



ADMINISTRATIVE REPORT

Report Date: November 9, 2010
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Meeting Date: December 14, 2010

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Payment in Lieu of Parking at 1001 Canada Place

RECOMMENDATION

- A. THAT Council approve in principle, the offer of payment-in-lieu in the amount of \$1,010,000 for the waiver of fifty parking spaces required by Section 4.1.2 of the Parking By-law.
- B. THAT Council approve deferral of a payment of \$1,010,000 plus accrued interest - calculated from January 21, 2010 - until prior to issuance of an Occupancy Permit for DE 412140 for 1001 Canada Place.
- C. THAT once payment of \$1,010,000 plus accrued interest is received, the funds are to be transferred from the Payment-in-lieu Parking Reserve and assigned to the Parking Site Reserve for allocation to the City parkade #54 at 1095 Waterfront Road.
- D. 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.

COUNCIL POLICY

Council approves offers of payment-in-lieu for the waiver of commercial parking spaces required by the Parking By-Law. The funds paid remain in the Payment-in-Lieu Parking Reserve until Council allocates them to supply the required parking spaces.

On September 28, 2004, Council approved the construction of the Harbour Green Park Retaining Structure, which includes City parking facility #54. The approval contemplated a payment of up to \$1,400,000 from potential payment-in-lieu parking approvals.

PURPOSE

The purpose of this report is to seek Council's approval in principle for the waiver of and payment-in-lieu for 50 required parking spaces at 1001 Canada Place. It also seeks approval for deferral of the payment of monies including accrued interest calculated from January 21, 2010 to precede issuance of the Occupancy Permit, and to assign the funds, once received, to the Parking Site Reserve for the City parking facility #54 at 1095 Waterfront Road.

BACKGROUND

Property developers are required to provide a specific number of on-site parking spaces under the Parking By-Law. Payment-in-lieu was introduced in 1986 to give property developers an option of last resort if the parking required for their development could not be provided on-site. Developers using payment-in-lieu have right of first refusal to rent spaces available within a civic parking facility near their site, or they may arrange to park vehicles elsewhere.

The commercial payment-in-lieu option is available for a building or a portion thereof, used for commercial or industrial purposes (or any building classification if the site qualifies under heritage retention). It is also only available in portions of the Downtown District and the Central Waterfront District, or in the Historic areas, where the City either has provided or could reasonably provide parking in off-street parking facilities.

If payment-in-lieu is approved in principle by Council, the applicant is required to pay a sum of money currently set at \$20,200 per parking space waived. Once the funds are paid, the Director of Legal Services will bring forward for Council approval a By-Law to amend Schedule A of the Parking By-law and thereby enable issuance of the Development Permit. The funds paid by the applicant remain within the Payment-in-Lieu Parking Reserve until allocated to fund a nearby civic parking facility. The payment-in-lieu rate is set at the net cost to provide and manage civic parking spaces, taking into account revenues received from operation of the parking facilities.

On September 22, 2008, the Development Permit Board approved Development Application No. DE412140 to allow the development of the water lot immediately north of the Vancouver Convention Centre Expansion as a marine terminal (floatplane operations), a marina with 51 berths and small scale retail/service use. Staff determined that the development required 82 parking spaces, comprised of 65 spaces for the floatplane terminal, 13 spaces for the marina and 4 spaces for the retail/service uses. Staff recommended the provision of the required parking stalls be secured through an off-site parking covenant, or through Council-approved payment-in-lieu of parking.

The development permit was also subject to Council approval of a proposed plan amendment to Comprehensive Development District (CD-1) By-law No. 7679 (#363). On October 28, 2008, Council approved a plan amendment to Comprehensive Development District (CD-1) By-law No. 7679 (#363) to extend the zoning boundary beyond the current harbour headline for Sub-Area 2 (1001 Canada Place) to accommodate the development of the marine terminal, marina and retail/service uses (By-law No. 9752).

