

Budget Committee

Meeting No.	32	Contact	Matthew Green, Committee Administrator
Meeting Date	Thursday, June 17, 2021	Phone	416-392-4666
Start Time	9:30 AM	E-mail	buc@toronto.ca
Location	Video Conference	Chair	Councillor Gary Crawford

BU32.5	ACTION	Adopted		Ward: All
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Planning Act (Section 42) Reserve Funds Statement, 2016-2019

Committee Decision

The Budget Committee recommends that:

1. City Council receive the report (June 1, 2021) from the General Manager, Parks, Forestry and Recreation for information.

Origin

(June 1, 2021) Report from the General Manager, Parks, Forestry and Recreation

Summary

This report provides a financial statement of Planning Act (Section 42) reserve funds for the fiscal years 2016, 2017, 2018 and 2019. It documents contributions, spending and financial activity associated with cash-in-lieu of parkland dedication payments secured through Section 42, and satisfies the requirement for a public report on these matters.

Section 42 of the Planning Act allows municipalities to require that land be conveyed for parkland as a condition of development or redevelopment. If Council deems lands to be unsuitable for parks, municipalities may accept cash-in-lieu of parkland equal to the value of the land that would otherwise be conveyed. Cash-in-lieu is received^[1] and held in reserve funds for the purpose of parkland acquisition or development.

Cash-in-lieu of parkland dedication is a fundamental funding tool for the City. On average, it accounts for roughly 30 per cent of Parks, Forestry and Recreation's annual capital budget and is the predominant source of funding for the City's parkland acquisition program.

Bill 108 (More Homes, More Choice Act), introduced by the Province in May 2019, created uncertainty around the status of the parkland dedication provisions in the Planning Act. With the enactment of the COVID-19 Recovery Act, 2020 (Bill 197) on July 21 2020, the Province confirmed that the authorities granted through Section 42, including the ability to collect cash-in-lieu of parkland dedication, will continue to be available to municipalities.

Since 2016, the Planning Act has required municipalities to report on the status of Section 42 reserve funds. On September 18, 2020, Ontario Regulation 509/20 came into force, establishing

an ongoing requirement for annual public reporting on Planning Act reserve fund activity. Staff will report on the status of Section 42 reserve funds for 2020 and 2021, and will then report annually according to the requirements of the new regulation, in consideration of annual reserve fund reporting processes.

[1] "Funds received" refers to funds that are available to be spent by the City. It does not include collections under protest, which are held in a separate account and are not spent by the City until the matters are resolved.

Background Information

(June 1, 2021) Report and Attachment 1 from the General Manager, Parks, Forestry and Recreation on Planning Act (Section 42) Reserve Funds Statement, 2016-2019

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167461.pdf>)

Attachment 2 - Summary of Cash-in-lieu Received, 2016-2019, First 5 Percent and Above 5 Percent

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167462.pdf>)

Attachment 3 - Summary of Cash-in-lieu Expenditures, 2016-2019, First 5 Percent and Above 5 Percent

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167463.pdf>)

Attachment 4a - Expenditures from First 5 Percent Cash-in-lieu Reserve Funds, Breakdown by Project (Parkland Acquisition)

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167464.pdf>)

Attachment 4b - Expenditures from First 5 Percent Cash-in-lieu Reserve Funds, Breakdown by Project (Parkland Development)

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167466.pdf>)

Attachment 5 - Expenditures from Above 5 Percent Cash-in-lieu Reserve Funds, Breakdown by Project

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167467.pdf>)

Attachment 6 - Financial Activity, 2016-2019, First 5 Percent Reserve Funds

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167468.pdf>)

Attachment 7 - Financial Activity, 2016-2019, Above 5 Percent Reserve Fund

(<http://www.toronto.ca/legdocs/mmis/2021/bu/bgrd/backgroundfile-167469.pdf>)