



EXECUTIVE COMMITTEE

**Wednesday, June 15, 2016
11:45 AM**

Henry Baker Hall, Main Floor, City Hall



**Public Agenda
Executive Committee
Wednesday, June 15, 2016**

Approval of Public Agenda

Minutes of the meeting held on May 18, 2016

Administration Reports

EX16-13 The Right to a Healthy Environment - Status Report - Motion MN16-1

Recommendation

1. That the Administration be directed to conduct further analysis and review as to the actions taken by other municipalities in order to determine best practices related to environmentally sustainable initiatives specific to the Blue Dot Movement and Motion; and that this further information be brought back to the Executive Committee by the end of 2016.
2. That item MN16-1 be removed from the list of outstanding items for the Executive Committee.

EX16-14 2017 Reassessment

Recommendation

1. That Executive Committee endorse the guidelines and principles for consulting on a commercial phase-in tax policy as outlined in this report.
2. That the Administration continue the consultation with the business community on the options for a phase-in of tax changes for commercial property due to the reassessment.
3. That a report on tax policy options be brought forward in the fourth quarter of 2016.

EX16-15 Implications of Joint-Use Schools as Municipal Reserve

Recommendation

That item CR15-81 be removed from the list of outstanding items for the Executive Committee.

Resolution for Private Session

AT REGINA, SASKATCHEWAN, WEDNESDAY, MAY 18, 2016

AT A MEETING OF THE EXECUTIVE COMMITTEE

HELD IN PUBLIC SESSION

AT 11:45 AM

Present: Councillor Wade Murray, in the Chair
Mayor Michael Fougere
Councillor Sharron Bryce
Councillor Bryon Burnett
Councillor John Findura
Councillor Jerry Flegel
Councillor Shawn Fraser
Councillor Bob Hawkins
Councillor Mike O'Donnell
Councillor Barbara Young

Regrets: Councillor Terry Hincks

Also in Attendance: City Clerk, Jim Nicol
Deputy City Clerk, Erna Hall
A/City Manager, Kim Onrait
A/Chief Financial Officer, June Schultz
Executive Director, Legal & Risk, Byron Werry
A/Executive Director, City Services, Laurie Shalley
A/Executive Director, City Planning & Development, Don Barr
Executive Director, Transportation & Utilities, Karen Gasmó

APPROVAL OF PUBLIC AGENDA

Councillor Sharron Bryce moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

ADOPTION OF MINUTES

Councillor Barbara Young moved, AND IT WAS RESOLVED, that the minutes for the meeting held on April 13, 2016 be adopted, as circulated.

CITY CLERK'S REPORTS

EX16-12 City Administration Reorganization and Bylaw Amendments

Recommendation

1. That the City Solicitor be instructed to prepare the necessary changes to City Bylaws to give effect to the organizational changes contained in this report as well as other house-keeping changes to position titles that were not updated following the previous re-organization.

2. That this report be forwarded to the May 30, 2016 City Council meeting for approval.

Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in after amending recommendation #2 as follows:

- 2 **That this report be forwarded to the June 27, 2016 City Council meeting for approval.**

RESOLUTION FOR PRIVATE SESSION

Councillor Sharron Bryce moved, AND IT WAS RESOLVED, that in the interest of the public, the remainder of the items on the agenda be considered in private.

RECESS

Councillor Jerry Flegel moved, AND IT WAS RESOLVED, that the meeting recess for five minutes.

(The meeting recessed at 11:54 a.m.)

Chairperson

Secretary

June 15, 2016

To: Members,
Executive Committee

Re: The Right to a Healthy Environment – Status Report - Motion MN16-1

RECOMMENDATION

1. That the Administration be directed to conduct further analysis and review as to the actions taken by other municipalities in order to determine best practices related to environmentally sustainable initiatives specific to the Blue Dot Movement and Motion; and that this further information be brought back to the Executive Committee by the end of 2016.
2. That item MN16-1 be removed from the list of outstanding items for the Executive Committee.

