

MEETING DATE: February 25, 2004

SUBJECT: TTC Commuter Parking Lots - Weekday Usage After 3:00 P.M.

RECOMMENDATION

It is recommended that the Commission receive this report for information noting that effective Monday, April 5, 2004, the charging of cash users after 3:00 p.m. on weekdays will be eliminated at all lots except for York Mills, Eglinton West (2) lots, Keele, Islington-Lomond and Islington-Cordova.

FUNDING

No funding is required. Revenues have been included in the TTC Operating Budget for the continuation of the after 3:00 p.m. parking at the six above named lots and no revenue after 3:00 p.m. from the remaining lots has been budgeted. These changes do not affect Metropass users.

BACKGROUND

At the September 30, 2002 meeting, the Commission approved charging cash users for parking after 3:00 p.m. on weekdays and weekends on a trial basis.

On January 1, 2003, the daily cash rate was extended on an all day basis and the "free after 3:00 p.m." policy was eliminated. This change was closely monitored by staff to confirm whether the projected revenue and ridership targets were achieved. Positive results would have resulted in staff proceeding to charge on weekends effective September, 2003. This staged approach was taken in order to assess and confirm revenue forecasts and ridership impacts.

DISCUSSION

To evaluate the success or failure of eliminating free parking after 3:00 p.m., three parking counts after 3:00 p.m. were conducted in March, June and October 2003.

The results of the three counts relative to the free after 3:00 p.m. situation (Fall 2002) are as follows:

Date	Total Vehicle Entries	Vehicle Occupancy	Metropass Entries	Cash Entries
Fall 2002⁽¹⁾	2,993	N/A	N/A	N/A
March 2003	626	1.41	57.3%	42.7%
June 2003	845 ⁽²⁾	1.44	51%	49%
October 2003	931 ⁽³⁾	1.23	42%	58%
Projected Breakeven Point⁽⁴⁾	1250	N/A	N/A	N/A

(1) Prior to after 3:00 p.m. pricing policy introduced in January 2003

(2) 35% increase from March survey

3. 10% increase from June survey

4. Taking into account commuter parking and passenger revenues

Lot usage declined significantly after the introduction of the new pricing policy in January 2003. Usage of the lots after 3:00 p.m. did recover and show improvement in 2003. However, the number of vehicle entries has dropped by approximately 69% from the Fall 2002 survey when parking was free after 3:00 p.m. and current utilization (after an 11 month trial period) is still well below the breakeven point from a revenue perspective (passenger and commuter parking revenue).

Staff believe that these numbers are below expectations mainly due to the outdated parking control equipment that is currently utilized. Current revenue collection technologies severely restrict the ability of the TTC to implement variable rate pricing. The current revenue collection equipment at the lots with access by both cash and Metropass only permits the extension of the a.m. peak period rate on an all day basis. The equipment does not allow a higher rate in the a.m. peak period and a lower rate in other periods of the day. The lack of flexibility to implement variable daily rates, lower evening rates, or lower weekend rates was considered a severe restraint to increased revenue generation, maximizing the utilization of the lots and encouraging non-peak transit use. Given the above, staff will discontinue the after 3:00 p.m. pricing strategy at all lots except the following lots which currently have revenue collection equipment which permits variable pricing by time of day or which are in close proximity to major generators of off peak transit ridership:

- York Mills
- Eglinton West (2 lots)
- Keele
- Islington-Lomond
- Islington-Cordova

These lots have been selected due to their high after 3:00 p.m. usage and revenue generation. "After 3:00 p.m." revenue has been assumed for the 2004 commuter parking revenue budget for these lots. Staff will implement signage and equipment changes and inform customers at all 26 lots of the changes that will take place. A public information campaign consisting of an information flyer and a press release will also be organized.

In 2004, staff will be proceeding with plans to issue a Request for Proposals for industry suppliers to submit responses for new parking equipment technology at non-pay and display lots that will allow variable rate pricing and debit/credit credit card capabilities. New parking equipment will allow staff more options for future pricing and operational changes and following the implementation of new revenue collection equipment at the non-pay and display lots, alternative pricing strategies can be considered on a lot by lot basis.

JUSTIFICATION

The pricing and operational changes associated with this report are being made after a series of counts were undertaken in 2003. The decision to terminate the "after 3:00 p.m." test and return to the pre-January, 2003 situation is being made as a direct result of limited use of the lots and lower than expected revenue generation. The replacement of the revenue collection equipment at non-pay and display lots is planned in 2004 and will provide full flexibility to implement variable pricing strategies in the future.

February 12, 2004

22-8-3