

# **Town of Markham Parkland Dedication By-law and Policy Review**

**STATUS UPDATE**  
**Development Services Committee**  
**March 20, 2012**

## The Team

**The Planning Partnership** team includes:

- Greenberg Consultants Inc. – National and international experience with urban park hierarchies;
- N. Barry Lyon Consultants Ltd. – Fiscal analysis;
- WeirFoulds – Municipal legal advisors; and,
- Integris Real Estate Counsellors – land appraisal services.

## Purpose of this Study

To conduct a review of Markham's current policy and practices for Parkland

Dedication:

- Review and critique of Town's current practices
- Examination of specific high-density case studies in Markham
- Comparison of Markham's policy with policies of other municipalities
- Prepare the required empowering Official Plan policies for inclusion in the new OP
- Prepare a Parkland Dedication By-law and Policy incorporating improvements to process and application

### Consultation Process

- One-on-one meetings with Councillors (ongoing)
- Presentation and discussion with developers' group and BILD
- Meeting with key Town staff involved in the Parkland Dedication process
- Meetings with Cornell, Markham Centre and Milliken Advisory Committees
- Three (3) presentations to Development Services Committee

## What we have heard so far - Council

- Markham has done a good job securing and maintaining parkland in its more suburban context
- A feeling that more parkland is required
- General recognition that securing and maintaining an urban park system requires a different approach
- A basic direction that Markham should achieve the maximum amount of parkland that it is entitled to under the Planning Act
- An understanding that other tools, such as Section 37 and Development Charges will have a role in how an urban park system will be achieved

### What we have heard so far – Developers

- Urban development requires context specific parkland dedication policies
- The cost of cash-in-lieu payable to the Town may render some higher density projects financially unviable
- Cash-in-lieu policies may be viewed as a disincentive for higher density developments
- The Planning Act is not an “entitlement” to parkland. The municipality must justify its approach to parkland dedication/cash-in-lieu
- The Toronto approach is desirable

### What we have heard so far - Overall

A strong desire to work collaboratively to achieve an approach to park system development, and parkland dedication protocols that is:

- Appropriate – delivers a great parkland system that is appropriate for urban, suburban and rural Markham
- Equitable – is fair and reasonable to all the stakeholders, including the Town, the development industry and the existing and future residents of the Town
- Consistent – is applied equally and fairly to all applicants without the need for individual deal-making, or site-specific adjustments
- Long-Lasting – will serve the Town well over the coming 10 to 15 years, without the need for constant amendments

## The Legislative Environment

Authority comes from Ontario Planning Act, Sections 42 and 51.1

- A maximum of 2% of land area in the case of commercial or industrial development
- A maximum of 5% of land area, in the case of all other types of development
- Alternatively, for residential development, land be conveyed at a maximum rate of 1 hectare for every 300 dwelling units

These rates are identified as maximums in the Planning Act. Municipalities may also accept cash-in-lieu of a parkland dedication



## The Official Plan

- The current Official Plan policies for parkland planning are very comprehensive
- The Town does park planning on the basis of achieving the target of 3.0353 hectares per 1000 people (S.3.9.3 f):
  - 1.2141 ha/1000 for Neighbourhood Parks
  - 0.8094 ha/1000 for Community Parks
  - 1.0118 ha/1000 for Town Parks
- The policies empower the Town to acquire parkland through dedication in accordance with the maximums identified in the Planning Act (S.3.9.4 c i))
- The Town can prepare a Parkland Dedication By-law that varies the approach to parkland dedication by density designation (S. 3.9.4 a))

## The Official Plan

- Section 42, subsection 6.2 of the Planning Act permits the Town to reduce the cash-in-lieu of parkland payment if prescribed sustainability criteria are met. A new, empowering policy with sustainability criteria is required to permit the Town to exercise this opportunity
- At this point, a major Amendment to the Parkland Policies is not recommended, with the following exceptions:
  - A general wording review to enhance readability;
  - The addition of empowering policies to implement Section 42, subsection 6.2 of the Planning Act; and,
  - Enhancements to S.3.9.3 a) and f) by the inclusion of additional urban park categories to the parkland hierarchy of the Town.

