

2022 Program Summary

Toronto Parking Authority

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Description

TPA is North America's largest municipally owned parking and bike share operator, generating pre-pandemic revenue of \$156.7 million and \$75.6 million in profit and contributing over \$1.36 billion to the City since 2000. TPA executes over 34 million customer transactions across a portfolio of 18,000+ on-street and over 40,000+ off-street parking spaces at 307 locations. Bike Share, North America's third largest system, currently operates across 200 square kilometers in 20 of Toronto's wards and includes 6,850 bikes deployed at 625 stations and has over 460,000 members.

Why We Do It

Our Vision: To become the world's best provider of sustainable parking, bike share and integrated mobility solutions for our customers, our partners, and our City.

Our Approach: One Vision, One Team, One City!

Our Mandate: To provide safe, attractive, self-sustaining, conveniently located and competitively priced on and off-street parking and bike share services as integral components of Toronto's transportation and mobility systems.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

What Service We Provide

Municipal Parking Services

Who We Serve: Local business, Residents, Visitors / Tourists

What We Deliver: Convenient, safe public parking including growing EV charging services, on-street and off-street with over 300 locations and 40,000 spaces combined for TPA locations

How Much Resources (gross 2022 operating budget): \$95.5 Million

Parking Management Services

Who We Serve: City Agencies and growing private sector channels including property owners, developers, hospitality and service industry.

What We Deliver: Convenient, safe public parking with 20,700 spaces

How Much Resources (gross 2022 operating budget): included above

Bike Share Toronto

Who We Serve: Residents, Visitors / Tourists

What We Deliver: Accessible, and affordable bike share mobility solutions (B2C/B2B)

How Much Resources (gross 2022 operating budget): \$10.4 Million

Budget at a Glance

2022 OPERATING BUDGET

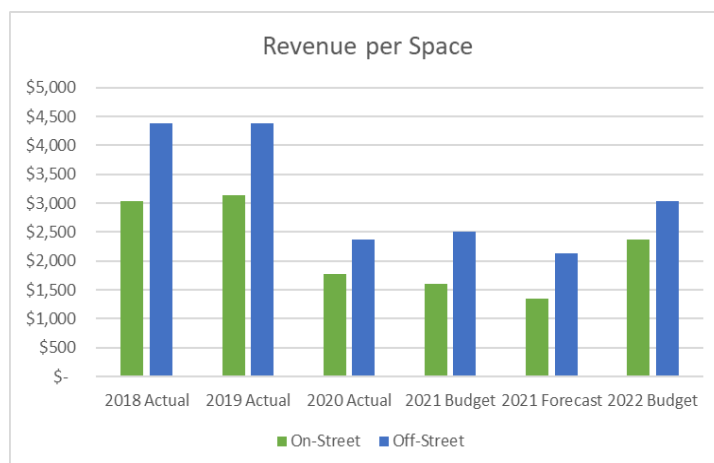
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$120.3	\$164.3	\$170.4
Gross Expenditures	\$105.9	\$112.0	\$115.3
Capital Contribution	(\$14.4)	(\$52.3)	(\$55.1)
Approved Positions	326.5	326.5	326.5

2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$35.2	\$166.3	\$201.5
Debt	\$0	\$0	\$0

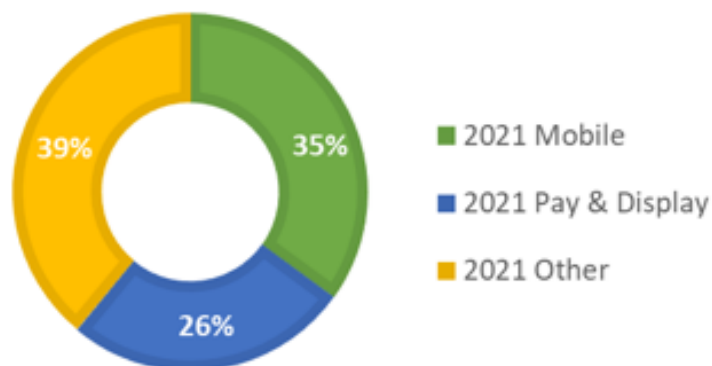
Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers

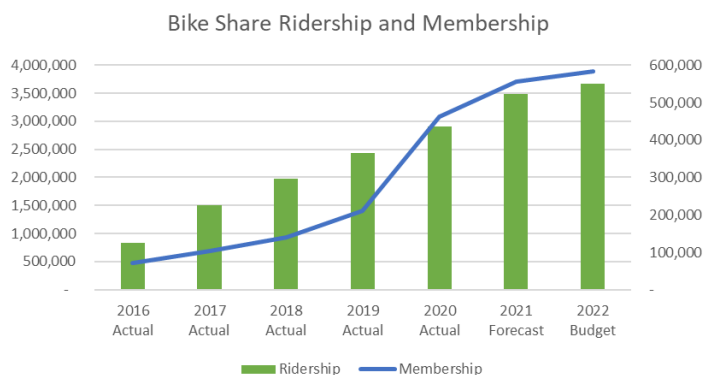


- TPA has operated all our facilities without interruption throughout the pandemic
- Assuming subsequent waves are moderate, parking revenue is budgeted to recover to 72% of pre-pandemic levels during 2022
- Parking transaction volume not expected to fully recover until 2023; commuter vehicle volumes snapback muted by new hybrid return to work models.
- Parking rate increases are not contemplated for 2022 in order to support Business Improvement Areas and to remain competitive in marketplace.

