

Analyst Briefing Notes

Budget Committee Review

(October 29, 2007)

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PART I: CAPITAL PROGRAM**Executive Summary**

- The 2007 Approved Capital Budget of \$27.506 million was 13% or \$3.521 million spent, as at June 30th, 2007. Actual expenditures by year-end are anticipated to be \$10.632 million or 39% of the 2007 Approved Capital Budget. The projection of 2007 funding to be carried forward into the 2008 Recommended Capital Budget is \$3.650 million.
- The 2008 Recommended Capital Budget; 2009 to 2012 Plan and 2013 to 2017 Estimates total \$139.846 million of which \$139.846 million is projected for the Program's Recommended 5-Year Capital Plan with cashflow of \$26.746 million in 2008; \$31.000 million in 2009; \$28.200 million in 2010; \$21.100 million in 2011; and, \$32.800 million in 2012.
- The City did not set a debt affordability guideline for the Toronto Parking Authority since the Authority funds its capital program from retained earnings; reserves; or, proceeds from the sale of air rights.
- The 2008 Recommended Capital Budget includes previously approved project commitments and new/change in scope projects requiring 2008 cash flow funding of \$23.096 million. This cash flow combined with carry forward funding of \$3.650 million for 2007 projects brings the total 2008 Recommended Capital Budget to \$26.746 million. There is no future year commitment to cash flow funding required.
- The 2008 Recommended Capital Budget for prior approved and new/change in scope projects (not including 2007 carry forward funding) of \$23.096 million is 50% allocated to growth projects at \$11.581 million; 28% to service improvement projects at \$6.540 million; 19% to state of good repair projects at \$4.475 million; and, 2% to legislative projects at \$0.500 million.
- The 2008 Recommended Capital Budget includes funding for several new off-street parking facilities at the following locations Queen St. East – Kippendavie to Lee; Queen St. West – Spadina to Bellwoods; and, King/Parliament – Reinvestment Area. Needs assessments have identified these areas as requiring additional short-term off-street parking spaces to enhance the local business climate. Funding is also included for expansion of the highly successful environmentally friendly pay-and-display technology which has replaced on-street meters.
- Approval of the 2008 Recommended Capital Budget will result in incremental operating revenue generated from user fees of \$0.857 million in 2009; \$0.420 million in 2010; and \$0.120 million in 2011; and, \$0.120 million in 2012. In total, the incremental revenue generated from user fees amounts to \$1.517 million. The operating impacts do not include potential savings from energy efficiency projects.

- The Toronto Parking Authority does not have a significant backlog of state of good repair projects. The backlog, estimated at \$4.875 million for 2007, will be fully addressed within the Recommended 5-Year Capital Plan. The backlog includes maintenance activities such as lighting/electrical/sprinkler upgrades; paving; and, painting at off-street parking facilities.
- Funding for the Recommended 5-Year Capital Plan continues the implementation of the solar powered and environmentally friendly pay-and-display technology; ensures the acquisition of property and the development of new facilities to satisfy future demand for off-street parking; and, expansion and/or redevelopment of existing parking infrastructure.
- The Recommended 5-Year Capital Plan includes funding to advance the following strategic priorities of Council's policy agenda:
 - Climate Change, Clean Air and Sustainable Energy Action Plan
 - Making a Stronger Economy

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. the 2008 Recommended Capital Budget for the Toronto Parking Authority with a total project cost of \$19.406 million and a 2008 cash flow of \$26.746 million and with no future year commitments, be approved. The 2008 Recommended Capital Budget consists of the following:
 - a) New Cash Flow Funding for:
 - i) 25 new/change in scope sub-projects with a 2008 total project cost of \$19.406 million that requires cash flow of \$19.406 million in 2008 and no future year commitments;
 - ii) 4 previously approved sub-projects with carry forward funding from 2006 requiring 2008 cash flow of \$3.690 million requires Council to reaffirm its commitment;
 - b) 2007 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2007 into 2008 totalling \$3.650 million;
2. operating impacts from user fees of \$0.857 million in 2009; \$0.420 million in 2010; \$0.120 million in 2011; and, \$0.120 million in 2012 emanating from the approval of the 2008 Recommended Capital Budget, be approved for inclusion in the 2008 and future year operating budgets;
3. the 2009-2012 Capital Plan for the Toronto Parking Authority totalling \$113.100 million in project commitments and estimates, comprised of \$31.000 million in 2009; \$28.200 million in 2010; \$21.100 million in 2011; and, \$32.800 million in 2012;
4. the President of the Toronto Parking Authority report to Budget Committee prior to start of deliberations for the 2009 Capital Budget process regarding potential savings from energy efficiency projects included in the Recommended 5-Year Capital Plan; and
5. the funding for the redevelopment of Carpark 12 be contingent on proceeds from the sale of air rights.

