

TOWN of HALTON HILLS

Parkland Dedication

Research and Recommendations

November 15, 2018

FINAL REPORT

TOWN of HALTON HILLS Parkland Dedication Research and Recommendations

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Introduction

The following are a number of key questions that require consideration as the Framework for the updated Parkland Dedication By-Law is developed. The questions provided in this memorandum are based on experience in other jurisdictions, and our background financial analysis of a number of development scenarios.

The answers to these questions are informed by our understanding of evolving "best practices" and are influenced by the consulting team from planning, design and fiscal perspectives. Answers are also informed by our ongoing collaboration with Town of Halton Hills staff.

The Starting Point

Based on our team's experience to date, it has become clear that one of the key factors affecting the cost of higher-density, "intensified" development forms and the associated risks involved in the development approval process within Growth Areas across the Greater Golden Horseshoe (notwithstanding Provincial, Regional and local planning policies that promote that form of development in identified locations) is parkland dedication. It is not the only factor, but it is an important one. Some of the other factors that our team has encountered through similar projects include:

- > Municipalities within the Greater Golden Horseshoe (outside of the City of Toronto) have done a good job securing, building and maintaining their public park systems in the more traditional more suburban context;
- > There is a perception by the public that more parkland is always required, suggesting that municipalities should always achieve the maximum amount of parkland that it is entitled to under the Planning Act;
- > There is a general recognition that securing and maintaining urban parks requires a different approach than the suburban approach currently in place. Urban development requires context specific parkland dedication policies and procedures with an underlying recognition that urban forms of parkland or open space include a wide spectrum of substantially different park and open space types than the more traditional suburban parkland approach. Further, alternative ownership and maintenance opportunities can be an effective component of the municipal tool-box (i.e. a mix of fee simple public ownership, Strata ownership and POPS (Privately Owned Public Spaces));
- > A new and more robust urban parks hierarchy need to be established. It is understood that parkland dedication, design and maintenance protocols are dramatically different for urban parks vs. suburban parks – and this difference will have cost implications that may need to be funded by a variety of sources – other available tools under the Planning Act, The Development Charges Act and other relevant legislation;

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- > There is a sense that parks are “the gift that keeps on taking”. While it is easy to argue that the municipalities should be acquiring the greatest quantity of parkland possible, it is important to recognize the significant costs of maintaining urban parkland over time, and to consider whether those funds could be used to address other municipal priorities. Notably, the cost of building and maintaining parkland is even greater for the urban park hierarchy (estimated to be 10x more expensive to build, 10x more expensive to maintain, and the life-cycle of an urban park is typically much shorter than for a more traditional suburban park);
- > With respect to parkland dedication, and notwithstanding that the Planning Act provides the legislative authority to require parkland dedication across the Province, there is no consistently applied approach to parkland dedication used in the Greater Golden Horseshoe. In fact, there is a different set of regulations and procedures for virtually every municipality, and there may be a unique or negotiated approach applied on a site-specific basis within each municipality;
- > There is a concern that because there is no consistency, there could be a situation where municipalities will compete for developer attention through strategic reductions in development risk and/or cost factors, to the detriment of the public interest in achieving a GGH-wide urban structure. The corollary may also be true, municipalities may frustrate the achievement of higher density forms of development through manipulation of the key risk and/or cost factors;
- > Notwithstanding the lack of consistency in approach, there is a general understanding that the application of the alternative residential parkland dedication standard of the Planning Act of 1 hectare for every 300 dwelling units (or 1 hectare for every 500 dwelling units for cash-in-lieu) has a significant financial impact on higher density residential development projects - even in locations where that form of development is required, and is appropriate. There is strong and consistent agreement within the development industry that the alternative parkland dedication standard identified in the Planning Act is simply inappropriate for application on the highest density forms of development because:
 - + The amount of land generated by that standard could well be greater than the development site itself; and,
 - + The cost of cash-in-lieu payable could be greater than the value of the development site itself, and in many cases may render some higher density projects financially unviable. This concern has been consistently raised by representatives of the development industry; and,
- > These issues, when considered comprehensively across the Greater Golden Horseshoe may have a dramatic impact on the ability to achieve the fundamental principles of the provincial, regional and municipal planning documents:
 - + There may be a reluctance to develop within the defined urban centres and transit supportive corridors, thereby reducing the viability of transit investment, or slowing the development of transit facilities;

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- + Growth targets, particularly the intensification targets, may not be met;
 - + Planned infrastructure will be underutilized and subsequently both inefficient and expensive; and,
 - + There will be a continued reliance on the automobile, and an ongoing preference for typical suburban forms of development; and,
- > Municipalities across the Greater Golden Horseshoe are currently grappling with this complex issue. Overall, there is a strong desire to achieve an approach to achieving an appropriate urban parks hierarchy and associated parkland dedication procedures, design parameters and maintenance protocols that are:
- + **Appropriate** – delivers a great urban parks hierarchy that is highly integrated, connected and ultimately successful, meeting the specific needs of existing and future urban population and business community within the Town of Halton Hills;
 - + **Equitable** – is fair and reasonable to all stakeholders, including the Town, the existing and future residents of the Town, the business community and the development industry;
 - + **Consistent** – is applied equally and fairly to all applicants without the need for individual deal-making, or site-specific adjustments; and,
 - + **Long-Lasting** – will serve the Town well over the coming 10 to 15 years, without the need for constant amendments.

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1. What is an appropriate Parkland Hierarchy?

In recent years, Halton Hills has been growing with a focus on traditional "suburban" forms of development, and has established a parkland system that includes the traditional parkland types including Neighbourhood, Community and Regional Parks types. Comprehensively planned "greenfield" communities will continue to form a major component of Halton Hills' ongoing growth, and should continue to accommodate all of those traditional parkland types.

As Halton Hills continues to evolve, and, as required by Provincial and Regional planning policies, a greater reliance on "intensified" development will need to be considered. As the Town's identified urban centres and corridors accommodate more, and more intense form of development, the Town's parkland system will need to promote a full range of urban parkland types - with different characters, functions, scales and ownership circumstances.

Importantly, strategies to achieve a robust urban parkland system, that compliments the existing and growing suburban parkland system need to be articulated.

Action I

Recommendation 1: *The Parkland Dedication By-Law should include definitions of the various elements of the Parkland Hierarchy - both the urban and suburban parkland systems.*

Parkland Definitions/Classifications

Town-wide Parks	>12.0 ha	Provide programs and facilities for the entire Town beyond those found in Community Parks and Neighbourhood Parks and include outdoor swimming pools, day camps, picnic areas, tournament-oriented sports parks with multiple active recreation facilities, and supporting infrastructure such as parking lots, field buildings and stadium seating. Town-wide parks may also include special purpose parks that are generally designed to preserve natural heritage features and cultural heritage resources.
Community Parks	>6.0 ha	Provide programs and facilities for a number of communities, neighbourhoods and areas and include water play, playgrounds, skateparks, basketball and tennis courts and organized sporting activities for all age groups and supporting infrastructure such as large park pavilions and maintenance facilities. Community Parks are intended to serve park users generally within a 10 minute walking distance (approximately 800 metres);
Neighbourhood Parks	various (see below)	Includes parks of various sizes which provide space for active and passive recreational needs of a local residential or mixed-use neighbourhood area. Neighbourhood Parks are intended to serve park users generally within a 5 minute walking distance (approximately 400 metres) and are further classified as follows:

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+ Active Parks	1.0 to 6.0 ha	Provide space for field sports, playgrounds, and the recreational needs of a primarily low rise and mid rise neighbourhood.
+ Urban Squares	0.5 to 5 ha	Provide multifunctional flexible space and programming for social gatherings, festivals and civic functions and the recreational needs of a primarily mixed-use neighbourhood. Urban Squares accommodate special features such as public art that adds visual interest and contribute to placemaking.
+ Parkettes	0.5 to 1.5 ha	Provide a passive recreational space generally within a 2 to 5 minute walk (approximately 150 to 400 metres) of residences in a primarily low rise and mid rise residential neighbourhood.
+ Urban Parkettes	0.2 to 0.5 ha	Provide social spaces animated by their adjacent uses such as cafes and shops generally within a 2 to 5 minute walk (approximately 150 to 400 metres) of residents, visitors and businesses within a mixed use neighbourhood.

2. How much parkland dedication is fair and reasonable?

Official Plan Policy Dealing with Parkland Dedication

The Planning Act establishes the maximum base rates for parkland dedication for residential, industrial and commercial, and other land uses. It also defines that alternative parkland dedication rates can be employed, so long as the municipality has specific official plan policies in-force dealing with the use of the alternative requirement.

It appears that the Town does have official plan policies in place to satisfy this requirement, however additional language may be useful within the official plan, which may be incorporated at the time of an official plan amendment.

Action J

Recommendation 2: *It is recommended that the Town's Official Plan identify that the Parkland Dedication By-Law include provisions for reductions or exemptions from parkland dedication requirements for the purposes of achieving intensification, economic development and/or other objectives of the Official Plan.*

Residential Uses

Calculating a parkland dedication for a residential development is complex. The recently amended Planning Act provides the following legislative authority:

- > Up to a maximum of 5 percent of the total land area; or,
- > Up to a maximum of 1 hectare per 300 dwelling units; or,
- > Where cash-in-lieu is utilized, up to a maximum of 1 hectare per 500 dwelling units.

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The impact of the recent changes to the Planning Act affect the cash-in-lieu element of the legislation providing a substantial discount to the development industry for cash-in-lieu, and a major incentive to the municipality to take land instead of cash.

So, the questions here are about identifying what is the appropriate approach for residential neighbourhoods in a greenfield context versus an appropriate approach for higher density development forms in an urban context. The goal is to identify a fair and reasonable approach that recognizes the diversity of development contexts within the Town of Halton Hills. In addition, there will need to be a discussion about how, in an urban context, it can be ensured that parkland dedication requirements do not become a major disincentive to appropriate and desirable intensification projects.

Greenfield Development (Secondary Plans and/or Draft Plans of Subdivision)

The application of various parkland dedication/cash-in-lieu requirements identified in the Planning Act in a comprehensively planned greenfield community have dramatically different outcomes depending upon the context of where they are applied, and the residential density that is ultimately achieved. The attached Appendix A provides a comparison of parkland yield under a number of gross density scenarios. Observations from Appendix A include:

- > **Pre-Growth Plan** - For a greenfield development that achieves a gross density of less than 50 persons and jobs per hectare, the 5 percent of total land area will likely generate a parkland dedication of equal to, or greater than 1 hectare per 300 dwelling units.
- > **Original Growth Plan** - For a greenfield development that achieves a gross density that is greater than 50 persons and jobs per hectare, the alternate rate will likely generate a greater parkland dedication requirement; and,
- > **2017 Growth Plan** - For a greenfield development that achieves a gross density that is greater than 80 persons and jobs per hectare, the alternate rate will likely generate a substantially greater parkland dedication requirement.

Another observation is the dramatic impact that household size has on the generation of parkland using the alternative rate of the Planning Act (1 hectare per 300 dwelling units). Some municipalities are questioning the metrics of the alternative rate that utilizes dwelling units generated rather than people generated, with the philosophy that houses don't use parks, people do. In addition, the alternative rate of the Planning Act does not recognize the demographic trend toward smaller average household sizes over time (which is partly because of the requirement to increase density, and promote a higher percentage of higher density house forms). Some municipalities are, therefore, considering the establishment of an alternative parkland dedication rate based on people, rather than houses. This approach also better aligned with the approach to density used in the Growth Plan, which is based on people and jobs.

The key question for the Town when considering parkland dedication for a greenfield development

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application is when to use the 5 percent calculation, or the alternate rate of up to 1 hectare per 300 dwelling units, or to establish another rate that is based on people, rather than dwelling units.

Recommendation 3: *It is recommended that the Parkland Dedication By-Law identify:*

- > *for primarily residential greenfield development applications (Secondary Plans and/or Draft Plans of Subdivision), that achieve an overall gross density of 49 persons and jobs per hectare, or less, that the parkland dedication rate of 5 percent of the total land area, as established in the Planning Act, be applied; and,*
- > *for primarily residential greenfield development applications (Secondary Plans and/or Draft Plans of Subdivision), that achieve an overall gross density of 50 persons and jobs per hectare, or greater, that the Town consider using an alternative residential rate for parkland dedication that is based on 1 hectare per 300 units proposed or 1.2 hectares per 1000 people, whichever is less.*

Recommendation 4: *It is recommended that the Parkland Dedication By-Law define Land Area, wherever it is used in the By-Law, as the total land area that is subject to the development application, less any hazard lands, natural heritage features and their associated ecological buffers as identified in the Official Plan, or an approved Secondary Plan, or through an Environmental Impact Study accepted by the Town. This definition should align with the definition of Gross Land Area used in the Growth Plan.*

Small-Scale Neighbourhood Intensification

Within existing neighbourhoods, some smaller scale intensification is expected - single units to semi's or townhouses. In these circumstances, the parkland dedication requirement is difficult to quantify. It is important to remember that most existing communities already have a park system within them, and many existing dwellings may have already contributed to parkland dedication requirements when they were originally developed. Again, the goal is to be fair and reasonable when considering this form of intensification, while recognizing that additional dwelling units will have an incremental impact on existing parkland resources.

Recommendation 5: *It is recommended that the Parkland Dedication By-Law identify that for Small-Scale Neighbourhood Intensification, the Town should establish a set fee per unit to cover parkland dedication. The set fee should apply to the new units generated over and above the number of units being replaced.*

Recommendation 6: *It is recommended that the Parkland Dedication By-Law identify that Second Units permitted by the Official Plan and implementing Zoning By-Law are exempt from any parkland dedication and/or cash-in-lieu requirement. This is in line with Provincial requirements for Second Units.*

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Larger Scale Intensification WITHIN the Downtowns and WITHIN Urban Centres and Corridors

Larger scale intensification is to be focused within the Downtowns and along identified urban corridors and centres. Again, the amount of parkland dedication achieved on an individual development site needs to be considered within the context of the "intensification" objectives of the Town, Region and the Province. On an urban site, with, for example, a 14 storey residential apartment building proposed, the application of the 1 hectare per 300 dwelling units may generate a parkland dedication requirement of substantially more than (175%) the actual site size, which represents many multiples of the 5% parkland dedication. This amount of parkland dedication is obviously not achievable, is not in keeping with the objectives of urban intensification and represents a substantial cost disincentive for the private sector developer.

One of the purposes of this exercise is to make the approach to parkland dedication clearer, based on an understanding of what can be considered to be fair and reasonable within the Town's defined Downtowns and within the identified urban centres and corridors. Fundamentally, that means finding a balance between the incentive versus disincentive impacts of the cost of the provision of parkland, as well as the desire to promote good community-building principles. Again, the goal is to use parkland dedication to achieve an appropriate urban parkland system.

Redevelopment within the defined Downtowns and within the identified urban centres and corridors is expected to produce a desirable, higher density, mixed use, urban context. Part of what makes great urban environments is the multiplicity and diversity of what is considered to be the "public realm". A desirable public realm includes an array of public parkland elements that vary in scale, character and function, and that are distributed throughout the urban environment, some of which are identified in comprehensive planning documents, some of which result from individual development approvals.

The attached Appendix B provides a summary of research and interviews with a number of other municipal jurisdictions with respect to their approaches to parkland dedication. The following comments are provided:

- > Currently, many municipal jurisdictions are struggling to establish parkland dedication rates that are considered appropriate in an intensifying, urban context. To date, there is no single approach that has been clearly identified as a "best practice", and in some respects, where new approaches have been implemented, they are too new to provide any real sense of their comparative success. However, for the most part, there is a general agreement that the application of 1 hectare per 300 dwelling units is not a fair or reasonable parkland dedication requirement in an urban intensification context, and would represent a substantial disincentive for appropriate urban intensification. The Town should be exploring opportunities to ameliorate the pernicious effects of the 1 hectare per 300 dwelling units standard for parkland dedication within the defined Downtowns and within the identified urban centres and corridors. One approach that has been utilized in other jurisdictions is through the use of a "cap" on the land/cash-in-lieu requirements; and,

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- > In some respects, the defined Downtowns and the identified urban centres and corridors will compete among each other for developer attention. Market acceptance and the cost of higher density forms of housing will have an impact on where developers will choose to develop, and when. While parkland dedication requirements are only one factor in considering development feasibility, those requirements may be used by the Town to establish a priority for promoting one form of development over others (mid-rise versus high rise development) and/or one location over others (Downtown Georgetown versus Downtown Acton versus the various identified urban centres and corridors). The Town may consider treating all of the intensification forms and areas equally, or may prioritize forms and/or areas by establishing various parkland dedication rates (caps) for each defined form or area.

