



Staff Report

Planning & Development Services – Planning Division

Report To: COW - Operations, Planning and Building Services
Meeting Date: January 13, 2026
Report Number: PBS.26.005
Title: Parkland Dedication By-Law Review
Prepared by: Diksha Marwaha, Senior Planner

A. Recommendations

THAT Council receive Staff Report PBS.26.005, entitled “Parkland Dedication By-Law Review”;

AND THAT Council direct staff to undertake public consultation on the draft by-law, as required under the Planning Act, and report back to Council with any recommended revisions prior to finalizing and adopting the Draft Parkland Dedication By-law.

B. Overview

This report provides Council with an update on the review of the Town’s Parkland Dedication By-law. It analyzes recent legislative changes under Bill 23, the More Homes Built Faster Act, 2022, reviews the Town’s current and draft Official Plans, assesses the existing By-law, and outlines proposed amendments and next steps in the review process.

C. Background

Under Section 42 of the Planning Act, municipalities have the authority to require the dedication of land for park purposes or the payment of cash-in-lieu as a condition of development or redevelopment. This tool allows municipalities to secure land during the development process, ensuring that the Town’s park system expands in step with residential, commercial, and industrial growth. As a result, residents continue to have access to safe, well-located, and functional recreational opportunities throughout the community.

The Town’s current Parkland Dedication By-law, enacted in 2003, establishes a 5% dedication rate for residential development and a 2% rate for commercial and industrial development. Both the current Official Plan (2016) and the Draft Official Plan (2025) provide guidance on parkland dedication, cash-in-lieu, and the administration of related funds, with the Draft Plan introducing updated policies to align with recent legislative changes.

On October 25, 2022, the Ontario government introduced the More Homes Built Faster Act, 2022 (Bill 23), amending provisions affecting parkland dedication and cash-in-lieu requirements. Key changes include:

- Reduced parkland requirements for affordable and attainable housing units.
- Exemptions for certain accessory residential units and non-profit housing.
- Introduction of alternative rates for land dedication and cash-in-lieu, with maximum limits.
- Requirements for fund administration, reporting, and transparency.

Since the adoption of the 2003 By-law, these legislative changes and updates to the Draft Official Plan (2025) have created the need to review and revise the By-law to ensure compliance with current provincial legislation and alignment with Draft Official Plan policies on parkland provision.

D. Analysis

The Town's current Parkland Dedication By-law, enacted in 2003, establishes a 5% parkland dedication rate for residential development and 2% for commercial and industrial development. Since its adoption, there have been significant legislative changes, including amendments introduced by Bill 23, which affect how municipalities can impose parkland dedication or cash-in-lieu requirements. The Town's draft Official Plan (2025) also includes updated policies regarding parkland provision, alternative rates, and prioritization of land dedication.

Legislative Context

Recent changes to Section 42 of the Planning Act, introduced through the More Homes Built Faster Act, 2022 (Bill 23), have significantly updated how municipalities can require parkland dedication and cash-in-lieu (CIL) in development or redevelopment. The following sections outline the key changes:

1. Affordable and Attainable Housing

Subsection 42(1.1) of the Planning Act limits the amount of land that may be required for parkland purposes from affordable or attainable residential units. The dedication requirement for a development containing affordable units shall not exceed 5% of land multiplied by the ratio of non-affordable residential units to the total number of residential units

For Instance, a proposed residential development contains 100 units in total, of which 25 units are affordable, and 75 are non affordable, and the total land area being developed is 10 hectares.

- Number of non-affordable residential units = 75
- Total number of units = 100

- Maximum land conveyance: = $5\% \times (75/100) = 3.75\%$

This means that 3.75% of the total land area would be required to be conveyed for park purposes, reflecting the inclusion of 25% affordable or attainable units in the development.

2. Exemptions from Parkland Dedication

The Planning Act now exempts certain accessory or secondary units from parkland dedication to support housing flexibility. Exemptions include:

- A second residential unit in a detached, semi-detached, or rowhouse where ancillary buildings cumulatively contain no more than one residential unit;
- A third residential unit in a detached, semi-detached, or rowhouse where no ancillary buildings contain any residential units;
- One residential unit in a building ancillary to a detached, semi-detached, or rowhouse where the main dwelling contains no more than two residential units and no other ancillary buildings contain any residential units;
- Non-profit housing developments.

These provisions ensure that accessory units and non-profit housing are not subject to parkland dedication requirements, supporting the promotion of affordable and attainable housing.

3. Alternative Parkland Dedication Rates (Subsections 42(3), 42(3.0.2), 42(3.0.3), 42(4), 42(4.1))

Municipalities may apply an alternative parkland dedication rate for residential developments. Under subsection 42(3), land may be conveyed at a rate of 1 hectare per 600 net residential units, or a lesser rate specified by the by-law.

Under this framework:

- Net residential units exclude existing units on site and affordable/attainable units.
- The municipality must have an Official Plan with policies addressing parkland provision and the use of alternative rates.
- A Parks Plan must be prepared and made publicly available to examine the need for parkland before the alternative rate is implemented.
- The municipality must provide written notice of the by-law's passing within 20 days and include the final date for filing an appeal, which is 40 days from the date the by-law was passed. Details of the notice requirements are set out in O.Reg. 509/20. Parkland by-laws that use only the basic 2%/5% rates are not appealable; those using alternative rates are appealable.

