



Report to: Development Services Committee

Meeting Date: September 6, 2022

SUBJECT: City of Markham - Parkland Acquisition Strategy Study - Staff Recommendation Report

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RECOMMENDATIONS:

1. THAT the report entitled, “City of Markham - Parkland Acquisition Strategy Study - Staff Recommendation Report” be received;
2. THAT the “City of Markham – Parks Plan” be endorsed;
3. THAT the “City of Markham – Parkland Acquisition Strategy Report” be endorsed;
4. THAT the “City of Markham – New Parkland Dedication By-law” be endorsed;
5. THAT a copy of this report be forwarded to York Region;
6. THAT these recommendations, including the implementing by-law, be forwarded to the September 13th, 2022 Council meeting for adoption; and
7. THAT staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The Parkland Acquisition Strategy Study (“the Study”) commenced in August, 2021 in response to Bill 197 – COVID-19 Economic Recovery Act, 2020 (“Bill 197”). Led by the City’s Urban Design and Parks Planning teams, the City worked closely with Hemson Consulting (“Hemson”) and The Planning Partnership (“TPP”) to establish the City’s current parkland supply, future parkland needs and a strategy to acquire parkland to meet Markham’s anticipated growth. The Study has delivered the City’s Parks Plan, Parkland Acquisition Strategy and Parkland Dedication By-law, all of which aim to ensure that the City’s planned level of parkland provision sufficiently addresses the forecasted growth until 2031 while also being defensible in light of the recent changes to Provincial legislation.

Throughout the Study, staff met with the project Steering Committee comprised of City Staff, held consultation sessions with the development industry and responded to the

industry's concerns, and provided updates to the Development Services Committee. The proposed parkland dedication rates, the acquisition strategy, and the implementing by-law are based on City policies and established service levels which the City intends to maintain.

PURPOSE:

The purpose of this report is to provide Council with a summary of the Study including the considerations, analysis and options in the City of Markham Parks Plan (Appendix A) and the City of Markham Parkland Acquisition Strategy (Appendix B). Staff are also seeking to obtain the Development Services Committee's approval to bring forward the Parkland Dedication By-law (Appendix C) to Council on September 13th 2022 for approval.

BACKGROUND:

Markham's Current Parkland Rate

The City of Markham 2014 Official Plan ("Official Plan") has a citywide parkland provision target of a minimum 1.2 hectare per 1,000 persons. In order to meet this target, the City has mechanisms in place to acquire public parkland through the development approval process in accordance with Section 42 and 51 of the *Planning Act*, parkland dedication policies in Section 3.9.3 of the City of Markham Official Plan, 1987 and the Conveyance of Parkland By-law No. 195-90. For medium and high-density residential apartments, the City requires dedication of 1 hectare per 300 units for parkland capped at 1.214 hectare per 1,000 people and/or 1 hectare per 500 units in the form of Cash-in-Lieu (CIL) payment for portions of required parkland that could not be dedicated as land. The 1 hectare per 300 units for land dedication and 1 hectare per 500 units for CIL are referred to as the "alternative parkland rate" under the *Planning Act*.

Interim Cash-in-Lieu Strategy

In July 2021, the City implemented an Interim Cash-in-Lieu Strategy as a response to concerns raised by the development industry on increasing land values, resulting in significant parkland obligations which would have impact on the financial viability of many high-density residential apartment across the city. The Interim CIL Strategy provides a twenty-five per cent (25%) reduction of CIL owed for all medium and high-density residential apartments in an effort to provide financial relief and incentivize development proposals to move forward. Additionally, developments with affordable housing provisions would receive greater CIL reduction, including full parkland dedication exemption for non-profit sector subsidized units.

The 25% CIL reduction is based on an alternative approach that would enable the City to redistribute a portion of the CIL collected from medium and high-density residential apartments to other parts of the City where land values are typically lower. This "Proximity Ring" approach requires only one-third (1/3) of the required parkland dedication to be located locally in Intensification Areas. Another one-third of the

requirement must be located in surrounding areas (500 metres to 1.5 kilometres from the periphery of the Intensification Areas), while the final one-third would be distributed across the rest of the City.