An absolute cap on parkland dedication: Identifying an absolute cap on parkland dedication for major residential intensification initiatives is being considered or has been implemented by other municipalities as an appropriate approach to dealing with areas identified for urban intensification. The approach utilizes the alternative parkland dedication requirement of the Planning Act (1 hectare per 300 dwelling units), up to a maximum level, which may be defined by the land area (e.g. 25% of the total site area), by land value (e.g. fixing land value at 50% of market rate), by a fixed unit rate (e.g. \$10,000 per unit), or another measure as defined by the Town. The attached Appendix C is a memorandum that summarizes an analysis of the impacts that various alternative parkland dedication methods may have on a number of hypothetical development scenarios. The memorandum provides a reasonable justification for the use of a cap on parkland dedication for various forms of intensified development within the defined Downtowns and the identified urban centres and corridors. In addition, attached Appendix D identifies a number of urban development scenarios that were used to inform the analysis in Appendix C.

Action K

Recommendation 7: It is recommended that residential redevelopment on any site WITHIN the Town's defined Downtowns, within the identified urban centres and corridors, and within Brownfield Areas located within defined Community Improvement Plan Areas shall be subject to the alternate residential parkland dedication of the Planning Act of 1 hectare per 300 dwelling units OR a maximum capped rate as defined by the Town, WHICHEVER IS LESS.

Cash-in-lieu utilizing the new Planning Act Standard: Changes to the Planning Act have provided a financial incentive by reducing the cash-in-lieu requirement from the cash equivalent of a maximum of 1 hectare per 300 dwelling units to a maximum of 1 hectare per 500 dwelling units. Notwithstanding this change to the Planning Act, the use of a maximum cap on parkland contributions should also apply when considering a cash payment in lieu of a land contribution the defined Downtowns and within the identified urban centres and corridors.

Action K

Recommendation 8: It is recommended that residential redevelopment on any site WITHIN the Town's defined Downtowns, within the identified urban centres and corridors, and within Brownfield Areas located within defined Community Improvement Plan Areas shall be subject to the alternate residential cash-in-lieu of parkland dedication of the Planning Act of 1 hectare per 500 dwelling units OR a maximum capped rate as defined by the Town, WHICHEVER IS LESS.

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Creating a diverse Urban Parkland System: The concept here is to require that all significant developments within the Town's defined Downtowns and the identified urban centres and corridors make a recognizable contribution to the public realm by requiring a land dedication. Innovation and diversity of urban park spaces is to be encouraged, and alternative land ownership strategies considered (Strata Parks and Privately-Owned Public Spaces) as the intensification areas become more urban over time.

Action L

Recommendation 9: *It is recommended that all redevelopment on all sites WITHIN the defined Downtowns and the identified urban centres and corridors that are greater than 1,000 square metres in size, shall include, at a minimum, a land contribution to the Town for park purposes, that meet the following criteria:*

- > *An on-site land contribution of not less than 7.5 percent of the developable site area;*
- > *An Urban Square with a minimum frontage on a public street of 7.5 metres, and a minimum size of 75 square metres; and,*
- > *Larger sites shall include larger Urban Squares and/or multiple Urban Square elements.*

Recommendation 10: *It is recommended that the Parkland Dedication By-Law explicitly identify that for sites less than 1,000 square metres in size, the Town may accept an on-site land contribution, an off-site land contribution and/or cash-in-lieu of land.*

Action M

Recommendation 11: *It is recommended that the Parkland dedication By-Law include regulations that identify that Urban Squares shall be dedicated to the Town. Land dedication in the form of Urban Squares may include "Strata" ownership arrangements, as permitted under the Ontario Condominiums Act. Where a Strata Park arrangement is used, the land area of the Strata Park shall be counted toward the required parkland dedication, but the actual land area to be counted shall be discounted by 20 percent (the discount recognizes that an urban Strata Park will require capital improvements/replacement in the long-term that will be the responsibility of the Town).*

Action N

Recommendation 12: *It is recommended that the Parkland Dedication By-Law also include regulations that allow for Urban Squares to be privately owned, subject to appropriate legal agreements that guarantee that the park space is designed, built and maintained to Town standards, and is open and accessible to the public at all times. This form of parkland is typically called a "Privately Owned Public Space" or "POPS". Where a POPS arrangement is used, the land area of the POPS shall be counted toward the required parkland dedication.*

Larger Scale Intensification OUTSIDE the Downtowns and OUTSIDE Urban Centres and Corridors

The Town may get significant residential intensification proposals on lands that are not currently within defined Downtowns and the identified urban centres and corridors. In these instances, where significant residential intensification is proposed, but not necessarily desired, the Town should consider implementing the alternative residential parkland dedication requirement of 1 hectare per 300 dwelling

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units (or 1 hectare per 1000 people) as a way to mitigate the impacts of intensification in areas where it is not anticipated, and to ensure that adequate parkland is available within the surrounding lower intensity community.

Recommendation 13: *It is recommended that the Parkland Dedication By-Law include direction for the use of the alternative residential parkland dedication requirement of 1 hectare per 300 dwelling units (or 1 hectare per 1000 people) for all significant residential intensification projects OUTSIDE of the defined Downtowns and the identified urban centres and corridors. In these locations, cash-in-lieu calculations for significant residential intensification projects shall be calculated on the basis of 1 hectare per 500 dwelling units (or 1 hectare per 1665 people).*

For Mixed Use Developments

It is anticipated that Mixed Use development and redevelopment applications will be primarily located within the defined Downtowns and the identified urban centres and corridors. The calculation of parkland dedication requirements for mixed use developments can:

- > Be a mathematical calculation based on pro-rating the amount of residential GFA and non-residential GFA, and applying the corresponding parkland dedication requirements for each building component;
- > Be a mathematical equation that ignores the non-residential component, and applies only the residential parkland dedication requirement;
- > Provide a simple cap to the percentage of parkland dedication required, regardless of mix of uses, appropriate to context; and/or,
- > A combination of approaches depending upon context.

Again, the objective is to promote appropriate mixed-use development in the appropriate locations as part of achieving the principles of community-building, and, as such, the Town should consider how mixed-use developments may be incentivized. In addition, the following are a number of other observations:

- > In mixed use developments, it is desirable to include commercial and institutional elements to create a land use diversity, and to promote good live-work, live-shop relationships. Those uses are also important elements of a complete community at the neighbourhood scale; and,
- > Experience suggests that in higher density, mixed-use contexts, and if the primary land use is residential, then the residential requirement for parkland will far outweigh the contribution from the commercial or institutional components, particularly if the calculation is based on pro-rating GFA to establish a parkland dedication formula. Appendix E provides some examples for a 6 storey mixed use building.

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Action O

Recommendation 14: It is recommended that the Parkland Dedication By-Law include provisions for mixed use development on sites WITHIN the Town's defined Downtowns, within the identified urban centres and corridors, and within Brownfield Areas located within defined Community Improvement Plan Areas shall only be subject to the alternate residential parkland dedication of the Planning Act of 1 hectare per 300 dwelling units OR a maximum capped rate as defined by the Town, WHICHEVER IS LESS.

Recommendation 15: It is recommended that residential redevelopment on any site WITHIN the Town's defined Downtowns, within the identified urban centres and corridors, and within Brownfield Areas located within defined Community Improvement Plan Areas shall only be subject to the alternate residential cash-in-lieu of parkland dedication of the Planning Act of 1 hectare per 500 dwelling units OR a maximum capped rate as defined by the Town, WHICHEVER IS LESS.

3. What forms of development may be exempt from Parkland Dedication/Cash-in-lieu?

The Town may exempt certain categories of land use, or specific forms of development from the requirement to provide a parkland dedication and/or cash-in-lieu of land. In addition, some institutional developers, like school boards are typically exempt. Usually major institutions such as hospitals and universities are also exempt. The Town may also consider other institutional uses as exempt, or provide a reduced parkland dedication requirement for: seniors housing; affordable housing; or, any category of land use that is defined as providing a public benefit.

In addition, the Town may consider eliminating or reducing the parkland dedication requirements as an incentive used to stimulate appropriate development. This could be applied site specifically, or based on achieving a number of defined public benefits, or generally within a geographic area or category of development.

Recommendation 16: It is recommended that the Parkland Dedication By-law specifically not apply to the following:

- > Development or redevelopment of land, buildings or structures owned by and used for the purposes of the Corporation of the Town of Halton Hills;
- > Development or redevelopment of land, buildings or structures owned by and used for the purposes of a college or university as defined in the Education Act;
- > The replacement of any building that is a direct result of destruction due to accidental fire or other accidental cause beyond the control of the Owner provided that no intensification or change in use is proposed, including but not limited to an increase in total dwelling unit count or total floor area;
- > The enlargement of an existing single detached or semi-detached dwelling unit provided the enlargement does not result in an additional dwelling unit;
- > Redevelopment or expansion of existing commercial or industrial uses, provided they have paid a parkland dedication at the time of original development;

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- > A Second Unit or any other accessory dwelling unit permitted by the Town's Official Plan and Zoning By-law;
- > A temporary building or structure; and,
- > Where the total cash-in-lieu payable by the development or redevelopment is less than \$500.00

4. What should count/not count for Parkland Dedication?

In a general sense, the Town looks for lands to be dedicated for parkland that are otherwise considered developable. In some instances, however, it is important to remember that a diverse parkland system includes a range of public parkland types, including public parks that may not be intended to accommodate sports fields or other active recreational activities. There is more flexibility with more passive park types to accommodate slopes, woodlots and cultural heritage features.

Other lands that form part of the Town's broader open space system may include the river valleys that transect the Town. Those valleys are typically included within the Natural Heritage System, and are secured in public ownership through other means, and as such, are not typically considered for parkland dedication under the Town's Official Plan, or the Planning Act.

Lands not acceptable for parkland dedication

Recommendation 17: *It is recommended that the Parkland Dedication By-Law include statements that indicate that where a parkland dedication is required, the Town shall ensure that the land is suitable for development as a park. The following shall not be considered by the Town for parkland dedication:*

- > Lands that are part of the Natural Heritage System, or any associated ecological buffer, as defined in the Official Plan, or an applicable Secondary Plan, or as identified in an Environmental Impact Study accepted by the Town;
- > Lands that are susceptible to flooding, have poor drainage, erosion issues, extreme slopes (greater than 10 percent) or other environmental or physical conditions that would interfere with the lands potential development or use as a public park;
- > Lands that are required to accommodate storm water management facilities;
- > Lands that are contaminated in any way; and/or,
- > Lands that are encumbered by easements or similar legal instruments that prohibit public use.

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Lands that may be acceptable for Parkland Dedication, at a reduced rate

Action P

Recommendation 18: It is recommended that the Parkland Dedication By-Law include statements that indicate that where a parkland dedication is required, the Town may consider the following lands for dedication, but they shall be discounted by 40 percent from the actual land area to be dedicated:

- > Lands that include woodlots that are not included in the Natural Heritage System;
- > Lands that include slopes between 5 percent and 10 percent; and/or,
- > Lands that include designated built heritage resources or cultural heritage landscapes.

Off-site parkland dedication

Not all development sites will be able to provide appropriate land for parkland dedication. In addition, the Town may wish to establish parkland clusters throughout the community, or to augment parkland spaces within existing neighbourhoods. In cases where parkland dedication is not feasible, the Town should have the ability to consider accepting off-site land dedications.

Action P

Recommendation 19: It is recommended that the Parkland Dedication By-Law include a regulation that states that where an on-site land dedication, either in whole, or in part, cannot reasonably be accommodated, the Town shall consider off-site parkland dedications, subject to the following criteria:

- > The off-site Land Area is land that is acceptable as parkland dedication; and,
- > The Land Value identified for the required parkland dedication from the proposed development site is approximately equal to the Land Value of the off-site land dedication site, either in absolute per hectare land cost, or the amount of land to be dedicated.

5. How to deal with Cash-in-lieu?

Who decides when Cash-in-lieu is acceptable?

In many jurisdictions, municipality's will respond to the developer's wishes regarding whether land, or cash-in-lieu of land is provided, on a case by case basis. In Halton Hills, the Town should be in control of whether land or cash-in-lieu of land, or some combination thereof is appropriate based on the policies of the Official Plan, applicable Secondary Plan policies, residents/outdoor user group needs and/or any other applicable Town policy:

Recommendation 20: It is recommended that the Parkland Dedication By-Law clearly empower the Town to determine when cash-in-lieu is an acceptable approach, and when a land contribution will be required. In this regard, the By-Law should state that land dedication always be the first priority, and that cash-in-lieu only be acceptable where no reasonable alternative exists, including a land dedication elsewhere within the Town.

TOWN of HALTON HILLS Parkland Dedication

Research + Recommendations

How will the Town determine when Cash-in-lieu is acceptable?

The Planning Act permits the acceptance of cash-in-lieu without limitation on the type of use, the location within the Town, or any other contextual circumstance. In that regard, the Town does not require any definition of when cash-in-lieu is used, or not. Important to the conversation about parkland dedication is a commitment by the Town to, as a first priority, acquire parkland assets through the development process.

Action Q

Recommendation 21: *It is recommended that the Parkland Dedication By-Law include a statement that clearly articulates the Town's intent to acquire parkland assets as a first priority, and to only accept cash-in-lieu of parkland in the following circumstances:*

- > *Where the application of the parkland dedication requirements of the By-Law would render the remaining portion of the development site unsuitable or impractical for development or redevelopment;*
- > *Where the amount of parkland dedication generated by the development proposal is insufficient to accommodate a reasonable public park space;*
- > *Where existing public parkland is available and is deemed sufficient by the Town in quantity and quality to accommodate further development or redevelopment in the defined neighbourhood; or,*
- > *Where more suitable parcels of land are available for acquisition for public parkland purposes in other locations within the defined neighbourhood.*

How/When will Cash-in-lieu be calculated?

There are a number of issues related to the calculation of cash-in-lieu, particularly focused on when the determination of land value is calculated, and the use of and ongoing need for individual appraisals on a site-by-site basis. On the first point, the Planning Act defines when land value is to be determined, and that requires individual appraisals.

Recommendation 22: *It is recommended that the Parkland Dedication By-Law require that any conveyance or payment required to be made shall be subject establishing value as follows:*

- > *For development or redevelopment pursuant to Sections 41 and 42 of the Planning Act, the value of the land or cash-in-lieu equivalent to be paid shall be determined as the value of the land the day before the day the building permit is issued, and if more than one building permit is required, the value shall be calculated the day before the day the first building permit is issued;*
- > *For development or redevelopment pursuant to Sections 51.1 and 53 of the Planning Act, the value of the land or cash-in-lieu equivalent shall be determined the day before the day the approval of the draft plan of subdivision and the day before the day the provisional consent*

TOWN of HALTON HILLS Parkland Dedication Research + Recommendations

was given, except where site plan approval is required at a subsequent stage, then the parkland dedication calculation will be as above; and,

- > The value of the land for which payment is being made in lieu of a conveyance shall be established by way of an appraisal of the fair market value of the property by a certified professional appraiser of real estate, who is designated as an Accredited Appraiser by the Appraisal Institute of Canada with experience appraising all types of real property.*

How will Cash-in-lieu be used?

The Planning Act requires that the Town establish a specific account to hold funds generated through the cash-in-lieu provision, to be used only for the purposes identified in that Section of the Act. In all circumstances, it would be appropriate for the Town to have a strategy for the disposition of those funds to acquire lands and carry out appropriate improvements to parklands throughout the Town.

