

Industry Stakeholder Meeting #6

DC Study, CBC Strategy, and Parkland Conveyance By-law and Parks Plan Update



CITY OF MISSISSAUGA
Monday, March 7th, 2022



DC, CBC and Parkland Discussion Topics

Parks Plan

- Purpose
- Implementation Principles
- Provision Levels at Local Level
- Sources of new Parkland and POPS

Parkland Conveyance By-law

- By-law Overview
- Alternative Rate Options
- Phasing and Indexing Considerations
- Examples in Practice

Project Timeline and Next Steps

DC & CBC

- Update on Development Charges Background Study
- Update on CBC Strategy
- DC & CBC Key Dates
- Questions / Discussion

Parks Plan and Parkland Conveyance By-law Update



Parks Plan Purpose

- Recent changes to *Planning Act* require City to have a Parks Plan to levy CIL Alternate Rate.
- The Parks Plan provides the foundation for setting a new CIL Alternate Rate.
- The Parks Plan is a strategic document that will guide future parkland acquisition.
- Building on previous work:
 - Downtown Growth Area Parkland Provision Strategy
 - Future Directions for Parks and Forestry

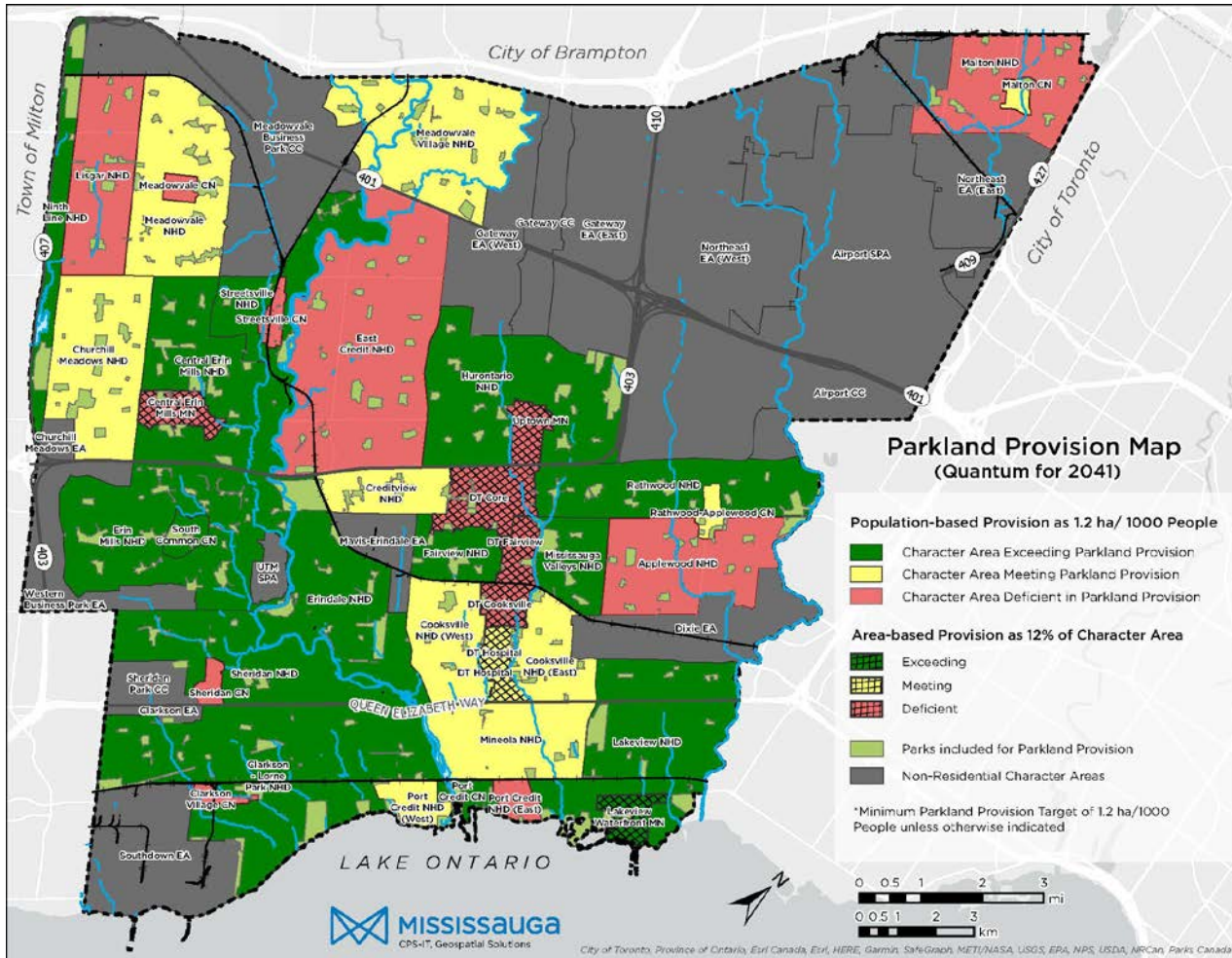


Parks Plan – Implementation Principles

Implementation Principles guide parkland acquisition into the future

- **Environment** – Parkland supports a healthy community and environment
- **Connectivity** – Parkland expands and/or connects trail systems
- **Population Growth and Complete Communities** – Parkland provision supports communities at a local level
 - Supports the provision of parkland at the local level
 - Supports walking distance requirements
 - Provides access to local parks
 - Provides access to park facilities at the local level
- **Facility Development** – Parkland provides for recreational, program and operational facilities
- **Parkland Design/ Development Potential** – Parkland has qualities that support good design

Parkland Provision (Quantum) at Local Level



- Map shows parkland provision by character areas and areas with anticipated deficits by 2041
- Parkland deficit: 84.2 ha (208.1 ac)
- Provision analysis includes:
 - Destination Parks
 - Community Parks
 - Portions of Greenlands that include Destination or Community Park amenities (programmed greenlands)
- It also factors in recent parkland acquisitions (2018-2021) and confirmed conveyances (2022-2041)

