

Parkland Dedication By-law Review and Replacement: Project Overview and What We Learned Report

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Parks and Facilities Planning
Recreation, Cultural and Facilities Services Department
City of Ottawa

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1. Background

1.1 Planning Act and Parkland

Under Section 42 of the Province of Ontario's Planning Act, as part of the municipal approval process for land development and redevelopment, municipalities can require developers to contribute land for parks, provide cash-in-lieu of parkland (CILP), or a combination of both.

The Planning Act establishes minimum parkland dedication rates by development type which are:

- Commercial or industrial: 2% of site area
- All other purposes (including residential): 5% of site area

For residential development, the Planning Act permits municipalities to apply 'alternative' or increased dedication rates if the Municipality has a Parks Plan and if the Municipality's Official Plan has policies about using the alternative requirement. The 'alternative' requirement is:

- 1 hectare/300 dwelling units when land is provided
- 1 hectare/500 dwelling units when money is provided

1.2 City of Ottawa's Current Parkland Dedication By-law

The Parkland Dedication By-law (By-law 2009-95, as amended) is the provincially mandated method that the City uses to implement the Planning Act permissions to acquire parkland or CILP.

It employs the following Planning Act dedication rates:

- Commercial or industrial: 2% of site area
- Low-density residential: 5% of site area

It also uses the alternative requirement for higher-density residential as follows:

- 1 hectare/300 dwelling units when land is dedicated
- 1 hectare/500 dwelling units when money is provided

The current by-law also limits dedication to 10% of land area for high density residential development and caps CILP at the lower of the 1 ha/500 dwelling unit value or 10% of the site area.

The Parkland Dedication By-law defines how mixed-use development dedication is to be calculated and provides a flat rate for rural severances. This flat rate is 400 square metres. The by-law also includes the following components:

- Identifies types of land that will not be accepted as parkland
- Identifies development types that are exempt from parkland dedication
- Specifies general allocation of CILP revenue (60% ward / 40% City-wide)
- Allocates CILP revenue to special districts, such as Secondary Plan areas

1.3 Why is the City Reviewing and Replacing the By-law?

The COVID-19 Economic Recovery Act requires the City to review and replace the Parkland Dedication By-law by September 18, 2022 to keep using the higher 'alternative' requirement.

When the City adopted the Parks and Recreation Facilities Master Plan on October 13, 2021, it became the City's Parks Plan under the Planning Act. This now permits the City to adopt a new Parkland Dedication By-law that uses the 'alternative' requirement.

This is an opportunity to review and improve the existing by-law to ensure it reflects the direction of the City's Parks Plan and the new Official Plan, and to ensure that new parks meet the needs of a growing and intensifying city.

1.4 Changes the City is considering

The changes the City is considering aim to simplify and clarify the process for acquiring parkland through development. They also ensure that the City can provide adequate parkland as the population increases. They include, but are not limited to:

- Reviewing the parkland dedication cap on high-density sites
- Reducing development types exempt from parkland dedication
- Simplifying the parkland dedication formula for mixed-use development
- Reconsidering the method and rate of land value calculation
- Reconsidering the timing of CILP collection (i.e., building permit approval vs. planning approval)
- Reviewing the administration and allocation of CILP funding
- Clarifying definitions and terminology

2. Notification and Preliminary Consultation

2.1 Stakeholder Identification

The Planning Act requires that if a municipality wants to pass a by-law pertaining to the conveyance of land for park purposes that uses the 'alternative' requirement, the municipality must consult with stakeholders they consider appropriate.

Seven key stakeholder groups that regularly prepare, review and comment on development projects were identified for preliminary consultation:

- Community associations registered on the City of Ottawa's notification list for development applications
- Federation of Citizens' Associations (FCA)
- Greater Ottawa Home Builders Association (GOHBA)
- Building Owners and Managers Association of Ottawa (BOMA)
- School Boards
- Members of Council
- City Departments, as applicable

Note: Additional stakeholder groups that are not currently subject to the Parkland Dedication By-Law were not included within preliminary consultation, but will be included as part of the formal public notification process.

2.2 Additional Stakeholders

As the project progresses, additional stakeholder groups may be identified. Individual residents will also be able to add their names to the stakeholder contact list on Engage Ottawa to ensure they are notified of project activity, including timelines, consultation opportunities, and project recommendations.

