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**Development Services Department** 

Staff Report

REPORT TO: Finance and Corporate Services Committee

DATE OF MEETING: August 12, 2024

SUBMITTED BY: Barry Cronkite. Director Transportation, 519-741-2200 ext. 7738

Paul McCormick, Manager Parking Enterprise, 519-741-2200 ext. PREPARED BY:

7155

WARD(S) INVOLVED: Ward 9 and 10

**DATE OF REPORT:** June 21, 2024

REPORT NO.: DSD-2024-323

SUBJECT: 787, 828 and 850 King St W - Parking Lot Management Agreement

Renewals

# **RECOMMENDATION:**

1. That the Mayor and Clerk be authorized to execute a ten (10) year extension agreement with the Waterloo Region District School Board to operate public parking at 787 King St. W. subject to the satisfaction of the City Solicitor; and further,

- 2. That the Mayor and Clerk be authorized to execute a ten (10) year extension agreement with the Waterloo Region District School Board to operate public parking at 828 King St. W. subject to the satisfaction of the City Solicitor; and further,
- 3. That the Mayor and Clerk be authorized to execute an extension agreement with the Waterloo Region District School Board to provide semester and daily permits for students and staff at 787 King St. W. subject to the satisfaction of the City Solicitor; and further,
- 4. That the Mayor and Clerk be authorized to execute a ten (10) year extension agreement with the Grand River Hospital to operate public parking at 850 King St. W. subject to the satisfaction of the City Solicitor

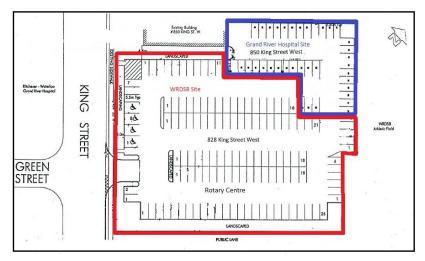
### **BACKGROUND:**

The City of Kitchener has had a long-standing business relationship with the Waterloo Regional District School Board (WRDSB) in the management of the school board owned parking lots (Green Street Lot 12 and Rotary Street Lot 13) located in the vicinity of Grand River Hospital, KCI High School and Don McLaren Arena. Each lot has its own separate parking management agreement.

In May 2010, Council approved a new management agreement with WRDSB with respect to the redevelopment and operation of Lot 12 Green Street. Further, in January 2013,

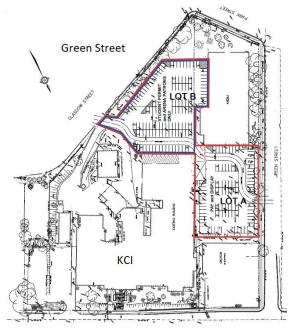
<sup>\*\*\*</sup> This information is available in accessible formats upon request. \*\*\* Please call 519-741-2345 or TTY 1-866-969-9994 for assistance.

Council approved the recommendation that the City entered into a ten (10) year extension agreement with the WRDSB for the operation of Lot 13 Rotary Centre which is the surface lot on the site of the former Rotary Centre at 828 King Street West across from the Grand River Hospital. In addition, Council also approved the recommendation to enter into a ten (10) year extension agreement with Grand River Hospital to operate public parking at 850 King Street West.



The addition of numerous classroom portables behind KCI school in 2022 necessitated the relocation of student parking to the Rotary Centre parking lot and the creation of a Semester and Daily permit arrangement with WRDSB.

All of the above noted agreements have since expired. New ten-year extension agreements for both the Rotary Centre and Green Street surface parking lots are now required with WRDSB and the Grand River Hospital. It is worth noting that the City's Parking Enterprise continues to operate and maintain these parking lots under the terms of the expired agreements while new agreements are prepared, with approval from all parties involved.



KING STREET

#### REPORT:

Parking demand continues to be strong in the area surrounding Grand River Hospital, with visitors to the hospital, users of Don McLaren Arena, Sunlife employees and other users in the immediate area all competing for a limited number of both hourly and monthly spaces.

The WRDSB and Grand River Hospital have agreed, subject to Council approval, with a new ten-year term extension agreement that would see the City of Kitchener's Parking Enterprise continue to manage the Rotary Centre, 850 King Street W. and Green Street parking lots on their behalf, under the same conditions that the Parking Enterprise has operated for more than a decade.

The extension agreements with WRDSB will see net revenue shared equally, which is consistent with the expired agreements. Net revenue includes all gross revenue less all operating expenses, including property taxes and a proportionate share of the Parking Enterprise's overhead and maintenance costs. The WRDSB has also agreed to extend the existing student semester and daily permit arrangement at the Rotary Centre for their students and teachers.

In addition to allowing the City to operate public parking at 850 King Street West, the extension agreement with Grand River Hospital requires that they contribute to operating costs should insufficient revenue be generated.

### STRATEGIC PLAN ALIGNMENT:

This report supports the delivery of core services.

# FINANCIAL IMPLICATIONS:

Under the proposed agreements with WRDSB, both parties will share 50:50 split on net revenue after all operating costs. In 2024, the City's share of net revenue for both sites is anticipated to be \$125,000. In addition to half of net revenue, the City will also recoup approximately \$100,000 in overhead and administration expenses incurred by the Enterprise bringing the total net revenue to approximately \$225,000. It is anticipated that similar revenue can be expected in each subsequent year of the agreements.

Capital Budget – The recommendation has no impact on the Capital Budget.

## **COMMUNITY ENGAGEMENT:**

INFORM – This report has been posted to the City's website with the agenda in advance of the council / committee meeting.

## PREVIOUS REPORTS/AUTHORITIES:

- INS-13-010 Rotary Centre Parking Lot Management Agreement
- DTS-10-092 KCI Parking Lot Expansion

APPROVED BY: Justin Readman, General Manager

**Development Services Department**