Section 42(3.3) establishes maximum limits for the alternative requirement, ensuring that the total conveyance or payment in lieu does not exceed:

- 10% of the land or value of the land for developments of five hectares or less, and

- 15% of the land or value of the land for developments of more than five hectares

For instance, a residential development proposes 1,200 net residential units on a 10-hectare site. Under the alternative rate of 1 hectare per 600 net units:

- Net residential units = 1,200 (excluding existing units and affordable/attainable units)
- Land required for park purposes at 1 ha per 600 units = 2 hectares
- Since the site is 10 hectares (greater than 5 hectares), the maximum parkland dedication is 15% of the site = 1.5 hectares
- Therefore, although the standard alternative rate suggests 2 hectares, only 1.5 hectares can be conveyed.

Where the municipality chooses to accept a payment-in-lieu of land instead of a conveyance, subsection 42(6.0.1) authorizes a rate of one hectare per 1,000 net residential units, or a lesser rate specified in the by-law. The maximum limits under subsection 42(3.3) continue to apply, meaning that the payment in lieu cannot exceed 10% or 15% of the land or its value, depending on the size of the development.

Although a by-law is required to impose any parkland dedication under Section 42 of the Planning Act, the notice and consultation requirements do not appear to apply if the by-law does not include provision for the alternative rate.

4. Timing and Calculation of Payment-in-Lieu

Subsection 42 specifies that payment-in-lieu or land conveyance is calculated based on the following:

- Consents: Value determined the day before provisional consent is granted (section 53(13)).
- Draft plan of subdivision: Value determined the day before draft plan approval (section 51.1(4)).
- Building permits (development/redevelopment): Value determined the day before the first building permit is issued (subsection 6.4)

The timing of when the amount of land or payment-in-lieu is calculated is as follows:

- Site Plan Control Application (subsection 2.1(a)): on the date the application was made.
- Zoning By-law Amendment Application (subsection 2.1(b)): If no site plan application applies, the requirement is based on the date an application for a zoning by-law amendment is submitted.
- Building Permit (subsection 2.1(c)): If neither of the above applies, the requirement is based on the date the first building permit is issued for the development, or if multiple permits are required, the date of the first permit.
- If there is more than one application for the same development, the later application is used to determine the amount of land or payment in lieu (subsection 2.3).

- An exception applies if more than two years have passed between the submission of the first applicable application and the issuance of the first building permit; in such cases, the building permit date governs (subsection 2.4).

5. Administration of Parkland Funds (Subsections 42(15), (16), (16.1), (17))

All funds collected through cash-in-lieu are deposited into a special account and may only be used for:

- Acquisition of land for park or other public recreational purposes
- Construction, improvement, or repair of park buildings
- Acquisition of machinery or equipment for park or recreational purposes

Requirement to Spend or Allocate Monies (section 42(16.1)): Beginning in 2023, and for each subsequent calendar year, municipalities are required to spend or allocate at least 60% of the monies in the special account as of the start of the year. This ensures that collected funds are actively used for their intended purposes under the Planning Act. The allocation process for parkland dedication reserve funds is not yet established.

Reporting and Information (section 42(17)): Council that adopt a parkland dedication by-law are required to provide prescribed reports and information, in the manner and frequency set out by regulation. This promotes transparency and accountability in the use of funds collected for parkland or cash-in-lieu purposes. Ontario Regulation 509/20, Section 7 identifies the information that shall be provided to the public each year (for the previous year):

- a) Statements of the opening and closing balances of the special account and of the transactions relating to the account.
- b) In respect of the special account referred to above, statements identifying:
 - i. land and machinery acquired during the year with funds from the special account
 - ii. buildings erected, improved, or repaired during the year with funds from the special account
 - iii. details of the amounts spent, and
 - iv. for each asset mentioned in i) and ii), the manner in which any capital cost not funded from the special account was or will be funded.
- c) The amount of money borrowed from the special account and the purpose for which it was borrowed.
- d) The amount of interest accrued on any money borrowed from the special account.

Summary of Legislative Changes

- Affordable and attainable housing: reduced dedication; non-profit exemption
- Accessory units: certain units exempt

- Alternative rates: 1 ha per 600 net units for land; net units exclude existing and affordable/attainable units.
- Cash-in-lieu for alternative rates: 1 ha per 1,000 net units.
- Maximum limits for alternative rates: 10% of land (≤ 5 ha), 15% (> 5 ha)
- Timing and value rules: value determined at key application milestones
- Fund administration: special account; spend/allocate 60% annually; reporting required

Town Policy Context

Section D6 of the Town's Official Plan provides guidance on parkland dedication

a) Dedication of Land through Development

Current OP (2016):

- Residential developments require dedication of up to 5% of land or 1 hectare per 300 dwelling units, whichever is greater.
- Commercial or industrial developments require up to 2% of land.
- Cash-in-lieu is permitted as an alternative to land dedication.
- Lands must be in a satisfactory physical condition and hazard lands are excluded from dedication.

Draft OP (2025):

- Confirms 5% maximum for residential and 2% for commercial/industrial.
- Introduces alternative rates in accordance with Section 42 of the Planning Act:
 - 1 hectare per 600 dwelling units for land dedication
 - 1 hectare per 1,000 units for cash-in-lieu
- Maximum dedication: 10% for sites up to 5 ha, 15% for sites larger than 5 ha
- Emphasizes prioritization of land dedication over cash-in-lieu where feasible.
- Provides detailed criteria when cash-in-lieu may be considered, ensuring it is only applied when land dedication is impractical.

The current Official Plan and by-law provide a basic framework for parkland dedication but do not include alternative rates, caps for different site sizes, or prioritization rules. The Draft Official Plan aligns with the updated Planning Act, reflecting modern parkland planning practices and providing clear guidance on when land dedication or cash-in-lieu applies. The Parkland Dedication By-law will be updated to include alternative rates, caps, and prioritization rules to align with both the Planning Act and the Draft Official Plan policies.

b) Cash-in-Lieu and Fund Administration

Both the current (D6.2.6) and Draft (D6.2.7) Official Plans direct that cash-in-lieu funds be used solely for acquiring or developing public parkland and recreational facilities. Eligible uses include acquiring land for parks, expanding existing parks, creating small infill parks, improving existing parks, and setting priorities through Recreation Master Plans.

