



Cross-jurisdictional BILD Position: Parkland Dedication

February 2021





Backgrounder: Timeline of Recent Parkland Dedication Activities

Timeline:

February 2019:
**BILD's Parkland Dedication
and Cash-in-lieu Report**

June 2019:
**Bill 108 passed, announcing
changes to allowances/
approach to parkland**

July 2020:
**Bill 197 passed, reverting
many of the parkland
changes announced in 2019**

**September 2020 –
September 2022:**
**New municipal by-laws
needed to continue to
charge the alternative
parkland rates**

December 9, 2020:
**BILD members take part in
a facilitated session to
formulate a cross-
jurisdictional BILD Policy
Position**

Background:

- To support the industry's understanding of parkland dedication and cash-in-lieu policies, in February 2019, BILD undertook a study of Parkland Dedication and Cash-in-Lieu (CIL) Policies in the GTA. The report, prepared by Altus Group Economic Consulting, presented estimates of parkland dedication and CIL dedication contributions for hypothetical low-rise and high-rise developments in municipalities across the GTA.
- The report found that for low-rise development the median CIL contribution for a 200-unit low-rise subdivision has increased from \$1.7 million (or \$8,486 per unit) in 2006 to \$6.0 million (\$29,600 per unit) in 2018. For high-rise development, these CIL contributions were also significant, ranging upwards of \$20,000 to \$30,000 per unit or more, depending on the density of the building being constructed.
- Since the release of the BILD study in February 2019, there have been significant shifts in the Provincial direction for parkland, including Bill 108 and Bill 197 Legislation.
- Bill 197 ultimately reverted back to the existing Planning Act allowance where a condition is placed on development that land in an amount not exceeding 5% of the residential land to be developed be conveyed to the municipality for park or other public recreational purposes.
- Alternatively, land may be conveyed at a rate not exceeding 1 hectare per 300 dwelling units. Municipalities may authorize payment in lieu (also known as "cash-in-lieu" or "CIL") of provision of parkland, often based on the value of the land that would have otherwise been dedicated. If CIL is provided, the amount is calculated based on the new provincial maximum rate of 1 hectare per 500 dwelling units.
- Bill 197 also meant that municipalities have a 2-year window to pass a new parkland by-law in order to continue charging alternative parkland rates (September 2020 – September 2022).
- To provide a consistent BILD position for these upcoming municipal reviews, on December 9, 2020, BILD invited its Chapter members to attend an internal consultation for Parkland Dedication in the GTA and Simcoe. The discussion was organized around three themes: scope, process, and financials. 80 members took part in this discussion and the result is the formulation of a BILD Parkland Policy Position, as follows.



Aligning Goals

- There could be opportunities to standardize core aspects of parkland processes and requirements across levels of government, which would also improve predictability. One example is expanded definitions of active and passive parkland, especially when an applicant provides public recreational opportunities, which is part of the definition of conveyance in the *Planning Act*.
- Municipal parkland dedication policies should implement Provincial, Regional, and Municipal objectives, specifically those found in the Growth Plan, Provincial Policy Statement and upper/lower tier Official Plans. As noted in the Provincial text examples below, parkland policies should not act as a barrier to increasing the supply of homes that are more affordable, or to creating opportunities for a mix of unit sizes/types, or lastly, impede the ability to achieve Provincial intensification targets.

Growth Plan Sec 1.2 - "(...) Ontario government's initiative to plan for growth and development in a way that supports economic prosperity, protects the environment, and helps communities achieve a high quality of life. The Places to Grow Act, 2005, enables the development of regional growth plans that guide government investments and land use planning policies.

Growth Plan Sec 1.2.1 - "The policies of this Plan regarding how land is developed, (...) are based on the following principles: (...) Support a range and mix of housing options, including additional residential units and affordable housing, to serve all sizes, incomes, and ages of households.

PPS 1.1.1.b. - "accommodating an appropriate affordable and market-based range and mix of residential types (including single-detached, additional residential units, multi-unit housing, affordable housing and housing for older persons) (...)"

