

## DOWNTOWN PARKING STRATEGY POLICY REVISIONS

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### EXECUTIVE SUMMARY

Administration is recommending a policy revision to *A Parking Policy Framework for Calgary* (TP017) to enable the implementation of the revised Downtown Parking Strategy as approved in principle by Council in June 2016. The main revisions conclude the current cash-in-lieu program and allow developers to provide 100% of the bylaw required parking stalls. There will also be a voluntary reduction option for developers of up to 50% of the bylaw required parking stalls with an associated per stall fee for the reduction to support alternate modes of transportation in the Centre City and LRT parking. As part of the proposed policy revision the calculation for the per stall fee for reduction has been proposed as 90% of the average construction cost of six underground parkade scenarios designed to provide the true cost of the parking component (in 2016, this would have been \$44,070). The final steps to fully implement the revised Downtown Parking Strategy will be to make changes to the Land Use Bylaw, ARPs and any other affected policies, and to create a reserve fund for the parking reduction fee contributions no later than Q1 2018.

### ADMINISTRATION RECOMMENDATION

That the SPC on Transportation and Transit recommend that Council:

1. Replace Section 6 in *A Parking Policy Framework for Calgary* (TP017) in its entirety with the contents in Attachment 2.
2. Adopt "Appendix 2 - Parking Reduction Fee per Stall for Downtown Parking Policy" for inclusion in *A Parking Policy Framework for Calgary* (TP017) as contained in Attachment 5.
3. Direct Administration to update the Land Use Bylaw, ARPs and any other affected policies to fully implement the downtown parking strategy no later than Q1 2018.
4. Direct Administration to bring a new reserve request template for the parking reduction fee contributions generated through voluntary reductions to the Priorities and Finance Committee for approval no later than Q1 2018.

### RECOMMENDATION OF THE SPC ON TRANSPORTATION AND TRANSIT, DATED 2017 MAY 17:

That the Administration Recommendations contained in Report TT2017-0383 be approved.

### PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 June 20, Council approved report TT2016-0204 on the Integrated Downtown-TOD Parking Strategy. This included the approval of recommendation 1 "Approve the Downtown Parking Strategy Principles in Attachment 3", as well as the follow up implementation work in recommendation 2, which "direct[ed] Administration to undertake the implementation actions in Attachment 4."

The actions that are to be addressed in the report from Attachment 4 include:

- Amending Section 6.1 in *A Parking Policy Framework for Calgary* to reflect the approved policy principles.
- Determine the per stall fee for the parking reduction approach
- Review Heritage parking policies in the Downtown
- Review Short-stay parking policies in the Downtown

Approval(s): Logan, Malcolm concurs with this report. Author: Gole, Kimberly  
City Clerk's: M. Cario

## **DOWNTOWN PARKING STRATEGY POLICY REVISIONS**

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This work will complete the Council Policy components. Subsequently, land use bylaw and ARP amendments (as needed) would be completed for Q1 2018.

An approval for a deferral to May for the above implementation actions was approved by Council in report TT2017-0177 on 2017 April 10.

### **BACKGROUND**

Report TT2016-0204 proposed several changes to the existing Downtown Parking Strategy as part of the work on the Integrated Downtown / TOD Parking strategy. The main changes to the strategy were to:

- Conclude the existing cash-in-lieu program. This would allow office developments to build 100 per cent of the required office parking onsite in new developments.
- Allow for reductions up to 50 per cent below the parking requirement, so long as a financial contribution is made for each stall not provided onsite. The contributions would be used to fund both transportation capital projects in the downtown, as well as parking at LRT stations.

The office parking requirement rate of 1 stall per 140 square-metres of gross usable floor area was unchanged as part of the review.

In TT2016-0204 Council approved eight principles to transition and update *A Parking Policy Framework for Calgary*, and to guide amendments to the Land Use Bylaw (Attachment 1). These eight approved principles provide the basis for the revisions proposed for the Downtown Parking Strategy policy.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The entirety of section 6 in *A Parking Policy Framework for Calgary* has been updated as part of the policy revisions. This includes updates to the history narrative, statistics and policies. The updated policy to support the approved updated Downtown Parking Strategy is contained in Attachment 2.

#### Policy Revisions

The revisions to Section 6.1.5 (Downtown Long-Stay Parking Policies) and Section 6.1.7 (Downtown Short-Stay Parking Policies) are summarized in the tables in Attachments 3 and 4, respectively. The revisions to the policy statements are highlighted in italicized text and the approved principles guiding each proposed revision are referenced.

## **DOWNTOWN PARKING STRATEGY POLICY REVISIONS**

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The long-stay parking policies are generally reflective of the previously approved principles. Retention of the 1 parking stall per 140 square meters of gross usable floor area will continue to achieve the main objective (principle 1) of managing traffic congestion and encouraging use of other travel options (such as transit). A specific mode split target for transit is no longer necessary if the rate is maintained.

Ground and second floor parking requirements for most uses were eliminated when the CR20-C20/R20 district was adopted. The existing policy was revised to support this objective and the public, shared parking in the downtown supports these uses.

