



## REPORT

**REPORT TO:** Economic Development Committee

**REPORT FROM:** Tara Buonpensiero, Senior Planner - Policy

**DATE:** November 12, 2013

**REPORT NO.:** PDS-2013-0082

**RE:** Proposed Value for Cash-in-Lieu of Parking in the Georgetown Downtown Area  
File: D08 DO

### **RECOMMENDATION:**

THAT Report PDS-2013-0082 dated November 12, 2013 regarding a value for cash-in-lieu of parking for the Georgetown Downtown Area, be received;

AND FURTHER THAT staff propose a value of \$5,000 per parking space for cash-in-lieu of parking within the Downtown Commercial One Zone in Downtown Georgetown;

AND FURTHER THAT staff be directed to meet with the Georgetown Business Improvement Area and the Halton Hills Chamber of Commerce to discuss the proposed cash-in-lieu of parking value;

AND FURTHER THAT staff be directed to report back to Economic Development Committee with a recommended value for cash-in-lieu of parking for Downtown Georgetown based on comments received from Economic Development Committee and consultation with the Georgetown Business Improvement Area and the Halton Hills Chamber of Commerce.

### **BACKGROUND:**

Through Economic Development Report PDS-2013-0048, planning staff:

- provided an overview of the policy framework and current situation with respect to parking in the Georgetown and Acton Downtown Areas;
- recommended that a Zoning By-law Amendment be prepared to exempt existing non-residential buildings and structures in the main Downtown Areas of

Georgetown and Acton from providing additional parking when changing to another non-residential use; and,

- recommended that staff prepare a subsequent report to Economic Development Committee which proposes a value for cash-in-lieu of parking for the Acton and Georgetown Downtown Areas.

The public meeting for the above draft Zoning By-law Amendment was held on October 21, 2013. No concerns have been raised by the public or agencies, and staff have prepared a final recommendation report to Council on the Zoning By-law Amendment.

The purpose of this report is to respond to the above Council direction and provides:

- an overview of cash-in-lieu of parking;
- an overview of cash-in-lieu of parking values in a number of municipalities;
- an outline of the cost of constructing parking spaces in Halton Hills today; and,
- proposed a cash-in-lieu of parking value for Downtown Georgetown.

A separate report is being prepared which proposes a cash-in-lieu of parking value for Downtown Acton.

## **1) Cash-in-Lieu of Parking Overview and Policy Framework**

Cash-in-Lieu of parking is a commitment by the municipality to take payment from a property owner and in return provide the agreed upon parking for the property. The Planning Act states that upon payment of the required cash-in-lieu, at the request of the property owner, the municipality would provide a certificate that could be registered on title. Also, any funds collected are put in a reserve fund to be used for the development of new parking facilities or the maintenance of existing parking facilities.

Within the Town of Halton Hills Official Plan, the policy framework exists to enable Council to establish areas where payment of cash-in-lieu of required parking may be accepted. Specifically, the policies state that where a new use in the downtown area cannot accommodate the Town's parking requirements, Council may accept cash-in-lieu where the parking can reasonably be accommodated on the street or off-site (either in municipally owned or operated lots, or on other private land).

Stemming from the policy direction in the Town of Halton Hills Official Plan, the Town of Halton Hills Comprehensive Zoning By-Law includes a provision that enables an applicant to provide cash-in-lieu of parking if Council is willing to enter into an agreement with the landowner respecting the payment of cash-in-lieu of some or all of the required parking.

## 2) Cash-in-Lieu of Parking Values in Other Municipalities

In preparing this report, staff researched the amount of cash-in-lieu of parking charged by other municipalities. A summary of the information gathered is provided on Table 1. Wide variations in cash-in-lieu values were found, with the Township of Uxbridge having the lowest set value at \$2,500/space and the City of Kitchener having the highest set value at \$35,000/space. Some municipalities have different values depending on the size of the development or different values based on the land value in the vicinity of the development (City of Toronto).

One of the main reasons for the variation in cash-in-lieu value is because some municipalities include the land value in the formula, while others do not. Where the land value is one of the components used in the formulas, the assessed value of land would vary from municipality to municipality. Also, municipalities may choose a cash-in-lieu of parking value that is less than the actual land value and construction cost as an incentive to economic development in the downtown areas.