2007 Capital Variance Review

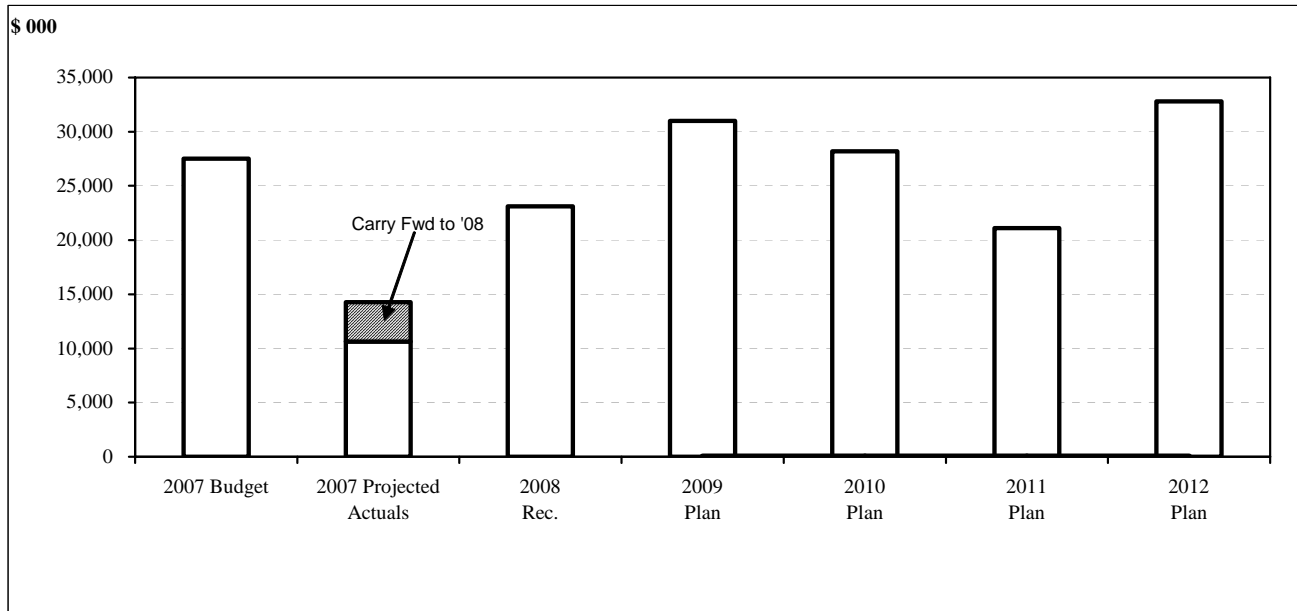
2007 Budget to Actuals Comparison - Total Gross Expenditures (\$000s)					
2007 Approved	Actuals as of June 30 (2nd Qtr Variance)		Projected Actuals at Year End		Balance
\$	\$	% Spent	\$	% Spent	\$ Unspent
27,506	3,521	13	10,632	39	16,874

Comments / Issues:

- The Toronto Parking Authority's 2007 Approved Capital Budget of \$27.506 million was 13% or \$3.521 million spent, as at June 30th, 2007. Actual expenditures by year-end are anticipated to be \$10.632 million or 39% of the 2007 Approved Capital Budget, as reported in the June 30th Capital Budget Variance Report. The level of actual capital spending results from a combination of factors which include the following:
 - Delays arising from the unavailability of appropriate sites.
 - Delays due to on-going negotiations for identified sites.
 - Projects cancelled because of a low probability of finding an appropriate site.
 - Time lags in joint venture arrangements.
- The projection of 2007 funding to be carried forward into the 2008 Capital Budget is \$3.650 million of the 2007 Approved Capital Budget of \$27.506 million. The 2007 funding to be carried forward into 2008 is required for the following projects:
 - \$2.000 million for parking facilities between Dovercourt to Lansdowne.
 - \$1.100 million for parking facilities between Ossington to Dufferin.
 - \$0.550 million for lighting and sprinkler upgrades at Carpark 15.
- The funding from 2007 carried forward into 2008 included in the 2008 Recommended Capital Budget is \$3.650 million and is lower than the projected unspent actuals identified in the 2nd Quarter Capital Budget Variance Report. The 2008 Recommended Capital Budget does not reflect any subsequent changes to funding being carried forward from 2007 into 2008 based on the unspent cash flow balance projected as at June 30th, 2007. Adjustments to carry forward funding based on actual expenditures will be reported through to Council in December 2007.

5-Year Capital Plan

(2008 Recommended Budget, 2009-2012 Plan)



	2007		5-Year Plan					
	Budget	Projected Actual	2008 Rec.	2009	2010	2011	2012	2008-2012
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	27,506	10,632	7,483					7,483
Recommended Changes to Commitments			(3,793)					(3,793)
2008 New/Change in Scope and Future Year Commitments			19,406					19,406
2009 - 2012 Plan Estimates				31,000	28,200	21,100	32,800	113,100
1-Year Carry Forward to 2008		3,650						
Total Gross Annual Expenditures & Plan	27,506	14,282	23,096	31,000	28,200	21,100	32,800	136,196
Financing Sources:								
Reverves	4,400		1,650	100	2,100	100	1,300	5,250
Retained Earnings	20,856		21,446	21,900	26,100	21,000	31,500	121,946
Other	2,250			9,000				9,000
Total Financing	27,506		23,096	31,000	28,200	21,100	32,800	136,196
By Category:								
Health & Safety	865		500	600				1,100
Legislative								
SOGR	2,555		4,475	900	100	100	100	5,675
Service Improvement	9,700		6,540	22,000	20,000	8,000	7,200	63,740
Growth Related	14,386		11,581	7,500	8,100	13,000	25,500	65,681
Total By Category	27,506		23,096	31,000	28,200	21,100	32,800	136,196
Yearly SOGR Backlog Estimate (not addressed by current plan)			(4,475)	(100)	(100)	(100)	(100)	(4,875)
Accumulated Backlog Estimate (end of year)		4,875	400	300	200	100		0
Operating Impact on Program Costs				(857)	(1,110)	(1,686)	(1,260)	(4,913)

5-Year Capital Plan Overview

Overview

- The City did not set a debt affordability guideline for the Toronto Parking Authority's Recommended 5-Year Capital Plan. The Authority is a self-sustaining public corporation owned by the City. The Authority funds its capital works program from retained earnings; reserves; and, proceeds from the sale of air rights.
- The Recommended 5-Year Capital Plan cash flow funding projections, excluding carry forward funding from 2007 into 2008, totals \$136.196 million, with 17% or \$23.096 million allocated in 2008; 23% or \$31.000 million in 2009; 21% or \$28.200 million in 2010; 15% or \$21.100 million in 2011; and, 24% or \$32.800 million in 2012. The increase in new cash flow will balance service improvement projects with future growth and capacity demands while responding to state of good repair needs.
- **Funding:** The Recommended 5-Year Capital Plan is primarily funded by the Authority's future retained earnings, which account for approximately 90% or \$121.946 million. Reserve funds and other sources of financing, such as the proceeds from the sale of air rights, account for the remaining 10% or \$14.250 million.
- **Service Improvement:** The Recommended 5-Year Capital Plan reflects the allocation of significant funding to service improvement projects accounting for approximately 47% or \$63.740 million. These projects are mainly comprised of the expansion and/or redevelopment of existing parking facilities and infrastructure.
- **Growth:** Growth projects account for 48% or \$65.681 million of the Recommended 5-Year Capital Plan. Growth projects are primarily driven by the acquisition of properties for the development of new off-street parking facilities based on feasibility and needs assessment studies.
- **State of Good Repair:** State of good repair projects comprises 4% or \$5.675 million and includes funding for the maintenance of off-street parking facilities, such as lighting/electrical/sprinkler upgrades; paving; and, painting. These projects are designed to extend the useful life of assets; ensure service reliability; and, postpone replacement.
- **Health and Safety:** Health and safety projects account for the remaining 1% or \$1.100 million.
- **State of Good Repair Backlog:** The Toronto Parking Authority does not have a significant backlog in state of good repair projects. The accumulated backlog, estimated at \$4.875 million at the end of 2007, will be fully addressed in the Recommended 5-Year Capital Plan.
- Please refer to the Issues Section for an expanded discussion on the Recommended 5-Year Capital Plan.

