

February 2, 2009

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To: The Board of Governors of Exhibition Place

From: Dianne Young, CEO

**ACTION REQUIRED**

Subject: **Parking Rate Adjustment**

Summary:

This report seeks the Board's approval to increase indoor garage parking rates by \$3 per day on a select number of busy show dates at the Direct Energy Centre as outlined in this report, after Labour Day 2009. At its meetings of April 2, 2004 and June 9, 2006 the Board approved the harmonization of day and evening rates for indoor and surface parking. On July 1, 2008 the regular daily and evening rates for both indoor and surface parking were increased to \$12 and \$9. This proposed \$3 increase in indoor rates during the busiest days will ensure a more even distribution of parkers, reducing the periods when the garage must remain closed to the public because it is full. The harmonized rates throughout the rest of the year will promote indoor parking during the less busy periods.

**Recommendation:**

**It is recommended that the Board approve an increase in the regular parking rates at the Direct Energy Centre indoor garage commencing after Labour Day 2009 as follows:**

- (a) **Subject to approval of the CEO during those select show dates when the underground garage is full, the regular daily flat rate of \$12 (twelve dollars), inclusive of taxes, will be increased to \$15 (fifteen dollars), and the regular evening flat rate of \$9 (nine dollars), inclusive of taxes, will be increased to \$12 (twelve dollars).**

Financial Impact:

The \$3 per day indoor parking rate increase on selected busy days, as recommended in this report, will result in an increase of approximately \$65,000 in Board net revenue in 2009, and approximately \$142,000 per year in subsequent years.

Decision History:

At its meeting of April 2, 2004, the Board approved the daily parking rate increase from \$9.00 to \$10.00 (surface) and a reduction in parking rates in the garage from \$11.00 to \$10.00 in order to harmonize both indoor and outdoor rates for operational reasons. At its meeting of June 9, 2006 the Board approved a staff recommendation to harmonize indoor and outdoor evening parking rates at \$8 effective July 1, 2006, and to implement an across the grounds increase in rates in 2007 reflective of the cost-of-living increases. The daily rate was increased by \$1 to \$11 on July 1, 2007.

At its meeting of March 19, 2008 the Board approved a \$1 increase in the regular daily and evening rates, bringing the daily rate to \$12, and evening rate to \$9, effective July 1, 2008.

Issue Background:

Over the past few years, and in particular during the colder months, indoor parking utilization has increased at a faster pace than surface parking. This is evident during major shows such as the Boat Show, Royal Winter Fair, One of a Kind Show, Sportsmen’s Show and Home Show. As the garage becomes the location of choice amongst exhibitors and the public, the garage becomes full and must be closed earlier and for long periods during many of the busy days, while surface lots further away remains empty. During the peak hours the garage is not available to some members of the public who may have a greater need for indoor parking, and who are prepared to pay a slight premium to be there.

Comments:

Staff first started its review by comparing Exhibition Place rates with other rates at similar facilities/areas.

<b>Venue</b>	<b>Per 1/2 hr</b>	<b>Day Maximum or Flat Rate</b>	<b>Evening Max or Flat Rate</b>	<b>Special Event Rate</b>	<b>Exhibitor Daily Rate</b>
Exhibition Place	na	\$12	\$9	\$15/\$20	\$7
MTCC	\$4	\$16	\$16	\$16	\$11
Ontario Place	na	\$12	\$12	\$20	na
International Centre	Free	Free	Free	Free	Free
Congress Centre	Free	Free	Free	Free	Free
Nathan Phillips Square	\$2	\$14	\$6	na	na
St Lawrence Garage	\$1.50	\$9	\$5	na	na
45 Bay St (ACC)	\$2	\$13	\$5	\$25	na
Lamport Stadium	\$1.25	\$8	\$2	\$2/\$5	na

Following this investigation, staff reviewed indoor parking utilization at Exhibition Place in 200, and concluded that there are 35 peak days when a special event rate would help redistribute demand, allowing the garage to remain open for longer periods. This would be achieved as some exhibitors, and more price sensitive attendees, would choose to purchase surface parking over indoor parking.

This report is recommending a \$3 per day increase in indoor parking rates on approximately 35 days per year after Labour Day 2009. This will bring the daily indoor flat rate on those selected days to \$15, and the evening flat rate to \$12. The report also recommends some discretion remain with staff on a show by show basis to allow staff to respond to changing show demands.

Special event rates ranging from \$15 to \$25 already apply throughout the year for summer events such as Honda Indy, CHIN Picnic, Caribana, and certain BMO Field and Ontario Place sporting and concert events and these will remain in effect.

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Submitted by:

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Dianne Young, CEO