

Mayor Guthrie and Members of Council:

I would like to understand why our Parkland Dedication By-law has not been applied to parkland calculations for 1242-1260 Gordon St. and 9 Valley Road.

I know that parkland dedication has been in flux for more than a year as a result of changes at the Provincial level, but it is my understanding that our Parkland Dedication By-law, as updated, is still currently in force. The implications of which Parkland Dedication calculations are applied are significant.

Ms. Clos asserts in her Planning Report that the 0.209 ha park proposed by Tricar exceeds the requirements of the Planning Act and that Tricar should be granted a credit towards another property in Guelph.

Applying "alternate rates" set out in the Planning Act (which I'm not clear have yet been repealed), in conjunction with our updated Parkland Dedication By-law yields very different results: in addition to conveying 0.209 ha of land to the City, Tricar would owe the City the cash-in-lieu equivalent value of 0.628 ha of land. According to Area Land Values set out in the draft of the Parkland Dedication By-law, residential land in this area of the City may be worth as much as \$1,800,000 per acre. ***This would translate to an additional cash-in-lieu conveyance to the City of almost \$2.8 million dollars.***

Below, I set out the process by which I calculated these numbers, as well as the sections of the Planning Act and Parkland Dedication By-law on which I relied.

Before I detail that information, I want to address the larger parkland context.

As the City grows, population pressures on existing infrastructure also grow. In order not to overwhelm that infrastructure, we need to add or upgrade. This is self-evident in the capacity issues on Gordon St. Approval of additional housing results in extra traffic, which is now exceeding the carrying capacity of the road. Upgrades are required.

As the City grows, we also need to add parkland. At the beginning of the pandemic, we saw how inadequate parkland in high-density areas of Toronto was overwhelmed by people seeking access to the outdoors.

This particular development proposes adding 377 units of housing to this stretch of Gordon St. Applying Guelph's average household size of 2.5 residents per household, we can anticipate that 943 people will live in these apartments. The minimum parkland to population ratio enshrined in our Official Plan is 2 ha of combined neighbourhood and community parkland per 1,000 people. For this development, the Official Plan therefore requires 1.89 ha of parkland to meet the needs of these residents. The amount of actual parkland that Tricar proposes to convey to the City is 0.209 ha, 11% of the minimum required by the Official Plan.

In relation to the proposal from Ms. Clos, I would like to start with this question:

The 0.209 ha park proposed by Tricar represents 6.7% of the area of the 3.12 ha site. However, in Ms. Clos' calculations, the 0.209 ha is put forward as 11.43% of the property area. This higher number is achieved by "netting out" the Open Space Block.

Is "netting out" open space a standard City practice? It would appear that this would depend on the interpretation of the wording of the Planning Act: "*5 per cent of the land included in the plan.*"

The "plan" can be interpreted as the entire 3.12 site, or it can be interpreted as the land net of Open Space. One interpretation seriously reduces the amount of parkland or cash-in-lieu conveyed to the City, not just for this location, but potentially for other developments. I am curious to understand how the interpretation of this wording is generally applied by the City.

I have tried to lay out the process by which I arrived at my numbers as clearly as possible so that staff can check both the accuracy of my calculations and the underlying assumptions. I am working with the following information from the planning documents

Lot size: 3.12 ha

# of units: 377

Density - greater than 100 units/ha

Parkland cap: not more than 30% of site (Parkland dedication By-law).

The By-law cap is 30% of the site. Parkland cannot exceed 0.936 ha, which is 30% of 3.12 ha. Cash-in-lieu cannot exceed 30% of the market value of the land.

For 377 units, if we apply the parkland calculation of 1 ha/300 units, that would be 1.26 ha - only the cap of 0.936 would kick in.

For 377 units, if we apply the cash-in-lieu calculation of 1ha/500 units, that would be 0.736 ha, not to exceed 30% of the market value of the land.

