



Markham Parkland Acquisition Study

Development Services Committee

May 10th , 2022



AGENDA

- 1. Provision Level Overview**
- 2. Preliminary Parkland Policy Rate Scenarios**
- 3. Impacts of Bill 109 and Affordable Housing Exemptions**
- 4. Discussion**



Provision Level Overview



Provision Level Targets

- Official Plan identifies a minimum parkland provision target of 1.2 ha per 1,000 residents
 - Similar to other municipal comparators with similar context
 - Lower than Planning Act maximum for land dedications* but higher than maximum when require CIL
 - Alternative target for Intensification Areas may be appropriate

*Note: *assuming average of 2.0 persons per unit*





Provision Level Notes



- Provision level analysis only includes table-land parks for purpose of policy analysis (i.e. what land we accept for dedications)
- Markham is currently achieving minimum target at city-wide level at 1.2 ha per 1,000 residents
- If we include other types of open spaces, (woodlots, trail systems, etc.), Markham would have one of highest overall parks and open space provision levels in GTA



Preliminary Parkland Policy Rate Scenarios



Financial Modeling Overview

- Tests impact of parkland provision scenarios on the cost and distribution of future parkland to 2031
- Based on DC forecast growth
- Presenting **three** possible policy approaches today, based on direction from Council and staff, and Bill 109 changes
- Goal is to narrow down to **one** preferred policy approach





Financial Modeling Overview

- Currently, Markham charges a rate of 1 ha per 300 units up to 1.214 ha per 1,000 (LAND) OR 1 ha per 500 units (CIL)
- Tested policy options only considers changes to Intensification Areas
 - Non-Intensification Areas (i.e. Established Residential Areas and FUA) are assumed to maintain the existing 1ha/300 units or 1.214 ha rate



Financial Modelling Disclaimer

- There is a high degree of uncertainty related to financial modelling for policy impact analysis
- Factors including timing, location, market land values, and many others can drastically affect policy outcomes
- Different policy requirements have the potential to shift development patterns over time
- Assumes land is available and City will be successful in purchasing
- Modelled scenarios represent our understanding of growth and market trends as we understand them today