CONCLUSION

The City of Regina Administration has reviewed and researched the David Suzuki Foundation's Blue Dot Movement Campaign and recognizes the spirit and intent of citizens' rights to a healthy environment. Through the City's Official Community Plan (OCP) and other policy documents, the City is well positioned to influence and promote environmental conservation, stewardship and sustainability in its decision-making processes. It is important to recognize that a healthy environment is not only the responsibility of municipalities, but also other levels of government, the private sector, and in fact, each and every individual living in a community, regardless of the size or demographics.

This report provides the status of the City's current efforts and accomplishments that support the intent of the Motion put forward by Councillor Fraser in January 2016. As per the direction of Council, the legal, financial and environmental implications of the Motion below are stated in the associated sections of the report. To note, the Motion in and of itself has no financial, environmental or legal implications; however, specific initiatives, projects and actions linked to or arising from the Motion could have associated implications. As such, implications arising from specific actions would be reviewed and taken into consideration.

Further to this report, Administration will review and analyse other municipalities' practices in terms of environmentally sustainable actions within the context of the Blue Dot Movement and Motion. Further information will be brought forward to Council in due course.

BACKGROUND

At the January, 2016 meeting of City Council, the following motion by the Community and Protective Services Committee was brought forward:

1. The City of Regina shall specify objectives, targets, timelines, and actions that it will take within its jurisdiction to fulfill residents' rights to a healthy environment, including priority actions to:
 - Ensure infrastructure and development projects protect the environment;
 - Document, protect, and prioritize green infrastructure, such as city trees;
 - Document current greenhouse gas emission estimates and identify areas where emissions can potentially be reduced;
 - Responsibly increase density;
 - Prioritize walking, cycling and public transit as preferred modes of transportation;
 - Ensure adequate infrastructure for the provision of safe and accessible drinking water;
 - Reduce solid waste and promote recycling and composting; and
 - Establish and maintain quality accessible green spaces in all residential neighbourhoods
2. The City of Regina will consult with residents as part of this process
3. The City of Regina shall review these objectives, targets, timelines and actions every five (5) years, and evaluate progress towards fulfilling this declaration
4. The City of Regina, recognizing the critical role that other levels of government play in providing a healthy environment, send letters of support to the provincial government and to the federal government encouraging them to develop provincial and federal legislation that supports all peoples' rights to live in a healthy environment

Upon hearing the motion, City Council resolved that this item be referred to Administration for a report back to Executive Committee on the financial, legal, environmental and other relevant implications of the motion for the City of Regina.

This report reviews Regina's current sustainability framework as articulated in *Design Regina, the Official Community Plan*, Bylaw 2013-48 (OCP), and the progress that has been made to date in achieving the intended results, recognizing that this plan is to be implemented over the next 25 years.

DISCUSSION

The City of Regina considers environmental conservation, stewardship and sustainability as a priority when determining and setting the direction and future for the city. Sustainability is also referenced in the vision of the City of Regina. In that context, sustainability is described as people forging a balance between the economic, social, environmental and cultural dimensions of their decisions by serving as stewards of the resources we share and by demonstrating leadership.

Furthermore, in 2011, City Council adopted the definition of sustainability as follows: “Regina aims to be a sustainable four-season community that meets its current needs without compromising the needs and quality of life of future generations.”

Environmental sustainability is further outlined in one of the eight Community Priorities of the OCP, the City’s highest order policy document, as follows:

Promote conservation, stewardship and environmental sustainability:

Reduce the city’s environmental footprint; prioritize the conservation of land, water and energy; and embrace new operational measures, such as leading practices for waste management.

The community priorities of the OCP were developed through a significant community engagement process and provide direction on the actions required to meet the vision. The OCP lays out a process of regular renewal and review and as such, will include examination of our intentions and progress with regard to environmental sustainability every five years.

