

**Legend**

- Local Roads
- County Roads
- Provincial Highway
- Railway
- Essex County Municipalities
- Settlement Areas
- Lot Fabric



# Parkland Dedication Consultation Session

County of Essex Municipalities  
April 4, 2024

# Agenda



- Introductions
- Legislative Overview
- Impacts of Bill 23
- Current Policies and Practices
- Proposed Policies and Practices
- Next Steps
- Questions

# Parkland Dedication Analysis - Purpose



- Allows municipalities to grow their park systems in tandem with their community, providing essential parkland for their residents.
- Under the Planning Act, dedication of parkland may be required for development and redevelopment
- Changes to the legislation via Bill 23 have reduced a municipality's ability to recover parkland/PIL



# Why Review Parkland Dedication Policies?



- Based on targets set out in the parks and recreation master plan or other documents, there may be a significant financial impact in achieving these targets
- In light of discounts and exemptions applied to other revenue tools (e.g. Bill 23 and development charges), maximizing recovery of parkland dedication will reduce impact on taxpayers
- A Parkland Dedication By-law is required to utilize the alternative rates for dedications or payment-in-lieu

# Municipalities Updating their Parkland Dedication Policies and/or By-law

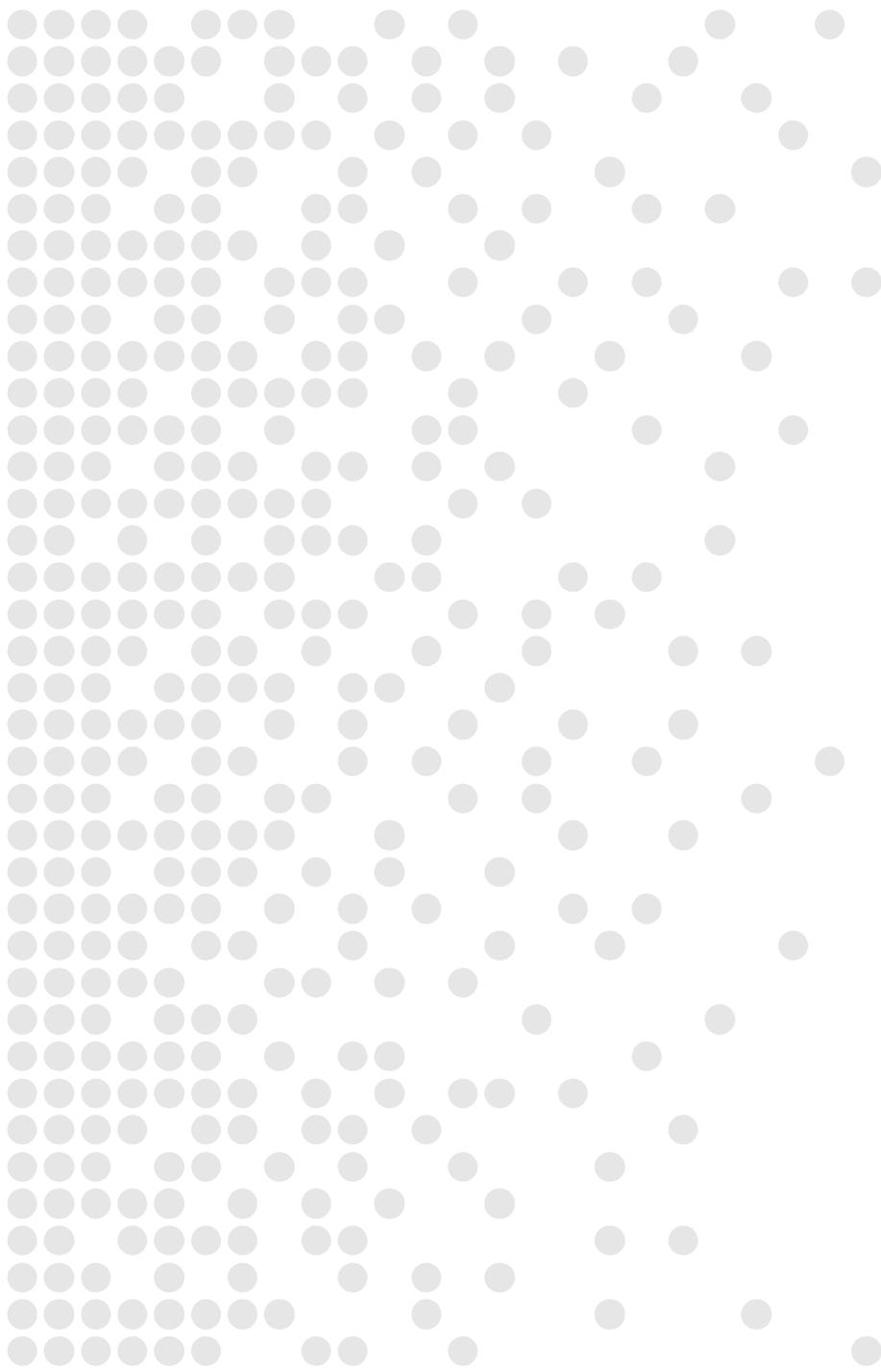


Note: Town of Amherstburg updated in 2022

# Parks Plan Analysis and Draft By-laws



- All analysis provided herein is based on the Parks Plan memoranda prepared by Watson & Associates Economists Ltd.:
  - **LaSalle:** December 14, 2023      **Essex:** March 20, 2023
  - **Tecumseh:** January 15, 2024      **Kingsville:** March 25, 2024
  - **Lakeshore:** November 20, 2023      **Leamington:** January 12, 2024
- Draft parkland dedication by-laws are included as Appendices to the Parks Plan memoranda
- These reports are available on the respective website of each municipality.



# Legislative Overview

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# Parkland Legislative Overview



- The Planning Act provides municipalities with the authority to impose conditions on development and redevelopment to receive parkland or payment-in-lieu of parkland.

## S. 51.1 (S.53)

### For subdivisions (Consents)

- No by-law required (impose as condition)
- 5% for res and institutional and 2% commercial/ industrial
  - Dedication
  - PIL
- Alternative rate for residential
  - Dedication (1ha for 300\* units)
  - PIL (1ha for 500\* units)
- Timing of PIL – day before approval of draft plan (provisional consent)

