



BUILDING MARKHAM'S FUTURE TOGETHER
2020 – 2023 Strategic Plan



Markham Parkland Acquisition Study

Development Services Committee Workshop

July 15th, 2022



AGENDA

- 1. Parks Plan Overview**
- 2. Parkland Acquisition Strategy Overview**
- 3. Summary of Preliminary Policy Rate Scenarios**
- 4. Impacts of Bill 109 and Affordable Housing Exemptions**
- 5. Discussion**



Parks Plan Overview



BUILDING MARKHAM'S FUTURE TOGETHER

2020 – 2023 Strategic Plan





Contents of the Parks Plan

1. Introduction & Purpose
2. Value of Parks
3. Planning Overview

4. Markham's Current Parkland
 - Parkland Supply & Distribution
 - Parkland Service Districts

5. Markham's Future Parkland
 - Key Considerations
 - Achieving the City's Parkland System Target
 - Defining the Parkland System Typologies
 - Delivering Parkland in Intensification Areas
 - Utilizing Cash-in-Lieu of Parkland
 - Ensuring an Equitable Distribution of Parks





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INTRODUCTION & PURPOSE





Purpose of the Parks Plan

1. Highlight the value of parks and the evolving planning context.
2. Assess existing supply and distribution of parkland and anticipates future need based on growth.
3. Identifies important considerations for future park planning and acquisition.
4. Fulfills a legislative requirement for utilizing alternative parkland dedication rates.

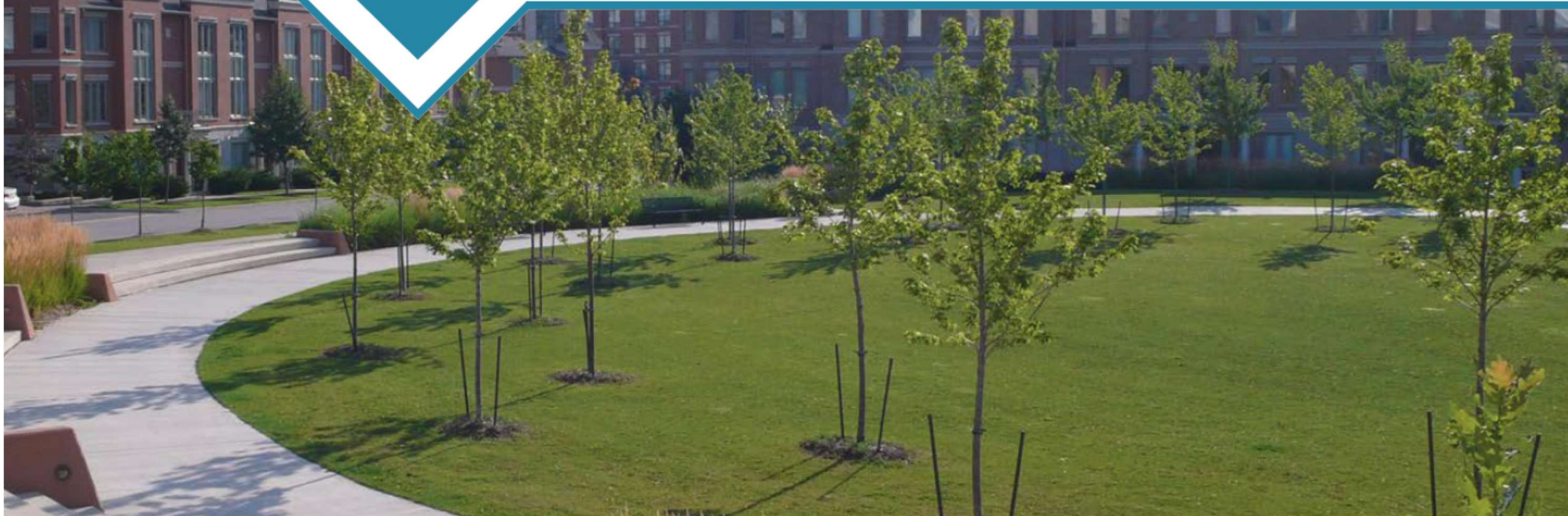


Aaniin Park



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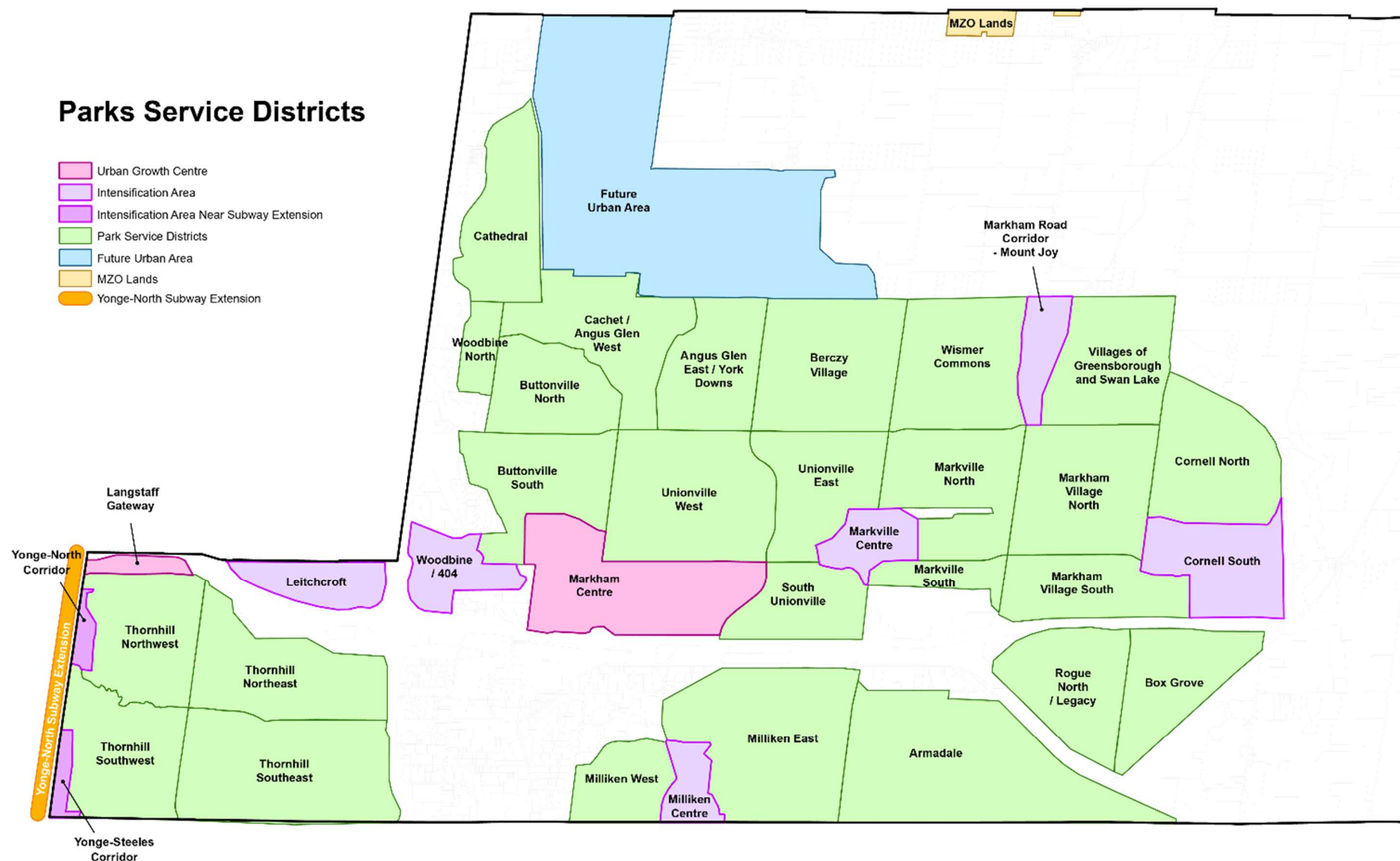
MARKHAM'S CURRENT PARKLAND