Markham's Current Parkland Supply

For the purpose of this study, the Parks Plan identified and inventoried the City's existing parkland distribution based on 26 Parkland Service Districts that are primarily residential communities and 10 defined Intensification Areas that are also identified in the City's Official Plan. The City's population as of 2021 is estimated to be approximately 354,600 people which includes approximately 1,600 people that are outside of the City's Urban Boundary. With approximately 473.1 hectares of City-owned parkland inventoried in the same year, the current parkland provision level in Markham is approximately 1.33 hectare for every 1,000 residents. It should be noted that the current parkland provision level is marginally above the Official Plan minimum target of 1.2 hectare per 1,000 people.

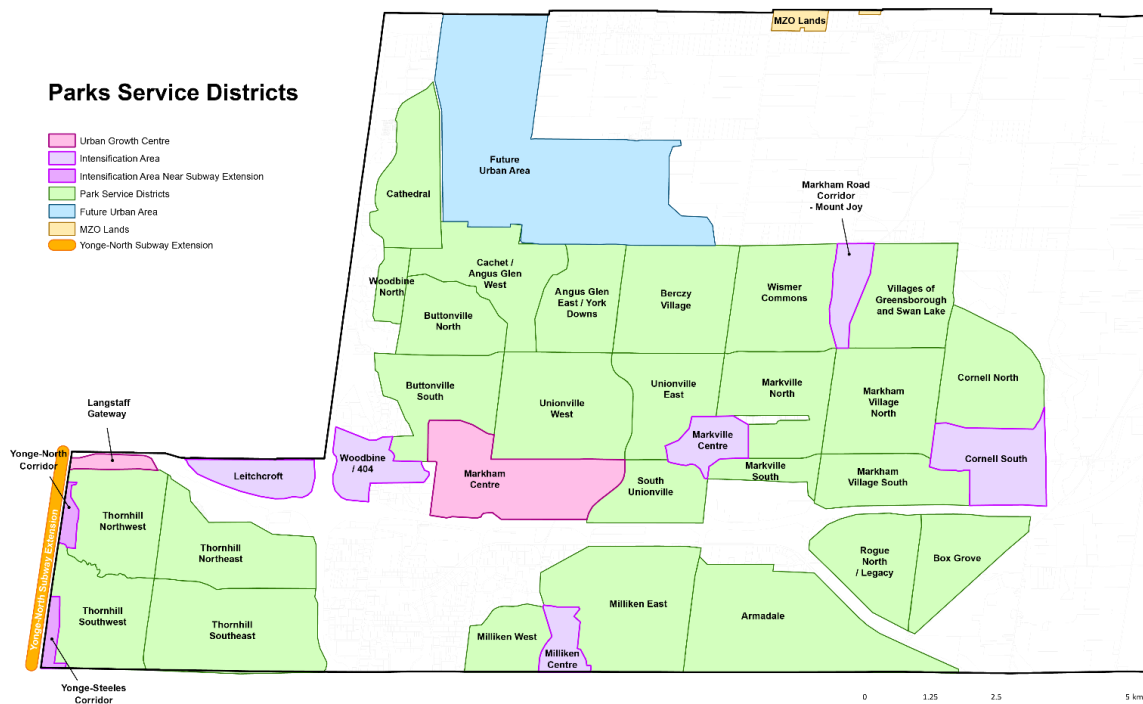


Figure 1: Markham's Park Service Districts, Intensification Areas, and Future Urban Area

Markham's Future Parkland Provision (up to 2031)

Based on York Region's population forecast, Markham is expected to be home to more than 90,000 new residents by 2031. In order to maintain an adequate level of parkland provision and achieve the City's parkland provision target, the City would need an additional 108 hectares of parkland. With 29.6 hectares already secured through

development agreements, the City would still need to secure an additional 78.4 hectares of parkland.

Development Industry Consultation

Throughout the study, the project team engaged with development industry stakeholders in a series of City Builders' Forum meetings, including representatives of the Building Industry and Land Development Association ("BILD").

The primary issues raised by the development industry during the consultations were:

1. **Increasing Land Value Leading to Significant Parkland Obligations** – As land values continue to increase, it has been debated that high density residential developments such as those in Intensification Areas would no longer be financially viable due to rising parkland CIL obligations.
2. **Fixed Rate to Increase Development Viability Certainties** – Expressed concerns that the current by-law calculates parkland obligation relative to population growth. This approach is disincentive for high-density residential apartments and discourages intensification. A fixed parkland obligation rate such as a rate cap on the "cost per unit" or "percentage land area cap" that have been implemented in other municipalities in the Greater Toronto Area would provide greater certainties.
3. **Parkland Credit for Alternative Parkland** – Suggested the City should provide parkland credit for alternative parkland typologies such as Stratified Parks (open space above private infrastructure such as an underground parking lot), Encumbered Parks (open space above public infrastructure such as an underground stormwater management tank), and Privately Owned Publicly Accessible Open Space ("POPS").
4. **Alternative Rate Should Be Applied Citywide** – The new parkland dedication and CIL alternative rate should be applied to all medium and high-density residential apartments across the City.