OCP Implementation and Monitoring Framework

To ensure the implementation of the OCP, the City has established an implementation and monitoring framework that has been described in detail in both our annual budget and annual report documents. In general, the framework considers the OCP as a driver of both the City’s Strategic Plan (which outlines the major changes and/or improvements the City will tackle over a four to five year window) and the implementation and delivery of our day to day services to residents (including the policies and master plans that guide the delivery of those services).

Monitoring of progress of the OCP includes the following:

1. **The measurement of progress on the strategic plan.** These measures were developed in tandem with the strategic plan and provide feedback on how implementation of the plan is progressing.
2. **The measurement of the delivery of day to day service to residents** including:
 - a. The delivery of master plans that are based on the policy objectives of the OCP and are designed to ensure long term sustainable service delivery (including the assets required to deliver the service where necessary).
 - b. Key performance indicators such as service levels; service effectiveness and service efficiency. As part of our effort to measure our delivery of reliable service, the City has joined a national performance benchmarking network, the Municipal Benchmarking Network Canada (MBN Canada). These measures can provide a starting point for performance measurement upon which other measures can be built. In the future, these measures will include the achievement of service level targets.
3. **An outline of the decisions and actions that have been undertaken by the City in response to the OCP since it was approved.** This approach recognizes that the implementation of the OCP takes place in many ways. Progress is often incremental and will be made through small or major policy and program decisions and actions. These decisions and actions may not be evident in other forms of performance measurement, but are certainly driven by the OCP.

4. **Reporting on performance targets that appear in the OCP.** The OCP contains a few direct performance targets and may actually imply others. Those that are articulated directly include:
- a. **Intensification Targets:**
 - i. At least 30% of new population is directed to existing urban areas
 - ii. At least 10,000 new residents will be located in the city centre
 - b. **New Neighbourhood Density Target:** Minimum gross population density of 50 persons per hectare in new neighbourhoods
 - c. **Urban forest Target:** One tree per person in public spaces
 - d. **Office Development Target:** At least 80% of total office floor area in the city, pertaining to medium and major office development is located in the downtown/central city office area
 - e. **Plan Monitoring Targets:** Amendments to the Plan are identified and implemented between reviews to improve the Plan or to renew and update it between reviews in response to changing circumstances, using the Community Priorities and Plan goals as guidance

Environmental Sustainability Results to Date

OCP monitoring results are not exclusively limited to the policy goals and objectives of the Plan in the environment section. Indeed, as the original committee motion suggested, there are a wide variety of factors that contribute to the achievement of a “sustainable community” that delivers a “healthy environment” for all residents.

Progress on the Strategic Plan

As the first strategic plan since the adoption of the OCP, the current plan is focused on building the foundation for future achievement of the OCP.

The deliverables of the strategic plan include the development and/or review of current policies, strategies, manuals and guidelines that affect how development occurs, how services are delivered, and how land use is managed.

The strategic plan includes the development and implementation of an intensification work plan. That work plan has so far included the engagement of the public on Infill Guidelines, conducting of a pilot on Laneway Housing, and the launch of work to ensure infrastructure has the capacity to provide key services such as water and wastewater to higher density populations. Also underway is a review the Development Standards Manual that articulates the engineering guidelines (including protection of the environment) for new development and a comprehensive review of the Zoning Bylaw (which dictates specific land use in every area of the City and is one of the primary vehicles through which environmentally appropriate land use can be assured).

Measurement of Delivery of Day to Day Services

To ensure that the City is able to target improvements it has developed several plans that are designed to address sustainability issues. These include *Waste Plan Regina* which has resulted in the introduction of a curb-side recycling service to residents and will gradually phase in such other services as organic and garden waste and white goods over the next few years. Other plans that contribute to sustainability include the *Urban Forest Management Strategy* and the *Open Space Management Strategy*, two documents that guide the ongoing management, design, and delivery of the City's green spaces and forest canopy.