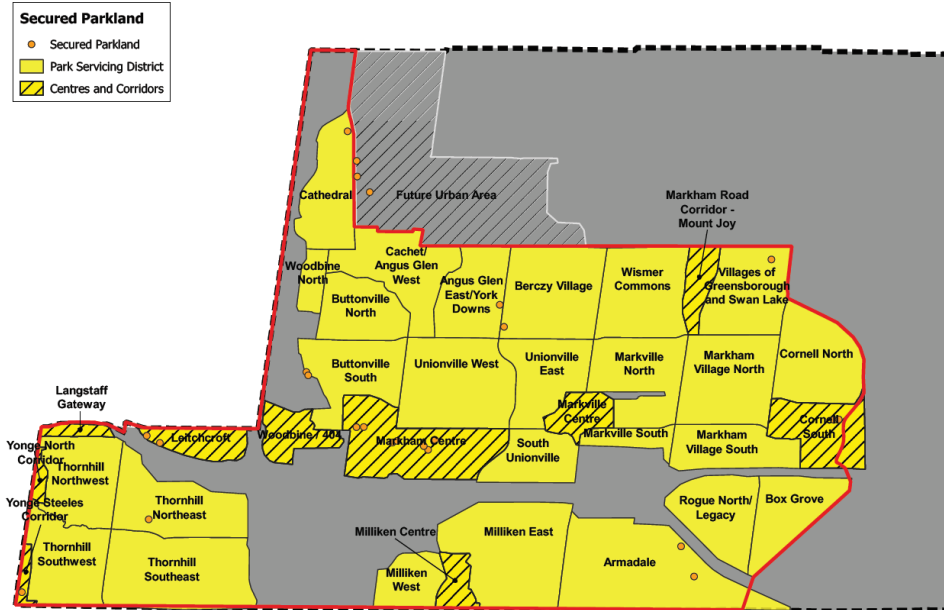


Status Quo + Three Policy Options

Status Quo: 1.2ha Citywide	Option 1: Maintain Target through Reallocation	Option 2: Focus on Intensification Areas with no Reallocation	Option 3: 30% Site Cap
<ul style="list-style-type: none">• <u>All parkland neighbourhoods</u> reach 1.2ha/1,000 provision standard locally• Ideal scenario, but incredibly costly to achieve (Especially in Intensification Areas)• Not being presented today – only used as a benchmark	<ul style="list-style-type: none">• Cash levied within IAs reallocated to areas with lower land values• Still achieves 1.2ha/1,000 at a citywide level, but only targets 0.4ha in IAs• Similar to existing “Proximity Ring” approach	<ul style="list-style-type: none">• Achieves the same provision target in IAs as Option 1 (0.4ha/1,000)• No redistribution occurs, and shortfall is not made up elsewhere• IA average cost per unit is decreased	<ul style="list-style-type: none">• Applies a cap on dedication on a site-by-site basis based on % of site size• Similar to new Provincial TOC policy (10-15% cap)• Caps are increasingly used across GTA municipalities



Status Quo Scenario



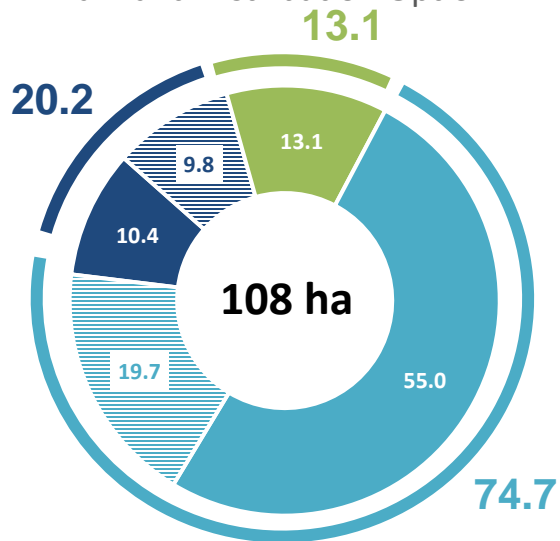
Achieving minimum of 1.2 ha/1,000 new residents in each area to 2031 would require:

- **108 ha** of parkland citywide
- **29.6 ha** of which is already secured
 - **9.8 ha** of which are in the IAs
- **78.4 ha** remaining need city-wide
 - **31.1 ha** needed in IAs
- **\$1.4B** cash value from developers
- Average per unit charges of **\$85,000** in IAs
- Average per unit charges of **\$27,200** in other areas



Option 1: Maintain Target through Reallocation

Parkland Distribution Option 1



- Intensification Area
- Opportunity Area
- Established Residential + FUA
- ⊗ Future Secured Parkland

- Maintains 1/3 provision target within IAs, while purchasing enough land elsewhere to maintain 1.2 ha/1000 new residents city-wide
- Similar to existing “Proximity Ring” approach

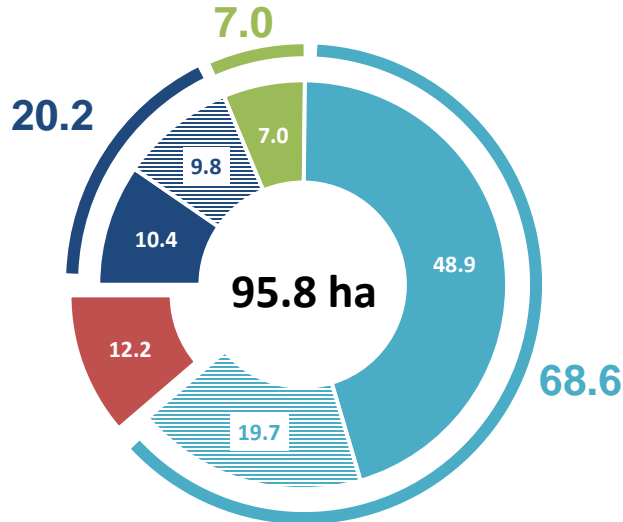
Citywide Provision (Per 1,000 New Residents)	1.20 ha
Intensification Area Provision	0.40 ha
Citywide 1.2ha/1,000 Shortfall	0.0 ha

Estimated By-law Rate in IAs	0.50 ha/1,000
Average Charge per Unit in IAs	\$36,500



Option 2: Focus on IAs and No Reallocation

Parkland Distribution: Option 2



- Intensification Area
- Opportunity Area
- Established Residential + FUA
- Shortfall
- ⌘ Future Secured Parkland

