

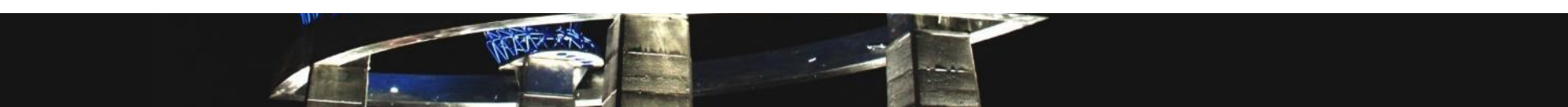
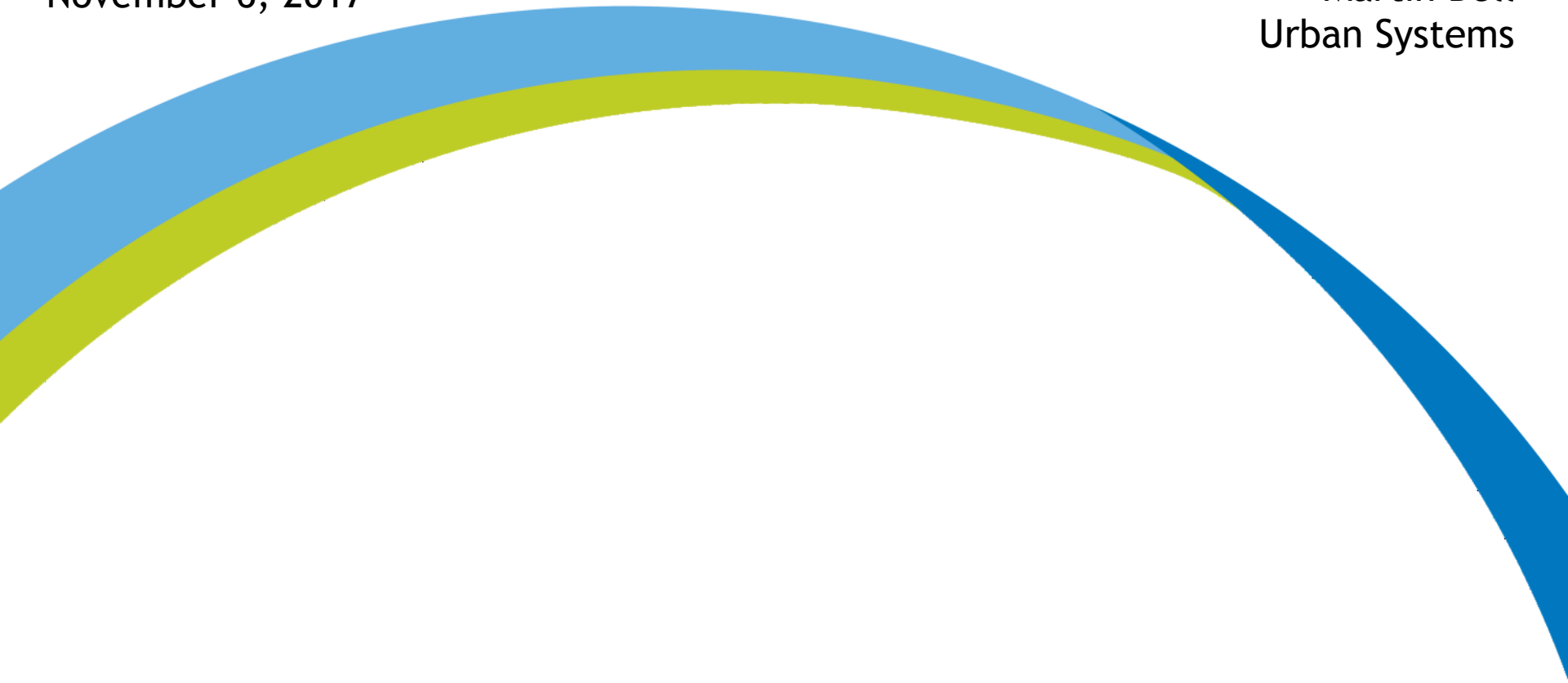
PARKS DEVELOPMENT

