

Cash-In-Lieu of Parking Policy
City of Hamilton
(Revised March, 2021)

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Purpose

Pursuant to Section 39 of the Planning Act, the purpose of the Policy is to provide relief from the parking provisions of the Zoning By-law, by providing proponents of development the option of making a cash payment to the City. Such funds are to be used for the provision of off-street parking on a city-wide basis. The Policy will apply to all areas in the City, except for residential zones.

Applicability

The Policy could be applied to all developments and/or redevelopments throughout the City except for residential zones. Further, the Policy will be utilized provided that planning, transportation planning, parking management and traffic objectives are not jeopardized.

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Cash Payment

Payments will be made based on the estimated cost of each required parking not provided in the development and/or redevelopment. Payments made by proponents will not be less than 50% of the total cost of the parking not provided. For lands within the Downtown Secondary Plan Area, the payment made by proponents will be not less than 25% of the total cost of the parking not provided where a building permit application has been made and deemed complete prior to ~~September 1, 2022~~ May 1, 2023. The cost of each parking space will be calculated based on the following criteria:

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- estimated construction cost based on current rates; and,
- estimated land cost determined by current market value of the property.

The following formular will be used to calculate a proponent's share of cash payment in lieu of parking not provided (utilize 25% rather than 50% where applicable for the Downtown Secondary Plan Area):

- Surface Parking = $(C_1 + (L \times S_1)) \times N \times 50\%$
- Multi-level Parking = $(C_2 + (L \times S_2)) \times N \times 50\%$

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where:

- C_1 = current estimate of construction cost of a surface parking space;
- C_2 = current estimate of construction cost of a parking space in a multi-level parking structure;
- L = current estimate of land cost of a parking space based on the current market value of the lands where development and/or redevelopment is proposed;
- S_1 = size of each surface parking space including space required for aisles and driveways;
- S_2 = size of each parking space in a multi-level parking structure including space required for aisles and driveways;
- N = number of parking spaces for which cash payment is requested by the proponent; and,
- 50% = proponent's share of the total costs.

Notwithstanding the above, Council at its sole discretion may authorize a standardized, flat fee rate for specific geographic areas, generally based on the above methodology, in order to provide for ease of use.

Payments will be made in a lump sum prior to the issuance of a building permit. Payments may also be made by mutually agreed installments which will include interest. In each case an agreement will be entered into between the City and proponent. In cases when payments are made by installments, the agreement will be registered against the title of the land in the Registry Office, as a lien against the property, until discharged.

All monies will be deposited in the "Reserve Funds for Off-Street Parking" for the purposes of increasing the amount of municipal off-street parking, in the City.

General

- Cash payment in lieu of required parking spaces will not be a right, but will be an exception to the rule which may be granted by the Municipality.
- Cash payment in lieu may be made for all or part of the parking spaces required by the Zoning By-law.

- The Municipality, having accepted the cash payment option, will be under no obligation to provide parking spaces at any particular location at any particular time.
- Proponents electing to use the cash payment option will have no proprietary rights to free or reduced-rate parking, nor any equity whatsoever in any lot which may subsequently be constructed by the [City of Hamilton Parking Authority](#).

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Administration

To administer the Policy, a Cash-in-Lieu of Parking Committee will be established. This Committee will consist of a member from:

~~The Transportation Planning and Parking Division, Planning and Economic Development Department~~~~Traffic Department;~~

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~~The Hamilton Parking Authority;~~

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~~The Real Estate Section, Economic Development Division, Planning and Economic Development Department;~~

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~~The Local Planning Branch of the Hamilton-Wentworth Planning and Development Department;~~ and,

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- The ~~Chief Planner, Planning Division, Planning and Economic Development Department;~~ ~~Building Commissioner~~, who will act as Chairman.

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The Cash-in-Lieu of Parking Policy will be applied as a condition of rezoning, site plan and/or variance approvals. The rezoning ~~and site plan~~ approvals would be dealt with by the Planning ~~and Development~~ Committee, ~~site plan approvals by the Manager of Development Planning, Planning Division~~, and the minor variance approval would be through the Committee of Adjustment. This policy will also be applied when a proposed development and/or redevelopment does not satisfy the parking provisions of ~~the~~ Zoning By-law [No. 05-200](#). Further, in providing comments on Committee of Adjustment applications for parking variances, staff will recommend to that Committee that the Cash-in-Lieu of Parking Policy be utilized.

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In each case, the Cash-in-Lieu of Parking Committee will determine the cost of each parking space and require a cash payment to be paid by the proponent. The City Solicitor will prepare the necessary Agreement specifying the amount and conditions of

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payment. An Agreement will be entered into prior to the issuance of a building permit. All monies received will be deposited in the "Reserve for Off-Street Parking Account."

By adopting the Policy, Council will direct the Cash-in-Lieu of Parking Committee to determine cash payment requirements and report back through the Planning and Development Committee to Council with specific recommendations. Once Council approves the cash payments, the City Solicitor will be authorized to prepare the necessary Agreement which will specify the amount and conditions of payment.

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