Draft OP adds a target to spend at least 60% of funds annually and emphasizes safety, accessibility, and alignment with approved Master Plans. The updated Parkland Dedication By-law should reference these policies to ensure transparent and compliant fund management.

Parks Plan

Under subsection 42(4.1) of the Planning Act, municipalities must prepare and make publicly available a parks plan prior to adopting a by-law with an alternative rate. The Town's Leisure Activities Plan was made available to public in 2021 and addresses parks, trails, green space, and recreation programs, and provides a framework for future improvements.

The Town is considering a new Open Space Parks and Trails Master Plan. Once completed, the Parkland Dedication By-law may be updated to reflect its recommendations.

Summary of Proposed Parkland Dedication By-law Changes

Following a review of the Town's existing Parkland Dedication By-law, recent Planning Act changes, and the policies of the Town's Official Plan, staff are recommending the repeal and replacement of By-law 2003-31 with a new Parkland Dedication By-law.

The following provides a broad summary of the major changes proposed in the new By-law.

I. Alignment with Provincial Legislation

The proposed By-law incorporates amendments to Section 42 of the Planning Act, including:

- Introduction of alternative parkland dedication rates for residential development:
 - One (1) hectare per 600 net residential units for land conveyance; and
 - One (1) hectare per 1,000 net residential units for cash-in-lieu.
- Application of maximum caps on alternative rates:
 - 10% of the land or land value for developments five (5) hectares or less; and
 - 15% of the land or land value for developments greater than five (5) hectares.
- Reduced parkland dedication requirements for developments containing affordable, attainable, or inclusionary zoning residential units, calculated on a proportional basis.
- Explicit exemptions for non-profit housing developments and certain additional residential units, as required by the Planning Act.

II. Expanded Definitions and Clarity

The proposed By-law introduces new definitions to improve clarity and to provide consistency with the definitions within the Town's Development Charges By-law, including Net Residential Units, Affordable, attainable, and inclusionary zoning residential units, Additional Residential Units (ARUs), Infill development, On-Farm Diversified Uses, Gross Floor Area, and Temporary Buildings/ structures, etc.

III. Clear Framework for Parkland Dedication by Land Use

The proposed By-law maintains the existing basic dedication rates while introducing a more detailed framework, including:

- 2% dedication for commercial and industrial development;
- 5% dedication for residential and other uses, subject to alternative rates where applicable;
- Detailed provisions for mixed-use developments, requiring parkland dedication to be calculated by component; and
- Explicit rules for developments not falling within residential, commercial, or industrial categories.

IV. Cash-in-Lieu of Parkland

The proposed By-law clarifies the Town's authority and process for accepting cash-in-lieu of parkland dedication, consistent with Section 42 of the Planning Act. Key provisions include:

- **Acceptance Options:** The Town may require the conveyance of land, the payment of cash-in-lieu, or a combination of both, depending on the circumstances of the development.
- **Valuation Requirements:** Cash-in-lieu amounts shall be determined through an appraisal prepared by a qualified professional. Peer review of the appraisal may be required to ensure accuracy and fairness.
- **Calculation by Development Type:** Separate methods for calculating cash-in-lieu are provided for residential, commercial, industrial, mixed-use, and other forms of development.

V. Flat Rate for Residential Severances

The Town does not currently apply a flat rate for residential severances, and individual appraisals are required for each consent application. To simplify the process, a flat rate is established as an alternative to individual appraisals for determining cash-in-lieu of parkland dedication. A flat rate provides a consistent and efficient approach for calculating parkland dedication for standard residential severances and reduces the need for repeated property specific appraisals. The proposed By-law introduces:

- A flat cash-in-lieu rate for residential infill severances creating a single new residential lot;

- Annual indexing of the flat rate using Statistics Canada Construction Price Statistics; and
- An option for applicants to submit an appraisal in lieu of the flat rate where appropriate.

Town Staff have provided three options to set a flat rate for simple residential severances.

1. Utilize MPAC Land Values
2. Utilize comparable municipal rates
3. Obtain a general appraisal of residential land value.

The following explains the methodology used to calculate each option:

Option 1: Utilize MPAC Land Values:

Calculation of the Flat Rate

- The flat rate is established using the average MPAC-assessed value for typical residential lots in the Town.

Step 1: The base land value

- The average assessed value for a standard residential lot in the Town, based on MPAC Property Code 100 (Vacant residential land not on water), is \$226,780. A residential severance typically results in two lots. For the purpose of establishing a flat rate, the estimated land value for a single severed lot is estimated as half of the average lot value.
 - $\$226,780 \div 2 = \$113,390$ (estimated land value per severed lot prior to creation)

Step 2: Flat rate percentage

- The flat rate is calculated at 5% of the average assessed land value, consistent with the statutory maximum for residential dedication under Section 42 of the Planning Act:
- Flat Rate = $0.05 \times 113,390 = \$5,669.50$
- For implementation, this amount is rounded to **\$5,670** per severed lot.
- This amount represents the standard cash-in-lieu contribution for residential severances.

Step 3: Indexing

- To maintain the relevance of the flat rate over time, the amount will be indexed annually using Statistics Canada's Construction Price Statistics. Indexing will be applied on January 1 of each year. The Town may choose to freeze the rate in years where the index indicates a decrease. Indexing ensures that the flat rate remains aligned with current cost trends and continues to reflect typical land values in the Town.