**Table 1: Cash-in-Lieu of Parking Values in other Municipalities**

Municipality	CIL Value of a Parking Space	Basis for Parking Space Valuation
Toronto	Gross Floor Area $\leq 200$ sq. m - \$2,500 Gross Floor Area $> 200$ sq. m $\leq 400$ sq. m - \$5,000 Gross Floor Area $> 400$ sq. m – [ $\$5,000 + \$(5 \times L)$ ] L= current estimated land value in \$ per sq. m	Based on current estimated cost of construction of a surface parking stall (i.e. \$5,000) Gross Floor Area $> 400$ sq. m includes land acquisition cost.
Milton	\$7,728	Not available
Hamilton	\$3,181	50% of cost to provide parking spaces (incl. land value and construction costs)
Barrie	\$15,000	Not available
Kitchener	\$35,000	Based on cost to construct a parking space in a parking structure
Township of Uxbridge	\$2,500	Not available
Cambridge	\$7,667	Not available
Whitby	\$3,000	Not available

## 3) Cost of Parking Spaces in Halton Hills

There have been two parking lots constructed in Downtown Georgetown, and one parking lot constructed in Downtown Acton since 2005. Table 2 outlines the costs of the three parking lots.

**Table 2: Cost of Parking Spaces**

<b>Parking Lot</b>	<b>Total Cost*</b>	<b># of Space</b>	<b>Cost/Space</b>
Main Street – Georgetown	\$475,000	20	\$23,750
Edith Street – Georgetown	\$1,040,000	66	\$15,758
Main St./Willow Street - Acton	\$440,000	51	\$ 8,627

\*Note – Includes construction cost and land acquisition costs provided by the Infrastructure Services Department

Differences in cost/space are attributed to different site characteristics, different paving materials used and some cost efficiency realized on larger parking lots.

Based on the recent examples of land acquisition and construction costs for parking lots constructed in Georgetown and Acton, the average cost of providing a parking space is approximately \$14,270.

**COMMENTS:**

**1) Proposed Cash-in-Lieu of Parking Value**

In proposing a value for cash-in-lieu of parking in Downtown Georgetown, the implications of the value must be considered. If the value is too low, it could result in applicants opting to not provide parking and potentially over-developing their site, while putting the onus of parking provision solely on the Town. If the value is too high, it is possible that the cost of providing cash-in-lieu of parking could have a negative impact on economic development in the downtown areas.

After reviewing the cash-in-lieu of parking amounts charged in other municipalities and reviewing the costs of the three recently constructed parking lots in the two Downtown Areas, staff are proposing that the Town adopt a value of \$5,000/parking space for cash-in-lieu of parking. This value is proposed to be applicable to the properties zoned Downtown Commercial One (DC1) in the Georgetown Downtown Area (shown on Schedule A to this Report). This value represents approximately 35% of the average cost of the land acquisition and construction value of providing a parking space. This amount was selected after consulting with the Director of Infrastructure Services, and the Town's Economic Development Officer.

Providing the option to pay cash-in-lieu of parking provides a reasonable alternative for new and expanding businesses in the Downtown Area, should they not be able to meet the parking requirements in the Comprehensive Zoning By-law, while still assisting in building a reserve for providing additional parking lots (should the need arise). In the absence of an updated parking study, it was noted in PDS-2013-0048 that there is currently sufficient parking capacity in Downtown Georgetown.

Through the recommendations of this report, staff are seeking direction to consult with the Georgetown Business Improvement Area and the Halton Hills Chamber of Commerce on the proposed cash-in-lieu of parking value, and report back to Economic Development Committee with the results of that consultation.

## **2) Implementation of a Cash-in-Lieu of Parking Process**

As mentioned previously, staff have prepared a draft Zoning By-law Amendment, which was presented to the public at a Statutory Public Meeting held on Monday October 21, 2013. The draft Zoning By-law Amendment proposes to exempt existing non-residential buildings and structures in the main Downtown Areas of Georgetown and Acton from providing additional parking when changing to another non-residential use. No concerns have been raised by the public or agencies to date, and Planning staff have prepared a final recommendation report to Council on the Zoning By-law Amendment.

