



INTERIM PARKLAND CASH-IN-LIEU STRATEGY

**For Medium and High Density
Residential Apartments**

City of Markham Development Services Committee

July 21, 2021

AGENDA

- 1. Background & Overview**
- 2. Municipal Parkland Comparisons**
- 3. New Parkland Methodology - Proximity Ring Approach**
- 4. Interim CIL Strategy Financial Implications & Recommendation**

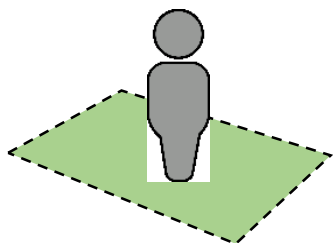
Background **MARKHAM'S PARKLAND STUDY**

- City of Markham commenced a Parks & Open Space Study with The Planning Partnership (TPP) in 2016
- The Study put on hold in 2019 due to Bill 108
- Bill 197 requires municipalities to establish a Parkland By-law by Fall 2022
- Background Study to determine Parkland Provision, Parkland Dedication Rate & Acquisition strategy
- Interim Cash-in-Lieu rate proposed until the new Parkland By-law is in effect



Overview MARKHAM'S PARKLAND DEDICATION

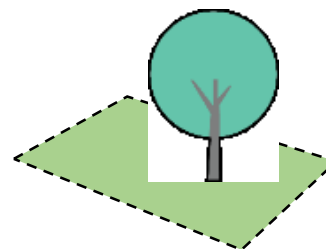
OFFICIAL PLAN TARGET



1.2 ha/1,000 People



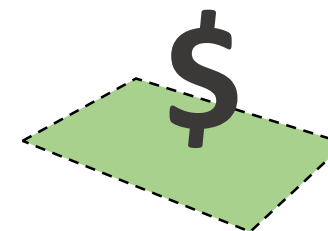
PARKLAND CONVEYANCE



1.2ha/1,000 People

+
or

CASH-IN-LIEU



1.0ha/ 500 units
(1.0ha/ 1,000 People)

Purpose of Interim Cash-in-Lieu Strategy

- Many medium-high density developments are unable to convey parkland
- Markham's recent CIL rates to-date: \$28,000 – \$32,000/Unit
- CIL rates can be approximately \$60,000/Unit for some of the current development proposals
- Most GTA municipalities' current CIL rate: \$4,200 – \$10,720/Unit*

