



REPORT FOR ACTION

Parking Services Agreement - 20 Brunel Court

Date: November 29, 2018
To: Board of Directors, Toronto Parking Authority
From: Acting President, Toronto Parking Authority
Wards: Ward 10 (Spadina-Fort York)

SUMMARY

This report seeks the approval of the Toronto Parking Authority ("TPA") Board to enter into a one (1) year pilot Parking Services Agreement ("Agreement") with the City of Toronto ("Owner") for a 65-space underground parking facility located at 20 Brunel Court (also known as the Block 31 development) (the "Subject Property"), in accordance with the terms and conditions outlined in Table 1.0 - *Proposed Terms and Conditions*, and Appendix B - *TPA and Owner Obligations*, of this report.

The City is developing a multi-use shared community facility on the site, including a community center, a child care center, and two elementary schools: for Toronto District School Board ("TDSB") and Toronto Catholic District School Board ("TCDSB"). In July 2018, TPA provided a proposal to the City's Steering Committee, with representation from the City (Legal; Real Estate Services; City Planning; Children's Services; Financial Planning; and Parks, Forestry and Recreation) along with TDSB and TCDSB, outlining a plan for TPA to provide revenue collection services and parking machine supply, operation and maintenance, subject to TPA Board approval. If, at the conclusion of the one year pilot period, the Subject Property is deemed successful as a public parking facility, we will assess the feasibility of extending the Agreement term.

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors, Toronto Parking Authority authorize the Acting President to enter into a Parking Service Agreement ("Agreement") with City of Toronto ("Owner") to manage a 65-space underground parking facility located at 20 Brunel Court ("Subject Property") for municipal parking purposes in accordance with the terms and conditions outlined in Table 1.0 - *Proposed Terms and Conditions*, and Appendix B - *TPA and Owner Obligations*, contained in this report (November 29, 2018) of the Acting President, and on other or amended terms and conditions as may be acceptable to the Acting President and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

TPA will supply, install and maintain the revenue collection equipment and perform related services for a minimum monthly fee of \$1,100 for two (2) payment machines and be entitled to receive a further five percent (5%) of adjusted annual gross revenues, calculated as annual gross revenue less the sum of the minimum monthly fees. Projected gross revenues are estimated to be \$1,338 (net of HST) per stall per annum for a total of approximately \$87,000. TPA's annual parking services fees are therefore projected to be \$16,890 offsetting service expenses of \$8,230 for an estimated net annual profit of \$8,660. All associated start-up costs will be the responsibility of the owner.

DECISION HISTORY

N/A.

COMMENTS

Site Location and Particulars

The site is situated on the southwest corner of Fort York Boulevard and Brunel Court with site frontage of approximately 107 metres along Fort York Boulevard and 129.5 metres along Brunel Court (refer to *Appendix 'A': Site Location Map*). The multi-use shared community facility is currently under construction and expected to open in September 2019.

Parking Operations

Due to the parking needs of the combination of uses on the Property, visitor and general public parking would only be available during the evening hours and weekends; except during the summer months, when there will be more opportunity for visitors and the public to utilize the parking facility.

TPA has been in discussions with the City of Toronto to determine the viability of operating a public parking facility at the Subject Property under these circumstances. In view of the parking patterns associated with the different groups utilizing the Subject Property, we determined that there is not a strong business case at this time for TPA to manage the parking as a typical TPA branded or managed public parking facility. In July 2018, TPA provided a proposal to the City's Steering Committee, with representation from the City (Legal; Real Estate Services; City Planning; Children's Services; Financial Planning; and Parks, Forestry and Recreation) along with TDSB and TCDSB, outlining a plan for TPA to provide revenue collection services and parking machine supply, operation and maintenance, subject to TPA Board approval. If, at the conclusion of the one year pilot period, the Subject Property is deemed successful as a public parking facility, we will assess the feasibility of extending the Agreement term.

During visitor/public parking hours of operation, the facility will be managed under payment machine operation with the option for customers to pay using the Green P Mobile App. Two (2) payment machines will be required.

The Owner has the sole discretion to establish parking rates and hours of public parking operation in the facility although TPA will be pleased to provide input.

Summary of the Parking Management Agreement

The general business terms of the arrangement are set out in the table below.

Table 1.0 - *Proposed Terms and Conditions*

Term:	1 year pilot period
Management Fee:	Monthly Fee of \$1,100 for two (2) payment machines plus an additional five percent (5%) of annual adjusted gross revenues, calculated as annual gross revenue less the sum of the minimum monthly fees
Termination	Either party has the right to terminate at any time with 60 days written notice to the other party

Each party's respective obligations are generally outlined under Appendix 'B' - *TPA and Owner Obligations*. In summary, the City of Toronto will be responsible for all infrastructure aspects of the garage and access driveways, maintenance, repair, capital improvements, snow clearing, signage, claims, enforcement, complaints, etc., while TPA will be responsible for the provision, operation and maintenance of the revenue control equipment and revenue collection.