Multi-Year Debt Affordability Target

The Toronto Parking Authority is self-sustaining and does not impact the municipal property tax levy. The City does not set a debt affordability guideline for the Authority since the Board funds its capital program from the following:

- Retained Earnings.
- Reserves.
- Sale of Air Rights.

In 2007, the City and the Toronto Parking Authority renewed its Income Sharing Agreement for an additional 3 years. The Agreement requires the Toronto Parking Authority to pay annual rent to the City equal to 75% of its net income for the year or \$18.000 million; whichever is greater. In addition, from time to time the Toronto Parking Authority will pay an amount to the City that is in excess of capital asset funding requirements over the ensuing 5 year period. This is in addition to the share of annual operating income paid under the current Agreement.

Recommended Changes to the 2007-2011 Capital Plan

The following highlights the changes from the Approved 2007-2011 Capital Plan with the Recommended 2008-2012 Capital Plan.

- **2008:** Decrease of \$9.188 million or 26% compared to the Approved 2007-2011 Capital Plan of \$35.934 million for 2008. The increase is largely due to the deferral of projects to 2009. The redevelopment of the Carpark 12 project has been deferred to 2009.
- **2009:** Increase of \$4.650 million or 18% compared to the Approved 2007-2011 Capital Plan of \$26.350 million for 2009. Changes reflect the addition of the Carpark 12 redevelopment project and deferral of the Harbourfront project to 2012.
- **2010:** Increase of \$1.100 million or 4% compared to the Approved 2007-2011 Capital Plan of \$27.100 million. Changes include movement of the MaRS project back to 2010 from 2011; deferral of the Bay/Lakeshore and Yonge/ Lawrence projects.
- **2011:** Decrease of \$5.900 million or 22% compared to the Approved 2007-2011 Capital Plan of \$27.000 million. The changes largely reflect the acceleration of the MaRS project.

Program Capacity and Readiness to Proceed

The Toronto Parking Authority's 2007 Approved Capital Budget of \$27.506 million was 13% or \$3.521 million spent, as at June 30th, 2007. Actual expenditures by year-end are anticipated to be \$10.632 million or 39% of the 2007 Approved Capital Budget. The 2007 projected spending rate by year-end represents an increase of \$2.430 million or 30% compared to the Authority's 2006 Approved Capital Budget of \$39.709 million.

Capacity issues that have limited the Toronto Parking Authority's historic capital spending rate include the following:

- Delays arising from the unavailability of appropriate sites.

- Delays due to on-going negotiations for identified sites.
- Projects cancelled because of a low probability of finding an appropriate site.
- Time lags in joint venture arrangements.

Please refer to the Issues Section for an expanded discussion on the Authority's capital budget spending capacity.

The Toronto Parking Authority's Recommended 5-Year Capital Plan is ready to proceed. Feasibility and needs assessment studies have been performed for each project and associated cash flows have been developed. Cost estimates are based on market land price for the site and development cost estimations are prepared by the Authority's Design and Construction Department (e.g., legal, consulting, engineering, construction, etc). Future year costs have been adjusted based on industry recognized inflationary indices for raw materials; land; and, labour market conditions. However, the identification of specific sites and purchase negotiations has not taken place for a majority of projects in the Recommended 5-Year Capital Plan. This may delay the start date of projects in the Recommended 5-Year Capital Plan.

Future net profit projections for new off-street parking lots are based on past history. In assessing the financial viability of new lots, an annual minimum 6% net project return has been used.