2021 REVENUE BY PAYMENT CHANNEL



- Payment channel preference anticipated to remain consistent with previous year's payment preference experience
- Mobile continues to remain the preferred payment method where offered, at 57% with modest growth year over year
- Cash payments continue to decline as consumers prefer not to handle cash during the pandemic. Cash volume has dropped to 8% of all transactions, compared to 15% pre-pandemic



- All Bike Share infrastructure continues to fully operate through the pandemic as it offers a convenient, safe way to travel
- Increased casual membership and casual ridership continues to drive growth in 2021 with ridership revenue forecasted to increase 33% in 2021 as the expanded system is adopted and safe travel remains a primary concern for commuters
- Membership and ridership growth is expected to continue in alignment with the expansion of the system in 2022 of approximately 11%

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Off-Street Parking	Parking transaction volume	12.1M	6.4M	6.7M	5.9M	●	8.5M	11.5M
On-Street Parking	Parking transaction volume	19.5M	11.0M	9.6M	8.0M	●	14.7M	18.5M
Bike Share	Ridership	2.4M	2.9M	3.3M	3.4M	●	3.5M	3.7M
Service Level Measures								
Off-Street Parking	Occupancy of available spaces in established areas	85%	50%	50%	49%	●	70%	85%
On-Street Parking	Occupancy of available spaces in established areas	80%	50%	50%	43%	●	75%	80%
Bike Share	Bicycle fleet availability	80%	80%	80%	80%	●	80%	80%
Other Measures								
Off-Street parking	Parking Revenue per Space	\$4.4K	\$2.4K	\$2.5K	\$2.1K	●	\$3.0K	\$4.4K
On-Street Parking	Parking Revenue per Space	\$3.1K	\$1.8K	\$1.6K	\$1.3K	●	\$2.4K	\$3.1K
Bike Share	Membership	\$211K	\$463K	\$415K	\$556K	●	\$584K	\$612K

COVID-19 IMPACT AND RECOVERY

2022 Impact and Recovery

Operating Budget Impact

- 2022 parking revenue is expected to recover to 72% of pre-pandemic (2019) levels supported primarily by the return of commuter traffic
- Overall, 2022 spending is expected to increase due to:
 - Higher direct operating costs associated with increased revenue, including payment transaction processing and profit-based rent,
 - Returning budget to full staff complement to support strategic objectives,
 - Expanding facility security coverage to address increasing vandalism and ensure customer safety
 - Expanding facilities cleaning, repairs and maintenance service levels to meet customer expectations and protect staff health and safety, and
 - Investing in technology to improve operational efficiency and customer experience.

Service Level Changes

- All infrastructure will continue to operate;
 - It is difficult to predict the ongoing impact of COVID-19 on Toronto Parking Authority's service levels in 2022. While Toronto Parking Authority service levels have been gradually returning to 72% of pre-pandemic parking levels, further resurgences of the virus could see decrease of parking demand.
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

Toronto Parking Authority's rapid and innovative response to COVID-19 yielded strong results for Toronto's business and cultural communities. Key achievements included:

- 2021 forecasted Net Income to miss plan by \$7.3M; total enterprise loss of \$9.5M, driven by:
 - 13.5% revenue shortfall vs plan as transaction volume decreased under further pandemic restrictions and lockdown; forecasted revenue to be 46% of 2019 levels with transaction volumes at 51% of 2019 levels.
 - Cost management driving savings of \$4.3M vs plan including continued FTE diligence.
- Capital investments moderated to preserve cash; forecasting year end cash position of \$51.5M
- Key 2021 deliverables include modernization of internal processes (SAP 2.0); targeted investments in health and safety, wayfinding, organizational engagement, EV charging deployment strategy/pilot with Toronto Hydro; enhanced Bike Share investments; Green P app v2 and enforcement automation with TPS.

Key Challenges and Risks

- City-wide approach to parking strategy required to support short-term decision making; and modernization of operations, infrastructure and customer facing investments;
- Off-street infrastructure requires significant capital investments to improve structural integrity, safety and security of the premises, wayfinding and technology;
- Evolving mobility trends and market forecasting that 50% of all vehicles sold in Ontario by 2025 will be electric; by 2030, there is a 90%+ probability that all vehicles sold in Canada will be electric. Future operations will need to be supported through modern chargers deployed at TPA parking spots;
- TPA may face challenges to attract, develop and retain a workforce that has the appropriate skills and capabilities to deliver our transformation mandate over the next five-year period;
- Uncertain mid-term pandemic impact on traffic patterns negatively delaying return to 2019 revenue, profit and cash flow performance levels.

Priority Actions

- **Build a Great Place to Work:** Transform Health and Safety Culture; Structure for Success, Talent Review and Development, Staff Engagement Strategy/Implementation; Performance Management, Elevate Diversity and Inclusion.
- **Strengthen the Core, Execute with Excellence:** Leverage SAP to drive business process discipline and data insights; robust Asset management focus to improve SOGR/Capital Productivity; "Fix it Right the First Time" operating culture, Establish Executional Framework by Channel of Business, Deploy new wayfinding standards at high value locations; Elevate Security focus to reduce reputational risk and impact on customer retention.
- **Accelerate Growth and Financial Sustainability:** Deliver 2022 P&L, Execute Phase One of Multi-Year EV Charging Strategy; Modernize Parking Payment Experience (i.e. E-Commerce, Dynamic Pricing); Strategic Corporate Partners/Sponsors (B2B and B2C); aggressively pursue expanded customer base to accelerate top line growth.
- **Connect with our Customers:** Develop new 3-Year Bike Share growth strategy, launch new CX strategy (digital, social media, loyalty, insights, website renovation); launch two "innovation hubs" to prototype industry best practices.
- **Engage and Innovate with our Strategic Partners:** Co-create new integrated Relationship framework with City Partners to future proof sustainability (Revenue Share Agreement, Market Value Assessment, Enforcement, City Parking Strategy); Reimagine relationships with our strategic vendors; strategic vs. transactional approach.