- Like Option 1, targets 0.4 ha/1,000 in Intensification Areas
- However, remaining 0.8 ha/1,000 required to meet provision target is not made up elsewhere, lowering overall service level

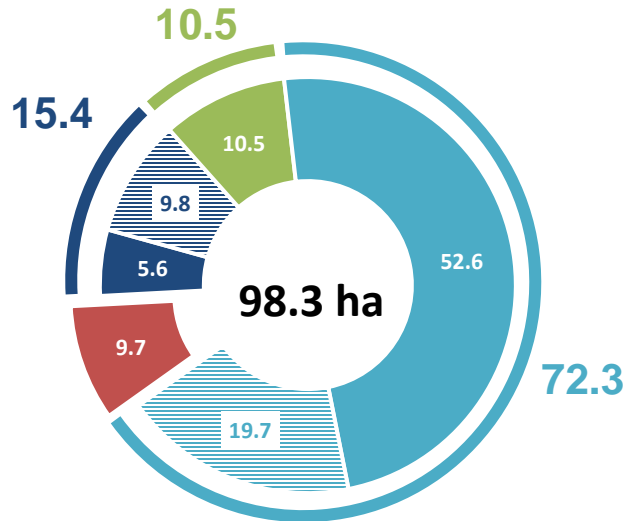
Citywide Provision (Per 1,000 New Residents)	1.06 ha
Intensification Area Provision	0.40 ha
Citywide 1.2ha/1,000 Shortfall	12.2 ha

Estimated By-law Rate in IAs	0.4 ha/1,000
Average Charge per Unit in IAs	\$30,000



Option 3: 30% Site Size Cap

Parkland Distribution: Option 3



- Intensification Area
- Opportunity Area
- Established Residential + FUA
- Shortfall
- ⊗ Future Secured Parkland

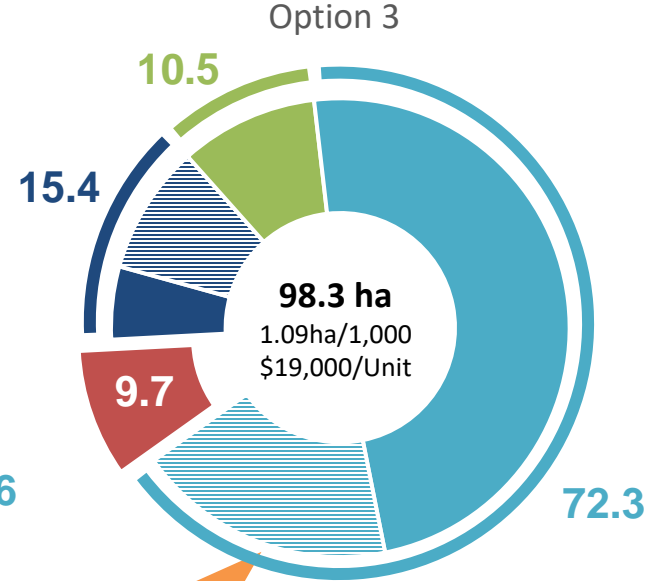
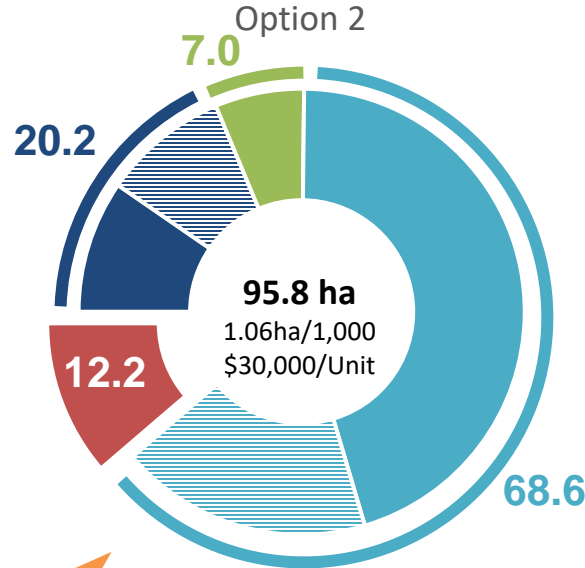
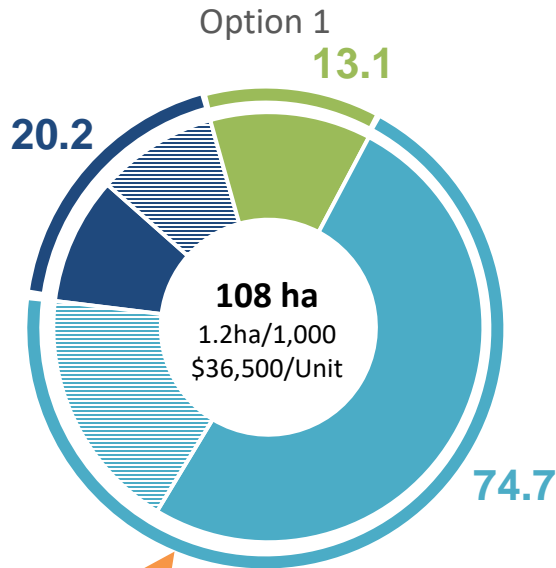
- Mirrors higher-end of caps from comparators
- Assumes 20% of dedication will be spent outside IAs to increase land acquisition
- Lowest policy impact, but would not achieve city-wide provision target on its own