For example, the City of Toronto has a guideline that states that 50 percent of the cash-in-lieu generated by any specific development be used to improve parkland in proximity to that development (25 percent for capital improvements and 25 percent for land acquisition) and the other 50 percent to be used for any parkland improvements anywhere in the Town (again, 25 percent for capital improvements and 25 percent for land acquisition).

Recommendation 23: *It is recommended that the Parkland Dedication By-Law include a clear set of priorities for parkland improvement where cash-in-lieu can be allocated, both in proximity to the development that generated it, and Town-wide. For example, the Town could establish a priority list that may include:*

- > The first priority shall be to fund enhancements (land or capital) in existing neighbourhoods, that are identified as needing parkland improvement;*
- > The second priority shall be the design and development of a robust urban park system within the Downtown Halton Hills Secondary Plan Area;*
- > The third priority shall be the development of parks and other public recreational facilities not funded through Development Charges including:*
 - + park and other recreational facilities including, any site preparation and drainage, play equipment, splash pads, site furniture, signage and sports fields, etc.;*
 - + pathways, trails and associated infrastructure and furniture; throughout the Town, with a focus on missing links;*
 - + the provision of urban squares, pocket parks and sliver parks within the identified intensification corridors;*

TOWN of HALTON HILLS Parkland Dedication Research + Recommendations

- + *improvements to existing parks and recreational facilities designed to increase the capacity to accommodate more intensive public uses due to increased development and redevelopment; and,*
- + *vehicle and machinery used for parks and other public recreational purposes.*

APPENDIX A:

Greenfield Density vs. Parkland Dedication Rates

APPENDIX A: Greenfield Density vs. Parkland Dedication Rates

DENSITY	GROSS Land Area	POPULATION Generated	DWELLING UNITS Generated	PARKLAND 5%	PARKLAND 1ha/300 du	PARKLAND 1ha/1000 people
30 p/ha	400	12000	4364	20	15	12
40 p/ha	400	16000	5818	20	19	16
50 p/ha	400	20000	7273	20	24	20
60 p/ha	400	24000	8727	20	29	24
70 p/ha	400	28000	10182	20	34	28
80 p/ha	400	32000	11636	20	39	32
90 p/ha	400	36000	13091	20	44	36
100 p/ha	400	40000	14545	20	48	40

Conclusions

- 1 In large, comprehensively planned greenfield areas, that are primarily residential, there is a clear correlation between density and the amount of parkland that can be generated
- 2 In the example, at 40 persons per hectare, the parkland yielded by 5% of the gross land area and 1 ha per 300 dwelling units is approximately equal.
- 3 Where densities are lower than 40 persons per hectare, the 5% tool yields greater parkland dedication than 1 hectare per 300 dwelling units
- 4 Where densities are higher than 40 persons per hectare, the 1 hectare per 300 dwelling units tool yields greater parkland dedication than 5%
- 5 The Growth Plan, prior to 2017, mandated a minimum greenfield density of 50 persons and jobs combined per hectare.
- 6 The 2017 Growth Plan requires a minimum greenfield density of 80 persons and jobs combined per hectare

It is important to note that these conclusions may vary slightly, depending upon the assumptions that translate population to dwelling units. In the example shown, the household size assumption is 2.75 persons per household.

DENSITY	GROSS Land Area	POPULATION Generated	DWELLING UNITS Generated	PARKLAND 5%	PARKLAND 1ha/300 du	PARKLAND 1ha/1000 people
30 p/ha	400	12000	3692	20	12	12
40 p/ha	400	16000	4923	20	16	16
50 p/ha	400	20000	6154	20	21	20
60 p/ha	400	24000	7385	20	25	24
70 p/ha	400	28000	8615	20	29	28
80 p/ha	400	32000	9846	20	33	32
90 p/ha	400	36000	11077	20	37	36
100 p/ha	400	40000	12308	20	41	40

In this example, the household size was increased to 3.25...which reduces the overall parkland dedication at higher densities, but the broader conclusions remain valid.

DENSITY	GROSS Land Area	POPULATION Generated	DWELLING UNITS Generated	PARKLAND 5%	PARKLAND 1ha/300 du	PARKLAND 1ha/1000 people
30 p/ha	400	12000	5333	20	18	12
40 p/ha	400	16000	7111	20	24	16
50 p/ha	400	20000	8889	20	30	20
60 p/ha	400	24000	10667	20	36	24
70 p/ha	400	28000	12444	20	41	28
80 p/ha	400	32000	14222	20	47	32
90 p/ha	400	36000	16000	20	53	36
100 p/ha	400	40000	17778	20	59	40

In this example, the household size was decreased to 2.25...which dramatically increases the overall parkland dedication, which further strengthens the prior conclusions

APPENDIX B:

**Summary Research --
Other Municipal Jurisdictions**

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Barrie <i>Official Plan, 2014</i> <i>By-Laws: 2017-073</i>	Recently updated	Land equivalent to 5% of land OR Land equivalent to 1 ha every 300 units OP: Land up to 5% of land to be developed for densities less than 15 units per ha. AND Land at a rate of up to 1 ha per 300 units for densities greater than 15 units per ha	No identified parkland dedication cap or maximum	Land up to 2% of land to be developed	Land up to 2% of land to be developed	All other land use types subject to 5% of land dedication Mixed Use: Predominant land use shall be determined and applicable rate for predominant use will prevail for entire site	For residential development or redevelopment, at a rate of 1 ha per 500 units or the value of land otherwise required, whichever is greater	APPRAISALS Based on market value of land and be determined in accordance with Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada In the case of residential development with 1 ha/500 unit rate, the value of the land may be calculated at a value that is less than its market rate in accordance with any Council approved policy	<ul style="list-style-type: none"> Lands which have previously been charged, unless there is increase in density or new use proposed on commercial/industrial lands Replace buildings razed by fire or other acts of gods, provided replacement does not exceed gfa of original second suites and other building alterations that do not increase dwelling units development or redevelopment of lands included in City's parkland inventory
City of Burlington <i>By-Law 57-2005</i>	Under review	Land equivalent to 5% of land OR Land equivalent to 1 ha every 300 units	No identified parkland dedication cap or maximum for land dedication. See Cash-in-Lieu column for CIL rates	--	--	--	Low Density: Land Value x 5% Medium Density: The lesser of: -number of units divided by 300 x per hectare land value; -number of units x \$6,500. High Density: The lesser of: -number of units divided by 300 x per hectare land value; -number of units x \$5,500.	--	--
City of Cambridge <i>Official Plan 2012 (amended 2014 OMB)</i> <i>No active bylaw</i>	--	Land equal to 5% of land to be developed OR Land at a rate of 1 ha for each 300 dwelling units	--	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	<u>Institutional</u> : No dedication required	Cash equivalent to land requirement for all land use types	APPRAISALS Shall be determined in accordance with generally accepted appraisal principles	<ul style="list-style-type: none"> N/A
City of Guelph <i>Official Plan, OPA 48</i> <i>By-Laws: 1989-13410 1990-13545 2007-18225</i>	By-Law currently under review	Land at a rate of 5% for single and semi-detached AND Land at a rate of 5% for densities less than 50 units/ha AND Land up to 7.5% for densities between 50 and 100 units/ha AND Land up to 10% for densities greater than 100 units/ha	Land at a of 5% (cap), where: <ul style="list-style-type: none"> the land is located in downtown core development is for rental lands don't include river bank lands, and portion of the land is required to access or complete a park or rec facility	Lands outside of municipally developed industrial or business parks, up to 2% of land to be developed, only where one or more of the following applies: <ul style="list-style-type: none"> lands include river bank lands that have been designated for park use in Rec MP or OP a portion of the land is required to provide access to a park or rec facility a portion of the land is required to complete a park or rec facility 	<u>Institutional</u> : No dedication required	May be required by Council	VALUATION For single and semi-detached or development of 5 units or less, prescribed value for each unit type in listed in By-Law. No prescribed update timeline for these values All other development, land is valued by a certified appraiser appointed by the City	<ul style="list-style-type: none"> Institutional Most forms of commercial and industrial 	

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Hamilton <i>Urban Official Plan, 2016</i> <i>By-Laws: 09-124 17-039 18-126</i>	Recently updated	<p>Rural single-family residence outside of rural settlement area: dedication based on 2.5% of a 1 acre building lot.</p> <p>Land in the amount of 5% of the Net land area for densities less than 20 units per ha.</p> <p>AND</p> <p>Land at a rate of 1 ha for each 300 units proposed for densities between 20 and 75 units/ha (max 5% dedication for single and semi-detached, duplexes and a max of 6 apartment units above commercial)</p> <p>AND</p> <p>Land at a rate of 0.6 ha for each 300 units proposed for densities between 75 and 120 units/ha</p> <p>AND</p> <p>Land at a rate of 0.5 ha for each 300 units proposed for densities greater than 120 units per ha</p>	<p>Cash in Lieu Caps for Townhouse and Multi-unit Dwellings may be used based on a unit rate as defined by area of the City (between \$6,000 and \$10,000)</p> <p>Cash in Lieu Caps for development of Multiple Dwellings within the Downtown CIP Area are capped at:</p> <ul style="list-style-type: none"> • 5% of land until 2020 • \$2,000 per unit from 2020-2021 • \$3,500 per unit from 2021-2022 • \$5,000 per unit after 2022 	Land equal to 2% of land to be developed	Exempt	<p>ALL OTHER LAND TYPES Land equal to 5% of land to be developed for institutional and all other proposals</p> <p>Land equal to 2% of development area for a school</p> <p>MIXED COMM. & RES. The Value will be calculated in accordance with the following formula: (2% x A x B/D) + (E x A x C/D)</p> <p>A= Net Land Area B= Commercial Floor Area C= Residential Floor Area D= Total Floor Area of building E= 5% or relevant density formula for residential development, whichever applies</p> <p>DOWNTOWN CORE & BROWNFIELD New residential development or re-development in Downtown CIP or Brownfield areas capped at 5% of net land area regardless of density</p>	<p>Cash equivalent to land requirement for all land use types</p> <p>Capped at 1 hectare per 500 units developed as per Planning Act amendment</p> <p>See 'Dedication Cap or Maximum' column.</p>	<p>APPRAISALS Shall be determined in accordance with generally accepted appraisal principles</p> <p>Value determined as of the day before the day of the issuance of the first building permit for development or redevelopment</p> <p>Cash conveyed prior to issuance of building permit.</p> <p>Exclude SWM facilities, valley lands, hazard lands, woodlots, Core Areas, and major utility corridors when calculating area subject to Parkland Dedication, except where these land areas include water or wastewater services, private or public roads, or parking lots.</p>	<ul style="list-style-type: none"> • Industrial or agricultural • Addition or alteration to residential building that does not increase total number of dwelling units • Addition or alteration to commercial building if maintains same use, as follows: <ul style="list-style-type: none"> ○ building constructed prior to 2003, net floor area increase up to 50% above original ○ mixed-use expansion of commercial up to 50% above 2003 floor area • Portable classrooms on school property • Golf course development or redevelopment on existing golf course for continued golf use • The following institutional uses: <ul style="list-style-type: none"> ○ place of worship, college or university, public hospital, hospice, non-profit emergency shelter, public library, cemetery, mausoleum, columbarium or crematorium, other charitable non-profit uses as deemed by Council • Affordable housing projects confirmed by City

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Kitchener <i>Official Plan, 2014</i> <i>Chapter 273 Park Dedication (By-law)</i> <i>Dedication Policy, 2012</i>	--	Land at a rate of 5% of land to be developed OR Land at a rate of 1 ha per 300 dwelling units, whichever is the greater	No identified parkland dedication cap or maximum	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	MIXED-USE Land conveyed in accordance with Residential, Commercial and industrial dedication rates	Cash equivalent to land requirement for all land use types may be required	APPRAISALS Land value for plans of subdivision of 4 ha or more shall be determined by accredited appraiser with cost paid for by Park Trust Fund Land value for plans of subdivision less than 4 ha, or site plan approval, or consent/land severance are determined based on the land values in the <i>Dedication Policy</i> – land types are given separate values per hectare. City may decide to conduct a site-specific accredited appraisal for cash-in-lieu, with cost paid for by Park Trust Fund. OP STATES that CIL will be based on fair market value	<ul style="list-style-type: none"> Downtown Kitchener Community Improvement Area if the maximum park dedication has previously been made, no further park dedication will be required in the event of development or redevelopment if no previous park dedication has been paid, the City will require the maximum allowable in event of development or development Council may opt to exempt public sector institutional development (hospitals, universities, etc)
City of London <i>Official Plan, 2016</i> <i>By-Law CP-9, 2011</i> <i>Parks & Rec Master Plan, 2009</i>	--	Land equal to 5% of land within the development application OR Land at a rate of 1 ha for each 300 dwelling units, whichever is greater	No identified parkland dedication cap or maximum	Land equal to 2% of the land to be developed	Land equal to 2% of the land to be developed (OP) 5% of land within development area (BL) *Where a development contains hazard and/or environmentally constrained lands, these lands will be excluded from parkland dedication calculation so long as the hazard/constrained lands are dedicated to the City. Hazard lands may be accepted in lieu of table land at a ratio of 27 ha for every 1 ha of table land Open space or constrained lands may be accepted in lieu of table land at a ratio of 16 ha for every 1 ha of table land	ANY OTHER TYPE OF LAND USE Land equal to 5% of land to be developed	Money in lieu of conveyance to the prevailing value of the land otherwise required Cash in lieu at the alternate residential rate to a maximum of 1 ha per 500 units Given the new Official Plan was drafted and adopted after Bill 73 came into effect, the OP indicates that CIL may be required on the value of each dwelling unit or at the rate of 1 ha per 500 units.	APPRAISALS Table 1 in By-Law provides values for all dwelling unit types that should be used to determine prevailing land value for residential. Every two years the market value of units will be reevaluate by an independent appraiser. Prevailing land value for non-residential purposes will be determined by a registered property appraiser Payment required prior to issuance of building permit	Located in Council policy manual: <ul style="list-style-type: none"> May exempt industrial Schools typically captured in subdivision School retrofits are waived

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Markham <i>Official Plan, 2014</i> <u>DRAFT By-Law, 2013</u>	By-Law currently under review	Land in the amount of 1 ha per 300 dwelling units (no less than 5%) for detached and semi-detached units AND Land in the amount of 1 ha per 300 units OR 1.2 ha per 1,000 persons, whichever the lesser, for townhouse, stacked townhouse, or small multiples buildings w/ 3 to 6 units AND Land in the amount of 1.2 ha per 1,000 persons (no less than 5%) for apartment dwellings AND Development or redevelopment consisting of apartment buildings with more than 6 units: <ul style="list-style-type: none"> • 1.2 ha/1000 people for FSI <3.0 • 0.84 ha/1000 people for FSI between 3.0 and 6.0 • 0.42 ha/1000 people for FSI >6.0 	No identified parkland dedication cap or maximum	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	LANDS FOR PURPOSES OTHER THAN COMMERCIAL OR INDUSTRIAL Land equal to 5% of land to be developed MIXED USE Conveyance is the sum of the individual uses; defined by the Gross Floor Area of ground floor for all non-residential uses exclusively devoted to each use and surface parking area in addition to any required residential dedication	Cash equivalent to land requirement for all land use types Cash and/or Land equivalent	APPRAISALS Shall be determined in accordance with generally accepted appraisal principles Carried out by an independent accredited market appraiser retained by the City and at the cost of the applicant In the event of a dispute, the City may require a peer review by another independent appraiser at the cost of the applicant City may utilize other valuation approaches, including, but not limited to: <ul style="list-style-type: none"> • recent record of land sale not more than 1 year old • a per ha land value established by the City on an annual basis • an in-house valuation of the market value of the land prepared by the Manager of Real Property 	May consider reduction or exemptions for: <ul style="list-style-type: none"> • development for public use • includes affordable housing • is a nursing home • development by a not-for-profit organizations • within a heritage conservation district or heritage conservation district study area and development is in conformance with policies and guidelines for HC No conveyance required for: <ul style="list-style-type: none"> • enlargement or alteration to residential structure so land as it continues to conform to the zoning by-law and does not increase the number of dwelling units • creation of secondary suite
Town of Milton <i>By-Law 128-2001</i> <i>2014, Updated Benchmark Values for Cash-in-Lieu</i>	By-Law currently under review	Land equal to 5% of the land to be developed OR Development with a net density of greater than 15 units/ha shall provide land at a rate of 1 ha/300 units	No identified parkland dedication cap or maximum	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	ANY OTHER TYPE OF LAND USE Land equal to 5% of land to be developed	Cash equivalent to land requirement for all land use types Cash and/or Land equivalent	The Town has established benchmark values for land based on land use type and size of the area for Residential (rural and urban), Industrial, Commercial, and Mixed-use	<ul style="list-style-type: none"> • garden suites • comm/ind additions <50% increase • addition of up to 2 units in existing detached, or 1 unit in any other residential • Town/Region/Milton Hydro/Board of Education/public hospital owned/operated land, buildings, or structures • Places of worship, or cemetery/burial ground