## S. 42

### For all development and redevelopment

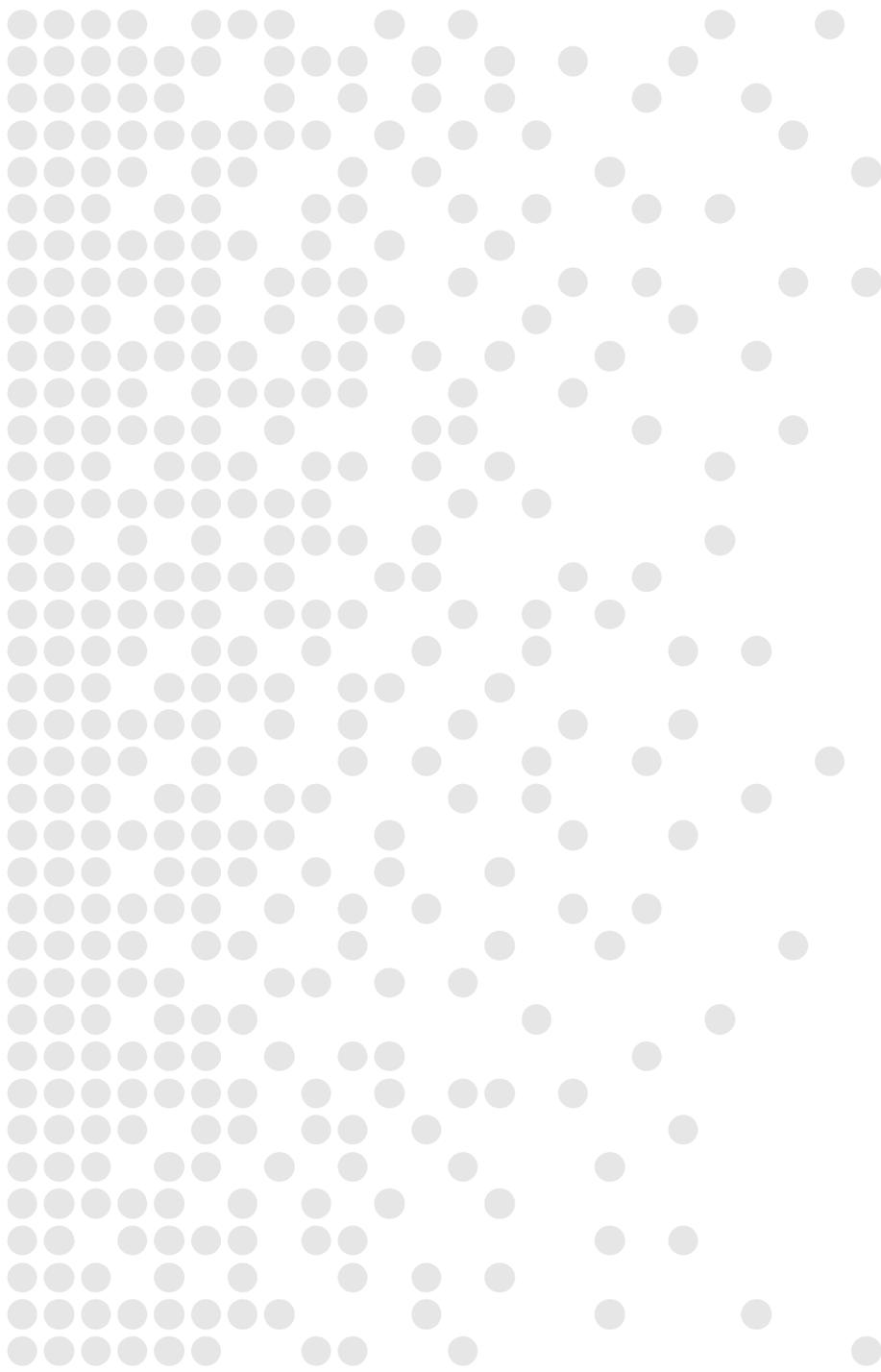
- by-law required
- 5% for res and institutional and 2% commercial/ industrial
  - Dedication
  - PIL
- Alternative rate for residential
  - Dedication (1ha for 300\* units)
  - PIL (1ha for 500\* units)
- Timing of PIL – day before building permit

**\*Revised as per Bill 23**

# Parkland Impacts from Bill 23



- Rate Freeze applies similar to DCs (site plan and zoning by-law amendment)
- Exemptions for additional residential units (similar to DCs)
- Exemptions for Affordable, Attainable, and Inclusionary Zoning units (similar to DCs)
- Exemption for Non-profit Housing units (similar to DCs)
- Requirement to allocate 60% of the monies in a reserve fund at the beginning of the year (similar to DCs).
- Alternative Residential Dedication and PIL Rate cut in half, only calculated on incremental units, and capped
  - Dedication – 1ha for 300 dwelling units now 1ha for 600 net residential units
  - Payment-in-Lieu – Value of 1ha for 500 dwelling units now Value of 1ha for 1,000 net residential units
  - Capped at 10% for land 5ha or less and 15% for land greater than 5ha
- Parks Plan now required to pass a parkland dedication by-law
- Allows for encumbered lands to be included in land dedicated to the Municipality



# Parkland Policy

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## Impacts of Bill 23

# Parkland Impacts from Bill 23

## Parks Plan



- Parks Plan now required to pass a parkland dedication by-law
  - Wording in Act states: “Before passing a by-law under this section, the local municipality shall prepare and make available to the public a parks plan that examines the need for parkland in the municipality”



# Parkland Impacts from Bill 23

## Rate Freeze



- For site plan and zoning by-law amendments only, Rate Freeze applies similar to DCs (i.e. rate frozen at time of submission of **complete** application)
- The value of land is still determined in accordance with the by-law. This means that if you use s. 42, the value would be the value of the proposed type of development the day before building permit issuance
- **Would recommend the requirement of the property appraisal to be deemed a complete application**