Existing Parkland Supply and Distribution

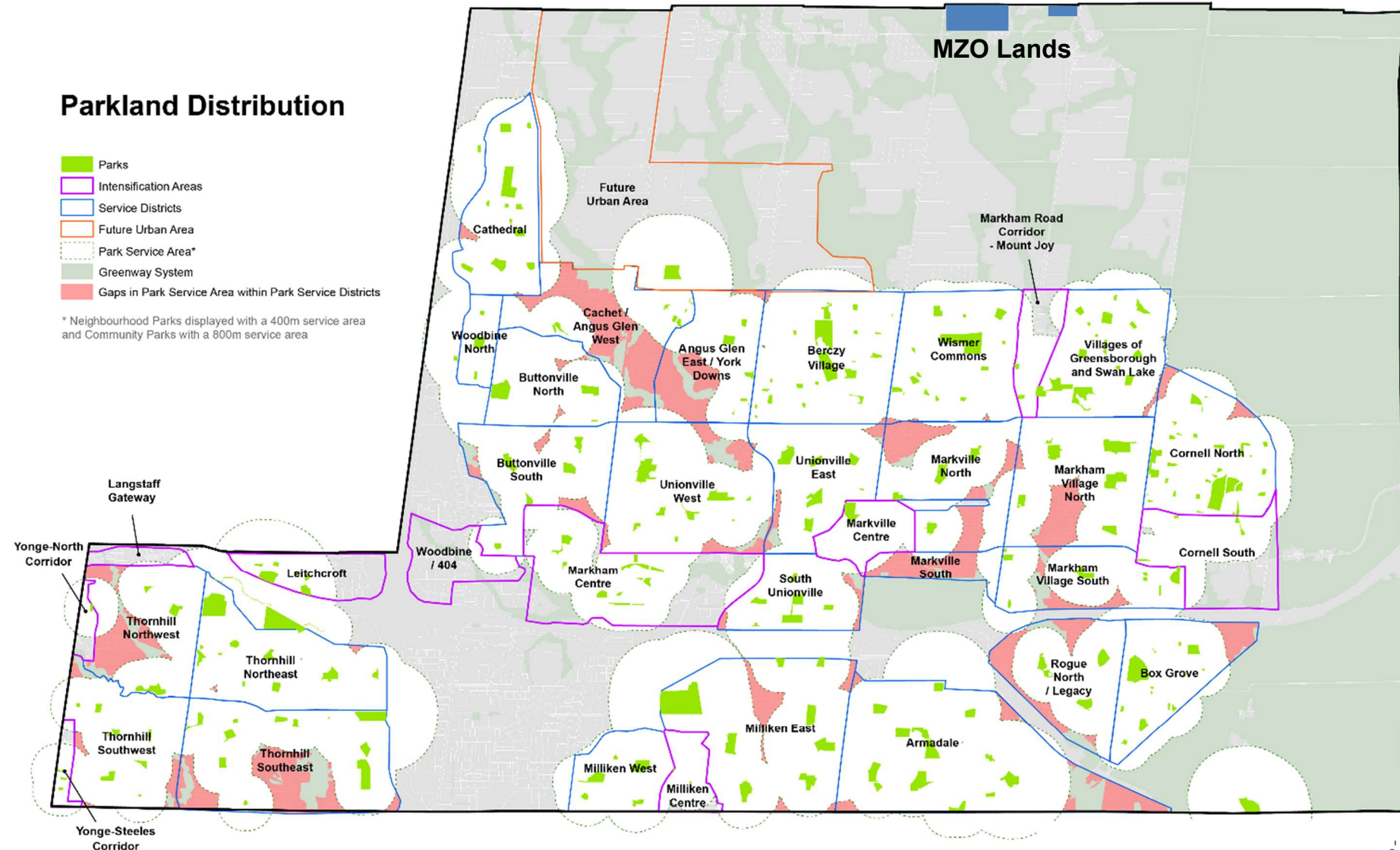
- Approximately 468 hectares of existing City parkland.
- Provision rate of 1.33 hectares per 1000 people.
- City parkland is complemented by larger open spaces such as Rouge Park and Milne Dam.





Park Service Districts and Intensification Areas

- 26 Parkland Service Districts and 10 Intensification Areas.
- Supports finer-grained analysis to track parkland provision at a district scale.
- Supports park planning and acquisition efforts.





Markham's Evolving Urban Parkland Context

- Challenging to acquire due to limited availability of land and the higher cost.
- Urban parks are characterized as highly used, diverse, animated, flexible and connected.
- Future studies will provide more detailed guidance on design, ownership and maintenance considerations.





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MARKHAM'S FUTURE PARKLAND - KEY CONSIDERATIONS





Achieving the City's Parkland System Target

Consideration 1:

Markham should secure sufficient parkland/Cash-In-Lieu to ensure 1.2 hectares of parkland per 1000 people continues to be achieved on a citywide basis.

The City's parkland dedication policies should also support the delivery of the park-related recreational facilities identified in the ILMP to support healthy lifestyles, growing demand for recreational facilities, and to meet additional needs generated by future population growth.

New Population to 2031 (Net in built up area)	90,000 residents
Parkland Demand (1.2 ha per 1,000 people)	108.0 ha
Future Secured Parkland (Subdivision Registered + Site Plan Approved)	29.6 ha
Net Parkland Need (Yet to be Secured)	78.4 ha



2019 INTEGRATED LEISURE MASTER PLAN UPDATE

2019 - 2031

Monteith + Brown
planning consultants

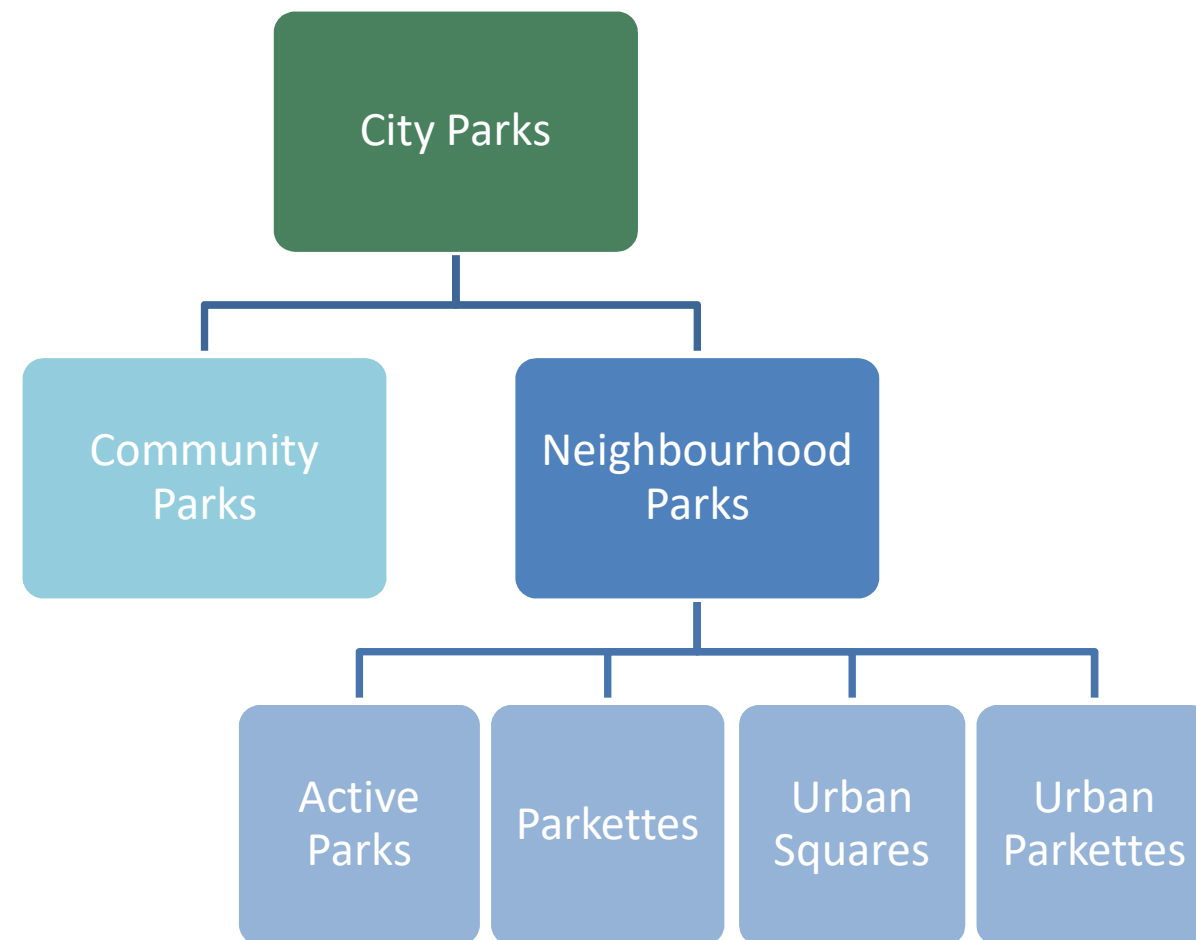
Approved by City of Markham Council,
November 13, 2019



Defining the Parkland System Typologies

Consideration 2:

Adopt a comprehensive set of Park Development Guidelines to more fully articulate the park typologies, and to provide design guidance to various components of the city-wide parkland system.



