

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF OCTOBER 21, 2020

Item 3, Report No. 44, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on October 21, 2020.

3. AMENDMENTS TO BY-LAW 159-2006, A BY-LAW TO IMPLEMENT A CASH-IN-LIEU OF PARKING POLICY IN THE COMMUNITY OF KLEINBURG, IN THE CITY OF VAUGHAN

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Deputy City Manager, Infrastructure Development, dated October 6, 2020:

Recommendations

1. THAT Council adopt recommendations in Attachment 1 to amend City of Vaughan By-Law 159-2006, a Cash-in-Lieu of Parking Policy in the Community of Kleinburg
2. THAT Council authorize staff to undertake any other actions required to implement the recommendations of this report.

Committee of the Whole (1) Report

DATE: Tuesday, October 06, 2020

WARD(S): 1

**TITLE: AMENDMENTS TO BY-LAW 159-2006, A BY-LAW TO
IMPLEMENT A CASH-IN-LIEU OF PARKING POLICY IN THE
COMMUNITY OF KLEINBURG, IN THE CITY OF VAUGHAN**

FROM:

Nick Spensieri, Deputy City Manager, Infrastructure Development

ACTION: DECISION

Purpose

To amend City of Vaughan By-Law 159-2006, a By-Law to Implement a Cash-in-Lieu of Parking Policy in the Community of Kleinburg, to reflect changes in the cost of constructing parking spaces since the By-Law's passing in 2006, to allow for more appropriate and sustainable contributions to the Kleinburg Parking Reserve, and to simplify the application of cash-in-lieu to development applications. The proposed amendments to the By-Law follow recommendations from the Kleinburg Parking Strategy (2020).

Report Highlights

- The current By-Law 159-2006 does not reflect the present-day costs associated with the construction of a parking space in Kleinburg
- The Kleinburg Parking Strategy (2020) recommends that By-Law 159-2006 be amended to reflect current construction costs. The amendments can result in greater contributions to the Kleinburg Parking Reserve
- The Kleinburg Parking Reserve is a funding tool the City can employ to implement improvements and solutions recommended as part of the Kleinburg Parking Strategy (2020)

Recommendations

1. THAT Council adopt recommendations in Attachment 1 to amend City of Vaughan By-Law 159-2006, a Cash-in-Lieu of Parking Policy in the Community of Kleinburg
2. THAT Council authorize staff to undertake any other actions required to implement the recommendations of this report

Background

The City of Vaughan By-Law 159-2006, a Cash-in-Lieu of Parking Policy in the Community of Kleinburg (**Attachment 2**), was enacted understanding that the Village of Kleinburg presents unique parking challenges associated with its heritage and compact built-form. It is recognized that under certain circumstances, a non-residential development application may not be able to satisfy the minimum parking standards of the Zoning By-Law. By-Law 159-2006 provides a degree of flexibility to property owners, allowing the contribution of fees in place of constructing a parking space or spaces on the subject property. The fees collected through the application of By-Law 159-2006 are then deposited in the Kleinburg Parking Reserve, which is a collection of funds used to implement general parking improvements in Kleinburg Village.

The By-Law originally passed in 2006 is yet to be amended to reflect changes in construction costs and industry standards. Following the completion of the Kleinburg Parking Strategy (2020), a recommended primary funding source and means of implementation for the emerging solutions is the application of cash-in-lieu of parking policies. The Kleinburg Parking Strategy (2020) provided recommendations that By-Law 159-2006 be amended to reflect changes since 2006, and to continue collecting funds for the Kleinburg Parking Reserve to implement general future parking improvements in the Village.

