

On-Street Parking

Business Review

Jarrett McDonald
Vice President Operations

Board of Directors Meeting
July 18, 2023



Purpose

To provide the TPA Board of Directors with an update for On-Street Parking

Agenda

1. Q2 YTD Performance
2. Our Focus and Approach
3. 2023-2024 Initiatives



BEST IN CLASS ON-STREET PARKING OPERATORS ARE CUSTOMER CENTRIC, DATA DRIVEN AND FOCUSED ON THE FUNDAMENTALS!

KEY LEVERS:



Hours of Operations



Price



Enforcement



Length of Stay

OUTCOMES:

Encourage turnover:

Encourage turnover of parking spaces and make it easier for more people to find available parking spots, reduce the time spent circling around congested areas in search of parking.

Stimulate the local economy:

Parking stall generates \$20K to \$40K in revenue¹ to the local business & government.

Encourage long-term parking in Off-Street locations:

To ensure access to parking spaces, explore Off Street options. It's cost effective and reduces traffic on the streets, leaving On Street spaces available for short term visitors and shoppers.

Encourage alternatives to driving:

Incentivize people to consider alternative modes of transportation, such as public transit, biking, or walking.

BENEFITS:



Reduce Congestion



ESG



Public Transit



Revenue



OUR HISTORY IS ONE OF FINANCIAL SUSTAINABILITY, INNOVATION AND INDUSTRY LEADERSHIP

MILESTONES

1999

Pioneered the use of Pay-and-Display (P&D) multi-space meter

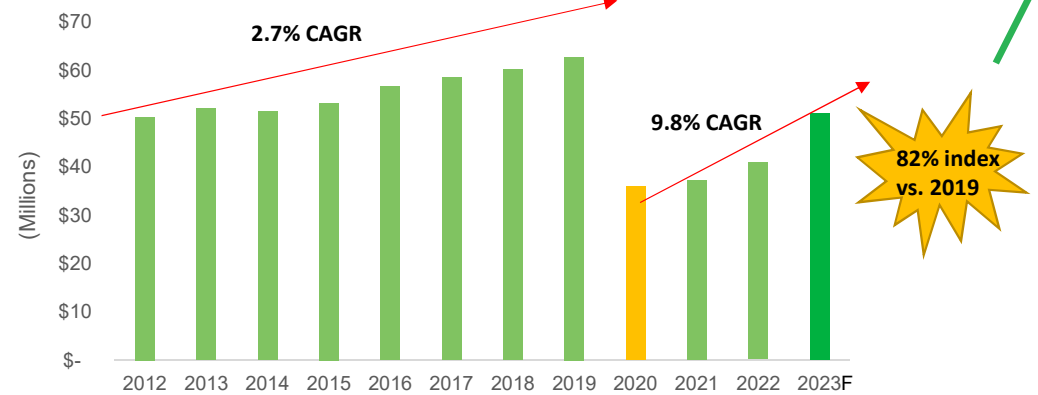
2002

Deployed 1,269 P&D meters, the largest network in the world

2016

Launched the “Green P” parking application

On-Street Parking Revenue 2012-2023



“On-Street has delivered \$454M in Contribution Margin over the ten past years”

P Stalls
21,500
(size of 41 City Blocks)

Roadway
+111 KM
(Toronto, ON to Waterloo, On)

Revenue
\$60.7 M
(2019)

Green P App Users
1.54 M
(1/6 of the population of Toronto)

Parking Tickets Issued by TPS
2.2M
(2019)

Parking Ticket Revenue to CDT
\$124M
(2019)



ON PLAN JUNE YTD; FORECASTING FULL YEAR PROFIT OF \$40M

2023 FY PLAN

Customer/Transactions
16.3M
 ▲ 15% or +2.2M YOY

Revenue
\$51.3M
 ▲ 14.8% or +\$6.6M YOY

Expenses
\$11.2M
 ▲ 3.4% or +\$1.2M YOY

Operating Income
\$40.1M
 ▲ 15.4% or +\$5.4M YOY

Q2 2023 ACTUALS

Customer/Transactions
7.90M
 ▲ 18% or +1.2M YOY
 ▼ 0.1% or (10k) Unfavorable to Plan