# Parkland Impacts from Bill 23

## Reduced Alternative Rate

- Alternative Residential Dedication and PIL Rate cut in half, only calculated on incremental units, and capped
  - Dedication – 1ha for 300 dwelling units now 1ha for 600 net residential units
  - Payment-in-Lieu – Value of 1ha for 500 dwelling units now Value of 1ha for 1,000 net residential units
- Capped at 10% for land 5ha or less and 15% for land greater than 5ha

Dedication	
Assume 20ha Development	
5% =	1 ha
1ha for 600 units	600 units on a 20ha development area
=	<b>30 units per hectare</b>
OR	<b>12 units per acre</b>

Cash-in-lieu	
Assume 20ha Development	
5% =	1 ha
1ha for 1,000 units	1,000 units on a 20ha development area
=	<b>50 units per hectare</b>
OR	<b>20 units per acre</b>

# Parkland Impacts from Bill 23

## Reduced Alternative Rate – High Density



- Example:**

Land Area: 1ha  
Units: 200 units  
Density: 200 units/ha

Dedication at  
1ha/500  
=  
0.40ha\*

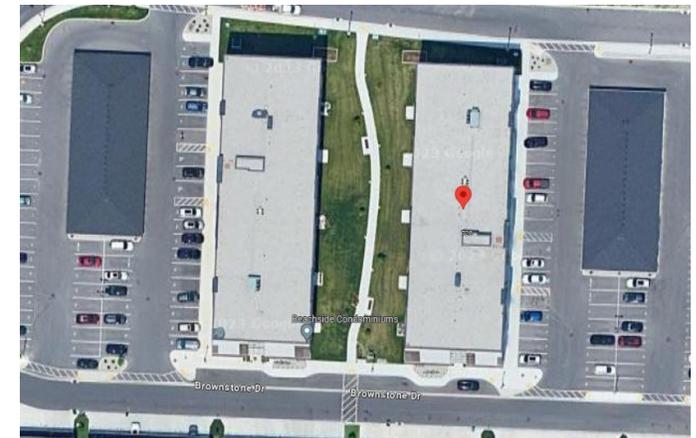
Dedication at  
1ha/1,000  
=  
0.20ha\*