City staff reviewed the issues raised during the consultative process and responded as follows:

1. **Increasing Land Value Leading to Significant Parkland Obligations** – The project team will balance the interest of the development industry while ensuring the City's Official Plan Parkland Provision Target can be achieved and maintained.
2. **Fixed Parkland Rate to remediate Uncertainties** – Fixed rates present significant risk of deviation between parkland achieved and policy requirement, particularly when facing different forms of development in different parts of the city. In order to ensure Markham continues to provide the minimum parkland provision target of 1.2 hectare per 1,000 residents, the City's preference is to

continue to use an uncapped rate which better reflects the demand created by growth.

3. **Parkland Credit for Alternative Parkland typologies** – Further studies will be required to determine the applicable credit and feasibility of alternative parkland in the City. Until further studies are completed, the City will continue to review the feasibility of alternative parkland and determine the appropriate parkland dedication to be credited on a case-by-case basis.
4. **Alternative Rate Should Be Applied Citywide** – The new alternative parkland dedication and CIL rate will be applied to all medium and high-density residential apartments across the City.

The City's approach to the items noted above has been communicated with the stakeholder group. The project team has revised the financial modelling methodologies to include alternative rate for all medium and high-density residential apartment developments across the City while ensuring that the Official Plan minimum parkland provision target is maintained.

Provincial Regulations

Bill 197, *COVID-19 Economic Recovery Act, 2020* ("Bill 197") received Royal Assent on July 21, 2020. As a part of the changes enacted in Bill 197, municipalities are required to undertake a comprehensive parkland background study to determine their parkland provision target, the parkland dedication rate required and acquisition strategies to achieve such target. The passage of Bill 197, brought forward a number of changes to the *Planning Act* related to parkland dedication requirements and any in-force by-law utilizing the Alternative Rate will expire as of September 18, 2022. As a result, the City will need to pass a new by-law in order to continue to utilize parkland conveyance to its full potential or would revert back to a five per cent (5%) parkland dedication site cap. Moreover, the new Parkland Dedication By-Law is now subject to greater scrutiny due to expanded powers of appeal granted to the Ontario Land Tribunal (OLT).

STUDY OVERVIEW:

The Study Phases

The Parkland Acquisition Study was completed in two phases.

Phase 1:

The first phase involved a comprehensive review of Markham's existing parkland provision policies and provision targets. More specifically, Phase 1 work involved:

- A review of current Markham parks policy;
- A review of Markham's recent development trends and acquisition strategies;

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- An analysis of Markham's parkland provision standard using updated data and a refined methodology.
 - Phase 1 concluded with the creation of the Parks Plan.

Phase 2:

Based on the analysis conducted from the first phase and key considerations from the Parks Plan, the second phase of the study focused on identifying and testing potential policy alternatives against Markham's current parkland dedication policy. More specifically, Phase 2 work involved:

- Identifying key policy and financial considerations through Alternative Rate Review;
- Developing, testing, and measuring policy alternatives and resulting parkland provisions;
- Present policy and implementation options to the development industry stakeholders, and Development Services Committee for input and feedback.
- Phase 2 concluded with the creation of the Parkland Acquisition Strategy and the Parkland Dedication By-Law.

Parks Plan

The Parks Plan identifies several key considerations for future park planning and acquisition by supporting the parkland policies identified in the City's 2014 Official Plan while providing additional detail and clarifications. A fundamental principle of the Parks Plan is the need to continue to secure 1.2 hectare of parkland per 1,000 people on a citywide basis. The maintenance of the City's provision rate in the long-term is necessary to support the delivery of the park-related recreational facilities identified in the Council approved 2019 Integrated Leisure Master Plan which are critical to supporting healthy lifestyles, growing demand for recreational facilities, and to meeting additional needs generated by future population growth.