Parks Plan Link to Parkland Conveyance By-law

- Parkland conveyance policies are set based on a reasonable standard, for new development projects, relative to the demand they create.
- Projected 2041 population: 911,318 (14.8% growth)
- CIL rates are then based on the quantum of parkland that will be needed as a result of new growth 2021-2041 (not on pre-existing deficits): 76.3 ha (188.5 ac)
- CIL rates are based only on quantum of parkland at the local level and do not account for other city-wide parkland needs consistent with the Parks Plan Implementation Principles.



Sources of New Parkland and POPS

Sources of New Parkland include:

- Future Parkland Conveyances via Development Process
- Future Parkland Acquisition through direct purchase
 - Opportunity acquisitions
 - Properties of interest for parkland purposes
 - Areas of strategic acquisition

Sources of New Parkland does NOT include POPS:

- POPS are not owned by the City
- POPS are limited in how their space can be developed and programmed
- Although complementary to parks, POPS are not conducive to meeting parkland needs
- POPS would not be eligible for a parkland credit – POPS would be eligible for a CBC credit

Parkland Conveyance By-law Overview



By-law Overview:

- The Parkland Conveyance By-law was last updated in 2007
- Due to recent legislative changes, municipalities need to pass new by-laws by September 18, 2022 to continue utilizing the alternative rate
- Office CIL collection reduction from 5% to 2% in line with other non-residential uses and benchmarking

Alternative Rate Options

Scenario	Citywide Average (3-year SL avg.)	Citywide Average (5-year SL avg.)	DC Land Values (5-year avg. range)	Area Specific Average (3-year weighted avg.)
Parkland Requirement:	76.3 ha	76.3 ha	UGC+MN: 32.5 ha Others: 43.8 ha	UGC+MN: 32.5 ha Others: 43.8 ha
Estimated Land Cost:	\$26.5 million / ha	\$22.9 million / ha	UGC+MN: \$42.2 million / ha Others: \$8.6 million / ha	UGC+MN: \$42.3 million / ha Others: \$8.0 million / ha
Total Cost:	\$2.03 billion	\$1.75 billion	\$1.78 billion	\$1.72 billion
Estimated Alternative Rate Total:	\$1.70 billion	\$1.42 billion	\$1.46 billion	\$1.40 billion
Unadjusted Per Unit Cap:	\$27,936	\$23,352	\$23,970	\$22,980
Adjusted Per Unit Cap:	\$32,040	\$25,588	\$26,402	\$25,112