PPS Sec 1.1.1.e. - "promoting the integration of land use planning, growth management, transit-supportive development, intensification and infrastructure planning to achieve cost-effective development patterns (...), and standards to minimize land consumption and servicing costs;"

PPS Sec 1.1.1.f. "establishing development standards for residential intensification, redevelopment and new residential development which minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety."

[NTD: We had discussed including official plan policies for York and Vaughan but after further consideration we did not include these because this is a cross jurisdiction position, so we would have to add all the policies in the GTA and Simcoe. Which would be a lot to reference. The theme of related OPs is referenced above.]



Creating a Plan

- In preparing a *Parks Plan* for municipal parkland, consider your municipality's existing parkland inventory and what new acquisitions can be reasonably maintained by the municipality. This will ensure that municipalities are not requesting more parkland than they can appropriately manage or need.
- As a part of the *Parks Plan* and a municipal *Official Plan* stage (when development areas are being approved), consider early and large land acquisitions. This would ensure that municipalities are not purchasing land at a late point in time with the highest land cost. This would also allow municipalities to demonstrate how the funds that are collected will be spent, thereby improving transparency.
- To meet the parkland needs of future residents, especially in an urban infill context, all municipalities should accept off-site parkland dedication. We recognize this is already permitted in some municipalities (i.e. the Vaughan Metropolitan Centre). This ability to provide off-site parkland dedication should not be encumbered by overly complex criteria.



Defining Parkland

- Municipalities should not restrict parkland dedication to unencumbered land and accept new forms of parkland dedication. This could be established by creating a broader definition of parkland that includes both active and passive parkland. The definition of Parkland should be expanded to include:

Active Parkland, should include:

- Urban forms of parkland should be treated as active space (including urban squares, plazas, pedestrian mews, pocket parks, POPs etc.). These spaces must be designed to be accessible and inviting to the public.
- Strata parks which permit parking below grade with public ownership of the at-grade park, should be permitted and full parkland credit should be provided for these areas. Should maintenance be required that impacts the integrity of the park, the owner would be responsible for any replacement costs.
- Trails (including multi-use trails), woodlots, and valley land.
- Parks within the greenbelt for rural settings should be recognized for parkland credit, especially when they provide public recreational opportunities.

Passive Parkland should include:

- Land which will not otherwise be developable is nevertheless capable of providing public recreational purposes for matters such as, but not limited to, trails and nature walks.
- Some consideration could also be made for amenity spaces in condominiums that have a similar function to public parkland. Examples of typical amenities include: rooftop terraces, pools, libraries, landscaped sitting areas, playgrounds and barbeque facilities, all of which significantly reduce the requirements for public off-site facilities for these residents and decrease a municipality's land needs assessment.



An Efficient Use of Land

- Conservation authorities have been strong advocates for the implementation of Low Impact Development techniques (LIDs) for some time now and municipalities have also been actively working on green development standards. As an efficient use of land, LIDs and other municipal green standards should be permitted within areas where a park is proposed. Some of these methods could include bioretention swales, underground greywater storage tanks, infiltration chambers or dry detention ponds. In fact, some of these methods were used in parks in the late 70's and 80's before the use of stormwater management ponds became widespread and did not detract from the quality of the open space. As an example, dry detention ponds can still be used for a soccer field or a baseball diamond – except in cases of a major storm event, which would prevent people from using these facilities at that time anyway.



Methodology

- Municipalities should adopt predictable methods of parkland dedication costing such as fixed rates or percentage caps. For predictability purposes, these rates should apply for a minimum 5-year term. This would help to manage the growing costs of parkland on project delivery. Consider standardizing land value rates to provide certainty for the applicant and municipal staff.
- In the application of an alternative rate, parkland dedication rates should be multi-dimensional (i.e. a sliding scale whereby the greater the density the lower the rate) to account for the variability of development types and densities (a) size: high-rise, mid-rise, low-rise (b) location/geography: infill, urban, greenfield. This multi-dimensional approach should be predictable and fair. There should also be a cap on the maximum amount of parkland which is well below the statutory maximum.