Dedication  
Capped at 10%  
=  
0.10ha\*

**Loss of 50% from Pre-Bill 23  
Greater loss with 10% cap**

***Increased density = increased losses due to cap***

\*Equivalent value



# Parkland Impacts from Bill 23

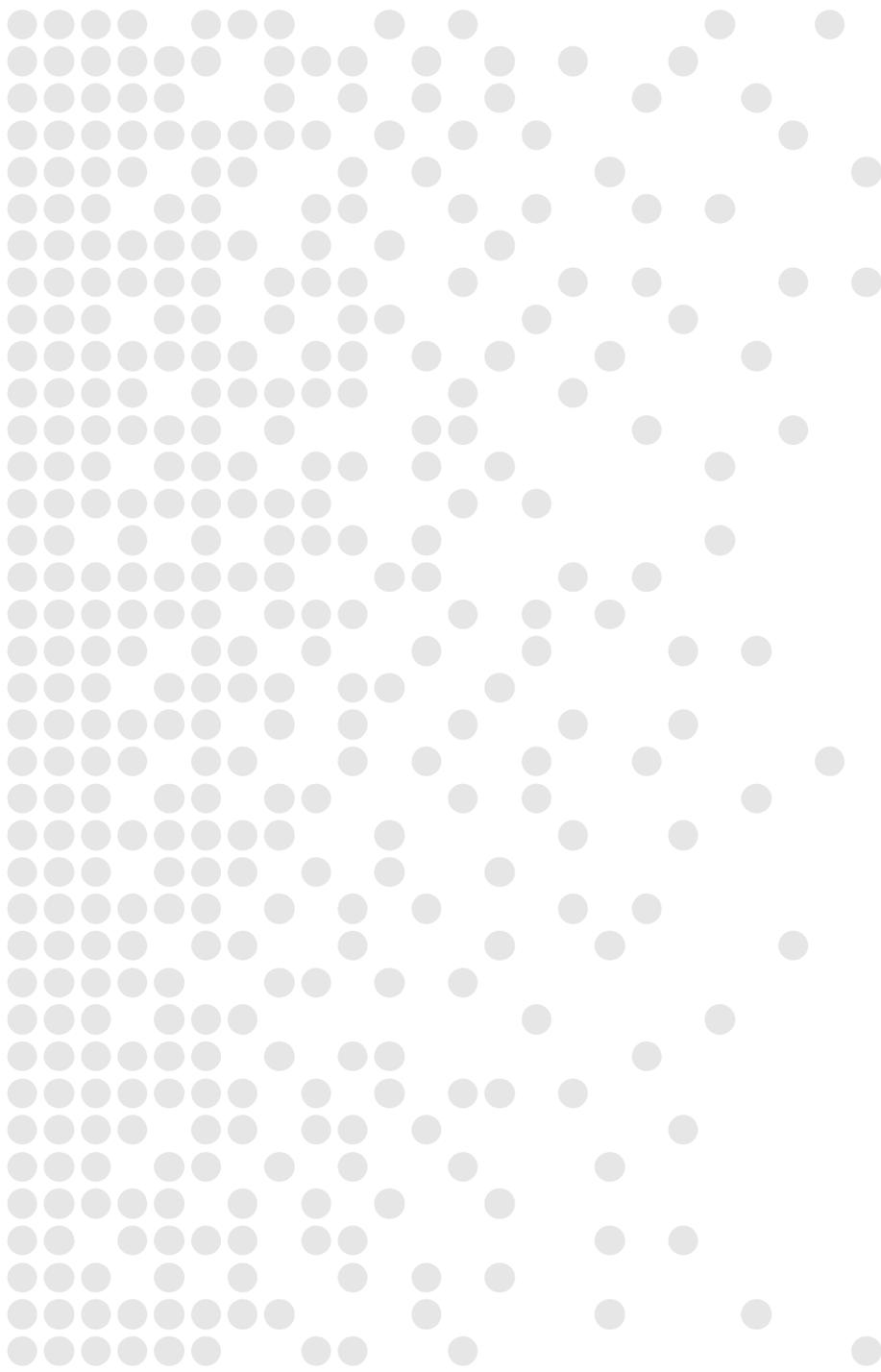
## Exemptions



- Additional residential units (similar to DCs)
  - 1% or one unit in existing rental residential buildings (4 or more rental units)
  - 2nd and 3rd additional dwelling unit in single, semi, or row house (can be two (2) in main house or one (1) in house and one in ancillary residential building)
- Non-profit Housing units (similar to DCs)
- Affordable, Attainable, and Affordable Inclusionary Zoning Units (similar to DCs)
  - Not yet in force

$$\left( \frac{\text{Non-exempt residential units}}{\text{Total residential units}} \right) \times 5\% = \text{Applicable Parkland Dedication \%}$$

\*Dedication rate



# Current Policies and Practices

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# Parkland Dedication and PIL – Current Practices