PARKLAND ACQUISITION & DEVELOPMENT FUNDING STRATEGY
COUNCIL WORKSHOP 3

November 6, 2017



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Urban Systems



Parks Funding – Workshop Series Overview

- ▶ Workshop #1 - Context and public policy discussions
- ▶ Workshop #2 - Building an evaluation and priority setting tool
- ▶ Workshop #3 - Developing our funding and financing strategy

Overview of Workshop #3

- Summary of direction from the previous 2 workshops
- Criteria matrix of key items for setting parks acquisition and development priorities
- Available financing tools
- Evaluation matrix for financing tools
- Evaluation tools with Council, based on specific criteria
- Place tools into three categories:
 - Proceed
 - Consider/explore further
 - No further effort

Summary of Workshop #2 – October 16th



What we heard:

- Explore opportunity for upward movement in Parks DCCs
- Consider making the parks partnership requirements firmer and more consistent
- Establish standards for Neighbourhood parks for developers to meet
- Ensure the we have flexibility to allocate resources to acquisition or development as required
- Explore potential to open up and allow interim access to parks that are not 100% developed

Criteria Matrix – Key Items

Other important items:

- Rehabilitating existing facilities
- Considering maintenance costs
- Considering anticipated user level
- Addressing economic inequalities
- Attracting new visitors (e.g. sports tourism)



Funding Options

- Development Cost Charges
 - Residential DCC for parks development
 - Commercial DCC for park development and land acquisition
 - Parks DCC for Linear parks acquisition
 - Reducing assist factor
- Community Amenity Contributions
- Requirement for developers to build parks in new residential developments
- Partnerships
 - Developer partnerships
 - Community group partnerships



Funding Options






- Park revenues
- Sponsorships
- Lease or land sale
- Grants
- General taxation
 - Airport fees
 - Hotel tax
- Parcel taxation













Criteria for Evaluation of Finance Tools

- More 'standard' criteria for evaluating financial tools
 - Revenue potential and length of time required to generate funds - how fast the tool works
 - Level of Council control
 - Flexibility of use
 - Administrative efficiency and related items:
 - Costs in staff time
 - Legal implications
 - Ease of implementation
 - Speed of implementation
 - Equity and transparency
 - Risk associated with use of tools and undertaking a project (in regards to revenue generation potential)

Criteria for Evaluation of Finance Tools

-  Positive
-  Somewhat positive
-  Neutral
-  Somewhat negative
-  Negative

Plan alignment	
Serves growth nodes	
Addresses deficiencies	
Addresses needs of user groups	
Revenue potential	
Council control	
Flexibility of use	
Administrative efficiency	
Equity & transparency	
Financial risk	

Who Pays for What



User groups

- Parks revenues
- Sponsorships
- Partnerships
- Tourism taxation
- Lease or land sale

Commercial development

- Commercial DCCs
- Tourism taxation
- Parcel taxation
- General taxation

Revenue Potential

High

- Parks Improvement DCCs
- Linear Parks acquisition DCCs
- Parcel taxation
- General taxation

Medium

- Parks DCCs on Commercial
- Tourism taxation
- Community amenity contributions
- Sponsorships
- Shift in assist factors
- Requirement for developers to build parks in new residential developments

Low

- Lease or land sale
- Partnerships
- Parks revenues
- Grants

Review of Tools

While discussing tools, determine if the City should:

- **1. Proceed** - Tools that line up with goals and direction. These fit well and Council will proceed with direction.
- **2. Consider/explore** - Tools where it is not clear at this point and more work is required to explore.
- **3. No additional effort** - Tools where no extra effort is put into exploring or building more revenue from these methods. Status quo for these tools.

