

Staff Report



Development Services Department

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REPORT TO: Finance and Corporate Services Committee

DATE OF MEETING: August 12, 2024

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

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

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