

MEETING DATE: June 21, 2006

SUBJECT: Ridership Growth Strategy: Commuter Parking Expansion – IMPLEMENTATION OF SHORT TO MEDIUM TERM EXPANSION OPPORTUNITIES (PRESENTATION AVAILABLE)

RECOMMENDATION

It is recommended that the Commission:

1. In keeping with the Ridership Growth Strategy (“RGS”), approve the expansion of surface commuter parking lots at Kipling, Kennedy and Islington stations as outlined in this report resulting in 635 new parking spaces;
2. Direct staff to include in the TTC Capital Program (2007 – 2011) budget review process the necessary capital funding to:
 - a. Implement the above RGS initiative of an estimated cost of \$5.8 M; and
 - b. Investigate the feasibility of relocating the Wilson North and Wilson West commuter parking lots into the Department of National Defence (“DND”) lands located on the north side of Wilson Avenue west of the TTC station facilities to facilitate redevelopment of the North and West lots at an estimated cost of \$250,000.

FUNDING

Funding in the amount of \$5.8 M for the design and construction of 635 surface parking spots and a study of the feasibility of consolidating the Wilson Station lots to facilitate development (\$250,000) will be considered in the TTC Capital Program (2007-2011) budget process.

BACKGROUND

The TTC currently has 14,100 commuter parking spaces which are largely at capacity. The largest complaint from customers using the lots is about the lack of capacity of the lots on a daily basis. The RGS objective for commuter parking was to increase surface lot capacity by 20% or 2,600 spaces. A capital budget of \$18.0 M over a ten-year period to construct additional spaces is included “below the line” in the TTC’s Capital Budget.

A recent study was undertaken to determine how to implement the RGS objective. iTrans Consulting was retained to undertake the commuter parking expansion study in two stages including an origin-destination survey and an investigation of commuter parking expansion opportunities. The approach to the study was to identify alternatives and opportunities for expansion taking into account the need or demand for parking at each station. An order of magnitude estimate of capital and operating costs was also established.

An initial screening of all subway stations was completed to determine the availability of land, parking demand, potential joint use opportunities, construction feasibility/cost, community impacts and planning/zoning impacts for commuter parking expansion.

The screening concluded that there were ten existing stations and five new stations where expansion opportunities existed. The short listed station for expansion were as follows:

SHORT LISTED STATIONS FOR EXPANSION
--

West	North	East
Existing	Existing	Existing
• Kipling	• Wilson	• Victoria Park
• Islington	• Yorkdale	• Kennedy
• Keele	• Eglinton West	New
New	• York Mills	• Woodbine
• Dundas West	• Finch	• Scarborough City Centre
• Lawrence West		• McCowan

A number of stations with existing parking lots were not recommended for expansion. The location of the lots which would remain unchanged and the rationale for excluding those stations from further consideration is outlined below:

STATION	RATIONALE FOR EXCLUSION
Leslie	Expansion (90 spaces) included in existing capital budget. Joint development opportunity possible.
Don Mills	Additional decked parking not practical
Warden	Insufficient demand for expansion
Lawrence East	Insufficient demand for expansion
Ellesmere	Insufficient demand for expansion
Downsview	Recent new lot; City not supportive of additional expansion

For the purpose of this report, decked and underground parking is not being further considered or recommended due to their high capital and maintenance costs. A much larger revenue stream than present is needed from commuter parking lots in order to be able to fund the necessary capital repairs to such structures over their useful life. The decked commuter parking at Yorkdale and Don Mills stations are only practical due to the shared cost arrangements which exist at those locations. In the absence of a shared cost arrangement, significant increases in commuter parking revenue or the creation of reserve funds (see proposed Wilson consolidation option), decked and/or underground commuter parking is simply not affordable. While the Toronto Parking Authority (“TPA”) can justify decked parking structures at certain locations due to their pricing structure and the high daily turnover within their lots, the TTC’s lack of turnover and low average daily rate makes decked parking a financial impossibility without additional cross subsidization by other riders who do not use the lots. Making the existing cross subsidization worse is not recommended. As a result, this report focuses on the short-term expansion of new surface lots only and expansion by consolidating existing lots and relocating them to land that has no development potential such as Hydro corridors. It is expected that, due to the current deficit in commuter parking lot operations, that all new surface lots will be cash only to generate additional revenue.