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
<p>City of Mississauga</p> <p><i>Official Plan, Oct 2016</i></p> <p><i>By-Laws: 0400-2006 0166-2007</i></p> <p><i>Typical Development Cost Guideline, Jan. 2016</i></p>	By-Law currently under review	Land equal to 5% of the land to be developed OR 1 ha of land for every 300 dwellings proposed, whichever is greater	Typical Development Cost Guideline: Medium to high density development subject to \$9,800 per unit Cash in Lieu rate	Land equal to 2% of land to be developed	For religious assembly and industrial Land equal to 2% of land to be developed	ALL OTHER LAND TYPES NOT MENTIONED Land equal to 5% of the land to be developed MIXED USE The predominant use of the land will be established and then the corresponding dedication rate for that predominant use will be applied to the development	CIL will be calculated at the set rate determined by land use. NON-RESIDENTIAL CIL calculated based on the percentage increase in GFA The following formula will be used: <u>New Total GFA = Previous Total GFA – Demolished GFA + New GFA</u> <u>CIL owing = (New Total GFA – Previous Total GFA) / Previous Total GFA x Total Market Value x 2%</u>	The value of land shall be determined as of the day before the issuance of the (first) building permit Value shall be its market value as determined in accordance with S.42 All appraisals shall be prepared in accordance with Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada Medium high density residential development with alternative rate of 1ha/300, the value of land may be calculated at less than market value in accordance with such formula as contained in any policy that may be approved by Council	<ul style="list-style-type: none"> additions to any buildings if a previous conveyance was made, unless: <ul style="list-style-type: none"> density is increased comm/ind conversion to res. replacement of a structure that was razed by fire, accidental cause or act of God, provided that for ind./comm./inst./religious uses the new structure is not larger than original interior alterations that do not increase number of units residential construction where previous structure on same land was used for residential purposes, and new building does not increase units development or redevelopment of lands currently included in City's parkland inventory
<p>Town of Newmarket</p> <p><i>By-Law, 2017-56</i></p>	Recently updated	<p>Outside Urban Centres: 1 ha/300 units or 5% of land area, whichever is greater</p> <p>Inside Urban Centres: 0.7 ha/1,000 residents or 1ha/300 units, whichever is less, up to max of: 25% (3 years from enactment date); 50% (after 3-year period from enactment)</p> <p>All development on sites greater than 1,000 square metres, identify a physical land contribution to the Urban Park System:</p> <ul style="list-style-type: none"> land of not less than 7.5% of of site area Urban square or plaza, pocket park or sliver park with minimum size of 75 square metres Pedestrian mews with a minimum width of 6 metres 	For land and cash-in-lieu, capped dedication at 25% for 3 years from enactment. Capped at 50% after 3 years from enactment.	2% of land area within Urban Centres and outside of Urban Centres	MIXED USE Outside Urban Centres: cumulative amount for the various uses proposed at their respective rates Inside Urban Centres: cumulative amount for the various uses proposed at their respective rates up to a max of: 25% (3 years from enactment date); 50% (after 3-year period from enactment)	<p>Outside Urban Centres: 1 ha/500 units or 5% of land area, whichever is greater</p> <p>Inside Urban Centres: 0.7 ha/1,000 residents or 1ha/500 units, whichever is less, up to max of: 25% (3 years from enactment date); 50% (after 3-year period from enactment)</p>	<p>Certified appraiser retained and paid for by the Owner</p> <p>Value established as the day prior to the issuance of the building permit</p> <p>Considered as current for up to 2 years from the date of the original appraisal</p>	<ul style="list-style-type: none"> Town owned/operated land, buildings, or structures Region owned/operated land, buildings, or structures Land, buildings, or structures owned by and used for Board of Education and/or Newmarket Library Board College, university or school defined in the <i>Education Act</i> Southlake Regional Health Centre Not for profit palliative care facilities Replacement of structures destroyed by fire or other accidental cause Addition of one unit to existing detached and semi-detached An accessory dwelling unit permitted by the Official Plan and/or Zoning By-law Temporary building or structure Where cash-in-lieu payable is less than \$100 	

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
Town of Oakville <i>Official Plan, 2009 (consolidated 2017)</i> <i>By-Law, 2008-105</i>	By-Law currently under review	Land equal to 5% of land to be developed OR Land at a rate of 1 ha for each 300 dwelling units (whichever is greater)	No identified parkland dedication cap or maximum	Land equal to 2% of land to be developed	EMPLOYMENT & INDUSTRIAL land equal to 2% of land to be developed	Land equal to 5% of land to be developed Mixed-use development applicable rate shall be the rate that yields the maximum dedication	CIL to the value of land otherwise required, or a combination of cash and land, may be required Payment of money in an amount equal to the value of the lands the day before issuance of the (first) Building Permit	APPRAISALS <ul style="list-style-type: none"> The Manager of Realty Services will determine whether the Town requires the dedication of land or money Realty Services will be responsible for establishing the value of the land for the purpose of calculating any required payment Shall be determined in accordance with generally accepted appraisal principles 	<ul style="list-style-type: none"> N/A
Town of Richmond Hill <i>Official Plan, 2010 (cons. 2016)</i> <i>By-Law, 2013</i>	--	The greater of: 5% of the land proposed for development OR The lesser of: <ul style="list-style-type: none"> 1 ha for each 300 units; or 1 ha for each 730 persons <ul style="list-style-type: none"> 3.51 ppu single-detached 2.88 ppu semi-det. 2.83 ppu townhouse 1.92 ppu multi-res 	No current parkland dedication cap or maximum	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	MIXED USE Land will be conveyed at the rate applicable to the <u>predominant proposed use</u> and all land proposed for development will be included in calculating the required amount of land to be conveyed	CIL will be calculated at the set rate determined by land use Payment of money in an amount equal to the value of the lands the day before the (first) Building Permit is issued	APPRAISALS Shall be determined in accordance with generally accepted appraisal principles Commissioner of Corporate and Financial Services is authorized to establish the value of land	<ul style="list-style-type: none"> To a development or redevelopment where the predominant proposed use of the land is for Special Resident Uses or for Institutional uses To a residential development that will not result in an increase in the number of dwelling units To a commercial or industrial purpose that will not result in an increase in the GFA Where park or CIL has been dedicated, no additional dedication for development or redevelopment on that land will be required, unless: <ul style="list-style-type: none"> increasing density conversion of Comm or Ind to Res.

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Toronto <i>Official Plan, 2015</i> <i>Toronto Municipal Code Ch.415 / By-law 1020-2010</i>	By-Law currently under review	Greater of: Land equal to 5% of land to be developed OR Land at a rate of 0.4 ha for each 300 dwelling units	For sites less than 1 ha parkland will not exceed 10% of the development site For sites 1 ha to 5 ha parkland will not exceed 15% of the development site For sites greater than 5 ha parkland will not exceed 20% of the development site	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	MIXED USE Respective rates shall be applied to the total land area of the parcel in the same proportion as the GFA of the residential use is to the GFA of the non-residential use	<ul style="list-style-type: none"> Residential Sites less than 1 ha 10% of the value of the development site Sites 1-5 ha 15% of the value of the development site Greater than 5 ha 20% of the value of the development site 	APPRAISALS Shall be carried out by the direction of the Executive Director, facilities and Real Estate Shall be determined in accordance with generally accepted appraisal principles Paid for by the Owner	<ul style="list-style-type: none"> Non-profit housing Replacement of existing dwelling Enlargement of existing dwelling unit 1 additional unit in existing residence Long Term Care homes Non-residential replacement building Addition of 200m² of existing non-residential Industrial Uses Structures owned/used by: <ul style="list-style-type: none"> Gov of Canada Prov of Ontario City of Toronto Toronto Hydro Corp. Public school, university, or college public hospitals Mun child care centres, non-profit child care providers Temporary uses (s.39)
City of Vaughan <i>Official Plan, 2010 (cons. 2017)</i> <i>By-Laws, 205-2012, 139-90</i>	--	At the rate of 5% of the development area OR 1 ha for each 300 dwelling units propose	Cash-in-Lieu rate for high density residential development established at \$8,500 per unit	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	All other land types: 5% of land to be developed MIXED USE Proportional based on land type	May be considered where such contributions may be more effective in achieving parkland targets (OP) Cash in lieu to be dedicated at a rate of 1ha per 300 units AND At a rate of \$8,500 per unit for high density residential	APPRAISALS Shall be determined in accordance with generally accepted appraisal principles Value the day before granting building permit Unit rate for high density residential based on average medium density value, \$8,500 per unit	<ul style="list-style-type: none"> Institutional Any building additions

Municipality	Status of By-Law Update or Review	Conveyance of Land for Parks Purposes / Dedication					Cash-in-lieu of Land Dedication	Land Valuation / Appraisals	Parkland Dedication Exemptions
		Residential	Dedication Cap or Maximum	Commercial	Industrial	Other Land Use Types			
City of Waterloo <i>Official Plan, Cons. 2014</i> <i>By-Law 2011-024, 2015-044</i>	--	Land equal to 5% of the development area for densities of 100 units/ha or less AND Land at a rate of 0.10 ha per 300 units for densities exceeding 100 units/ha	Established dedication cap or maximum in the Uptown area at 15% of land or cash-in-lieu	Land equal to 2% of land to be developed	Land equal to 2% of land to be developed	INSTITUTIONAL Land at a rate of 5% of development area MIXED USE Proportional based on land type	At discretion of City's General Manager of Development Services City may establish a fixed value for land use types that shall be updated every 5 years (OP)	APPRAISALS Owner will retain independent accredited real-estate appraiser at own expense Value the day before granting of plan of subdivision or condo/provisional consent/building permit City may accept purchase price of the land as the determinant land value provided the purchase occurred within 12 months of complete application submission, appropriate zoning or rezoning of land for proposed use, and applicant can demonstrate to the City that the purchase was a bonafide arms-length purchase	<ul style="list-style-type: none"> • Building damaged or demolished by fire or other natural causes, where: <ul style="list-style-type: none"> ○ the building is repaired or replaced within 2 years ○ continues to be used for same purpose • Provincial universities and colleges • Other uses as determined by Council • Industrial development and redevelopment • In Uptown: Office and ground floor commercial in office mixed-use

APPENDIX C:

Fiscal Impacts of Alternate Parkland Dedication Rates



Memorandum

To: Mr. Ron Palmer, Principal
The Planning Partnership

From: N. Barry Lyon Consultants Limited

Phone: 416.364.4414

Date: October 26th, 2018

RE: Halton Hills Parkland Dedication Policy Analysis

1.0 Introduction & Summary Results

N. Barry Lyon Consultants (“NBLC”) was retained by The Planning Partnership to assist in their evaluation of parkland dedication policies, for medium and high density residential developments and their associated impact on development viability in the Town of Halton Hills (“the Town”). The enclosed is summary of findings from NBLC’s financial analysis in support of this work.

This memorandum summarizes an analysis of the impacts that alternative parkland dedication methods may have on hypothetical development scenarios in the Town (quantified through cash-in-leu of parkland payments, or CIL). This analysis considers four approaches to quantifying CIL of parkland contributions:

- Method 1: 1 hectare per 500 units;
- Method 2: 1 hectare per 300 units;
- Method 3: 25% of land value (calculated the at time of building permit); and,
- Method 4: 5% of land value (calculated the at time of building permit).

It’s a well-accepted principle in land economics that costs do not affect pricing. That is, developers always charge the maximum the market will bear, irrespective of costs. If market pricing cannot support the costs of development, and return a profit, the project is not feasible. Therefore, higher parkland dedication costs impact the feasibility of development in the following ways:

- Reducing the profit/return a developer can expect to achieve; or,
- Reducing the value that a developer will be willing to pay for land; or
- A combination both.

For developers who own land in Halton Hills for development and have assumed one set of municipal fees, an increase in these fees would reduce the profitability of the development. Depending on the land cost, the increase in fees could reduce the profit to a point where development become unviable. Conversely, a reduction in fees could improve viability, supporting intensification policies throughout the Town.

For developers seeking to acquire land and invest in high density development in Halton Hills, a change in municipal fees can impact value of land. If fees were to increase, developers unwilling to reduce their expected rate of return on a property, will expect the vendor to absorb these costs in the sale price of property.

This analysis illustrates that the existing parks levy policy (calculated at 1 hectare per 500 units as per the Planning Act) could act as a disincentive to investments in high density development. For developers who need to acquire land at market rates, the profitability of development is at the lower end of the typically accepted range. These conditions may be discouraging developers who do not already own land in Halton Hills from entering into this market area, particularly on complex sites in downtown areas.

Moreover, when land values for high density development are low in an intensification area, other types of development will compete for the same sites that might otherwise be prime for redevelopment. This can be why in some cases a gas station is developed on a significant corner in an emerging market area. This condition can also dis-incent existing low-density uses on underutilized sites to relocate. In these cases, residential developers are not just competing with themselves to acquire redevelopment sites, but are also competing with other commercial uses. A municipality's parkland dedication policies (along with its full package of fees and levies) must be in sync with its indemnification policies in order for the private sector to respond by making investment decisions.

As an illustration of this, in some high density instances tested as part of this analysis, the parkland generated through the current approach would approach or exceed the actual area of the development site. An alternative policy approach that better scales with increasing density could be more effective in facilitating high density development in Halton Hills. The results of this analysis illustrate modest relief to developer returns through the use of a percentage tool (or 'cap') in the parkland calculation methodology.

It is also important to highlight that while an alternative parkland dedication methodology could support marginal positive improvements to the viability of high density development in Halton Hills, parkland levies are not the only factor affecting the economics of high density development. Parkland rates ought to be considered within the context of other development charges and levies which as a package, impact development viability.

2.0 Methodology & Findings

The following discussion presents the results of a financial analysis based on a range of hypothetical development scenarios. Six built form scenarios were tested with market adjustments made to reflect relative variations in market characteristics between Georgetown and Acton.

This analysis employs a residual land value approach to evaluate land value, and therefore, the amount of cash in lieu of parkland that might be required in varying scenarios. This methodology varies from a comparable sales approach and can produce different results. However, for the purposes of this analysis, the residual methodology is considered to be more appropriate because:

- The various parkland rates tested impact a developer's exposure to costs. And, with higher or lower project costs, a developer can afford to pay different amounts for land. A comparable sales approach would not illustrate this fluctuation because the sales captured reflect historical sales, rather than future changes to policy. A residual land value pro forma is forward looking and can evaluate the results from this nuance;
- The relative immaturity of Halton Hills' high density market means that there is a very limited sample size of comparable land transactions to draw upon. In using a comparable sales approach, one would have to reference transactions that are located outside of the immediate market area within different planning jurisdictions which have varying municipal fee structures and development levies (i.e. project costs), as well as different market contexts which can highly impact achievable project revenue; and,
- A residual land value approach allows for the consideration of site specific factors that will impact overall viability of a redevelopment project. This includes the quantification of extraordinary costs which might be related to heritage preservation or environmental remediation, or positive elements like views, access to transit, or other elements that might add to a site's marketability.