**Municipalities have indicated that their per unit CIL rates cannot meet the parkland demand & are being reviewed*

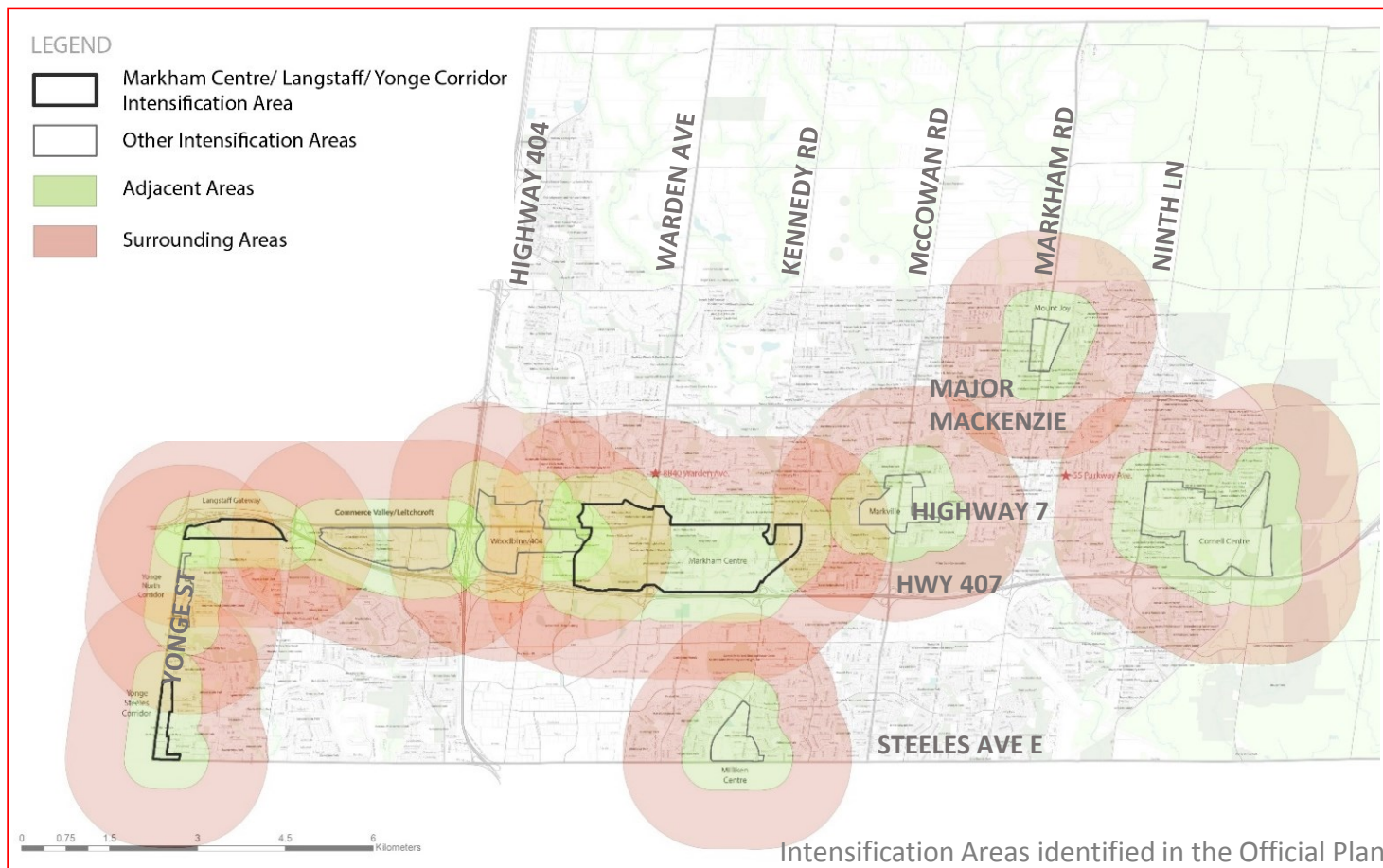


Municipal Comparison **PARKLAND CASH-IN-LIEU RATES**

	PLANNING ACT MAX RATE	TORONTO	MISSISSAUGA	BRAMPTON	HAMILTON	VAUGHAN	RICHMOND HILL	MARKHAM
Cash-in-Lieu	1ha/500u	Site Area <1ha = Max 10%* Site Area 1-5ha = Max 15%* Site Area >5ha = Max 20%* *of total site area	\$10,720/u (High & Med Density)	\$4,250/u or 10% of value of land* *whichever is greater	\$8,000/u (High Density only)	\$8,500/u (High Density only)	\$10,000/u (High & Med Density)	1ha/500u (\$28k-32k/u)

- Under review by all Municipalities as part of the Bill 197 background study and upcoming Parkland By-Law update

New Methodology **PROXIMITY RING APPROACH**



1/3rd PARKLAND

“INTENSIFICATION & ADJACENT AREAS”

within a 500m radius of an intensification area

1/3rd PARKLAND

“SURROUNDING AREAS”

1 km radius from the periphery of intensification & adjacent areas

1/3rd PARKLAND

“REST OF MARKHAM”

