



# **Toronto Parking Authority**

**Staff Recommended 2020 Operating Budget  
2020 – 2029 Capital Budget & Plan**

**Budget Briefing to Budget Committee  
November 15, 2019**

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-7896 or [David.Troian@toronto.ca](mailto:David.Troian@toronto.ca).



Overview and Highlights

2020 Staff Recommended Operating Budget and Plan

2020 – 2029 Staff Recommended Capital Budget and Plan

Rate Changes

# Overview and Highlights

## What We Do

TPA is a key component within the municipal parking and mobility system, complementing and aligning with City transportation policy as well as collaborating with other City divisions and agencies to achieve City-wide initiatives. TPA provides customers with safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street public parking and Bike Share services.

TPA operates 19,000 on-street and over 40,800 off-street parking spaces across 307 locations, processing over 35 million transactions. Bike Share Toronto's operating system includes 5,000 bikes and 465 bike stations spanning almost 100 square kilometers with over 165,000 members and over 40 million kilometers travelled to date.

## Why We Do It

Our services support the vibrancy of businesses and the livability of communities, being sensitive to the environment, and ultimately supporting the mobility of Toronto's residents, businesses and visitors...our Customers. TPA:

- Provides competitively priced short-term, high turnover parking, to serve neighbourhood and commercial areas;
- Provides convenient, cost-effective Bike Share option for local trips;
- Discourage long-term parking, especially in downtown and mid-town commercial areas and commercial areas well served by transit; and
- Generates sufficient revenue to cover minimum operating and administrative costs, and either recover past capital costs or allow for future capital investment.

## Who We Serve

### Municipal Parking Services

- Residents
- Visitors / Tourists

### *Beneficiaries*

- Residents
- Visitors / Tourists
- Local Businesses

### Parking Management Services

- City Agencies
- Third-party developers

### *Beneficiaries*

- City Agencies
- Residents
- Visitors/Tourists
- Local Businesses

### Bike Share Toronto

- Residents
- Visitors / Tourists

### *Beneficiaries*

- Residents
- Visitors / Tourists
- Local Businesses

Outcomes	Description
<b>Continuous Improvement and Transformation</b>	<ul style="list-style-type: none"> <li>✓ Support continuous improvement and on-going development of standard operating procedures and training programs across all departments</li> <li>✓ Introduce new performance management system supporting leadership development and project management capabilities</li> <li>✓ Re-fresh on-boarding and training programs</li> <li>✓ Launch Employee engagement initiatives</li> </ul>
<b>Modernize Operations to Support Customer Focus</b>	<ul style="list-style-type: none"> <li>✓ Continue on-going development of standard operating procedures to provide consistent customer experience</li> <li>✓ Assess and develop standard facilities maintenance program to ensure cleanliness and safety</li> <li>✓ Align technology to support customer service; expand convenient retail payment options</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>✓ Review and establish Board governance policies and procedures where required</li> <li>✓ Continually assess and refine contract management policies and procedures</li> <li>✓ Establish procurement procedures to leverage technology and improve purchasing effectiveness</li> <li>✓ Create internal platforms to improve collaboration, processes and controls efficiency and effectiveness</li> </ul>
<b>Leverage Technology</b>	<p>Implement SAP to support enterprise-wide objectives and strategic focus to deliver top quality, efficient services to our Customers by providing:</p> <ul style="list-style-type: none"> <li>✓ Effective, efficient, transparent, exception management focused administration to support growth and transformation; accurate and timely metrics to support decision making</li> <li>✓ Work order and asset management tools to align resources and staff activities, and</li> <li>✓ Visibility to monitor and manage governance and compliance risk</li> </ul>

