

# Staff Report



To City Council  
Service Area Public Services  
Date Tuesday, September 9, 2025  
Subject **Parkland Dedication Bylaw Exemptions**

## Recommendation

1. That Council enacts the draft amending bylaw attached hereto as Attachment 1, amending the City’s Parkland Dedication Bylaw (2022)-20717 as amended, to refine the definition of development so as to remove additions or alterations to residential buildings — that do not create additional units or change the use of the building — from the scope of development, thereby eliminating the requirement to convey parkland or pay cash-in-lieu of parkland to the City as a condition of development.
2. That Council directs, in accordance with its authority under section 32(j) of the Parkland Dedication Bylaw (2022)-20717 as amended, that the development reflected in building permit number 2025 003655 000 00 BPR received July 9, 2025 from LLA Architecture, for the addition of a single bachelor residential unit at the property municipally known as 671 Woolwich Street, shall be authorized to obtain a building permit without payment of cash-in-lieu of parkland as would otherwise be required under the Parkland Dedication Bylaw.

## Executive Summary

### Purpose of Report

To recommend to Council two exemptions in respect of the Parkland Dedication Bylaw (2022)-20717 (“PDBL”).

The first exemption is in the form of an amendment to the PDBL that will exclude residential additions and alterations from the definition of development, thereby allowing building permits to be issued for these types of projects without triggering the requirement to convey land or pay cash-in-lieu of parkland dedication (“CIL”) as a condition of development.

The second exemption is specific to a building permit application for the addition of one bachelor unit to the existing apartment building located at 671 Woolwich Street.

### Key Findings

- The PDBL was designed to ensure that where development results in commercial, industrial, and residential growth, the City obtains parkland or cash-in-lieu of parkland to support the costs to the City of that growth. This practice ensures that as the city grows, the park system grows with it.

- A comprehensive update to the PDBL is underway and will be presented to Council alongside a Parkland Acquisition Strategy for consideration in Q1 2027.
- The PDBL reserves to Council the authority to create principled exemptions in the bylaw, and to provide project-specific exemptions by resolution of Council. Staff are recommending two immediate exemptions for Council's consideration.

### **Residential expansions exemption**

- As land values have increased significantly in recent years, CIL fees for residential additions have also increased to a point that is unaffordable to many who are attempting to make improvements to existing homes.
- As the new bylaw will not be presented to Council until early 2027, staff are recommending an immediate amendment that will ease administration of the bylaw with respect to residential additions, until a new bylaw is adopted in 2027.
- This exemption will not apply retroactively, will not apply to the creation of new dwelling units, and will not apply to commercial and industrial uses.

### **671 Woolwich Street exemption**

- One new bachelor unit is proposed in the existing apartment building at 671 Woolwich Street. Because this property was developed prior to municipal parkland dedication authority, it would be captured for the first time with the current building permit.
- The CIL fee for development of this single unit is therefore of a magnitude that is disproportionate, and without an exemption, is likely to discourage the development of the single dwelling unit. Because of these unique circumstances, staff are bringing forward a project-specific exemption from the PDBL for Council consideration.

### **Strategic Plan Alignment**

As a mechanism for growing the City's park system, the PDBL aligns with the Future Guelph Strategic Plan theme of City Building. Specific exemptions recommended in this report align with the strategic plan objective of improving housing supply by making the development of dwelling units more affordable.

#### **Future Guelph Theme**

City Building

#### **Future Guelph Objectives**

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

### **Financial Implications**

#### **Residential expansions exemption**

It is difficult to project future CIL revenue generated from residential expansions as the figure is dependent on the number of applications received and land values; both of which are highly variable with economic conditions. However, the City's average annual CIL revenue from residential expansions since January 2022 is \$149,900. Through the PDBL update, the project team will thoroughly explore the

long-term financial impacts of retaining the change to the scope of the bylaw, or other alternatives such as introducing a capped fee.

### **671 Woolwich Street exemption**

In a typical scenario if CIL is required as a condition of development, the PDBL requires building permit applicants to provide an appraisal of their land for the purpose of calculating the CIL amount. In this case, since staff are bringing forward an exemption for Council consideration staff have not requested an appraisal from the applicant. However, based on similar appraisals, staff estimate that the CIL fee for this application will be approximately \$112,000.

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## **Report**

### **Parkland Dedication Bylaw Update**

Changing provincial legislation and City land use policies have impacted how parkland dedication and CIL is applied by the City as a condition of development. In 2022, the introduction of Provincial Bill 23 brought substantial amendments to parkland dedication provisions within the *Planning Act*. Most of these changes, such as rate caps and new exemptions, took effect immediately. However, one of the most consequential provisions remains pending: the regulations that will allow developers to identify lands for park purposes and appeal to the Ontario Land Tribunal if a municipality declines to accept those lands. Given the anticipated impact of this provision, staff have deferred updates to the PDBL until these regulations are enacted by the Province.

