



REPORT FOR ACTION

Parking Management Agreement - 4 Rosemount Avenue (Car Park 675)

Date: January 21, 2020

To: Board of Directors, Toronto Parking Authority

From: Acting President, Toronto Parking Authority

Wards: Ward 5, York South-Weston

SUMMARY

Toronto Parking Authority (TPA) has entered into a parking management agreement, in accordance with previous decisions of the Board of Directors of TPA, concerning 4 Rosemount Avenue (Property, see Attachment 1). The parking management agreement, which has been approved by the Board of Directors of TPA, has a one-year term that expires as of February 25, 2020.

This report seeks the approval of TPA Board of Directors to enter into another parking management agreement with Rosemount Properties Inc. (Owner) for a one-year term to operate an existing 34-space surface parking facility, referred to as Car Park 675, located at 4 Rosemount Avenue, in accordance with the terms and conditions outlined in Attachment 2.

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority authorize the President, Toronto Parking Authority, to negotiate and execute a parking management agreement with Rosemount Properties Inc. to operate a 34-space surface parking facility located at 4 Rosemount Avenue (Car Park 675), under the terms and conditions in Attachment 2 and any such other or amended terms and conditions as may be acceptable to the President, Toronto Parking Authority, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

TPA projects the Property to generate gross revenues (net of HST) of approximately \$589 per stall for the new one (1) year term for a total of \$20,016. The management fee for the one (1) year term of the agreement is estimated to be \$3,170, representing 50 percent of net revenue proceeds for the facility.

Net revenue is calculated by taking gross revenue less operating expenses, which includes maintenance costs and other ongoing operating expenses. Operating expenses for the one-year term of the agreement are estimated at \$13,676. Costs associated with utilities and property taxes will remain the responsibility of the Owner.

The forecasted financial performance of Car Park 675 for the current term (February 26, 2019 to February 25, 2020) and the new term (February 26, 2020 to February 25, 2021) is shown in Table 1 below.

Table 1 - Forecasted Financial Performance		
	Current Term <i>(Feb 26, 2019 to Feb 25, 2020)</i>	New Term <i>(Feb 26 2020 to Feb 25, 2021)</i>
Gross Revenues (Net of HST)	\$19,528	\$20,016
Gross Revenues Per Space	\$574	\$589
Expenses	\$13,342	\$13,676
Net Operating Proceeds	\$6,186	\$6,341
TPA Net Proceeds (50 percent)	\$3,093	\$3,170

DECISION HISTORY

At its meeting of December 19, 2017 (TPA Board Meeting Item No. PA6.1), TPA Board of Directors authorized staff to enter into a parking management agreement with 30 Rosemount Inc. for a proposed 34-space surface parking facility located at 4 Rosemount Avenue, based on the terms and conditions summarized in the report from the Acting President, TPA, dated December 4, 2017. Additional Information can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PA6.1>

The parking management agreement with 30 Rosemount Inc. for the surface parking facility located at 4 Rosemount Avenue, could not be entered into prior to ownership changes arising from an amalgamation of various related corporate entities. As a result,

at its meeting of January 29, 2019 (TPA Board Meeting Item No. PA2.2), TPA Board of Directors authorized staff to enter into an agreement with the new owner, Rosemount Properties Inc., in general accordance with the Draft Agreement appended as Attachment 1 to the report from the Acting President, TPA, dated January 18, 2019.

The Draft Agreement contained terms and conditions being generally in accordance with the terms and conditions approved by TPA Board of Directors at its December 19, 2017 meeting, with the following modifications: the name of the owner of 4 Rosemount Avenue was changed from one corporate entity, 30 Rosemont Properties Inc. to another, Rosemount Properties Inc.; the terms concerning operating responsibilities were changed to establish that it was TPA, not the owner that will supply the required pay and display machine and parking signage; and that an option to extend the one-year term of the agreement for an additional one (1) five-year term was no longer included in the parking management agreement concerning the operation of the 34-space surface parking facility located at 4 Rosemount Avenue. Additional information can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PA2.2>

COMMENTS

TPA has been operating the Property as Car Park 675 since February 2019 under a management agreement with the Owner. Parking demand at the facility has not yet reached the levels forecasted but has grown over the current term and is expected to continue to grow as a result of newly added businesses and a planned senior social services centre at 30 Rosemount Avenue. As a result, TPA has approached the Owner about its interest in entering into another management agreement with a one-year term. The principles of the management agreement are contained in Attachment 2.