Revenue
\$24.05M
 ▲ 16.1% or +\$3.3M YOY
 ▼ 3.18% or (\$790k) Unfavorable to Plan

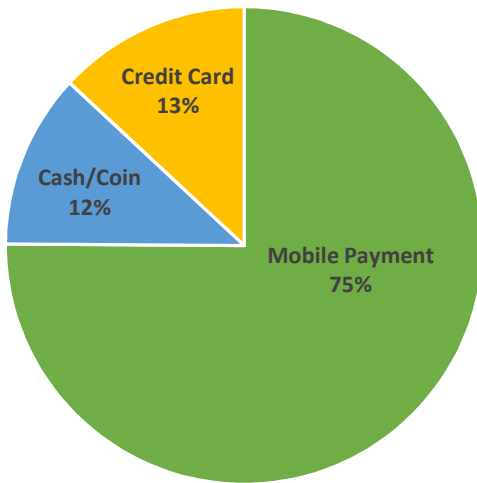
Expenses
\$4.7M
 ▲ 4.19% or +\$200K YOY
 ▼ 12.95% or +\$700k favorable to Plan

Operating Income
\$19.4M
 ▲ 19.8% YOY or +\$3.2M
 On Plan

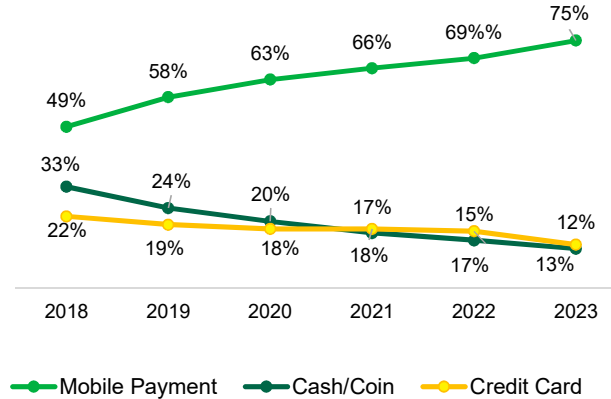


JUNE YTD TRANSACTIONS +1.1M; +331K GREEN P APP CUSTOMERS

2023 Share Payment Channel



Historical Share of Payment Channel (2018-2023)



HIGHLIGHTS

- 16% transaction growth YOY
- 27% increase in Mobile Green P customers
- ATV is flat at \$3.43
- Avg LOS 81min; +0.8% YOY
- Saturday is the peak day
- Sunday is the slowest day

Transactions
7.90M
 ↑ +16%

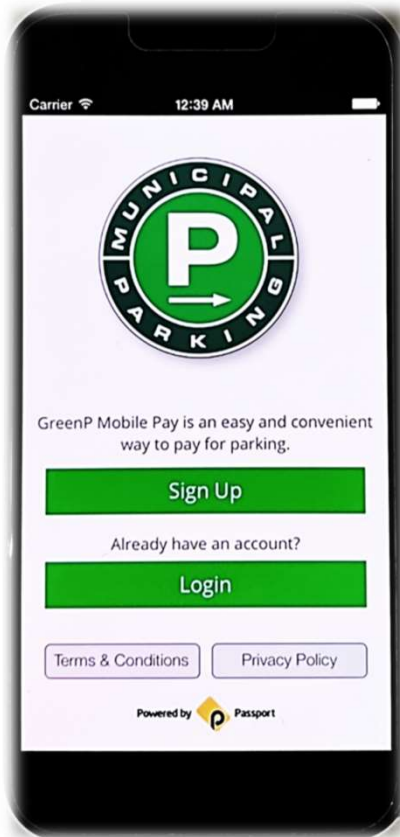
Meter (Pay & Display)
2.03 M
 ↓ 4%

Green P Transaction
5.87 M
 ↑ 26%

Green P App Users
1.58 M
 ↑ 28%



WE WILL PROVIDE IMPROVED PARKING SOLUTIONS FOR OUR CUSTOMERS THROUGH AN INNOVATIVE DIGITAL ENGAGEMENT



DID YOU KNOW?