Backlog of Projects – Unmet Needs

The Toronto Parking Authority does not have a significant backlog of state of good repair projects. The backlog, estimated at \$4.875 million for the end of 2007, will be addressed within the Recommended 5-Year Capital Plan. The backlog includes maintenance activities such as lighting /electrical upgrades; paving; and, painting at various off-street facilities throughout the City.

Strategic Priorities

The Recommended 5-Year Capital Plan advances the following strategic priorities of Council's policy agenda:

Climate Change, Clean Air and Sustainable Energy Action Plan

The Recommended 5-Year Capital Plan provides approximately \$3.900 million in funding for a broad range of projects that will form part of the Action Plan for Climate Change and are highlighted below.

- **Energy Efficiency:** The Recommended 5-Year Capital Plan includes the following projects which will reduce energy consumption:
 - \$2.300 million for lighting and electrical upgrades at several off-street parking facilities.
 - \$0.150 million to replace air conditioning units with high efficiency units at Carpark 15.
 - \$0.150 million for the installation of solar energy panels on the roof of Carpark 43. This is a co-operative pilot project with the Toronto Atmospheric Fund aimed at generating solar power to reduce electricity consumption at the Carpark.

- **Water Usage:** The Recommended 5-Year Capital Plan also includes \$1.300 million for the implementation of sprinkler upgrades at several off-street parking facilities.

Making a Stronger Economy

The Toronto Parking Authority is a self-sustaining public corporation owned by the City of Toronto. The Authority contributes net income to the City's general revenues while successfully meeting its mandate of providing the short-term parking needs of many business areas and communities as well as on-street parking. Considered a leader in the use of parking technology, the Authority has been successful in ensuring that businesses in areas served throughout the City continue to grow and their neighbourhoods remain vibrant.

- **Off-Street Parking:** Funding included in the Recommended 5-Year Capital Plan for off-street parking facilities is approximately \$127.815 million. The Toronto Parking Authority operates approximately 20,000 off-street spaces in 180 facilities, which includes:
 - 18 attended lots.
 - 6 fully automated garages.
 - 156 unattended lots using pay-and-display technology.

It is anticipated that off-street parking facilities developed in 2008 and beyond will be based on the Green Parking Lot Design Standards. The Authority, in consultation with Toronto Water and other City Programs, is currently establishing criteria for the Standards.

The Authority manages, on behalf of the Toronto Transit Commission, 14,000 spaces at park-and-ride facilities and parking areas on behalf of the Parks, Forestry and Recreation Program along the waterfront parks during the summer months.

- **On-Street Parking:** Funding included in the Recommended 5-Year Capital Plan for on-street parking facilities is approximately \$12.031 million. The Toronto Parking Authority manages an estimated 18,000 on-street spaces controlled by the highly successful and profitable pay-and-display technology or single spaced meters. The Recommended 5-Year Capital Plan includes \$2.000 million per annum to fund the upgrade of pay-and-display machines with credit card readers to meet future security requirements in the credit card industry.

The Toronto Parking Authority has won numerous awards over the past decade for its use of innovative technology and its successful implementation. The Authority is the largest municipal parking operator in North America.

Capital Project Highlights

- The Recommended 5-Year Capital Plan provides approximately \$3.900 million in funding for a broad range of projects that will form part of the Action Plan for Climate Change, as outlined above.
- New funding of \$10.000 million is included for the implementation of credit card reading technology.

- Two addition off-street parking facilities are planned for St. Clair West at a cost of \$5.100 million, in support of the City's St. Clair Right of Way Project.

Summary of Major Capital Initiatives

(In 000s)	2008 Rec. Budget	2009 Plan	2010 Plan	2011 Plan	2012 Plan	Total 2008 - 2012	Total 2013 - 2017
Climate Change Action Plan:							
Energy Efficiency Projects	2,600					2,600	
Water Efficiency Projects	700	600				1,300	
Credit Card Reader Electronic Parking Equipment	2,000	2,000	2,000	2,000	2,000	10,000	
St. Clair West Parking Supply		3,000	2,100			5,100	
Total	5,300	5,600	4,100	2,000	2,000	19,000	

