

March 2, 2012
File: F85.PAPO

‘NOTICE’

**Re: Parkland Dedication By-law Review
Revised CIL Calculation Methodology**

OVERVIEW:

The City of Brampton is instituting changes to the way in which it applies its Parkland Dedication By-law. This ‘Notice’ will serve to explain these changes.

These changes reflect the first phase (Phase 1) of planned amendments to the methodology of obtaining parkland or cash-in-lieu (*CIL*) pursuant to the existing *By-law* (as amended through a report that is being tabled at Committee of Council on February 29, 2012). More substantive amendments to the *By-law* will be contemplated as part of Phase 2 of the review of the *By-law* which will be undertaken following the implementation of Phase 1.

EFFECTIVE DATE:

March 19, 2012

DEFINITIONS:

See Appendix # 1¹

EXPLANATION:

The following explains the methodologies that will be used in the calculation of *Parkland Dedication Requirements*, commencing on March 19, 2012 (the *Effective Date*). The methodology described reflects changes to the administration of the by-law stemming from the ‘*Phase 1*’ review. For further information, refer to the By-law (as amended).

1) PLANS OF SUBDIVISION:

- a) *Parkland Dedication Requirements* for Plans of Subdivision shall be calculated for all proposed land uses within that plan, and shall be satisfied through the conveyance of land for park purposes or *CIL*, at the City’s discretion as per normal planning processes, prior to plan registration, with the effective date for *CIL* valuation for any *CIL*-payable being the day prior to draft plan approval²;
- i.e. There will be no deferral of the collection of *Parkland Dedication Requirements* and subsequent satisfaction in the form of *CIL* for proposed land uses such as commercial, multi-family residential or institutional (as has been the recent collection practice).

¹ Words that have been *italicized* have a definition associated with them - see Appendix # 1

² Based on the *Average Land Values for Plans of Subdivision* for each land use category.

- b) *Parkland Dedication Requirements* will be calculated in accordance with the factors prescribed in the current *By-law* (as amended)³;
- c) *CIL* payable shall be based on *Average Land Values for Plans of Subdivision* for each land use category:
 - i) For the purposes of determining the *Average Land Values for Plans of Subdivision* used to calculate *CIL*-payable on plans of subdivision, the City of Brampton has undertaken a city-wide *Land Valuation Exercise*;
 - ii) The *Average Land Values for Plans of Subdivision* shall be established annually by the City's *Realty Services Section*;
 - iii) The *Average Land Values for Plans of Subdivision* and the resultant *CIL* rates are detailed in Appendix # 2 of this Notice;⁴
 - iv) The *Average Land Values for Plans of Subdivision* shall be applicable only to lands being processed through a plan of subdivision under S. 51;
 - v) *Parkland Dedication Requirements*, including the calculation of *CIL* payable for draft plans of subdivision, will be calculated by the *Parks and Facility Planning Section* in accordance with the *Average Land Values for Plans of Subdivision*;
- d) Notwithstanding the above, arrangements may be made between an applicant and the City to defer the collection of parkland dedication on employment based plans of subdivision that include industrial, commercial and/or office development, to building permit issuance stage (under S. 2 of the *By-law* (S. 42 of the *Planning Act*)). A note would be inserted into the Conditions of Draft Plan Approval and a warning clause and indemnity inserted in to the Subdivision Agreement notifying future purchasers of the affected blocks of the obligation to satisfy parkland dedication requirements prior to building permit issuance. In so doing, the developer acknowledges that Section 2 of the *By-law* and Section 2 of this Notice would apply in the determination of *CIL*-payable, and agrees to indemnify the City in the event that the requisite payment is not made.

2) NON-SUBDIVISION DEVELOPMENT:

- a) In the case of non-subdivision development, as a condition of site plan approval and/or as a condition of *Development* or *Redevelopment* and where *CIL* is payable, the following will apply (See Appendix # 3 for further detail):
 - i) For residential development, the *Land Values for Non-Subdivision Development* will be used to calculate the amount of *CIL* payable and shall be established annually by the City's *Realty Services Section*;

³ 'Phase 1' includes amendments to the by-law with respect to the reintroduction of the 5% factor as an eligible collection method on residential development and the elimination of the 2% parkland dedication requirement for schools developed by the Peel District School Board and Dufferin-Peel Catholic District School Board.

⁴ The initial set of *Average Land Values* used to calculate *CIL*-payable is posted on the appended tables (Appendix #2 and #3) and is detailed in a broader report addressing the Parkland Dedication By-law. These land values will be evaluated and updated annually.

- ii) For all other land uses (ie. commercial, industrial and institutional development)⁵, *Realty Services* will continue to calculate the amount of *CIL* payable on a case-by-case basis (site-specific), based on 2% of the land value of the development site as of the day prior to building permit issuance;
- iii) Where a development/redevelopment includes a blend of land uses (e.g. a high-density apartment with ground related retail) and *CIL* is payable, then a blending of non-residential *CIL* amount, based on the value of the land as of the day prior to building permit issuance, with the residential *CIL* amount based on the *Land Values for Non-Subdivision Development* will be used, proportionate to the uses contained in the application.

3) GENERAL:

- a) For the purposes of this Notice, residential densities are defined in Appendix #2 of this Notice.

APPLICABILITY:

The methodology within this Notice shall be applicable beginning on the *Effective Date* (March 19, 2012) until March 15, 2013 or the completion of Phase 2 of the By-law review, whichever occurs first.

- There may be exceptions to the aforementioned methodology if a development application is subject to a broader Parkland Conveyance Agreement arranged with the Municipality (current or contemplated i.e. under active negotiation). In such cases, the *Parkland Dedication Requirements* have been (shall be) detailed within the terms of the Agreement.