- Our top Green P customer spent \$28K over 5 years
- 23% Green P customers generate 38% or \$5.6M of revenue
- Top 15 Green P customers YTD 2023 have spent \$35K with over 5K sessions
- 82% of Green P customers are repeat customers
- The average Green P customer users park 10 times per year
- 10% of all sessions were extended



Loyalty Programs



Direct Marketing



Wayfinding

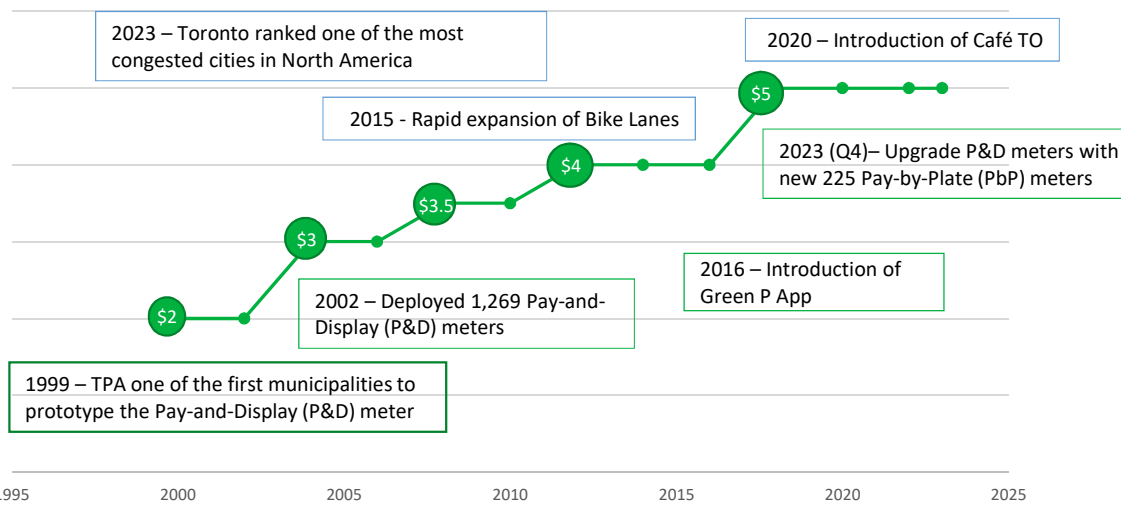


Customer Engagement



OUR PORTFOLIO IS MATERIALLY UNDERVALUED... PRICING IS 41% LOWER THAN OUR NORTH AMERICAN PEERS

History of On-Street Rate Increases



HIGHLIGHTS

- No price action since 2017
- CPI +21.8% since 2017
- Based on CPI alone, the TPA max price should be no less than \$6.08