The Parks Plan supports the continued use of the hierarchy of park typologies defined in the Official Plan and recommends providing of a variety of park types, with various scales, design characteristics and functional attributes when preparing comprehensive plans for Intensification Areas. Furthermore, the urban parkland system should also be distributed throughout Intensification Areas, such that a majority of the residents are within a five-minute walk of a park.

The Parks Plan identifies the need to establish an appropriate parkland provision target of 0.4 hectare per 1,000 people of land within the intensification area boundary to meet some of the parkland need locally and recognizes that the City's parkland dedication rate within intensification areas will also need to provide for the acquisition of some additional parkland outside of the Intensification Area to maintain the citywide provision target of 1.2 hectare per 1,000 residents. The acquisition of additional parkland outside of the intensification area is required to support a consistent level of service and access to park facilities for future population growth.

The dedication of land or acceptance of cash-in-lieu of parkland is another important consideration of the Parks Plan. There are challenges to finding suitable land in an appropriate location and the Parks Plan recognizes that land dedication always be the first priority, and that cash-in-lieu only be acceptable where no reasonable alternative exists and the acceptance of some CIL is anticipated. Where appropriate the City may also pursue an off-site land dedication to satisfy all or a portion of the parkland dedication requirements. Accordingly, the City should continue to determine, at its sole discretion, when cash-in-lieu is an acceptable approach, and when a land contribution will be required.

The unique challenges and opportunities related to strata and encumbered parks present a potential set of alternative park typologies. However, the complex set of technical, legal and financial considerations related to these alternatives were beyond the scope of the Parks Plan and Acquisitions Strategy work. The upcoming Urban Parks Strategy will undertake an in depth review of these emerging typologies and provide important guidelines and recommendations related to their design, ownership, maintenance and lifecycle, as well as what amount of parkland credit is appropriate. The City continues to have discretion to consider the alternative park typologies on a case-by-case basis and the upcoming study will clarify the direction when reviewing proposals for alternative park typologies.

Parkland Acquisition Strategy

The City retained Hemson Consulting to assist with the review, analysis, and update of its parkland dedication policies in light of recent legislated changes introduced along with the passage of Bill 197. The purpose of this exercise is to identify the key issues and challenges that Markham is currently facing as it seeks to provide sufficient parkland for its growing communities, and preparing a preferred parkland dedication policy approach to support this.

Financial Modelling and Policy Options

Based on the key considerations from the Parks Plan, the project team conducted a financial modelling exercise that compared three different policy scenarios representing various city building objectives that seek to balance the feedback we have received from Council, Steering Committee members, and the development industry, while also considering other policy impacts – including recent provincial legislative changes under Bill 109 – More Homes for Everyone Act, 2022 (“Bill 109”) and affordable housing provisions. In order to achieve the City’s parkland provision target, five key principles were established to provide a framework for creating a new alternative parkland dedication policy. In addition, ongoing consultation with industry stakeholders and feedback from Markham City Council’s Development Services Committee have helped refine the key principles and guided the finalization of the preferred approach.

Key principles of the recommended policy option:

1. Meeting the Minimum Citywide Provision Target

- In order to ensure Markham's parks system continues to achieve the minimum provision rate by 2031 and beyond, the policy intends to ensure the requirement for new growth provides 1.2 hectare of parkland per 1,000 people.

2. Maintaining a Direct Link Between Parkland and Population

- An uncapped alternative rate, will ensure that the required parkland dedication for new residential developments is directly linked to the associated population growth.

3. Targeting Lower Level of Parkland Provision in Intensification Areas

- Although local parkland provision is a priority, in the case of Intensification Areas, it is necessary that some two-thirds of parkland need generated by Intensification Area growth be accommodated outside of the local area, either in nearby established residential areas, or towards the periphery of the urban boundary.

4. Charging a Reduced Rate for New Residential Developments with High Land Values

- A reduced uncapped alternative rate will ensure viability of new residential developments in areas promoting density and growth, where land values are typically high and developments are particularly affected by the increased burden of providing parkland dedications on high-value parcels.

5. Reallocating Parkland Acquisitions Across the City to Opportunity Areas and Areas in Need

- In employing a reallocation approach, there is opportunity for the City to use its cash-in-lieu reserves in such a way that it maximizes the effectiveness of its cash reserves as well as targets areas across the city that are most in need of parkland, promoting a balanced parkland system through the acquisition of parkland in areas of need and areas which can support a full range of park typologies.

Policy Option Testing – Three Potential Scenarios

The following is a summary of the study including three policy options that was developed by the project team and presented to Development Services Committee and the development industry for feedback.

