



ADMINISTRATIVE REPORT

Report Date: August 10, 2018
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 12762
VanRIMS No.: 08-2000-20
Meeting Date: September 18, 2018

TO: Vancouver City Council

FROM: General Manager of Engineering Services and General Manager of Development, Buildings and Licensing

SUBJECT: Application for Payment-in-Lieu of Parking at 1133 Melville Street

RECOMMENDATION

- A. THAT Council approve in principle the offer of payment-in-lieu in the amount of \$1,976,000 for the waiver of 80 commercial parking spaces required by Section 4.1.2 of the Parking By-law for the development application at 1133 Melville Street.
- B. THAT Council direct the payment of \$1,976,000 into the Pay-in-Lieu Parking Reserve: Off-Street Parking.
- C. THAT the Director of Legal Services be instructed to bring forward for enactment 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 80 commercial parking spaces required by the Parking By-law for development application DP-2018-00399, located at 1133 Melville 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.

On July 25, 2018, amendments to the Parking By-law were approved in principle by Council. It is anticipated that the amendments will be enacted in September, 2018, and will come into effect on January 1, 2019. Amendments to the By-Law include the removal of minimum parking requirements in the Downtown for most land uses. All development permit applications received after January 1, 2019 will be subject to new requirements for vehicle parking, bicycle parking, passenger loading (pick-up-drop-off spaces), and transportation demand management.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services, the General Manager of Development, Buildings and Licensing, 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 \$24,700 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 \$24,700 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 satisfy the parking requirements that are a condition of 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.

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

Although the amendments to the Parking By-law approved in July 2018 will not be in force until January 1, 2019, if proposed by applicants, development permit applications received prior to this date and meeting all the new requirements may be considered. The applicant has elected to submit their application under the existing By-Law and pursue payment-in-lieu.

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:	1133 Melville Street
Applicant:	Adeline Lai
Zoning:	CD-1
DP Number:	DP-2018-00399
Type of Development:	Office and Retail
Use:	Commercial
Legal Description:	Strata Plan VAS 1286 District Lot 185

Commercial Parking Required:	285
Commercial Parking Provided:	205
Number of Spaces for Payment-in-Lieu:	80
Recommended Amount/Space:	\$24,700
Total Funds Payable – Pay-in-lieu Parking Reserve: Off Street Parking	\$1,976,000

The applicant is proposing to provide the equivalent of 205 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 1095 W. Waterfront Rd, 490 Broughton, and 1201 W Georgia 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 \$1,976,000 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.

CONCLUSION

The General Manager of Engineering Services and the General Manager of Development, Buildings & Licensing recommends approval of the waiver of 80 commercial parking spaces at 1133 Melville Street on the condition that the amount of \$1,976,000 is paid to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

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