

---

CITY OF KELOWNA

MEMORANDUM

---

**Date:** July 16, 2008  
**File No.:** 5480-08  
**To:** City Manager  
**From:** Transportation Manager  
**Subject:** Revision of Payment in Lieu of Parking Bylaw – Parking Management  
Report Prepared by: Jerry Dombowsky, Transportation Demand Supervisor

---

**RECOMMENDATION:**

THAT Council approve the amendments to Payment in Lieu of Parking Bylaw No. 8125 to increase the amount of payment in lieu of parking to \$22,500.00 for the Downtown Urban Centre and \$7,500.00 for the Rutland, South Pandosy, Springfield and Highway 97 Urban Town Centres;

AND THAT Bylaw No. 10053 – Amendment No. 1 to Payment in Lieu of Parking Bylaw No. 8125 be advanced for reading consideration.

**BACKGROUND:**

The Payment in Lieu of Parking Bylaw was established in August 1997, under the provision of the City of Kelowna Zoning Bylaw 8000, as a way for developers, under specified conditions, to make a payment of money to the City in lieu of providing onsite all or a portion of the bylaw parking requirements.

"In lieu of providing the required number of off-street vehicular or bicycle parking spaces where the City owns and operates a parking facility within urban centres, a property owner within an urban centre may pay to the City a sum of money equal to the number of parking spaces not provided multiplied by the applicable cash-in-lieu amount as determined from time to time by Council. The sum of money will be deposited in the parking facilities reserve fund for disposition as directed by Council. Cash-in-lieu is not permitted where compliance with Ministry of Transportation & Highways standards is required."

The City of Kelowna Downtown Parking Management Plan details scenarios where Payment in Lieu may be appropriate:

1. site limitations which would create undesirable urban design accommodations should the full complement of parking be provided on-site;
2. conservation of heritage buildings with little or no on-site parking, through re-development without costly or invasive design changes to meet current parking requirements;

More recently, a third scenario has been added:

3. to meet Transportation Demand Management goals of reducing the number of vehicles in the urban centres by encouraging employees and customers to commute via transit, walking, cycling or other non single-occupant-vehicle means.



Current payment in lieu established August 12, 1997 is \$7,500 in the Downtown Urban Centre and \$3,000 in the respective Urban Centres in Rutland, South Pandosy, and Springfield and Highway 97. The Downtown Parking Management Plan recommended that the payment amount be based upon the construction value of the type of parking required in each area. The land component is not included as it is considered a perpetual City asset that could reasonably be converted for other purposes in the future. A payment in lieu charge that reflected 75% of construction value was established when the rates were initially established in 1997.

Presently, construction cost for a downtown parking structure is estimated to be approximately \$30,000 per stall. Lot development for a surface lot in the other Urban Centres is estimated at \$10,000 per stall. A 75% application results in the recommended charge of \$22,500 for the Downtown Urban Centre and \$7,500 for the remaining Urban Centres.

**FINANCIAL/BUDGETARY CONSIDERATIONS:**

The 10 year capital plan will be impacted by the increase in revenues and will need to be adjusted accordingly.

**LEGAL/STATUTORY AUTHORITY:**

Bylaw No. 8125 to be revised.

**LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:**

Bylaw No. 8125 to be revised and enacted by Council.

**CONCLUSION:**

Recommend the Payment in Lieu of Parking charges be revised as recommended to reflect updated parking stall construction costs.

**INTERNAL CIRCULATION TO:**

- Financial Services Department
- Civic Properties

Considerations that were not applicable to this report:

**EXISTING POLICY:** N/A

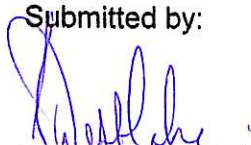
**PERSONNEL IMPLICATIONS:** N/A

**TECHNICAL REQUIREMENTS:** N/A

**EXTERNAL AGENCY/PUBLIC COMMENTS:** N/A

**ALTERNATE RECOMMENDATION:** N/A

Submitted by:



R. Westlake, Transportation Manager

Approved for Inclusion:



John Vos, P. Eng., Director of Works & Utilities

cc: Director of Financial Services  
Director of Recreation, Parks & Cultural Services/Civic Properties