Montreal \$3.75 (CDN)	Toronto \$5.00 (CDN)	Chicago \$7.00 (USD) <small>\$9.30 CDN</small>	New York \$7.50 (USD) <small>\$10.00 CDN</small>	Vancouver \$11.00 (CDN)	London (UK) £7.20 (GBP) <small>\$12.25 CDN</small>
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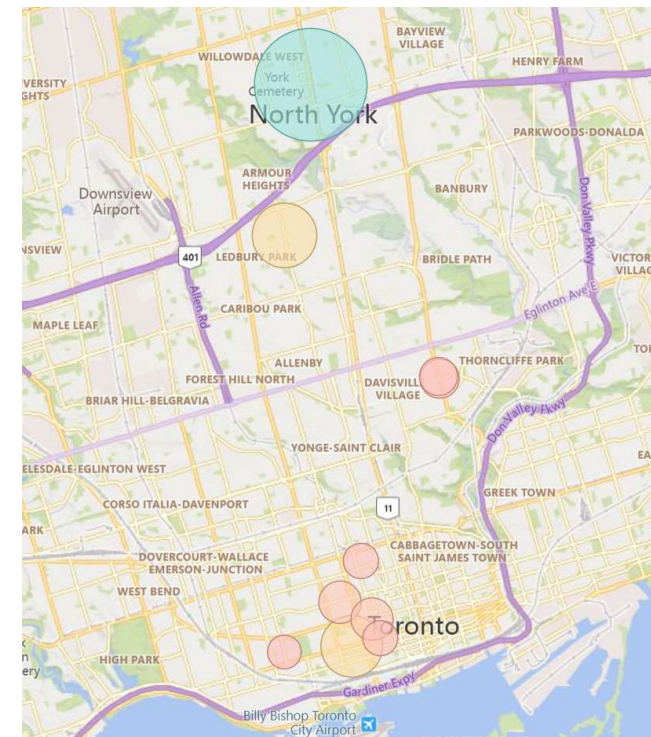


DOWNTOWN CORE INDEXING AT 89% VS '19; DELIVERING AVERAGE OF \$4,600/STALL ... 4X AVERAGE

TOP 10 PERFORMING LOCATIONS IN TORONTO

Locations	No. Meters	No. Stalls	Total Revenue (Jan-June 2023)	Total Transactions (Jan-June 2023)	Rev/ Stall	Avg LOS (Hrs)
Yonge St., N of 401 Willowdale	14	114	\$242.3k	63.1k	\$2,126	1.11
Avenue Rd – Joicy Blvd and Roe Ave Eglinton – Lawrence	12	100	\$177.5k	61k	\$1,776	1.12
Queen St. W. – Bathurst to Spadina Spadina – Fort York	13	91	\$173.6k	46.3k	\$1,908	1.09
College St – Kensington Market University – Rosedale	13	55	\$147.5k	44.8k	\$2,683	1.16
Dundas St W – Spadina to McCaul University – Rosedale	10	71	\$147.3k	45.5k	\$2,075	1.24
Bayview Ave – (ES) Manor Rd to St Cuthberts Rd Don Valley West	8	72	\$143.1k	69.3k	\$1,988	0.81
Bayview Ave – (WS) Manor Rd to Davisville Ave Don Valley West	7	58	\$141.7k	61.2k	\$2,443	0.90
Devonshire Pl – Bloor to Hoskins University – Rosedale	6	45	\$137.9k	22.9k	\$3,066	1.74
Queen St W – Simcoe St to Spadina Ave Spadina – Fort York	7	48	\$137.6k	35.5k	\$2,867	1.12
Ossington Ave – Dundas to Queen Spadina – Fort York	7	45	\$135.9k	37.8k	\$3,022	1.39

58% OF TOTAL REVENUE IS GENERATED IN 3 WARDS - SPADINA/FORT YORK, UNIVERSITY/ROSEDALE AND TORONTO CENTRE



WE HAVE A ROAD MAP TO DELIVER \$76M IN REVENUE BY 2026 – WHILE EXCEEDING THE CUSTOMER EXPERIENCE



REVENUE MANAGEMENT

- Drive incremental growth by leveraging customer behaviour and introducing new payment platforms
- Comprehensive review of existing price structure with the introduction of demand-based pricing
- Invest in technology and further automation to realize cost efficiencies and lower operating cost



INNOVATION

- Modernizing equipment to provide easier and seamless payment options (Mobile Pay, PbP, etc.)
- Prototyping technology to provide customers with relevant, real-time information about when and where to park
- Leverage technology to understand the parking inventory in real-time (construction/filming, closures)



PERFORMANCE & BUSINESS ANALYTICS

- Accelerating our plans to grow business, using data to drive smarter business decisions and continual improvement
- Connecting the dots between data insights and customer behaviour
- Coordinating with TPS to optimize compliance and enforcement of 21,500 parking stalls