# Key Service Issues & Risks for 2020 and Beyond

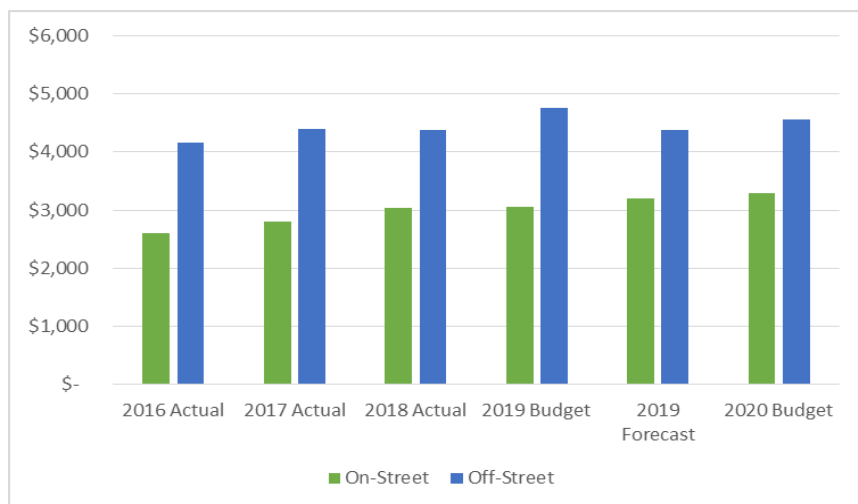
<b>Competing Demand for Access to On-Street Curb Space</b>	<ul style="list-style-type: none"><li>▪ Growing lack of available on-street curb space as competing demands from increasing peak traffic periods and policy initiatives such as bike lanes and Complete Streets, directly impact service levels and revenues through reduced parking space inventory and time of day restrictions</li><li>▪ Reduction of available parking spaces and access due to road closures, construction and special events</li><li>▪ Offering of local parking discounts to promote return of local traffic, such as the Eglinton Crosstown discount</li></ul>
<b>Competing Off-Street Resource Demands</b>	<ul style="list-style-type: none"><li>▪ Fewer opportunities to satisfy short-term parking demands by increasing parking supply in an environment with escalating land and development costs, competing resource usage while maintaining required investment rate returns</li><li>▪ Coordinating the City-wide Real Estate model transformation; supporting City-wide housing priorities</li></ul>
<b>Rapidly Evolving Mobility Trends and Technology Disruption</b>	<ul style="list-style-type: none"><li>▪ Maintaining and/or increasing service levels with competing curbside space demands during a period of transition with the rise of EV, AV, ride-hail, car share, electric scooters, eBikes, eCommerce and increasing transportation demands</li><li>▪ Operating efficiently and effectively in increasingly competitive and dynamic environment with disciplined selection of technological solutions to meet Customer expectations and returns</li><li>▪ Adapting to and mitigating broader environmental impacts</li></ul>

# Service Objectives & Key Priority Actions

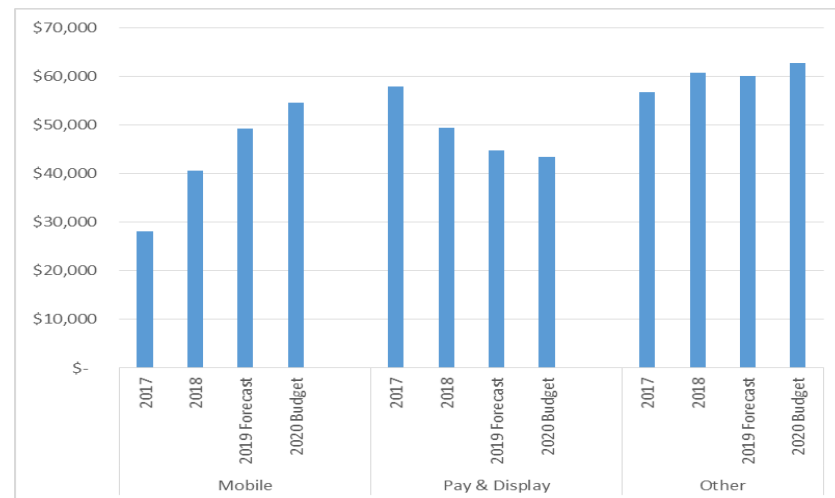
	Service Objectives	Key Priority Actions
<b>Competing Demand for Access to On-Street Curb Space</b>	<p>Our Customer Focus is to:</p> <ul style="list-style-type: none"> <li>▪ meet and exceed our customers' expectations by providing a consistent, high quality, value-added municipal parking and Bike Share services, and</li> <li>▪ provide a convenient, cost-effective Bike Share option for local trips</li> </ul>	<ul style="list-style-type: none"> <li>✓ Support collaboration amongst City departments to minimize negative impact on parking revenues; seek new paid-parking opportunities</li> <li>✓ Replace meters with machines and rationalize machine inventory; initiate mobile only zones</li> <li>✓ Implement Green P app version 2, improving customer experience, expanding payment options and enabling further GPS functionality for further marketing and Bike Share app integration opportunities</li> </ul>
<b>Competing Off-Street Resource Demands</b>	<p>Our Customer Focus is to:</p> <ul style="list-style-type: none"> <li>▪ offer state-of-the-art eco-friendly parking facilities to support customer experience with operational excellence that provides safe, attractive, convenient and affordable parking</li> </ul>	<ul style="list-style-type: none"> <li>✓ In strategic alignment with City-wide Real Estate, execute 10-year Capital Plan by securing off-street parking; expansion of Bike Share's system to 6,000 bikes</li> <li>✓ Modernize and standardize operations to provide a consistent customer service model</li> <li>✓ Review and modernize our maintenance program</li> <li>✓ Implement automated enforcement ticketing</li> <li>✓ Continue implementation of greening features program</li> </ul>
<b>Rapidly Evolving Mobility Trends and Technology Disruption</b>	<p>Our Customer Focus is to:</p> <ul style="list-style-type: none"> <li>▪ judiciously innovate and seek opportunities to enhance the customer service offering</li> </ul>	<ul style="list-style-type: none"> <li>✓ Expand retail payment options in gated facilities; establish roadmap for anticipated 2022 EMV changes</li> <li>✓ Establish technology roadmap with consideration of Cloud trends</li> <li>✓ Continue on-going corporate governance modernization</li> <li>✓ Implement SAP S4Hana to improve access to real time data and improved analytics</li> </ul>