Option 2: Comparable Municipal Practices

- Other municipalities in Ontario use similar approaches:

Municipality	Flat Rate	Indexing Method
Township of Georgian Bluffs	\$1,200	Not Specified
Municipality of Thames Centre	\$10,000	Adjusted annually on January 1 using the Statistics Canada NHPI (house and land).
Township of Clearview	\$7,789.00	Adjusted annually using Statistics Canada Quarterly Construction Price Statistics (twelve-month period ending September 30)
Township of Mulmur	\$10,000	Adjusted annually on January 1 using the most recent Statistics Canada Quarterly Construction Price Index (Toronto)

The flat rate applies only to residential severances. Commercial and industrial lands are highly variable in size, configuration, and value, making a standardized flat rate impractical. For these lands, individual appraisals will continue to ensure cash-in-lieu contributions are proportionate to actual market value.

Option 3: Obtain a General Land Appraisal

Council may authorize staff to request a more detailed or general appraisal instead of applying the flat rate. This allows for a more accurate determination of cash-in-lieu contributions based on current market conditions and provides flexibility where the flat rate may not fully reflect the value of the severed lot.

VI. Vertical Additions and Redevelopment

The proposed By-law introduces a proportional approach for calculating parkland when an existing building is expanded vertically and parkland has already been conveyed or cash-in-lieu paid. In such cases, any additional parkland requirement is calculated based on the floor area of the new storeys relative to the total floor area of the building after the expansion. This ensures that:

- Parkland dedication applies only to the incremental floor area being added.
- The calculation is based on the ratio of new floor area to the total floor area following the expansion.

Calculation Formula:

- A = floor area of the new storeys being added
- B = total floor area of the building after the addition

- Additional parkland requirement = applicable parkland rate × (A ÷ B)

Example:

- Land to be redeveloped: 5,000 m²
- Existing building floor area: 6,000 m²
- Proposed vertical addition: 2,000 m²
- Total building floor area after addition: 8,000 m²
- Applicable parkland rate (commercial): 2% of land area

Calculation:

$$2\% \times (2,000 \div 8,000) = 0.5\% \text{ of land to be redeveloped}$$
$$= 0.5\% \times 5,000 \text{ m}^2 = 25 \text{ m}^2 \text{ of additional parkland (or cash-in-lieu)}$$

This method ensures that only the new vertical floor area is subject to parkland, while horizontal expansions continue to follow the standard land-based calculation.

VII. On-Farm Diversified Uses (OFDUs):

To encourage and promote local economic development, diversify the rural economy, and support agricultural viability within the Town, Council has identified On-Farm Diversified Uses (OFDUs) as an economic priority. In keeping with this direction, it is recommended that the Town's Parkland Dedication By-law incorporate an exemption for OFDUs that meet the Town's policies, definitions, and permitted area limits.

This exemption applies only where the OFDU:

- Remains accessory to the principal agricultural use,
- Complies with the size and scale limits in the Town's Official Plan, and
- Does not generate significant visitation.

The exemption does not extend to changes in land use, expansions, or other developments that would otherwise require planning approvals for increases in area, scale, or similar criteria.

VIII. Determination of Land Value and Timing of Payment

The proposed By-law provides clear guidance on both when parkland is to be conveyed or cash-in-lieu paid and how the land value is determined, making the timing explicit. The by-law:

- Linking land valuation to key development milestones (site plan, zoning amendment, subdivision, consent, or building permit) to determine when the value is set;
- Providing clear guidance on the timing of parkland conveyance or payment of cash-in-lieu; and

- Clarifying how timing is handled when approvals are extended.

IX. Parkland Credits

The proposed By-law introduces provisions allowing for parkland credits where:

- A developer has over-conveyed parkland on one site;
- Clarifies when additional conveyance or payment in respect of the land subject to the earlier conveyance or payment is required; and
- Requirements for documentation and evidence of prior conveyance or payment from the applicant are also clarified in the by-law.

X. Reductions and Exemptions

The proposed By-law consolidates and expands exemptions and reductions, which align with legislative changes and the Town's Development Charges By-law, including:

- Statutory exemptions required by the Planning Act;
- Exemptions for replacement buildings, temporary buildings, etc.;
- Specific provisions addressing On-Farm Diversified Uses; and
- Council's discretion to consider waivers to parkland dedication requirement.

XI. Alternative Community Benefits

The proposed By-law allows Council, at its discretion, to accept alternative community benefits in lieu of parkland dedication, including:

- Public service facility;
- Affordable or attainable housing; and
- Other community benefits to the satisfaction of Council.

XII. Parkland Reserve Fund and Reporting

The proposed By-law updates provisions related to the Parkland Reserve Fund to:

- Align with Planning Act requirements for eligible uses of funds; and
- Require that at least 60% of funds be spent or allocated annually;

Next Steps

1. Undertake public consultation on the draft Parkland Dedication By-law, in accordance with Reg. 509/20 of the Planning Act. (Sections 42 and 51.1 of the Planning Act require a municipality to consult with persons and public bodies as the municipality considers appropriate. A statutory public meeting is not required under the Planning Act.)

2. Review feedback from the public, Council, and staff.
3. Report back to Council with any recommended revisions and seek adoption of the final By-law.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

None

G. Financial Impacts

In accordance with Section 42 of the Planning Act, cash-in-lieu of parkland funds may only be used for acquiring land for park or recreational purposes, improving existing parks, or constructing and maintaining recreational facilities.

H. In Consultation With

Ryan Gibbons, Director of Community Services
Monica Quinlan, Director of Corporate and Finance Services
Tim Murawsky, CAO and Acting Director of Planning and Building Services
Shawn Postma, Manager of Community Planning – Planning Services

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required.