- All municipalities should incorporate the Province’s Building Blocks for Sustainable Planning – 9 in a series of 12, where it states that “Municipalities can authorize a reduction in the amount of cash-in-lieu of parkland payments if sustainability features are included in redevelopment proposals”. We understand that some municipalities have already incorporated this reduction (i.e. the Town of Orangeville). We encourage all municipalities to exercise this option and include this in their Official Plans and Parkland Policies. See Appendix A for complete details.
- Municipalities should publicize their fee schedules and any related formulas so they can be factored into the early planning stages of the development planning process.
- Municipalities should be transparent about how they plan to use parkland reserve funds in a 5-year term in a public report.
- Municipalities should not impose parkland dedication requirements for adaptive re-use/renovation projects. This should be made clear in municipal policies.



Dialogue and Decision-making

- Municipal parkland dedication processes should allow for more opportunities to have dialogue and collaborate with applicants. These open lines of communication and discussion will give applicants an opportunity to discuss key aspects of their parkland dedication such as placement, land value and alternative use opportunities – before a decision has been made.
- Once parkland decisions have been made regarding an application, BILD recommends that decision-makers and staff be very transparent about the rationale for these decisions. Municipalities should have built-in opportunities for those decisions to be openly discussed to avoid appeals.
- When the decision has been made to collect land over cash-in-lieu (CIL), municipalities should not prejudice (or discount) the collection of certain types of land over others, since the variability of land (with its topographies, micro-climates and natural diversity) is inevitable. There should also be no criteria as to what is and is not acceptable unencumbered land that is being dedicated for parkland purposes as long as it is accessible and inviting.



Collecting Parkland

- Some municipalities may choose to adopt a “land-first” approach to parkland dedication requirements. While the dedication of land may be easily feasible in a greenfield context, it can be very challenging in an urban or infill context. To achieve this objective, it is best when our members are made aware of the municipality’s needs upfront, through municipal reporting and through any pre-consultation discussions. This will allow our members to plan sites appropriately.
- Where a “land-first” approach cannot be achieved, municipalities should accept cash-in-lieu and/or off-site dedications. Members should have the ability to discuss with the municipality what options are available and what decision is mutually beneficial.



Timing of Collection

- Where a plan of subdivision or condominium is being approved, the municipality should take land or CIL as a condition of approval, and not delay it to the building permit stage. This will help to lower land costs for municipal parkland acquisitions. This will also help to ensure that that parkland is provided early as a best management practice.

REDUCTION IN PARKLAND DEDICATION PAYMENTS

(s. 42 (6.2) and (6.3))

For More Information

Ministry of Municipal Affairs and Housing Website:
ontario.ca/mah
ontario.ca/e-laws
 or contact your nearest Municipal Services Office (MSO):

Central MSO

777 Bay Street, 2nd Floor
 Toronto ON M5G 2E5
 General Inquiry:
 416-585-6226
 Toll Free: 800-668-0230

Eastern MSO

8 Estate Lane, Rockwood House
 Kingston ON K7M 9A8
 General Inquiry:
 613-545-2100
 Toll Free: 800-267-9438

Northeastern MSO

159 Cedar Street, Suite 401
 Sudbury ON P3E 6A5
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 705-564-0120
 Toll Free: 800-461-1193