# Key Service Performance Measures

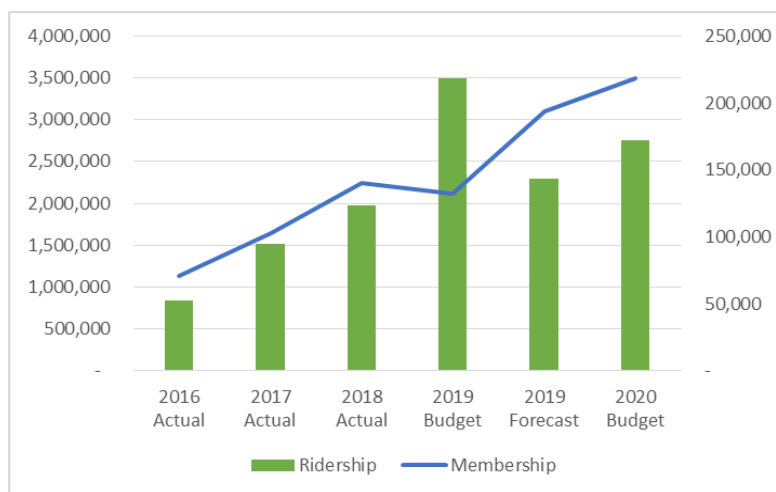
Average Revenue per Space (in dollars):



Parking Revenue by Payment Channel (\$000's):



Bike Share ridership and membership:





# **2020 Staff Recommended Operating Budget and Plan**

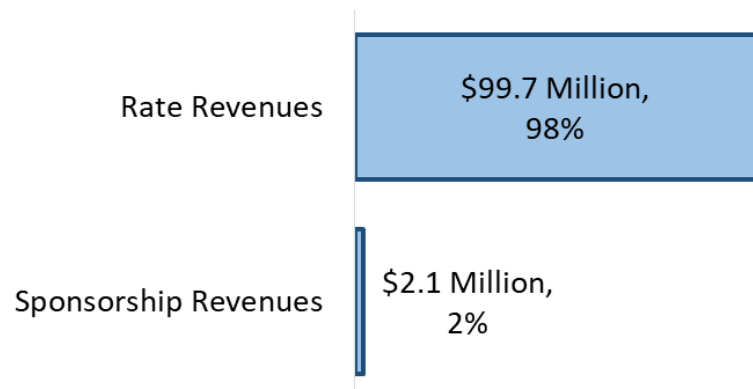
# 2020 Staff Recommended Operating Budget