However, any comments regarding this report should be submitted to Diksha Mawraha,
dmarwaha@thebluemountains.ca

J. Attached

1. Attachment 1- Draft By-law

Respectfully submitted,

Diksha Marwaha
Senior Planner, Planning & Building Services

For more information, please contact:
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Report Approval Details

Document Title:	PBS.26.005 Parkland Dedication By-Law Review.docx
Attachments:	- PBS-26-005-Attachment-1.pdf
Final Approval Date:	Dec 19, 2025

This report and all of its attachments were approved and signed as outlined below:

Shawn Postma - Dec 19, 2025 - 2:46 PM

Tim Murawsky - Dec 19, 2025 - 3:53 PM

The Corporation of the Town of The Blue Mountains

By-Law Number 2026 –

Being a by-law to require the conveyance of land for park or other public recreational purposes to the municipality as a condition of development or redevelopment

WHEREAS section 42 (1) of the Planning Act, Chapter P.13, R.S.O. 1990, as amended, enables the Council of a local municipality to require, by by-law, the conveyance of land for park or other public recreational purposes to the municipality as a condition of development or redevelopment of lands;

AND WHEREAS section 42 (6) of the Planning Act further provides that if a rate authorized by subsection (1) applies, the Council of the Municipality may require the payment of money in lieu of the value of the land otherwise required to be conveyed

AND WHEREAS subsection D6.2 of the Town's Official Plan contains general policies applying to all public parkland and governs the dedication of land through the development process;

AND WHEREAS subsection B3.7 of the Town's Official Plan contains development policies for lands designated Residential and Recreational Area, including the provision of Open Space;

AND WHEREAS a parks plan being the Leisure Activities Plan was prepared in consultation with local school boards and other persons or public bodies the municipality considered appropriate, and made publicly available in 2021;

AND WHEREAS The Corporation of the Town of the Blue Mountains has an adopted Official Plan that contains specific policies dealing with the provision of lands for park or other public recreational purposes and the use of the alternative requirements authorized under section 42(3) of the Planning Act;

AND WHEREAS Council for the Corporation of the Town of the Blue Mountains desires to repeal and replace By-law 2003-31, as amended to provide for the conveyance of land and cash-in-lieu thereof for park and other purposes;

NOW THEREFORE Council of the Corporation of the Town of The Blue Mountains hereby enacts as follows:

1 Short Title

This by-law may be referred to as the Parkland Dedication By-law.

2 Definitions

- a) **"Appraiser"** means a certified professional appraiser of real estate who is designated as an Accredited Appraiser by the Appraisal Institute of Canada (AIC), and in good standing of the AIC;
- b) **"Additional Residential Unit (ARU)"** means a legally constructed permanent or semi-permanent dwelling unit that can safely accommodate residents on a year-round basis. ARUs are generally contained within a main building (including a single detached, semi-detached or rowhouse dwelling), or within an accessory building (such as above a private garage). An ARU shall contain cooking, eating, living, sleeping, and sanitary facilities, be connected to adequate water and sanitary servicing, and meet all requirements of the Ontario Building Code. An ARU may also be known as an "additional dwelling unit", "accessory dwelling unit", "ADU",

“accessory apartment”, “secondary dwelling unit”, or “secondary suite”. An ARU may be considered as a garden suite where an approved temporary land-use by-law is in effect but shall not mean or include a primary residential unit, a recreational trailer or vehicle, or a short-term accommodation;

- c) **“Affordable Residential Unit”** means a residential unit that meets the criteria set out in subsection 4.1(2) or 4.1(3) of the Development Charges Act;
- d) **“Agricultural Uses”** means the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for fulltime farm labor when the size and nature of the operation requires additional employment;
- e) **“Agriculture-related Uses”** means those farm-related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations, and provide direct products and/or services to farm operations as a primary activity;
- f) **“Attainable Residential Unit”** means a residential unit that meets the criteria set out in subsection 4.1(4) of the Development Charges Act;
- g) **“Building Permit”** means the first permit issued under the Building Code Act for construction at or above the first storey of a building or structure;
- h) **“Development”** means the construction, erection or placing of one or more buildings or structures on land, or the making of an addition or alteration to a building or structure on land, or the making of an addition or alteration to a building or structure that has the effect of substantially increasing the size or usability thereof, or the laying out and establishment of a commercial parking lot;
- i) **“Development Charges Act”** means the Development Charges Act, 1997, S.O. 1997, c.27, as amended or superseded;
- j) **“Gross Floor Area”** has the same meaning as in the Town’s Development Charges By-law, as amended;
- k) **“Inclusionary Zoning Residential Units”** are units in respect of residential units that are affordable housing units as defined by the Development Charges Act, 1997, c. 27, required to be included in a development or redevelopment pursuant to a by-law passed under section 34 of the Planning Act to give effect to the policies described in subsection 16 (4) of that Act. 2022, c. 21, Sched. 3, s. 4 ;
- l) **“Infill development”** means creation of one or more new residential lots for single detached or semi-detached dwellings that are located between, or surrounded by, existing residential lots within an established neighborhood;
- m) **“Net Residential Units”** means the number of residential units determined by subtracting the number of residential units on the land immediately before the proposed Development or Redevelopment from the number of residential units that will be on the land after the proposed Development or Redevelopment. Affordable and attainable residential units as defined in subsection 4.1(1) of the Development Charges Act, 1997, and residential units described in 4.3(2) of the Development

Charges Act, 1997 are excluded from the number of net residential units otherwise determined;