RECOMMENDATIONS

City Council approved the following recommendations:

1. City Council approve the 2022 Operating Budget for Toronto Parking Authority of \$105.9 million gross, \$120.3 million revenue and (\$14.4 million) net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
On-Street Parking	10,256.7	45,793.2	(35,536.5)
Off-Street Parking	85,235.1	66,389.6	18,845.5
Bike Share	10,407.9	8,118.4	2,289.5
Total Program Budget	105,899.7	120,301.2	(14,401.4)

2. City Council approve the 2022 staff complement for Toronto Parking Authority of 326.5 operating positions.
3. City Council approve 2022 Capital Budget for Toronto Parking Authority with cash flows and future year commitments totaling \$132.6 million as detailed by project in [Appendix 6a](#).
4. City Council approve the 2023-2031 Capital Plan for Toronto Parking Authority totalling \$68.9 million in project estimates as detailed by project in [Appendix 6b](#).
5. City Council direct the Chief Financial Officer and Treasurer, in consultation with the President of Toronto Parking Authority to report to the Budget Committee on an updated Income Sharing Renewal Agreement no later than December 31, 2022.
6. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2022 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

2022 OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
On-Street Parking	34,262.0	30,832.0	26,042.8	45,793.2		45,793.2	19,750.4	75.8%
Off-Street Parking	58,602.1	55,245.6	48,438.8	66,389.6		66,389.6	17,950.7	37.1%
Bike Share	5,703.3	7,409.5	7,635.5	8,118.4		8,118.4	482.9	6.3%
Total Revenues	98,567.5	93,487.1	82,117.1	120,301.2		120,301.2	38,184.0	46.5%
Expenditures								
On-Street Parking	9,275.4	10,636.4	9,367.2	10,256.7		10,256.7	889.6	9.5%
Off-Street Parking	67,901.6	75,441.2	72,382.0	85,235.1		85,235.1	12,853.2	17.8%
Bike Share	7,359.1	9,646.5	9,872.5	10,407.9		10,407.9	535.4	5.4%
Total Gross Expenditures	84,536.0	95,724.1	91,621.6	105,899.7		105,899.7	14,278.1	15.6%
Net Expenditures	(14,031.4)	2,237.0	9,504.4	(14,401.4)		(14,401.4)	(21,905.9)	(251.5%)
Approved Positions**	326.5	326.5	N/A	326.5		326.5	N/A	N/A

*2021 Projection based on Q2 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of \$105.9 million gross reflecting an increase of \$14.3 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increasing salaries and wages budget of \$6.3 million due to return to full staffing, complemented with Collective Bargaining Increase and 2.5% vacancy rate; and
- Increasing payment transaction fee and profit-based rent expense (\$2.5 million), expanded repairs and maintenance (\$1.5 million) to improve health and safety, state of good repair and rising vandalism, technology project expenses and consulting (\$1.6 million), and expanded security coverage (\$0.6 million).

COSTS TO ENHANCE SERVICES

No New and Enhanced Services for 2022.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in Toronto Parking Authority's 2022 Operating Budget do not have any significant equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Base Budget for Toronto Parking Authority is \$105.9 million gross or 15.6% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget. All expense and operating recommendations are made with a long-run focus to ensure maximum value and cash flow.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
On Street Parking	60,704.3	34,262.0	30,832.0	26,042.8	45,793.2	19,750.4	75.8%
Off Street Parking	97,248.1	58,532.5	55,245.6	47,407.6	66,389.6	18,982.0	40.0%
Bike Share Program	3,971.3	5,703.3	7,409.5	7,635.5	8,118.4	482.9	6.3%
Total Revenues	161,923.7	98,497.8	93,487.1	81,085.9	120,301.2	39,215.2	48.4%
Salaries and Benefits	26,461.2	23,000.5	26,298.2	23,570.7	29,883.3	6,312.6	26.8%
Materials & Supplies	5,692.4	2,996.7	4,216.4	3,212.9	6,987.8	3,774.9	117.5%
Equipment	8,383.4	8,157.7	8,166.8	8,705.1	9,161.5	456.4	5.2%
Service and Rent	7,450.3	3,772.0	4,529.6	3,819.6	5,497.5	1,678.0	43.9%
Municipal Taxes	21,542.6	20,154.4	23,313.8	22,655.9	22,771.7	115.7	0.5%
Other Expenditures	23,859.1	26,454.7	29,199.3	29,657.3	31,597.9	1,940.6	6.5%
Total Gross Expenditures	93,389.0	84,536.0	95,724.1	91,621.6	105,899.7	14,278.1	15.6%
Net Expenditures	(68,534.7)	(13,961.8)	2,237.0	10,535.7	(14,401.4)	(24,937.1)	(236.7%)
Gain on the sale of property	7,081.9	69.7		1,031.2		(1,031.2)	(100.0%)
Total Net Expenditures	(75,616.6)	(14,031.4)	2,237.0	9,504.4	(14,401.4)	(23,905.9)	(251.5%)

*2021 Projection based on Q2 Variance Report

Key Base Drivers:**Salaries & Benefits:**

2021 payroll has been managed carefully through the pandemic, matching staffing to operational requirements. Full staffing is budgeted in 2022 reflecting return to work of staff on leave and to support strategic priorities, complemented with Collective Bargaining Increase and 2.5% vacancy rate.

TPA's total staffing complement remains unchanged at 326.5 positions. Budget reclassifications have been made to increase Bike Share staffing in alignment with the expanded operating system and to reflect Monitoring Station staffing under the off-street segment.

Materials and Supplies:

Expanded repairs and maintenance (\$1.5 million) to improve health and safety, state of good repair and rising vandalism, technology project expenses and consulting (\$1.6 million), and expanded security coverage (\$0.6 million).

Services and Rents:

Direct operating expenses related to services and rents are correlated with anticipated increased 2022 revenue, including payment processing and parking management expenses.

Other Expenditures:

Strategic projects planned for 2022 will focus on five key areas: Build a Great Place to Work, Strengthen the Core, Execute with Excellence, Accelerate Growth and Financial Sustainability, Connect with our Customers, and Engage and Innovate with our Strategic Partners. Administration expenses also include a full staffing complement as well as additional strategic project expenses. Higher security costs are budgeted in 2022 to reflect increased security levels to support the execution of strategic initiatives and meet our mandate to provide safe and clean facilities for public use. Higher software licensing fees for the anticipated web-based ecommerce platform, enhanced cyber security and further adoption of best practices.

Revenue Changes:

2021 operating revenues continue to be impacted by the prolonged pandemic shut downs and changing consumer mobility patterns. Parking transaction volume missed budget by -13.5 percent; forecasted revenue is expected to be 46 percent of 2019 levels with transaction volumes at 51 percent of 2019 levels.