(In \$000s)	2017 Actual	2018 Actual	2019 Approved Budget	2019 Projected Actual	2020 Staff Rec'd Budget	Change v. 2019 Projected Actual	
By Service	\$	\$	\$	\$	\$	\$	%
<b>Parking Revenues</b>							
On Street Parking	54,145.7	58,567.0	57,592.0	62,087.0	63,864.0	1,777.0	2.9%
Off Street Parking	96,072.8	96,701.5	103,425.6	97,013.4	101,587.9	4,574.5	4.7%
<b>Total Revenues</b>	<b>150,218.5</b>	<b>155,268.5</b>	<b>161,017.6</b>	<b>159,100.4</b>	<b>165,451.9</b>	<b>6,351.5</b>	<b>4.0%</b>
<b>Parking Expenses</b>							
On Street Parking	11,017.5	10,840.8	12,091.6	11,716.6	11,662.4	(54.2)	(0.5%)
Off Street Parking	78,572.0	78,389.1	82,362.8	78,487.3	83,689.6	5,202.2	6.6%
<b>Total Gross Expenditure</b>	<b>89,589.5</b>	<b>89,229.9</b>	<b>94,454.4</b>	<b>90,203.9</b>	<b>95,351.9</b>	<b>5,148.0</b>	<b>5.7%</b>
<b>Net Parking Revenue before gains</b>	<b>60,629.0</b>	<b>66,038.6</b>	<b>66,563.2</b>	<b>68,896.5</b>	<b>70,100.0</b>	<b>1,203.5</b>	<b>1.7%</b>
Gain on the sale of Property	926.9	935.7	-	6,783.6	-	(6,783.6)	(100.0%)
<b>Total Net Parking Revenue</b>	<b>61,555.9</b>	<b>66,974.3</b>	<b>66,563.2</b>	<b>75,680.1</b>	<b>70,100.0</b>	<b>(5,580.1)</b>	<b>(7.4%)</b>
Bike Share Revenue	1,628.7	3,001.1	6,120.0	3,850.0	6,420.0	2,570.0	66.8%
Bike Share Expenses	4,456.1	5,638.1	6,145.0	6,190.0	6,420.0	230.0	3.7%
<b>Total Net Bike Share Revenue</b>	<b>(2,827.4)</b>	<b>(2,637.0)</b>	<b>(25.0)</b>	<b>(2,340.0)</b>	<b>-</b>	<b>2,340.0</b>	<b>(100.0%)</b>
<b>Total TPA Net Revenue</b>	<b>58,728.5</b>	<b>64,337.3</b>	<b>66,538.2</b>	<b>73,340.1</b>	<b>70,100.0</b>	<b>(3,240.1)</b>	<b>(4.4%)</b>
<b>Total Approved Positions</b>	<b>323.5</b>	<b>328.5</b>	<b>328.5</b>	<b>328.5</b>	<b>326.5</b>	<b>(2.0)</b>	<b>(0.6%)</b>

## Where the Money Comes From

**\$ 101.8 Million**

In \$ Millions



## Key Points

### 2020 Parking Revenue Increase

- On Street increase of 2.9%
- Off Street increase of 4.7%

### 2020 Bike Share Increase

- Bike Share ridership revenue increase of 19.4%
- Sponsorship revenue increase of \$1.5 Million

# Key Cost Drivers – Base Budget

Key Cost Drivers (In \$000s)		2018 Actuals	2019 Proj. Actuals	2020 Staff Rec'd Base Budget	YoY Changes		Key Drivers to Preserve Service Levels and Address Issues
					\$	%	
Parking Expenditures							1. Salaries and Benefits - increases as approved vacant positions are filled. 2. Materials & Supplies - certain maintenance activities have been deferred from 2019 to 2020. 3. Equipment - increased depreciation due to two new car parks operating in 2020. 5. Municipal Taxes - increases due to escalating municipal tax property assessment valuations.
1	Salaries and Benefits	26,520.0	27,915.1	28,457.9	542.8	1.9%	
2	Materials & Supplies	6,194.3	6,078.6	6,386.1	307.5	5.1%	
3	Equipment	6,729.9	7,524.5	8,164.5	640.0	8.5%	
4	Services & Rents	9,885.3	7,765.9	7,639.5	(126.4)	-1.6%	
5	Municipal Taxes	22,763.0	22,813.0	26,251.0	3,438.0	15.1%	
6	Other expenditures	17,137.4	18,106.8	18,452.8	346.1	1.9%	
Total Parking Exepnditures		89,229.9	90,203.9	95,351.9	5,148.0	5.7%	1. On Street Parking - growth due to pricing rate increase partially offset by reduced transaction volumes. 2. Off Street Parking - 2020 growth comes primarily from two car park openings. 1. Gain on the sale of Property - not budgeted
Parking Revenues							
1	On Street Parking	58,567.0	62,087.0	63,864.0	1,777.0	2.9%	
2	Off Street Parking	96,701.5	97,013.4	101,587.9	4,574.5	4.7%	
Total Parking Revenues		155,268.5	159,100.4	165,451.9	6,351.5	4.0%	
Net Parking Revenue before gains		66,038.6	68,896.5	70,100.0	1,203.5	1.7%	
1	Gain on the sale of Property	935.7	6,783.6	-	(6,783.6)	-100.0%	
Total Net Parking Revenue		66,974.3	75,680.1	70,100.0	(5,580.1)	-7.4%	
Bike Share Expenditures							
1	Salaries and Benefits	248.5	310.0	260.3	(49.7)	-16.0%	
2	Services & Rents	5,349.4	5,350.0	5,517.7	167.7	3.1%	
3	Other expenditures	40.2	530.0	642.0	112.0	21.1%	
Total Bike Share Exepnditures		5,638.1	6,190.0	6,420.0	230.0	3.7%	
Total Bike Share Revenues		3,001.1	3,850.0	6,420.0	2,570.0	66.8%	
Total Net Bike Share Revenue		(2,637.0)	(2,340.0)	-	2,340.0	-100.0%	
Total TPA Net Revenue		64,337.3	73,340.1	70,100.0	(3,240.1)	-4.4%	
Positions		328.5	328.5	326.5	(2.0)	-0.6%	