On November 12, 2008, the Board of Variance heard an appeal from the applicant requesting a reduction in the number of required parking spaces. The appeal was granted in part, and the Development Permit was amended to require arrangements be made for the provision of 67 parking spaces, 50 of which were associated with the float plane terminal use, through either a covenant for off-site parking or Council-approved payment-in-lieu. Subsequently, a covenant for off-site parking was put in place which ensured the applicant would secure 67 off-site parking spaces prior to occupancy.

On June 25, 2009, the applicant's request to permit alterations to the north side of the existing convention centre by providing the tower structures for a future floatplane and marina terminal was granted. Arrangements for the provision of parking were not required as a component of this permission.

On January 21, 2010, DE412140 was issued to allow construction of the terminal.

On May 18, 2010, the applicant submitted an amended application which was smaller in scope than the original proposal as it did not include a retail or marina component.

On June 8, 2010, the amended Development Permit was issued. The amended application and subsequent permit did not require 17 parking spaces associated with marina and retail uses. Should these uses be developed in the future the applicant will be required to secure parking and would likely seek Council approval for additional pay-in-lieu spaces.

On November 9, 2010, the applicant requested the off-site parking requirements be reconsidered, and instead of securing off-site parking spaces, they requested that pay-in-lieu for parking be considered. Staff supports the applicant's pay-in-lieu request, as it meets the condition for parking in DE412140, and it ensures the City receives payment for the required parking spaces. Staff also support deferring payment, as the covenant for off-site parking requires parking be secured just prior to occupancy and note that the development permit and building permit were already issued. The applicant has agreed to pay interest on the total due, calculated from January 21, 2010. This is when payment would have been due had the applicant elected to request approval for payment-in-lieu instead of agreeing to secure off-site parking.

DISCUSSION

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.

This report seeks Council authority to accept payment-in-lieu for fifty parking spaces as currently required, and to further allow for deferral of the payment of monies plus interest as set by the Consumer Price Index - Vancouver Construction Rate - calculated from January 21, 2010 - until prior to issuance of the Occupancy Permit. The marina terminal and floats are currently being constructed. Legal Services concur that the process of payment deferral is supportable and does not contravene the Vancouver Charter or other By-Law. Staff supports the request for deferral and recommends it to Council for approval.

Address:	1001 Canada Place
Applicant:	Renante Solivar, Musson Cattel Mackey Partnership
Zoning:	CD-1
DE Number:	412140
Type of Development:	Commercial
Use:	Floatplane Terminal
Legal Description:	PARCEL 1, PUBLIC HARBOUR BURRARD INLET, PLAN BCP30843
Commercial Parking Required:	50
Commercial Parking Provided:	0
Number of spaces for Payment-in-lieu:	50
Recommended Amount/Space:	\$20,200
Total Payment-in-lieu:	\$1,010,000

ASSIGNMENT OF PAYMENT-IN-LIEU FUNDS

Since the program was approved by Council in 1986, funds have been collected for payment-in-lieu of providing parking spaces in strategic areas of Vancouver. These areas are in portions of the Downtown District and the Central Waterfront District, or in the Historic areas, where the City either has provided or could reasonably provide parking in off-street parking facilities. Once the funds are collected they are either committed to existing parking structures in or held until the City has an opportunity to build a parking structure in the corresponding area.

There are 50 additional parking spaces that can be 'assigned' at this time to provide parking spaces at the existing City owned parkade #54 at 1095 Waterfront Road. The total funds that would be transferred to the Parking Site Reserve, which funded the development of these spaces, are \$1,010,000 plus accrued interest.'

FINANCIAL IMPLICATIONS

The City, prior to issuance of the Occupancy Permit, will receive payment of \$1,010,000 plus accrued interest, as per the Consumer Price Index - Vancouver Construction Rate, calculated from January 21, 2010, for deposit into the Payment-in-Lieu Parking Reserve, account number 9300 320047. Upon receipt of the funds, they will be transferred from the Payment-in-Lieu Parking Reserve to the Parking Site Reserve.

CONCLUSION

To satisfy the Director of Planning's condition, staff recommend Council approve a payment-in-lieu for the 50 parking stalls required as a component of the water lot development totaling \$1,010,000 plus accrued interest. Upon receipt of the funds, they will be transferred from the Payment-in-Lieu Parking Reserve to the Parking Site Reserve.

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