



Subject: Request for Parkland Dedication Reduction

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2023-235

Meeting Date: November 14, 2023

Recommendation:

That Chief Administrative Officer Report 2023-235 be received; and

That the Council establish a Parkland Dedication Fee for the application at 60 Adelaide Street of \$6,904.00.

Purpose:

The owner of 46, 52, and 60 Adelaide Street has applied for relief from the Parkland Dedication fee calculated by the City. There is no wording in the by-law to administer exceptions to the by-law. This report seeks a Council decision on the applicant's request.

Background:

The owner of 46, 52, and 60 Adelaide Street is seeking to add 4 units to the existing 17 apartment units at 60 Adelaide. There is some confusion as to the best method to apply the requirement for calculating the parkland reserve contribution required due to the unique nature of the property.

The property is made up of 3 separate properties with separate buildings that have merged on title due to having the same ownership. Only one of the previous properties is the subject of the redevelopment (or new development of 4 additional units).

Discussion:

The City's existing Parkland Dedication By-law requires developers to pay a grant to the City (in lieu of contributing land for parks) in the amount of 5% of the value of the lands being developed or redeveloped.

The City's existing Parkland Dedication By-law does not provide a framework for applicants to seek relief from the by-law in certain circumstances. Staff from the City's Planning Division are planning to bring forward a new Parkland Dedication By-law in 2024 that will be more thorough and include provisions for relief in certain circumstances.

The developer of the property located at 46, 52, and 60 Adelaide has requested partial relief from the City's parkland dedication requirement. The circumstances of this particular development are such that only a small portion of the land is being developed and, the developer believes, the requirement for a parkland fee should only apply to that portion of the land.

The City's policies variously require parkland to be paid on the appraised value of the entire parcel or, in some cases, on the value of land and buildings. Staff's interpretation of the by-law also appears to afford the latitude to calculate this amount on the incremental increase in value from the pre-construction state to the post-construction state.

Regardless of which calculation method the City uses, staff estimate that the parkland liability for this development will be approximately \$32,000.

The applicant has suggested an alternative calculation that limits the liability for a parkland fee to the land that is the subject of the development. Staff support the development as it provides for reasonable and appropriate intensification in an area where servicing already exists which increases housing options within the City.

The owner's proposed methodology is:

$\text{Land value} \div \text{future total number of units} \times \text{new units} \times 5\% \text{ parkland fee}$

As noted, Staff are working through an updated Parkland Dedication By-law. That update will incorporate a methodology that promotes reasonable and responsible intensification that balances existing parkland with the need for expanded park opportunities.

At the time of writing this report, Staff stress the methodology to be proposed in the updated Parkland Dedication By-law is still in development. Several options are being considered, including the potential for a fixed amount per unit in situations such as the one presented in this report.

With this principle in mind, the owner's proposed methodology is not without merit.

Staff do not have the authority to approve this request, and, for this reason, Staff seek Council approval to collect the reduced amount.

Staff are not seeking this approval to set a precedent. Until a new by-law is in place, should another property owner come forward seeking a deviation from the Parkland Dedication By-law that request will also need to come to Council for approval.

The applicant has provided an independent appraisal and detailed the calculation of the proposed reduced parkland fee in an email that is attached as Appendix B to this report and distributed under separate cover.

Internal Consultations:

The Director of Corporate Services, Chief Planner, and Chief Administrative Officer have all been working on a suitable solution with the applicant. There have been some discussions with the Mayor and Ward Councillors.

Financial Implications:

The City estimates that calculating the Parkland Dedication in the traditional manner would result in an amount payable of about \$32,000. The applicant seeks to remit \$6,904 based on a submitted appraisal attached as Appendix A. The difference of \$25,096 will not be payable if this report is approved.

The City's Parkland Reserve currently has a balance of \$851,244.17.

Public Engagement:

This section is not applicable.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Welcoming, Livable, Healthy Community
 - Economic Prosperity
 - Increased Housing Options
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Conclusion:

The owner of 46, 52, and 60 Adelaide has applied for a reduced Parkland Dedication requirement for the proposed development. Preparations for a new Parkland Dedication By-law are underway in the Planning Division. The current by-law does not provide a relief process for applications of this type, so Council will have to provide direction to staff to collect the reduced amount.

Appendices (confidential correspondence distributed under separate cover):

- a. 46, 52, and 60 Adelaide Street Appraisal
- b. Parkland relief request

Respectfully submitted,

Scott Luey
Chief Administrative Officer
(905) 835-2900 ext. 306
Scott.Luey@portcolborne.ca

Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.