

Payment-In-Lieu of Parkland (Parks Reserve Fund) – Treasurer’s Annual Financial Statement as of December 31, 2022

Presented To:	Finance and Administration Committee
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Type:	Correspondence for Information Only
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Recommended by:	General Manager of Corporate Services

Report Summary

The Planning Act requires the City Treasurer to present an annual financial statement about the payment-in-lieu of parkland (Parks Reserve Fund). This report provides a 2022 financial statement of this reserve fund.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

Financial Implications

There are no financial implications associated with this report.

Background

A municipality may require, as a condition of development, that land be conveyed to the municipality for park or other public recreational purposes. Alternatively, Council may require payment-in-lieu to the value of the land otherwise to be conveyed with rates of 2% for commercial/industrial purposes and in all other cases a rate of 5% of the land value instead of parkland development.

The City has been collecting payment-in-lieu of parkland funds for many years and has been maintaining a dedicated reserve fund to record and track the use of those funds.

Under the *Planning Act*, the Treasurer shall present a statement relating to Cash in Lieu of Parkland. The Treasurer’s statement must include, for the preceding year:

- (a) Statements of the opening and closing balances of the special account and of the transactions relating to the account;
- (b) Statements identifying:

- i. Any land or machinery acquired during the year with funds from the special account,
- ii. Any 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 subclauses (i) and (ii), the manner in which any capital cost not funded from the special account was or will be funded.

Annual Financial Statement:

January 1, 2022, balance	\$	1,181,948
Interest income earned	\$	28,502
New deposits received	\$	221,334
Expenses incurred	<u>\$</u>	<u>(232,288)</u>
December 31, 2022, balance	\$	1,199,496

The expenses incurred during 2022 funded from this account included the following:

A. Convert Parks Lighting to LED	\$117,288	(Note A)
B. Playground Revitalization	\$90,000	(Note B)
C. Terry Fox Complex Parking Lot Upgrades	<u>\$25,000</u>	(Note C)
Total Expenses Incurred	\$232,288	

Note A – Will be fully funded from this account and further explained in Note 1 below.

Note B – Relates to the “Playground Revitalization Update 2022” report (CS2022-02) presented to Community Services Committee in February 2022 for upgrades at 8 playgrounds. This project has been funded from existing capital funds, Holding Reserve as well as FedNor Canada Community Revitalization grant funding. In addition, this report included an application to Ontario Trillium Foundation Community Building Fund (Capital Stream) for an additional 5 playgrounds. The City’s share of \$100,000 was to be funded from this account if the application was successful. Unfortunately, the Ontario Trillium Foundation application was unsuccessful.

Note C – Funding sources for this project includes this account, capital funds, Holding Reserve and cost sharing with College Boreal.

There are specific project commitments in this reserve fund as follows:

1. Convert Parks Lighting to LED	\$59,712	(Note 1)
2. Val Caron Splash Pad (previously for Bell Park)	\$49,892	(Note 2)
3. Purchase of Parkland	\$10,088	(Note 3)
4. Pinecrest Gardens Phase 1	\$12,000	(Note 4)
5. Green Space (as per Green Space Advisory Panel)	<u>\$115,179</u>	(Note 3)
Total Commitments	\$246,871	

Note 1 – During 2022 Budget deliberations in December 2021, Council approved \$177,000 to be used towards the conversion of Parks lighting to LED. This draw will be replenished in future years from energy savings.

Note 2 – Funds were originally set aside in the 2011 Capital Budget in relation to an ACT Partnership to install a new splash park at Bell Park. However, the partnership/application for grant funding was not successful, so the funds have since been cancelled for this splash park and can be used for future projects. Community Services Committee approved that these funds be reallocated to fund the remaining splash pads (ie. Val Caron) in the parks and open space master plan.

Note 3 – In accordance with by-law 2010-158, funds from the sale of surplus parkland would be deposited in this Reserve Fund. Fifty percent of the funds from any particular sale will be directed towards acquisition of parkland based on the adopted Green Space priority list (funds available of \$115,179 at end of 2022). The other fifty percent of the funds from any particular sale will be directed towards acquisition of parkland or park development in the ward in which the sale was made (funds available of \$10,088 relates to Ward 2).

Note 4 – Represents a deposit towards developing the parkland at Pinecrest Gardens Subdivision. This deposit will be returned to the developer once conditions around developing the parkland have been fulfilled.

Conclusion:

This report is to meet annual requirements of the Planning Act to provide Council with a financial statement of this reserve fund.