

To: David Creery, Chief Administrative Officer

**From: Brad Hammond, Development Commissioner
Kerry Baird, Downtown Development Officer**

Re: Parking Payments In Lieu Of – Municipal Code Chapter 504

AIM

To amend Municipal Code Chapter 504 – Parking Payments In Lieu Of – to set a nominal cost for the cash-in-lieu payment per parking space for up to 10 required parking spaces for residential developments within the prescribed downtown area for a period of six months.

BACKGROUND

Municipal Code Chapter 504 is commonly known as the cash-in-lieu of parking bylaw. This bylaw provides owners of properties within a designated downtown area to make application to City Council providing for relief from the parking requirements under the City of Woodstock Zoning Bylaw for development proposals. An approved application resolves a deficiency in the on-site parking supply as required by the Zoning Bylaw. Authority to enact this bylaw is derived from Section 40 of the Planning Act,

This is an alternative to making application for zone change or minor variance to reduce the required parking for a development proposal, which City Council and the Committee of Adjustment often receive. As cash-in-lieu of parking is an alternative limited to downtown development, any reduction in required parking supply will generally be resolved by users parking within the downtown public parking system. A cash-in-lieu of parking payment provides funds to expand and enhance municipal parking assets downtown. This is the reason why this option is geographically limited to the downtown. Staff are generally reluctant to support zone change or minor variance deviations for parking supply deficiencies with downtown development proposals because of the cash-in-lieu of parking bylaw which requires payment for parking deficiencies.

The calculation of “cash-in-lieu of” cost per parking space under the bylaw is complex, using a formulaic approach with variables that are difficult to establish. A prime component of the calculation is the estimated land cost as determined by recent sales per square metre of retail or office commercial space within 915 metres of the proposed development. Weighting is applied to either reduce or inflate land value and parking lot or parking structure construction cost depending on the number of spaces requested in an application. However, the whole value is then divided by a factor of two which results in a halving of the cost per parking space.

This bylaw is rarely needed or used and it has been many years since this calculation was last completed.

COMMENTS

This bylaw is rarely needed as the zoning bylaw generally exempts all development in the downtown area from the requirement to provide on-site parking. However, this exemption excludes **residential developments and hotel developments**. The general downtown on-site parking supply exemption results from the city's operation of a downtown public parking system comprised of both on-street parking and off-street public parking lots. From memory, the last use of this bylaw relates to the development of the hotel on Graham Street, as this development required on-site parking under the Zoning Bylaw.

The Zoning Bylaw also includes a clause that exempts any **residential** development proposal from supplying parking in the downtown if the proposal produces a parking requirement of 10 or less parking spaces. This is the main reason that there have not been cash-in-lieu of parking requests for residential development proposals. Residential development proposals in the downtown have either met the Zoning Bylaw parking standard or required 10 or fewer spaces, which nullifies any parking requirement. There are a few examples of larger residential developments being able to assemble the land necessary to comply with the parking requirements such as 376 Dundas and 515 Main Street but neither of these projects have advanced to construction. The parking requirements for the redevelopment of the former Capital Theatre property can be achieved through an amendment to allow the first floor of the building to be parking.

It can be argued that the Zoning Bylaw provision nullifying parking requirements for a development proposal requiring 10 or fewer spaces creates a bias against larger downtown residential development projects. By way of example, a residential development proposal that requires 11 parking spaces must provide 11 on-site parking spaces but a project that requires 10 on-site parking spaces is not required to provide any.

There are several larger residential development proposals for both new construction and adaptive re-use of an existing building that are in the process of acquiring planning approvals. All these projects have deficiencies that will need a zone change or minor variance approval or approval of a cash-in-lieu of parking application. As previously mentioned, staff do not generally recommend approval of parking deficiencies through a zone change or minor variance application when the development proposal is within the cash-in-lieu of parking area. These deficiencies would not be present if the Zoning Bylaw relief for smaller residential projects also applied to larger residential projects (i.e. projects requiring 11 or more parking spaces).

Pursuant to a direction of City Council, the Planning Department is preparing a report outlining options to increase residential density within the downtown area along with amendments to the Zoning Bylaw to implement this. This review will address parking requirements and address the current discrepancy in parking requirements between small and large projects. However, the implementation of these amendments will take time given the statutory process for amending Planning instruments. A minimum of six months should be expected before there are any Zoning Bylaw changes.

A six-month window will provide applicants with the opportunity to apply for cash in lieu of parking approval at a nominal cost for each space, allowing these projects to complete the planning approval process and advance to building permit issuance. If approved City Council will receive reports for each cash-in-lieu of parking application and will have the opportunity to approve or not approve each. The cash-in-lieu of parking application fee is \$100 and we suggest a nominal cost of \$10 per parking space. The Planning Act does not allow the cost per space to be set at zero. If the application is approved, there is a requirement for a priority registration of an agreement setting out the relief from the provisions of the Zoning Bylaw. By comparison, the cost and required time to obtain a zone change or minor variance is both greater and longer than a cash-in-lieu of parking approval if the cost per space is set at a nominal amount. There is also no guarantee of success for a zone change or minor variance application, despite higher application fees and more time for the statutory process.

Capping a nominal cost per space at 10 parking spaces provides a hard limit to the relief and brings parity with the current 10 parking space relief afforded to smaller projects under the current Zoning Bylaw regulations. This is a way to assist with residential intensification in the downtown, particularly when the land assembly that is required for larger projects is difficult or impossible. There is capacity within the public parking system to support additional residential development parking needs which generally peak in evenings and overnight. A higher residential population living in the downtown is a key ingredient in downtown revitalization and the downtown needs both large and small residential developments.

This initiative supports downtown revitalization which is a Strategic Plan priority. This initiative is also supported by the City of Woodstock Housing Pledge and assists with housing affordability.

ATTACHMENTS

None.

RECOMMENDATION

That Woodstock City Council approve an amendment to Municipal Code Chapter 504 to implement a cash-in-lieu per parking space to be set at \$10 for up to 10 parking spaces required by the City of Woodstock Zoning Bylaw in residential development proposals within the area defined in Schedule "D" of this Chapter commencing October 6, 2025 and ending April 6th, 2026,

And further that the amending by-law be referred to the by-law section of the agenda.

Authored by: Brad Hammond, Development Commissioner

Authored by: Kerry Baird, Downtown Development Officer

Approved by: David Creery, Chief Administrative Officer

