

Information Report



Service Area	Public Services
Date	Friday, February 2, 2024
Subject	Parkland Dedication By-law – Schedule A Update

Executive Summary

Purpose of Report

This report provides background information about the attached draft amending bylaw, amending the City's [Parkland Dedication By-law 2022-20717](#) ("PDBL") to update the Standard Market Values (Schedule A), included as Attachment - 1

Key Findings

Schedule A of the PDBL includes standard market values for the corresponding land valuation areas identified in Schedule B of the PDBL to calculate amount of payment in lieu of parkland owing on the construction of single-detached and semi-detached dwelling units prior to issuance of any building permits. Land values have risen significantly since the last update to Schedule A in 2021.

The PDBL in section 22 directs that City Staff shall review Schedule "A" to the PDBL no less than one (1) time every two (2) years and that any updates required to the standard rates shall be determined by a certified professional appraiser of real estate who is designated as an Accredited Appraiser by the Appraisal Institute of Canada.

Land values have risen significantly since the last update to Schedule A in 2021. Home builders who seek building permits to construct single-detached and semi-detached houses will pay higher cash-in-lieu of parkland dedication amounts based on the updated standard market values, starting February 28, 2024 (the expected date of the Council amending by-law approval).

Strategic Plan Alignment

The update to 'Schedule A' of the City's PDBL aligns with the City Building and Environment Strategic Plan themes.

Future Guelph Theme

City Building

Environment

Future Guelph Objectives

City Building: Grow and care for our community space and places

Environment: Be a leader in climate action

Financial Implications

Maintaining up-to-date land values in Schedule A of the PDBL will ensure cash-in-lieu revenues keep pace with changing market conditions and ensure the City's continued ability to strategically acquire parkland identified in the Downtown Secondary Plan, Guelph Innovation District, and Clair-Maltby Secondary Plan.

Administrative and operating costs to update Schedule A market values have been estimated at \$13,560 per occurrence and will be incorporated into future budgets and funded from the parkland dedication revenues accordingly.

Report

Details

Schedule A of the PDBL includes standardized market values for calculation of cash-in-lieu of parkland dedication applicable to the development or redevelopment of detached and/or semi-detached dwellings. Section 22 of the PDBL directs that City Staff shall review Schedule "A" to the PDBL no less than one (1) time every two (2) years and that any updates required to the standard rates shall be determined by a certified professional appraiser of real estate who is designated as an Accredited Appraiser by the Appraisal Institute of Canada. City Staff have procured professional appraisal services of S.W. Irvine & Associates, Real Estate Appraisals and Consulting who have determined the current standard market values as of October 2023 to update Schedule A of the PDBL.

Financial implications

Parkland Reserve Funds

Section 42(45) of the Planning Act requires that all funds collected through payment of money in lieu of conveyance of parkland or the sale of lands conveyed as parkland be deposited in a special account to be spent only for the acquisition of land, the erection, improvement or repair of buildings, and the acquisition of machinery for park and other recreational purposes. The City maintains two Parkland Dedication Reserve Funds created pursuant to this section. These reserve funds are one of the primary funding sources for parkland acquisitions, pending Council approval and the specifics of each land parcel consideration.

The Parkland Dedication Reserve Fund (300) collects city-wide parkland dedication revenues from development and redevelopment outside of the downtown area for the purpose of funding parkland acquisition identified in the Guelph Innovation District, Clair-Maltby Secondary Plan area, and other locations throughout the city. These funds have been used to purchase parkland on an as-needed basis and for occasional repair of recreational buildings.

The Downtown Parkland Dedication Reserve Fund (301) collects parkland dedication revenues from development and redevelopment in the downtown for the purpose of funding parkland acquisition identified in the Downtown Secondary Plan.

Revenue and Operating Funding

Maintaining up-to-date land values in Schedule A of the PDBL will ensure cash-in-lieu revenues keep pace with changing market conditions and ensure the City's continued ability to strategically acquire parkland identified in the Downtown Secondary Plan, Guelph Innovation District, and Clair-Maltby Secondary Plan. The standard market value per acre has increased from 75 percent to 300 percent depending on the valuation area in the city.

Administrative and operating costs to update standard market values have been estimated at \$13,560 per occurrence and will be incorporated into future budgets and funded from the parkland dedication revenues accordingly.

Consultations

The updated standard market values have been determined by a certified professional appraiser of real estate who is designated as an Accredited Appraiser by the Appraisal Institute of Canada.

Staff have consulted with Legal Services, Finance, and Planning to ensure compliance with local and provincial legislation.

Attachments

Attachment 1-Draft Amending By-law Number (2024)-20860

Departmental Approval

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