Outcome of the VBOR not available at this time.

# Key Cost Drivers – New / Enhanced

Service: Off Street Parking						
Outcome: Modernization and Continuous Improvement						
Key Cost Drivers	2020 Operating Budget (In \$000s)					
	Revenue	Expenses	Net Revenue	Positions	2021 Annualized Gross	Equity Impact (Low/Med/High)
1 Escalating municipal tax property valuations		26,251.0	(26,251.0)			
2 Salaries, wages and benefits		25,622.0	(25,622.0)	292.0		
3 Depreciation		6,515.0	(6,515.0)			
4 Other Expenses		25,301.6	(25,301.6)			
5 Parking Revenue	101,587.9		101,587.9			
<b>Total</b>	<b>101,587.9</b>	<b>83,689.6</b>	<b>17,898.3</b>	<b>292.0</b>		

Service: On Street Parking						
Outcome: Modernization and Continuous Improvement						
Key Cost Drivers	2020 Operating Budget (In \$000s)					
	Revenue	Gross	Net	Positions	2021 Annualized Gross	Equity Impact (Low/Med/High)
1 Eglinton Crosstown discounts	(1,100.0)		(1,100.0)			
2 Payment processing & system fees		4,794.0	(4,794.0)			
3 Salaries, wages and benefits		2,836.0	(2,836.0)	32.0		
4 Other		4,032.4	(4,032.4)			
5 Parking Revenue	64,964.0		64,964.0			
<b>Total</b>	<b>63,864.0</b>	<b>11,662.4</b>	<b>52,201.6</b>	<b>32.0</b>		

# Key Cost Drivers – New / Enhanced

Service: Bike Share						
Outcome: Modernization and Continuous Improvement						
Key Cost Drivers	2020 Operating Budget (In \$000s)					
	Revenue	Gross	Net	Positions	2021 Annualized Gross	Equity Impact (Low/Med/High)
1 Negotiations for advertising and sponsorship	2,120.0		2,120.0			
2 User Fee Revenue	4,300.0		4,300.0			
3 Operating expenses		5,518.0	(5,518.0)			
4 Other		902.0	(902.0)	2.5		
<b>Total</b>	<b>6,420.0</b>	<b>6,420.0</b>		<b>2.5</b>		

(In \$000s)	2019 Projected Actual	2020 Staff Rec'd Budget	2021 Outlook	2022 Outlook
	\$	\$	\$	\$
Revenues	169,734.0	171,871.9	175,270.0	178,107.9
Gross Expenditures	96,393.9	101,771.9	104,993.2	107,127.1
<b>Net Revenue</b>	<b>73,340.1</b>	<b>70,100.0</b>	<b>70,276.8</b>	<b>70,980.8</b>
<b>Approved Positions</b>	<b>328.5</b>	<b>326.5</b>	<b>326.5</b>	<b>326.5</b>