High Revenue Potential

Explore charging DCCs for Parks improvements:

➤ Parks Improvement DCCs can pay for:

- Fencing
- Landscaping
- Drainage
- Irrigation
- Trails
- Restrooms
- Changing rooms
- Playground equipment
- Playing field equipment



High Revenue Potential

Explore charging DCCs for Parks improvements

- Landscaping includes leveling, grass and plants, but does **not** include
 - parking lots or access roads
- Playground and Playing field equipment includes playground structures like swings and slides, but does **not** include:
 - Dugouts and bleachers
 - Field houses
 - Tennis or basketball courts
 - Baseball diamonds
 - Artificial turf fields
 - Picnic Shelters
 - Tracks
 - Lighting systems

High Revenue Potential

Explore charging DCCs for Parks improvements

- DCC credits for parks improvements
- Developers get credit for the lesser of:
 - The City cost estimate for the work in the DCC report;
 - The actual cost of the work; or
 - The Parks Improvement DCC owed by the developer.

High Revenue Potential

Explore charging DCCs for Parks improvements:

- Will need to refine Standards for Neighbourhood parks (for developer build and DCC credits)
- Review against matrix
- Implications of change
- Set out steps to move forward:
 - Quantify
 - Discussions with development community?

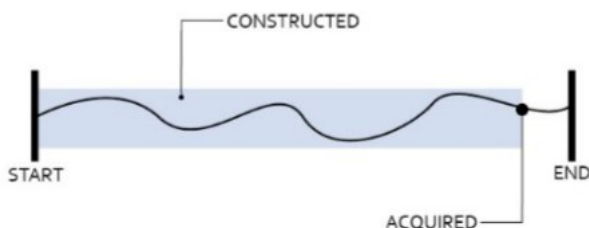
	DCCs
Plan alignment	✓
Serves growth nodes	✓
Addresses deficiencies	✗
Addresses needs of user groups	—
Revenue potential	✓
Council control	✓
Flexibility of use	—
Administrative efficiency	✓
Equity & transparency	✓
Financial risk	—

High Revenue Potential



Acquisition of Linear Parks

- Consider adding Linear parks to the Parkland acquisition list
- Will allow expenditures from the DCC reserve fund to acquire linear parks
- Set out steps to move forward:
 - Quantify
 - Discussions with development community



Mission Creek
Greenway

High Revenue Potential

Parcel taxation

- Create a portfolio of parks projects throughout the city
- Referendum
- For example:
 - City Park walkway \$3.0m
 - Glenmore Rec Phase 3 \$4.9m
 - Rutland Centennial \$2.8m
 - South Padosy Waterfront \$3.0m
 - Black Mountain \$5.94m
 - **Total \$19.64m**
- Revenue generation potential

High Revenue Potential

Parcel taxation

- Review against matrix
- Direction to explore further?
- Why a Parcel tax just for parks?
 - No other revenue stream unlike other infrastructure
 - Parks benefit all areas of the community

	Parcel Taxation
Plan alignment	✓
Serves growth nodes	✓
Addresses deficiencies	✓
Addresses needs of user groups	✓
Revenue potential	✓
Council control	✓
Flexibility of use	—
Administrative efficiency	✗
Equity & transparency	✓
Financial risk	✓

High Revenue Potential

General taxation

- Review against matrix
- Increase in property taxes to pay for parks improvements, or shift in allocation of general taxation revenue to parks
- Strong revenue generation
- Confirm the results of Workshops 1&2 indicate this should not be considered further

	General Taxation	
Plan alignment	✓	
Serves growth nodes	✓	
Addresses deficiencies	✓	
Addresses needs of user groups	✓	
Revenue potential	✓	
Council control	✓	
Flexibility of use	✓	
Administrative efficiency	✓	
Equity & transparency	✓	
Financial risk	✓	