Previous Reports/Authority

Capital Budget Request to Remove or Relocate Parking Bollards in Kleinburg Village – [September 17, 2018, Committee of the Whole \(Item 19, Report No. 27\)](#)

Staff to Explore Parking Pad / Lot on the East Side of Islington Avenue, North of John Street in Kleinburg – [November 15, 2016, Committee of the Whole \(Item 24, Report No. 38\)](#)

[Kleinburg Economic Development Strategy Update \(2016\)](#)

[Kleinburg Economic Development Strategy \(2011\)](#)

City of Vaughan By-Law 159-2006, a By-Law to Implement a Cash-in-Lieu Policy in the Community of Kleinburg – [May 8, 2006, Council Meeting \(Item 118\)](#)

Analysis and Options

By-Law 159-2006 no longer reflects the current costs of constructing parking spaces and does not differentiate between parking space typologies

The construction cost assumptions and formula contained within By-Law 159-2006 have not been reviewed and updated since its passing in 2006. As such, the cost assumptions and formula are no longer reflective of current construction costs and best practices. The application of By-Law 159-2006 to date has resulted in the collection of small amounts of funds that have not been sufficient to fund larger-scale parking infrastructure improvements in Kleinburg Village. The cash-in-lieu of parking applications to date have resulted in the collection of a range of fees per parking space, but typically around \$5,000.

Updating the cost assumptions and formula will better align the cash-in-lieu of parking approach with current construction costs and best practices. Updating the cost assumptions and formula will also result in the collection of more significant funds in the Kleinburg Parking Reserve. The application of the By-Law is proposed to be unchanged, being to the portion of any property designated “Mainstreet Commercial” pursuant to Official Plan Amendment 601 (Kleinburg-Nashville Community Plan), as amended, and being used for a permitted commercial use.

The Kleinburg Parking Reserve carries a small balance that has been used to fund smaller-scale improvements in Kleinburg Village

Funds collected and deposited in the Kleinburg Parking Reserve are small and would not be sufficient to fund larger-scale improvements such as constructing public parking spaces. Funds collected to date have been used to remove bollards on Islington Avenue to create up to ten (10) parking spaces. This work was performed, extracting \$4,000 from the Kleinburg Parking Reserve.

Aligning By-Law 159-2006 with present-day construction costs will increase funds available for more significant parking improvements in Kleinburg

As more funds are deposited into the Kleinburg Parking Reserve, larger parking projects may be fundable, including future solutions that could be implemented as recommended in the Kleinburg Parking Strategy (2020). While funds collected through cash-in-lieu of parking policies may not be sufficient to construct future public parking facilities, funds

could be allocated to improving parking signage and wayfinding, pavement markings, bicycle parking, shared-mobility stations, and other local parking improvements.

The proposed amendments to By-Law 159-2006 are crafted to the Kleinburg Village context and reflect best practices of similar applications in other jurisdictions

The existing cash-in-lieu formula is based on previous best practices at the original time of passing By-Law 159-2006. The current formula also does not differentiate by parking space type and applies unanimously to all parking spaces that may be proposed as part of a development. The current formula is as follows:

$$\text{\$} = \{(P \times 40) + (S \times 28) + (L \times 12)\} \times M + \text{\$}m$$

\$	amount to be received per parking space
P	appraised land acquisition cost per square metre
40	area of a parking space, plus the area associated with a portion of the required aisles and accesses plus the area of landscaped open space
S	construction cost per square metre of a parking space
28	area of a parking space, plus the area associated with a portion of the required aisles and accesses
L	construction cost of Amenity/Landscape/Lighting per square metre
12	area of lands associated with Amenity/Landscape/Lighting
M	multiplier
\$m	recurring maintenance charge

The cash-in-lieu formula is proposed to be revised to reflect current best practices, which involves simplifying the formula. Simplification of the formula will also assist developers and Staff in applying the calculation, avoiding confusion or disagreement, and how to determine the appropriate costs associated with the formula variables. The full overview of the specific amendments proposed can be reviewed in **Attachment 1**.

