

## **REPORT**

**REPORT TO:** Chair and Members of the Community and Corporate Affairs Committee

**REPORT FROM:** Kevin Okimi, Manager of Parks and Open Space

**DATE:** October 26, 2018

**REPORT NO.:** RP-2018-0027

**RE:** Proposed Interim Amendments to Parkland Dedication Requirements for Medium and High Density Sites

### **RECOMMENDATION:**

THAT Report No. RP-2018-0027, dated October 26, 2018, with respect to the Proposed Interim Amendments to Parkland Dedication Requirements for Medium and High Density Sites, be received;

AND FURTHER THAT the Community Affairs Committee recommend that Council approve the proposed amendments to the Parkland Dedication Bylaw 2002-0152 as contained within Appendix A of Report RP-2018-0027;

AND FURTHER THAT the staff be directed to prepare an amending bylaw as contained within Appendix B of Report RP-2018-0027 to update the Parkland Dedication Bylaw 2002-0152, in order to implement a cap of \$11,000 per unit for medium and high density developments as outlined in Report RP-2018-0027 until December 31, 2019;

AND FURTHER THAT staff report back on the recommendations of the consultant review of the Medium/High Density Parkland Dedication Policies regarding any further recommended changes to policies and procedures.

### **BACKGROUND:**

The Planning Act and the Town's Official Plan include provisions for Municipalities to require Parkland Dedication or Cash-in-Lieu of Parkland where appropriate, when development occurs in a Municipality. The requirements are detailed in the Town's Official Plan and Parkland Dedication Bylaw (2002-0152).

The Official Plan and Parkland Dedication bylaw outline a standard of 1 ha per 300 units for parkland dedication for Medium and High Density residential developments, or an alternative standard of 1 ha per 500 units if Cash-in-Lieu of Parkland is to be paid.

During staff's review of recent medium and high density planning applications, issues emerged with respect to the CIL of Parkland amounts and processes. The amount calculated was found to be significantly higher than historic amounts. As a result of this, staff retained a consultant to undertake a comprehensive review of the procedures and processes.

## **COMMENTS:**

The purpose of this report is to seek Council direction for staff to prepare an amending interim bylaw to the Parkland Dedication Bylaw, based on the preliminary result of the consultant's review.

The CIL of Parkland for the recent high and medium density developments have been calculated based on the appraisals obtained by Town staff, resulting in CIL of parkland amounts as high as \$35,000/unit. In some cases, the equivalent land required would be equal to the total size of the development parcel. Staff note that this amount calculated is considerably higher than any other CIL of parkland payments made by other medium and high density developments historically. The highest per unit CIL of parkland required in the past for Medium/High density (MD/HD) projects has been \$9,324 per unit in 2018 for a Medium Density Townhouse Development in Acton. Consent applications have paid CIL of Parkland amounts from \$10,000 to \$16,000 per unit.

## **Preliminary Consultant Findings:**

In order to confirm a fair and defensible CIL approach, the Town retained the Planning Partnership/N. Barry Lyon Consultants to review the Town's Medium/High Density Parkland Dedication requirements. This work is not finalized, however given there are various medium and high density projects under review by the Town where this issue will be encountered, staff are recommending that Council consider implementing an interim amending bylaw until the broader practices and policies can be finalized. The review includes review of other municipal practices, and a financial analysis of different development scenarios modeled after local developments. This review would allow staff and Council to better understand the implications of the CIL of Parkland amount on the viability of medium and high density projects. The preliminary information received from the consultant suggests that projects with heritage factors and brownfield/servicing issues are more sensitive to the impacts of municipal fees including CIL of Parkland, as these project costs impact industry standard profitability thresholds. Further, Council should consider capping as an incentive to encourage development in key areas such as Downtown, or CIP areas where complex projects are more common. The consultant recommends on a preliminary basis that the cap should be in the range of 25% of the total land area/value which they believe is supportable.

The consultant and staff also reviewed rates in other municipalities. The rates range from as low as \$4,050 per unit (cap) to the full amount. Where caps have been used, the municipalities who have updated their rates most recently have implemented a range from \$6,000 to \$10,000 per unit, or 20% to 25% of the total area depending on

local market conditions. It is noted however, that there is no consistent standard across municipalities with regards to what cap amount is implemented; it is primarily based on Council's desire to incentivize developments in key areas.