NBLC developed a pro forma financial model to assess the impact each of the four parkland dedication methods could have on the land value or profit of the hypothetical development concepts. To estimate land value, we forecast revenues and subtract costs and developer profit – the residual is the supportable land value. To assess impacts on developer profit we undertook separate analysis that fixes land costs based on estimates of each site's land value. Cash-in-lieu of parkland calculations rely on land value results in the pro forma, but are thought to be generally comparable to recent high and medium density land transaction activity throughout the Town.

The built forms use current or emerging development application activity as a proxy for the scenarios tested in this review. Where a large scale multi-phase apartment development is being considered, our work isolates a single building phase in order to improve the ability to compare between built forms.

The assumptions used in the financial pro forma analyses represent NBLC's knowledge of current development dynamics, with input from external data sources including market information gathered to inform inputs with respect to high density condominium and townhome market conditions. This allows us to benchmark key assumptions and findings from the analysis against recent experience in the local market area.

The financial impacts on land value for developments within Halton Hills are highlighted in the following summary table. We also note the following:

2.1 Land Value

- The findings of this analysis indicate that when all other factors are held constant, the varying approaches used to calculate parks levy fees can have a significant impact on land value. Particularly in higher density development scenarios, the use of a capped methodology versus the current planning act approach (1 hectare per a set number of units), yields stronger land value results and would improve a developer's ability to compete for development lands in the Town, or to recoup a sunk land cost.
- We note that in these models that seek to quantify the effect of parkland dedication policies on land value, developer profit is set at 15% of gross revenues. Typically, developer profit margins range between about 10% and 20% of gross revenue. However, profit margins below the 15% threshold are generally considered to be riskier and not all organizations are comfortable at this end of the spectrum. It is noted that changes to developer profit expectations would impact the results of this land value analysis.
- If a uniform CIL approach were considered for all building forms in the Town, the land value results illustrate that a 25% cap on land value approach likely represents the best balance between improving feasibility for high density apartment development, while not significantly impacting the viability of townhome development forms.

2.2 Profit

- Another approach to measuring the impact of varying cash-in-lieu of parkland dedication policies on the viability of development is to hold land value constant and measuring the impact of the parks levy methods on developer profit. That is, if land value is fixed based on today's market conditions and the conceptual built form potential of the site, variations in development cost (resulting from a change in parks levy methodology) would then impact developer profit margins. Obviously, as the parks levy is reduced, profitability increases. The following table also summarizes these results.
- This analysis illustrates that the existing parks levy policy is a disincentive to investments in high density development. For developers who need to acquire land at market rates, the profitability of development is at the lower end of the typically accepted range, especially on sites where extraordinary costs such as remediation or heritage preservation are also factors. These conditions may be discouraging some developers who do not already own land in Halton Hills from entering into this market area; partially explaining the limited high density apartment development activity that has been captured throughout the Town.
- While improvements to developer profit margins through the use of a capped methodology are relatively minor on a percentage basis, it is important to also consider that these adjustments could represent millions of dollars in potential return for a developer. Again, it appears as though that based on the approaches tested in this analysis, a 25% cap likely represents the best balanced approach to improving development viability, while still capturing significant parks levies and not over-incentivising a development.

Table 1

Preliminary Pro Forma Results - Cash-in-Lieu of Parkland Sensitivity Analysis												
Development Scenarios:	Georgetown		Acton	Georgetown	Georgetown	Acton	Georgetown	Acton	Georgetown	Acton	Georgetown	Acton
	11 Storey Condo Apartment			14 Storey Condo	8 Storey Condo Apartment		6 Storey Condo Apartment		Condo Townhomes (interior roads and open spaces)		Freehold Street Townhomes (no private roads)	
	W/ Heritage	No Heritage	No Heritage	W/ Heritage								
Development Statistics												
Units	125			146	96		105		20		20	
GFA (sf)	185,547			209,697	97,143		106,570		39,500		39,500	
FSI	6.22			7.03	2.01		1.57		0.83		1.01	
Avg. Unit Size (sf)	1,126	1,126	1,126	1,126	850	850	850	850	1,975	1,975	1,975	1,975
Avg. Unit Price (psf)	\$590	\$590	\$561	\$590	\$590	\$561	\$570	\$542	\$342	\$330	\$342	\$330
Avg. Unit End Price+	\$664,000	\$664,000	\$631,000	\$664,458	\$502,000	\$476,000	\$485,000	\$460,000	\$675,000	\$651,750	\$725,000	\$701,125
Site Area (ha)	0.28			0.28	0.45		0.63		0.44		0.36	
Physical Park Space that would be Required (ha)												
Method 1: 1 ha / 500 units	0.250	0.250	0.250	0.293	0.192	0.192	0.211	0.211	0.040	0.040	0.040	0.040
% of land area	90%	90%	90%	106%	43%	43%	33%	33%	11%	11%	11%	11%
Method 2: 1 ha/ 300 Units	0.417	0.417	0.417	0.488	0.320	0.320	0.351	0.351	0.067	0.067	0.067	0.067
% of land area	150%	150%	150%	176%	71%	71%	56%	56%	18%	18%	18%	18%
Method 3: 25% Cap	0.069	0.069	0.069	0.069	0.113	0.113	0.158	0.158	0.110	0.110	0.091	0.091
% of land area	25%	25%	25%	25%	25%	25%	25%	25%	30%	30%	25%	25%
Method 4: 5% Cap	0.014	0.014	0.014	0.014	0.023	0.023	0.032	0.032	0.022	0.022	0.018	0.018
% of land area	5%	5%	5%	5%	5%	5%	5%	5%	6%	6%	5%	5%
Parks Levy if provided as Cash in Lieu[^]												
Method 1: 1 ha / 500 units	\$1,194,000	\$3,321,000	\$2,106,000	\$2,018,163	\$562,000	\$139,000	\$706,000	\$313,000	\$128,000	\$104,000	\$271,000	\$242,000
Method 2: 1 ha/ 300 Units	\$1,556,000	\$4,239,000	\$2,702,000	\$2,561,777	\$809,000	\$197,000	\$1,022,000	\$453,000	\$202,000	\$164,000	\$425,000	\$380,000
Method 3: 25% Cap	\$484,000	\$1,344,000	\$852,000	\$749,402	\$377,000	\$92,000	\$560,000	\$248,000	\$309,000	\$251,000	\$552,000	\$493,000
Method 4: 5% Cap	\$113,000	\$313,000	\$199,000	\$174,503	\$88,000	\$21,000	\$131,000	\$58,000	\$73,000	\$59,000	\$130,000	\$116,000
Residual Land Value (Present\$)												
Method 1: 1 ha / 500 units	\$1,261,000	\$3,506,000	\$2,211,000	\$1,803,000	\$1,269,033	\$313,000	\$2,026,000	\$893,000	\$1,391,874	\$1,131,484	\$2,451,000	\$2,187,000
\$PSF buildable / unit	\$6.80	\$18.90	\$11.92	\$9.72	\$13.06	\$3.22	\$19.01	\$8.38	\$69,594	\$56,574	\$122,550	\$109,350
Method 2: 1 ha/ 300 Units	\$966,000	\$2,758,000	\$1,728,000	\$1,364,000	\$1,096,000	\$265,000	\$1,759,000	\$776,000	\$1,323,356	\$1,075,788	\$2,309,000	\$2,061,000
\$PSF buildable / unit	\$5.21	\$14.86	\$9.31	\$7.35	\$11.28	\$2.73	\$16.51	\$7.28	\$66,168	\$53,789	\$115,450	\$103,050
Method 3: 25% Cap	\$1,841,000	\$5,119,000	\$3,228,000	\$2,829,000	\$1,452,000	\$352,000	\$2,149,000	\$948,000	\$1,225,335	\$996,111	\$2,193,000	\$1,956,000
\$PSF buildable / unit	\$9.92	\$27.59	\$17.40	\$15.25	\$14.95	\$3.62	\$20.17	\$8.90	\$61,267	\$49,806	\$109,650	\$97,800
Method 4: 5% Cap	\$2,144,000	\$5,961,000	\$3,758,000	\$3,294,000	\$1,691,000	\$410,000	\$2,512,123	\$1,108,000	\$1,442,281	\$1,172,457	\$2,581,000	\$2,303,000
\$PSF buildable / unit	\$11.56	\$32.13	\$20.25	\$17.75	\$17.41	\$4.22	\$23.57	\$10.40	\$72,114	\$58,623	\$129,050	\$115,150
Residual Profit Analysis based on Typical Estimated Land Acquisition Costs & Development Costs (Percentage of Gross Revenue)												
Method 1: 1 ha / 500 units	12.4%	15.5%	14.4%	13.4%	14.3%	12.8%	15.6%	14.0%	18.5%	16.2%	19.8%	18.0%
Method 2: 1 ha/ 300 Units	12.1%	14.5%	13.7%	12.9%	13.8%	12.6%	15.0%	13.7%	17.9%	15.8%	18.7%	17.1%
Method 3: 25% Cap	13.2%	17.6%	15.9%	14.6%	14.7%	12.9%	15.9%	14.1%	17.1%	15.1%	17.9%	16.3%
Method 4: 5% Cap	13.6%	18.8%	16.6%	15.2%	15.3%	13.0%	16.7%	14.5%	18.9%	16.5%	20.8%	18.9%

[^]Based on residual land value method, using estimated land value at time of permit or local real estate information

3.0 Assumptions and Supporting Material

The residual land value model utilizes numerous assumptions which are provided in the following detailed pro forma sheets. Sizing, pricing, and absorption rates are based on market observations, while project costs are based on typical industry figures as well as NBLC's experience with similar projects. Additional assumptions are as follows:

- Pricing cannot be increased to assume the additional costs of parkland dedications.
- Our models assume a 5% discount to pricing in Acton versus Georgetown.
- Our analysis is conducted without the benefit of detailed designs or information such as soil conditions, or heritage preservation costs which could have a significant impact on development feasibility.
- To approximate heritage preservation costs, the model assumes a \$20 psf premium on above grade hard costs.
- Municipal development charges including planning fees, legal fees, marketing costs, sales commissions, landscaping, site preparation costs, property tax, HST and building permit fees have been accounted for in the model.
- An estimated below grade construction area of 375 square feet per parking stall has been used in high density apartment models. It is assumed that visitor parking is provided above grade. The parking spaces required per scenario is based on a ratio of 1.5 spaces per unit for residential spaces and 0.25 spaces per unit for visitor parking. The model assumes that parking stalls are sold at a value of \$25,000 within the purchase price of a unit.
- Construction financing assumes a 75% loan to value ratio.
- In models solving for land value, developer profit is set at 15% of gross revenues.
- The model also includes a contribution equivalent to 6% of total costs for development project management and construction management. Some developers may also access some proportion of these fees depending on the makeup of their organization. However, these additional fees are not profit.

APPENDIX D:

Development Scenarios



HALTON HILLS PARKLAND

GEORGETOWN & ACTON DEVELOPMENT SCENARIOS

* The development scenarios depicted in this document are to be considered conceptual examples depicting development applications that the Town of Halton Hills is currently, or may soon, be receiving. They do not represent real-world scenarios and are used to further illustrate the financial analysis presented in Appendix C.



GEORGETOWN | 14 STOREY CONDO APARTMENT



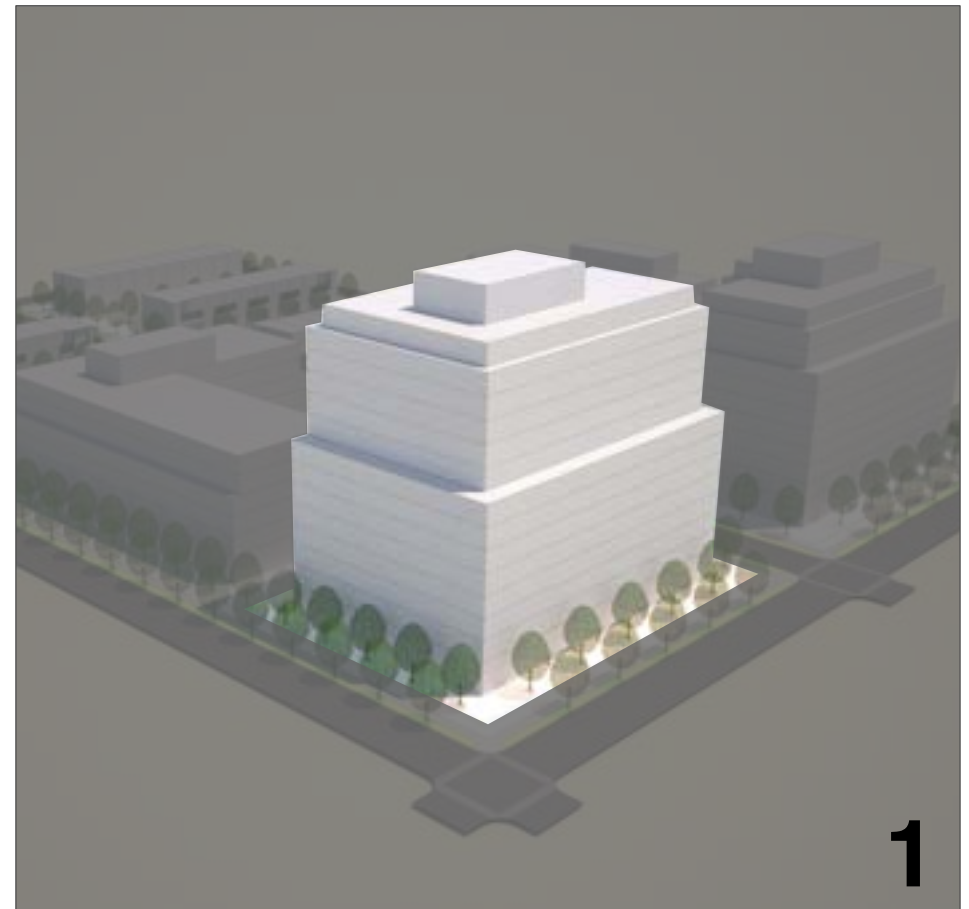
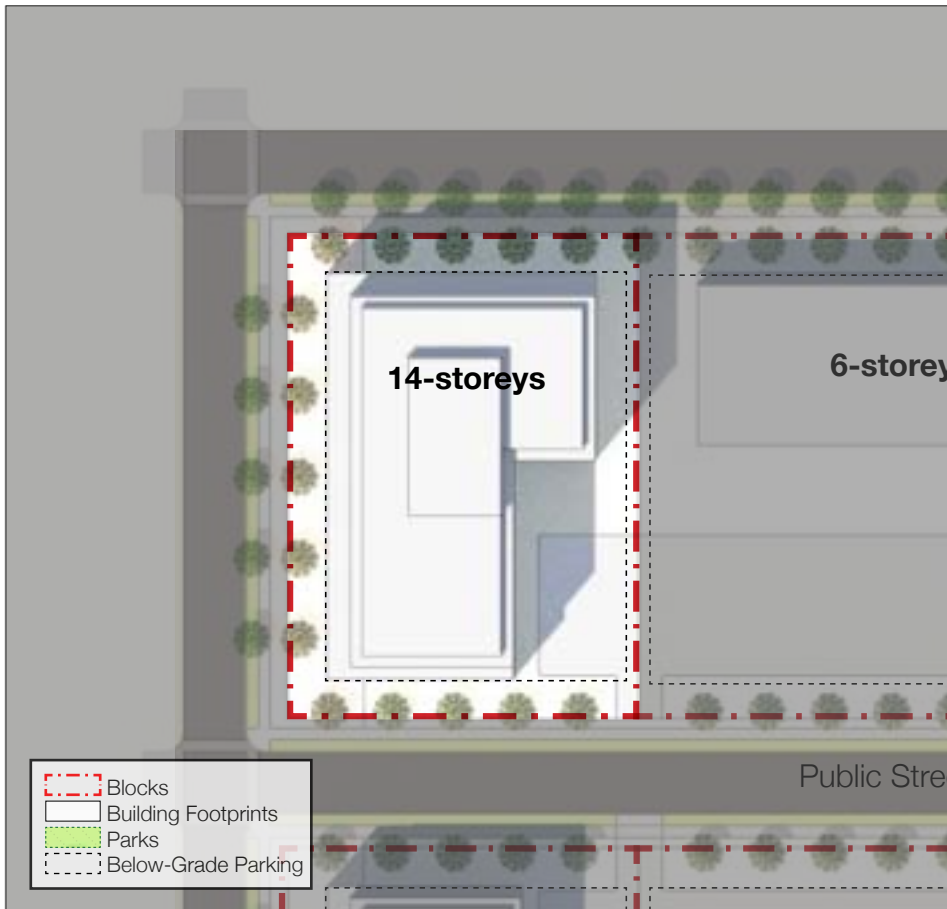
SCENARIO ONE STATS

This scenario illustrates a 14 storey development with an heritage conservation component within Georgetown.