Phasing and Indexing Considerations

Proposed Rate Phase In and Indexing – Calculated Rate

At Passage (est. May 2022) <i>Current FUR</i>	1 August 2022 30% Implementation	1 February 2023 60% Implementation	1 August 2023 Full Implementation	Every 6 Months Semi-annual Index
<i>\$11,370 / unit</i>	<i>\$15,493 / unit</i>	<i>\$19,615 / unit</i>	<i>\$25,112 / unit</i>	<i>4% scheduled increase</i>

- Gradual rate phase in over 15 months from passage of by-law
- Rate increases would maintain existing index / DC increase schedule
- 4% semi-annual index every 6-months reflects middle ground between historic index (3%) and land value increases (5-6%)
- Recommend comprehensive review every 5-years (with DC study)

Policy Examples in Practice

Residential Building

195 units

- CIL:
 - Current FUR ($\$11,370/unit$):
\$2,217,150
 - Planning Act 1/500: \$8,005,000
 - Original Max Cap ($\$30,500/unit$):
\$5,957,500
 - **New Max Cap ($\$25,112/unit$):
\$4,896,840**



Policy Examples in Practice

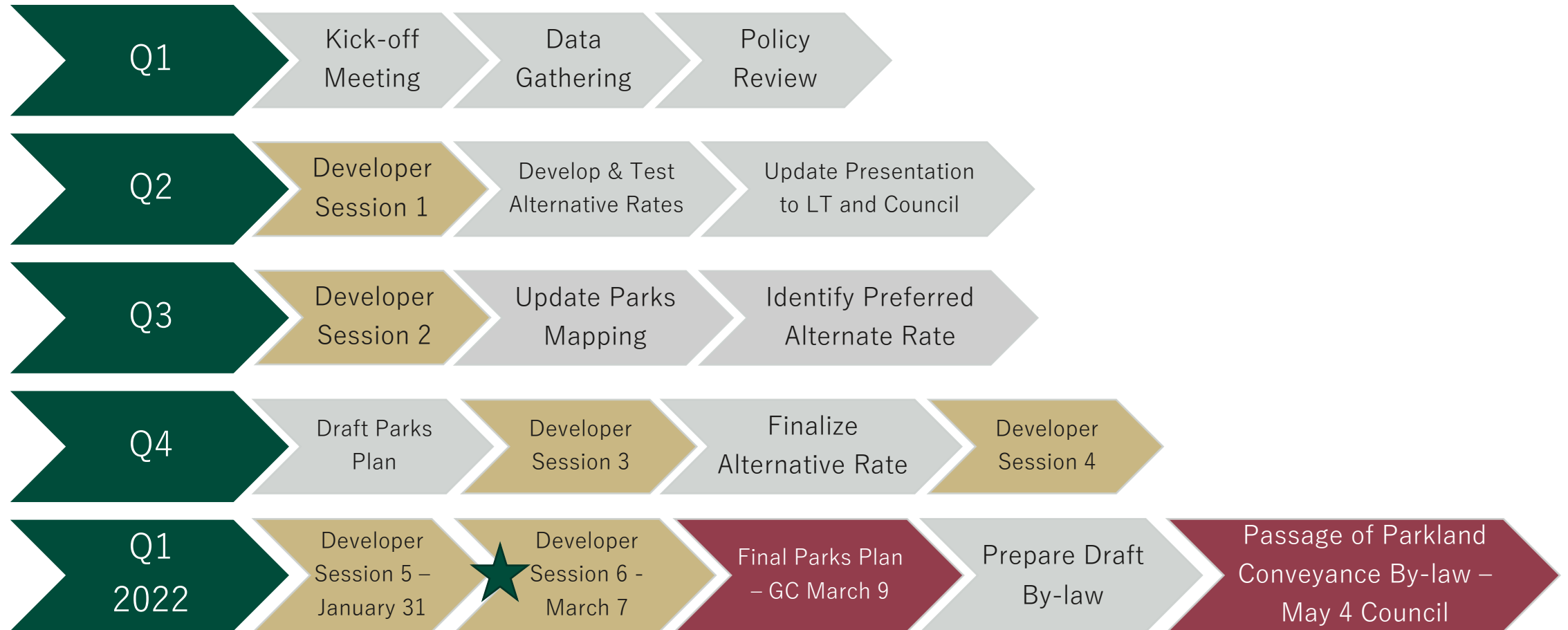
Townhome Project

26 units

- Total CIL:
 - Current FUR (\$11,370): \$295,620
 - **Planning Act 1/500: \$540,800**
 - Original Max Cap (\$30,500/unit): \$793,000
 - New Max Cap (\$25,112/unit): \$652,912