2.3 Preliminary Consultation

In December 2021, the project team, led by the Parks and Facilities Planning (PFP) group within the Recreation, Cultural and Facilities Services (RCFS) Department, notified stakeholders of its intention to review and replace the City's Parkland Dedication By-law by September 18, 2022, as required by the Province's COVID-19 Economic Recovery Act.

For the initial notification and consultation with stakeholders, the goal was to identify issues that stakeholders had encountered or felt were important to address. To start issues identification, the project team posed three questions to stakeholders as follows:

- 1) Are there issues with the current by-law you feel should be addressed?
- 2) What are the specific issues?
- 3) How do you feel that these issues can be addressed?

These three questions were sent to all external stakeholders for their input, with the exception of the school boards who are currently exempt from the provisions of the Parkland Dedication By-law. The school boards were provided with notice that the project is underway.

An initial timeline of five weeks was given to stakeholders to prepare their responses to the questions asked, as well as any other comments they wanted to share with the project team. At the request of some of the stakeholders, the timeline was extended for another 10 days, for a total of 6.5 weeks (December 2, 2021 to January 17, 2022) for the initial consultation period.

3. Consultation Feedback

3.1 Summary

The project team received written submissions from the following external stakeholders:

- Seven individual community associations
- FCA
- GOHBA
- Ottawa Carleton District School Board

The project team also received comments from the following City departments and units:

- Planning Real Estate and Economic Development Department
 - Planning Services
 - Building Code Services
 - Corporate Real Estate Office
- Recreation Cultural and Facility Services Department
- Innovative Client Services Department
 - Legal Services

3.2 Question 1: Are there issues with the current by-law you feel should be addressed?

All stakeholder groups that submitted responses indicated that they felt there are issues with the current Parkland Dedication By-law that need to be addressed.

3.3 Questions 2 and 3: What are the specific issues? How do you feel that these issues can be addressed?

Below are the issues and suggestions stakeholders identified, organized by applicable by-law section.

Section 1: Definitions

Stakeholders noted that some definitions lack clarity or consistency with other documents, such as the Planning Act:

- Review the existing definitions to improve clarity or to ensure consistency with other documents, such as the Planning Act

- Review and potentially revise the following by-law definitions: development, gross land area, other purposes

Stakeholders also suggested defining additional terms:

- Add the following definitions to the by-law: development area, site area, land area of the site being developed, rooming unit, encumbrance, steep slope, and parkland

Section 3: Conveyance and Payments

Stakeholders suggested reviewing both the rates and methods of parkland calculation.

More specific comments suggested:

- For mixed-use development, examine the possibility of calculating the rate based on the predominant proposed use on a site or within a building
- Increase the amount of parkland dedication in areas that do not meet current Official Plan and Parks and Recreation Facilities Master Plan direction for parkland
- Reconsider the 10% cap on high density sites. Stakeholders noted: the reasons for the 10% cap are not clear; the 10% cap does not generate adequate parkland based on the added residential density; and the cap is not equitable in that an apartment of less than 10 units may have the same contribution requirement as a high-rise building of 100 units (10% of lot)
- Clarify the dedication rate when dedication is given as a combination of land and CILP (1/300 vs. 1/500)
- Rates of dedication need to be established for forms of development that do not require development approvals, such as projects requiring only building permits or severances
- Requirements in the table in Section 3 should be primarily density related, either to the number of units or expected number of residents
- Clarify dedication requirements for phased projects and projects that change or intensify over time
- Clarify parkland dedication requirements for intensification of previously developed sites, where parkland dedication or CILP was provided for the original development but not the intensification.

Section 4: Conveyance and Payments

Section 4 states “For development or redevelopment, the parkland conveyance requirements will be determined at the time of development review and the amount of land will be identified as conditions of approval”.

- Multiple stakeholders noted that the City has not collected CILP for projects that can be built without development approvals for over a decade. Stakeholders stated that this policy needed to be rescinded, so that all forms of residential development contribute to parkland dedication. Stakeholders noted that an appropriate rate of CILP collection needs to be set.
- Numerous stakeholders also stated that with the new Official Plan, many forms of development may be exempt from Site Plan Control, which would mean that no parkland or CILP is collected. Stakeholders noted that the by-law needs to ensure that parkland and/or CILP can be collected on all types of development.
- Stakeholders indicated that there are certain loopholes which have permitted projects to proceed without providing parkland dedication and that these loopholes should be closed.