OTHER:

This 'Notice' provides an explanation of the methodologies to be used in applying the *By-law* for common development application scenarios. It is not intended to reflect all development scenarios. A separate Standard Operating Procedure (SOP) will be developed and be made publicly available as part of Phase 2 of the Parkland Dedication By-law review.

For situations not covered nor contemplated under this 'Notice', the *By-law* or The Planning Act will prevail.

ENQUIRIES:

All enquiries pertaining to the application of this methodology should be directed to the attention of John Spencer, Manager, *Parks and Facility Planning Section* at (905) 874-3954 or Ann Pritchard, Manager, *Realty Services Section* at (905) 874-2131.

⁵ Save and except for schools as defined in the by-law amendment.

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APPENDIX # 1 DEFINITIONS

For the purposes of this Notice, the following definitions will apply:

- “Average Land Value for Plans of Subdivision” represents the value of lands as valued on a per-acre basis, the day before draft plan approval, having regard for the permitted uses on the land, and as determined through the City-wide *Land Valuation Exercise* (See Appendix # 2).
- “By-law” refers to the City’s current Parkland Dedication By-law (41-2000) (as amended). Please refer to the City’s portal page for a copy of the current By-law.
- “CIL” stands for Cash-in-Lieu of Parkland in accordance with the definitions set out in the Planning Act.
- “Development” and “Redevelopment” have the same meanings as defined in the City of Brampton’s Parkland Dedication By-law, as amended.
- “Draft Plan Approved” implies the application has been draft approved or conditionally approved, to the satisfaction of the Commissioner of Planning, Design and Development, under delegated authority.
- “Effective Date” is the date upon which amendments shall be made to the methodology by which the City of Brampton calculates parkland dedication requirements, in accordance with this Notice.
- “Institutional Uses” shall have the same meaning as the *By-law*;
- “Land Valuation Exercise” describes the process which saw the City commission an external land appraiser to research the value of lands for all major land uses across the City, effective the day before draft plan approval, for use in determining CIL payable on draft plans of subdivision. This initial exercise was completed in early 2012 for the purposes of establishing land values that would apply for March 19, 2012 to March 15, 2013;
- “Land Values for Non Subdivision Development” represents the value of non-residential lands as valued on a per-acre, site-specific basis, the day before building permit issuance having regard for the permitted uses on the land, and the value of residential lands as determined by a City-wide *Land Valuation Exercise* and used in the determination of CIL payable (See Appendix #3).

- “Parkland” is tableland or non-greenbelt land acquired for parks purposes.
- “Parkland Dedication Requirements” is the all-encompassing term for identifying what is required in the way of land or cash (CIL) from an application for a plan of subdivision, consent, development, or redevelopment in accordance with the City’s Parkland Dedication By-law, as amended.
- “Parks and Facility Planning” means the Parks and Facility Planning Section within the Planning, Design and Development Department of the City of Brampton.
- “Phase 1” reflects the initial phase of the *By-law* review which involves minor changes the *By-Law* and for which the principle objective is to amend and update the CIL collection rates.
- “Phase 2” reflects the second phase of the *By-law* review which will look more critically at the wording of the *By-Law*, with an objective of providing further amendments to meet a wider array of objectives.
- “Realty Services” means the Realty Services Section of the Buildings and Property Management Department of the City of Brampton.
- “Residential Density”, for the purposes of this Notice, shall be defined as:
 - “Low Density” shall include single-detached dwellings, semi-detached dwellings, and street townhouses.
 - “Medium Density” shall include block townhouses.
 - “High Density” shall include apartments.

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APPENDIX # 2 AVERAGE LAND VALUES FOR PLANS OF SUBDIVISION

(For the purposes of calculating CIL-payable on draft plans of subdivision)

LAND VALUATION RATES For the Period of March 19, 2012 – March 15, 2013 (inclusive)

Land Use Type	Price Per Acre⁶ (Day before Draft Plan Approval)	Per Unit Rate⁷
Low Density Residential	\$450 K/ac.	\$3,706/unit
Medium Density Residential	\$750 K/ac.	\$6,177/unit
High Density Residential	\$400 K/ac.	\$3,300/unit
Commercial	\$850 K/ac.	N/A
Institutional ⁸	\$550 K/ac.	N/A
Industrial	\$550 K/ac.	N/A

⁶ The *Annual Land Valuation Exercise* (completed at the beginning of 2012, and at year end, in successive years) assisted in the determination of final recommended values.

⁷ The per unit rate is calculated by taking the parkland dedication factor of 1 ha/300 dwelling units (or 2.471 ac/300 dwelling units) and applying the per/ac. rate X 2.471/300 – e.g. \$450,000 x 2.471/300=\$3,706/unit.

⁸ Schools excluded, per the By-law amendment

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**APPENDIX # 3
LAND VALUES FOR NON-SUBDIVISION DEVELOPMENT**

*(For the purposes of the calculation of CIL-payable
for development other than a draft plan of subdivision)*

**LAND VALUATION RATES
For the Period of March 19, 2012 – March 15, 2013 (inclusive)**

Land Use Type	Price Per Acre (Day before Draft Plan Approval)	Per Unit Rate
Low Density Residential	\$450 K/ac.	\$3,706/unit
Medium Density Residential	\$750 K/ac.	\$6,177/unit
High Density Residential	\$400 K/ac.	\$3,300/unit
Commercial	Based on Site Specific Appraisal Valued on the day prior to Building Permit issuance	
Institutional	Based on Site Specific Appraisal Valued on the day prior to Building Permit issuance	
Industrial	Based on Site Specific Appraisal Valued on the day prior to Building Permit issuance	