## Residential



Dedication and PIL	Amherstburg	Essex	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh
Parkland Dedication By-law?	Yes	No	No	Yes	No	Yes	No
Consents	\$1,070 Per lot	\$1,250 Per lot	\$1,500 Per lot	\$2,000 Per lot	\$2,000 Per lot	\$1,105 Per lot	\$750 Per lot
Subdivisions-Dedication	5% or Alt Rate	5%	5%	5% or Alt Rate	5%	5%	5%
Subdivisions-PIL	5% or Alt Rate at Building Permit	5% at Agreement	5% at Agreement	5% or Alt Rate at Agreement	\$2,000 Per lot	5% at Agreement	5% at Agreement
Other-Dedication	5% or Alt Rate	n/a	n/a	5% or Alt Rate	n/a	n/a	n/a
Other-PIL	5% or Alt Rate at Building Permit	n/a	n/a	5% or Alt Rate at Agreement	n/a	n/a	n/a

# Parkland Dedication and PIL – Current Practices

## Non-residential



Dedication and PIL	Amherstburg	Essex	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh
Parkland Dedication By-law?	Yes	No	No	Yes	No	Yes	No
Consents	\$1,070 Per lot	n/a	n/a	n/a	n/a	\$1,105 Per lot	\$750 Per lot
Subdivisions-Dedication	2%	2%	2%	n/a	2%	2%	2%
Subdivisions-PIL	2%	2%	2%	n/a	n/a	2%	2%
Other-Dedication	2%	n/a	n/a	2%	n/a	n/a	n/a
Other-PIL	2%	n/a	n/a	2%	n/a	n/a	n/a