The MNB Canada will assist in understanding how these plans contribute to sustainability. In late 2016, the City will formally report on the first 12 of 27 services. However, it has recently reported on a few measures in its annual report, some of which are relevant to the concept of sustainability. These include:

- **All parkland in the municipality as a percentage of total area of the municipality:** 8.83% (national MBN Canada Range: 1.5% to 12.8%)
- **Hectares of natural and maintained parkland in the municipality per 100,000 population:** 739 (national MBN Canada Range: 288 to 1,733)
- **Number of regular service passenger transit trips per capita:** 26.7 (national MBN Canada Range: 19.6 to 190.4)
- **Tonnes of all solid waste material collected per household (residential):** 1.43 (national MBN Canada Range: 0.84 to 1.05)
- **Tonnes of solid waste material diverted per household (residential):** 0.26 (national MBN Canada Range: 0.23 to 0.70)
- **Megalitres of water treated per 100,000 population:** 12,410 (national MBN Canada Range: 10,526 to 32,544)
- **Megalitres of treated wastewater per 100,000 population:** 12,979 (national MBN Canada Range: (12,633 to 44,857)

Decisions and Actions to Implement OCP

The following is a selection of actions and decisions made in 2014 and 2015 (since the OCP was adopted) that are relevant to the issue of sustainability in Regina.

- A draft version of the City's first Transportation Master Plan (TMP) was completed in 2015 – a key guiding document that will advance the implementation of the OCP. This plan sets the course for how different modes of transportation are integrated into new and existing areas. The draft TMP contains policies for things such as bike and pedestrian path design, traffic flow, and roadway design, all in support of the policy goals of the OCP.
- The Railyard Renewal Project is important in supporting the intensification strategies in the OCP. This project launched in 2015 with public consultation on its design and vision.
- Continuing to protect, promote and expand Regina's urban forest and street tree canopy, the City planted 475 trees and encouraged developers to plant drought and flood-tolerant foliage with low water requirements. Increasing the number of trees improves air quality,

increases carbon sequestration, and enhances the aesthetic character of the city. Encouraging the use of specific foliage significantly reduces the amount of irrigation required to establish the foliage as well as reduces replacement costs of plant material that may be exposed to extreme Saskatchewan weather conditions.

- In 2015, the City reduced the Urban Forest's pruning cycle by one year after exceeding the department's pruning target by 2000 trees. This effort should improve the health of the tree canopy over the longer term.
- Changes made to the Winter Maintenance Policy will contribute to improve all-season accessibility and mobility for Regina residents. In 2014, the Winter Maintenance Policy was amended to enhance service levels by including sidewalk clearing adjacent to City-owned parks located next to public schools.
- Beginning in the winter of 2015, the City of Regina cleared sidewalks adjacent to City-owned parks on category 3 and 4 roads. This change to the Winter Road Maintenance Policy adds 26 km of sidewalks to the snow clearing schedule and, in turn, improves accessibility for citizens throughout the winter months.
- To help enhance the city centre and establish the location as a central hub, recommendations from the Downtown Transportation Study saw the implementation of a shared traffic and pedestrian corridor along 12th Avenue between Hamilton Street and Lorne Street. The changes to this corridor improve the flow of traffic through the downtown, while maintaining a safe and accessible corridor for pedestrian traffic.
- In 2014, transit was extended into Eastgate. This decision complemented significant transit improvements in July 2013 when service was expanded to previously unserved or poorly served neighbourhoods. At the same time, two new express routes operating on Albert Street and Victoria Avenue were added. Bus service was also introduced in the Hawkstone development to ensure this area had no more than a 400 meter walk to Transit services.
- The approval of a U-Pass at the University of Regina will require additional routes and enhanced service frequencies to support the increase of students taking the bus. Around 10,000 students will have a U-Pass and will be able to use the transit service while going to the University. Ridership is expected to increase gradually as new users to the transit system try it for the first time. This will build future generation Transit riders that will form new transportation habits.
- The Wastewater Treatment Plant project continued throughout 2015. The development of the new plant supports the environmental objectives of the OCP, improving effluent quality.
- The construction of a waste-to-energy facility began in 2015. Beginning in 2016, this facility will convert landfill gas, a by-product of decomposing waste, into electricity. This electricity will be sold to SaskPower through the Green Options Partners Program.

