



# The Corporation of the Municipality of Arran-Elderslie

## Staff Report

Council Meeting Date: November 25, 2024

Subject: SRCAO.2024.12 - Payment in Lieu of Parking

Report from: Emily Dance, Chief Administrative Officer

Appendices:

---

### **Recommendation**

Be It Resolved that Council hereby,

1. Receives Report SRCAO.2024.12 - Payment in Lieu of Parking
2. Directs staff to bring forward a Payment in Lieu of Parking Policy that outlines the requirements and procedure for Payment in Lieu of Parking in the Commercial Zone (C1, C2, C3 and C4)

---

### **Report Summary**

Payment-In-lieu of Parking will enable the Municipality to secure financial resources to allow for the construction, maintenance or replacement of existing parking facilities, while encouraging new development/redevelopment, and the reuse of existing buildings in the commercial zones of the Municipality where the applicant is not able to satisfy the parking requirements of the Municipalities zoning By-law.

---

### **Background**

Section 40 of the [Planning Act](#), R.S.O. 1990, c. P.13 40(1)

#### **Agreement exempting owner from requirement to provide parking**

“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, from the requirement of providing or maintaining the parking facilities.”

## **Payment of money**

40(2) “An agreement entered into under sub-section (1) shall provide for the making of one or more payments of money to the municipality as consideration for the granting of the exemption and shall set forth the basis upon which such payment is calculated.”

---

## **Analysis**

With development and re-development increasing in the urban areas of the Municipality particularly in the Commercial Zones, it can sometimes be difficult for the developer to provide the parking as required in the zoning by-law. An option for Municipalities is to enter into an agreement to accept cash in lieu of the developer providing parking in order to increase our housing capacity and to utilize underused commercial properties.

Payment in Lieu of Parking is not intended to replace or conflict with the minor variance or zoning amendment process. Council will maintain the authority to determine whether the parking requirements apply to a particular site or if it could be varied.

The payment-in-lieu option could be used in a situation where the Municipality is prepared to reduce or eliminate the parking requirement on a given site. It is not intended to be an automatic right of the developer rather it is applied at the discretion of Council only after having considered the impacts and the usefulness of applying the funds obtained to the provision of municipal parking facilities.

It is preferable for the applicant to provide on-site or some off-site parking, within close proximity to the development, to satisfy the Zoning By-law requirements of a project.

Staff is proposing the fee of \$500 for the Payment in Lieu of Parking Agreement and \$1,500 per parking space that is not provided. The payment-in-lieu of parking fee will be included in the rates and fees by-law as amended from time to time.

As per the Planning Act the Municipality must establish a Special account where all money received by a municipality under an agreement shall be paid into a special account and, the money in that account shall be applied for the same purposes as a reserve fund established under the Municipal Act, 200.

---

## **Link to Strategic/Master Plan**

6.3 Facilitating Community Growth

---

### **Financial Impacts/Source of Funding/Link to Procurement Policy**

Staff is proposing the fee of \$500 for the Payment in Lieu of Parking Agreement and \$1,500 per parking space that is not provided. The payment-in-lieu of parking fee will be included in the rates and fees by-law as amended from time to time.

Funds received will be placed in a reserve account to be used for parking lot development, maintenance and repair.

---

Approved by: Emily Dance, Chief Administrative Officer