The formula is proposed to be provided with two (2) variants. One variant for surface parking spaces, and one variant for structured parking. A separate structured parking formula is recommended given Kleinburg Village may experience some intensification which could introduce below-grade commercial parking. Furthermore, that the true cost of constructing multi-level parking is typically significantly greater than the true cost of constructing surface parking. The formula is proposed as follows:

Surface Parking

$$\text{\$} = \{1,500 + (P \times 23)\} \times 0.5$$

\$	amount to be received per parking space
P	appraised land value per square metre
23	area of a parking space, plus access aisles
1,500	construction cost for a surface parking space
0.5	multiplier

Structured Parking

$$\text{\$} = \{43,000 + (P \times 37)\} \times 0.5$$

\$	amount to be received per parking space
P	appraised land value per square metre
37	area of a parking space, plus access aisles
43,000	construction cost of a structured parking space
0.5	multiplier

Based on recommendations and sample applications performed through the Kleinburg Parking Strategy (2020), the formulas are anticipated to result in an approximate contribution of \$21,000 per surface space, and \$54,000 per structured space. These costs more closely reflect the true cost of constructing parking and may allow for the more considerable collection of fees for parking improvements in the Village.

Overall, the formulas and variables have been simplified and verified through background research conducted in the Kleinburg Parking Strategy (2020):

P – Based on current estimates from property value data obtained from MPAC, the current estimated appraised land value in the Village is approximately \$1,780 per square metre. As this cost is an open variable, the value will continually change to reflect market conditions. A recommended amendment to By-Law 159-2006 is that the developer or applicant provide an assessment of the land value costs per square metre, to be vetted by a third-party appraiser at the applicant's cost. This will reduce existing confusion surrounding how appraised land value is determined and who is responsible for the appraisal.

23 / 37 – The area of a parking space is proposed to be reduced from the current value. The value of 23 square metres reflects the area of a 2.7 x 5.7m parking spaces, plus a 3 x 2.7m access aisle. These dimensions reflect the minimum parking space dimensions within the Draft Comprehensive Zoning By-Law, and are dimensions commonly approved throughout the City. The spatial requirements differ for structured parking and

take into account additional elements required for constructing this type of parking space. For structured parking, the value is increased to 37 square metres.

1,500 – The estimated cost of constructing a surface parking space has been established as a set value based on researching construction costs from contemporary sources. As time progresses, Development Engineering Staff can continually review changes in the approximate cost to construct parking via the available construction cost indexes, such as the Canadian Cost Guide.

43,000 – Similarly to surface parking, the cost of constructing a structured parking space has been determined through best practice and cost index research, as well as in discussion with construction companies. This value can continually be reviewed and updated as costs may change in the future, relying on construction costs indexes. As time progresses, Development Engineering Staff can continually review changes in the approximate cost to construct parking via the available construction cost indexes, such as the Canadian Cost Guide.

0.5 – The multiplier (previously expressed as “M”), is proposed to be set as a fixed value of 0.5, or 50%. Since both the City and the applicant will mutually benefit from the application of cash-in-lieu of parking policies, an equal share of the value of a parking is placed on both parties. Currently, a multiplier of 0.1 applies to renovations, and 1.0 applies to new development. To simplify the application of cash-in-lieu of parking, and to more closely reflect the shared benefit of cash-in-lieu of parking, a value of 0.5 is proposed for all applications.

While the formula and variables generated for Kleinburg Village are unique and not entirely comparable with the application of cash-in-lieu of parking in other jurisdictions, a high-level comparison reveals that the proposed amendments are aligned with contemporary practices, including comparable municipalities within York Region.

Provincial Policy Context

Section 40 of the Planning Act, R.S.O 1990, c. P. 13 (“the Act”) provides that a municipality and an owner or occupant of a building may enter into an agreement exempting the owner or occupant from providing or maintaining parking facilities in accordance with the applicable Zoning By-law, provided that such an agreement includes the payment of money for the exemption, and sets out the terms for the payment calculation.

York Region Policy Context

Cash-in-lieu of parking is also recognized in the York Region Official Plan, which states the following:

“5.4.26 To work with local municipalities in the area of parking management, for the long-term establishment of the following within the Regional Centres:

- a) A system of municipal parking authorities to develop and/or operate shared public parking facilities;
- b) Cash-in-lieu of parking policies; and,
- c) The planning for parking by structured or underground facilities in the final phasing of all site *development*.”

