



ADMINISTRATIVE REPORT

Report Date: January 12, 2017
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 11849
VanRIMS No.: 08-2000-20
Meeting Date: February 7, 2017

TO: Vancouver City Council

FROM: General Manager of Engineering Services and General Manager of Planning, Urban Design and Sustainability

SUBJECT: Application for Payment-in-Lieu at 601 West Hastings Street

RECOMMENDATION

- A. THAT Council approve in principle the offer of payment-in-lieu in the amount of \$1,333,200 for the waiver of 66 commercial parking spaces required by Section 4.1.2 of the Parking By-law for the development application at 601 West Hastings Street.
- B. THAT Council direct the payment of \$1,333,200 into the Pay-in-Lieu Parking Reserve: Off-Street Parking.
- C. THAT the Director of Legal Services be requested to bring forward a By-law to amend Schedule A of the Parking By-law pursuant to Section 4.12.5 to effect this waiver.

REPORT SUMMARY

This report seeks Council approval-in-principle for the waiver of required parking and to accept payment-in-lieu of parking for 66 commercial parking spaces required by the Parking By-law for development application DE419113, located at 601 West Hastings Street.

Council approves offers of payment-in-lieu for the waiver of parking spaces required by the Parking By-Law. The funds paid from a commercial project remain in the Pay-in-Lieu Parking Reserve: Off-Street Parking until allocated to build replacement parking or offset the cost of existing parking in nearby civic parking facilities.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The Vancouver Charter gives Council authority to accept a payment of money as an alternative to providing off-street parking spaces required by the Parking By-law. The funding must be allocated to either the Pay-in-Lieu Parking Reserve: Off-Street Parking or the Pay-in-Lieu Parking Reserve: Green Transportation.

In 1986, Council introduced parking “payment-in-lieu” to give property developers an option if the minimum parking required for their developments could not be provided on-site. It was limited to commercial or industrial uses or for heritage retention in areas within the downtown core where the parking could instead be provided in City-owned facilities. Commercial/industrial payment-in-lieu funds are used to build replacement parking or offset the cost of existing parking in nearby civic parking facilities.

In 2009, Council approved changes to the Parking By-law which permitted payment-in-lieu of parking for residential uses in several historic areas including HA-1 (Chinatown), HA-2 (Gastown), HA-3 (Yaletown), and within the Downtown Official Development Plan Sub-area C2 (Victory Square). Residential payment-in-lieu funds are used to provide public realm improvements that support walking and cycling.

On March 12, 2014, Council approved the Downtown Eastside Local Area Plan which included an amendment to the Parking By-law to add the HA-1A (Chinatown South) zoning district as a residential payment-in-lieu of parking area.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services, the General Manager of Planning, Urban Design and Sustainability, and the Director of Finance recommend approval of the foregoing.

REPORT

Background/Context

The Parking By-law requires that the minimum numbers of off-street parking spaces be provided in developments. Depending on the type of use and location, several tools are available to reduce requirements where developers cannot or do not wish to build all of these spaces on-site.

These tools are intended to reduce the demand for parking or to provide it through other means and include the provision of:

- carshare vehicles and spaces,
- off-street parking on nearby sites,
- bicycle parking spaces beyond by-law requirements, and
- payment-in-lieu of parking.

Payment-in-lieu is generally used when no other tools are available. When an application is made for payment-in-lieu relief, staff bring a report to Council with a recommendation on the number of spaces to be waived and the dollar value to accept in lieu of those spaces. Current

Council policy is to accept \$20,200 per space, which is based on the present value cost to construct and maintain a parking space in City facilities less the present value of future revenue from the space.

Should Council support the request to waive parking through payment-in-lieu, the applicant must pay \$20,200 per parking space waived. After the payment is made, the Director of Legal Services will bring forward a by-law for Council approval to amend Schedule A of the Parking By-law and thereby allow the issuance of a Development Permit. The funds paid by the applicant are credited towards one of two pay-in-lieu reserves.

Under current Council policy, commercial or industrial payment-in-lieu funds are directed to the Pay-in-Lieu Parking Reserve: Off-Street Parking. When replacement parking spaces are identified in a nearby City-owned parkade, staff report back to Council with a recommendation to assign specific spaces to the development. When Council assigns those parking spaces for the applicant's use, the funds are transferred to the Parking Site Reserve to offset the cost to construct and maintain the spaces. The Parking Site Reserve was created by Council to fund the construction, maintenance, and rehabilitation of the City's parking facilities, and is primarily funded by revenues generated by EasyPark. The applicant is given first chance to lease the allocated spaces at the market rate.

Residential payment-in-lieu of parking funds are directed to the Pay-in-Lieu Parking Reserve: Green Transportation. When an appropriate project is identified which provides public realm improvements for walking or cycling, Council approval will be sought to allocate payment-in-lieu funds to the capital project.

Allocation and/or transfer of funds from the pay-in-lieu reserves to specific capital projects are considered and prioritized through the Capital Planning and Budgeting processes.

Strategic Analysis

An application, pursuant to Section 4.12 of the Parking By-law, has been received seeking Council's approval-in-principle to waive the number of parking spaces required by Section 4.1.2 of the Parking By-law and to make payment-in-lieu.

The particulars of the application are as follows:

Address:	601 West Hastings Street
Applicant:	Peter Carter
Zoning:	CD-1
DE Number:	419113
Type of Development:	Office and Retail
Use:	Commercial
Legal Description:	PID: 006-979-530 Lot B, Block 14, District Lot 541, Plan VAP20200
Commercial Parking Required:	146
Commercial Parking Provided:	80
Number of Spaces for Payment-in-Lieu:	66
Recommended Amount/Space:	\$20,200
Total Funds Payable - Pay-in-lieu Parking Reserve: Off Street Parking	\$1,333,200

The applicant is proposing to provide the equivalent of 80 commercial parking spaces on-site, including bonusing for disability spaces and supplemental Class A bicycle parking spaces as permitted in the Parking By-law.

Staff have reviewed this application and believe that payment-in-lieu is appropriate for the proposed mixed-use building given the site constraints and the lack of opportunity to provide parking by another means. Parking cannot feasibly be constructed due to site constraints.

Parking is available at City-owned parking facilities near the site including the lots at 535 Richards St, 777 Dunsmuir St, 535 Hornby St, and 900 W. Cordova St. Staff feel that securing nearby parking through payment-in-lieu is a reasonable alternative to providing on-site parking.

Implications/Related Issues/Risk (if applicable)

Financial

The City will receive payment of \$1,333,200 for deposit into the Pay-in-Lieu Parking Reserve: Off-Street Parking.

Legal

Where Council has agreed to accept a sum of money in lieu of parking requirements, Schedule A of the Parking By-law hereto shall be amended to list:

- (a) the property affected by the waiver;
- (b) the extent to which the parking requirements are waived; and
- (c) the amount of money accepted by Council as payment-in-lieu.

CONCLUSION

The General Manager of Engineering Services, and the General Manager of Planning, Urban Design and Sustainability recommend approval of the waiver of 66 commercial parking spaces at 601 West Hastings Street on the condition that the amount of \$1,333,200 is paid to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

* * * * *