



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	March 21, 2023
SUBJECT/REPORT NO:	Application for Cash-in-Lieu of Parking for Lands Located at 211-225 John Street South and 70-78 Young Street, Hamilton (PED23052) (Ward 2)
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Rino Dal Bello (905) 546-2424 Ext. 1024
SUBMITTED BY:	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

That **Cash-in-Lieu of Parking (CLIP) Application CIL-22-002 by Corktown LP, Slate Asset Management, Owner**, for a partial exemption from the parking provisions of Zoning By-law No. 05-200 for 15 of the required 409 parking spaces, for lands located at 211-225 John Street South and 70-78 Young Street, as shown on Appendix "A" attached to Report PED23052, be **APPROVED** on the following basis:

- (a) That the owner pays the Cash-in-Lieu of Parking sum of \$581,250 for each of the 15 parking spaces (\$38,750 per space) with the funds to be deposited in Account No. 115085 (Off-Street Parking Reserve Fund);
- (b) That the City Solicitor be authorized and directed to prepare the appropriate Cash-in-Lieu of Parking Agreement to be registered on title of the subject lands in accordance with Section 40 of the *Planning Act*;
- (c) That the City Clerk be authorized to provide a certificate in accordance with Section 40 (5) of the *Planning Act* when all money payable to the City under the Cash-in-lieu of Parking Agreement has been paid or the agreement has been terminated.

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EXECUTIVE SUMMARY

The applicant, Corktown LP, Slate Management has applied for Cash-in-Lieu of Parking for relief from the parking provisions of Zoning By-law No. 05-200 for 15 parking spaces associated with Site Plan Control application DA-21-112 for the development of a 27 storey residential building and a 14 storey residential building with commercial at the ground level. The development includes 744 units and 394 parking spaces across three levels of underground parking. The owner will be required to pay the Cash-in-Lieu of Parking sum of \$581,250 for 15 parking spaces, which is equivalent to a 50% payment of the total cost of \$1,162,500 for all 15 spaces.

The Cash-in-Lieu option provides an additional option for an applicant. Rather than seek a Zoning By-law Amendment of parking, they can instead request that they meet the requirement through a Cash-in-Lieu payment. Staff support the application as a contribution to Cash-in-Lieu of Parking is permitted by Zoning By-law No. 05-200, the applicant is implementing transportation demand management (TDM) measures and the proposed development is located adjacent to the transit system and supports city policies including active transportation and a pedestrian focused public realm.

Alternatives for Consideration – See Page 6

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The City's current CLIP Policy states that all funds collected will be deposited in the Reserve Fund Account No. 115085 for Off-street Parking for the purposes of increasing the amount of municipal off-street parking in the City. The City will collect \$581,250 for the Cash-in-Lieu of Parking which is equivalent to a 50% payment of the total cost of \$1,162,500 for all 15 spaces.

The City's Official Plan also provides for cash-in-lieu of parking and how the funds are to be spent through the following policy F.1.20:

"1.20.1 Where a proponent is required, under the Zoning By-law, to provide and/or maintain parking facilities, the City may require a cash payment in lieu of all or part of the parking requirements. Such funds shall be used for the acquisition of lands and/or the provision of off-street parking as deemed appropriate by the City:

- a) The acquisition of lands and/or the provision of off-street parking;
- b) Support for measures that reduce or shift the demand for parking through outreach, education and targeted programs; and,

- c) Provision of infrastructure and services that support micro-mobility including bicycles, shared bicycles, E-scooters and electric bicycles. (OPA 155)”

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

The City of Hamilton has provided developers with the option of meeting their parking requirements through a “cash-in-lieu provision” for many years. The former City of Hamilton adopted operational guidelines on how cash-in-lieu of parking payment was to be calculated in accordance with the *City of Hamilton Act*, and this policy is still in force and effect.

The applicant received Conditional Site Plan Approval (File DA-21-112) on October 21, 2021 for the subject lands. The conditionally approved site plan is for the development of a 27 storey residential building and a 14 storey residential building with commercial at the ground level. The development includes 769 residential units and 461 parking spaces across four levels of underground parking which results in a parking ratio of 0.6 spaces per unit.

Following conditional approval, the applicant indicated the cost of constructing a fourth level of parking would be costly and requested reducing the number of parking spaces. A parking justification study was submitted, providing rationale for a reduced parking ratio. Staff recommended that the applicant apply to the Committee of Adjustment to reduce the parking ratio from 0.6 to 0.55 spaces per unit since the reduction would be considered minor.

Council granted the applicant permission to apply for a minor variance and then to consider a cash-in-lieu of parking application. The applicant applied to the Committee of Adjustment (HM/A-22:64) on October 7, 2022 for a Minor Variance requesting a parking ratio reduction from 0.6 to 0.55 parking spaces per unit and a revised development of 744 residential units and 409 parking spaces.