Citywide Provision (Per 1,000 New Residents)	1.09 ha
Intensification Area Provision	0.22 ha
Citywide 1.2ha/1,000 Shortfall	9.7 ha

Estimated By-law Rate in IAs	30% Site Size Cap
Average Charge per Unit in IAs	\$19,000



Policy Approaches Compared



Total 2031
Provision:
1.20ha/1000

Total 2031
Provision:
1.17 ha/1000

Total 2031
Provision:
1.18 ha/1000

- Intensification Area
- Opportunity Area
- Established Residential + FUA
- Shortfall
- ⊗ Future Secured Parkland



Sensitivity Testing Adjustments

- Two factors considered that will affect parkland acquired:
 1. Bill 109's mandatory 10-15% Cap in TOCs
 2. Exemptions for Affordable Housing
- Both factors will reduce the total quantum of land acquired through the parkland dedication by-law
- Shortfall can be addressed through other tools, taxes, or accepting a lower effective service level



Changes Proposed Under Bill 109

- Imposes maximum cap of 10-15% of site in Transit Oriented Communities
- Also may require municipality to fully credit encumbered parks within TOC's
- TOC's established by the Province around new major transit
 - Exact boundaries uncertain
 - Langstaff identified, potential to include Yonge Corridor IAs, others?



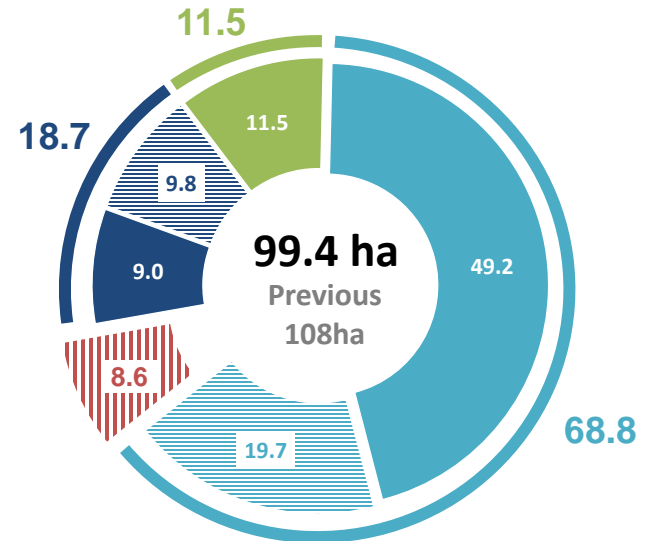


Adjusted Option 1: Reallocation of CIL Funding

Adjusted Option 1

- Most significant policy impact due to higher original policy requirement

Citywide Provision (Per 1,000 New Residents)	1.10ha (-0.1 ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	-8.6 ha
Bill 109 and Affordable Housing Impact (ha)	-8.6 ha
Estimated Value of Impact Shortfall (\$)	\$105,000,000



