estate Services;
4.	TTC shall restore lands used for staging upon completion of the respective stage, with restoration being performed in accordance with restoration plans to be reviewed and approved by TPA;
5.	TTC shall compensate TPA for the loss of revenues from Carpark 87 during the construction phase of the project in accordance with the formula set out in Table 1.0 - *Compensation of Temporary Revenue Loss, below;*
6.	TPA shall allow unconditional access and rights to the portion of the Subject Property that is required for the construction of the additional exit for the time that the additional exit continues to be required by TTC;
7.	TTC shall be responsible for all obligations including but not limited to maintenance, repairs, and property-related expenses on the Subject Property that is required for the construction of the additional exit for the time that additional exit continues to be required by TTC.

Compensation of Revenue Loss during Construction

With respect to the loss of parking spaces during the construction period, TTC has agreed to replace the loss in revenue experienced by TPA. Table 1.0 - *Compensation of Temporary Revenue Loss,* summarizes the financial arrangement agreed to between TTC and TPA staff to address the shortfall of revenue due to loss of parking spaces during the approximately three (3) year construction phase. Although the number of spaces affected will vary depending on the construction operation, it is expected that in the order of 20 to 30 spaces, in addition to the permanent loss of 10 spaces, could be out of service at any given time.

TABLE 1.0 - Compensation of Temporary Revenue Loss

1.	Benchmark revenue = 2017 actual revenue less revenue from the loss of the ten (10) permanent spaces ("Permanent Spaces"), multiplied by an inflation rate of 3.0%, annually;
2.	Actual revenue = total revenue realized from the Carpark in the respective calendar year;
3.	Compensation Due = Benchmark Revenue minus Actual Revenue.

For illustration purposes, Table 2.0 - *Illustrative Calculations - Compensation of Revenue Loss,* below, provides a sample calculation (estimate, pending determination of actual revenues) of the compensation owed by TTC to TPA in 2018:

TABLE 2.0 - Illustrative Calculation - Compensation of Revenue Loss

A	2017 Actual Revenue (based on Sept. YTD Annualized)	$520,525
B	Revenue from Loss of 10 permanent spaces	$62,714
C	Benchmark Revenue (A less B) inflated at 3.0%)	$471,545
D	2018 Actual Revenue (estimate for illustrative purposes)	$310,000
E	Compensation Owed (C less D)	$161,545

CONTACT

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SIGNATURE

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Andrew Koropeski
Acting President, Toronto Parking Authority

ATTACHMENT

Appendix ‘A’ – Location Map

APPENDIX 'A'

LOCATION MAP