### Current Markham Practice

- Markham By-law 195-90 authorizes the Town to obtain land for parks
- In 1994 the Official Plan was amended to allow for the 1 ha per 300 dwelling units alternative provisions, as provided in The Planning Act
- Under the current OP policy, there is a minimum requirement of 5% of the land area, and a maximum contribution of 1.2141 ha per 1000 persons required in calculating neighbourhood parks component for residential development
- This approach provides relief to higher density forms of residential development. For example:
  - If the average household size in an apartment is 1.65 ppu, then the parkland dedication requirement is the equivalent of 1 ha per 606 dwelling units;
  - If the average household size in a detached dwelling is 3.33 ppu, then the parkland dedication requirement is the equivalent of 1 ha per 300 dwelling units

## Current Markham Practice

It is the Town's current practice:

- For low density neighbourhoods, historically the 5% of the land proposed for residential development and 2% for industrial/commercial development are used for calculating the required parkland dedication
- For medium and higher density residential development, the lesser of the 1 ha/300 dwelling units, or 1.2141 ha/1000 population is applied
- For mixed-use buildings that include a high density residential component and a retail commercial component:
  - the lesser of the 1 ha/300 dwelling units, or 1.2141 ha/1000 population for the residential component; PLUS,
  - 2% of the land proposed for development for the retail commercial component

## Current Markham Practice

It is the Town's current practice:

- For mixed-use buildings that include only retail and/or commercial office space, 2% of the development parcel land area is used for calculating the required parkland dedication
- To develop separate, area specific parkland dedication, delivery and funding agreements for Secondary Plan Areas, and one is pending for Markham Centre
- Overall, the Town provides medium and higher density development with two key beneficial parkland dedication benefits:
  - It requires residential dedications at less than 1 hectare/300 dwelling units, depending upon household size; and,
  - It caps that dedication requirement for residential uses

## What's Going on in the GTA?

- BILD (Building Industry and Land Development Association) recently completed a survey of municipal Parkland Dedication and Cash-in-Lieu By-Laws and Policies
- The survey looked at 26 municipalities across the GTA
- The survey compared land dedication rates, cash-in-lieu calculations and land appraisal methodologies, potential exemptions and any additional costs associated with the conveyance process

## What's Going on in the GTA?

### Brampton

- Currently undertaking a review of its parkland dedication by-law
- Recently adopted an increase to its cash-in-lieu provisions, with transitional rates based on:
  - Land Use Type;
  - Price per Acre (day before Draft Plan Approval); and/or,
  - Per Unit Rate (based on factor of 1 ha/300 dwelling units)
- Proposed policy amendments are also considering specific dedication rates for medium and high density development at 0.06 ha and 0.25 ha per 300 dwelling units respectively

## What's Going on in the GTA?

### Toronto

Utilizes an Alternative Rate for lands within “parkland acquisition priority areas”:

- Generally 0.4 ha per 300 dwelling units
- Sites less than 1 ha: parkland will not exceed 10% of development site (cash-in-lieu cannot exceed 10% of the value of development site)
- Sites 1 ha to 5 ha: parkland will not exceed 15% of development site (cash-in-lieu cannot exceed 15% of the value of development site)
- Site greater than 5 ha: parkland will not exceed 20% of development site (cash-in-lieu cannot exceed 20% of the value of development site)



## What's Going on in the GTA?

### Vaughan

- Uses a fixed unit rate of \$4,100 for calculating cash-in-lieu for high density developments

### Mississauga

- Established provision that the value of land for medium/high density development may be calculated at less than market value “in accordance with such formula as contained in any policy that may be approved by Council”
- Utilize various land valuation methods – where the 1 ha/300 dwelling unit approach is used, market value is estimated using a City-wide land average of medium density residential lands in order to encourage higher density residential development

## What's Going on in the GTA?

### Oshawa

May utilize alternative rates for the purposes of calculating cash-in-lieu, as follows:

- 0.15 ha per 300 dwelling units for net residential density of 101 units/ha or greater on lands within the Main Central Area, Sub-Central Area or Community Central Area
- 0.30 ha per 300 dwellings units for net residential density of 52 units/ha or greater on lands within the Central Business District, Main Central Area, Sub-Central Area or Community Central Area

### Richmond Hill

- Uses a fixed unit rate of \$10,000 per dwelling unit for calculating cash-in-lieu

## Next Steps

- Presentation to DSC **March 20, 2012**
- Draft Background Report will be complete for March 31, 2012
- Consultations will continue with advisory committees, etc. through April-May 2012
- Recommendations will be formulated, draft by-law/policies prepared for presentation to DSC in May 2012
- Based on input, revisions will be made as necessary and a final report provided to DSC in June 2012

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