## 2021 Drivers



Salaries & Benefits: \$0.4M



Inflation Impact: \$0.9 M



Municipal Taxes: \$0.5 M



Bike Share System Operating: \$1.0 M

## 2022 Drivers



Salaries & Benefits: \$0.4M



Inflation Impact: \$1.1 M



Municipal Taxes: \$0.5 M

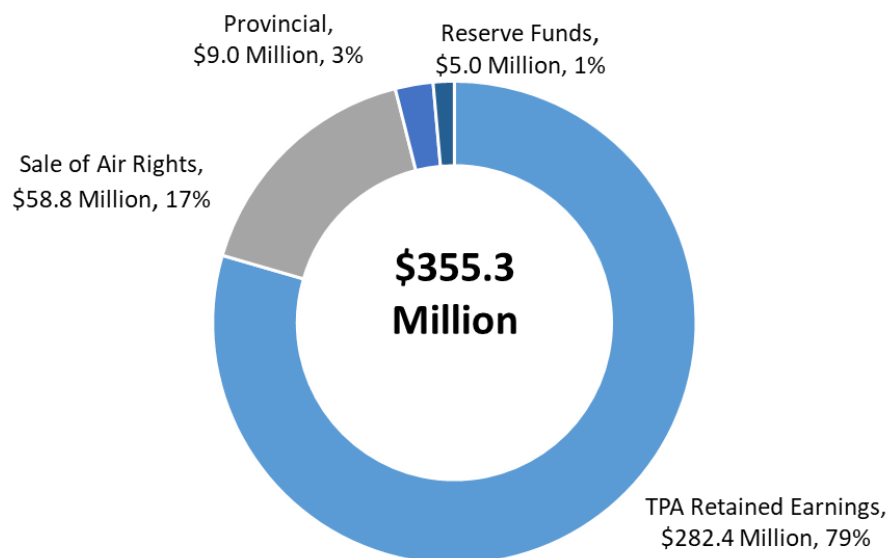


# **2020 – 2029 Staff Recommended Capital Budget and Plan**

## Asset Value Spend for 2020-2029 \$355.2 Million

(In \$000s)	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2020 - 2029 Total	SOGR	Growth & Improve d Service
<i>Acquisition - Etobicoke Civic Centre</i>	444	222	-	21,515	-	-	-	-	-	-	22,181	-	22,181
<i>Acquisition - 229 Richmond St West</i>	640	160	-	-	-	15,200	-	-	-	-	16,000	-	16,000
<i>CP 12/CP 223 (JV) 30 Alvin Ave</i>	180	-	8,820	-	-	-	-	-	-	-	9,000	-	9,000
<i>CP 15 Redevelopment (JV)</i>	144	7,056	-	-	-	-	-	-	-	-	7,200	-	7,200
<i>11 Wellesley</i>	7,050	-	-	-	-	-	-	-	-	-	7,050	-	7,050
<i>CP 219 (JV) 87 Richmond Street East</i>	130	65	6,320	-	-	-	-	-	-	-	6,515	-	6,515
<i>CP212 / 227 Adelaide and Spadina Re-development</i>	241	120	5,658	-	-	-	-	-	-	-	6,019	-	6,019
<i>St. Patrick CP 221</i>	58	58	5,667	-	-	-	-	-	-	-	5,783	-	5,783
<i>St Lawrence Market North</i>	-	-	14,500	-	-	-	-	-	-	-	14,500	-	14,500
<i>King, West of Spadina (Re-investment Area)</i>	-	-	-	-	12,500	-	-	-	-	-	12,500	-	12,500
<i>Bike Share Expansion - OMCC + Municipal Match</i>	11,250	-	-	-	-	-	-	-	-	-	11,250	-	11,250
<i>St. Clair West CP 41 (Corso Italia)</i>	-	-	-	-	-	10,900	-	-	-	-	10,900	-	10,900
<i>Financial District East of University</i>	-	-	-	-	-	10,000	-	-	-	-	10,000	-	10,000
<i>Bay/Lakeshore (downtown fringe south)</i>	-	-	-	10,000	-	-	-	-	-	-	10,000	-	10,000
<i>Harbourfront</i>	-	-	-	-	-	10,000	-	-	-	-	10,000	-	10,000
<i>Bloor/ Bathurst</i>	-	-	-	-	-	-	8,500	-	-	-	8,500	-	8,500
<i>Redevelopment of CP 224 (34 Hannah Ave)</i>	-	-	-	8,000	-	-	-	-	-	-	8,000	-	8,000
<i>Yonge, S. of Eglinton</i>	-	-	-	-	-	7,000	-	-	-	-	7,000	-	7,000
<i>King E. of Spadina - Revitalization</i>	-	-	-	6,000	-	-	-	-	-	-	6,000	-	6,000
<i>Structural Maintenance and Technology</i>	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	55,000	55,000	-
<i>All projects under \$5 million</i>	40,327	10,118	22,548	6,026	9,000	7,000	16,800	-	-	-	111,819	19,871	91,949
<b>Total Expenditures by Category (including carry forward from 2019)</b>	<b>65,964</b>	<b>23,299</b>	<b>69,013</b>	<b>57,041</b>	<b>27,000</b>	<b>65,600</b>	<b>30,800</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>355,217</b>	<b>74,871</b>	<b>280,346</b>

## Where the Money Comes From



## What This Buys

- 21% (\$74.9 M) of the gross 2020-2029 budget request is allocated to State of Good Repair (SOGR) projects with focus on continued improvement and upgrading of the facility infrastructure
- 79% (\$280.3 M) is for Service Improvement and Growth Related projects.