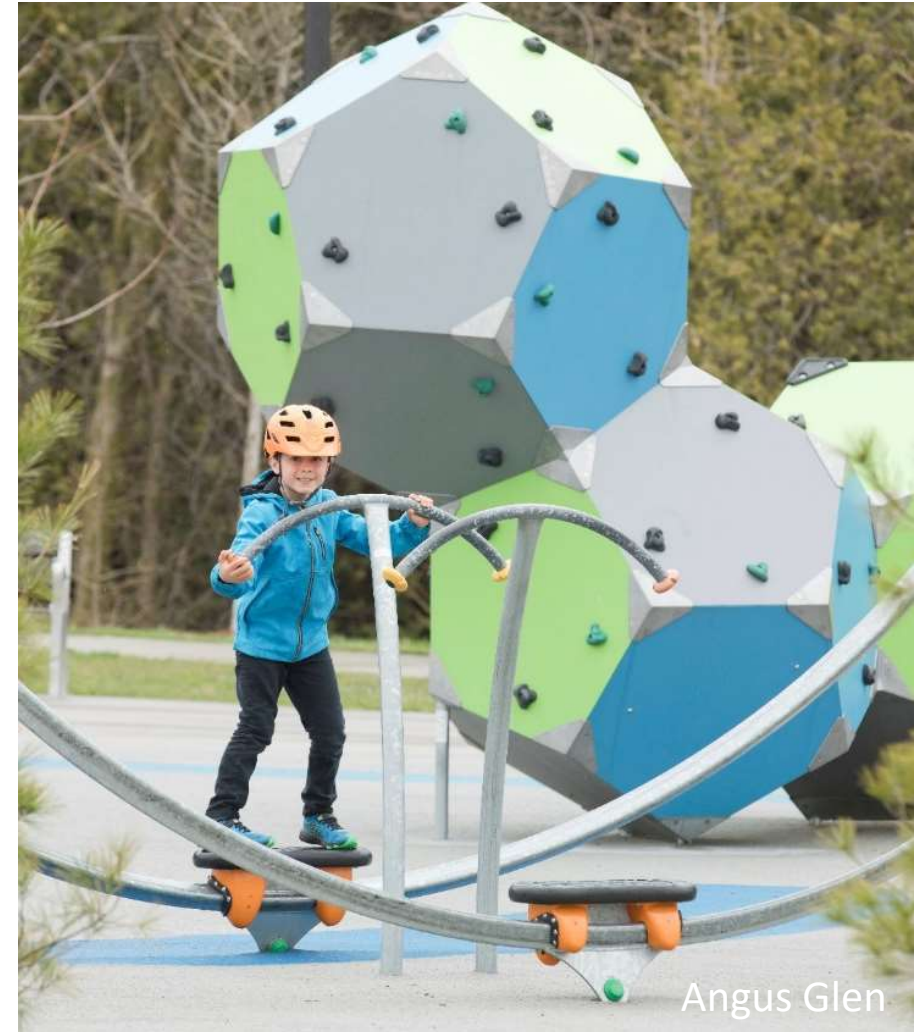


Delivering Parkland in Intensification Areas

Consideration 3:

When preparing comprehensive plans for intensification Areas, the urban parkland system should be:

- Comprised of an array of park space, with various scales, design characteristics and functional attributes; and
- Be distributed throughout the Intensification Area, such that a majority of the residents are within a maximum 5 minute walk (400 metres) from a defined park.



Angus Glen



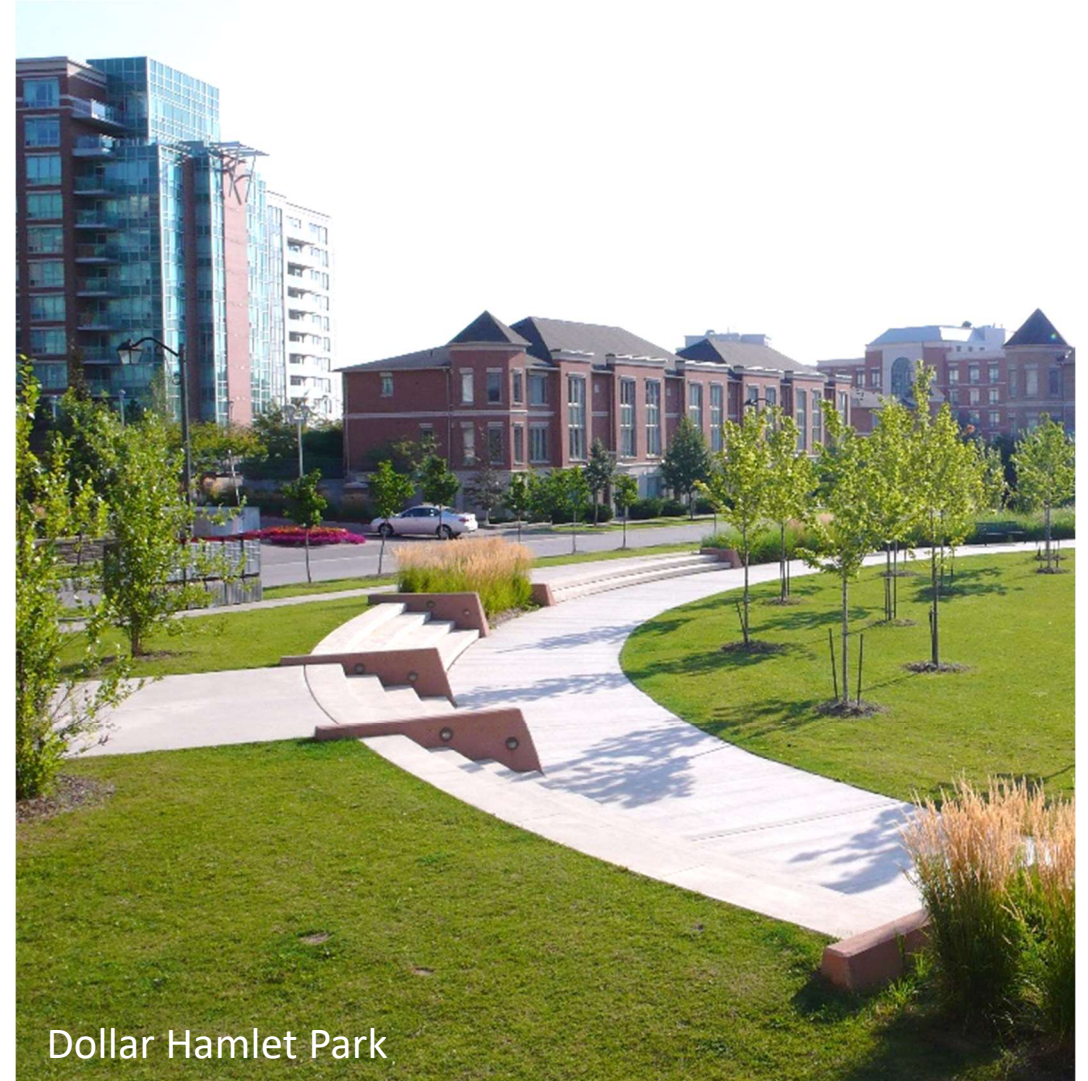
Delivering Parkland in Intensification Areas

Consideration 4:

When preparing comprehensive plans for Intensification Areas, the City should establish an appropriate parkland provision target to serve local residents.