# Analysis of Parkland Dedication Policies



- As set out in the parks plan memos, assuming all development provides land dedication:

Municipality	Deficit of Parkland (ha) Based on Parks Plan Memos
Amherstburg	N/A
Essex	No Deficit
Kingsville	3.84 to 12.42
Lakeshore	No Deficit
LaSalle	3.19 to 5.21
Leamington	No Deficit
Tecumseh	15.68 to 19.88

- With respect to Payment-in-Lieu, analysis yields same results, however, land values and purchase prices may vary

# Per Lot Fee Review

## For Consents and Severances



Municipality	Current Per Lot Fee	Average Price per Lot*	Potential per Lot Fee at 5% of Average Price per Lot	Recommended Per Lot Fee
Amherstburg	\$1,070	\$180,000	\$ 9,000	N/A
Essex	\$1,250	\$100,000	\$ 5,000	To be determined by Councils
Kingsville	\$1,500	\$227,000	\$11,400	
Lakeshore	\$2,000	\$220,000	\$11,000	
LaSalle	\$2,000	\$250,000	\$12,500	
Leamington	\$1,105	\$208,000	\$10,400	
Tecumseh	\$750	\$188,000	\$ 9,000	

\*Based on review of sales using MPAC database and sales price the day before building permit

\*\*The values represented for the average price per lot is reflected from an analysis complete in mid-2023

# Summary of Proposed Policies for Parkland Dedication By-laws



- Historical per lot fee is far less than 5% of residential land values the day before building permit.
- Municipalities should seek to maximize recovery of parkland dedication and payment-in-lieu as payment-in-lieu of parkland fees are used for the rehabilitation of existing parks as well as purchasing new parkland. This will minimize future impacts on taxes.
- Parkland Dedication and Payment-in-Lieu:
  - Use the 5%/2% rates
  - Use per lot fee for consents only
  - Update O.P. to include the alternative rate (for future if applicable)
  - Utilize a parkland dedication by-law to value the lands the day before building permit (vs. day before draft plan approval)

# Parkland Dedication and PIL – Proposed Policies

## Residential



Dedication and PIL	Amherstburg	Essex	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh
Parkland Dedication By-law?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consents	\$1,070 Per lot	Up to \$5,000 Per lot	Up to \$11,400 Per lot	Up to \$11,000 Per lot	Up to \$12,500 Per lot	Up to \$10,400 Per lot	Up to \$9,000 Per lot
Subdivisions-Dedication	5% or Alt Rate	5%	5%	5% or Alt Rate	5% or Alt Rate	5%	5%
Subdivisions-PIL	5% or Alt Rate at Building Permit	5% at Building Permit	5% at Building Permit	5% or Alt Rate at Building Permit	5% or Alt Rate at Building Permit	5% at Building Permit	5% or Alt Rate at Building Permit
Other-Dedication	5% or Alt Rate	5%	5%	5% or Alt Rate	5% or Alt Rate	5%	5%
Other-PIL	5% or Alt Rate at Building Permit	5% at Building Permit	5% at Building Permit	5% or Alt Rate at Building Permit	5% or Alt Rate at Building Permit	5% at Building Permit	5% or Alt Rate at Building Permit

# Parkland Dedication and PIL – Proposed Policies

## Non-residential



Dedication and PIL	Amherstburg	Essex	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh
Parkland Dedication By-law?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consents	\$1,070 Per lot	2%	2%	2%	2%	2%	2%
Subdivisions-Dedication	2%	2%	2%	2%	2%	2%	2%
Subdivisions-PIL	2%	2%	n/a	2%	2%	2%	2%
Other-Dedication	2%	n/a	n/a	2%	n/a	n/a	n/a
Other-PIL	2%	n/a	n/a	2%	n/a	n/a	n/a