Lot Area	2,773 sm
Units	146
Building Height	14-storeys
Total GFA	19,480 sm
<i>FSI</i>	7.03

PARKLAND STANDARD ALTERNATIVES

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	140	690	4,900	2,900
Percentage of Lot Area	5	25	176	106
Cash-in-Lieu Generated	\$174,500	\$749,400	\$2,561,800	\$2,018,200
Residual Profit	15.2%	14.6%	12.9%	13.4%
Cash-in-Lieu per unit	\$1,200	\$5,130	\$17,550	\$13,820
Parkland ha/1,000 people	0.056	0.278	1.975	1.169



GEORGETOWN | 11 STOREY CONDO APARTMENT



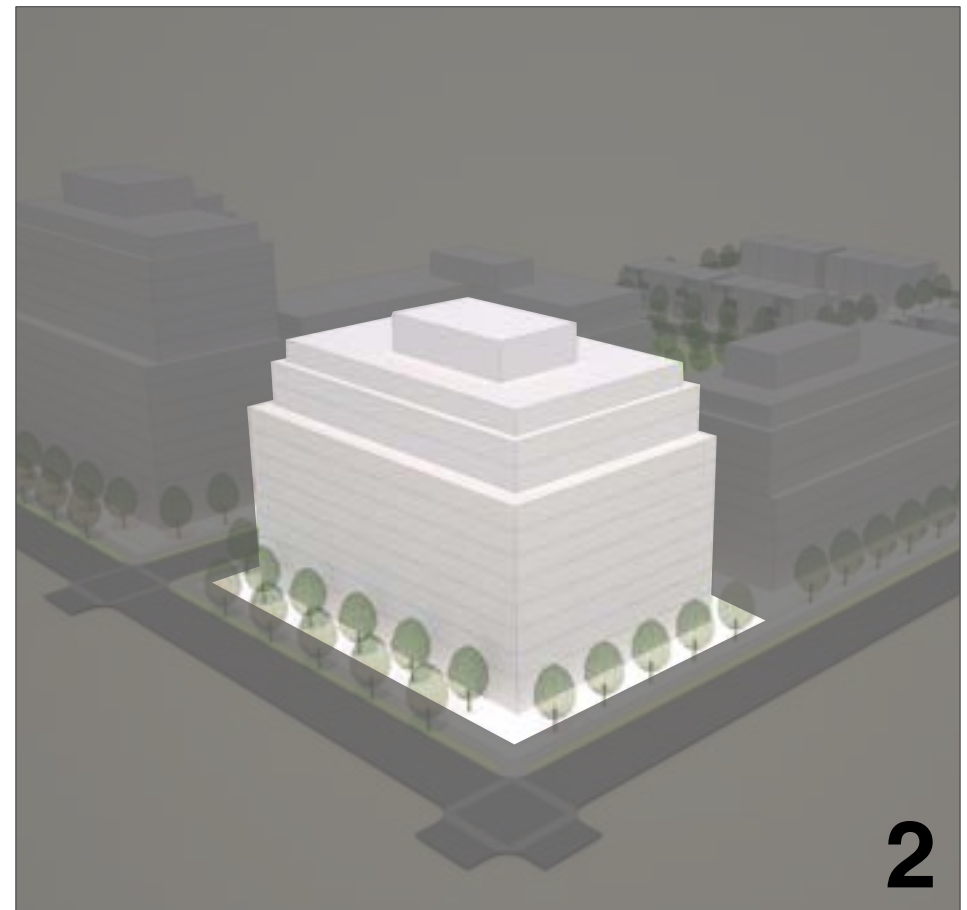
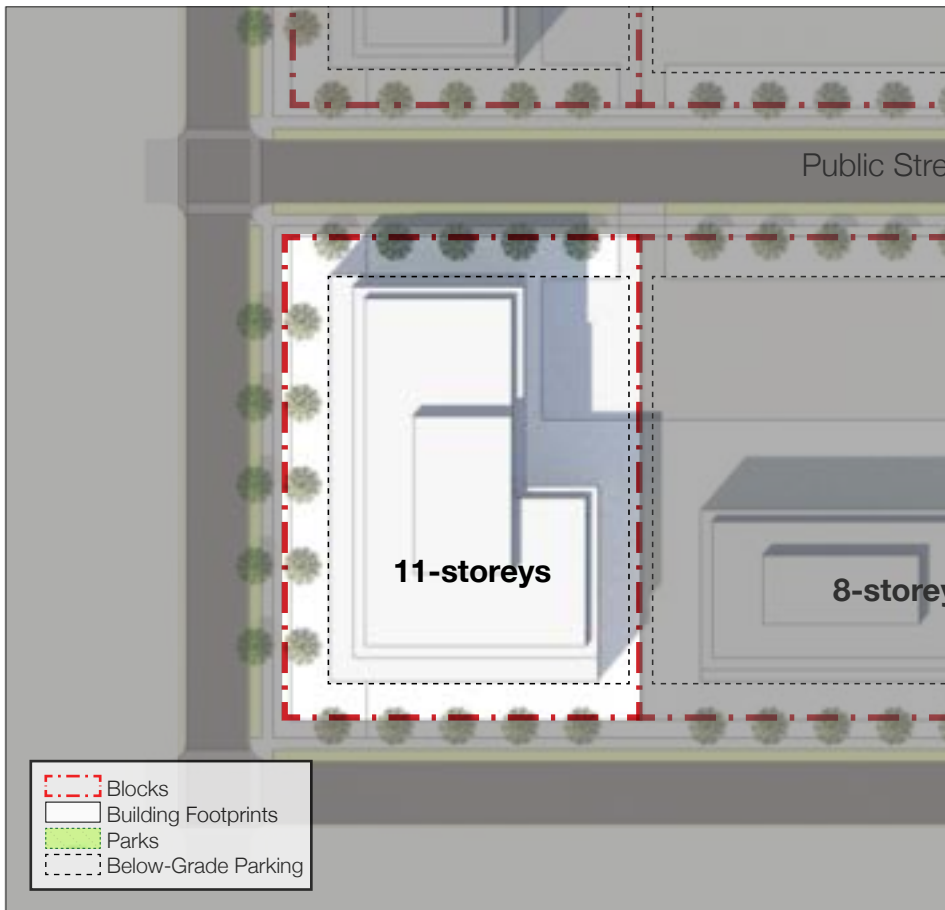
SCENARIO TWO STATS

This scenario illustrates an 11 storey development with an heritage conservation component within Georgetown.

Lot Area	2,773 sm
Units	125
Building Height	11-storeys
Total GFA	17,230 sm
<i>FSI</i>	6.22

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	140	690	4,170	2,500
Percentage of Lot Area	5	25	150	90
Cash-in-Lieu Generated	\$113,000	\$484,000	\$1,556,000	\$1,194,000
Residual Profit	13.6%	13.2%	12.1%	12.4%
Cash-in-Lieu per unit	\$905	\$3,870	\$12,450	\$9,550
Parkland ha/1,000 people	0.066	0.325	1.964	1.178



GEORGETOWN | 8 STOREY CONDO APARTMENT



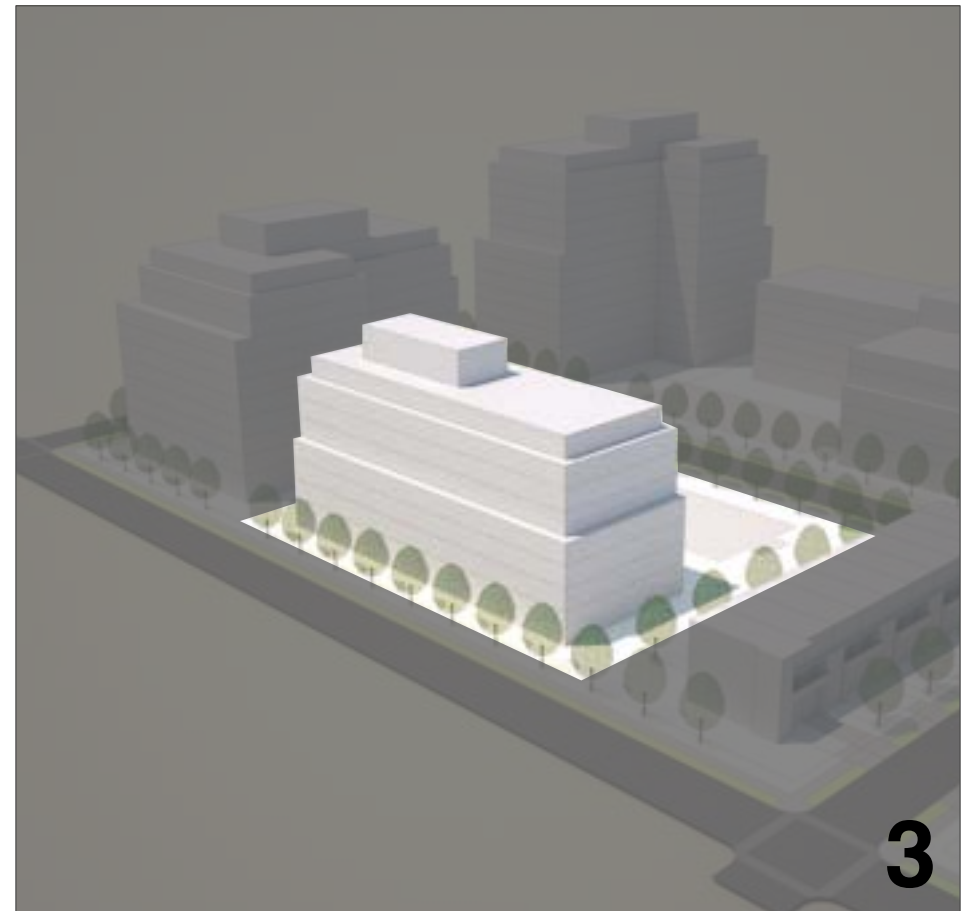
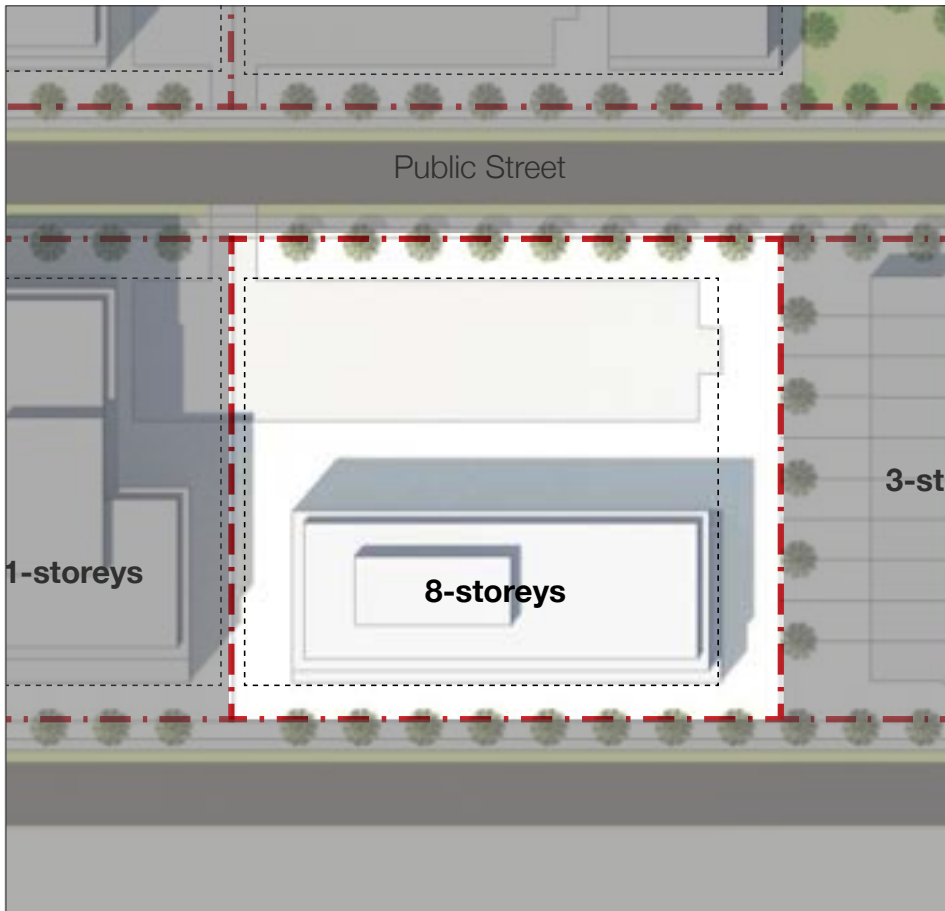
SCENARIO STATS

This scenario illustrates an 8 storey condominium apartment development within Georgetown.

Lot Area	4,490 sm
Units	96
Building Height	8-storeys
Total GFA	9,025 sm
FSI	2.01

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	230	1,130	3,200	1,920
Percentage of Lot Area	5	25	71	43
Cash-in-Lieu Generated	\$88,000	\$377,000	\$809,000	\$562,000
Residual Profit	15.3%	14.7%	13.8%	14.3%
Cash-in-Lieu per unit	\$915	\$3,930	\$8,430	\$5,855
Parkland ha/1,000 people	0.141	0.693	1.962	1.177



GEORGETOWN | 6 STOREY CONDO APARTMENT



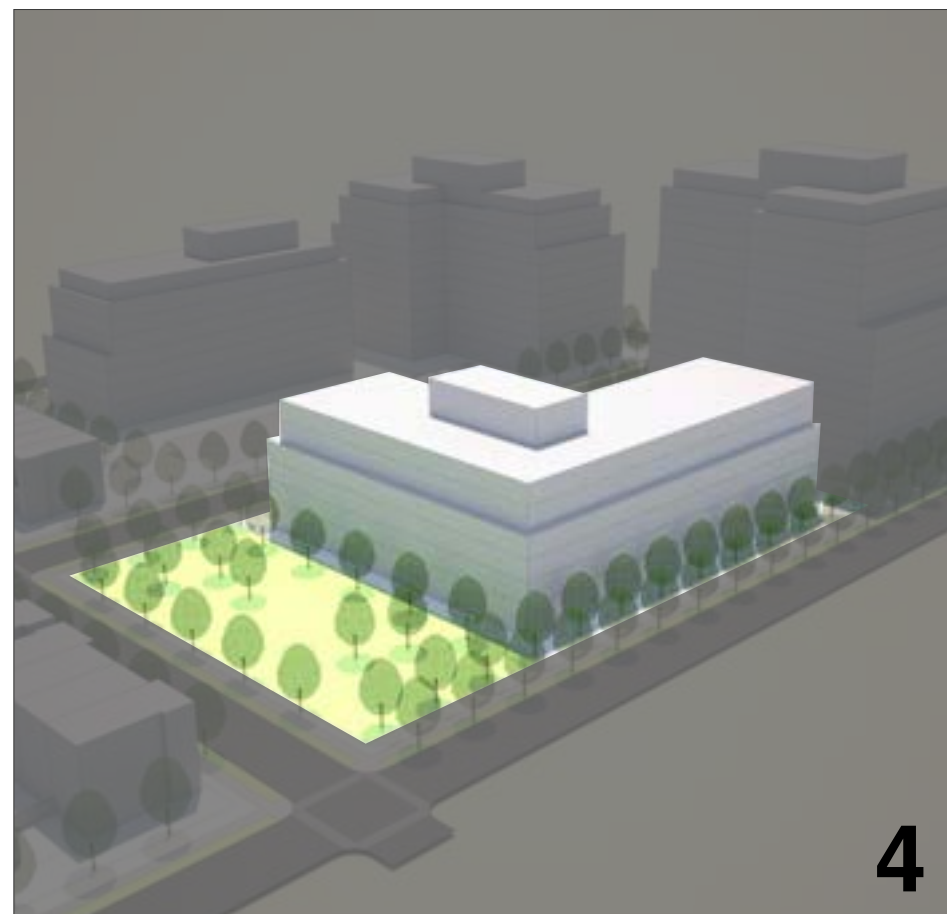
SCENARIO STATS

This scenario illustrates an 6 storey condominium apartment development within Georgetown.

