

MEETING DATE: February 9, 2005

SUBJECT: Eglinton West - East Commuter Parking Lot - Review Of Impact Of Pricing Change

RECOMMENDATION

It is recommended that the Commission receive this report for information.

FUNDING

No funding is required. The pricing change resulted in a \$1,000 decrease in 2004 revenue when compared to the same time period in 2003.

BACKGROUND

On May 31, 2004, the Eglinton West-East Commuter Parking Lot had the price adjusted to include a \$1.50 hourly rate, Monday to Friday, 10:00 a.m. to 3:00 p.m. This was in addition to the current daily rate of \$5.00, Monday to Friday, 5:00 a.m. to 2:00 a.m. and \$2.00 evening rate, Monday to Friday, 3:00 p.m. to 2:00 a.m. The intent of the pricing change was to provide an hourly rate for local shoppers in the hope of attracting non-transit users to this under utilized lot. The pricing of the West lot remains unchanged. This report responds to the Commission request to report on the impact of the pricing change.

DISCUSSION

Prior to May 31, 2004, the Eglinton West-East lot operated as a cash lot with a daily rate of \$5.00, Monday to Friday and an evening rate of \$2.00, Monday to Friday. The lot is free on weekends and holidays. Shown below is a comparison of revenue and utilization counts since the weekday hourly rate of \$1.50 was introduced.

EGLINTON WEST – EAST LOT
Comparison of Revenue and Maximum Accumulation Counts
Since Weekday Hourly Rate of \$1.50 Introduced (May 31, 2004)

Period	2003		2004		Net Change	
	After-Tax Revenue	Number of Users	After-Tax Revenue	Number of Users	After-Tax Revenue	Number of Users
6	\$7,850	56	\$8,665	50	\$815	-6
7	\$6,786	51	\$6,390	54	- \$396	3
8	\$5,386	41	\$6,180	64	\$794	23
9	\$8,433	89	\$8,303	100	- \$130	11
10	\$8,161	68	\$6,886	71	- \$1,275	3

11	\$7,923	71	\$7,112	77	- \$811	6
Total	\$44,539		\$43,535		- \$1,004	
Average/Month	\$7,423	63	\$7,256	69	- \$167	6

Note:

- Hourly rate is in effect from 10 a.m. to 3 p.m.
- Counts taken during time period when maximum accumulation occurred during the previous year's all-day counts

This information shows that during the last three months (periods 9, 10 and 11) the average number of transactions (ie. customers) has increased, while revenue is decreasing. This means that more and more customers are taking advantage of the \$1.50 rate. The overall net loss of \$1,000 is not significant enough to make any conclusions about the long term impact of the pricing change. As a result, staff recommend that the test be continued for an additional 6 month period (until June 1, 2005) with a further report to the Commission at that time.

JUSTIFICATION

TTC staff supports the continuation and monitoring of the revenue and utilization impact of the \$1.50 hourly rate at the Eglinton West-East Commuter Parking Lot for a further six months.

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