The heritage parking policy was reviewed and remains unchanged. This policy is intended to continue to provide support towards preserving heritage properties in the downtown and the specific parking mechanism to do so will be reviewed as part of the subsequent Land Use Bylaw changes to implement the Downtown Parking Strategy. Finally, a new policy (7) was added to encourage new developments to improve public access to their facilities to improve the utilization of private facilities.

The short-stay parking policy encouraging developments to provide additional stalls above their parking requirements in the downtown was reviewed as part of the policy revisions outlined above. Administration is proposing to leave the policy unchanged to provide developments the option to provide additional short-stay parking as this parking would further support retail, service, art and cultural amenities in the downtown. Additionally, some policies have been refined or removed as they have since been addressed by the commercial on-street parking policies in section 5.1.2 (adopted in 2013).

### Parking Reduction Fee Calculation

As part of the new policy, developments will be required to pay a per-stall fee for every parking stall not provided up to a maximum of 50% of the requirement. Administration analyzed two pieces of information to guide setting the fee, Centre City infrastructure expenditures and a study prepared by a consultant on the incremental construction cost per stall per level of an underground prototypical parkade. The Centre City infrastructure information is difficult to use in isolation as it doesn't directly relate back to the cost which would have been borne by the developer to build the stall. Administration determined the per stall fee for voluntary parking reductions should consider the savings to the developer realized from not constructing the parking. The fee approach recognizes the cost of building a stall while still making a meaningful contribution towards the increased demand due to the parking reduction to alternative modes of transportation and parking within the Centre City or at LRT stations. The calculation of the per stall fee based on the true cost of a parking stall approach is proposed to be added to *A Parking Policy Framework for Calgary* as an additional appendix (Attachment 5).

The per stall reduction fee is intended to make a meaningful contribution to alternate modes of transportation and parking within the Centre City or at LRT stations. Additionally, there will be no future revenue generated (previously revenue was collected from parking under the outgoing cash-in-lieu approach), so the contribution from a reduction will be a one-time capital investment. However, if the fee is greater than the developers actual cost to build the stall in

## **DOWNTOWN PARKING STRATEGY POLICY REVISIONS**

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their development scenario, the option to reduce parking will not be selected as it will not reflect any savings to the developer. To balance these three considerations, Administration is proposing that the reduction fee be set at 90 per cent of the average construction cost of a pure parking stall. For 2016 the per stall fee would be \$44,070 and will be reviewed annually.

The per stall reduction contribution split between alternate modes of transportation and parking in the Centre City and LRT parking will be calculated on the morning mode split into the downtown excluding auto trips. For 2016 the contribution split would be 90% to the Centre City and 10% to LRT parking.

### **Stakeholder Engagement, Research and Communication**

The National Association of Industrial and Office Properties (NAOIP), and the Building Owners and Managers Association (BOMA) have been engaged throughout the policy and reduction fee development process. Additionally, the Calgary Downtown Association has been engaged on the policy revisions.

### **Strategic Alignment**

The strategic alignment of the Downtown Parking Strategy changes was detailed in report TT2016-0204. Overall revisions to *A Parking Policy Framework for Calgary* will serve as a foundational element of the forthcoming update to the Calgary Transportation Plan.

### **Social, Environmental, Economic (External)**

The triple bottom line benefits of the Downtown Parking Strategy changes were detailed in report TT2016-0204.

### **Financial Capacity**

#### **Current and Future Operating Budget:**

There are no impacts to The City's current or future operating budgets as a result of this report.

#### **Current and Future Capital Budget:**

Depending on the uptake of the voluntary parking reduction, additional capital funding will be made available through the reduction fee to support corresponding capital improvements in the Centre City and for parking at LRT stations. These funds will be placed in a new reserve that is proposed in Recommendation #4.

### **Risk Assessment**

The previously approved principles have not changed through the development of the proposed policy and are able to achieve the broader goals of the Centre City area through thoughtful management of parking and traffic while facilitating a variety of transportation options. The parking reduction fee amount has been set to ensure that there are meaningful contributions to alternative modes of transportation and City provided parking in the Centre City or at LRT stations if developments choose not to fully construct their parking requirements.

## **DOWNTOWN PARKING STRATEGY POLICY REVISIONS**

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### **REASONS FOR RECOMMENDATIONS:**

The recommended revisions to *A Parking Policy Framework for Calgary* align with the approved Downtown Parking Strategy principles as approved in TT2016-0204. The proposed per stall reduction fee calculation method gives industry certainty on the cost for parking stall reductions at a reduced rate from the construction costs of a stall while supporting alternative modes of transportation and City-provided parking within the Centre City or at LRT stations. The revised policy will provide support for the necessary Land Use Bylaw, ARPs, and any other affected policy amendments, and creation of a reserve fund to fully implement the updated Downtown Parking Strategy.

### **ATTACHMENT(S)**

1. Council Approved Principles for the Downtown Parking Strategy
2. Proposed Policy Revision to Section 6 in *A Parking Policy Framework for Calgary*
3. Proposed Revisions to Downtown Long-Stay Parking Policies
4. Proposed Revisions to Downtown Short-Stay Parking Policies
5. Proposed Appendix 2 – Parking Reduction Fee per Stall for Downtown Parking Policy in *A Parking Policy Framework for Calgary*