## **\$355.2 M** 10 YEAR GROSS CAPITAL PROGRAM



### **Aging infrastructure**

\$74.9 M  
21.1%

Structural  
Maintenance, Parking  
garages concrete  
repairs, other SOGR



### **Parking facilities expansion**

\$250.4 M  
70.5%

Property  
acquisitions and JV  
developments



### **Equipment**

\$29.9 M  
8.4%

Parking equipment,  
Bikes, office  
equipment

## \$355.2 M 10 YEAR GROSS CAPITAL PROGRAM TOTAL FUNDING



**City of  
Toronto**

\$0.5 M  
0.1%

Section 37 Planning Act Reserve Fund \$0.5M



**Ontario**

**Province of  
Ontario**

\$9.0 M  
2.5%

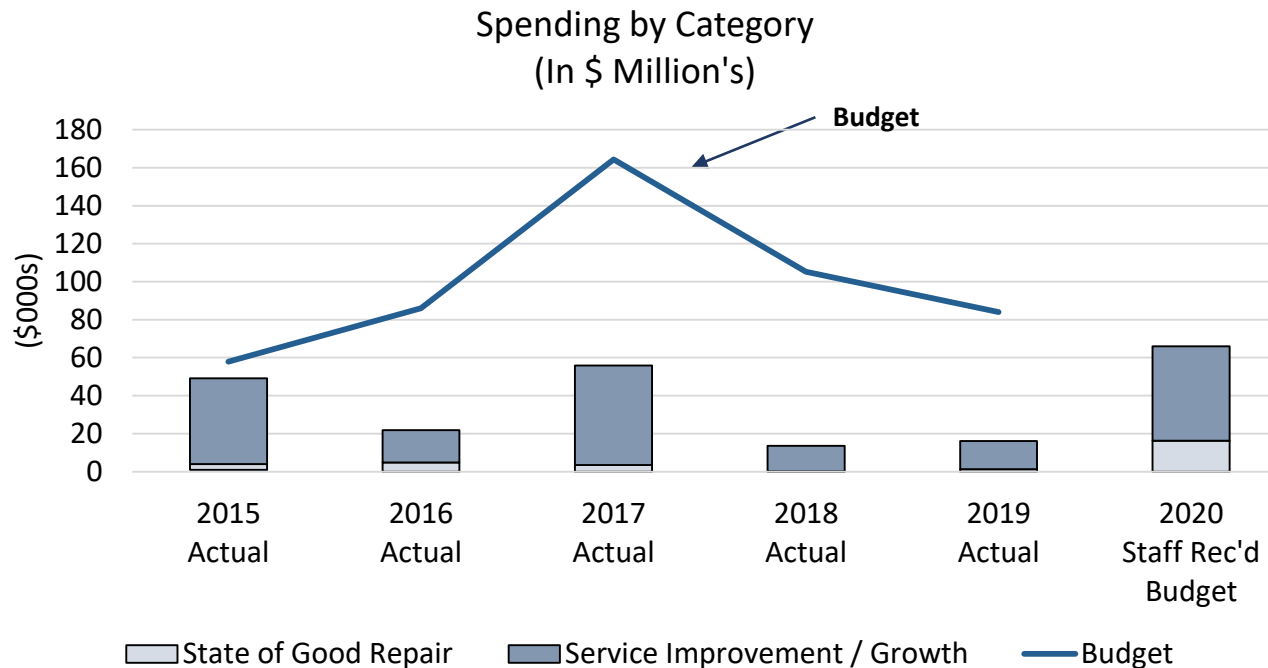
OMCC \$9.0 M



**TPA**

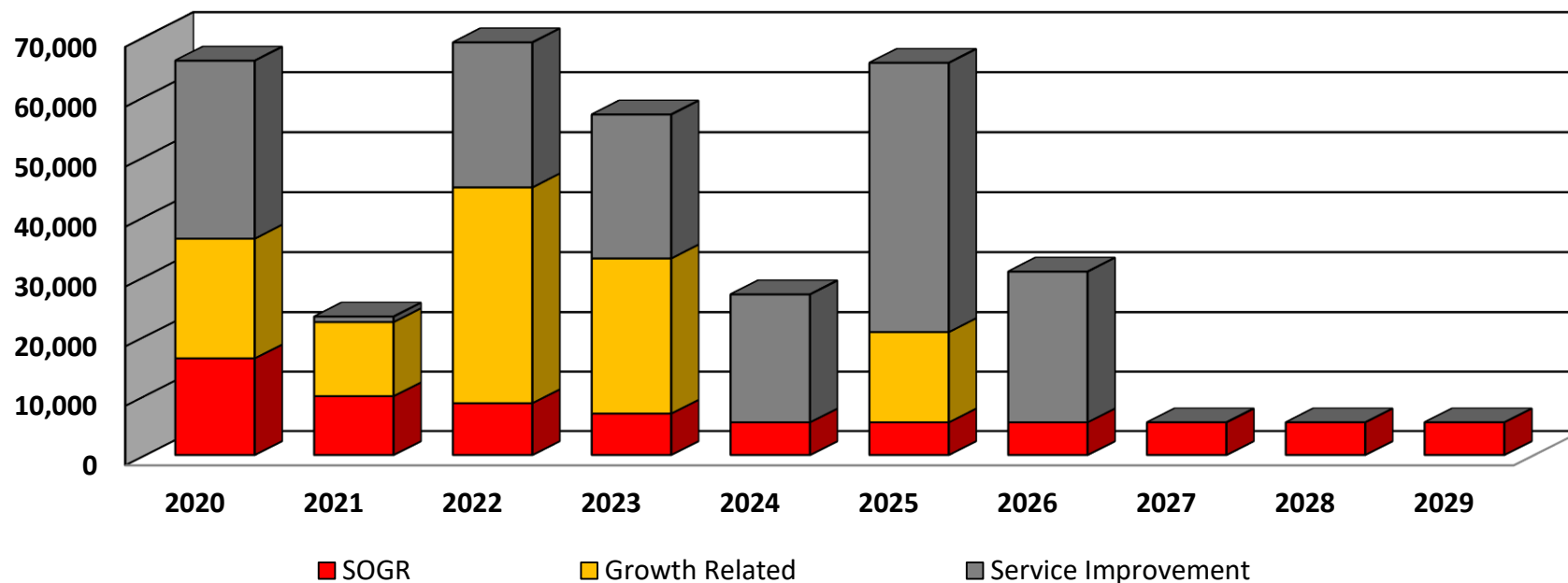
\$345.7 M  
97.4%

Retained Earnings	\$282.4M
Sale of Air Rights	\$58.8M
Capital Expenditure Reserve Fund	\$2.5M
Parking Payment in Lieu Reserve Fund	\$2.0M



In \$ Millions	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Staff Rec'd Budget
State of Good Repair	3.0	4.8	3.6	0.1	1.3	16.3
Service Improvement / Growth	45.1	17.1	52.4	13.5	14.8	49.7
<b>Total</b>	<b>48.1</b>	<b>21.9</b>	<b>56.0</b>	<b>13.6</b>	<b>16.1</b>	<b>66.0</b>
<b>% Spent</b>	<b>83%</b>	<b>25%</b>	<b>34%</b>	<b>13%</b>	<b>19%</b>	