Medium Revenue Potential

Charge a Parks DCC on commercial development

- Impact of commercial development on parks by employees and visitors
- Only on net NEW commercial floor space
- Just for improvement OR both improvement and acquisition?
- Review evaluation against matrix
- Set out steps to move forward:
 - Background work
 - Quantify
 - Discussions with Commercial Development Community

Medium Revenue Potential

Reduce the DCC assist factor

- Currently the DCC assist factor is 8% , plus and extra 3.4% assist for secondary suites
- Could reduce the 8% assist to 1% assist, which is common in many communities
- Parks DCC would increase to compensate for the 7% difference - currently this is paid by general revenues
- Similar evaluation as DCCs
- Steps to move forward

Medium Revenue Potential

Property taxation and DCCs

Shift budget allocation from Parks Acquisition to Parks Development

- Related to generating more revenue for Parks Improvements
- Connection with DCC change to allow funds to be spent on improvements as well as acquisition
- Magnitude of shift
- Implications of change











Medium Revenue Potential

Tourism taxation: Hotel Tax

- Discussed previously with Council
- Confirm that we will not be pursuing increase in Hotel Tax



Medium Revenue Potential

	CACs
Plan alignment	
Serves growth nodes	
Addresses deficiencies	
Addresses needs of user groups	
Revenue potential	
Council control	
Flexibility of use	
Administrative efficiency	
Equity & transparency	
Financial risk	

Community Amenity Contributions

- Community Amenity Contributions
 - Through density bonus
 - Through rezoning
- Paid upon rezoning based on extra density
- Note that these can be difficult to administer equitably and they consume significant staff time
- Review against matrix

Medium Revenue Potential

Sponsorship

- New sponsorship strategy with respect to Parks
- Review against matrix



	Sponsorship
Plan alignment	✓
Serves growth nodes	✗
Addresses deficiencies	—
Addresses needs of user groups	✓
Revenue potential	✓
Council control	—
Flexibility of use	—
Administrative efficiency	—
Equity & transparency	—
Financial risk	—

Medium Revenue Potential

Requiring developers to build parks

- Require developers to construct parks and parks improvements as part of greenfield developments in growth areas.
- Review evaluation against matrix
- Will need to review legal tools available to implement



	Developer Build
Plan alignment	✗
Serves growth nodes	✓
Addresses deficiencies	✗
Addresses needs of user groups	✗
Revenue potential	✓
Council control	✗
Flexibility of use	✗
Administrative efficiency	✗
Equity & transparency	—
Financial risk	—











Lower Revenue Potential

	Lease or land sale
Plan alignment	—
Serves growth nodes	—
Addresses deficiencies	—
Addresses needs of user groups	—
Revenue potential	✗
Council control	✓
Flexibility of use	✓
Administrative efficiency	✗
Equity & transparency	—
Financial risk	—

Commercial lease and sale of surplus land

- Commercial lease of portions of parkland e.g food and beverage
- Sale of surplus parkland e.g. land adjacent to Boyce-Gyro Park
- Revenue potential
- Review against matrix

Lower Revenue Potential

	Partnerships
Plan alignment	
Serves growth nodes	
Addresses deficiencies	
Addresses needs of user groups	
Revenue potential	
Council control	
Flexibility of use	
Administrative efficiency	
Equity & transparency	
Financial risk	

Developer partnerships

- Consider making the parks partnership requirements firmer and more consistent with developers
- Review evaluation against matrix



Lower Revenue Potential

Community group partnerships











- Explore opportunities for partnerships with
 - Sports organizations
 - Non-profit organizations
 - Neighbourhood groups
- Need to review existing policies and framework
- Review against matrix