Parking activity has been further impacted by City initiatives introduced to support businesses, communities and residents during Covid-19. Even though TPA has and continues to work closely with Transportation Services to support the City's CafeTO and CurbTO initiatives, these programs have resulted in an estimated loss of 2,340 on-street paid parking spaces in 2021 which translates into \$3.7m in foregone revenue. Other City initiatives, including the City's ActiveTO program designed to expedite the implementation of cycling infrastructure on major arterial roads, has also impacted the supply of on-street paid parking although TPA has made strides in identifying and implementing replacement stalls as part of this valuable City program.

2022 parking revenues are expected to reach 72 percent of 2019 levels. Both on-street and off-street parking inventory is expected to remain substantially unchanged at 2021 levels. Due to forecasted demand softness and a commitment to support local business and local communities, rate increases are not being contemplated for 2022.

Bike Share:

Bike Share's casual membership continues to drive 2021 revenue growth, with revenue overall expected to grow 34 percent over the prior year. Adoption of bike share is expected to continue as safe travel and last mile mobility solutions remain a priority for commuters. However, in 2022, membership and ridership growth are expected to slow to 6 percent in alignment with a mid-year system expansion of approximately 11 percent. A further system expansion has been contemplated in the 2022 – 2031 Capital Budget and Plan.

System operating fees are expected to increase to \$9.1 million with the planned mid-2022 expansion of 38 stations and 700 bikes. The expanded system will grow to 663 stations and 7,550 bikes in total, including 500 E-bikes.

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	82,117.1	120,301.2	164,290.2	170,458.6
Gross Expenditures	91,621.6	105,899.7	111,999.2	115,315.8
Net Expenditures	9,504.4	(14,401.4)	(52,291.0)	(55,142.8)
Approved Positions	N/A	326.5	326.5	326.5

Key drivers

The 2023 Outlook with total gross expenditures of \$112.0 million reflects an anticipated \$6.1 million or 5.8 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$3.3 million or 2.9 per cent above 2023 gross expenditures.

These changes arise from the following:

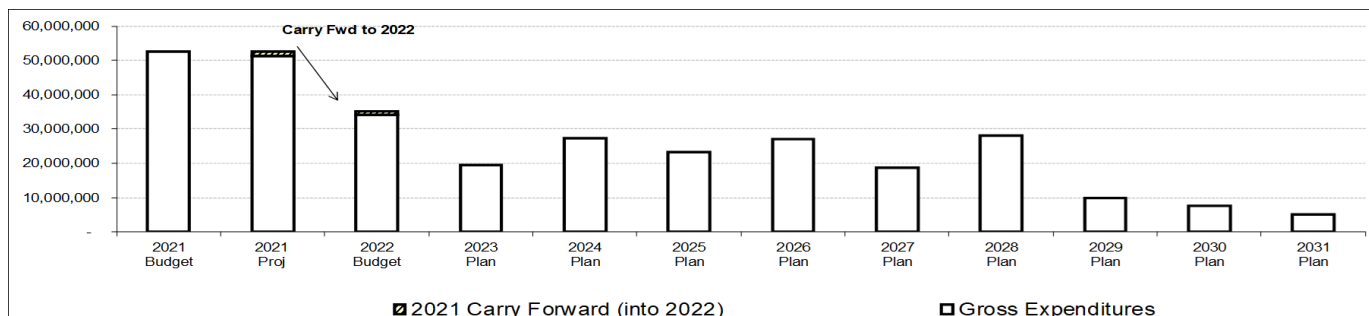
- **Impacts of 2022 decisions (Annualizations, reversal of one-time measures or revenues):** Numerous multi-year strategic priorities expected to continue through 3-year period as outlined under 2022 Priority Actions;
- **Salaries and Benefits:** Forecasted to continue to grow at 1.25%;
- **Inflationary Impacts:** 2% inflation rate assumed;
- **Growth (volume increases, operating impacts of completed capital projects, future phases of strategic plans):** Bike Share system expansion expected to support average annual growth of 15%
- **Revenue Changes:** 2023 revenue growth of 37% over 2022 driven by assumption of returning to pre-pandemic operating levels

2022 – 2031 CAPITAL BUDGET AND PLAN

2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



		2022 Capital Budget and 2023 - 2031 Capital Plan											Total 10 Year Plan
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
In \$'000's		Budget	Projected Actual										
Gross Expenditures by Project Category:													
Health & Safety & Legislated				3,970	530								4,500
SOGR	20,978	6,117	7,495	12,415	9,335	9,000	10,450	9,000	9,950	8,750	6,500	3,800	86,695
Service Improvement & Growth	31,498	19,556	23,735	6,598	17,926	14,309	16,579	9,625	18,109	1,100	1,100	1,200	110,281
Total by Project Category	52,476	25,673	35,200	19,543	27,261	23,309	27,029	18,625	28,059	9,850	7,600	5,000	201,476
Financing:													
Debt													
City Building Fund													
Reserves/Reserve Funds													
TPA Current & Future Retained Earnings	50,692	24,895	34,920	17,093	23,846	19,809	17,909	18,625	14,600	9,850	7,600	5,000	169,252
Development Charges													
Provincial													
Federal			280	2,450	3,415	3,500							9,645
Debt Recoverable													
Other Revenue - JV / Sale of air rights	1,784	778					9,120		13,459				22,579
Total Financing	52,476	25,673	35,200	19,543	27,261	23,309	27,029	18,625	28,059	9,850	7,600	5,000	201,476

Changes to Existing Projects (\$21.5 Million)

Capital investments budgeted in the 2022-2031 Capital Budget and Plan have been moderated to preserve cash, and prioritize asset management to improve state of good repair and capital productivity. Major scope changes include the following projects:

- Descoping Etobicoke Civic Centre
- Expanding infrastructure assessments

New Projects (\$68.4 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Focus on Health & Safety
- 4-Year Bike Share Expansion
- 2022 TPA & Natural Resources Canada EV Project
- Major Repairs to Garages
- Major Repairs to Surface Lots
- Security Projects (CCTV, Access Control) – Facilities Maintenance






Capital Needs Constraints (\$47.3 Million)

Toronto Parking Authority is consulting with key stakeholders, including but not limited to Corporate Real Estate, on major capital investments in accordance with a new Relationship Framework. Toronto Parking Authority will be reducing investment in properties and focusing on parking and bike share management services.

Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2022 and 2023-2031 Capital Budget & Plan by project; and [Appendix 8](#) for Capital Needs Constraints, respectively

2022 – 2031 CAPITAL BUDGET AND PLAN**\$201.5 Million 10-Year Gross Capital Program**


		
Service Improvement, Enhancement and Growth	Aging Infrastructure/SOGR	Health and Safety
\$110.3 M 54.8%	\$86.7 M 43.0%	\$4.5 M 2.2%
<ul style="list-style-type: none"> Property acquisitions and JV developments Bike Share Expansion  TPA & Natural Resources Canada EV Project  New elevators in parking garages Wayfinding upgrades 	<ul style="list-style-type: none"> Structural Maintenance Parking garages waterproof and concrete repairs Other major repairs to garages and surface lots Stairwell rehabilitation 	<ul style="list-style-type: none"> Security Projects (CCTV, Access Control) - Facilities Maintenance Health and Safety - Safety, Compliance, Improvements

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

How the Capital Program is Funded

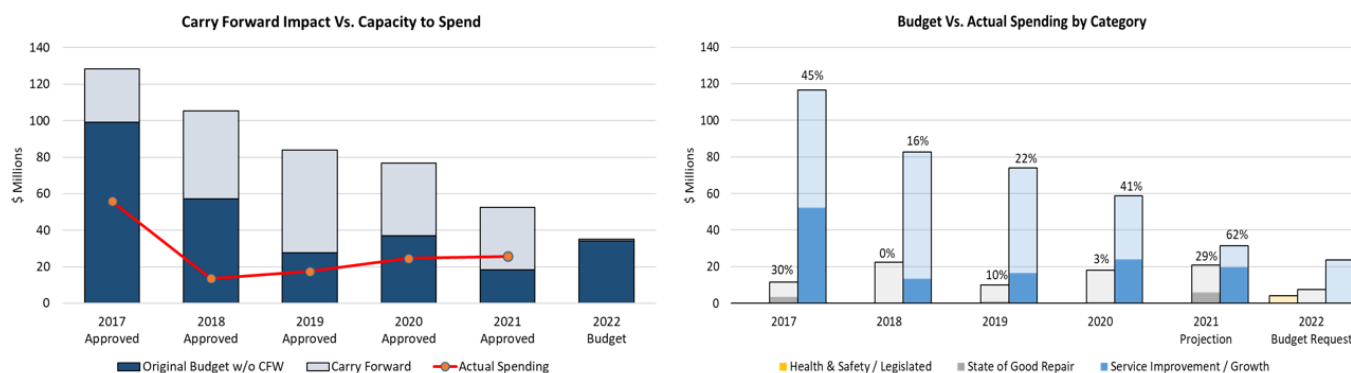
Toronto Parking Authority 		Federal Funding	
\$191.9 M 95.2%		\$9.6 M 4.8%	
Retained Earnings	\$ 169.3 M	NRCAN – ZEVIP (TPA & Natural Resources Canada EV Project)	\$ 2.1 M
Joint Venture / Sale of air rights	\$ 22.6 M	Other (Bike Share Expansion)	\$ 7.5 M

CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Parking Authority's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below). Due to Covid-19, inactive projects in 2021 will be canceled and not carried forward into 2022.

Chart 2 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

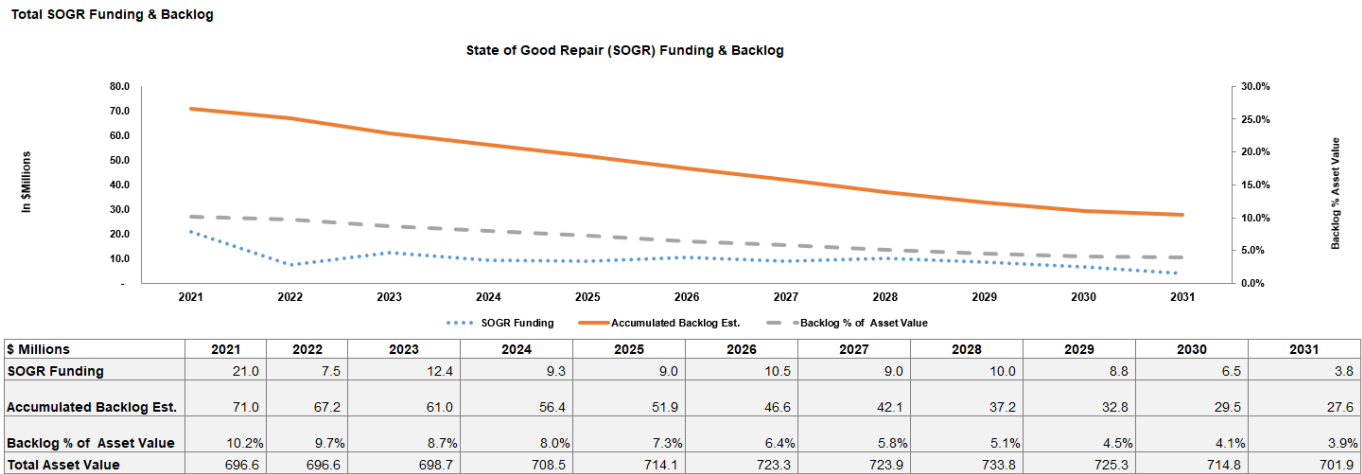
Based on the review of historical capital spending constraints and a capacity to spend review, \$1.16 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Adjustments to the Capital Plan are noted below:

- \$21M acquisition of Etobicoke Civic Centre parking garage planned in 2024 is cancelled. Project scope changed from acquisition to management and estimated operating time postponed to 2026;
- \$47.3 million planned acquisitions and redevelopments & expansions of parking locations were not included in the 2022-2031 budget and plan

STATE OF GOOD REPAIR (SGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Toronto Parking Authority: major and minor repairs, rehabilitations and upgrades at carpark locations and properties.