- The City reviewed and revised the Herbicide Reduction Plan to ensure the long term health of open space assets by managing weeds while reducing herbicide use in parks and open space areas.

Reporting on Performance Targets in the OCP

At this point metrics for measuring performance targets in the OCP have been developed for only one measure. Work continues on the rest and reporting is anticipated as part of the next annual report. The following measure is currently being tracked:

Measure	Target	2014	2015
Population growth through intensification of existing areas	30%	26%	12%

The City’s existing policy framework guides current and future actions to ensure Regina citizens reside within a healthy environment. Though the policies and plans are inter-departmental in nature, they are framed and cascade from City Council’s Vision, through the OCP’s Community Priorities, through to the next level plans, policies and actions.

RECOMMENDATION IMPLICATIONS

Financial Implications

Environmental sustainability initiatives identified within the OCP and other supporting documents will be brought forward through the regular budget process, if and when required. One of the priorities in the OCP is “achieving long-term financial viability.” As the City moves forward with initiatives, such as those mentioned in this report, this OCP priority should be considered. To understand the long-term implications of these initiatives they should be considered in the context of the currently in-progress long-range financial plan to ensure financial sustainability and viability for the City.

Environmental Implications

The City of Regina considers environmental conservation and sustainability as a priority when determining and setting the direction and future for the city. As such, the City’s OCP Implementation and Monitoring Framework will guide the delivery and achievement of OCP policy objectives on an ongoing basis using an integrated approach.

Policy and/or Strategic Implications

The City’s strategic plan and ongoing policy reviews are based on alignment with and delivery of the OCP. As such, the framework presented is integrated and holistic. While not focused solely on environmental sustainability, it is designed to deliver on environmental sustainability as one aspect of the priorities the public described in the extensive engagements held to develop the OCP.

Other Implications

Legal implications will be specific to initiatives and will be identified and considered when initiatives are brought forward.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

OCP implementation progress is reported regularly to the community through the Annual Report which is posted on the City's website. At the time of the five-year review, public and stakeholder engagement will be included as part of the process to consider implementation, progress, barriers, successes, failures, challenges and opportunities to identify amendments, mechanisms and approaches to continuously improve the Plan. This could include identifying where efforts to foster a healthy environment need to be strengthened.

DELEGATED AUTHORITY

This report is within the delegated authority of the Executive Committee.

Respectfully submitted,



Dawn Martin
Manager, Strategy Management

Respectfully submitted,



Chris Holden
City Manager

Report prepared by:

Sheila Harmatiuk, Senior Advisor to the City Manager
Kim Sare, Senior City Planner
Dawn Martin, Manager of Strategy Management

June 15, 2016

To: Members,
Executive Committee

Re: 2017 Reassessment

RECOMMENDATION

1. That Executive Committee endorse the guidelines and principles for consulting on a commercial phase-in tax policy as outlined in this report.
2. That the Administration continue the consultation with the business community on the options for a phase-in of tax changes for commercial property due to the reassessment.
3. That a report on tax policy options be brought forward in the fourth quarter of 2016.

CONCLUSION

The 2017 Reassessment will update the base date to January 1, 2015, which is the appraisal date used for determining assessments. Updating the base date ensures that assessments that reflect more current market data and that the change in property value that occurs over time is reflected. Progress continues to be made in the implementation of the 2017 Reassessment, however there is still considerable effort required to complete the reassessment. Public consultation and transparency in assessment, tax and budget processes are important to maintain confidence and build trust in Regina's municipal government. Developing principles for the 2017 tax policies, scheduling the timing and setting direction early in the process will allow appropriate information available to consider in the tax policy discussions.