Option 1 – Maintain Target Through Reallocation

This option considered how best to achieve both the citywide provision rate of 1.2 hectare per 1,000 new residents while also ensuring a lower minimum provision rate of 0.4 hectare per 1,000 people for Markham's Intensification Areas. This was achieved by assuming all development outside of the Intensification Areas would provide enough land in area to achieve the minimum provision rate relative to their own growth. The resulting parkland

dedication rate of 0.5 hectare per 1,000 new residents within the Intensification Areas would ensure the minimum rate locally before allocating the rest (via CIL) to other parts of the city to achieve the minimum city-wide parkland provision rate.

Option 2 – No Reallocation

This alternate to the first option considered what a reduced policy requirement could look like if the policy still achieved the minimum provision rate of 0.4 hectare per 1,000 people within the Intensification Areas, but without allocating cash elsewhere in the city. Rates outside to the Intensification Areas remained the same. Effectively, this option reduced the rates from the first option at the cost of achieving the citywide provision rate which was lowered to 1.06 hectare per 1,000 new residents.

Option 3 – 30% Site Area Cap

This third scenario was developed to demonstrate what sort of local and citywide provision could be achieved if the City were to adopt a static percentage of land-based cap of 30% for development inside the Intensification Areas. Rates outside of the Intensification Areas were assumed to remain uncapped. This approach also assumed that approximately 75% of land and CIL value collected in Intensification Areas will stay in area, while the remaining funds would be reallocated elsewhere in Markham. The capped rate approach presented some of the most notable reductions to the dedication requirements in terms of implied cost per unit for development. However, it failed to achieve the minimum citywide provision standard, lowering it to 1.09 hectare per 1,000 new residents. In addition, it only yielded approximately 0.22 hectare per 1,000 new residents in Intensification Areas, significantly less local parkland than either of the first two options.

Bill 109 and Affordable Housing Considerations

The project team have also considered the potential implications of two major policy items which could impact the financial modelling exercise and resulting provision of parkland via the Parkland Dedication By-law which includes:

- The caps imposed on Transit Oriented Communities (TOCs) under the recently announced Bill 109; and
- The forgone parkland or CIL associated with offering exemptions for specific types of affordable housing (assumed at a maximum of 10% of all units citywide based on research and analysis to complete the [City's Affordable and Rental Housing Strategy, Housing Choices.](#))

The combined impact of both sensitivities would equate to 9.2 hectares of parkland foregone and would reduce the citywide parkland provision by 0.1 hectare per 1,000 new residents. The total estimated value of parkland CIL foregone is approximately \$114

million. A more detailed analysis is provided under the Financial Implications section of this report.

	Status Quo (1.2ha/1,000 up to 1ha/500 units)	Option 1 (Reallocated)	Option 2 (Reduced)	Option 3 (Capped)
Parkland Acquired (in IA)	105.4 ha (29.8 ha)	98.7 ha (18.7 ha)	88.7 ha (18.7 ha)	91.7 ha (14.9 ha)
Avg. Cost Per Unit (in IA)	\$58,000	\$36,500	\$30,000	\$19,000
Growth-Based Population Provision (2021-2031)	1.17 ha/1,000	1.10 ha/1,000	0.99 ha/1,000	1.02 ha/1,000
Citywide Population Prov. (2031)	1.30 ha/1,000	1.28 ha/1,000	1.26 ha/1,000	1.26 ha/1,000

Table 1: Summary of potential policy options (With Bill 109 and Affordable housing sensitivity reduction)

Recommended Policy Option and Alternative Parkland Dedication Rate

On July 15, 2022, the project team received direction from members of the Development Services Committee to refine and develop a policy option that is based on the principles established in Option 1, with the premise on maintaining the City's Official Plan minimum parkland provision target as a priority. Furthermore, members of the Development Services Committee instructed the project team to explore the provision to apply the new alternative rate for all new medium and high-density residential apartment units citywide. Option 1 was thus refined to account for and offset the shortfall due to the application of the alternate rate for apartment units citywide. The results of the financial modelling show the effective rate structure and estimated parkland provision under the Parkland Dedication By-law as per the recommended policy option. As a result, the reduced parkland dedication rate of 0.55 hectare per 500 units of land dedicated or an equivalent value of CIL is recommended for new medium and high-density residential apartment units citywide. This reduced rate, together with the current legislative maximum parkland rates (1 hectare per 300 units for land dedication and 1 hectare per 500 units for CIL of parkland dedication) that will continue to be charged to all other residential developments, will generate enough parkland dedication to meet the parkland demand generated by anticipated growth until 2031. The citywide average per unit charge for apartments is estimated to be approximately \$30,400 while the average per unit cost for all other residential units is estimated to be approximately \$35,000. This brings the estimated average per unit charge to be approximately \$33,200. It should be noted that the true per unit charge may be higher or lower and would need to be calculated on a site-by-site basis. Factors such as location, land value, proposed density, unit breakdown will directly affect the ultimate cost.