- n) **Non-profit housing development**” means the development of a building or structure as defined in subsection 4.2 (1) of the *Development Charges Act, 1997*;
- o) **“Redevelopment”** means the construction, erection, or placement of one or more buildings or structures on land where all or part of a building or structure has previously been demolished; the change in use of a building or structure from residential to non-residential, or from non-residential to residential; the change of a building or structure from one type of residential development to another, or from one type of non-residential development to another; or the substantial renovation of a building or structure involving a change in the character or intensity (density) of use;
- p) **“Official Plan”** means the Town's Official Plan 2016, as amended, or any successor thereto;
- q) **“On-Farm Diversified Use”** means uses that are secondary to the principal agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value added agricultural products;
- r) **“Owner”** means the owner of land or a person who has made authorized application for an approval for the development of land;
- s) **“Temporary Building or Structure”** means a building or structure that is constructed, erected or placed on land for a continuous period of not more than three years, or an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof for a period of not more than three years;
- t) **“Town”** means the Corporation of the Town of The Blue Mountains;
- u) **“Zoning By-law”** means the Town's Comprehensive Zoning By-law No. 2018-65, as amended, or any successor thereto.

3 General Requirement:

- a) The entirety of the Town is hereby established as an area for which the conveyance of a portion of land to be Developed or Redeveloped, or the payment of money in lieu of such conveyance, shall be required as a condition of Development or Redevelopment.
- b) No person shall Develop or Redevelop Lands within the Town unless they have first conveyed a portion of the Land to the Town for Parkland, or paid money in lieu of such conveyance, in accordance with this By-law.

4 Delegation of Authority Conveyance of a Portion of Land or Money in Lieu:

- a) The authority to determine whether a conveyance of a portion of the Land associated with Development or Redevelopment for Parkland or the payment of money in lieu of such conveyance shall be required is hereby delegated to the Director of Planning, any successor thereto, or an officer or employee of the Town designated by the Director of Planning, or their successor.
- b) The determination of whether a conveyance of a portion of the Land for Parkland or the payment of money in lieu of such conveyance shall be required shall be made in accordance with this By-law, the relevant policies of the Town's Official Plan, and

generally in accordance with any other policies and guidelines established by the Town from time to time for that purpose.

- c) Except as otherwise identified herein, only Council has the authority to:
- i. waive the parkland dedication requirements for Development or Redevelopment as calculated pursuant to the provisions herein; and
 - ii. to determine at its discretion to set out an alternative process to that set out in this By-law to determine the Market Value of the Land.

5 Calculation of Parkland Conveyance

As a condition of Development or Redevelopment of land within the Town, the owner shall be required to convey land to the Town for park or other recreational purposes as follows:

5.1 Commercial or Industrial Uses

In the case of lands proposed for Commercial, or Industrial uses, land in the amount of two per cent (2%) of the land to be Developed or Redeveloped.

5.2 Residential Uses

Where Land in the Town is to be Developed or Redeveloped for residential purposes, the parkland dedication shall be the greater of:

- a) Five percent (5%) of the land to be Developed or Redeveloped; or
- b) one (1) hectare per six hundred (600) Net Residential Units proposed as part of the Development or Redevelopment, with this calculation capped at a maximum of:
 - a) For sites five (5) hectares or less, the maximum conveyance shall be ten percent (10%) of the land; and
 - b) For sites greater than five (5) hectares, the maximum conveyance shall be fifteen percent (15%) of the land.

5.2.1 Affordable and Attainable Housing

With respect to land proposed for Development or Redevelopment that will include affordable residential units or attainable residential units, or inclusionary zoning residential units, the amount of land that may be required to be conveyed under section 5 of this by-law shall not exceed 5 per cent of the land multiplied by the ratio of A to B where:

- “A” is the number of residential units that are part of the Development or Redevelopment but are not affordable residential units, attainable residential units or inclusionary zoning residential units; and
- “B” is the number of residential units that are part of the Development or Redevelopment.

5.3 Other Uses

In the case of lands proposed for Development or Redevelopment for a use other than those referred to in subsections 5.1 and 5.2 of this By-law, land in the amount of five per cent (5%) of the land to be Developed or Redeveloped.

5.4 Mixed-Use Development

In the case of a Mixed-Use Development or Redevelopment, land in the aggregate, calculated as follows:

- a) the Residential component, if any, as determined by the Town, of the lands being Developed or Redeveloped, shall require the conveyance of land as determined in accordance with subsection 5.2 this by-law; plus
- b) the Commercial, or Industrial component of the lands being Developed or Redeveloped, if any as determined by the Town, shall require the conveyance of land as determined in accordance with subsection 5.1 of this by-law; plus
- c) the component of the lands proposed for any use other than Residential, Commercial, or Industrial if any as determined by the Town, shall require the conveyance of land as determined in accordance with subsection 5.3 of this by-law.

6 Cash-in-Lieu of Parkland Dedication:

6.1 General Requirement

- a) The Town, in its sole discretion, may accept a combination of a cash-in-lieu and conveyance of Parkland.
- b) The appraised value of lands to be conveyed as Parkland shall be determined through an appraisal report prepared by a qualified land appraiser at the expense of the owner of the lands.
- c) The Town may require an updated or new appraisal where, in the opinion of the Town, the appraisal no longer adequately supports the land value used to calculate parkland dedication or cash-in-lieu under this By-law.
- d) The appraisal report shall be prepared to the satisfaction of the Director of Planning, and at the Town's sole discretion may be subject to a peer review by another qualified land appraiser retained by the Town at the owner's expense.