Consideration 5:

Land costs and population growth estimates within the Intensification Areas will require that the City acquire parkland outside of the Intensification Areas to makeup for the shortfall of parkland that is unable to be provided within Intensification Areas.



Dollar Hamlet Park



Utilizing Cash-in-Lieu of Parkland

Consideration 6:

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.

Consideration 7:

Land dedication always be the first priority, and that cash-in-lieu only be acceptable where no reasonable alternative exists, except in Intensification Areas where the acceptance of some CIL is anticipated.



John Baird Woods Park



Ensuring an Equitable Distribution of Park Spaces

Consideration 8:

The underserved Parkland Service Districts should be prioritized for parkland acquisition activity, utilizing all of the parkland securement tools available to the City.



Wismer Park



Parks Plan – Next Steps

- Post Parks Plan online for public input – Early July
- Final Recommendation Report – Early September



Parkland Acquisition Strategy Overview



Objectives of Financial Modeling

- As communities intensify, building complete communities while also achieving Official Plan parkland provision target of 1.2 ha per 1,000 residents presents challenges
- New development should make reasonable contribution to the parks system to offset impacts of growth
- Parkland acquisition strategy seeks to balance parkland requirements with impact of policy





Updated Context for Policy Discussion



- Revised parks analysis shows Markham is currently achieving minimum target at city-wide level (approx. 1.33 ha per 1,000 res.)
- Current parks system is complimented by significant other open space not owned by the City (Rouge Park, trail system, woodlots)
- Table-land parks considered as part of policy analysis reflect what we accept for dedications



Financial Modeling Overview

- Tests impact of parkland provision scenarios on the cost and distribution of future parkland **to 2031** (based on DC forecast growth)
- Policy options only consider changes to Intensification Area policies where costs and impacts are the greatest
- 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

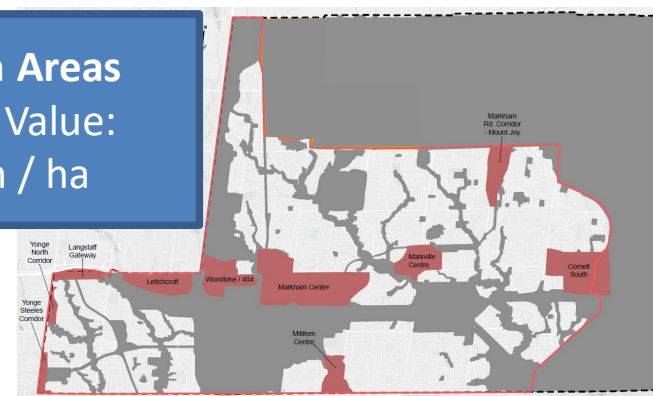




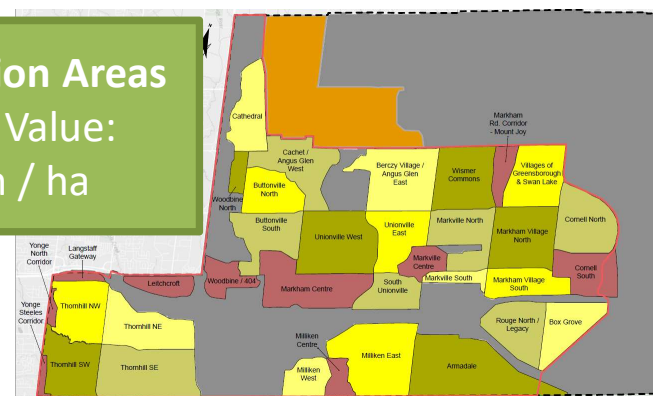
Parkland Allocation

- Each scenario makes assumptions about where we will have parkland dedicated, or direct CIL funding
- Land economics make it costly to achieve significant quantum of new land in high growth areas
- More affordable land found on urban periphery, but may be less accessible / walkable
- Up to City to determine preferred mix of park area and access

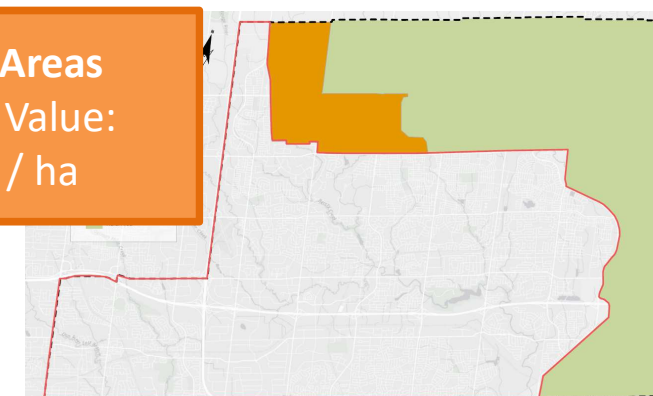
Intensification Areas
Est. Avg. Land Value:
\$32.4 million / ha



Non-Intensification Areas
Est. Avg. Land Value:
\$10.8 million / ha



Opportunity Areas
Est. Avg. Land Value:
\$1.2 million / ha





Three Key Outputs to Compare

- Policy analysis between different scenarios considers three key outputs for comparison:
 - City-wide provision level per 1,000 new residents
 - Local provision level in Intensification Areas per 1,000 new local residents
 - Average Cost Per Unit of policy in terms of CIL (2022 \$)

How much parkland are we providing city-wide?

How much parkland is available locally?

What are the cost implications?



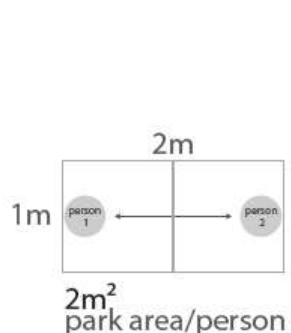
Parkland Provision Rates in Context

0.2 ha / 1,000

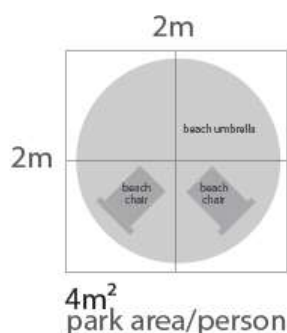
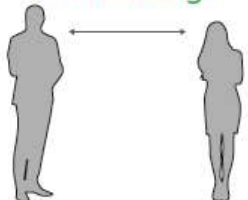
0.4 ha / 1,000

0.8 ha / 1,000

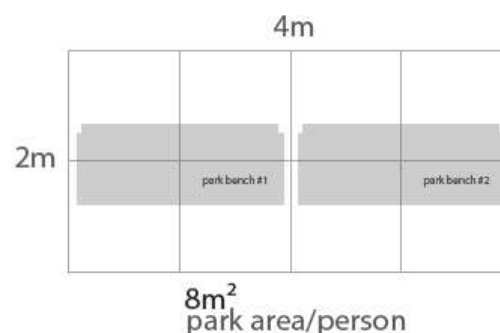
1.2 ha / 1,000



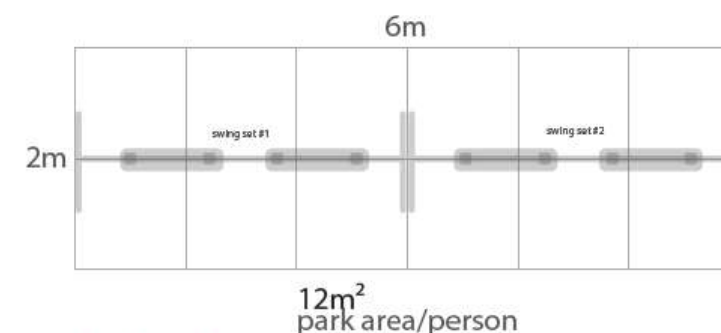
2m² is about
your typical
2m social
distancing.



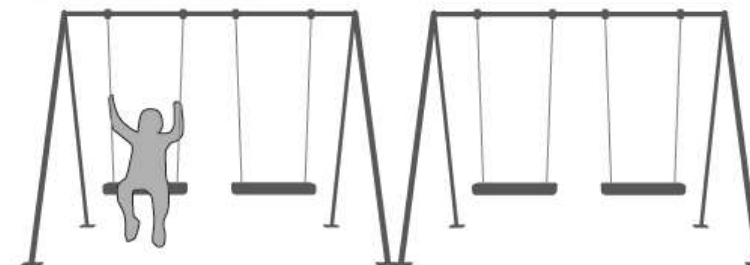
4m² is about
one beach setup
with an umbrella
and two chairs.



