



STAFF REPORT ACTION REQUIRED

13.

Paid Parking Pilot Project – Toronto Parking Authority Assessment

Date:	June 24, 2013
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with the assessment from Toronto Parking Authority (TPA) of the proposed paid parking pilot projects at Parkdale and Fairview branches.

At the meeting on January 21, 2013, the Board reviewed the *Paid Parking at Library Lots – Update* report, and adopted motions that recommend proceeding with pilot projects to implement paid parking at Parkdale and Fairview branches with TPA. This decision was communicated to TPA who has done a more detailed assessment of site issues, capital costs, potential revenues and expenses, and financial risks to the Library.

TPA's assessment is that there is a strong probability that one or both locations may operate at a deficit for some time, and that if any of the locations are not successful, Toronto Public Library (TPL) will be liable to repay any losses incurred, including any operating costs and unamortized capital costs. In light of this assessment, TPA's advice is that the Board reconsider its decision to proceed with the paid parking pilot projects, or defer its decision until other viable TPL locations emerge.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. considers the additional information provided by Toronto Parking Authority, including the advice that the Board reconsider its decision to proceed with the paid parking pilot projects at Parkdale and Fairview branches.

FINANCIAL IMPACT

TPA's financial assessment is that there is a strong probability that one or both locations may operate at a deficit for some time, and that if any of the locations are not successful, TPL will be liable to repay any losses incurred, including any operating costs and unamortized capital costs.

For the Parkdale location, the capital costs are estimated at \$20,000 which would be amortized over five years. The estimated annual expenses of the first five years are \$22,000, which would approximate the projected annual revenues, with a break-even outcome.

For the Fairview location, where the branch is closed for renovation, the capital costs are estimated at \$26,000, which would be amortized over five years. The estimated annual expenses for the first five years are \$66,000 and TPA is unable to estimate revenues at this time due to significant site issues, including the on-going construction, and that nearby parking is provided free of charge during mall hours so the main potential revenue source is from extended commuter parking for people wishing to use the Don Mills TTC station in the mornings. The \$66,000 annual cost would need to be recovered first before any positive net cash flows could be realized.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

At the meeting on January 21, 2013, the Board reviewed the *Paid Parking at Library Lots – Update* report, and adopted the following motions:

That the Toronto Public Library Board:

1. *not solicit an assessment from private parking providers of the feasibility of paid parking at Toronto Public Library lots;*
2. *directs staff to implement a pilot project for paid parking with Toronto Parking Authority at the Parkdale Branch, and that feedback on this change be solicited from the public and local councillors and be reported to the Board near the completion of the pilot project;*
3. *directs staff to implement a pilot project for paid parking with Toronto Parking Authority at the Fairview Branch, and that feedback on this change be solicited from the public and local councillors and be reported to the Board near the completion of the pilot project;*

BACKGROUND

During the review of the Library's 2012 operating budget, the Board considered a number of potential sources of revenue generation that would provide budget relief. One of the potential sources was to introduce paid parking at Library lots, where feasible and to confer with TPA.

COMMENTS

The Board's decision to proceed with paid parking pilot projects at Parkdale and Fairview was communicated to TPA who has done a more detailed assessment (Attachment 1) of site issues, capital costs, potential revenues and expenses, and financial risk to the Library.

For the Parkdale location (1303 Queen Street West), which has 12 parking spots, TPA notes that access to the parking lot from Queen Street is very difficult due to one-way laneways and this will probably have a negative impact on revenues. The financial projection is for a break-even outcome.

For the Fairview location (35 Fairview Mall Drive), which has 108 parking spots (currently unavailable due to the branch renovation), TPA notes significant site issues such as the proximity to the Don Mills TTC station and Fairview Mall, and that parking functionality was difficult to assess due to the current construction activity. During the mall hours, free parking is provided. Therefore, the main potential for paid parking is outside of mall hours, when access to mall parking is restricted, probably in the mornings for commuters who wish to park in order to access the Don Mills TTC station. Commuter parking would result in the parking spots being occupied for extended periods, which would mean that customers would not have access to parking for use of the library, a significant negative service impact. TPA is unable to assess potential revenues at this time, but the significant annual expenses, estimated to be \$66,000, would need to be recovered before any positive net cash flows. The Fairview Branch is scheduled to reopen in Fall 2013.

TPA's assessment is that there is a strong probability that one or both locations may operate at a deficit for some time, and that if any of the locations are not successful, TPL will be liable to repay any losses incurred, including any operating costs and unamortized capital costs. In light of this assessment, TPA is advising that the Board reconsider its decision to proceed with the paid parking pilot projects, or defer its decision until other viable TPL locations emerge, such as a new Library branch or a factor currently influencing the viability of an existing site changes.

CONTACT

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SIGNATURE

Jane Pyper
City Librarian

ATTACHMENT

Attachment 1: Toronto Parking Authority – Toronto Public Library (the “TPL”) Paid Parking Study – Pilot Project, June 4, 2013