CONTACT

Christine Ho, Acting Project Analyst, (416) 338-8957, Email: cho8@toronto.ca

SIGNATURE

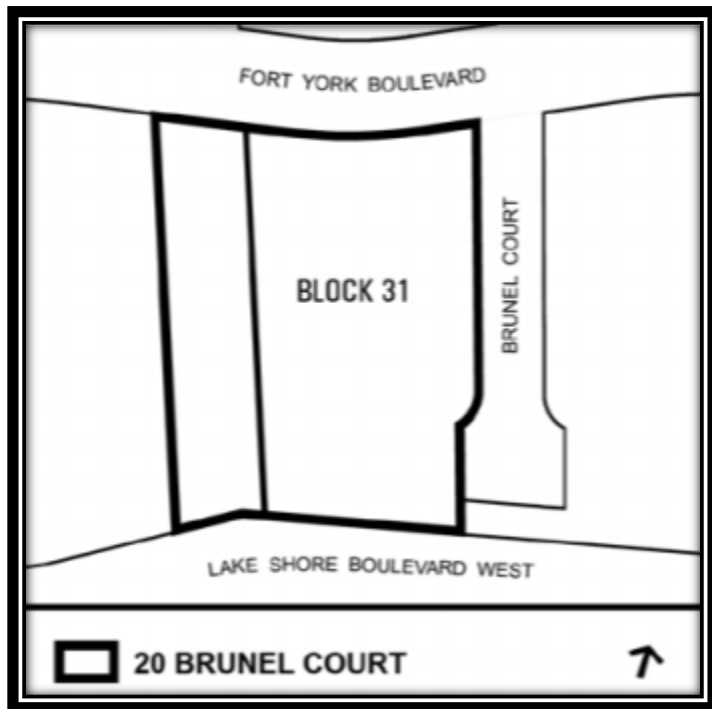
Robin Oliphant
Acting President, Toronto Parking Authority

ATTACHMENTS

Appendix 'A': Site Location Map
Appendix 'B': TPA and Owner Obligations

APPENDIX 'A'

SITE LOCATION MAP



APPENDIX 'B'

TPA AND OWNER OBLIGATIONS

TPA Obligations

During the Term, the TPA will without limitation:

- a) operate the Parking Facility to accommodate public parking during the Hours of Operation to be determined by the Owner, via Payment Machine, Mobile Pay, and coin type of operation.
- b) provide, operate and maintain the payment machines;
- c) provide revenue collection service;
- d) provide the Owner with revenue and transaction summary documentation and submit the revenues net of the TPA fees on a monthly basis;
- e) promptly pay over the Owner's Net Profit to the Owner at the time and in the manner provided;
- f) address complaints regarding equipment issues;
- g) obtain and keep in force commercial general liability insurance against claims for bodily injury, death or property damage occurring in or on the Parking Facility arising as a direct result of the negligence of the TPA in the operation of the Business in an amount per occurrence of not less than two million dollars (\$2,000,000). The Owner will be named as an additional insured party(s). The TPA will provide the Owner with a confirmation of insurance upon written request from the Owner; and

Owner's Obligations

The Owner will:

- a) keep the Parking Facility free and clear of litter and debris;
- c) pay all charges for electricity, water and any other utility services furnished to the Parking Facility and maintain all such utilities in good order and working condition;
- d) make and pay for any repairs and maintenance including, without limitation, repairs to parking surface, fencing, light standards and line striping, where and so often as need be to maintain the Parking Facility in good and substantial repair and condition unless the need for repairs and maintenance is necessitated by the acts or negligence of the TPA in which case the TPA shall make good and pay for any such repairs and maintenance;

- e) insure the Parking Facility with “all risks” property insurance;
- f) pay all real property taxes, rates, charges and assessments, and any other taxes, rates, charges or assessments levied, rated, charged or assessed against the Parking Facility, the operation thereof, the Business, the Management Fee or the Operating Expenses, including, without limitation, any tax directed, directly or indirectly, at the parking of motor vehicles;
- g) install electrical lines leading to the parking machines;
- h) establish and enforce parking regulations within the Parking Facility;
- i) provide and maintain lighting within the Parking Facility;
- j) pay for all signage required (The facility will not carry TPA or "Green P" branding and the machine can be branded with City of Toronto logo);
- k) install and pay for pavement markings;
- l) establish parking rates (TPA can provide input regarding rates if requested, in order to maximize return);
- m) make and pay for any improvements or developments required by any governmental authority or body in order to operate the Parking Facility; and
- n) perform snow clearing/winter maintenance and pay all snow clearing/winter maintenance charges for the Parking Facility.