Lot Area	6,300 sm
Units	105
Building Height	6-storeys
Total GFA	9,900 sm
FSI	1.57

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	315	1,575	3,500	2,100
Percentage of Lot Area	5	25	56	33
Cash-in-Lieu Generated	\$131,000	\$560,000	\$1,022,000	\$706,000
Residual Profit	16.7%	15.9%	15.0%	15.6%
Cash-in-Lieu per unit	\$1,250	\$5,335	\$9,735	\$6,725
Parkland ha/1,000 people	0.176	0.882	1.960	1.176



GEORGETOWN | TRADITIONAL TOWNHOMES (RL)



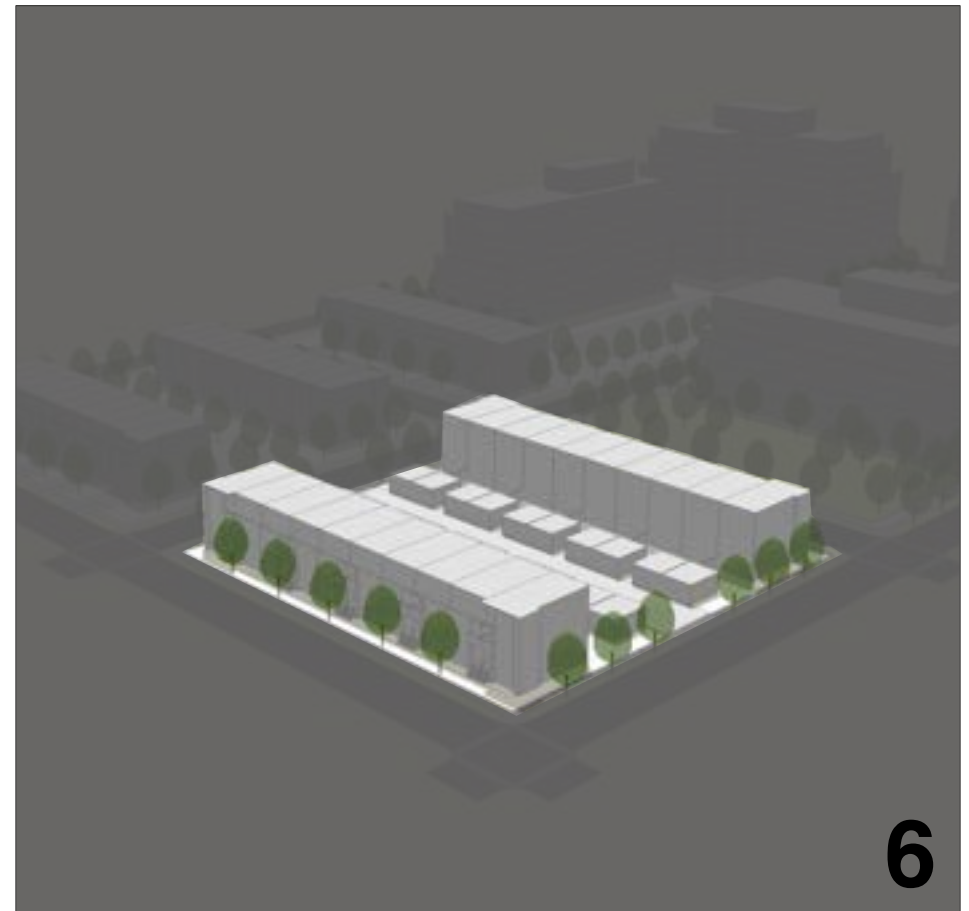
SCENARIO STATS

This scenario illustrates a typical townhouse subdivision development containing internal roads and internal open space within Georgetown.

Lot Area	4,400 sm
Units	20
Building Height	3-storeys
Total GFA	3,700 sm
<i>FSI</i>	0.83

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	220	1,100	670	400
Percentage of Lot Area	5	25	18	11
Cash-in-Lieu Generated	\$73,000	\$309,000	\$202,000	\$128,000
Residual Profit	18.9%	17.1%	17.9%	18.5%
Cash-in-Lieu per unit	\$3,318	\$15,450	\$10,100	\$6,400
Parkland ha/1,000 people	0.423	2.115	1.288	0.769



ACTON | 11 STOREY CONDO APARTMENT



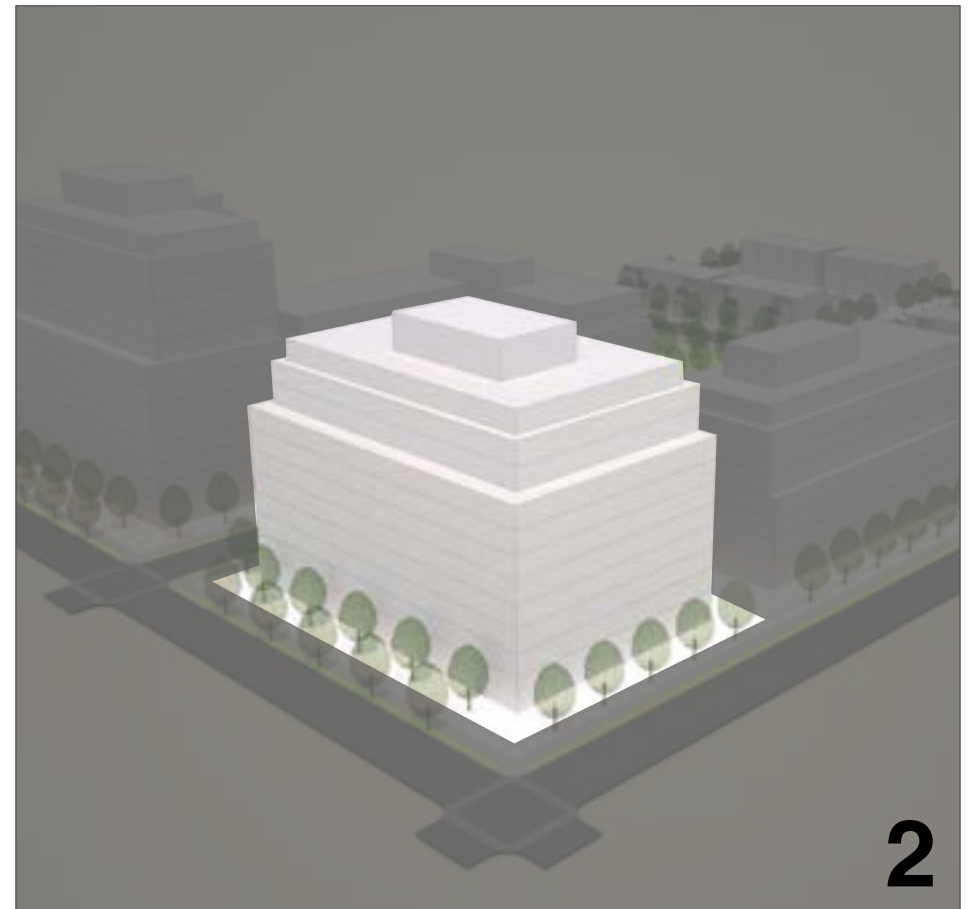
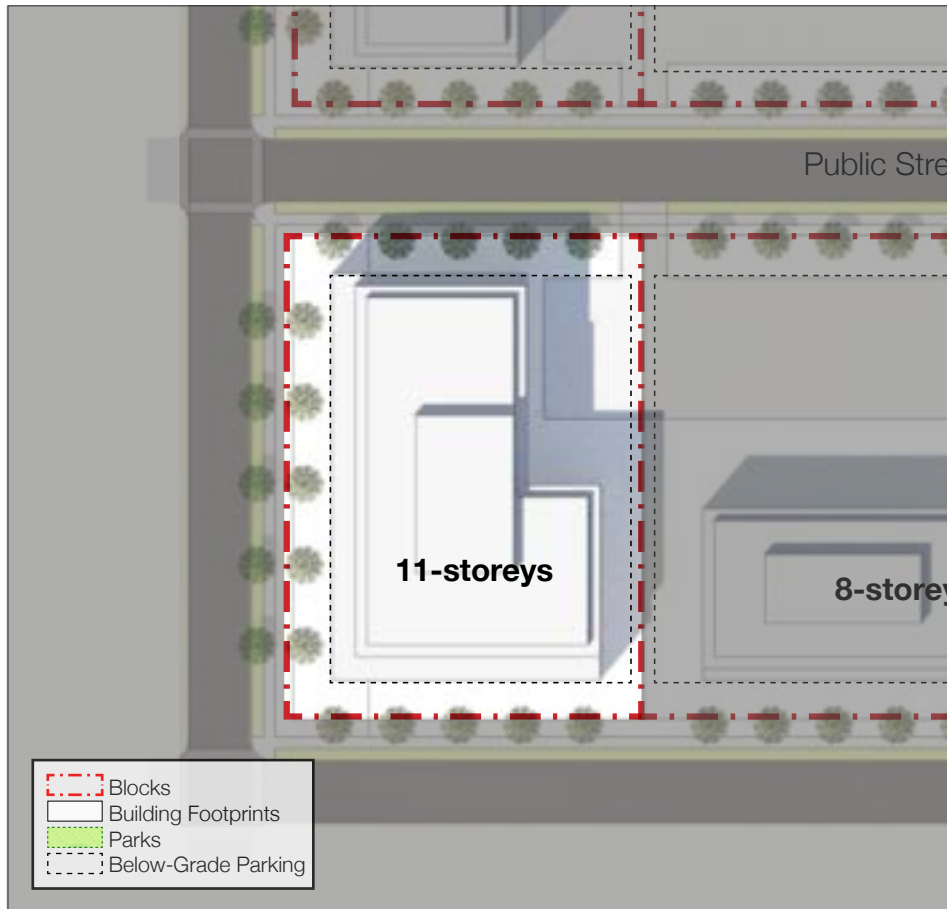
SCENARIO STATS

This scenario illustrates an 11 storey condominium apartment development, with no heritage component, within Acton.

Lot Area	2,773 sm
Units	125
Building Height	11-storeys
Total GFA	17,230 sm
<i>FSI</i>	6.22

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	140	690	4,170	2,500
Percentage of Lot Area	5	25	150	90
Cash-in-Lieu Generated	\$199,000	\$852,000	\$2,702,000	\$2,106,000
Residual Profit	16.6%	15.9%	13.7%	14.4%
Cash-in-Lieu per unit	\$1,590	\$6,815	\$21,615	\$16,850
Parkland ha/1,000 people	0.066	0.325	1.964	1.178



ACTON | 8 STOREY CONDO APARTMENT



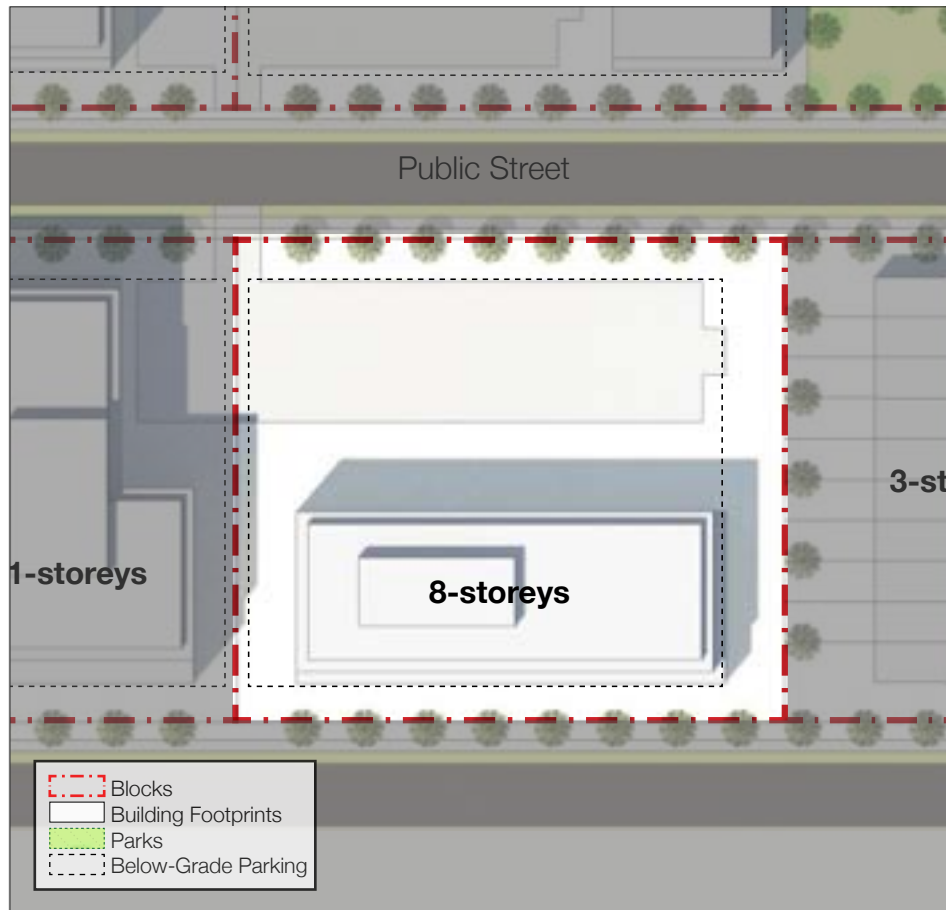
SCENARIO STATS

This scenario illustrates an 8 storey condominium development within Acton.

Lot Area	4,490 sm
Units	96
Building Height	8-storeys
Total GFA	9,025 sm
FSI	2.01

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	230	1,130	3,200	1,920
Percentage of Lot Area	5	25	71	43
Cash-in-Lieu Generated	\$21,000	\$92,000	\$197,000	\$139,000
Residual Profit	13.0%	12.9%	12.6%	12.8%
Cash-in-Lieu per unit	\$220	\$960	\$2,050	\$1,450
Parkland ha/1,000 people	0.141	0.693	1.962	1.177



ACTON | 6 STOREY CONDO APARTMENT



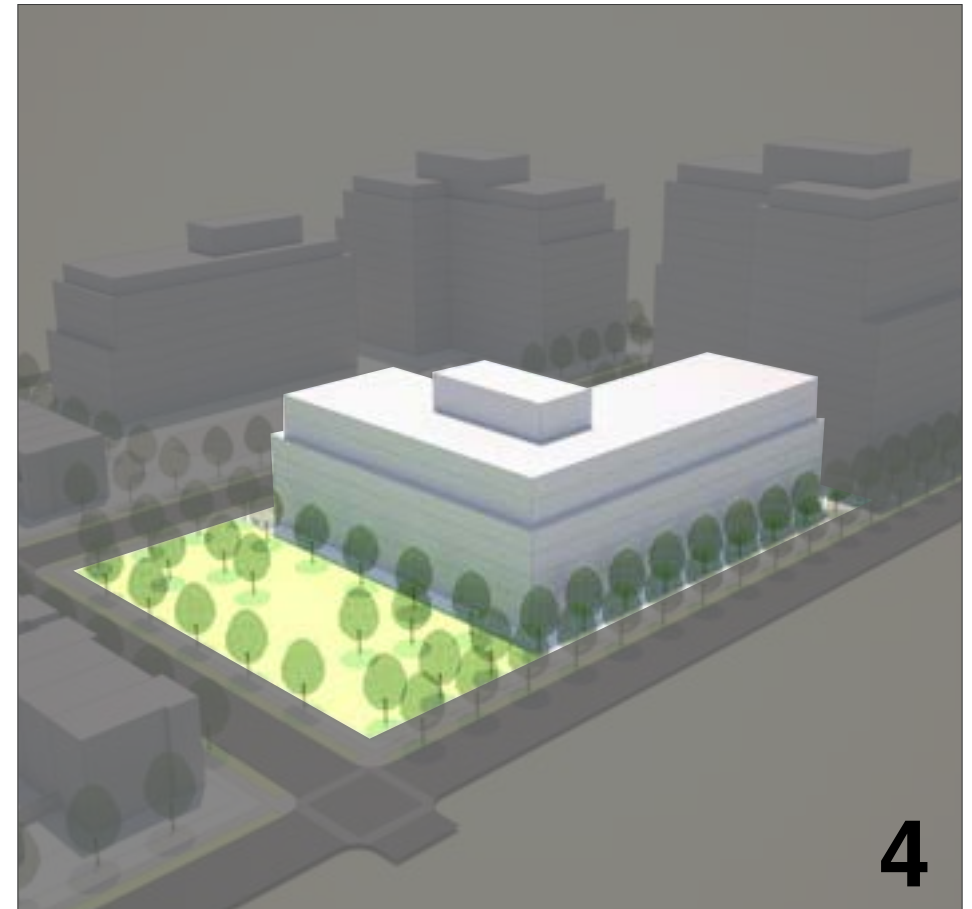
SCENARIO STATS

This scenario illustrates an 6 storey condominium development within Acton.