Parkland Conveyance By-law and Parks Plan Timeline



Parkland Conveyance By-Law and Parks Plan – Key Dates

- **Available Now:** Parks Plan and Parkland Conveyance By-law Summary
- **March 9, 2022:** Parks Plan to Council for consideration and approval
- **Late Spring 2022:** Parkland Conveyance By-law to Council for consideration and approval

Parkland Conveyance By-law and Parks Plan: Questions and Discussion

Update on Development Charges Background Study

- Posted on the City's website is the DC Study:
 - [2022 Development Charge By-law review](#)
- Special Care Unit Rate Definition
 - Staff reviewed the definition and rate applicable to Long Term Care and Hospices



DRAFT Residential DC Rates

Service	Residential Charge By Unit Type (1)				
	Singles & Semis	Rows & Other Multiples	Apartments Units	Small Units	Special Care Unit
By-Law Enforcement	\$148	\$115	\$101	\$55	\$37
Development-Related Studies	\$290	\$225	\$197	\$108	\$72
Library Services	\$1,596	\$1,242	\$1,088	\$593	\$397
Fire Services	\$1,518	\$1,181	\$1,034	\$564	\$377
Recreation & Parks Development	\$17,784	\$13,836	\$12,122	\$6,604	\$4,419
Transit Services	\$4,944	\$3,846	\$3,370	\$1,836	\$1,228
Public Works Services	\$866	\$674	\$590	\$322	\$215
LAC Debt	\$87	\$68	\$59	\$32	\$22
Sub-total General Services	\$27,233	\$21,187	\$18,561	\$10,114	\$6,767
Roads And Related Infrastructure	\$22,849	\$17,776	\$15,574	\$8,484	\$5,677
TOTAL CHARGE PER UNIT	\$50,082	\$38,963	\$34,135	\$18,598	\$12,444
(1) Based on Persons Per Unit Of:	4.02	3.13	2.74	1.49	1.00

Note: Parking services are no longer DC eligible and therefore are excluded.

DRAFT Non-Residential DC Rates

Service	Non-Residential Charge	
	Industrial	Non-Industrial
By-Law Enforcement	\$0.77	\$0.77
Development-Related Studies	\$1.52	\$1.52
Library Services	\$0.00	\$0.00
Fire Services	\$7.92	\$7.92
Recreation & Parks Development	\$0.00	\$0.00
Transit	\$25.88	\$25.88
Public Works	\$4.51	\$4.51
LAC Debt	\$0.00	\$0.00
Sub-total General Services	\$40.60	\$40.60
Roads And Related Infrastructure	\$97.28	\$127.00
TOTAL CHARGE PER SQUARE METRE	\$137.88	\$167.60

Note: Parking services are no longer DC eligible and therefore are excluded.