Chart 3: Total SOGR Funding & Backlog



- Assumes that the 2021 year-end cash balance of at least \$51.5M, combined with the budgeted and planned net income is sufficient to cover all anticipated capital projects.
- Majority of Toronto Parking Authority's State of Good Repair is associated with various structural and greening initiatives.
- The 2022-2031 Budget and Capital Plan allocates:
 - \$50.9 million for structural and greening initiatives
 - \$35.8 million for major repairs, rehabilitation and upgrades

OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The 10-Year Capital Plan and Budget will impact future year Operating Budgets by \$5.4 million net over the 2022-2031 period, primarily due to the planned acquisition and redevelopment of various properties, as shown in Table 4 below.

Table 4: Net Operating Impact Summary
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
Previously Approved														
St. Lawrence Market North			(725.0)								(725.0)		(725.0)	
CP 15 (JV) 50 Cumberland St Redevelopment			(1.3)		(1.3)		(1.3)		(1.3)		(5.0)		(253.8)	
Acquisition - Bessarion Community Centre			(25.1)		(5.0)						(30.1)		(35.1)	
CP 505 Carpark Expansion			(3.8)				(25.0)				(28.8)		(28.8)	
CP 221 (JV) 121 St. Patrick St.			(1.3)		(7.5)		(288.4)				(297.2)		(297.2)	
CP 29 New Elevators									(17.5)		(17.5)		(110.0)	
CP 39 Castlefield Redevelopment			(0.5)		(1.3)		(1.3)		(75.0)		(78.0)		(78.0)	
CP212 CP227 (JV) 363 Adelaide and 105 Spadina			(1.5)		(0.3)		(0.3)		(0.5)		(2.5)		(436.5)	
SAP BI tool			(3.0)								(3.0)		(3.0)	
Etobicoke Civic Centre									(0.5)		(0.5)		(25.5)	
Acquisition 229 Richmond St West			(7.5)								(7.5)		(7.5)	
CP 12/CP 223 (JV) 30 Alvin Ave			(1.3)		(1.3)		(1.3)		(1.3)		(5.0)		(463.0)	
CP 219 (JV) 87 Richmond Street East			(2.5)								(2.5)		(252.5)	
CP 282 (JV) 838 Broadview Avenue			(1.3)		(1.3)		(1.3)		(2.5)		(6.3)		(85.0)	
CP 673 Construction of new surface lot			(30.0)								(30.0)		(30.0)	
Sub-Total: Previously Approved			(803.9)		(17.8)		(318.7)		(98.5)		(1,238.8)		(2,830.7)	
New Projects - 2022														
Network switches			(5.0)								(5.0)		(5.0)	
Wayfinding - standardization			(67.5)								(67.5)		(67.5)	
Pay and Display			(50.0)								(50.0)		(50.0)	
Mobile Equipment - Mobile equip, small equip, lifts			(27.5)								(27.5)		(27.5)	
LTE Upgrade			(26.3)								(26.3)		(26.3)	
Fleet Vehicles for Operations - Fleet Vehicles			(12.5)								(12.5)		(12.5)	
305 Rockcliffe - Shops - Facilities Maintenance			(12.5)								(12.5)		(12.5)	
CP36 - M1 Shop - Facilities Maintenance			(10.0)								(10.0)		(10.0)	
Place NFC Tags on all Bike Share Assets			(6.3)								(6.3)		(6.3)	
End user equipment refresh			(5.0)								(5.0)		(5.0)	
PPM tool			(4.0)								(4.0)		(4.0)	
CP29 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP52 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP150 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP68 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP34 Revitalization projects - Facilities Maint			(1.5)								(1.5)		(1.5)	
Learning Mgmt System			(1.3)		(1.3)						(2.5)		(2.5)	
4 Year Bike Share Expansion			(106.3)		(150.0)		(250.0)		(350.0)		(856.3)		(856.3)	
2022 TPA & Natural Resources Canada EV Project			(37.5)		(140.9)		(167.7)		(70.0)		(416.0)		(666.0)	
Sub-Total: New Projects - 2022			(382.9)		(292.2)		(417.7)		(420.0)		(1,512.7)		(1,762.7)	
New Projects - Future Years														
Acquisition - 229 Richmond St West							(150.0)		(160.0)		(310.0)		(760.0)	
CP 49 Facility Modernization									(2.0)		(2.0)		(5.8)	
Elevator Monitoring - Facilities Maintenance					(7.5)						(7.5)		(7.5)	
ADP / Time Clock Project					(7.5)						(7.5)		(7.5)	
TPA website					(5.0)						(5.0)		(5.0)	
Sub-Total: New Projects - Future Years					(20.0)		(150.0)		(162.0)		(332.0)		(785.7)	
Total (Net)			(1,186.8)		(329.9)		(886.3)		(680.5)		(3,083.4)		(5,379.1)	

As a result of completed growth related and service improvement projects, Toronto Parking Authority generates incremental operating revenue from user fees or saves costs from higher operating efficiency. Realization of this revenue is projected for the following year, assuming projects are completed by December 31 of respective budget year. In assessing the financial viability of new carparks and surface lots, Toronto Parking Authority uses an annual 5% net rate of return based on the past net profit history. In total, TPA is projecting to increase net revenue by \$5.4 million over the nine-year period.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

In \$ Thousands				
COVID-19 Impacts	2021 Net	2022		
		Revenues	Gross	Net
Revenue Loss				
On Street Parking	(4,789.2)	(19,750.4)		19,750.4
Off Street Parking	(6,806.8)	(17,950.7)		17,950.7
Bike Share	226.0	(482.9)		482.9
Sub-Total	(11,370.0)	(38,184.0)		38,184.0
Expenditure Increase				
On Street Parking			(889.6)	(889.6)
Off Street Parking	(444.9)		(12,853.2)	(12,853.2)
Bike Share	(226.0)		(535.4)	(535.4)
Sub-Total	(670.9)		(14,278.1)	(14,278.1)
Savings due to Underspending				
On Street Parking	1,269.2			
Off Street Parking	3,504.1			
Bike Share				
Sub-Total	4,773.4			
Support from Other Levels of Gov't				
On Street Parking				
Off Street Parking				
Bike Share				
Sub-Total				
Total COVID-19 Impact	(7,267.5)	(38,184.0)	(14,278.1)	23,905.9