# Mandatory Exemptions



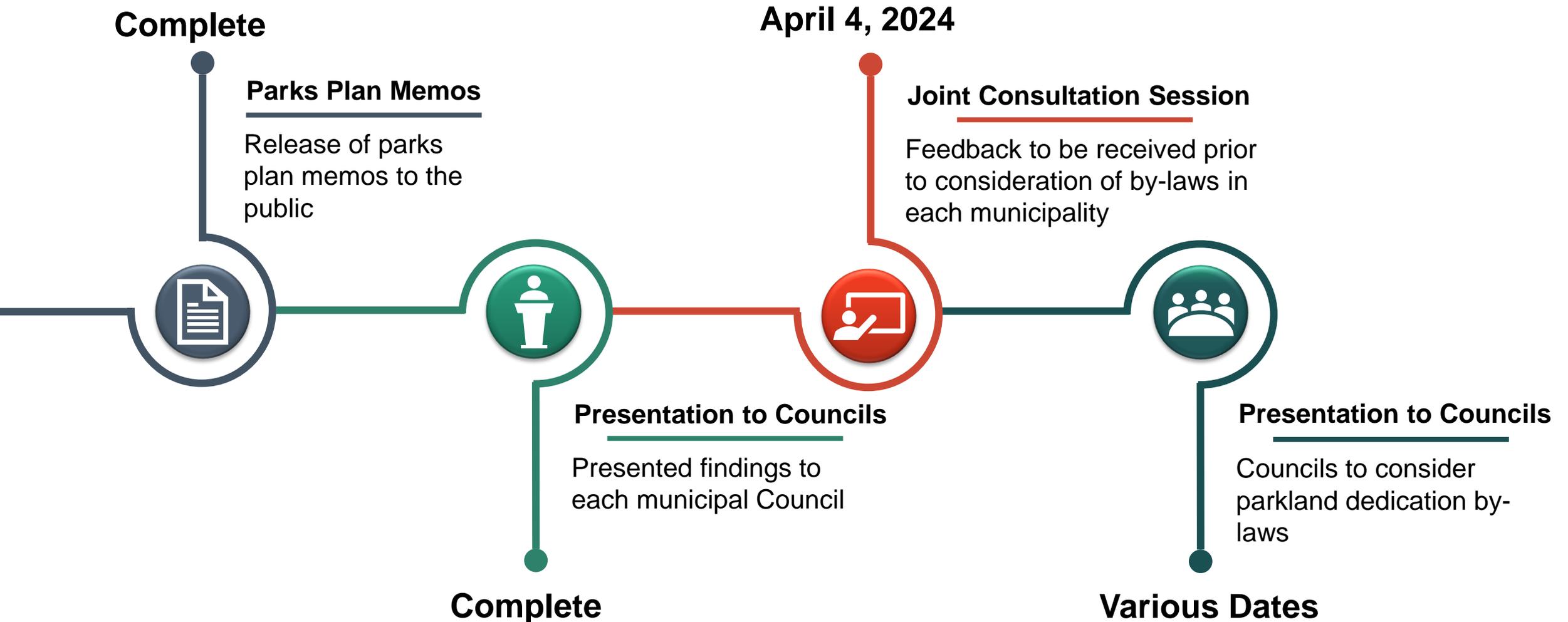
- Affordable, attainable and affordable inclusionary zoning residential units
- Non-profit housing
- Additional residential units (2<sup>nd</sup> and 3<sup>rd</sup> units)
- Enlargement of an existing Residential unit that did not create an additional unit

# Proposed Discretionary Exemptions



Discretionary Exemption	Amherstburg	Essex	Kingsville	Lakeshore	LaSalle	Leamington	Tecumseh
Development by Municipality	✓	✓	✓	✓	✓	✓	✓
Board of Education with Shared Use Agreement	✓	✓	✓	✓	✓	✓	✓
Replacement due to accidental fire		✓	✓	✓	✓	✓	✓
Non-res Gross Floor Area increase by 50% or less	✓	✓	✓	✓	✓		✓
Institutional				✓	✓	✓	✓
Temporary Use	✓	✓	✓	✓	✓	✓	✓
Hospitals	✓						
Essex Region Conservation Authority	✓						
County of Essex	✓						
Ontario Provincial Police	✓						

# Next Steps



# Questions