Sections 5 – 7: Conditions of Land Conveyance

The comments made under this section are:

- Specify what forms of parkland would be accepted as parkland dedication
- Ensure that the by-law is consistent with the Park Development Manual
- The list of lands considered not suitable in Section 5(1) should be reviewed, as certain types of encumbered land should be accepted as parkland dedication, and that the approach to storm water management should be reconsidered.
- Pathways should be removed from possible consideration as parkland.

Section 12: Valuation and Prohibition

Stakeholders suggested:

- Where CILP is required, the timing of the calculation to determine the value of the land needs to be clarified and needs to be in conformity with the Planning Act.

Sections 13 and 14: Exemptions

The comments made under this section are:

- Review the entire section to determine whether each of the current exemptions should be maintained
- Review the entire section to ensure that the grammar does not allow for multiple interpretations e.g., Section 14(1)(e)
- Review Section 13(2) to determine if the statement is sufficient to capture all instances where parkland dedication is sought

- Do not permit loopholes that allow infill to proceed without severance and therefore without the collection of CILP
- Do not remove the exemptions for schools and educational institutions in Section 14(1)(f)
- Ensure that Section 14(2)(b) conforms to the Planning Act
- Ensure that parkland dedication is collected for conversions to residential uses

Section 16 to 19: Administration of money in-lieu

The comments made under this section are:

- Review the entire section in light of the direction on infill and intensification in the new Official Plan and the findings of the Parks and Recreation Facilities Master Plan
- The 60% ward / 40% City split in the distribution of CILP needs to be reconsidered
 - Communities that do not generate much CILP should get a larger share
 - Communities that do not meet the City's per capita parkland targets should get a larger share
- There should be more flexibility in sharing or transferring CILP funds between wards and with access to the City's portion. Allocation of CILP to wards should consider existing access to woodlands and natural areas, NCC lands, and existing recreational facilities and sports fields.
- 100% of CILP should be allocated back to the communities where they are collected
- In any community or ward that is deficient in meeting the City's parkland target of 2 hectares per 1,000 residents, the allocation of CILP should be 100% to the ward

3.4 Other Comments and Suggestions Received

Stakeholders provided the following additional comments:

- Parkland dedication requirements work against housing affordability and directly increase the final price of a house. In addition, parkland requirements are 'more costly' for some lower density forms of development and CILP requirements will work against the City's desire for intensification.
- Suggestions on how to split the funds included: 75% ward / 25% City; 80% ward / 20% City; and the creation of special 100% CILP administrative areas
- The City must apply the by-law as written

- The by-law should be reviewed to ensure that all sections are in conformity with the Planning Act
- Implement a 'parkland impact assessment' of developments to understand how the development will or will not contribute to parkland
- Vanier should be designated a "special public realm improvement district" to allow it to be included as a "special district" within the Parkland Dedication By-law
- The City should not rely on CILP funds for parkland. Other resources must be used to obtain parkland in deficient communities. Some wards will never have sufficient funds to acquire parkland.

4. Next Steps

The next phase of the project will recommend changes to the Parkland Dedication By-law. These changes will be presented to stakeholders through virtual consultation sessions in the coming months.

City staff intend to enact a new by-law well within the Provincial statutory deadline. It is expected that a replacement Parkland Dedication By-law will be brought to committee and Council in Q2 2022.

The project team will continue to provide stakeholders with project updates and consultation opportunities via email. Stakeholders are also encouraged to sign up for project notifications via the Engage Ottawa project page.

Please note: The timeline for this project is impacted both by the legislative requirement that the by-law be implemented by September 18, 2022 and by the City of Ottawa's 2022 municipal election cycle. As a result, stakeholders should expect staff to release the draft Parkland Dedication By-law in March 2022 and will have two to three weeks to submit comments on the draft. Staff will not be able to grant extensions. The opportunity for stakeholders to comment on the final draft By-law will be at the standing committee meeting in June 2022.

Appendix A

[Parkland Dedication \(By-law No. 2009-95, as amended by By-laws 2015-40, 2021-220\)](#)

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