Should TPA Board of Directors adopt this report, TPA will proceed to enter into and execute the management agreement under the terms and conditions as outlined in Attachment 2, and any such other or amended terms and conditions as may be acceptable to the Acting President and in a form satisfactory to the City Solicitor.

Site Location and Particulars

The Property is located north of Lawrence Avenue West, east of Weston Road (refer to Attachment 1 - *Site Location Map*). The immediate area consists of residential uses and a school to the north, commercial uses to the east and west of the site and a major freight and commuter rail line to the west. The Weston GO Transit Station, situated on the south east corner of Weston Road and Lawrence Avenue West is a short walk from the site.

TPA staff undertook a recent site review and confirmed that there is no capital work required for the upcoming year.

Parking Supply, Demand and Operations

Car Park 675 currently generates peak usage rates of 63%. Demands are expected to increase in the future as a number of new businesses (approximately 16,000 square feet) on Rosemount Avenue and a planned respite centre at 30 Rosemount Avenue have or will open in the near future. In addition, Green P wayfinding signage will be installed at several locations, including Lawrence Avenue West / Weston Road intersection and the commuter parking lot at Weston GO Transit Station, to better promote the location of Car Park 675.

Car Park 675 will continue to be operated 24 hours per day, 7 days per week. It will be serviced by one (1) pay-and-display machine with customers also having the option to pay with the Mobile Pay app. The current rates for Car Park 675 are identified in Table 2 - Parking Rates. The rates may be amended from time to time by TPA in accordance with its rate review policy.

Table 2 - Parking Rates	
Half-hour rate:	\$1.00
12 hour rolling maximum	\$5.00 rolling maximum

With the exception of the start and end dates of the agreement's term, there are no differences between the terms and conditions of the proposed agreement, and the terms and conditions in the current management agreement between TPA and the Owner, expiring as of February 25, 2020. Upon receiving TPA Board approval, TPA will coordinate the final execution of the legal documents, related to this matter.

CONTACT

Jeffrey Dea, Director, Parking Strategy, Policy and Planning, Toronto Parking Authority,
416-393-7292, jeffrey.dea2@toronto.ca