Comparison of Current Residential Rate and Draft Calculated Rates

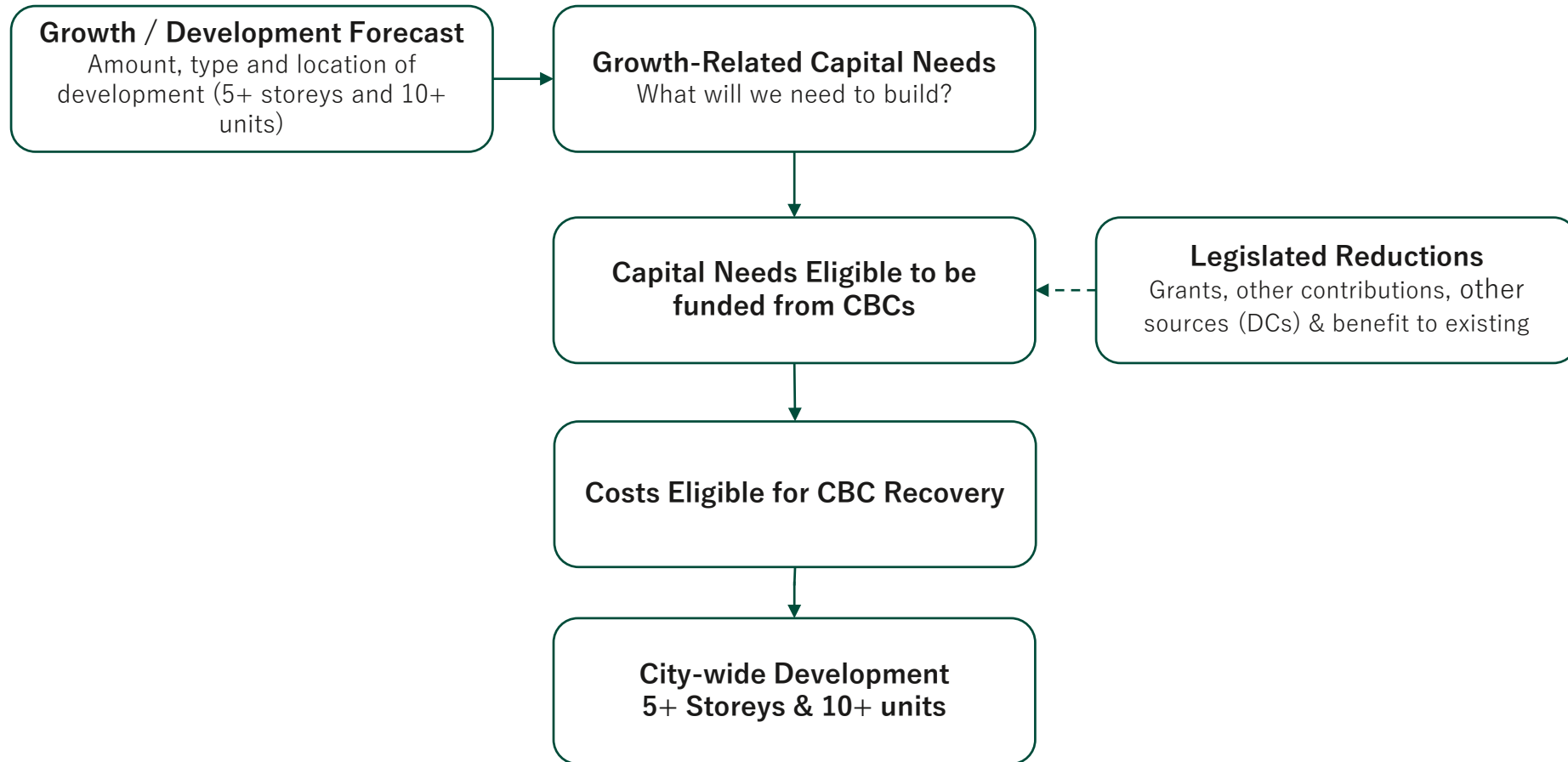
Service	Current Apartment Charge (1)	Calculated Apartment Charge	Difference in Charge	
By-Law Enforcement	\$108	\$101	(\$7)	-6%
Development-Related Studies	\$352	\$197	(\$155)	-44%
Library Services	\$1,253	\$1,088	(\$165)	-13%
Fire Services	\$925	\$1,034	\$109	12%
Recreation & Parks Development	\$12,579	\$12,122	(\$457)	-4%
Transit Services	\$884	\$3,370	\$2,486	281%
Public Works Services	\$662	\$590	(\$72)	-11%
Parking Services (1)	\$310	\$0	(\$310)	-100%
LAC Debt	\$97	\$59	(\$38)	-39%
Sub-total General Services	\$17,170	\$18,561	\$1,391	8%
Roads And Related Infrastructure	\$12,115	\$15,574	\$3,459	29%
TOTAL CHARGE PER UNIT	\$29,285	\$34,135	\$4,850	17%

(1) Rates as of February 1, 2022 to be levied as permitted under DCA.