Staff supported the reduction subject to implementation of the Transportation Demand Management (TDM) measures. The Minor Variance application was approved by the Committee of Adjustment on November 17, 2022 with the TDM measures included as a conditional, as shown on Appendix “B” attached to Report PED23052.

The applicant submitted a Cash-in-Lieu of Parking application with a further revised development which includes 744 residential units and 394 parking spaces across three

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levels of underground parking which represents a parking ratio of 0.53 spaces per unit, as shown on Appendix "C" attached to Report PED23052. The revised development reduces the number of parking spaces from 409 to 394 on site parking spaces with a parking ratio of 0.53 spaces per unit which results in the applicant requesting relief from the Zoning By-law No. 05-200 for 15 parking spaces in the form of a Cash-in-Lieu of parking payment.

The cost to construct one underground parking space was determined by the Real Estate Section at \$38,750. The estimated land value of the site is \$310 per square foot. Since the parking spaces are in a multiple storey building (in the form of an underground parking levels), the actual land value is prorated based on the proportion of parking relative to the total building. The development indicates that parking Gross Floor Area (GFA) is 13,197 square meters and total GFA is 63,583 square metres, the parking GFA is 20.7555% of the total GFA.

The calculation of the cost of the parking space is based on the formula below:

$$\text{Multi-level Parking} = (C2 + (L \times S2)) \times N \times 50\%$$

C2 = Current estimate of construction cost of a surface parking space

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.

S2 = Size of each surface parking space including space required for aisles and driveways.

N = Number of parking spaces for which payment is requested by the proponent.

$$(\$55,000.0 + (\$64.34 \times 350)) \times 50\%$$

$$(\$55,000.0 + \$22,500.0 \text{ (rounded)}) \times 50\%$$

$$=\$38,750.0 \text{ per parking space}$$

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Section 40(1) and 40(2) of the *Planning Act* allows municipalities to enter into an agreement with an owner or occupant that effectively allows for the payment of "cash-in-lieu" of any requirement.

The former City of Hamilton adopted operational guidelines on how the cash-in-lieu of parking payment was to be calculated and, in accordance with the *City of Hamilton Act*, this policy is still in force and effect.

The City's Official Plan also provides for cash-in-lieu of parking through the following policy F.1.20:

F.1.20 Cash-in-Lieu of Parking

"1.20.1 Where a proponent is required, under the Zoning By-law, to provide and/or maintain parking facilities, the City may require a cash payment in lieu of all or part of the parking requirements. Such funds shall be used for the acquisition of lands and/or the provision of off-street parking as deemed appropriate by the City:

- a) The acquisition of lands and/or the provision of off-street parking;
- b) Support for measures that reduce or shift the demand for parking through outreach, education and targeted programs; and,
- c) Provision of infrastructure and services that support micro-mobility including bicycles, shared bicycles, E-scooters and electric bicycles. (OPA 155)"

RELEVANT CONSULTATION

Staff in the following Divisions were consulted in the preparation of this Report:

- Planning and Economic Development Department, Planning Division, Transportation Planning & Parking Division, Parking Operations Section, and Economic Development Division, the Corporate Real Estate Office Section.

The above Divisions had no objections to the Cash-in-Lieu of Parking application for the subject lands and provided the evaluation amount.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The Cash-in-Lieu of Parking Committee received the submission and recommended approval of application CIL-22-002 for the following reasons:

- The need of the applicant to contribute Cash-in-Lieu of Parking for the subject lands, in accordance with the *Planning Act* is permitted under Zoning By-law No. 05-200, Section 5.1 a) ii), by the City of Hamilton;

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- The City of Hamilton Zoning By-law No. 05-200 requires 0.55 parking spaces per dwelling unit. The development is proposing 744 dwelling units which requires 409 parking spaces. The applicant is seeking relief for 15 parking spaces;
- The applicant is implementing TDM measures for the development;
- The redevelopment implements City policies that encourage the development and use of public transit, active transportation, live, work and play opportunities, a pedestrian focused public realm and is located adjacent to transit;
- The redevelopment of the property will act as a catalyst for further development in the neighbourhood; and,
- The amount of \$581,250 is based on the value of the land and the cost of construction of 15 parking spaces.

Therefore, staff recommend that Cash-in-Lieu of Parking application CIL-22-002 for lands located at 211-225 John Street South and 70-78 Young Street be approved.

ALTERNATIVES FOR CONSIDERATION

Should the application be denied, the applicant would be required to provide the 15 parking spaces in accordance with Zoning By-law No. 05-200 or reduce the number of residential units which would reduce the number of parking spaces required. The applicant could also submit an application to the Committee of Adjustment for a further reduction of the parking ratio, however staff would not support the application.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED23052 – Location Map

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Appendix "B" to Report PED23052 – Transportation Demand Management (TDM)
Measures

Appendix "C" to Report PED23052 – Concept Plan

RD:sd