Appendix 2

2022 Balancing Actions

N/A

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

**2022 Capital Budget;
2023 - 2031 Capital Plan Including Carry Forward Funding**

(In \$000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
Structural Maint. & Tech. Green Plus		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	31,500		31,500	
4 Year Bike Share Expansion	✓	2,125	3,000	5,000	7,000						17,125			17,125
CP 36 Local WP and Concrete Repairs		225	1,325	1,475	2,550	2,550	2,550	2,150	1,300	300	16,975		16,975	
Acquisition 229 Richmond St West		150		3,000	3,199	3,000	3,000				15,349			15,349
2022 TPA & Natural Resources Canada EV Project	✓	749	2,818	3,353	1,400	900	900	1,100	1,100	1,200	14,520			14,520
St. Lawrence Market North		14,500									14,500			14,500
CP 12/CP 223 (JV) 30 Alvin Ave		25	25	25	25	125	9,009				9,259			9,259
CP212 CP227 (JV) 363 Adelaide and 105 Spadina		30	5	5	10	8,680					8,730			8,730
CP 221 (JV) 121 St. Patrick St.		25	150	5,768							5,943			5,943
CP 15 (JV) 50 Cumberland St Redevelopment		25	25	25	250	4,725					5,075			5,075
CP 219 (JV) 87 Richmond Street East		50					5,000				5,050			5,050
Acquisition - Bessarion Community Centre		502	100				100				702			702
Major Repairs to Surface Lots			500	500	500	550		600	600		4,300	3,500	4,300	
Security Projects (CCTV, Access Control) - Facilities Maintainer		2,970	530								3,500			
CP 58 Parking Garage Restoration		1,160	1,160	1,160							3,480		3,480	
CP125 Garage Major Repairs				200	500	500	500	300			2,500		2,500	
CP 29 New Elevators				350	975	875					2,200			2,200
CP68 New Elevators + Stairwell Rehabilitation		1,100	1,000								2,100		2,100	
CP 36 Exhaust Fan, Drain, Concrete		150	1,000	850							2,000		2,000	
General Provision		2,000									2,000		2,000	
Surface Lot Condition Assessment		400		450	500		550				1,900		1,900	
CP 282 (JV) 838 Broadview Avenue		25	25	25	50	1,575					1,700			1,700
CP150 Garage Major Repairs				200	400	400	200				1,600		1,600	
CP43 Garage Major Repairs				200	300	300	300	300	200		1,600		1,600	
CP68 Garage Major Repairs				200	300	300	300	200			1,600		1,600	
CP 39 Castlefield Redevelopment		10	25	1,500							1,560			1,560
CP52 Garage Major Repairs		300	600	600							1,500		1,500	
Greening of Various CPs 45, 48, 82, 502, 710 etc					1,500						1,500		1,500	
CP34 Second Elevator			200	700	600						1,500			1,500
Gated Facilities			1,500								1,500		1,500	
Wayfinding - standardization		1,349									1,349			1,349
CP42 Garage Major Repairs					200	300	300	300	200		1,300		1,300	
CP 43 Stairwell Rehabilitation		600	500								1,100		1,100	
Health and Safety - Safety, Compliance, Improvements		1,000									1,000	1,000		
CP13 Garage Major Repairs						200	400	400			1,000		1,000	
CP404 Garage Major Repairs						200	300	300	200		1,000		1,000	

Appendix 6-(Continued)

**2022 Capital Budget;
2023 - 2031 Capital Plan Including Carry Forward Funding**

(In \$000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CP34 Garage Major Repairs						200	300	300	200		1,000		1,000	
Pay and Display	1,000										1,000			1,000
CP 11 Structural Concrete Repairs	250	680									930		930	
CP261 Garage Major Repairs							200	400	300		900		900	
CP286 Garage Major Repairs	100		200	300	200						800		800	
Ramp heating replacement cables (CP29, 36, 52, 96)	100	650									750		750	
CP 673 Construction of newsurface lot	600										600			600
CP 505 Carpark Expansion	75		500								575			575
Mobile Equipment -Mobile equipment, small equipment, lifts	550										550			550
LTE Upgrade	525										525			525
Etobicoke Civic Centre				10	499						509			509
CP 58 - Retaining wall and fence				500							500		500	
State of Good Repair Bike Share	500										500		500	
Garage Condition Assessments	360										360		360	
Fleet Vehicles for Operations-Fleet Vehicles	250										250			250
305 Rockcliffe - Shops - Facilities Maintenance	250										250			250
CP58 Repaving of Surface Lot				250							250		250	
Mobile Communications & Network Equipment Upgrades	250										250		250	
CP36 - M1 Shop - Facilities Maintenance	200										200			200
Elevator Monitoring - Facilities Maintenance		150									150			150
ADP / Time Clock Project		150									150			150
Place NFC Tags on all Bike Share Assets	125										125			125
CP 49 Facility Modernization				40	75						115			115
Network switches	100										100			100
End user equipment refresh	100										100			100
TPA website		100									100			100
PPM tool	80										80			80
SAP BI tool	60										60			60
CP29 Revitalization projects - Facilities Maintenance	50										50			50
CP52 Revitalization projects - Facilities Maintenance	50										50			50
CP150 Revitalization projects - Facilities Maintenance	50										50			50
CP68 Revitalization projects - Facilities Maintenance	50										50			50
Learning Mgmt System	25	25									50			50
CP34 Revitalization projects - Facilities Maintenance	30										30			30
Total Expenditures (including carry forward from 2021)	35,200	19,543	27,261	23,309	27,029	18,625	28,059	9,850	7,600	5,000	201,476	4,500	86,695	110,281