8m² is about
two park benches.



12m² is about
two swing sets.





Preliminary Parkland Policy Rate Scenarios



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

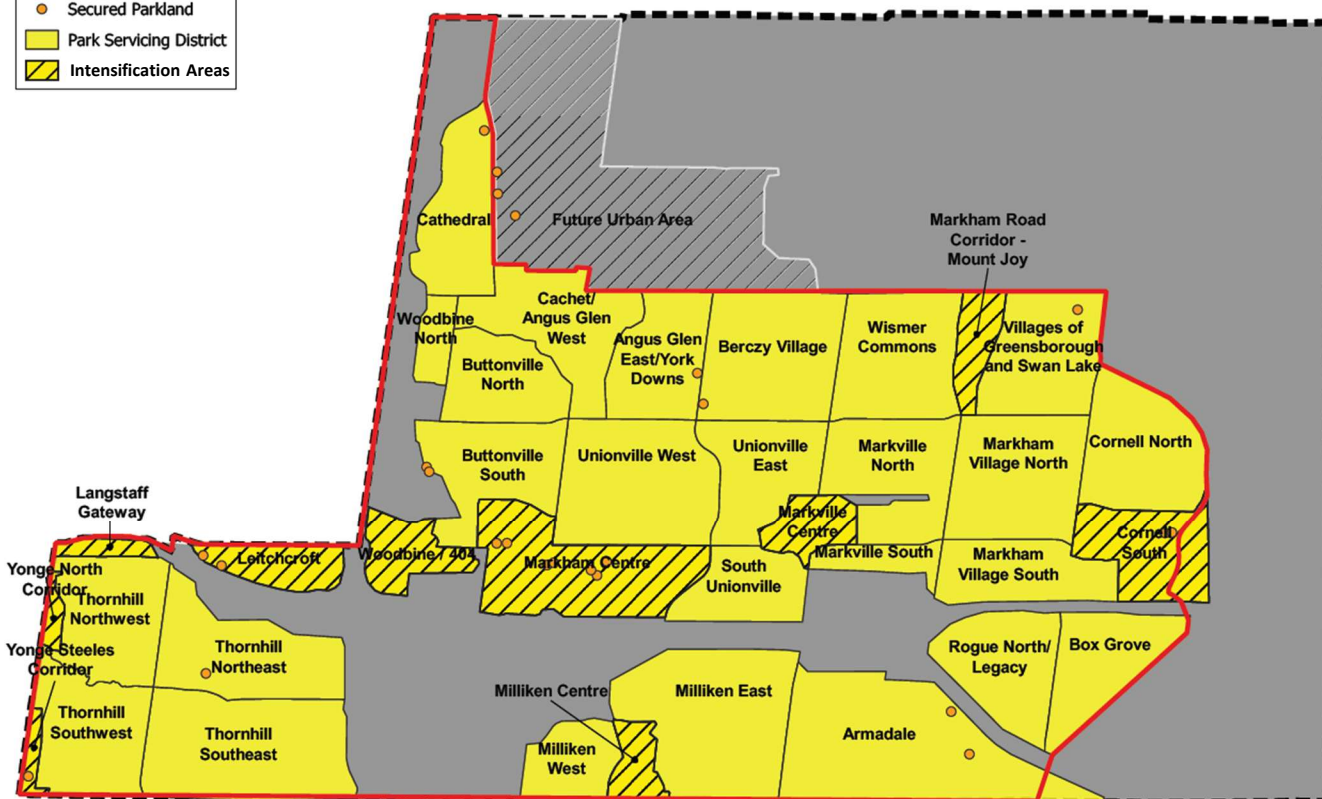
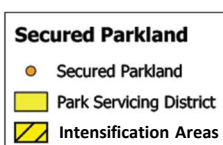


Status Quo + Three Policy Options for IAs

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



Blue Sky: Achieving Target in All Neighbourhoods



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

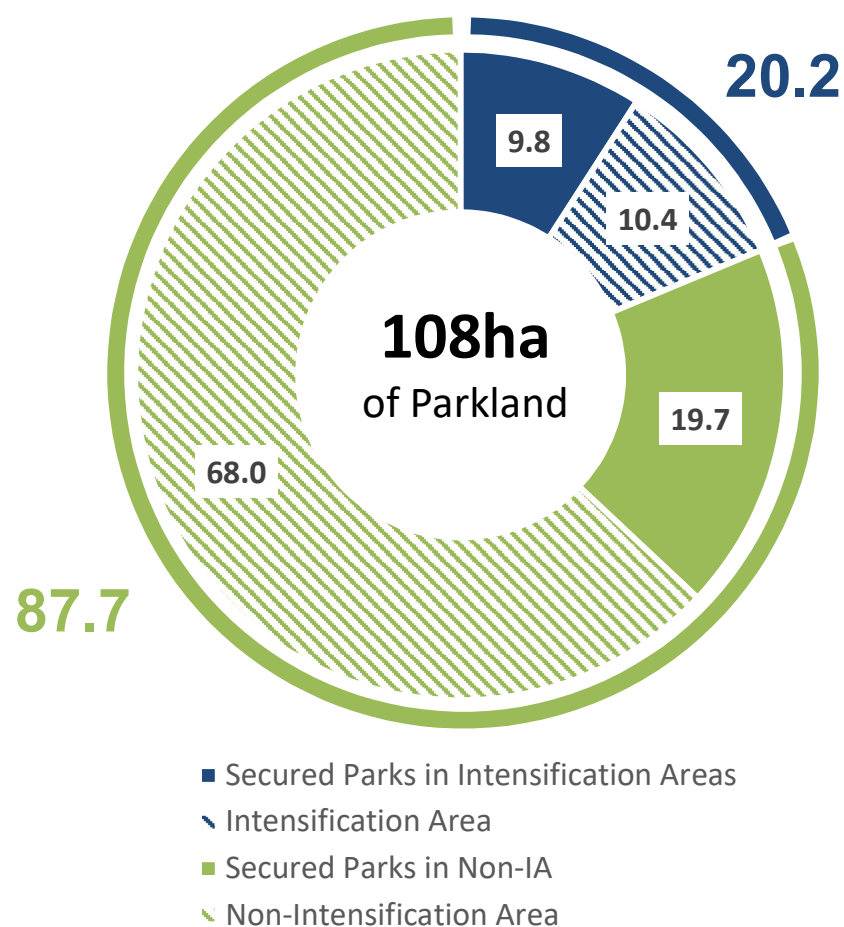
- 108 ha of parkland citywide
- 29.6 ha of which is already secured
 - 9.8 ha of which are in the IAs
- 78.4 ha remaining need city-wide
 - 31.1 ha needed in IAs
- \$1.4B cash value from developers
- Average per unit charges of \$85,000 in IAs
- Average per unit charges of \$29,400 in other areas

Note: Figures do not account for limitations of Planning Act, Bill 109 or affordable housing exemptions