6.2 Amount of Payment of Cash-in-Lieu

In lieu of requiring the conveyance of land required by Section 5 of this by-law, Town may require the payment of the value of the lands otherwise required to be conveyed, calculated in accordance with the following:

6.2.1 Residential Uses

For lands proposed for residential Development or Redevelopment, the cash-in-lieu shall be the greater of:

- a) Five percent (5%) of the land value to be Developed or Redeveloped; or
- b) one (1) hectare per one thousand (1,000) Net Residential Units proposed as part of the Development or Redevelopment, with this calculation capped at a maximum of:
 - 10% of the land value for sites five (5) hectares or less; and
 - 15% of the land value for sites greater than five (5) hectares.

6.2.2 Affordable and Attainable Housing

With respect to land proposed for Development or Redevelopment that will include affordable residential units or attainable residential units, or inclusionary zoning residential units, the cash-in-lieu payment that may be required by the Town under this by-law shall not exceed 5 per cent of the land to be Developed or Redeveloped multiplied by the ratio of A to B where:

- “A” is the number of residential units that are part of the Development or Redevelopment but are not affordable residential units, attainable residential units or inclusionary zoning residential units; and
- “B” is the number of residential units that are part of the Development or Redevelopment.

6.2.3 Flat Rate Parkland Dedication

- a) For residential infill projects that result in the creation of a single new residential lot, a flat rate amount as published by the Town and updated from time to time may be used to fulfill cash-in-lieu parkland dedication requirements. The flat rate shall be indexed annually on January 1 using Statistics Canada Construction Price Statistics. Failure of the Town to post the indexed rate shall not waive compliance with this by-law.
- b) As an alternative to the flat rate amount, a developer may elect to complete an appraisal report in accordance with this By-law.

6.2.4 Commercial, Industrial, Mixed-Use Development and Other Uses

In the case of lands proposed for Commercial, or Industrial uses, cash-in-lieu shall be calculated as the equivalent value of the land required based on a property appraisal provided by the owner, as follows

- a) in the case of lands proposed for Commercial or Industrial uses, the value of two per cent (2%) of the land to be Developed or Redeveloped.
- b) In the case of lands proposed for Development or Redevelopment for a use other than those referred to in section 6.2 and subsection 6.2.4 a) of this By-law, the value of five per cent (5%) of the land to be Developed or Redeveloped.
- c) in the case of a Mixed-Use Development or Redevelopment, the value of the land in the aggregate, calculated as follows:
 - i. the Residential component, if any as determined by Town, of the lands being Developed or Redeveloped, shall require the cash-in-lieu of the value of land as determined in accordance with subsection 6.2.1, 6.2.2 or 6.2.3 of this by-law; plus
 - ii. the Commercial or Industrial component of the lands being Developed or Redeveloped, if any as determined by Town, shall require the cash-in-lieu of the value of land as determined in accordance with paragraph 6.2.4(a) of this subsection; plus
 - iii. the component of the lands proposed for any use other than Residential, Commercial or Industrial if any as determined by the Town, shall require the cash-in-lieu of the value of land as determined in accordance with subsection 6.2.4 b) of this subsection.

7 Vertical Additions and Additional Storeys

Where an existing building is being expanded vertically through additional storeys, and where parkland has previously been conveyed or cash-in-lieu has already been paid, the required parkland dedication or cash-in-lieu shall be calculated as per Sections 5 and 6, multiplied by the ratio of A to B, where:

- A is the floor area of the new storeys being added; and

- B is the total floor area of the building after the additional storeys
- Parkland required = standard parkland rate × (A ÷ B)

8 Determination of Land Value / Cash in Lieu

The value of land or cash in lieu required under this By-law shall be determined as follows:

- For Development or Redevelopment subject to site plan approval or a zoning by-law amendment (Sections 41 and 34 of the Planning Act), and where the first building permit is issued within two (2) years of the planning application, the land value or cash in lieu shall be based on the land value on the date of the planning application. Where both site plan approval and a zoning by-law amendment apply, the later application date shall be used.
- For Development or Redevelopment approved pursuant to Sections 51.1 or 53 of the Planning Act, the land value or cash in lieu shall be determined in accordance with the conditions of approval of the subdivision, condominium, or provisional consent.
- For Development or Redevelopment not subject to subsections (a) or (b), the land value or cash in lieu shall be determined as of the day before the issuance of the first building permit.
- If an extension of approval described in subsections (a) or (b) is requested, the land value shall be determined as of the day before the approval of the extension.

9 Timing of Conveyance / Cash-In-Lieu Payment

The timing of conveyance of land for public park or other public recreational purposes, or the payment of cash-in-lieu, shall occur in accordance with the following, and the valuation date shall be determined in accordance with Section 6.3:

- For Development or Redevelopment approved pursuant to Sections 51.1 or 53 of the Planning Act, the conveyance of land or the payment of cash-in-lieu shall be required as a condition of approval and shall occur prior to or immediately upon registration of the plan of subdivision, condominium, or issuance of consent, as determined by the Town.
- In the case of Development or Redevelopment where land has not been conveyed or has not been required pursuant to sections 51.1 or 53 of the Planning Act, the conveyance of land or the payment of cash-in-lieu shall be required as a condition of Development or Redevelopment prior to first building permit issuance in accordance with section 42 of the Planning Act.

10 Parkland Reserve Fund

- All monies received shall be paid into the Parkland Reserve Fund and spent only for the acquisition of land to be used for park or other public recreational purposes, including the erection, improvement or repair of buildings and the acquisition of machinery for park or other public recreational purposes.
- At least 60 per cent of the monies that are in the Parkland Reserve Fund at the beginning of the year must be spent or allocated.