City of Vaughan Policy Context

Cash-in-lieu of parking is contemplated in the City of Vaughan Official Plan (2010). Section 4.3.2.3 states the following:

It is the policy of Council:

- 4.3.2.3.1 To consider developing guidelines for cash-in-lieu of parking in Intensification Areas where it can be demonstrated that parking reductions will not have adverse spill-over impacts on surrounding areas, and where the provision of on-street or municipally provided parking can meet additional parking needs. Revenue generated from cash-in-lieu of parking would be used to support facilities for parking, transit, bicycling and walking.

Financial Impact

There are no financial impacts as a result of this report.

The amendments to By-Law 159-2006 will be implemented following their approval, and the amended By-Law will be in-effect immediately applying to any future development applications. Funds collected via the amended By-Law will be deposited into the Kleinburg Parking Reserve as currently performed.

Broader Regional Impacts/Considerations

City Staff work with the Region on development applications where there are Regional interests, or where Regional infrastructure is involved. The Village of Kleinburg is under

the review jurisdiction of the City of Vaughan, and the application of cash-in-lieu of parking policies is the responsibility of the City. The application of cash-in-lieu of parking policies is largely a local matter and will affect parking supply demand at a localized level. As such, there are no considerable broader Regional impacts associated with the proposed amendments to By-Law 159-2006.

Through the completion of the Kleinburg Parking Strategy (2020), the Region was included as a stakeholder. The Region did not indicate any concerns or objections with respect to the application of cash-in-lieu of parking policies.

Conclusion

Kleinburg Village's unique and historic built form can present challenges to development and redevelopment in satisfying minimum parking requirements of the Zoning By-Law. Kleinburg Village also can greatly benefit from public parking infrastructure and mobility improvements. Cash-in-lieu of parking policies can function as a beneficial tool to permit developers flexibility in providing commercial parking and providing the City a form of funding to continually improve public parking in the Village. The City's existing By-Law 159-2006 has not been updated since its inception, and through its application, is not reflective of existing costs of constructing parking in the Village. The Kleinburg Parking Strategy (2020) has recommended key amendments to By-Law 159-2006 to better align its policies with contemporary construction costs and practices in similar environments. Amendments to By-Law 159-2006 include updating and revising the cash-in-lieu of parking formula and variables, while largely maintaining the structure and applicability of the By-Law.

For more information, please contact: Frank Suppa, Director, Development Engineering, x8255

Attachments

1. Proposed Amendments to City of Vaughan By-Law 159-2006, a Cash-in-Lieu of Parking Policy in the Community of Kleinburg.
2. City of Vaughan By-Law 159-2006, a Cash-in-Lieu of Parking Policy in the Community of Kleinburg.

Prepared by

Paul Grove, Transportation Demand Management (TDM) Coordinator, Development
Transportation Engineering, x8857

Samar Saadi Nejad, Manager, Development Transportation Engineering, x8253

Approved by

A handwritten signature in black ink, appearing to read 'Nick Spensieri', with a long horizontal stroke extending to the right.

Nick Spensieri, Deputy City
Manager, Infrastructure
Development

Reviewed by

A handwritten signature in black ink, appearing to read 'Jim Harnum', with a long horizontal stroke extending to the right.

Jim Harnum, City Manager

By-Law Number 159-2006: Proposed Amendments

1. Delete and replace 3(a) with the following text:

Upon execution of the agreement for exemption to the parking requirements pursuant to Section 2, the owner shall pay to the City prior to the issuance of required building permit(s) for the development, redevelopment or change of use, or before any required City approvals, an amount of money in lieu of parking, using the following formula if the parking spaces to be exempted would otherwise be located at-grade or via surface parking:

$$\text{\$} = \{1,500 + (P \times 23)\} \times 0.5$$

\$	=	amount to be received per parking space
P	=	appraised land value per square metre
23	=	area of a parking space, plus access aisles
1,500	=	construction cost for a surface parking space
0.5	=	multiplier