#### Parkland Supply / CIL of Parkland Reserve:

Council should be aware that based on the current Official Plan standards for parkland supply, the Town would have a projected deficit of parkland by 2031, even after the parkland planned in Vision Georgetown area is acquired. While these standards are also under review through the Parkland Acquisition Phase 2 Study, the deficit would likely remain at least 55 ha (136 acres) by 2031 even if Council were to adopt newer standards which are being considered. A large portion of the Downtown core also has a deficit of parkland, as there is no parkland which is accessible without crossing Main Street. The balance in the Parkland Reserve (as of September 2018) was \$4.9 million.

#### Staff Recommendation:

Based on the preliminary consultant findings and internal review, staff recommends that an interim amending bylaw be implemented that would institute a cap on CIL of Parkland of \$11,000 per unit for medium and high density developments in the following areas, as shown on the applicable Town of Halton Hills Official Plan Schedules:

- i. Downtown Georgetown
- ii. Downtown Acton
- iii. Brownfield Sub-Areas as identified in the Town of Halton Hills Community Improvement Plan;
- iv. Georgetown Community Node;
- v. Go Station Area; and
- vi. Civic Centre District.

Staff also recommends that this cap be applied to the Brownfield Sub-Areas as identified in the Town of Halton Hills Community Improvement Plan.

Should Council wish to apply this cap to other medium and high density properties outside of the areas noted above, an amendment would be required to the Parkland Dedication Bylaw to designate additional areas, and include them in the areas where the cap would apply.

The rationale for this recommendation is as follows:

- The cap would provide an incentive to development in the priority infill areas identified by the Town through the Official Plan and Secondary Plans;
- The cap would provide an incentive for high priority sites with significant Heritage features and complex servicing requirements within the priority areas by providing some relief of the CIL of parkland amount;

- The cap would provide an incentive for Brownfield sites that would not otherwise be eligible for CIP reduction for Brownfields because of lack of parkland in the area;
- The proposed cap is generally consistent with recent caps implemented in other municipalities and with the consultants preliminary recommendation (25% cap);
- The proposed cap is generally consistent with the maximum per unit for HD/MD paid in Town for other projects, particularly when inflation and local market conditions are considered;
- The proposed cap represents a lower rate per unit than Single Family Consent applications (lower occupancy in MD/HD units).

Staff recommends that the cap be approved only until December 31, 2019 pending the outcomes of the final consultant review. Staff would review and update the per unit caps based on general land value trends annually.

Staff will report back to Council once the consultant work is finalized, regarding any other proposed changes to policies and procedures regarding Parkland Dedication that arise out of the overall review by the consultant. These changes may require further amendments to the bylaw and/or the Official Plan Parkland policies.

The By-law amendment was developed working with the Town's legal counsel for major development files, Thomson, Rogers. A copy of the existing By-law with changes noted is included as Appendix A. The draft of the amending by-law is included as Appendix B.

## **RELATIONSHIP TO STRATEGIC PLAN:**

This report relates to the following Corporate Strategic Plan objectives

- A.1. To promote an adequate supply of housing and range of housing choices to meet the needs of present and future residents, including affordable, accessible and seniors housing.
- A.7 To establish a greenspace network for the recreational use of residents that complements the Natural Heritage System.
- A.8 To recognize that a healthy community is made up of an interconnected system of open spaces and natural heritage features.
- G.10 To promote intensification and affordable housing in appropriate locations within the Town.
- G.11 To ensure the efficient use of urban land and infrastructure in existing communities and new growth areas.

**FINANCIAL IMPACT:**

If Council approves the interim by-law cap amounts, the amount of cash-in-lieu of parkland collected will be reduced from the maximum that could be collected under the Planning Act, the Official Plan, and the current Parkland Dedication Bylaw. However, it would remain consistent with the amounts typically collected in Town in the past for medium density developments.

**CONSULTATION:**

Staff from the CAO's office and Planning and Sustainability Department, as well as the Town's Legal Counsel were involved in preparing this report.

**PUBLIC ENGAGEMENT:**

No specific public consultation has taken place at this time regarding these proposed amendments.

**SUSTAINABILITY IMPLICATIONS:**

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The report's recommendations are not applicable to the Strategy's implementation.

**COMMUNICATIONS:**

If Council supports the recommendations of this report, staff will advise representatives of any Developments affected by this change of the updates to the by-law.

**CONCLUSION:**

This report is provided to Council to receive direction on proposed interim amendments to the Parkland Dedication Bylaw, arising from issues emerging from recent medium and high density developments. Staff recommends a cap of \$11,000 per unit until December 31, 2019 be implemented.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "Kevin Okimi".

Kevin Okimi, Manager of Parks & Open Space

A handwritten signature in black ink, appearing to read "Warren Harris".

Warren Harris, Commissioner of Recreation and Parks

A handwritten signature in black ink, appearing to read "Brent Marshall".

Brent Marshall, CAO