11 Acceptance of Land for Park or Other Public Recreational Purposes

Where land is conveyed to the Town for park or other public recreational purposes, the land shall be free of all encumbrances and the following shall apply:

- a) Lands designated as Hazard Lands, or otherwise identified as hazard lands, shall not be counted toward the required parkland dedication unless the Town specifically requires otherwise.
- b) Lands forming part of any required open space component, walkways provided as part of a subdivision or site plan approval, lands required for municipal infrastructure purposes (including roads, service lines, and stormwater management facilities), or any other lands conveyed to the Town, whether or not used for recreational purposes, shall not be counted toward the required parkland dedication unless the Town specifically requires otherwise.

12 Parkland Credits

- a) Parkland dedication credits may be considered by the Town where a specified developer has over-provided a parkland dedication on one site, and then, subject to approval by the Town, including a determination of appropriate value, may reduce the required parkland dedication on another site being developed by the same developer. Legal agreements between the developer and the Town may be required.
- b) Where land has previously been conveyed, or a cash in lieu of such conveyance has been previously received by the Town, no additional conveyance or payment in respect of the land subject to the earlier conveyance or payment may be required by the Town in respect of subsequent Development or Redevelopment applications, unless:
 - i. There is a change in the proposed Development which would increase the number of residential Dwelling Units of the current use or currently approved use; or,
 - ii. Lands originally identified for Development or Redevelopment for Commercial or Industrial Purposes are instead proposed for Development or Redevelopment for residential or any other non-residential land use that generate a higher parkland dedication.
- c) Where such increase in the number of Dwelling Units is proposed, or where a land use conversion is proposed, from a non-residential land use to a residential land use, or from Commercial or Industrial Purposes to any other land use, the conveyance or equivalent cash in lieu of conveyance as the case may be, will be subject to the increase in Dwelling Units/land use proposed and the value determined the day before the day that the first building permit is issued.
- d) Where there is a claim of previous conveyance or a cash in lieu, it is the applicant's/owner's responsibility to provide suitable evidence of such previous conveyance or a cash in lieu payment, to the Town's satisfaction.

13 Parkland Reductions and Exemptions

- a. The following is a list of developments exempt from the parkland dedication requirements:
 - i. Non-profit housing development.

- ii. Development or redevelopment of lands, buildings or structures owned by and used for the purposes of the municipality and exempt from taxation under section 3 of the Assessment Act, RSO 1990. c.A.31 as amended
 - iii. Development or redevelopment of lands, buildings or structures owned by and used for the purposes of a board as defined in subsection 1(1) of the Education Act, RSO 1990, c.E.2, as amended, and as exempt from taxation under section 3 of the Assessment Act RSO 1990. c.A.31 as amended.
 - iv. Development or redevelopment of buildings or structures used as public hospitals governed by the Public Hospitals Act, RSO 1990, c.P.40, as amended.
 - v. Development or Redevelopment of land, buildings or structures used for a place of worship or for the purpose of a cemetery or burial ground and exempt from taxation under the Assessment Act RSO 1990. c.A.31 as amended.
 - vi. Development or redevelopment of additional residential units in new residential buildings is exempt where additional residential units are permitted in accordance with Section 4.1 of the Town's Zoning By-law
 - vii. Replacement of buildings or structures destroyed by accidental fire or other cause beyond the control of the Owner, provided no intensification or change in use occurs (including no increase in dwelling units or gross floor area) and the replacement is completed within five (5) years of the destruction.
 - viii. Enlargement of an existing Residential Unit provided that the enlargement does not result in additional Residential Units.
 - ix. Temporary buildings or structures shall be exempt from development charges, subject to the following:
 - a) In the event that a temporary building or structure exists on the land for a continuous period exceeding three (3) years it shall be deemed not to be nor ever to have been a temporary building or structure, and the parkland dedication shall be required as if the building or structure were permanent.
 - x. Enlargement of an existing industrial building or structure where the gross floor area is increased by 50% or less.
 - xi. An On-Farm Diversified Use, as defined in the Zoning By-law, provided the On-Farm Diversified Use remains accessory to the principal agricultural use and complies with the size and scale limits in the Town's Official Plan.
- b. Council may consider further reductions and/or an exemption from parkland and/or cash in-lieu requirements of this By-law for a Development Approval with respect to:
- i. A public service facility, as defined in the Provincial Policy Statement applicable to a Development Approval.

- ii. A Development Approval for residential uses that include affordable housing as defined in the Development Charges Act, 1997 applicable to the Development Approval, and attainable housing as defined in the Town’s Community Improvement Plan.

14 Alternative Community Benefits

In addition to the provisions set out above in this by-law, further to the development policies in the Town’s Official Plan, Council may, at its discretion, accept suitable alternative provisions in lieu of the required parkland component, consistent with the Town’s Official Plan. Such alternatives may include:

- i. Provision of a public service facility, as defined in the Provincial Policy Statement applicable to a Development Approval.
- ii. Provision of affordable housing as defined in the Development Charges Act, 1997 applicable to the Development Approval, and/or attainable housing as defined in the Town’s Community Improvement Plan.
- iii. Provision of alternative community benefits to the satisfaction of Town Council.

15 No building without payment

If a payment is required under this by-law, no person shall construct a building on the land proposed for Development or Redevelopment unless the payment has been made or arrangements for the payment that are satisfactory to the council have been made.

16 Effective Date

This by-law shall come into force on the day it is enacted (the “Effective Date”) and By-law 2003-31, as amended, shall be repealed on the Effective Date.

17 Transition

The provisions of this by-law shall apply to all development and redevelopment applications pursuant to the Planning Act, as amended, which are submitted and deemed complete on or after the Effective Date of this by-law.

Enacted and passed this ____ day of, 2026.

Andrea Matrosovs, Mayor

Corrina Giles, Town Clerk