	Average per unit charge
All units	\$33,200
Medium to High Density Apartments	\$30,400
All other residential units (Singles, Semis, Townhouses)	\$35,000

Table 2: Approximate per unit charge under the recommended option and dedication rateMunicipal Comparators

Under the new rate, all apartment units will be charged 0.55 hectare per 500 units, a 45% reduction from status quo under the *Planning Act*, and a 27% reduction from interim CIL Strategy. While Markham's dedication requirements will be comparatively higher than neighbouring municipalities, we are effectively reducing our parkland dedication rate by 45%, where many municipalities are significantly increasing their parkland dedication charge.

	Mississauga	Vaughan	Markham
Proposed Alternative Rate Requirement for Apartments	Up to maximum of \$25,112 per unit (by August 2023)	Up to maximum of \$27,994 per unit (by March 2025)	Estimated average ~\$30,400 per unit (Depending on property values)
Change from Previous	+ 122%	+ 223%	- 45% (from original) - 27% (from interim)

Table 3: Municipal Comparison of new Parkland Dedication By-law Rate on Per Unit BasisParkland Dedication By-law

The City of Markham's Parkland Dedication By-law is the City's primary tool for acquiring new parkland. As permitted under section 42, 51.1 and 53 of the *Planning Act*, the by-law enables the City to require as a condition of development or redevelopment, subdivision or consent, land for parks and other recreational purposes, or an equivalent amount of cash-in-lieu of land. The *Planning Act* also sets out legislated maximums for how much land a by-law may require depending on the land use, including a maximum Alternative Rate for residential uses which will expire as of September 18, 2022.

The main provisions of the new Parkland Dedication By-Law include:

- An updated Alternative Rate requiring all medium and high-density residential apartment units to provide parkland dedication and CIL at 0.55 hectare per 500 units;
- The parkland dedication rates for all other residential developments requiring the greater of 5% of the site area or 1 hectare per 300 units (or 1 hectare per 500 units in CIL);
- The parkland dedication rates for the non-residential portion within mixed-use developments pro-rated based on the ratio of non-residential gross floor area to the overall gross floor area;
- A consistent parkland dedication rate of 2% of the site for all non-residential uses;
- An exemption to parkland dedication for non-profit housing/ affordable housing projects with a majority of affordable units, which are owned, operated or managed by Housing York Inc. or a non-profit housing corporation.

	Previous Conveyance of Parkland By-law (195-90)	New Parkland Dedication By-law
Residential Apartments (Includes Stacked Townhouses)	1.214ha/1,000 people (1ha/500 units CIL)	0.55ha/ 500 units
All other residential units (Singles, Semis, Townhouses)	1ha/300 Dedication 1ha/500 units CIL (Planning Act Max)	1ha/300 Dedication 1ha/500 units CIL (Planning Act Max)
Commercial or Industrial	Two Percent (2%) of Site Area	Two Percent (2%) of Site Area
All other developments	Five Percent (5%) of Site Area	Two Percent (2%) of Site Area

Table 4: Parkland Dedication Rates Comparison

In order to ensure that the new Parkland Dedication By-law has been appropriately implemented and effective in achieving the intended parkland provision target for future residents of Markham, Staff is recommending that a comprehensive review shall be carried out in 5 years to identify necessary updates to the Parkland Acquisition Study.

FINANCIAL IMPLICATIONS:

The city would need to secure approximately 108 hectares of parkland dedication to achieve the minimum parkland provision target identified in the Official Plan from now until 2031. The City has already secured approximately 29.6 hectares of parkland through executed agreements. Based on the principle that growth should pay for growth, the City would need to secure the remaining 78.4 hectares of parkland dedications to support the anticipate growth of 90,000 new residents in order to maintain the same level of parkland provision on a citywide basis for new and existing residents. The approximate value of these remaining dedications and CIL combined is equivalent to approximately \$1.4 billion. While the new rate would result in less CIL collected on a citywide basis, it would still be sufficient for the City to achieve the Official Plan parkland provision target.