OPERATIONAL EXCELLENCE

- Focus on safety, equipment & technology up-time and availability
- Deliver a smooth customer experience during peak-times and quick immediate response to issues
- Working with COT to minimize the construction and filming impact to our revenues



INTRODUCE GROUND-BASED SENSORS TO PROVIDE REAL TIME OCCUPANCY AND CUSTOMER WAYFINDING

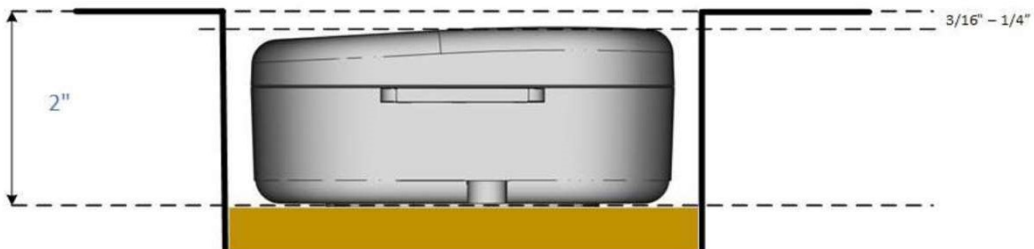


Current Status

10 Vacant	13 Occupied
0 Unknown	56.5% Occupancy %
5/13 Paid	38.5% Paid %

Stats Over The Period
(Click on setting button above for details)

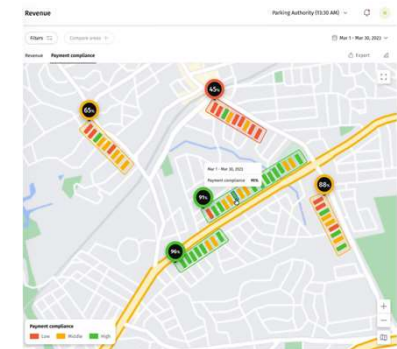
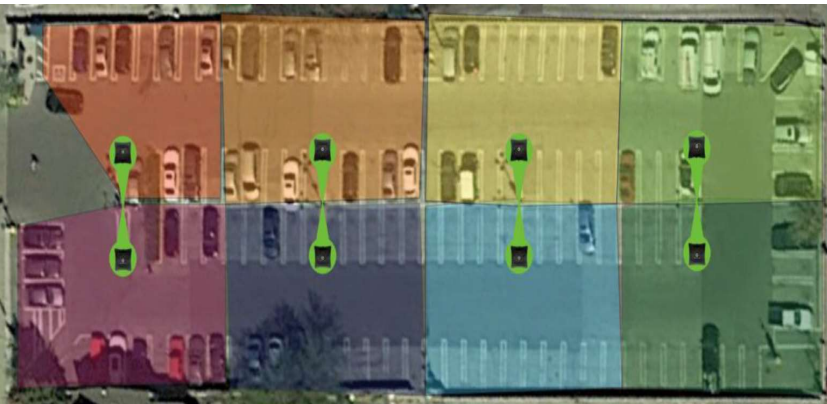
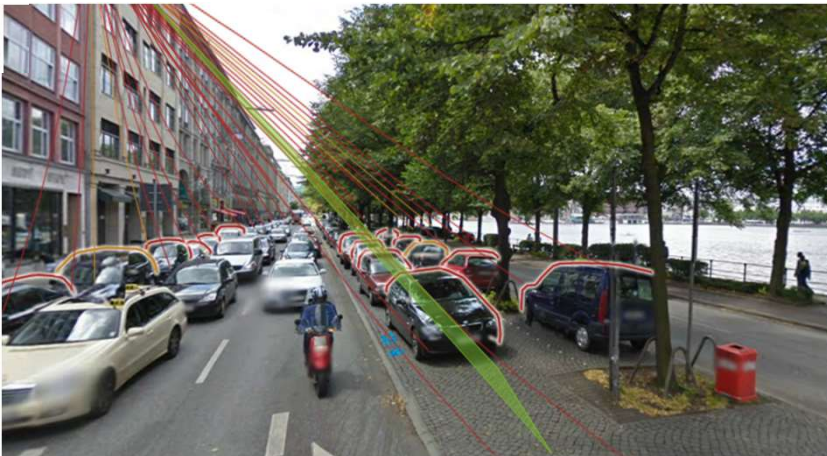
- Occupancy : 28.9%
- Average Daily State Changes : 225
- Average Daily Turnover : 4.9
- Average Daily Dwell Time : 84.7 minutes