BACKGROUND

The purpose of this report is to provide an update on the 2017 Reassessment including information on the process, timing and principles for tax policy that will provide direction for discussion with the business community regarding consideration of phase-in of tax changes for commercial properties.

Legislation applicable to the reassessment includes:

- Section 22(1) of *The Assessment Management Agency Act* states:
“Notwithstanding any other Act, commencing on January 1, 1997, all assessable properties in every municipality are to be revalued under the direction and supervision of the agency once every four years.”
- Sections 165(1) and (2) of *The Cities Act* state:
 - (1) “An assessment shall be prepared for each property in the city using only mass appraisal.”
 - (2) “All property is to be assessed as of the applicable base date.”

DISCUSSION

The 2017 Reassessment is mandated by provincial legislation. Legislation requires a reassessment every four years and given that the last reassessment occurred in 2013, the next year for reassessment or revaluation is 2017.

Legislation requires that each reassessment reflect a base date. The base date for the 2017 reassessment has been set as January 1, 2015. Legislation directs that assessments are based on a mass appraisal market value assessment system.

Completed efforts related to the 2017 Reassessment include:

1. Updating the Computer Assisted Mass Appraisal (CAMA) and taxation system (referred to internally as TAS) to support the 2015 base date has been completed.
2. Collecting data required to implement the income approach. The data required is for the 2011, 2012, 2013 and 2014 fiscal years. Requests were mailed to approximately 2,800 properties with responses received from 80 per cent of the properties.
3. Collecting sales data and reviewing and verifying the sales information.
4. Completion of preliminary valuation models for all properties.
5. Submitting values to the provincial government to meet the April 1, 2016 deadline of preliminary assessment values for the 2017 Reassessment.
 - The Province will use the preliminary assessment data for analysis and consultation leading to the establishment of provincial percentages. The Province communicates the assessment changes typically starting in June without applying municipal tax policies.

While progress has been made there is still effort required to review and establish tax policies and planning the communication and customer service strategies. Significant steps that remain are:

1. Development of a communication strategy and customer service strategy. Much of the effort on these strategies will occur in the third quarter of 2016. As in past reassessments, information on Regina.ca will be a major component of the communication and customer service strategies.
2. The Administration will mail individual letters advising property owners of the changes in assessment and the estimated tax impact due to the reassessment in late August 2016 for residential class properties and in September 2016 for commercial and other classes of properties.
3. Assessment notices will be mailed in November 2016. This timing is important as the City of Regina has made an effort to advance the timing of assessment appeals. This allows for the appeal risk to be known earlier in the budget cycle and results in a more stable tax base. This also allows taxpayers notice to prepare for any tax changes.

4. Work on the analysis of reassessment tax impacts is under way that includes modelling of tax policy options.
5. Council should establish principles to use as guidelines for establishing tax policy options that would be developed by the Administration for public consultation. This approach was very successful in the 2009 and 2013 Reassessments. This type of approach has been supported by the Regina and District Chamber of Commerce and cited as a critical step in the public consultation process for commercial property owners and businesses.
6. Consultation with the business community will continue in 2016 through meetings and presentations to the Regina and District Chamber of Commerce and other interested business groups. The business community has in the past advised that communication of the impact of reassessments needs to occur in the fall so that businesses have time to adjust budgets for the reassessment tax year.
7. Administration will prepare a review of tax policy tools for consideration by City Council. The tax policy tools available include mill rate factor and subclass used on the incidence of tax between property classes (residential and commercial), the use of a base or minimum tax, and the phase-in of tax changes resulting from the reassessment. Tax policy decisions need to be made prior to setting the mill rates and mill rate factors for 2017.

There are many stakeholders in the assessment system, including the public (individuals, businesses and local organizations), local governments (municipalities, school and library boards), the Province and other organizations such as the Saskatchewan Assessment Management Agency (SAMA). The goal of all stakeholders is a property assessment system that results in assessment values that reflect market values using mass appraisal. This is accomplished through adherence to valuation standards. These mass appraisal market value standards call for the use of three legislated approaches to valuing property: cost, sales comparison and income. The intent of the standards is to use the approach for a particular property or group of properties that best reflects market value for the property.