2. Delete and replace 3(b) with the following text:

Upon execution of the agreement for exemption to the parking requirements pursuant to Section 2, the owner shall pay to the City prior to the issuance of required building permit(s) for the development, redevelopment or change of use, or before any required City approvals, an amount of money in lieu of parking, using the following formula if the parking spaces to be exempted would otherwise be located in a parking structure above- or below-grade:

$$\text{\$} = \{43,000 + (P \times 37)\} \times 0.5$$

\$	=	amount to be received per parking space
P	=	appraised land value per square metre
37	=	area of a parking space, plus access aisles
43,000	=	construction cost of a structured parking space
0.5	=	multiplier

ATTACHMENT #1

3. Delete and replace 3(c) with text requiring that applicants provide a third-party appraisal of the cost of land per square metre of the subject property as to calculate "P":

The value of "P" shall be determined or validated by a third-party land appraiser at the responsibility of the owner of the property. The owner of the property shall provide the determination or validation of the value of "P" by the third-party land appraiser to the City for the City's review and approval prior to the execution of the agreement.

THE CITY OF VAUGHAN

BY-LAW

BY-LAW NUMBER 159-2006

A By-law to Implement a Cash-in-Lieu of Parking Policy in the Community of Kleinburg, in the City of Vaughan

WHEREAS Section 40 of the Planning Act provides that where an owner or occupant of a building is required under a By-law of a local municipality to provide and maintain parking facilities on land that is not part of a highway, the council of the municipality and such owner or occupant may enter into an agreement exempting the owner or occupant, to the extent specified in the agreement, from the requirement of providing or maintaining the parking facilities, and the agreement shall provide for the making of one or more payments of money to the municipality as consideration for the exemption.

NOW THEREFORE The Council of The Corporation of the City of Vaughan hereby **ENACTS AS FOLLOWS:**

- 1) That this By-law applies to the portion of any property designated "Mainstreet Commercial" pursuant to Official Plan Amendment 601 (Kleinburg-Nashville Community Plan), as amended, and being used for a permitted commercial use.
- 2) That where, in respect of new development, additions to existing development, the conversion of all or part of a residential building for commercial uses or change of use on any land identified in Section 1 of this By-law, an owner of property is able to provide and maintain a portion but not all of the parking spaces required by the City of Vaughan Comprehensive Zoning By-law No. 1-88, as amended, the City at its sole discretion, may enter into an agreement with such owner exempting the owner from the requirement of providing or maintaining parking spaces for commercial uses to the extent that the owner is unable to do so in exchange for a payment.
- 3(a) Upon execution of the agreement for exemption to the parking requirements pursuant to Section 2, the owner shall pay to the City prior to the issuance of required building permit(s) for the development, redevelopment or change of use, or before any required City approvals, an amount of money in lieu of parking, using the following formula:

$$\text{\$} = \{(\text{P} \times 40) + (\text{S} \times 28) + (\text{L} \times 12)\} \times \text{M} + \text{\$m}$$

\$	=	amount to be charged per parking space
P	=	appraised land acquisition cost per square metre
40	=	area of a parking space, plus the area associated with a portion of the required aisles and accesses plus the area of landscaped open space
S	=	construction cost per square metre of a parking space
28	=	area of a parking space, plus the area associated with a portion of the required aisles and accesses
L	=	construction cost of Amenity/Landscape/Lighting per square metre
12	=	Area of lands associated with Amenity/Landscape/Lighting
M	=	Multiplier
\$m	=	Recurring Maintenance Charge

- 3(b) the value of “M” shall be 1 for all new construction or additions to existing buildings that increase the gross floor area.
- 3(c) the value of “M” shall be 0.1 for outdoor patios, the conversion of an existing building from a residential use to a permitted commercial use and/or the interior renovation of existing buildings provided that the conversion or renovation of an existing building from a residential to a permitted commercial or mixed use and/or the interior renovation of the existing building does not change the gross floor area of the existing building.
- 4) The use of this By-law is limited solely to commercial uses or the commercial portion of mixed use developments.
- 5) That all monies received by the City under an agreement entered into under this By-law shall be paid into a reserve fund established pursuant to Section 417 of the Municipal Act and entitled the Kleinburg Parking Reserve Fund.

READ a FIRST, SECOND and THIRD time and finally passed this 8th day of May, 2006.

Michael Di Biase, Mayor

J. D. Leach, City Clerk