



REPORT

Report Date: November 6, 2019
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 13481
VanRIMS No.: 08-2000-20
Meeting Date: January 21, 2020
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TO: Vancouver City Council

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

SUBJECT: Application for Payment-in-Lieu at 325 Carrall Street

RECOMMENDATION

- A. THAT Council approve, in principle, the offer of payment-in-lieu in the amount of \$24,700 for the waiver of one commercial parking space required by Section 4.1.2 of the Parking By-law for the development application at 325 Carrall Street.
- B. THAT Council direct the payment of \$24,700 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 one commercial parking space required by the Parking By-law for development application DP-2018-00379, located at 325 Carrall 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 May 16, 2018, Council approved the Parking Strategy for the Mount Pleasant Industrial (MPI) area, including the introduction of a new parking payment-in-lieu (PIL) area in the MPI I-1, I-1A, and I-1B zoning to address future parking needs from increased employment.

On July 25, 2018, Council approved amendments to the Parking By-law which included removal of minimum parking requirements in the Downtown for most land uses, and introduction of transportation demand management (TDM) requirements. These changes came into effect on January 1, 2019.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services, the General Manager of Development, Buildings & 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:

- transportation demand management (TDM) plans

- off-street parking on nearby sites, 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.

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

On July 25, 2018, Council approved amendments to the Parking By-law which included removal of minimum parking requirements in the Downtown for most land uses, and introduction of transportation demand management (TDM) requirements.

The subject development application at 325 Carrall Street is within the Downtown area which no longer has parking requirements. As such, the applicant had the option of meeting the 'new' parking by-law by providing Transportation Demand Management measures rather than parking spaces. The subject development application was received on May 10th, 2018, prior to the parking bylaw amendments and thus pursued payment-in-lieu of parking, as was permitted at the time.

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:	325 Carrall St
Applicant:	Peter Atkinson Human Studio Architecture & Urban Design
Zoning:	HA-2
DP Number:	DP-2018-00379
Type of Development:	Retail
Use:	Commercial

Legal Description:	LOT 1 OF LOT 17 BLOCK 3 OLD GRANVILLE TOWNSITE PLAN EPP88209
Commercial Parking Required:	1
Commercial Parking Provided:	0
Number of Spaces for Payment-in-Lieu:	1
Recommended Amount/Space:	\$24,700
Total Funds Payable – Pay-in-lieu Parking Reserve: Off Street Parking	\$24,700

The applicant is proposing to provide zero parking spaces on-site.

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 retention of a heritage wall spanning the full length of the development adjacent the laneway and small building footprint of approximately 400 square meters.

Implications/Related Issues/Risk (if applicable)

Financial

The City will receive payment of \$24,700 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 is 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 one commercial parking space at 325 Carrall Street on the condition that the amount of \$24,700 is paid to the Pay-in-Lieu Parking Reserve: Off-Street Parking.

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