Operating Budget Impact – 5-Year Plan Incremental Operating Impact Summary

Incremental Operating Budget Impact	2008	2009	2010	2011	2012
2008 Recommended Capital Budget					
Program Costs (net) (\$000s)		(857.0)	(420.0)	(120.0)	(120.0)
Recommended 2009-2012 Capital Plan					
Program Costs (net) (\$000s)		-	(690.0)	(1,566.0)	(1,140.0)
Total					
Program Costs (net) (\$000s)		(857.0)	(1,110.0)	(1,686.0)	(1,260.0)

Program Operating Impacts

The incremental operating impacts outlined above include the following:

- The Authority has not identified any new positions arising from the Recommended 5-Year Capital Plan. New parking facilities and/or related infrastructure will not have parking attendants and will be primarily served by pay-and-display machines. Maintenance of new facilities will be provided by existing Toronto Parking Authority staff.
- The Recommended 5-Year Capital Plan includes incremental operating revenue generated from user fees of \$0.857 million in 2009; \$1.110 million in 2010; \$1.686 million in 2011; and, \$1.260 million in 2012. In total, the incremental revenue generated from user fees amounts to \$4.913 million. Incremental operating revenue from user fees is generated in the year following completion of parking facilities. Construction is expected to be completed at December 31 of the respective budget year.

Debt Service Cost

Debt service charges are not applicable to the Toronto Parking Authority. As noted previously, the Authority is self-sustaining and does not impact the municipal property tax levy.

Total 2008 Recommended Cash Flow & Future Year Commitments (\$000s)

	2006 & Prior Year Carry Forwards	2008 Previously Approved Cash Flow Commitments	2008 New Cash Flow Recommended	2008 Total Cash Flow Recommended	2008 Debt Target	2007 Carry Forwards	Total 2008 Cash Flow (Incl 2006 C/Fwd)	2009	2010	2011	2012	2013-2017	Total Cost
Expenditures													
Previously Approved	3,690			3,690		3,650	7,340						7,340
Change in Scope			1,750	1,750			1,750						1,750
New			13,025	13,025			13,025						13,025
New w/Future Year			4,631	4,631			4,631						4,631
Total Expenditure	3,690	0	19,406	23,096		3,650	26,746	0	0	0	0	0	26,746
Financing													
Reserves	1,550		100	1,650		1,100	2,750						2,750
Retained Earnings	2,140		19,306	21,446		2,550	23,996						23,996
Other													
Total Financing	3,690	0	19,406	23,096		3,650	26,746	0	0	0	0	0	26,746

Comments / Issues:

- The 2008 Recommended Capital Budget is \$26.746 million and includes funding for 2007 projects carried forward into 2008 of \$3.650 million; funding carried forward from 2006 for prior year projects of \$3.690 million; and, \$19.406 million for new/change in scope projects.
- The cash flow funding for new projects includes funding for the development of off-street parking facilities at the following locations: Queen St. East – Kippendavie to Lee; Queen St. West – Spadina to Bellwoods; and, King/Parliament – Reinvestment Area. Needs assessment studies have identified these areas as requiring additional off-street parking spaces to enhance the local business climate.
- Approval of the 2008 Recommended Capital Budget will not result in future year funding commitments for new/change in scope projects for 2009 and beyond.
- The 2008 Recommended Capital Budget is funded from retained earnings (\$23.996 million) and reserves (\$2.750 million).

2008 Capital Budget

2008 Capital Budget by Category

- **Service Improvement Projects:** The 2008 Recommended Capital Budget reflects the allocation of significant funding for service improvement projects. These projects account for approximately \$6.540 million or 28% of the total new cash flow of \$23.096 million. These projects are mainly comprised of the expansion and/or redevelopment of existing parking facilities and infrastructure.
- **State of Good Repair Projects:** These projects account for approximately \$4.475 million or 19% of the total new cash flow of \$23.096 million. State of good repair projects are driven by renewal needs and are designed to extend the useful life of assets; ensure service reliability; and, postpone replacement.
- **Growth Projects:** Account for 50% or \$11.581 million of the 2008 Recommended Capital Budget and include projects for the acquisition of properties for the development of new off-street parking facilities based on feasibility and needs assessment studies.
- **Legislative Projects:** Reflect 2% or \$0.500 million of the 2008 Recommended Capital Budget.
- **Funding:** The 2008 Recommended Capital Budget is primarily funded by the Authority's future retained earnings, which account for approximately 93% or \$21.446 million. Reserve funds and other sources of financing, such as reserves, account for the remaining 7% or \$1.650 million.