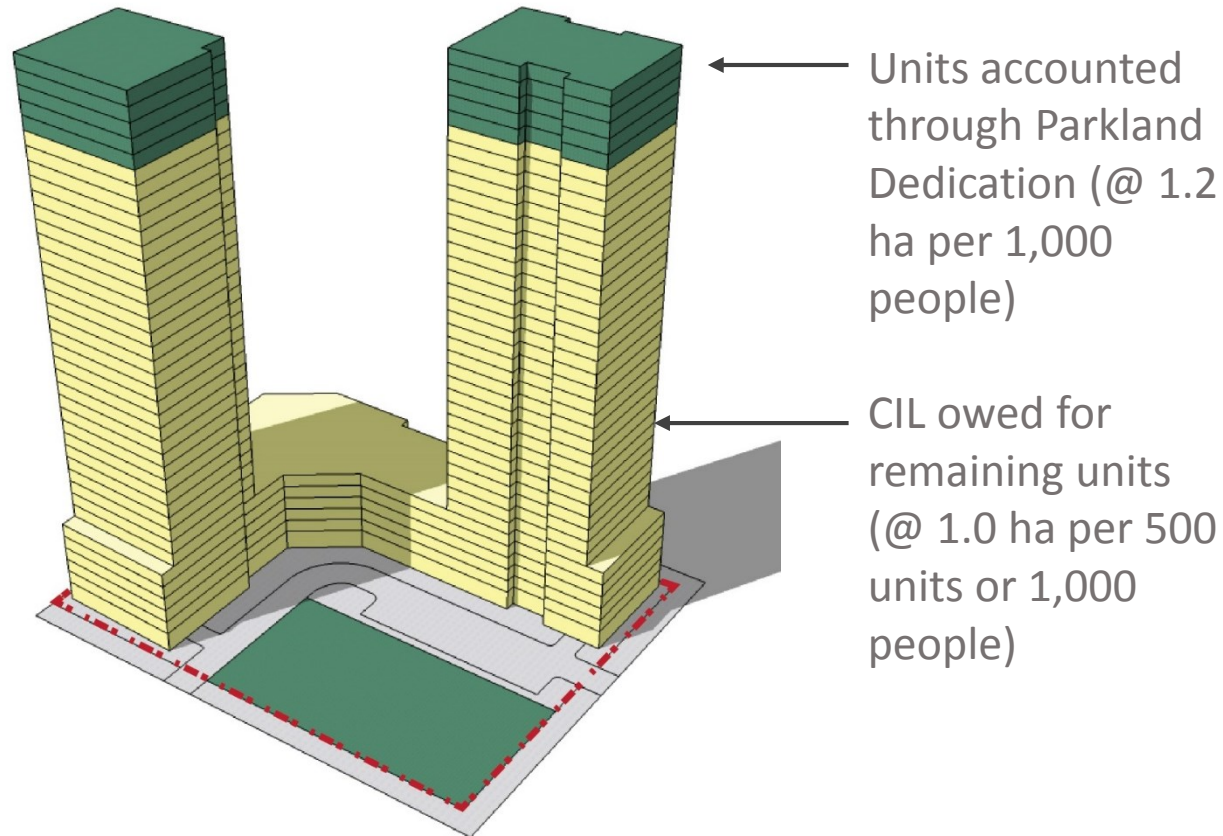
different parts of the City, or where parkland is needed most

- 25% reduction in Cash-in-Lieu rates possible based on various test scenarios across the City
- Even with the 25% reduction in CIL payment, the City is expected to meet the parkland provision target of 1.2 ha per 1,000 people

New Methodology **LAND DEDICATION & CASH-IN-LIEU**

CURRENT METHODOLOGY

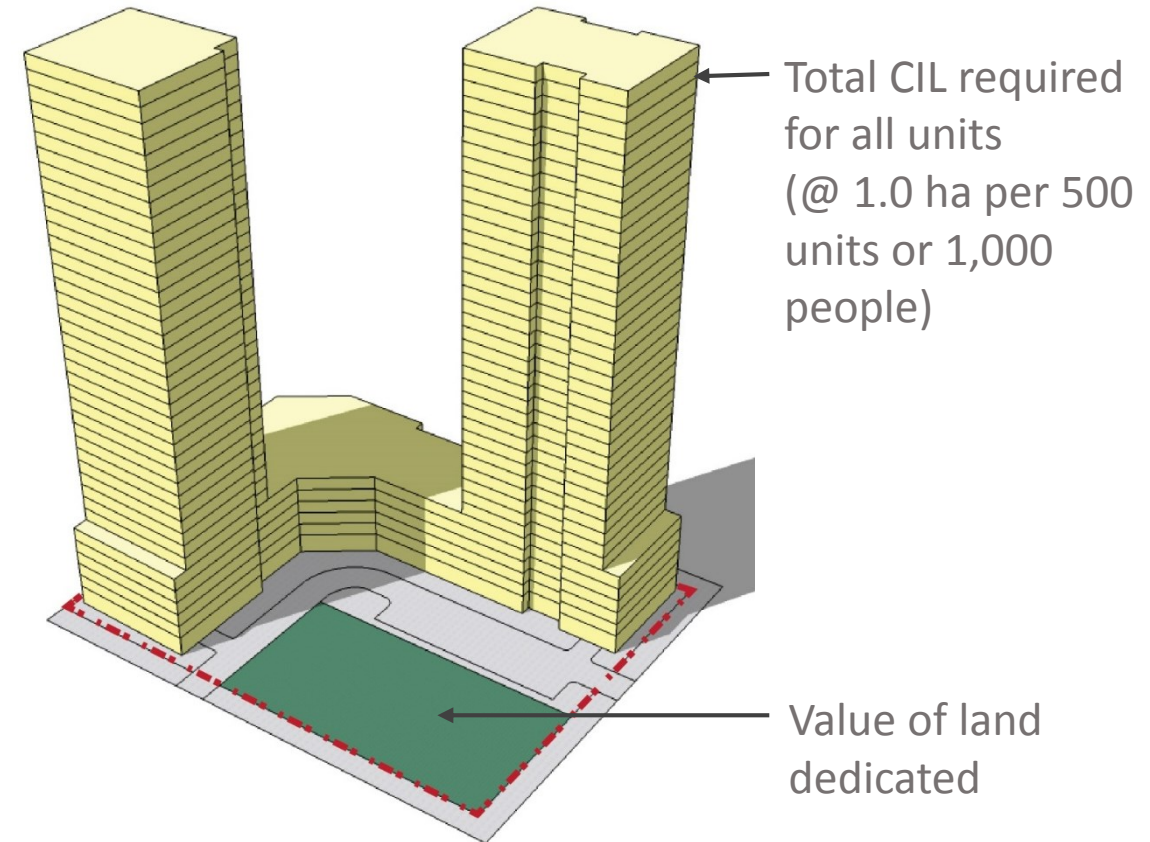
More economical to provide CIL compared to land conveyance