Comparison of Current Non-Residential Rate and Draft Calculated Rates

	Non-Industrial				Industrial			
Service	Current Non-Industrial Charge (\$/m2)	Calculated Non-Industrial Charge (\$/m2)	Difference in Charge		Current Industrial Charge (\$/m2)	Calculated Industrial Charge (\$/m2)	Difference in Charge	
By-Law Enforcement	\$0.67	\$0.77	\$0.10	15%	\$0.67	\$0.77	\$0.10	15%
Development-Related Studies	\$2.21	\$1.52	(\$0.69)	-31%	\$2.21	\$1.52	(\$0.69)	-31%
Library Services	\$0.00	\$0.00	\$0.00	0%	\$0.00	\$0.00	\$0.00	0%
Fire Services	\$5.84	\$7.92	\$2.08	36%	\$5.84	\$7.92	\$2.08	36%
Recreation & Parks Development	\$0.00	\$0.00	\$0.00	0%	\$0.00	\$0.00	\$0.00	0%
Transit	\$5.71	\$25.88	\$20.17	353%	\$5.71	\$25.88	\$20.17	353%
Public Works	\$4.19	\$4.51	\$0.32	8%	\$4.18	\$4.51	\$0.33	8%
Parking Services (1)	\$1.96	\$0.00	(\$1.96)	-100%	\$1.97	\$0.00	(\$1.97)	-100%
LAC Debt	\$0.00	\$0.00	\$0.00	0%	\$0.00	\$0.00	\$0.00	0%
Sub-total General Services	\$20.58	\$40.60	\$20.02	97%	\$20.58	\$40.60	\$20.02	97%
Roads And Related Infrastructure	\$96.99	\$127.00	\$30.01	31%	\$74.30	\$97.28	\$22.98	31%
TOTAL CHARGE PER M2	\$117.57	\$167.60	\$50.03	43%	\$94.88	\$137.88	\$43.00	45%

CBC Strategy Process



CBC: Development Forecast

- Only buildings with 5 or more storeys and 10 or more residential units are included in the forecast
- Development forecast based on DC apartment forecast 2022-2031
- Total ten year apartment units forecasted = 26,828
 - Low-end CBC eligible development estimate = 22,000 (~82%)
 - High-end CBC eligible development estimate = 24,000 (~89%)
- Forecast is City-wide in-line with the proposed CBC levy

CBC: Revenue Forecast

- Based on recent 6yrs of data (2015-2020) of CBC Eligible developments & 2022 Land Costs (based on DC Study inputs)
- Per unit revenue average in City is estimated at \$2,250

**Forecasted CBC Revenue (2022-2031):
\$45M – \$50M**

CBC Service Areas Descriptions (1/2)

- *Housing*: includes capital costs associated with providing a mix of affordable housing to the growing population in the city.
- *Public Realm and Road Safety*: includes items such as geometric road safety improvements, road speed mitigation measures, tactical urbanism (i.e. low-cost interventions to the built environment intended to improve local neighbourhoods and city gathering places), and public art.
- *Community Facilities*: includes items such as theatres, culture hubs, community centres, libraries, and other facilities for the delivery of programming in the City.

CBC Service Areas Descriptions (2/2)

- *Active Transportation:* includes various capital costs related to active transportation infrastructure within roads right-of-way, in greenspaces, and other areas. Infrastructure included in this service relates to multi-use pathways, trails, cycling infrastructure, and others.
- *Urban Parks:* includes costs related to the development of various types of park space across the City, including urban parks, privately-owned public spaces (POPS), and park infrastructure enhancements.
- *Parking:* includes capital costs related to on-street parking and parking structures in the City's urban areas.
- *Civic Administration:* includes the cost of developing and implementing the CBC Strategy.

Summary CBC Capital Program (\$000)

Service	Net Cost	Replacement & BTE (\$)	Total Development Related Cost	DC Funding	Other GFT	Total CBC Related Costs
1.0 HOUSING	\$120,000	\$66,720	\$53,280	\$0	\$17,936	\$35,344
2.0 PUBLIC REALM & ROAD SAFETY	\$17,870	\$0	\$17,870	\$0	\$2,256	\$15,614
3.0 COMMUNITY FACILITIES	\$21,861	\$10,975	\$10,886	\$5,016	\$320	\$5,550
4.0 ACTIVE TRANSPORTATION	\$22,280	\$8,899	\$13,381	\$0	\$4,505	\$8,876
5.0 URBAN PARKS	\$187,495	\$0	\$187,495	\$133,516	\$12,397	\$41,582
6.0 PARKING	\$87,000	\$13,050	\$73,950	\$0	\$42,284	\$31,666
7.0 CIVIC ADMINISTRATION	\$500	\$0	\$500	\$0	\$0	\$500
TOTAL COST	\$457,006	\$99,644	\$357,362	\$138,532	\$79,697	\$139,132

Note: May not add due to rounding.