Lower Revenue Potential

Parks revenues

- Review against matrix

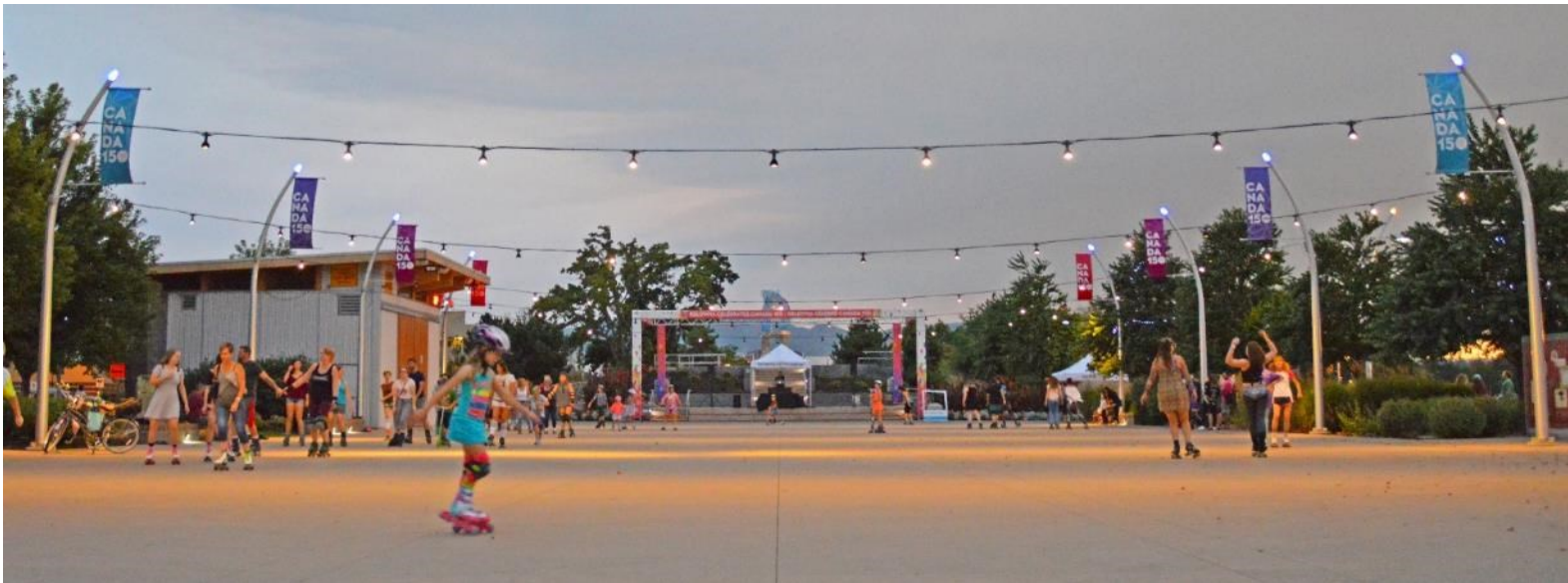
	Parks Revenues
Plan alignment	
Serves growth nodes	
Addresses deficiencies	
Addresses needs of user groups	
Revenue potential	
Council control	
Flexibility of use	
Administrative efficiency	
Equity & transparency	
Financial risk	

Initial Evaluation

	Grants	General Taxation	Tourism Taxation	Parcel Taxation	Developer Build
Plan alignment	✓	✓	✓	✓	—
Serves growth nodes	—	✓	—	✓	✓
Addresses deficiencies	✓	✓	✓	✓	✗
Addresses needs of user groups	✓	✓	✓	✓	✗
Revenue potential	✗	✓	✓	✓	✓
Council control	✗	✓	✓	✓	✗
Flexibility of use	✗	✓	✓	—	✗
Administrative efficiency	✗	✓	✓	✗	✗
Equity & transparency	—	✓	✓	✓	—
Financial risk	✓	✓			—

Results of Evaluation

3. No Additional Effort: Tools where no extra effort is put into exploring or building more revenue from these methods. Status quo for these tools.



Summary

- What was heard today
- Council direction
- Next steps