Option 1: Maintain Target through Reallocation

Parkland Acquired 2021-2031



- 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

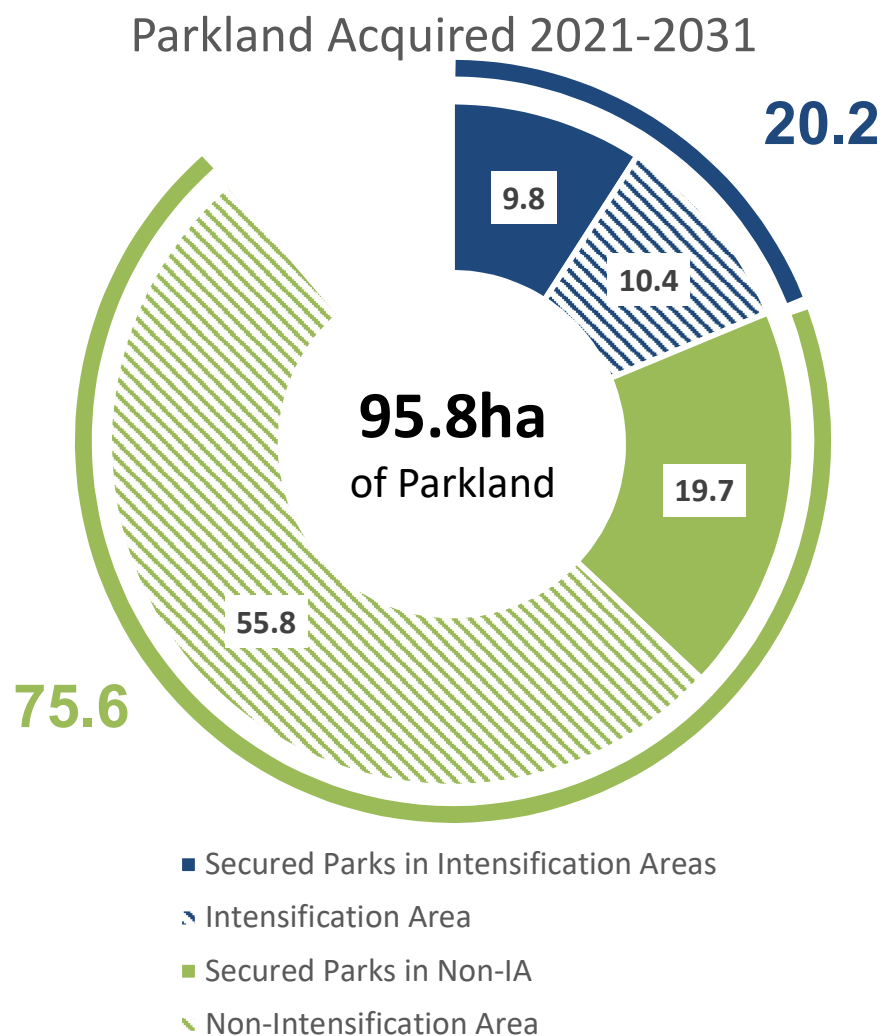
Citywide Provision*	1.20 ha
Intensification Area Provision*	0.40 ha
Citywide 1.2ha/1,000 Shortfall	0.0 ha

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

*Per 1,000 New Residents



Option 2: Focus on IAs and No Reallocation



- 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*	1.06 ha
Intensification Area Provision*	0.40 ha
Citywide 1.2ha/1,000 Shortfall	12.2 ha

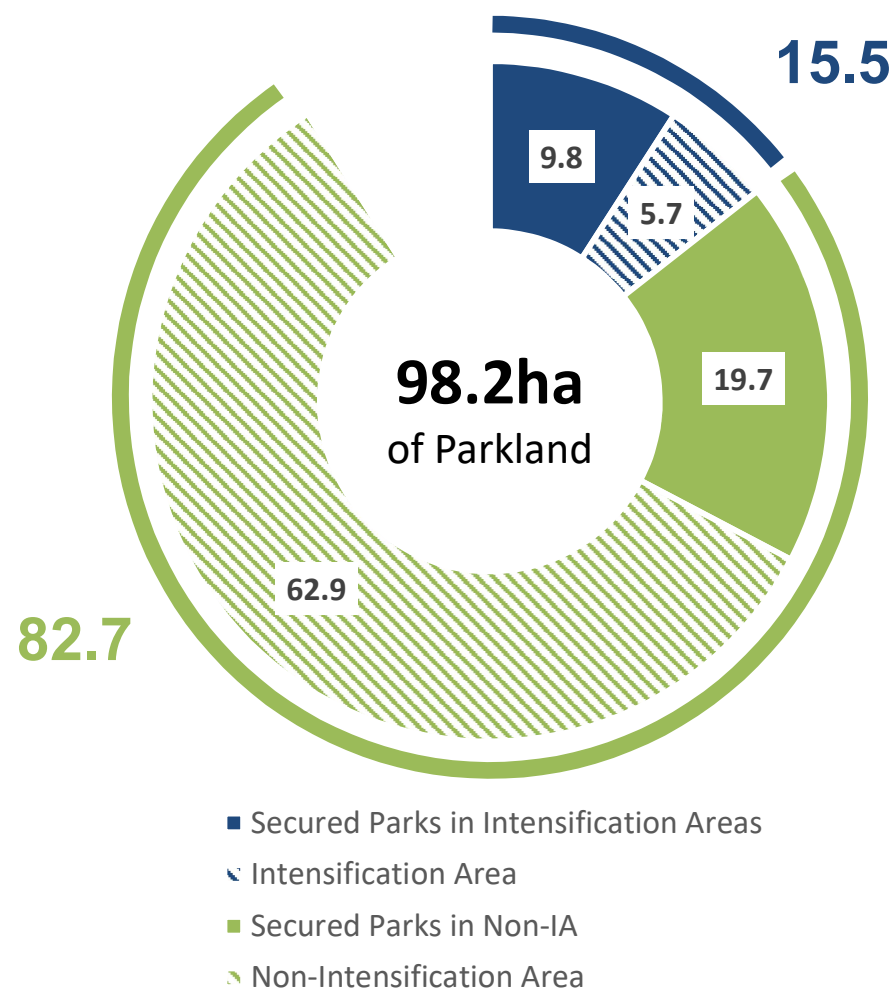
Estimated By-law Rate in IAs	0.4 ha/1,000
Average Charge per Unit in IAs	\$30,000

*Per 1,000 New Residents



Option 3: 30% Site Size Cap

Parkland Acquired 2021-2031



- 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

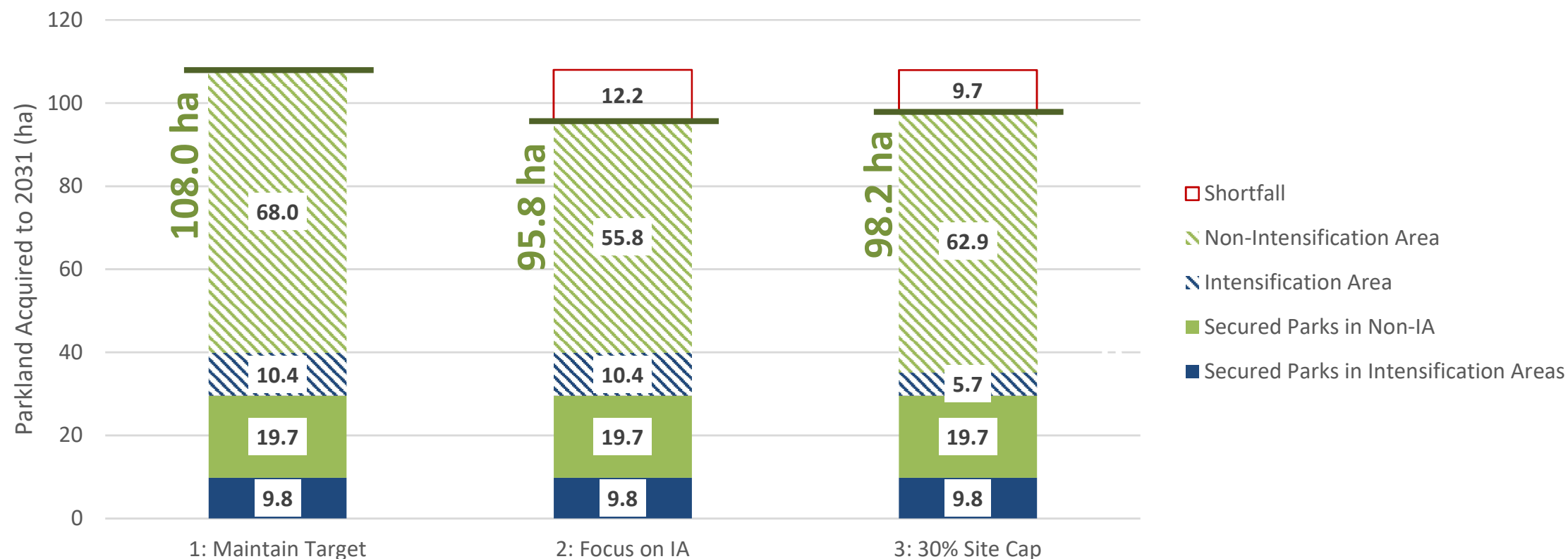
Citywide Provision*	1.09 ha
Intensification Area Provision*	0.22 ha
Citywide 1.2ha/1,000 Shortfall	9.7 ha