a) Surface Parking Expansion

As most of the land surrounding TTC stations is intensively used, the opportunity to expand TTC lots is extremely limited and the purchase of land for this purpose is prohibitively expensive. Given the above, recommended short-term options are as follows:

STATION	SURFACE OR DECK PARKING	DESCRIPTION	NET NEW SPACES	TOTAL CAPITAL COSTS (2006 Dollars)
Kipling	Surface	Aukland Avenue – Hydro Corridor	121	\$1.4 M
Kennedy	Surface	Vacant Land next to PPUDO	70	\$0.9 M
Kennedy	Surface	Under-utilized Canada Post Lot	109	\$0.3 M (1)
Islington	Surface	Take over existing Hydro lease from developer (2 Fieldway Road). Developer to provide 6.0 metre wide access driveway to Hydro lot (see Commission Report on the operating cost implications of this new lot).	335	\$3.2 M
Total	Surface		635	\$5.8 M

(1) Gate Control Equipment only.

b) Commuter Parking Consolidation

As the RGS objective of cost effectively increasing the supply of parking by 20% to attract additional riders does not appear to be achievable, more creative ways to increase ridership using TTC commuter parking lot assets need to be pursued. A strategy to consolidate TTC commuter parking spaces and make more efficient use of the lands currently used for parking would free up land for redevelopment. This would mean that TTC ridership growth would come from

redevelopment of commuter parking lands (rather than from increased parking capacity). There are two approaches to the consolidation of TTC commuter parking lots that need to be investigated.

Alternative “A” involves relocating TTC lots to lands that cannot be developed (e.g. Hydro corridors or lands that have limited value due to height and/or development restrictions). The commuter parking lands would then be developed in a transit oriented fashion and the real estate proceeds from the sale of the lands would offset the cost of the replacement parking lots. This option is the current approach being utilized at Warden Station to free up the Warden North commuter parking lot for redevelopment.

Alternative “B” involves making more effective use of commuter parking lands by reducing the land occupied by the lots through consolidation of TTC parking into parking decks. This would involve utilizing the sale of the surplus lands to both offset the upfront capital costs and create a reserve fund to assist in the long term maintenance cost of the decked parking structure. The cost effectiveness of this approach remains to be confirmed.

TTC staff believe that Wilson Station is a prime candidate for such a consolidation approach. The Alternative “A” approach could be implemented by relocating the Wilson North and/or Wilson West lots to facilitate development of existing lots. A new surface lot on vacant DND land on the north side of Wilson Avenue, west of Transit Road at the end of the existing runway would be built as replacement parking with the DND lands being under a long term lease to the TTC/City (see Exhibit 5). This allows the Wilson lots with the greatest development potential to redevelop to higher density and the real estate proceeds could be used to offset the capital cost of the replacement lot to a significant degree.

In the event the DND lands were not available or suitable as a replacement lot, the cost effectiveness of Alternative “B” would be assessed whereby the Wilson North and Wilson West lots would be consolidated onto decked parking structures and the resulting surplus land made available for redevelopment (see Exhibit 6). Discussions with City staff would be necessary to utilize the resulting real estate proceeds to offset the capital cost of construction and the creation of a Wilson decked parking reserve maintenance fund. In order to investigate a consolidation approach at Wilson Station, \$250,000 in capital funding is needed to investigate surface parking options on DND lands, initiate lease discussions with DND and, if necessary, investigate the cost and feasibility of decked parking as a consolidation option on the Wilson North and Wilson West commuter parking lot lands.

In conclusion, the opportunity for surface parking expansion to achieve the RGS objective is very limited and, without the creation of reserve funds and/or cost sharing arrangements with third parties, decked parking is not cost effective. Limited surface parking expansion is cost effective at specific locations. The consolidation approach at Wilson Station requires an investment of funding to test the financial viability of the concept at this location.

JUSTIFICATION

The short-term recommendations outlined in this report are considered the most prudent course of action given property and financial constraints. Capital expenditures in the amount of \$5.8 M for the design and construction of 635 surface parking spots and \$250,000 for the investigation of consolidation of the Wilson lots are key components of the RGS and should be considered for inclusion in the Capital Program.

June 21, 2006
22-7-3

P:\Commission Reports\Reports\CR - Commuter Parking Expansion - June 2006.doc