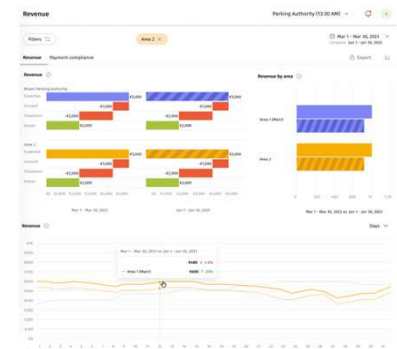
Prototype Project to measure 34 stalls with in-ground sensors between Dundas and College on Spadina - starting in Q3



WE WILL ALSO PROTOTPYE OVERHEAD SENSORS



Prototype Project to measure 28 stalls with overhead sensors between Dundas and College on Spadina and 144 stalls at Off-Street Lot - Lippincott



MOBILE-ONLY ZONES PROVIDE SIMPLIFIED PAYMENT SOLUTIONS



75%

of total transactions in 2023 occurred using the Green P Mobile App

Prototype Project to introduce 10 paid parking locations where customers can pay using only the Green P App. Prototype locations with high mobile usage or containing end of life equipment will be selected



UPGRADE THE GREEN P APP AND WEBSITE - ENHANCING THE GREEN P DIGITAL CUSTOMER JOURNEY



WHERE DO I PARK?

- Improving searchability for Green P parking through search engine marketing (SEM) (i.e. Googling "parking in Toronto")
- Social media marketing campaigns

HOW DO I GET THERE?

- Website user experience (UX) and user interface (UI) design refresh to better guide and inform customers
- Partner with navigation apps to market Green P locations

HOW CAN I PAY?

- Promote Green P app through owned and paid digital channels
- Explore mobile payments in gated facilities
- Remove current Green P app wallet requirement (shift to pay as you go)

WHY SHOULD I RETURN?

- Net promoter score (NPS) surveys to gather actionable insights
- Introduce live chat ability for customer service inquiries

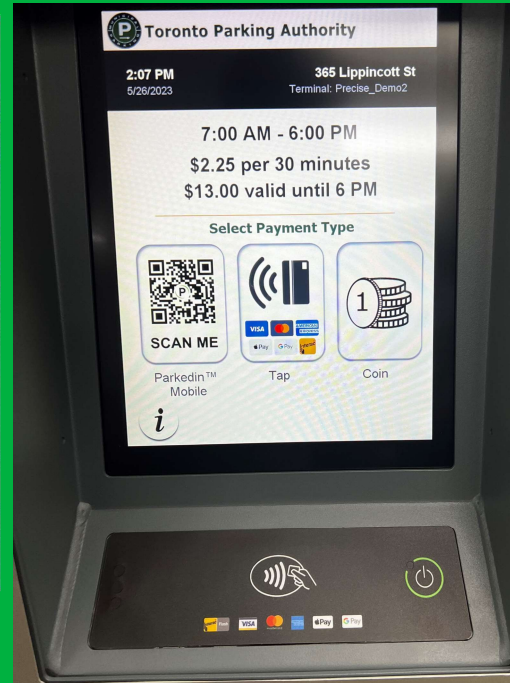
MODERNIZE PAYMENT TECHNOLOGY - LEAPFROGGED TO THE NEWEST EQUIPMENT



2000

2010

2023



FOR THE FIRST TIME IN OVER 20 YEARS, THE TPA IS DELIVERING NEW ON-STREET TECHNOLOGY



THANK YOU!

