

STAFF REPORT: Planning & Building Services Department

REPORT TO: Finance & Administration Committee
MEETING DATE: December 20, 2011
REPORT NO.: PL.11.144
SUBJECT: Cash-in-lieu of Parkland Interim Policy and Financial Implications
PREPARED BY: D. Finbow, Director, Planning & Building Services

A. Recommendations

THAT Council receive Staff Report PL.11.144 respecting Cash-in-lieu of Parkland Interim Policy and Financial Implications; and,

THAT Council direct Staff to refund cash-in-lieu of parkland fees totalling \$33,750.00 being the amount paid in excess of \$650.00 per new lot with such refunds being related to Consent File Nos. B08-2008, B09-2008, B07-2009 and B08-2009.

B. Background

1. On May 10, 2010 Council adopted the following resolution:

“THAT Council adopt an Interim Policy related to “Cash in Lieu of Parkland – Residential Consents (S. 53 of the PA) reflective of a cash in lieu payment of \$650.00 for each lot to be created; and,

THAT Council direct Staff to report back on all consents since January 1, 2009 wherein a Provisional Consent has been granted with a condition of cash in lieu of parkland be provided reflective of the appraised value of the land and the financial implications of modifying such conditions to be reflective of the recommended Interim Policy.”

2. The *Planning Act* provides authority for the dedication of parkland or for the payment of money to the value of the land otherwise to be conveyed with the amount being “in the case of land proposed for development or redevelopment for commercial or industrial uses 2 percent and in all other cases 5 per cent”.
3. Prior to January 1, 2009 the Town required a flat rate cash-in-lieu of parkland payment of \$500.00 per new lot to be created by way of consent.
4. Commencing January 1, 2009 through to May 10, 2010, Council required as a condition of consent a cash-in-lieu payment of 5% of the value of the land.
5. The Town requires a cash-in-lieu of parkland payment equivalent to 5% of the value of the land on the day prior to approval for residential development/redevelopment that is proceeding by way of a Plan of Subdivision/Condominium or Site Plan Approval.

6. There were eighteen provisional consents granted from January 1, 2009 through to May 10, 2010 wherein the 5% cash in lieu of parkland was contained as a condition of consent.
7. Of the eighteen provisional consents, cash in lieu of parkland payment was received for four of these with same totalling \$36,350.00. The financial implications of the Interim Policy related to these four consents would therefore be \$33,750.00 (\$36,350.00 – (4 x \$650.00)).
8. Conditions associated with three of the provisional conditions were subsequently changed by Council to be reflective of the Interim Rate of \$650.00 with it being noted that the financial implications related to these is indeterminate as appraisals for the lands affected had not been completed.
9. With respect to the eleven remaining consents, the financial impact has not been determined, and is likely not be determined, given the Interim Policy and there no longer being a requirement for the provision of an appraisal so as to determine the value of the land.
10. It is noted that since the establishment of the Interim Policy, numerous consents have been granted with the Interim Rate of \$650.00 being applied.
11. The Town is in receipt of a request for a refund from Mr. D. Knechtel, on behalf of Slopeside Developments Inc. (Appendix "A"), related to Consent Nos. B08-2008 and B09-2008. In this regard, and given Council's previous direction and the current Interim Policy, Town staff is recommending that Council authorize a refund totalling \$22,050.00 and also recommending that Council authorize a partial refund of the cash-in-lieu payment totalling \$11,700.00 with this being associated with Consent Nos. B07-2009 and B08-2009.

C. The Blue Mountains' Strategic Plan

"Providing a strong, well managed municipal government."

D. Environmental Impacts

N/A

E. Financial Impact

\$33,750.00 recommended to be refunded

F. In Consultation With

Financial & Information Technology Services Department

G. Attached

A. Letter dated October 5, 2011 from David Knechtel

Respectfully submitted,

David Finbow
Director, Planning & Building Services

A.

October 5, 2011

The Town of The Blue Mountains
Attn: David Finbow Director of Planning & Building
32 Mill Street, Box 310
Thornbury, ON
N0H 2P0

RECEIVED

OCT 06 2011

TOWN OF THE BLUE MOUNTAINS
PLANNING & BUILDING SERVICES
PER _____

Request for Reimbursement of Cash in Lieu of Parkland Fee
Part Block A and Part Lot 57, Plan 733, The Town of The Blue Mountains
Consents B08-2008, B09-2008

Dear Mr. Finbow:

On April 15, 2009 The Town of The Blue Mountains conditionally approved Consents B08-2008 and B09-2008 for my property on Anne Heggiveit Drive. One of the conditions of the consents was the required payment of Cash in Lieu of Parkland Fee.

Prior to final approval of the consents, I consulted with Staff at the Town of Blue to determine the fee required for the cash in lieu of parkland fee. At that time, I was told that the parkland fee was calculated at 5% of the value of the land to be conveyed with such value to be determined as of the day before the day of the approval of the consent to be determined by an accredited appraiser (AACI, P. App., CRA).

It is worth noting here, that prior to 2009 a flat rate cash in lieu of parkland fee of \$500.00 was applied to all consents.

The previous owner of the property had recently completed an appraisal of the property and the Town determined that this appraisal could be used to accurately represent the value of the property at \$467,000. Based on that value the parkland fee was calculated to be \$23,350.00. I provided a cheque in the amount of \$23,350.00 to the Town of Blue Mountains for the cash in lieu of parkland requirement (see receipt attached).

I understand that subsequent to my payment of the 5% cash in lieu of parkland for the two (2) consents noted above, the Town made a significant change to the parkland dedication requirement. In fact, the current requirement for parkland has returned to a flat rate, but was increased to \$650.00 per lot. The new cash in lieu of parkland fee policy was adopted through a Planning Staff report (see attached planning staff report). It appears that Council was of the opinion that the 5% requirement was onerous and I would definitely agree. This modification substantially reduces the cash in lieu of parkland fee requirement for future severances. Unfortunately, Council's decision on the matter was not in effect before I was required to pay the fee.

Based on my research it would appear that I may be the only individual that was required to pay the full 5% cash in lieu of parkland fee.

In order to be fair, I would request that the Town of The Blue Mountains reconsider the cash in lieu of parkland fee that was required for consents B08-2008 and B9-2008.

Based on my calculations the consents would have only required \$1300.00 cash in lieu of parkland fee ($\$650.00 \times 2$). Therefore, the Town of The Blue Mountains should reconsider my original fee and reimburse me in the amount of \$22,050.00.

Please forward my request to the Mayor and Council at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "David Knechtel".

David Knechtel
519-474-1897