Northwestern MSO

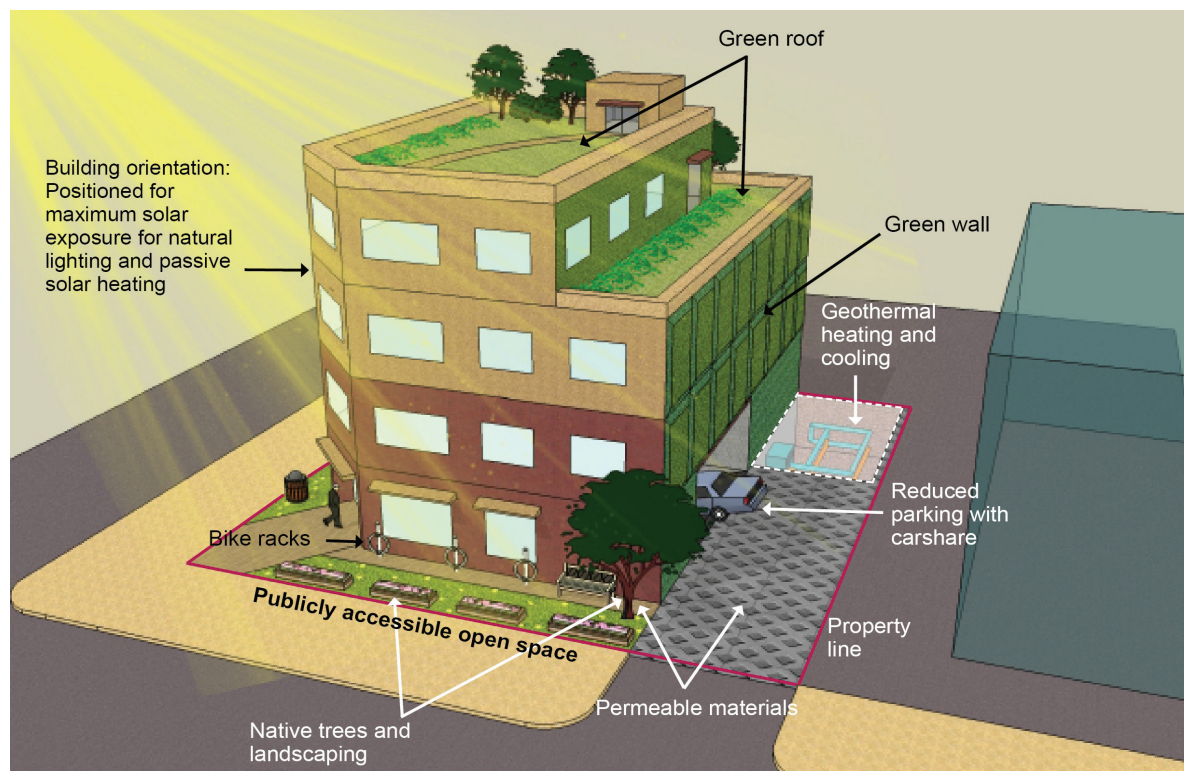
435 James Street South, Suite 223
 Thunder Bay ON P7E 6S7
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 807-475-1651
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659 Exeter Road, 2nd Floor
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 519-873-4020
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DISCLAIMER

This sheet deals in summarized and conceptualized fashion with complex matters that reflect legislation, policies and practices that are subject to change. All illustrations represent hypothetical scenarios of the application of various tools. For these reasons, this fact sheet should not be relied upon as a substitute for the relevant legislation, regulations and policy documents, or for specialized legal or professional advice when making land-use planning decisions.



Description of Tool

- Municipalities can authorize a reduction in the amount of cash-in-lieu of parkland payment if sustainability features are included in redevelopment proposals
- Optional tool, requires official plan (OP) policies
- Only applies where on-site parkland cannot be dedicated in redevelopment proposals

Implementation

- Municipalities must adopt OP policies and by-laws for the conveyance of land for park purposes and for cash-in-lieu payments
- Additional OP policies and by-laws are required to permit the reduction of cash-in-lieu payments for specified sustainability criteria, including:
 - Where this can be applied
 - Sustainable elements that will be credited
 - Exact cash value equivalent for each sustainable design element

Benefits

- May be a financial incentive to improve the sustainability of a redevelopment proposal
- Can support water conservation, air quality improvements and management of stormwater runoff
- Can promote energy conservation and efficiency of a redevelopment proposal

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