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

*Per 1,000 New Residents



Policy Approaches Compared



Option 1

Option 2

Option 3

IA Provision: 0.40/1,000

Citywide Provision: 1.20/1,000

Total Population Provision (2031): 1.30/1,000

IA Cost Per Unit: \$36,500

0.40/1,000

1.06/1,000

1.27/1,000

\$30,000

0.22/1,000

1.09/1,000

1.28/1,000

\$19,000



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



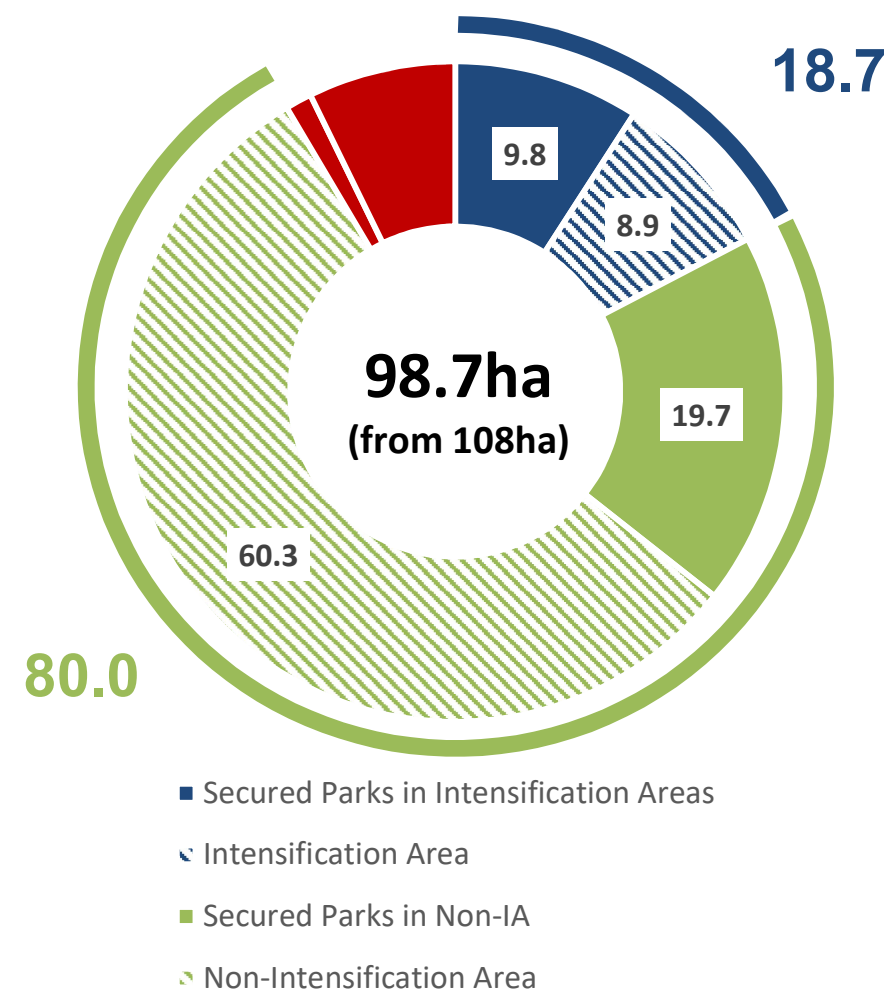
Adjusted Option 1: Reallocation of CIL Funding

- Most significant policy impact due to higher original policy requirement

Citywide Provision*	1.10ha (-0.1ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	9.2ha
Bill 109 Impact (ha)	-1.4ha
Bill 109 Impact Value (\$)	\$24,000,000
Affordable Housing Impact (ha)	-7.8ha
Affordable Housing Impact Value (\$)	\$88,000,000

*Per 1,000 New Residents

Parkland Acquired 2021-2031





Adjusted Option 2: Maximize IAs w/ Reduced Target

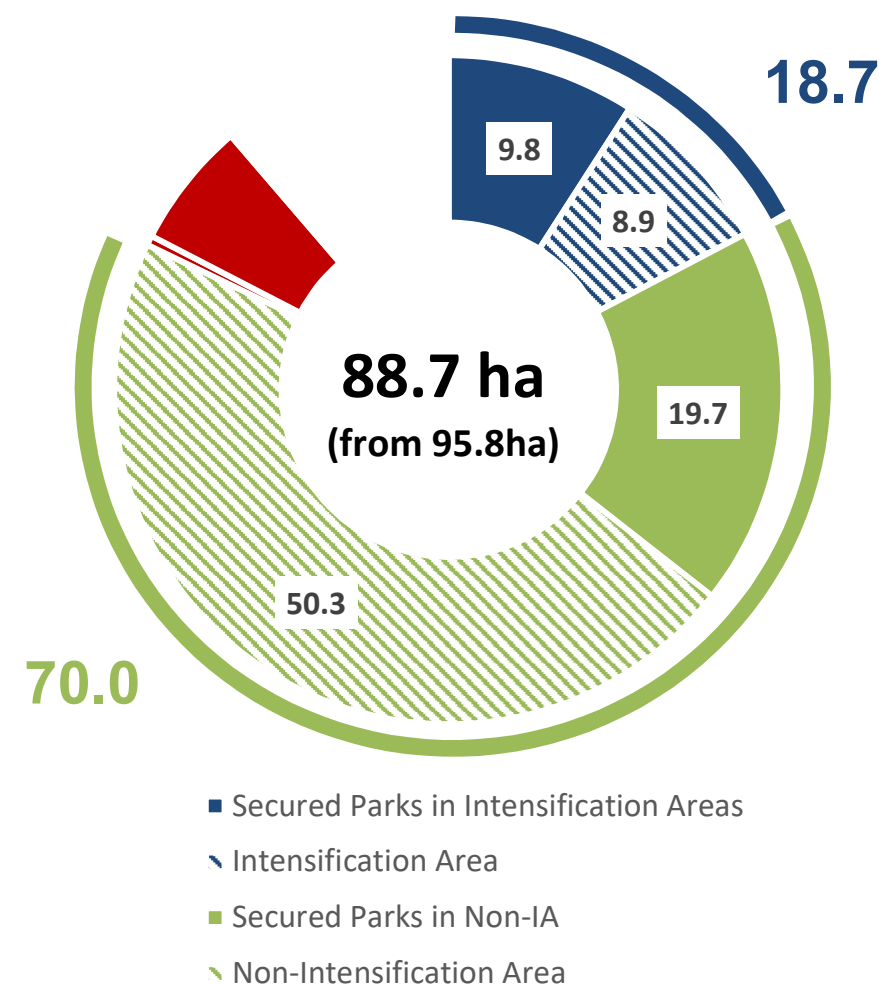
- Impacts of Bill 109 are pronounced due to limits on Langstaff

Citywide Provision*	0.99ha (-0.07ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	19.3 ha

Bill 109 Impact (ha)	-0.5ha
Bill 109 Impact Value (\$)	\$19,000,000
Affordable Housing Impact (ha)	-6.6ha
Affordable Housing Impact Value (\$)	\$80,000,000

