

Shelly Peeken

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Date: May 18, 2018

City of Kawartha Lakes
Chris Marshall, Director of Development Services
26 Francis Street
Lindsay, Ontario

RE: PLAN2018-046, Parking Requirements – Re-development of 171-183 Kent Street West

Dear Mr. Marshall:

I have had the opportunity to review PLAN2018-046 and the recommendations contained therein, as it relates to cash-in-lieu of parking. **While I generally support development in the Downtown, I object to the recommendations for cash-in-lieu of parking provided in Plan 2018-046 and I request that Council vote against the recommendation.**

Specifically, I believe that the rationale and recommended methodology for calculating cash-in-lieu falls short for the following reasons:

1. The precedence argument disregards the significant differences between prior developments in the community and the proposed redevelopment project, including:
 - a. The scale of the proposed project is significantly larger than the properties referenced in the rationale;
 - b. The location of the proposed project (Downtown Lindsay) varies from two of the properties referenced in the rationale; and
 - c. The uses of the proposed project vary from the properties referenced in the rationale.
2. The value attributed to the parking spaces is arbitrary and unsubstantiated.

Recommendation

I recommend that the City adopt a different methodology for determining cash-in-lieu of parking for this proposed project. If the project includes an office component of approximately 26,000 square feet (and assuming an 85% efficiency ratio and a conservative 250 square feet per office worker), the additional number of workers that the office component alone would place on the Downtown is equivalent to 88 people. This excludes any parking demand from the grade-level retail component and visitors to the office component. On this basis, the parking requirements of the proposed project and uses would be significantly higher than the parking to be provided on-site by the Developer (ie. 67 spaces).

My recommended methodology for calculating cash-in-lieu of parking in Downtown Lindsay is as follows:

1. Determine the value of the land associated with a parking space; and
2. Add the cost to construct a parking space, considering that the City would likely have to create not only surface parking, but also additional garage parking (ie. above-grade structure).

As an example:

1. Value of the Land:

- Currently, the City is offering for sale a parcel of land within Downtown Lindsay (7 William Street South), at \$193,000, which is equivalent to \$1,103,871 per acre. Assuming that the property sells at 90% of list price, the transaction would reflect a sale price of \$993,484 per acre, or \$22.80 per square foot (PSF).

2. Cost to Construct Parking:

- Based on the Canadian Cost Guide 2017 published by Altus Group, the cost to construct surface parking spaces range from \$5.00 to \$15.00 per square foot. The cost to construct a detached parking garage (above grade) ranges from \$50.00 to \$130.00 per square foot. Notably, the costs provided by Altus do not include soft costs, such as architectural and engineering fees.
- The Town of Lindsay Comprehensive Zoning By-Law No. 2000-75, as amended, requires that a parking space comprise 2.75m by 6.7m (18.425 m², or 198 square feet), plus additional space for driveways.
- Using the above figures and for illustrative purposes, a conservative cash-in-lieu of parking calculation in Downtown Lindsay could be estimated as such:

Proposed Cash-In-Lieu of Parking Calculation - EXAMPLES

FORMULA: (Land Value PSF + Cost PSF) x Parking Space Size = Estimated Cash In Lieu \$				
EXAMPLE - SURFACE PARKING SPACE				
Calculation: (\$22.80	+ \$5.00) x 198	= \$5,504
				per parking space
			For 100 Spaces	\$550,440
EXAMPLE - DETACHED PARKING SPACE				
Calculation: (\$11.40	+ \$50.00) x 198	= \$12,157
	(Land @ \$22.80 divided by 2, assumes bi-level structure)			par parking space
			For 100 Spaces	\$1,215,720

Based on the methodologies presented in Plan 2018-046, total cash-in-lieu of parking could range from a low of \$1 to upwards of \$449,192. The recommendation provided in Plan 2018-046 to accept \$76,363 as cash-in-lieu of parking is arbitrary and insufficiently supported. **I recommend that the City consider hiring a designated commercial real estate appraiser with the Appraisal Institute of Canada to assist in the determination of the REAL cost to provide substitute parking in the Downtown.** With a sound methodology in place, the City can more readily negotiate the amount of cash-in-lieu of parking in connection with the proposed project.



The REAL cost to provide substitute parking in Downtown Lindsay should be substantiated and quantified, rather than based on arbitrary methodologies. The City has a responsibility to balance both private development and community interests. I believe that, with a sound cash-in-lieu of parking methodology in place, the City will be in a much stronger position to promote the proposed project while also ensuring that the Downtown has adequate parking for the community.

Sincerely,

S. Peeken

Shelly Peeken, AACI, P.App, B.A. (Hons.), D.U.L.E.