



## ADMINISTRATIVE REPORT

Report Date: August 21, 2017  
Contact: Lon LaClaire  
Contact No.: 604.873.7336  
RTS No.: 12221  
VanRIMS No.: 08-2000-20  
Meeting Date: October 17, 2017

TO: Vancouver City Council  
FROM: General Manager Of Engineering Services  
SUBJECT: Application for Payment-in-Lieu of Parking at 855 Granville Street

### ***RECOMMENDATION***

- A. THAT Council approve in principle the offer of payment-in-lieu (PIL) in the amount of \$101,000 for the waiver of five commercial parking spaces required by Section 4.1.2 of the Parking By-law for the development application at 855 Granville Street.
- B. THAT Council direct the payment of \$101,000 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 five commercial parking spaces required by the Parking By-law for development application DP-2016-00472, located at 855 Granville 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 and Development, 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 brings 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 payment-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 the 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 and 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:	855 Granville Street
Applicant:	Musson Cattell Mackey Partnership
Zoning:	DD
DE Number:	DP-2016-00472
Type of Development:	3 storey plus basement, municipal designated heritage B/ heritage C commercial building
Use:	Retail ground floor and basement, General office on the 2 <sup>nd</sup> and 3 <sup>rd</sup> floors.
Legal Description:	PID: 030215757 LOT 1, BLOCK 62, DISTRICT LOT 541, GROUP 1 NEW WESTMINSTER DISTRICT, PLAN EPP73454
Commercial Parking Required:	37
Commercial Parking Provided:	0 existing, 0 provided and replacement of 5 off-site spaces secured without covenant by previous tenant.
Number of Spaces for Payment-in-Lieu:	5
Recommended Amount/Space:	\$20,200

Total Funds Payable - Pay-in-lieu Parking Reserve: Off Street Parking	\$101,000
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There are no existing spaces and no spaces provided on site. A letter was received from Impark in 1986 to confirm the provision of five parking spaces to Cineplex theatre (previous tenant) at 898 Seymour Street without a covenant. Cineplex has since moved out and the use of this development is now approved as retail and general offices use. The Director of Planning requires the five parking spaces be maintained either by off-site parking covenant or payment-in-lieu. Staff have reviewed this application and believe that payment-in-lieu is appropriate for the proposed retail and general office 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 and the municipal designated heritage B/ heritage C retention of the commercial buildings. Parking is available at City-owned parking facilities near the site including the lots at 1067 Seymour Street and 775 Hamilton Street. Staff feel that securing nearby parking through payment-in-lieu is a reasonable alternative to providing on-site parking.

### *Implications/Related Issues/Risks*

#### *Financial*

The City will receive payment of \$101,000 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.

#### *Relationship to RTS #011890*

On February 7, 2017 Council requested a review of the payment in lieu parking rate, as it has been the same since 2009, and asked staff to update it if necessary.

Staff are currently preparing this response and expect to report back with recommended changes to the PIL policy, including updated rates, in December 2017.

### **CONCLUSION**

The General Manager of Engineering Services recommends approval of the waiver of five commercial parking spaces at 855 Granville Street on the condition that the amount of \$101,000 is paid to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

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