*Per 1,000 New Residents

Parkland Acquired 2021-2031





Adjusted Option 3: 30% Site Size Cap

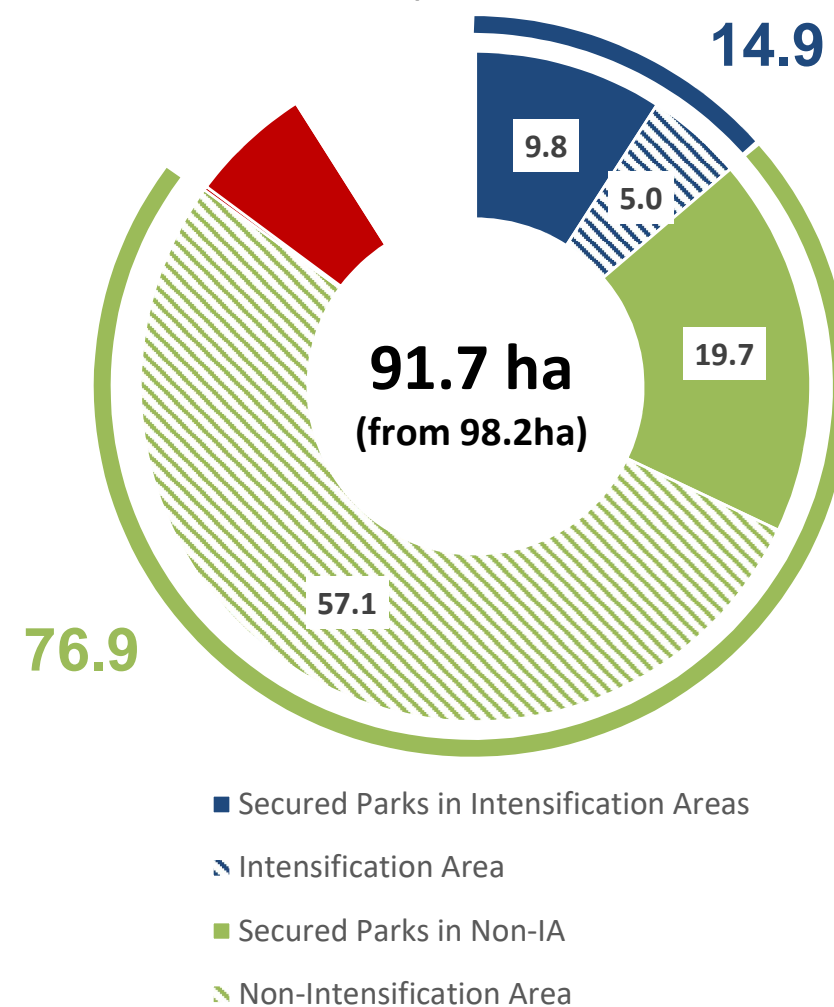
- Impacts of sensitivities are lessened due to reduced policy requirement

Citywide Provision*	1.02ha (-0.07ha)
Adjusted Citywide 1.2ha/1,000 Shortfall	16.2 ha

Bill 109 Impact (ha)	-0.2ha
Bill 109 Impact Value (\$)	\$8,000,000
Affordable Housing Impact (ha)	-6.3ha
Affordable Housing Impact Value (\$)	\$68,000,000

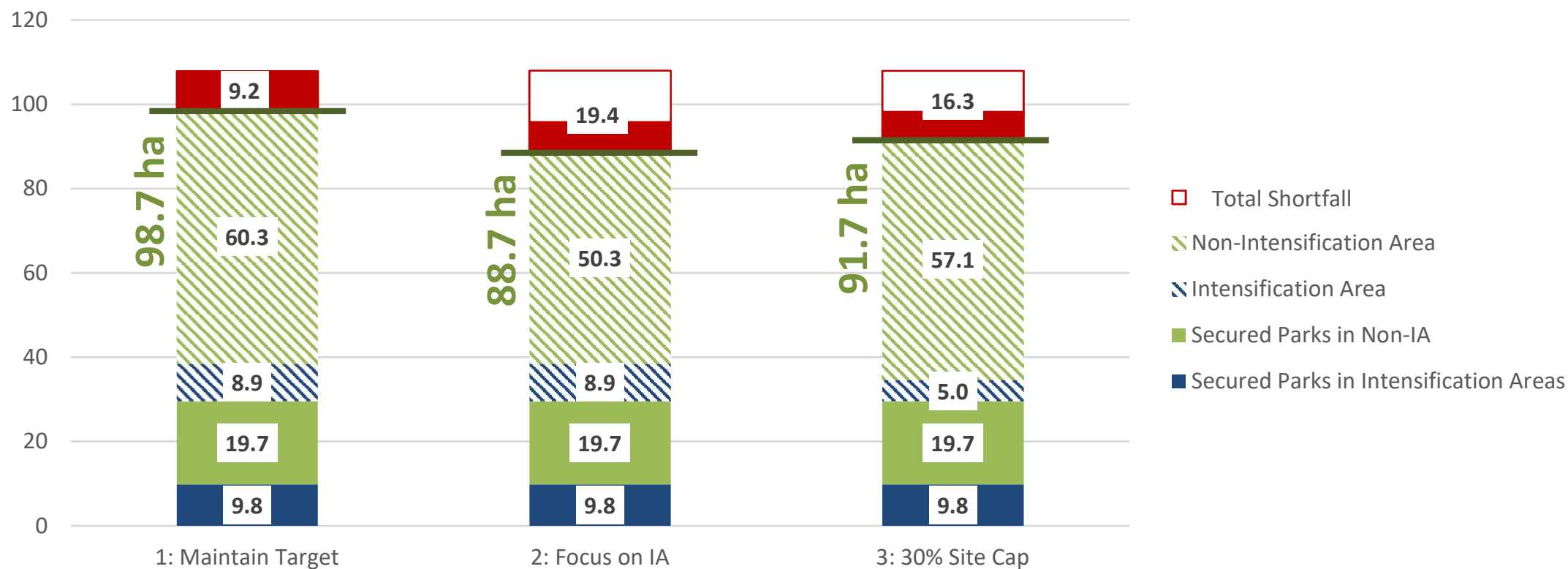
*Per 1,000 New Residents

Parkland Acquired 2021-2031





Adjusted Policy Approaches Compared



Option 1

Option 2

Option 3

IA Provision: 0.40/1,000

Citywide Provision: 1.10/1,000

Total Population Provision (2031): 1.28/1,000

IA Cost Per Unit: \$36,500

0.40/1,000

0.99/1,000

1.26/1,000

\$30,000

0.22/1,000

1.02/1,000

1.26/1,000

\$19,000



Parkland Comparison Summary

	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
Overall Population Prov. (2031)	1.30 ha/1,000	1.28 ha/1,000	1.26 ha/1,000	1.26 ha/1,000



Municipal Rate Comparison

	TORONTO	MISSISSAUGA	VAUGHAN	MARKHAM
Estimated Existing Parkland Provision*	1.33 ha/1,000	2.28 ha/1,000	1.86 ha/1,000	1.33 ha/1,000
City-wide Parkland Provision Target (Per 1,000 People)	No defined target (1.2 ha considered 'low provision area')	1.2 ha (12% of UGC and Major Nodes by 2041 + 1.2 ha / 1,000 in all other residential areas)	2.0 ha	1.2ha
Proposed Alternative Rate Requirement	0.4 ha / 300 units Up to maximum 15 - 25% of site (depending on residential density) Estimated average ~\$25,000 per unit (TBD 2023)	Maximum Per Unit CIL Rate Up to maximum of \$25,112 per unit (by August 2023)	Maximum Per Unit CIL Rate Up to maximum of \$27,994 per unit (by March 2025)	From 30% of Site up to 0.5 ha per 1,000 residents in IAs Estimated average \$19,000 to \$36,500 per unit (Depending on Scenario)

*Criteria for counting parkland inventory varies across municipalities.

These parkland provision levels should not necessarily be used as an “apples-to-apples” comparator.



Feedback from Industry Representatives

- Previous DSC presentation was presented to City Builders Forum on June 23rd
 - **Concerned over unpredictable costs** of Option 1 and Option 2 between project densities and locations
 - **Strong preference for capped rate** ala Option 3 (*suggest considering even lower cap based other municipalities*)
 - Reiterated preference that strata + POPS + other open space **be considered for parkland credits**





Interim Reduction for High-Density Outside of IAs

- The current Interim Rate offers a 25% reduction to apartment type units also applies to Non-Intensification Areas
- Two options to maintain this discount without raising rates:
 - Shift lands purchased with CIL to the urban periphery
 - Acquire through other funding tools

Impacts of Maintaining CIL Discount (2022-2031)	
Estimated Land	5.54 ha
Estimated Cost	\$52,000,000

Policy Framework	Non-IA Provision*	Citywide Growth Based*	Citywide Overall 2031
Option 1	1.57ha/1,000	1.10ha/1,000	1.28ha/1,000
w/ Apt. Reduction	1.47ha/1,000	1.04ha/1,000	1.27ha/1,000

*Per 1,000 New Residents



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

- Identify single preferred policy approach
- Confirm if interim rate reduction for Non-Intensification Areas should be confirmed
- Prepare recommendation report and draft by-law based on final direction



Questions and Discussion

