

## memorandum

Item #

Report No. \_

DATE:

MAY 13, 2015

TO:

**HONOURABLE MAYOR & MEMBERS OF COUNCIL** 

FROM:

HEATHER WILSON, INTERIM COMMISSIONER OF

LEGAL & ADMINISTRATIVE SERVICES/CITY SOLICITOR

JOHN MACKENZIE, COMMISSIONER OF PLANNING

RE:

**COMMUNICATION - COUNCIL MEETING - MAY 19, 2015** 

REPORT NO. 20, ITEM 23, COMMITTEE OF THE WHOLE, MAY 05, 2015

COMMENTS TO THE MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

BILL 73 - SMART GROWTH FOR OUR COMMUNITIES ACT, 2015

AN ACT TO AMEND THE DEVELOPMENT CHARGES ACT, 1997 AND THE PLANNING

**ACT** 

## Recommendation

The Commissioner of Planning and Interim Commissioner of Legal & Administrative Services / City Solicitor, in consultation with the Acting Director of Policy Planning and Director of Development Finance & Investments, recommend:

- 1. That this communication be received for information and be considered in conjunction with the earlier staff report and attachments; and
- 2. That the Ministry of Municipal Affairs and Housing, Provincial Planning Branch be advised that the City of Vaughan does not support the proposed Planning Act amendment to change the Cash In Lieu alternative rate to 1 Ha per 500 units for the payment in Lieu of parkland.

## Background

At the May 5, 2015 meeting of the Committee of the Whole, staff provided a report with recommendations regarding the proposed amendments to the Planning Act. Recommendation 2 of the staff report noted:

That staff provide a Communication to the Council meeting of May 19, 2015 providing further articulation of the City's response to the Bill 73 amendments to the Planning Act in respect of the calculation of Cash in Lieu of Parkland and use of the Alternative Parkland Dedication Requirement; and other matters as may be appropriate.

Following preparation of the Committee of the Whole report, staff continued to review the proposed amendments of Bill 73 respecting the calculation of Cash In Lieu of Parkland (CIL) and use of the alternative Parkland Dedication requirements, and provide the following information to assist Council with finalizing the City's response to the Ministry of Municipal Affairs and Housing, Provincial Planning Branch. The following potential impacts to the City of Vaughan have been identified:

1. The proposed amendments will require City By-Law 139-90 (A By-law that requires the conveyance of land for park or other public recreational purposes as a condition of development or redevelopment) to be amended to reflect the new proposed alternative rate of 1 Ha per 500 Units for the Payment in Lieu of parkland. This change will reduce the City's ability to collect CIL by approximately 40%. The collection of Parkland through dedication will remain unchanged, at a rate

of 1 Ha per 300 Units. This change may lead to developers disputing the City's requirement to provide physical parkland, since there is an incentive to provide the lower CIL cash payment rate than the conveyance of parkland rate;

- 2. From a long term financial planning perspective, this legislative change will have a severe negative impact on the City's parkland acquisition strategy. It is difficult to estimate an exact financial impact on the parkland provision, however the range of magnitude could be as high as \$80 to \$100 Million until build out;
- 3. The Active Together Master Plan (ATMP), the City's strategic plan for Parks, Recreation and Libraries, recommends a City-wide active parkland provision target of 2.2ha/1000 population to ensure that a suitable level of service is provided to Vaughan residents and user groups. The proposed amendments would significantly reduce the City's ability to meet this provision target which would result in the current City-wide deficit of parkland increasing at a faster rate than proposed in the ATMP.
- The reduction of CIL collections under the proposed new rate would negatively affect the City's ability to acquire tableland parkland City-wide, especially in areas that have been identified as being deficient in active parkland;
- 5. The impact of a reduced alternative rate of 1 Ha per 500 Units for the Payment of CIL of parkland would primarily be seen in new high density/intensification areas identified in the new VOP 2010, leading to a decrease in the taking of parkland and CIL through the development process;
- 6. The City's consideration to use CIL funding for improvement of existing parks in areas of high density development would be also be substantially impacted by the proposed reduction in CIL revenue. Additionally, the provision of parkland in new high density communities (VMC, VMCSP, Steeles and Yonge Corridor, etc....) may be reduced due to the fact that the CIL collected will not be sufficient to acquire parkland in these development areas;
- 7. The proposed amendments will require amendments to the City's Official Plan VOP2010 Parkland Dedication Policies 7.3.3. which were approved by both Vaughan City Council and the York Region Council, but are currently under appeal; and
- 8. Other sources of funding will be required to meet the City's parkland needs. In order to sustain the current levels of service, the City may need to consider use of property taxation or, alternatively, consider a reduced level of parkland service.

## Conclusion

Through the use of the current Planning Act parkland standards, the City has managed to receive parkland and the collection of monies in lieu of parkland through the development process at a rate sufficient to meet the basic parkland needs of City residents and user groups, but not sufficient to satisfy the City's current parkland provision target of 2.2 Ha per 1000 residents. The proposed amendments in Bill 73 would require the City to consider other sources of funding (i.e. property taxation) to sustain parkland service levels. It is estimated that the amendments to the Planning Act through Bill 73 will further reduce the City's CIL collection by approximately 40% should the proposed alternative rate of 1 Ha per 500 Units be approved. In addition, there has been no justification shared with municipalities that would provide the basis on how the changes to the alternative rate was determined, which will have implications to the City's ability to achieve the target parkland provision standards outlined in the ATMP and VOP 2010. Further clarification on the rationale for the proposed rate change is required. Based on staff's analysis, it is recommended that the proposed changes to the CIL payment and use of the alternative rate of 1 Ha per 500 units not be supported by Council.

Respectfully submitted,

**HEATHER WILSON** 

Interim Commissioner of Legal & Administrative Services/City Solicitor

JOHN MACKENZVE Commissioner of Planning

<u>Attachment</u>

N/A

Copy to: Steve Kanellakos, City Manager

John Henry, Commissioner of Finance and City Treasurer Jeffrey A. Abrams, City Clerk Jamie Bronsema, Director of Parks Development