Lot Area	6,300 sm
Units	105
Building Height	6-storeys
Total GFA	9,900 sm
FSI	1.57

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	315	1,575	3,500	2,100
Percentage of Lot Area	5	25	56	33
Cash-in-Lieu Generated	\$58,000	\$248,000	\$453,000	\$313,000
Residual Profit	14.5%	14.1%	13.7%	14.0%
Cash-in-Lieu per unit	\$550	\$2,360	\$4,315	\$2,980
Parkland ha/1,000 people	0.176	0.882	1.960	1.176



ACTON | TRADITIONAL TOWNHOMES (FL)



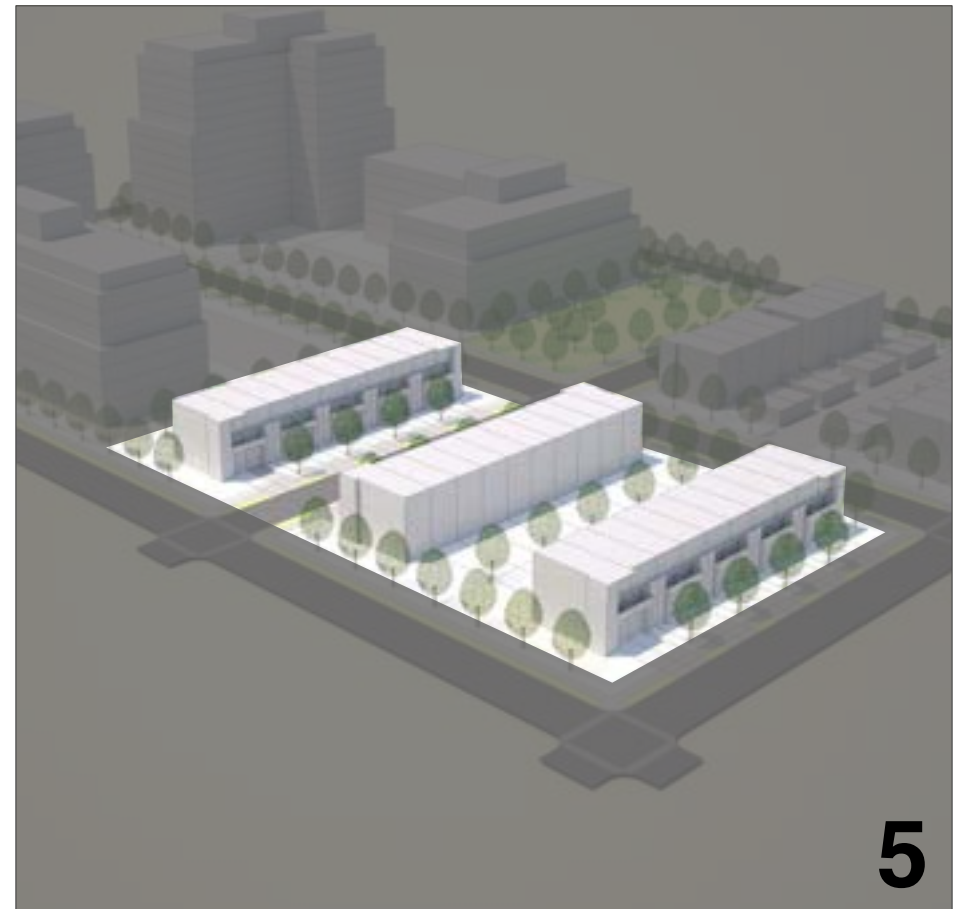
SCENARIO STATS

This scenario illustrates a typical street-fronted townhouse development without internal roads or internal open space within Acton.

Lot Area	3,600 sm
Units	20
Building Height	3-storeys
Total GFA	3,700 sm
<i>FSI</i>	1.01

Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	180	910	670	400
Percentage of Lot Area	5	25	18	11
Cash-in-Lieu Generated	\$116,000	\$493,000	\$380,000	\$242,000
Residual Profit	18.9%	16.3%	17.1%	18.0%
Cash-in-Lieu per unit	\$5,800	\$24,650	\$19,000	\$12,100
Parkland ha/1,000 people	0.346	1.750	1.288	0.769



ACTON | TRADITIONAL TOWNHOMES (RL)



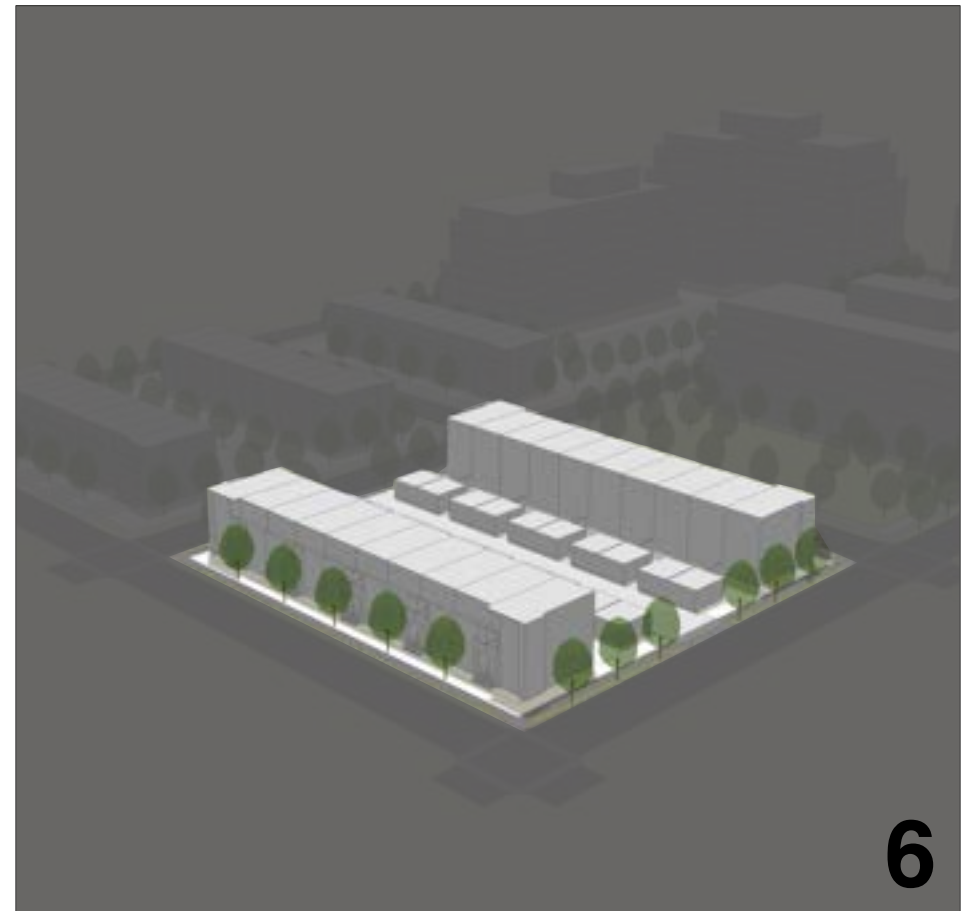
SCENARIO STATS

This scenario illustrates a typical townhouse subdivision development containing internal roads and internal open space within Acton.

Lot Area	4,400 sm
Units	20
Building Height	3-storeys
Total GFA	3,700 sm
<i>FSI</i>	0.83

Parkland Standard Alternatives

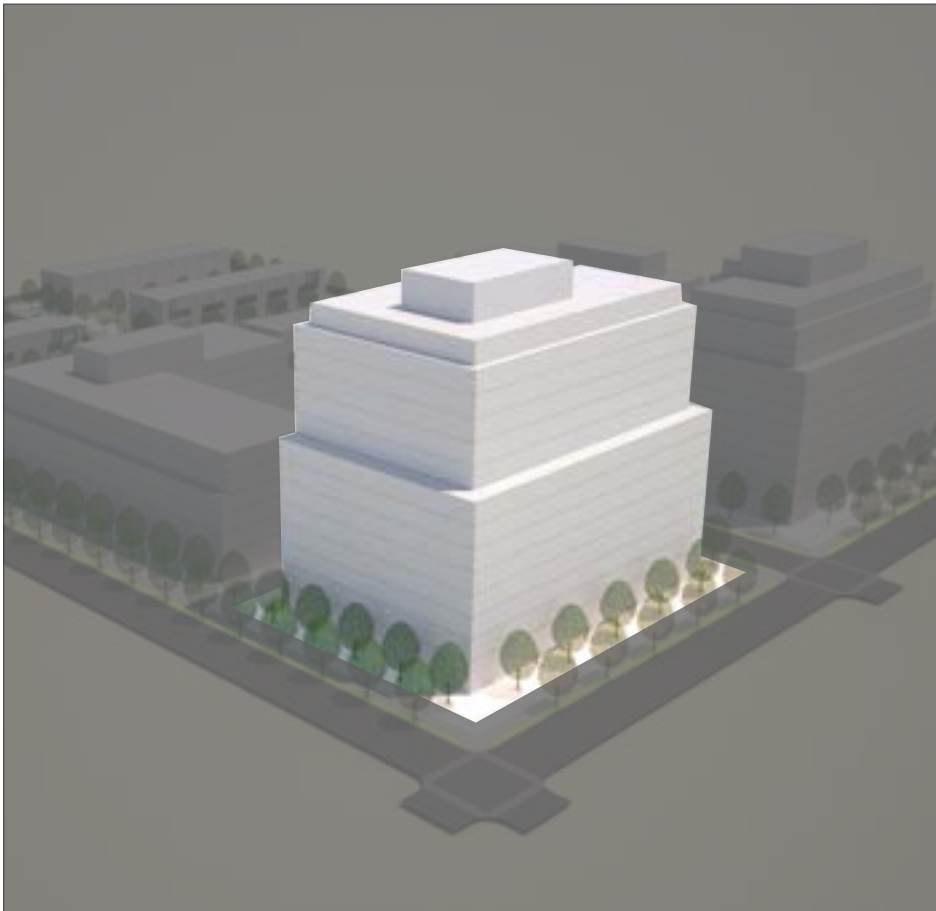
	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	220	1,100	670	400
Percentage of Lot Area	5	25	18	11
Cash-in-Lieu Generated	\$59,000	\$251,000	\$164,000	\$104,000
Residual Profit	16.5%	15.1%	15.8%	16.2%
Cash-in-Lieu per unit	\$2,950	\$12,550	\$8,200	\$5,200
Parkland ha/1,000 people	0.423	2.115	1.288	0.769



EXAMPLE PARKLAND DEDICATION AREA RESULTS

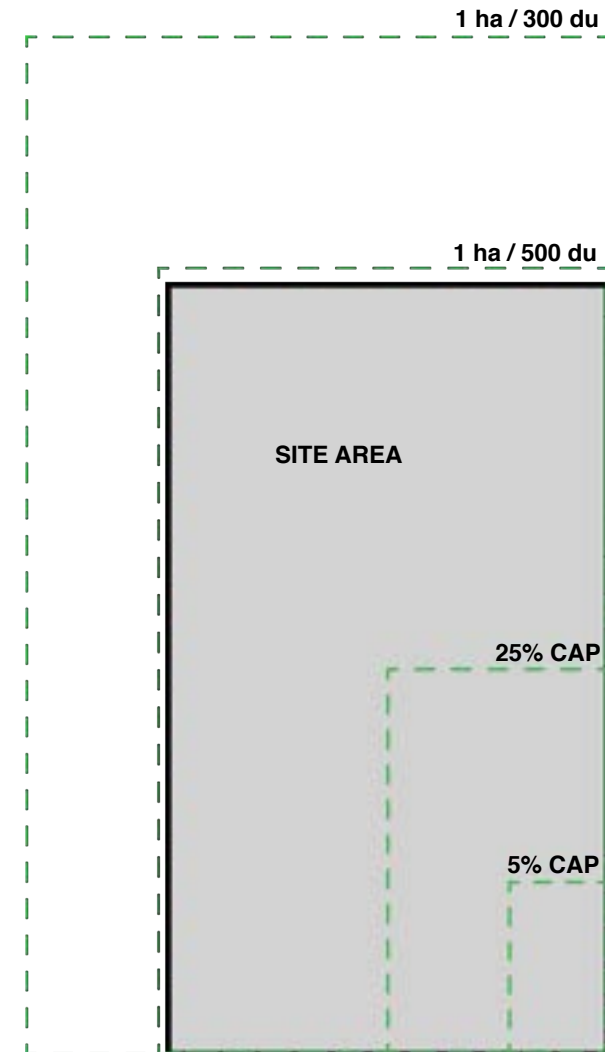
Parkland Standard Alternatives

	5% land area cap	25% land area cap	1 ha/300 du	1 ha/500 du
Parkland Generated (sm)	140	690	4,900	2,900
Percentage of Lot Area	5	25	176	106



14-STOREY SCENARIO

Lot Area	2,773 sm
Units	146
Building Height	14-storeys



APPENDIX E:

Parkland Dedication for Mixed Use Developments

APPENDIX E: Parkland Dedication for Mixed Use Developments

6 Storey Commercial (retail and/or office)/Residential Mixed Use Development Scenario

Site: 1,000 square metres

Ground floor commercial GFA: 850 square metres

5 storeys of residential GFA: 3,750 square metres (30 units at average 125 square metres)

TOTAL GFA: 4,600 square metres

Pro-Rated Land Area for Commercial: 18.5 percent - 185 square metres @ 2 percent = 3.70 square metres of parkland dedication

Option 1 - Pro-Rated Land Area for Residential: 81.5 percent - 815 square metres @ 1 hectare per 300 dwelling units = 1,000 square metres of parkland dedication. **Therefore, the commercial element of the development generates .37 percent of the total parkland dedication.**

Option 2 - Pro-Rated Land Area for Residential: 81.5 percent - 815 square metres @ 25 percent = 203.75 square metres of parkland dedication. **Therefore, the commercial element of the development generates 1.80 percent of the total parkland dedication.**

6 Storey Institutional/Residential Mixed Use Development Scenario

Site: 1,000 square metres

2 storeys Office GFA: 1700 square metres

4 storeys of residential GFA: 3,000 square metres (24 units at average 125 square metres)

TOTAL GFA: 4,700 square metres

Pro-Rated Land Area for Institutional: 36.2 percent - 362 square metres @ 2 percent = 7.24 square metres of parkland dedication

Option 1 - Pro-Rated Land Area for Residential: 24 units @ 1 hectare per 300 dwelling units = 800 square metres of parkland dedication. **Therefore, the commercial element of the development generates .90 percent of the total parkland dedication.**

Option 2 - Pro-Rated Land Area for Residential: 63.8 percent - 638 square metres @ 25 percent = 159.50 square metres of parkland dedication. **Therefore, the commercial element of the development generates 4.34 percent of the total parkland dedication.**