



COUNCIL REPORT

Report Date: April 24, 2024

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Meeting Date: May 7, 2024

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TO: Vancouver City Council

FROM: General Manager of Engineering Services
General Manager of Planning, Urban Design and Sustainability
General Manager of Development, Building & Licensing

SUBJECT: Application for Payment-in-Lieu at 55 West Hastings Street

Recommendations

A. THAT Council approve, in principle, the offer of payment-in-lieu in the amount of \$49,400 for the waiver of two (2) residential accessible parking spaces required by Section 4.12 of the Parking By-law for the development application at 55 West Hastings Street;

FURTHER THAT Council direct the payment of \$49,400 into the Pay-in-Lieu Parking Reserve: Green Transportation.

B. 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 implement this waiver.

Purpose and Executive Summary

This report seeks Council approval, in principle, for the waiver of required parking and to accept payment-in-lieu of parking for two (2) residential accessible parking spaces required by the Parking By-law for development application DP-2022-00665, located at 55 West Hastings Street.

Council approves offers of payment-in-lieu for the waiver of parking spaces otherwise required by the Parking By-law. The funds paid from a residential project remain in the Pay-in-Lieu

Parking Reserve: Green Transportation Off-Street Parking which provides for public realm improvements for walking, cycling, or other accessible mobility infrastructure.

Council Authority/Previous Decisions

Section 306 of the *Vancouver Charter* authorizes Council 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 January 1, 2019, Council approved amendments to the Parking By-law which included the removal of minimum parking requirements in most of the Downtown for most land uses, as well as permitted payment-in-lieu of parking in the Mount Pleasant Industrial area.

On November 15, 2023, Council approved amendments to the Parking By-law which included the removal of minimum general-purpose parking requirements in the entire Downtown and Broadway Plan areas. Since the removal of general-purpose parking minimums, payment-in-lieu of vehicle parking remains an option where new developments are unable to deliver accessible parking due to site-specific constraints.

City Manager’s Comments

The City Manager concurs with the above recommendations.

Context and Background

The Parking By-law requires that the minimum numbers of off-street parking spaces be provided in certain developments. Depending on the type of use and location, several tools are available to reduce requirements where developers cannot build all spaces on-site due to site-specific constraints.

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 to enact that amends Schedule A of the Parking By-law and thereby satisfies the parking requirements that are a condition of issuance of a Development Permit.

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, cycling, or other accessible mobility infrastructure, 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.

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.

The particulars of the application are as follows:

Address:	55 W Hastings St
Applicant:	DBA: Urban West Architecture Inc.
Zoning:	DD
DP Number:	DP-2022-00665
Type of Development:	Secure Market Rental with a small retail component (~100 sq m)
Use:	Commercial/Residential
Legal Description:	LOT 10 BLOCK 3 PLAN VAP168 DISTRICT LOT OGT NWD EXCEPT PT IN REF PL 355.
Residential / Commercial Parking Required:	2 / 0
Residential / Commercial Parking Provided:	0 / 0
Number of Spaces for Payment-in-Lieu:	2
Recommended Amount/Space:	\$24,700
Total Funds Payable – Pay-in-lieu Parking Reserve: Green Transportation	\$49,400

The applicant is proposing to provide zero parking spaces on the 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 lot size.

The General Manager of Engineering Services, General Manager of Development, Buildings & Licensing, and General Manager of Planning, Urban Design, and Sustainability recommends approval of the waiver of two (2) residential accessible parking spaces at 55 W. Hastings St. on the condition that the amount of \$49,400 is paid to the Pay-in-Lieu Parking Reserve: Green Transportation.

Financial Implications

The City will receive payment of \$49,400 for deposit into the Pay-in-Lieu Parking Reserve: Green Transportation.

Legal Implications

If the recommendations in this report are approved, Council will allow payment-in-lieu of parking spaces in accordance with the Parking By-law and the *Vancouver Charter*. Council will also need to implement this decision by enacting a by-law to amend Schedule A of the Parking By-law that lists the:

- a) property affected by the waiver;
- b) extent to which the parking requirements are waived; and
- c) amount of money accepted by Council as payment-in-lieu.

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