PART II: ISSUES FOR DISCUSSION

5-Year Capital Plan Issues

Capacity Issues – Ability to Spend

In the past, the Toronto Parking Authority's capital budgets have been underspent. The Program's Approved Capital Budgets and spending rate from 2003 to 2007 are provided in the table below. In 2003, approximately 35% or \$11.328 million of the budget was spent; in 2004 this rate decreased to 21% or \$7.246 million; and, the rate for 2005 increased to 45% or \$15.689 million. The Toronto Parking Authority spending rate for 2006 was \$8.202 million or 21%. Expenditures by year-end are forecasted to be \$10.632 million or 39% of the 2007 Approved Capital Budget of \$27.506 million, as reported in the Second Quarter Capital Budget Variance Report.

(In \$ Millions)	2003	2004	2005	2006	2007*
Capital Budget	32,366	33,924	35,049	39,709	27,506
Actual Expenditures \$	11,328	7,246	15,689	8,202	10,632
Actual Expenditures %	35%	21%	45%	21%	39%

Note: Projections based on the Toronto Parking Authority's Second Quarter Capital Budget Variance Report.

Source: 2003-2006 Toronto Parking Authority's Year-End Capital Budget Variance Reports.

In assessing the historic capital budget spending capacity of the Toronto Parking Authority, a multi-year period should be considered. Due to the nature of the service, start dates may not be within the budgeted year given that a site may no longer be available or suitable. In such instances, the project may be postponed to a future year with the expectation that a site will become available. In a few cases, the project may be cancelled, if the parking shortfall can be alleviated in other ways if no site materializes.

St. Clair Avenue West Off-Street Parking Supply

Given the potential impact to existing short-term parking supply along St. Clair Avenue West following the road and streetcar track reconstruction, the Authority has included the following 2 off-street parking projects in the Recommended 5-Year Capital Plan:

- St. Clair West - Oakwood (\$2.100 million in funding for 2010).
- St. Clair West - Corso Italia (\$3.000 million in funding for 2009).

The Authority is currently in the process of identifying suitable sites for these off-street parking facilities.

Savings from Energy Efficiency

The Recommended 5-Year Capital Plan includes \$2.600 million in funding for energy efficiency projects. Potential savings from the projects are not included in the Recommended 5-Year Capital Plan, it is therefore recommended that:

the President of the Toronto Parking Authority report to Budget Committee prior to start of deliberations for the 2009 Capital Budget process regarding potential savings from energy efficiency projects included in the Recommended 5-Year Capital Plan.

Redevelopment of Carpark 12

The Recommended 5-Year Capital Plan includes \$9.000 million in funding for the redevelopment of Carpark 12 from the sale of air-rights. It is recommended that:

the funding for the redevelopment of Carpark 12 be contingent on proceeds from these sale of air-rights.

Appendix 1

2008 Recommended Capital Budget; 2009 to 2012 Plan and 2013 to 2017 Estimates

Appendix 2

**2008 Recommended Cash Flow
and Future Year Commitments**

Appendix 3
2008 Recommended Capital Projects
with Financing Details

Appendix 4

Recommended 5-Year Capital Plan Cashflow Summary

Description	2008	2009	2010	2011	2012	Total
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Opening funds available (note 1)	39,880.9	36,764.7	28,730.8	19,787.0	18,404.8	39,880.9
(note 2)	23,629.8	18,966.1	19,256.2	19,717.8	20,050.6	101,620.5
Net expenditures	(26,746.0)	(31,000.0)	(28,200.0)	(21,100.0)	(32,800.0)	(139,846.0)
Holdback of City share (Alvin Ave)		4,000.0				4,000.0
Ending funds available (shortfall)	36,764.7	28,730.8	19,787.0	18,404.8	5,655.4	5,655.4
NOTES						
Opening funds	1	\$33 million TPA plus \$7 million in City held reserves				
Funding sources	2	Primarily TPA's 25% share of net income plus small amount of interest earned on City held funds. 2008 income includes \$5m share of gain on sale of Alvin Ave. air rights. Remaining \$4m of \$9m garage cost to come from City share (\$15m) of \$20m gain.				