SIGNATURE

Robin Oliphant, Acting President
Toronto Parking Authority

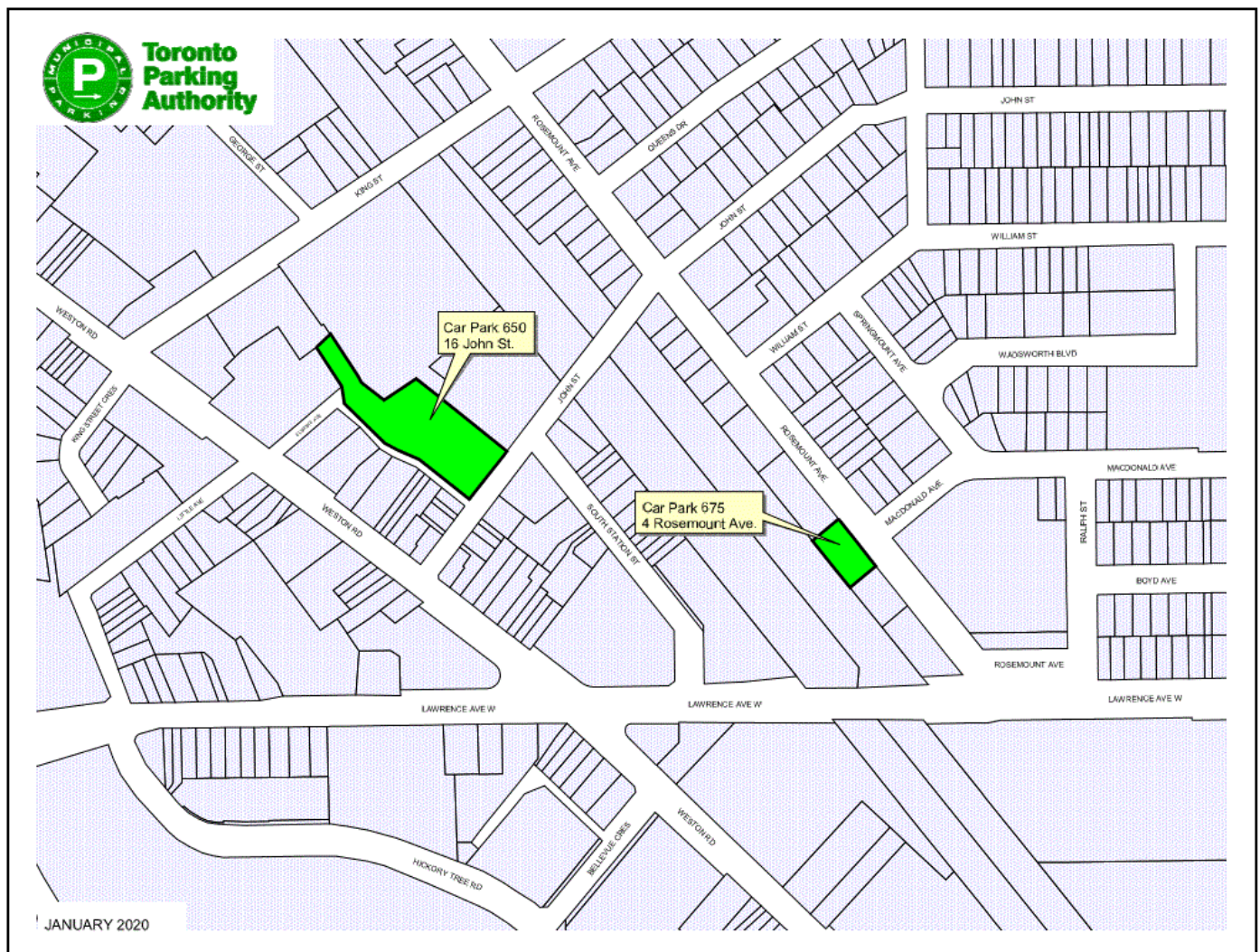
ATTACHMENTS

Attachment 1 - Site Location Map

Attachment 2 - 4 Rosemount Avenue Agreement Principles

ATTACHMENT 1

SITE LOCATION MAP



ATTACHMENT 2

4 ROSEMOUNT AVENUE AGREEMENT PRINCIPLES

4 Rosemount Avenue Agreement Principles	
Commencement Date:	February 26, 2020
Term:	One (1) year
Net Revenue Sharing:	50% of Net Revenue (net of HST) after TPA operating expenses
Operating Expense:	Operating expenses resulting from the operation of the parking facility including, but not limited to enforcement, snow clearing and maintenance will be deducted from the revenue before the parking revenues are shared. The property taxes and utilities will be the responsibility of the Owner.
Termination:	Either party has the right to terminate at any time with 90 days written notice to the other party
TPA Obligations:	• Operate the Car Park during the hours of operation; • Supply and maintain the Pay and Display machine; • Pay for the signage at the Parking Facility; • Provide parking enforcement; • Set the rate for parking fees which may be amended from time to time; • Promptly pay over the Owner's Net profit to the Owner; • Handle complaints and claims made for loss or damage to vehicles parked at the Car Park; • Payment for repairs and maintenance necessitated by the acts or negligence of TPA to the extent that the repairs and maintenance were required by the acts or negligence of the TPA; • Obtain all licenses and permits required to construct and operate the Car Park; and, • Maintain commercial general liability insurance.

4 Rosemount Avenue Agreement Principles	
Owner Obligations:	• Pay property taxes and utilities; • Insure the Car Park with "all risks" property insurance; • Make and pay for any repairs and maintenance to ensure the Parking Facility is in good and substantial repair and condition • Keep the Car Park free and clear of litter and debris and pay for line striping, power sweeping or other general maintenance; • Make and pay for any improvements or developments required by any governmental authority or body; • Perform snow clearing duties and pay for all snow clearing charges and garbage removal for the Car Park; • Install signage as directed by TPA; • Complete and pay for any work required to correct or rectify any deficiencies as determined by TPA; and, • Allow TPA to manage and operate the Car Park during the Term.
Notices to Owner:	Toni Varone, President & Secretary 3710 Chesswood Drive, Suite 201 Toronto, ON M3J 2W4
Notices to TPA:	President, Toronto Parking Authority 33 Queen Street East Toronto, ON M5C 1R5