# 2019 - 2028 Requested Capital Budget & Plan by Project Category



	2020 - 2029 Staff Recommended Capital Budget and Plan by Category										
\$ Millions	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
SOGR	16.3	9.9	8.7	7.0	5.5	5.5	5.5	5.5	5.5	5.5	74.9
Growth Related	20.0	12.5	36.1	26.0		15.2					109.8
Service Improvement	29.7	0.9	24.2	24.0	21.5	44.9	25.3				170.5
<b>Total</b>	<b>66.0</b>	<b>23.3</b>	<b>69.0</b>	<b>57.1</b>	<b>27.0</b>	<b>65.6</b>	<b>30.8</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>	<b>355.2</b>

- Currently TPA funds its capital requirements from Retained Earnings for parking operations
- Funding for the Bike Share program of \$11.25 Million has been identified with support from OMCC of \$9.0 Million, Section 37 Reserve Funds of \$0.5 Million and the balance coming from TPA



# **2020 Recommended Rate Changes**

- Off-street average rate increases are expected to approximate 4%, offset by anticipated volume decreases of 1%; bringing an average revenue base increase of 3% year over year
- On-street base revenue is expected to increase 3% primarily through usage increases and some localized rate changes; rate recommendations will be presented to City Council for approval as identified

# Thank You