



## ADMINISTRATIVE REPORT

Report Date: October 24, 2018  
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Meeting Date: October 30, 2018

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 1090 West Pender Street

### **RECOMMENDATION**

- A. THAT Council approve in principle the offer of payment-in-lieu in the amount of \$3,009,800 for the waiver of 149 commercial parking spaces required by Section 4.1.2 of the Parking By-law for the development application at 1090 West Pender Street;
- B. THAT Council direct the payment of \$3,009,800 into the Pay-in-Lieu Parking Reserve: Off-Street Parking.
- C. THAT the Director of Legal Services be instructed 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 149 commercial parking spaces required by the Parking By-law for development application DP-2017-00907, located at 1090 W Pender Street.

Council approves offers of payment-in-lieu for the waiver of parking spaces required by the Parking By-Law. The funds from this project are recommended to be allocated to 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.

The payment-in-lieu program has evolved to include other parts of the downtown as well as the Mt. Pleasant industrial area. Additionally, the payment-in-lieu amount has been increased from time to time in order to account for changes in construction costs and inflation.

On July 25, 2018, amendments to the Parking By-law were approved in principle by Council were 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, Building & 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.

In January of 2018, Council approved an increase in the payment-in-lieu amount per space from \$20,200 to \$24,700. Discussions with the applicant regarding payment-in-lieu at 1090 W Pender took place in 2017 prior to the increase in the payment-in-lieu rate. Based on these discussions, staff support application of the previous rate of \$20,200 per space for this payment-in-lieu application for this site.

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. These are

- The Pay-in-Lieu Parking Reserve: Off-Street Parking, which funds capital construction and maintenance costs associated with city-owned parking facilities.
- The Pay-in-Lieu Parking Reserve: Green Transportation, which funds public realm improvements for walking or cycling.

### **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:	1090 W Pender Street
Applicant:	Paul Sukava
Zoning:	CD-1
DP Number:	DP-2017-00907
Type of Development:	Office and Retail
Use:	Commercial
Legal Description:	Lot A, Block 2, District Lot 185, Plan EPP64161
Commercial Parking Required:	539
Commercial Parking Provided:	390
Number of Spaces for Payment-in-Lieu:	149
Recommended Amount/Space:	\$20,200
Total Funds Payable – Pay-in-lieu Parking Reserve: Off Street Parking	\$3,009,800

The applicant is proposing to provide the equivalent of 390 commercial parking spaces on-site, including bonuses 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.

Parking is available at City-owned parking facilities near the site including the lots at 1095 W Waterfront Rd, 535 Hornby St, and 1201 W Georgia St. Staff feel that securing nearby parking through payment-in-lieu is a reasonable alternative to providing on-site parking.

Due to the number of nearby city-owned parking structures, staff recommend allocation of these funds to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

***Implications/Related Issues/Risk (if applicable)***

***Financial***

The City will receive payment of \$3,009,800 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 149 commercial parking spaces at 1090 W Pender Street on the condition that the amount of \$3,009,800 is paid to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

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