Impact of Bill 109 and Affordable Housing

An important component of the financial modelling exercise was to evaluate the impact of the recent proposed changes in Bill 109 on parkland dedication for Transit Oriented Communities and the impact of parkland exemption for Affordable Housing.

Potential Exemptions for Affordable Housing

Across municipal comparators, certain forms of development can be exempted from a parkland dedication requirement, in order to incentivize certain uses. Among the most common example of a parkland dedication exemption is affordable housing. Building on the Interim CIL Strategy that was endorsed by Members of Council in July, 2021. The recommended option seeks to provide parkland exemptions for affordable projects by Housing York and other non-profit housing corporations as per Section 5 of the new Parkland Dedication By-law. This respond to Regional Council's resolution on February 25, 2021 requesting lower-tier municipalities to amend their parkland dedication by-law to exempt Housing York Inc. from parkland levies. Furthermore, Markham Staff will work to develop an incentive package for affordable/ supportive housing as per Action #14 in Housing Choices: Markham Affordable and Rental Housing Strategy.

For the purposes of the modelling, the City has assumed an affordable housing rate of ten per cent (10%) of all residential developments citywide, to be applied evenly across all parkland planning areas. Furthermore, the exemption is assumed to reduce the parkland dedication requirement for affordable housing by a maximum rate of one-hundred per cent (100%), i.e. completely exempt. In 2021, the [Affordable Housing in York Region – 2021 Measuring and Monitoring Report](#) found that 2% of new residential units were affordable in Markham. For comparison sake, and to provide a range of affordable housing scenario, the implication for applying a 100% exemption to 2.5%, 5%, and up to 10% of all residential units citywide would impact the citywide parkland acquired through the alternative rate by approximately 1.95 hectares to 7.8 hectares, reducing the total parkland acquired to 2031 by up to approximately 100 hectares. Assuming this exemption affects all developments equally, and assuming these developments follow the same distribution of acquisitions as outlined in the recommended approach, this impact equates to a foregone cash value of approximately \$22,500,000 for the 2.5% scenario, \$45,000,000 for the 5% scenario and \$90,000,000. for the 10% scenario.

Percentage of Affordable Housing Provision	Impact on Parkland (hectares)	Impact on Parkland (\$)
2.5%	1.95 hectares	\$22,500,000
5%	3.9 hectares	\$45,000,000
10%	7.8 hectares	\$90,000,000

Table 5: Impact of Parkland Dedication exemption for Affordable Housing

Capped Parkland Dedications in Transit Oriented Communities

Bill 109 imposes a land value cap of between ten to fifteen per cent (10-15%) to all Transit-Oriented Communities (TOC) across the Province. As a provincial regulation, Bill 109 supersedes any and all municipal by-laws, including any parkland dedication by-laws. As of August 2022, Bridge TOC, which overlaps with a significant portion of the Langstaff Gateway Intensification Area, is the only provincially identified TOC within the City of Markham. As such, the impact of Bill 109 on the Parkland Dedication Forecast Model is relatively minimal, reducing the total quantum of acquisitions by approximately 1.4 hectare or a foregone cash value of approximately \$24,000,000 to 2031. It should be noted that the development of the Bridge TOC by 2031 represents approximately 5% of the total development in the area to build-out. Bill 109 impacts on the Bridge TOC will only continue to become more significant in the post-2031 timeframe, as will the effects citywide as more TOCs are identified.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

The comments in this report on the Parkland Acquisition Strategy Study, and the new Parkland Dedication By-law, support the City's efforts to enable a strong economy, manage growth and, ensure growth-related services are fully funded, which are some of the key elements of Markham's strategic priorities related to Engaged, Diverse and Thriving City; Safe and Sustainable Community; and Stewardship of Money and Resources.

BUSINESS UNITS CONSULTED AND AFFECTED:

The process of undertaking the Parkland Acquisition Strategy Study was a cross-Commission collaborative initiative that included input from Financial Services, Legal Department, Real Property, Policy, Development Planning, Urban Design and Parks Planning.

RECOMMENDED BY:

Arvin Prasad
Commissioner of Development Services
Development Services

Stephen Lue
Acting Director, Planning and Urban
Design