Should the Zoning By-law Amendment referenced above be approved by Council, parking would only be required for the following within the DC1 Zone in Downtown Georgetown:

- Construction of a new non-residential or residential building.
- An increase in net floor area due to an expansion to an existing non-residential building.
- Conversion of a residential use to a non-residential use.

In the event that required parking cannot be accommodated on site for a particular application, the applicant can request that Council consider accepting cash-in-lieu of any required parking that cannot be provided.

Should Council adopt the Zoning By-law Amendment which exempts existing non-residential buildings within Downtown Georgetown from providing additional parking when changing to another non-residential use (as proposed through Reports PDS-2013-0048 and PDS-2013-0063), it is possible that there may be an increase in demand for parking spaces in the Downtown Areas. In light of this possible increase in demand for parking spaces and in order for a cash-in-lieu of parking program to be successful in its aim of providing funds for future parking improvements, the parking requirements included in the Comprehensive Zoning By-law must be implemented.

In light of the proposed parking exemptions for existing non-residential buildings in the Downtown Areas, it is not anticipated that requests for cash-in-lieu of parking will be frequent.

## **3) Approval, Payment and Agreements Pertaining to Cash-in-Lieu of Parking**

Decisions on the approval or cash-in-lieu of parking lie solely with Council. Should an applicant wish to utilize the cash-in-lieu of parking provision, Planning staff would prepare a report for Council's consideration. Staff would assess applications for cash-in-lieu of parking on a case by case basis, and depending on the situation, may recommend that some or all of the parking requirements of the Comprehensive Zoning By-law can be eligible for cash-in-lieu of parking.

The payment-in-lieu of parking contribution must be paid in full prior to the issuance of a building permit.

The applicant must enter into an agreement with the municipality, which exempts them from providing the approved number of parking spaces. The applicant has the option of registering the agreement on title.

Upon finalization of a cash-in-lieu value to be applicable in the DC1 Zone in Downtown Georgetown, this amount would be included in the Town's fee schedule. In addition, an administrative fee should be established to cover the cost of preparing a staff report and legal agreement.

### **RELATIONSHIP TO STRATEGIC PLAN:**

This report relates to **Strategic Direction C) Foster a Prosperous Economy**, and specifically **Strategic Objective C.6** - To maintain and enhance our historic downtowns and vibrant commercial areas to provide for shopping, services, cultural amenities and entertainment.

### **FINANCIAL IMPACT:**

Through this report staff are proposing a cash-in-lieu value for Downtown Georgetown. The Planning Act requires that funds collected through cash-in-lieu of parking be placed in a reserve fund and used for the same purpose (provision or maintenance of parking facilities).

### **COMMUNICATIONS IMPACT:**

This report will be available for review on the Town's website and at the Planning Development and Sustainability Department.

### **SUSTAINABILITY IMPLICATIONS:**

There are no sustainability implications associated with this report.

### **CONSULTATION:**

Staff consulted with the Economic Development Officer and Infrastructure Services Department during preparation of this report.

Through the recommendations of this report, staff are seeking direction to consult with the Georgetown BIA and the Halton Hills Chamber of Commerce on the proposed cash-in-lieu of parking value, and report back to Economic Development Committee with the results of the consultation.

### **CONCLUSION:**

This report has been prepared in response to Economic Development Committee's direction with respect to establishing a value for cash-in-lieu of parking for the

Georgetown Downtown Area. Based on a review of the cost of constructing recent parking lots in Georgetown, and discussions with Infrastructure Services and the Town's Economic Development Officer, staff are proposing a cash-in-lieu value of \$5,000 per parking space. This value represents about 35% of the average land acquisition and construction cost for a parking space in the Town.

Staff are recommending that consultation on the proposed cash-in-lieu of parking value be undertaken with the Georgetown BIA and the Halton Hills Chamber of Commerce. Following the consultation, staff would prepare a final report to Economic Development Committee which makes a final recommendation on an appropriate cash-in-lieu of parking value for Downtown Georgetown.

Respectfully submitted,

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