CBC: Implementation

- The CBC charge will be on a City-wide basis
- CBC By-law anticipated to be presented to Council for approval in May 2022
- Statutory exemptions to be included in by-law; other exemptions to be reviewed
- In-Kind Contributions
 - Permitted under the legislation
 - Capital program and CBC By-law will be structured to provide for in-kind contributions
- Relationship between CBC and Developer Contributions (e.g. City's amended Boulevards treatment)

CBC Strategy Content (ToC)

- Background and Legislative Context
- Proposed CBC Methodology and Approach
- CBC Development Forecast
- CBC Capital Program
- CBC Revenue Analysis & Rate Structure
- Implementation and Administration

Report for Public Consultation
Prepared by Hemson for City of Mississauga



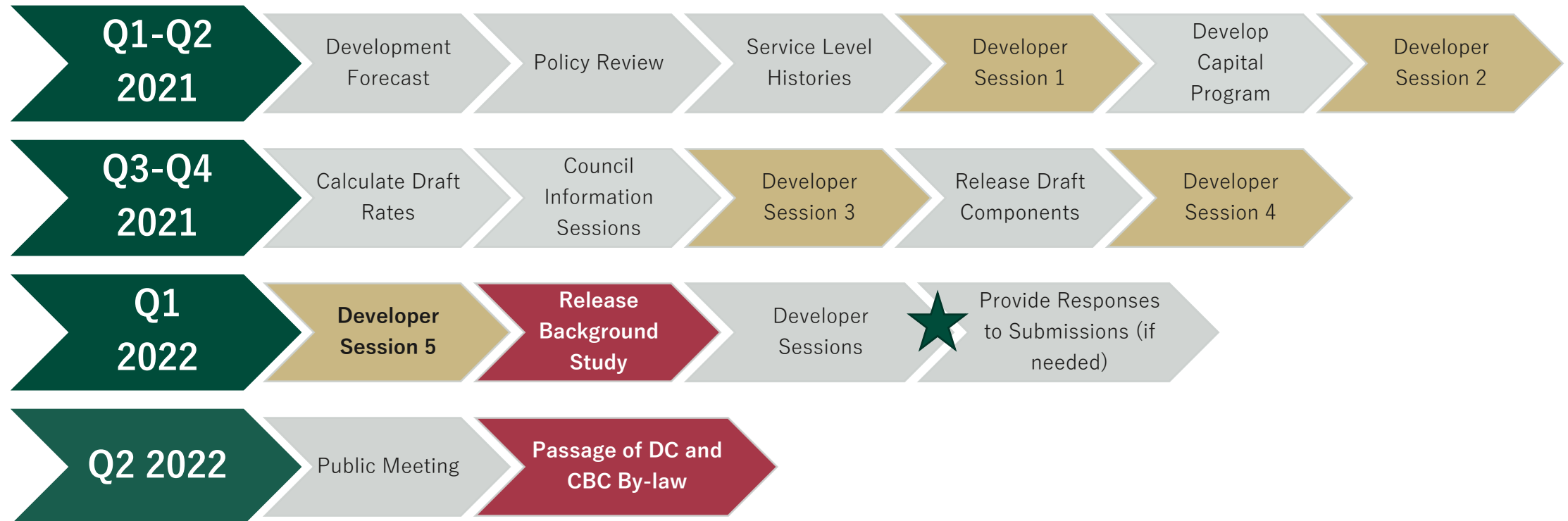
Community Benefits Charge Strategy

March 4, 2022



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DC/CBC Project Timeline



Upcoming Key Dates

- **March 30:** Deadline for written submissions for inclusion in Public Meeting agenda
- **April 6:** Public Meeting on DC Study and CBC Strategy and By-laws
- **May 4:** Anticipated Council Passage of DC and CBC By-laws

DC & CBC Questions / Discussion