Working with a combination of parkland and cash-in-lieu, here's one scenario of how that calculation could happen:

Under section 51.1 (2) of the Planning Act, alternative rates can be applied to high density developments. This section of the Planning Act was slated to be repealed and replaced by the Community Benefit Charge, but as far as I can ascertain that change has not yet been implemented. Here is the text of that section:

### **Other criteria**

*(2) If the approval authority has imposed a condition under subsection (1) requiring land to be conveyed to the municipality and if the municipality has an official plan that contains specific policies relating to the provision of lands for park or other public recreational purposes, the municipality, in the case of a subdivision proposed for residential purposes, may, in lieu of such conveyance, require that land included in the plan be conveyed to the municipality for park or other public recreational purposes at a rate of **one hectare for each 300 dwelling units proposed** or at such lesser rate as may be determined by the municipality. 1994, c. 23, s. 31.*

**Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 51.1 (2) of the Act is repealed. (See: 2019, c. 9, Sched. 12, s. 15 (2))**

This alternative rate is also enshrined in Section 10 of our Parkland Dedication By-law.

**Where Conveyance of a Portion of the Land Required: [amended by by-law (2019)-20380]**

10. Where it has been determined that a portion of the Land will be required to be conveyed to the City as Parkland, the following shall apply:

(d) Where land is located outside of Downtown and is to be Developed or Redeveloped for residential purposes with a total proposed density equal to or greater than one-hundred (100) Dwelling Units per one hectare (1ha), **the greater of:**

- i. a portion of the Land not exceeding 1 hectare (1ha) per three hundred (300) Dwelling Units, but in no case to exceed thirty percent (30%) of the total area of the Land, or;
- ii. five-percent (5%) of the total area of the Land; shall be conveyed to the City for Parkland.

0.209 hectares is equivalent to 63 units using the 1ha : 300 unit ratio. That would leave a balance of 314 units out of the total 377 for calculation of Cash-in-lieu.

Cash-in-lieu is calculated at a lower rate of 1ha per 500 units. For 314 units, the area of land to be used for calculation of cash-in-lieu would be 0.628 hectares.

Land values are commonly expressed in acres. 0.628 hectares converts to 1.552 acres.

According to Schedule A of the Parkland Dedication By-law update, land values for this area of the City run as much as \$1,800,000 per acre: (pages 10 and 11 of this link):

<https://guelph.ca/wp-content/uploads/parkland-dedication-bylaw.pdf>

**At a land value of \$1,800,000 per acre, parkland dedication cash-in-lieu for this site could be worth as much as \$2,793,600 to the City for 1.552 acres (0.628 ha)**

The Section of the Planning Act relating to alternative rates for Cash-in-lieu is 51.1 (3.1). Again, this section has been slated to be repealed, but my understanding is that the transition and determination of the Community Benefit Calculation has not yet been enacted:

*(3.1) If the approval authority has imposed a condition under subsection (1) requiring land to be conveyed to the municipality and subsection (2) applies, the municipality may require a payment in lieu, calculated by using a rate of **one hectare for each 500 dwelling units** proposed or such lesser rate as may be determined by the municipality. 2015, c. 26, s. 32 (2).*

**Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 51.1 (3.1) of the Act is repealed. (See: 2019, c. 9, Sched. 12, s. 15 (4))**

This alternative rate for cash-in-lieu is also enshrined in Section 17 of our Parkland Dedication By-law.

**Payment of Money in Lieu of Conveyance:**

17. Where it has been determined that the payment of money will be required in lieu of a conveyance of a portion of the Land for Parkland, the following shall apply:

(d) Where Land in the City located outside Downtown will be Developed or Redeveloped for residential purposes with a total proposed density greater than or equal to one-hundred (100) Dwelling Units per one hectare (1ha), the payment required in lieu of the conveyance of a portion of the Land for Parkland **shall be the greater of:**

i. the equivalent Market Value of 1 hectare (1ha) per five-hundred (500) Dwelling Units proposed to be added by the Development or Redevelopment, but in no case to exceed thirty-percent (30%) of the total Market Value of the Land, or;

ii. Five-percent (5%) of the total Market Value of the Land

The underlying principle expressed in Section 18 of our Parkland Dedication By-law is that calculations be carried out in a way that will result in the greatest total payment to the City.

18. Where a Development or Redevelopment will include a mix of uses, and two or more of the requirements under section 17 a) - e) may apply to the Development or Redevelopment, the payment required in lieu of a conveyance of a portion of the Land to the City for Parkland shall be determined in accordance with **whichever single requirement** under section 17 a) - e) applies to the Development or Redevelopment **which will result in the greatest total payment to the City being required.**

Both Council and the community will benefit from any clarity which Planning Staff can provide on this matter.

Sincerely,  
Susan Watson