While the wait for regulations now exceeds 33 months, in the meantime, new City zoning and Official Plan policies permitting up to four units as of right on residential lots, has introduced new complexity to the application of the PDBL. These types of developments were not previously contemplated in the PDBL and require a responsive approach. To ensure the bylaw remains administratively effective and aligned with evolving provincial and municipal frameworks, staff have now initiated a comprehensive update to the PDBL, even as the developer-identified parkland regulations remain outstanding.

This update will be presented to Council in Q1 2027 alongside a new Parkland Acquisition Strategy. Together, these initiatives will assess long-term CIL revenue projections, the City's ability to meet Official Plan parkland targets, and strategies to support the community's recreational needs. The goal is to establish a balanced, forward-looking framework that supports both affordability and adequate parkland provision.

While the comprehensive bylaw update will require consultant advice and community engagement, staff are recommending an immediate, straightforward bylaw amendment to improve administration of the PDBL with respect to residential renovations. Additionally, a project-specific exemption is being recommended for Council's prompt consideration in response to a pending building permit application.

### **Residential expansions exemption**

Administration of certain parts of the bylaw have at times become contentious. The most challenging is the CIL fee for residential renovations that increase the size of the residence by more than 50 per cent. In part because the methodology for calculating development charges and parkland dedication are different, the CIL fee

amount is sometimes surprising to homeowners looking to expand the footprint of older homes.

As prescribed in the *Planning Act*, CIL fees are calculated as a percentage of the value of land of the proposed development. As land values have increased significantly in recent years, so have CIL fees. The PDBL already exempts small residential additions, however residential expansions that increase the gross floor area ("GFA") by 50 per cent or more are subject to parkland dedication. In 2024 the average CIL fee for residential additions that increase the GFA by more than 50 per cent was \$25,400.

Proportionally, renovations to single detached dwellings are contributing significantly more per unit to the City's CIL reserve than other types of development that more directly trigger a need for additional parkland in the City. For this reason, staff are recommending an amendment to the PDBL that will revise the scope of development for which the bylaw requires parkland so as to remove residential additions and alterations from the definition of development. This will exempt these types of building permit applications from the requirement to convey parkland or pay CIL.

While a comprehensive review of this provision will be included in the PDBL update, staff feel this exemption is justified now as parkland dedication is meant to be a mechanism that increases parkland as population and employment increases. Residential additions are generally not contributing to population growth to the same magnitude as other forms of development.

This exemption will not apply retroactively, will not apply to the creation of new dwelling units, and will not apply to commercial and industrial uses.

### **671 Woolwich Street exemption**

The City has received a building permit application for the apartment building at 671 Woolwich Street that proposes to convert existing ground floor space to one additional bachelor unit. Under the provisions of the PDBL, CIL is required because the proposal meets the definition of development, as it is adding a dwelling unit. Parkland has not previously been levied on this property as previous development predated the municipal authority under the *Planning Act* to require land or CIL for parks.

As prescribed in the *Planning Act*, CIL is calculated as a percentage of the value of land of the proposed development, rather than a per-unit fee. The CIL requirement for this application is five per cent of the value of the land. While staff typically require applicants to provide appraisals of their land for the purpose of calculating CIL, staff have not requested an appraisal for this application as our initial estimate is that the CIL fee will be approximately \$112,000 for the addition of the one bachelor unit.

While site-specific exemptions are not generally brought forward, this site presents a unique scenario, as the addition of a single unit is triggering a fee disproportionate to the scope of the new development and of a magnitude that is typically triggered by a more substantial, multiple-unit development. As a fee this high could discourage much-needed housing in the City, staff are recommending that Council approve a project-specific exemption from payment of CIL for this development, pursuant to section 32.j. of the PDBL, wherein certain developments may be exempt from the bylaw by resolution of Council.

Through the PDBL update the project team will consider options to amend the bylaw that will address similar development scenarios in the future.

## **Financial Implications**

### **Residential expansions exemption**

It is difficult to project future CIL revenue generated from residential expansions as the figure is dependent on the number of applications received and land values; both of which are highly variable with economic conditions. However, the City's average annual CIL revenue from residential expansions since January 2022 is \$149,900. Through the PDBL update, the project team will thoroughly explore the long-term financial impacts of retaining the change to the scope of the bylaw, or other alternatives such as introducing a capped fee.

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## **Consultations and Engagement**

None.

## **Attachments**

Attachment-1 Draft Amending Bylaw (2025) – 21133

Attachment-2 Staff Presentation

## **Departmental Approval**

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