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

☑ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 2022 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
Structural Maint. & Tech. Green Plus		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	31,500	49,500	(18,000)	
CP 36 Local WP and Concrete Repairs	225	1,325	1,475	2,550	2,550	2,550	2,550	2,150	1,300	300	16,975	500	16,475	
St. Lawrence Market North	14,500										14,500	14,500		
CP 12/CP 223 (JV) 30 Alvin Ave	25	25	25	25	25	125	9,009				9,259	9,020	239	
CP212 CP227 (JV) 363 Adelaide and 105 Spadina	30	5	5	10	8,680						8,730	7,000	1,730	
CP 221 (JV) 121 St. Patrick St.	25	150	5,768								5,943	5,667	276	
CP 15 (JV) 50 Cumberland St Redevelopment	25	25	25	25	250	4,725					5,075	7,106	(2,031)	
CP 219 (JV) 87 Richmond Street East	50						5,000				5,050	6,420	(1,370)	
CP 58 Parking Garage Restoration	1,160	1,160	1,160								3,480			3,480
Security Projects (CCTV, Access Control)	2,970										2,970			2,970
CP 29 New Elevators				350	975	875					2,200	1,500	700	
4 Year Bike Share Expansion	2,125										2,125			2,125
CP68 New Elevators and Stairwell Rehabilitation	1,100	1,000									2,100	1,500	600	
CP 36 Exhaust Fan, Drain, Concrete	150	1,000	850								2,000	900	1,100	
General Provision	2,000										2,000			2,000
CP 282 (JV) 838 Broadview Avenue	25	25	25	50	1,575						1,700	1,155	545	
CP 39 Castlefield Redevelopment	10	25	25	1,500							1,560		1,560	
Greening of Various CPs 45, 48, 82, 502, 710 etc					1,500						1,500	1,500		
Wayfinding - standardization	1,349										1,349			1,349
CP 43 Stairwell Rehabilitation	600	500									1,100	250	850	
Pay and Display	1,000										1,000			1,000
Health and Safety -Safety Compliance Improvement	1,000										1,000			1,000
Projects less than \$1M	6,831	780	500	760	499		100				9,470	24,315	(20,039)	5,194
Total Expenditure (including carry forward from 2021)	35,200	9,520	13,358	8,770	19,554	11,775	20,159	5,650	4,800	3,800	132,586	130,833	(17,365)	19,118

Appendix 6b

2023 - 2031 Capital Plan

(In \$000s)	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2023 - 2031 Total	Health & Safety & Legislated	SOG	Growth & Improved Service
Acquisition 229 Richmond St West		3,000	3,199	3,000	3,000	3,000				15,199			15,199
4 Year Bike Share Expansion	3,000	5,000	7,000							15,000			15,000
2022 TPA & Natural Resources Canada EV Project	2,818	3,353	1,400	900	900	1,000	1,100	1,100	1,200	13,771			13,771
Major Repairs to Surface Lots	500	500	500	500	550	550	600	600		4,300		4,300	
CP125 Garage Major Repairs		200	500	500	500	500	300			2,500		2,500	
CP43 Garage Major Repairs			200	300	300	300	300	200		1,600		1,600	
CP150 Garage Major Repairs		200	400	400	400	200				1,600		1,600	
CP68 Garage Major Repairs		200	300	300	300	300	200			1,600		1,600	
Gated Facilities	1,500									1,500		1,500	
CP34 Second Elevator		200	700	600						1,500			1,500
Surface Lot Condition Assessment		450		500		550				1,500		1,500	
CP42 Garage Major Repairs				200	300	300	300	200		1,300		1,300	
CP52 Garage Major Repairs	600	600								1,200		1,200	
CP34 Garage Major Repairs					200	300	300	200		1,000		1,000	
CP404 Garage Major Repairs					200	300	300	200		1,000		1,000	
CP13 Garage Major Repairs					200	400	400			1,000		1,000	
CP261 Garage Major Repairs						200	400	300		900		900	
CP286 Garage Major Repairs		200	300	200						700		700	
Ramp heating replacement cables (CP29, 36, 52, 9)	650									650		650	
Security Projects (CCTV, Access Control) - Facilities	530									530	530		
Elevator Monitoring - Facilities Maintenance	150									150			150
ADP / Time Clock Project	150									150			150
CP 49 Facility Modernization			40	75						115			115
TPA website	100									100			100
Learning Mgmt System	25									25			25
Total Expenditures	10,023	13,903	14,539	7,475	6,850	7,900	4,200	2,800	1,200	68,890	530	22,350	46,010

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

(In \$ Millions)

Project Description	Total Project Cost	Non-Debt	Debt Require	Cash Flow (In \$ Millions)									
				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
NOT INCLUDED													
<i>Queen East (Kippendavie to Lee)</i>	3.0	3.0		-	-	-	-	3.0	-	-	-	-	-
<i>Avenue Rd. - Davenport</i>	2.5	2.5		-	-	2.5	-	-	-	-	-	-	-
<i>North York Center -South (Sheppard to Finch)</i>	4.0	4.0		-	-	-	4.0	-	-	-	-	-	-
<i>Financial District East of University</i>	10.0	10.0		-	-	-	-	-	-	10.0	-	-	
<i>College/ Dovercourt</i>	2.0	2.0		-	-	-	-	-	-	-	-	2.0	
<i>CP 224 Redevelopment - 34 Hannah Ave</i>	8.0	8.0		-	-	-	-	-	8.0	-	-	-	
<i>Cabbagetown</i>	2.4	2.4		-	-	-	-	-	-	-	-	2.4	
<i>Leslieville (Queen E. of Carlaw/ Coxwell)</i>	4.0	4.0		-	-	-	-	-	-	-	-	4.0	
<i>Bloor/ Dundas</i>	2.9	2.9		-	-	-	-	-	-	-	2.9	-	-
<i>Bloor/ Bathurst</i>	8.5	8.5		-	-	-	-	-	-	-	8.5	-	-
Total Needs Constraints (Not Included)	47.3	47.3	-	-	-	2.5	4.0	3.0	8.0	10.0	11.4	8.4	-

In addition to the 10-Year Capital Plan of \$201.5 million, staff have also identified \$47.3 million in capital needs constraints as reflected in the table above. These are long term acquisitions in areas of the city where there are opportunities to increase parking capacity to meet customer demand.

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

N/A

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).