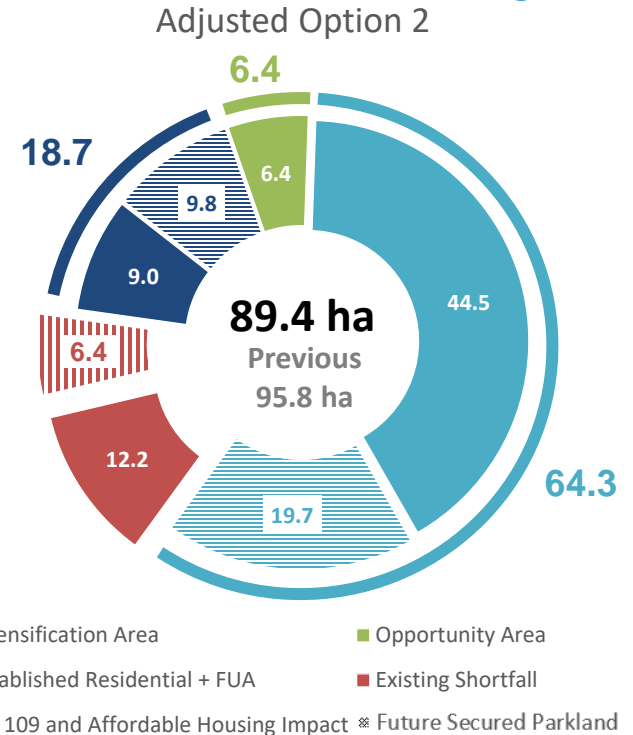
- Intensification Area
- Established Residential + FUA
- ⊗ Future Secured Parkland
- Opportunity Area
- ▨ Bill 109 and Affordable Housing Impact



Adjusted Option 2: Maximize IAs w/ Reduced Target

- Impacts of Bill 109 are pronounced due to limits on Langstaff

Citywide Provision (Per 1,000 New Residents)	0.99ha (-0.07ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	18.6 ha
Bill 109 and Affordable Housing Impact (ha)	-6.4 ha
Estimated Value of Impact Shortfall (\$)	\$89,000,000