Parkland Dedication Cash-in-Lieu

NEW METHODOLOGY

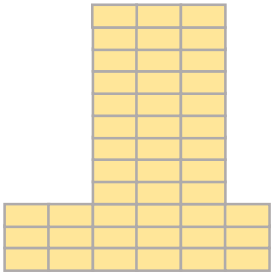
Encourages land dedication & provides predictable value



$\text{CIL owed} = \text{Total CIL required} - \text{Value of land dedicated}$

INTERIM CIL STRATEGY FINANCIAL IMPLICATIONS

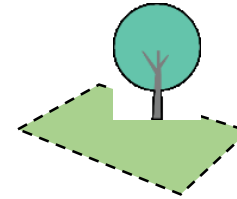
810
TOTAL UNITS*



1.62 Ha
PARKLAND IN CIL*

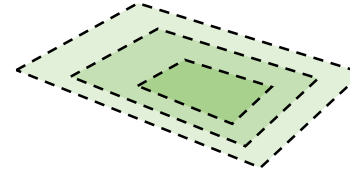


CURRENT METHODOLOGY



= \$ 28.9 million

PROZIMITY RING APPROACH



= \$ 21.7 million

- Hypothetical, since many developments may choose not to proceed without a Cash-in-Lieu reduction
- 25% reduction translates to \$7.2 million less in Cash-in-Lieu collected by the City
- Even with the 25% reduction in CIL payment, the City is expected to meet the parkland provision target
- Proposed strategy could accelerate developments prior to the updated Parkland By-Law in Fall 2022

**approximately 810 units based on eight medium/ high density residential developments with CIL obligations anticipated to execute development agreements from now until Fall 2022*

INTERIM CIL STRATEGY **RECOMMENDATIONS**

1. THAT the report entitled, “City of Markham - Interim Parkland Cash-in-Lieu Strategy” be received;
2. AND THAT the City provide a reduction of up to 25% to the value of Cash-in-Lieu of Parkland Dedication for medium and high density residential developments at the discretion of the Commissioner of Development Services;
3. AND THAT the Interim reduction of Cash-in-Lieu of Parkland for medium and high density residential apartments be effective immediately upon the approval of this strategy until a new Parkland By-law is adopted by Council;
4. AND THAT the Interim reduction of Cash-in-Lieu of Parkland only be applied to medium and high density developments where there is no other agreement with the City related to the conveyance of Parkland or payment of Cash-in-Lieu of Parkland.
5. AND THAT in situations where land is to be dedicated to the City for parkland and a balance is to be paid through cash-in-lieu of parkland, the value of the land dedicated be deducted from the total Cash-in-Lieu of Parkland calculated for the entire development.
6. AND THAT the reduction be applied only to development agreements to be executed subsequent to the adoption of this recommendation;
7. AND THAT staff be authorized and directed to do all things necessary to give effect to this resolution.



**BUILDING MARKHAM'S
FUTURE TOGETHER**
2015-2019 Strategic Plan



Thank You