

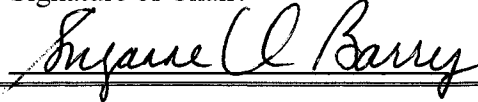
**BOARD OF SELECTMEN POLICY**

***Payment In Lieu of Parking (PILOP) Policy***

Date Approved by BOS:

February 13, 2017

Signature of Chair:



**I. PURPOSE**

The Payment In Lieu Of Parking (PILOP) policy provides criteria and a calculation for determining parking mitigation when the required number of parking spaces for a proposed project is not provided, resulting in increased pressures on the Town's supply of public parking.

**II. BACKGROUND**

All projects that do not meet the Town's parking requirements are allowed to apply for a special permit from the Special Permit Granting Authority (SPGA) to waive parking requirements in whole or in part. The approval of the special permit is at the discretion of the SPGA. There are, however, no established guidelines for approval nor a standard evaluation of the aggregated impacts of these decisions. To address this, the Selectmen's PILOP policy outlines a consistent approach to mitigate the increased demand on public parking created from certain projects that increase occupiable space but do not meet the parking requirements of the Zoning Bylaw.

The mitigation payments will enable the Town to contribute meaningfully towards the overall management of its public parking supply while not discouraging property owners and developers from redeveloping property or hindering their ability to attract a diverse mix of tenants. Developers with projects that need on-site parking can choose to either provide parking as required by the Zoning Bylaw or seek a waiver that may be granted if a mitigation payment is made that will improve public parking in the Center.

**III. APPLICATION**

The PILOP policy applies to properties within the Center Business District seeking a special permit to waive the number of parking spaces, in whole or in part, required by Section 5.1 of the Zoning Bylaw under three scenarios:

- a. An increase of new construction of more than 35 percent of the existing net floor area as defined in the Zoning Bylaws.
- b. New construction on vacant lots.
- c. The demolition and construction of a new building that exceeds the net floor area of the previous building.

The PILOP does not apply to projects that are solely internal reconfigurations or that apply for a change of use within an existing building.

#### IV. MITIGATION RATE & CALCULATION

The PILOP mitigation rate is \$10,000 per parking space applied to the calculation using the parking factor in this policy; fractional spaces will be prorated. The per space rate will be adjusted each March 1<sup>st</sup>, beginning in 2018, by the Consumer Price Index (CPI-U) for the Boston-Brockton-Nashua area for the previous calendar year.

The Assistant Town Manager of Land Use, Health, and Development will submit to the SPGA the recommended mitigation payment based on the following calculation:

- a. *New Net Floor Area.* Determine the total square footage of **new** net floor area. From the total net floor area of the proposed project subtract any previous or existing net floor area<sup>1</sup>, if applicable.
- b. *Parking Factor.* Apply a parking factor of 1 space per 325 square feet to the new net floor area regardless of the proposed use.
- c. *On-site Parking.* Reduce the number determined section “b” above by the number of any new on-site parking spaces associated with the project.
- d. *Other Parking.* If a property owner owns or leases off-site parking spaces within a quarter mile radius of the project site they may be eligible to further reduce the number determined in section “b.”. The property owner must demonstrate proof of the lease agreements, including duration, upon request by the Town.

The above PILOP calculation is strictly to determine the mitigation payment and is independent from the parking requirement number based on the Parking Table and use for the proposed project and therefore may vary from the number of parking spaces waived by the SPGA.

#### V. CONSIDERATION FOR PARKING & TRANSPORTATION DEMAND MANAGEMENT

The Assistant Town Manager of Land Use, Health, and Development, in making a recommendation to the SPGA, may consider the implementation of on-site parking and transportation demand management (PTDM) in the reduction of the total PILOP mitigation payment. The PTDM strategies should be in compliance with the *Lexington Center Parking and Implementation Plan*, which include but are not limited to: designated spaces for car share, bike share, carpool or vanpool spaces, bike parking, as well as accommodations for bike users such as lockers and shower facilities.

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<sup>1</sup> Net Floor Area is defined on page 98 in the *Lexington Zoning Bylaws*

## VI. RECORDED IN THE SPECIAL PERMIT

Upon the approval of the SPGA, the SPGA should require that the details of the PILOP mitigation be recorded as a condition of the special permit. Auditable and term-specific conditions such as leased parking, PTDM strategies, may require a time certain renewal of the special permit. Violations of the special permit are subject to enforcement and penalties detailed in Section 135-9.0 of the Zoning Bylaw.

## VII. PAYMENTS & REFUNDS

The PILOP mitigation payments are a one-time payment, due prior to the issuance of an occupancy permit unless otherwise authorized by the SPGA. There will be no refund of payments if a subsequent change of use or reduction in gross floor area results in fewer parking spaces being required under the Zoning Bylaw.

## VIII. USE OF PILOP MITIATION FUNDS

Mitigation payments will be deposited in a dedicated fund. This fund would be expended upon an appropriation by Town Meeting, under the direction of the Town Manager, and will be directed towards priority projects recommended by the Parking Management Group. Funds will be allocated towards the management, construction, and acquisition of public parking and related-improvements to reduce parking and transportation demand, including bicycle and pedestrian accommodations serving Lexington Center in accordance with the *Lexington Center Parking and Implementation Plan*. This PILOP policy shall remain in place and only rescinded with a future amendment to the Zoning Bylaw's parking requirements for the Center Business District.

Vote of Board of Selectmen on 2/13/17  
Payment In Lieu of Parking (PILOP)  
Code of Lexington, Section \_\_\_\_\_