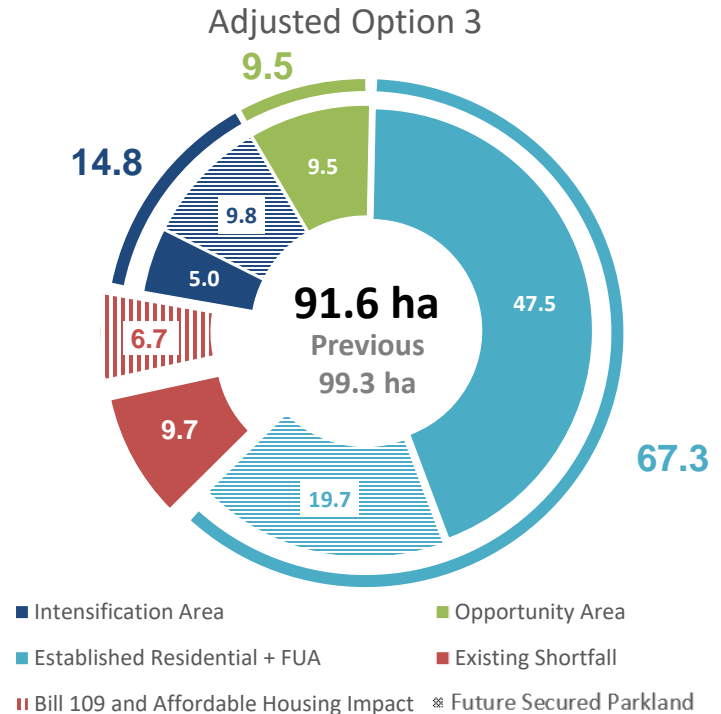




Adjusted Option 3: 30% Site Size Cap

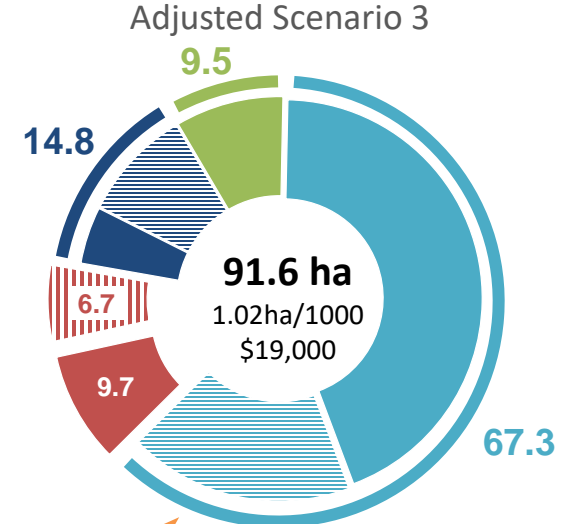
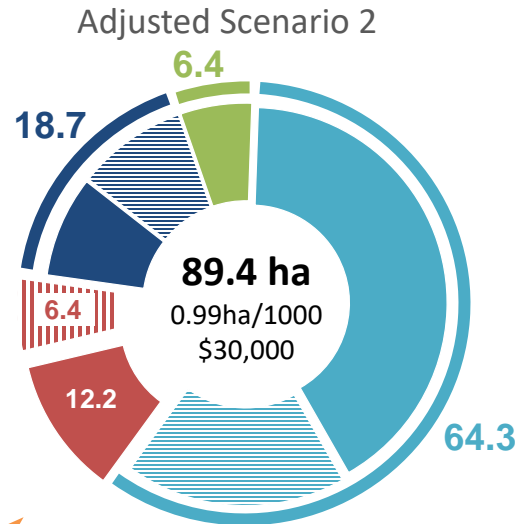
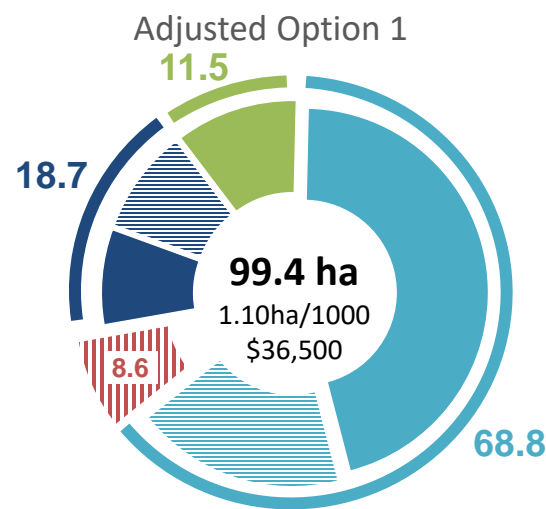
- Impacts of sensitivities are lessened due to reduced policy requirement

Citywide Provision (Per 1,000 New Residents)	1.02ha (-0.07ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	16.4 ha
Bill 109 and Affordable Housing Impact (ha)	-6.7 ha
Estimated Value of Impact Shortfall (\$)	\$70,000,000





Adjusted Policy Approaches Compared



- Intensification Area
- Opportunity Area
- Established Residential + FUA
- Existing Shortfall
- ▨ Bill 109 and Affordable Housing Impact
- ⊗ Future Secured Parkland

Total 2031 Provision:
1.18ha/1000

Total 2031 Provision:
1.15 ha/1000

Total 2031 Provision:
1.16 ha/1000



Parkland Comparison Summary

Policy Option	Parkland Achieved (in IA)	Average Cost Per Unit in IA	Total Population Prov. (2031)
Status Quo (No Bill 109/Aff. Housing)	108 ha (31.1 ha)	\$85,000	1.200 ha+/1,000
Option 1 - Reallocated	99.4 ha (9.0 ha)	\$36,500	1.180 ha/1,000
Option 2 – Reduced	89.4 ha (9.0 ha)	\$30,000	1.158 ha/1,000
Option 3 - Capped	91.6 ha (5.0 ha)	\$19,000	1.163 ha/1,000



Other Tools to Maximize Parkland

- Accepting dual use facilities and stratified parkland at partial credits could provide additional CIL funds to allocate where needed (at cost of future maintenance)
- Jurisdictional transfers and partnerships to develop facilities in lands owned by partner organizations could boost Markham's inventory
- Prioritizing purchases on urban periphery for major city-serving park facilities would stretch CIL funds further





Next Steps and Discussion



Next Steps

- Refine and finalize model testing based on DSC and steering committee direction and feedback
- Identify single preferred policy approach
- Perform pro forma impact testing on preferred policy approach (NBLC)
- Prepare recommendation report and draft by-law based on final direction



Questions and Discussion