Reassessment Process Steps

The milestone steps in the reassessment process are outlined below:

1. Assessments calculated based on the 2015 base year.
2. Preliminary assessment data provided to the Province by April 1, 2016.
3. City Council adopts principles for the 2017 Reassessment.
4. Notification to property owners of the assessment changes and the estimated impact of reassessment in August/September of 2016.
5. Assessment Notices mailed in November 2016.
6. Assessment appeals for the 2017 Roll close 60 days after mailing of assessment notices.
7. Tax policy options approved by City Council in the first quarter of 2017.
8. 2017 Budget process sets the required total tax amount.
9. Required bylaws for mill rates and mill rate factors are approved by City Council in spring 2017.
10. 2017 Tax bills issued in the spring of 2017.

The City of Regina will continue to use the “Truth in Taxation” principle. *The International Association of Assessing Officers’ Standards for Property Tax Policy* describes the principle as requiring governments to notify property owners if there is going to be an increase in property tax rates or revenues separately from tax changes due to revaluation. As in past reassessments, the City of Regina will provide individual notices on the effect of reassessment that include projected property taxes and will also make this information available for every property, on Regina.ca.

Principles for Commercial Phase-In

In the last two reassessments, the principles were adopted in June of the year prior to the reassessment and notification of the reassessment impact occurred in the late summer/early fall of the year prior to reassessment. The notification to all property owners shows the impact of the reassessment based on the current budget and tax policies based on the principles that City Council had adopted. The City of Regina communicates budget decisions separately and clearly identifies tax changes due to increases in property tax revenue.

Commercial Phase-In

Phase-in plans were applied to the Commercial and Industrial property class in each of the past five reassessments. For the 2013 Reassessment, City Council, in report CR12-9, adopted the following principles to use as guidelines for consulting with the business community and in establishing tax policy regarding phase in for commercial properties:

1. Stability in property taxes is important to ensure we have a sustainable, fair, competitive and viable economic environment.
2. Administrative cost and complexity should be avoided as much as possible.
3. Principles for a commercial phase-in should be established as:
 - a. It is recognized that phase-in programs create administrative overhead and complexity for property owners and need to be used judiciously.
 - b. Any phase-in plan must be revenue neutral.
 - c. Phase-in should only be considered if there are many properties with exceptional increases.
 - d. A phase-in plan must be structured so that it is two or three year’s maximum in duration.

It is recommended that City Council adopt the above principles for the 2017 Reassessment.

Challenges

The values of property have changed from the base year of 2011 to 2015 (the base year for the 2017 Reassessment). Although the scale of change in assessment values is not as drastic as the last reassessment, we will experience a similar range of tax changes.

Residential assessments properties overall are seeing a change in assessment of 15 per cent. This is significantly less change than what was experienced in the 2013 Reassessment. Multiple family properties have experienced increased rents with tighter vacancy rates that are resulting in increased sale prices. This group is seeing an overall change of 35 per cent which is a larger increase than the residential group.

The Commercial and Industrial Class of properties will see an overall change of 50 per cent. In this group, there is a very wide range of values. There are approximately 2,900 properties in this group that contribute approximately \$110 million in property taxes (including municipal, library and school levies). There are approximately 375 properties that contribute 75 per cent of the property taxes for this group and about 85 properties that contribute 50 per cent of the property taxes. This distribution of values makes the commercial group subject to the potential of larger variance in property tax impacts because a relatively small number of the properties has the majority of value in the group. There is a wide range of changes, and while there are many properties with small decreases or increases, some properties will see exceptional property tax increases and decreases. The overall shift in taxes is similar in scale in terms of changes to the 2013 Reassessment.

A misconception that commonly occurs is that rising assessed values automatically means proportionally higher property taxes. The key message is that the reassessment does not generate increased revenues. Individual assessments are used to allocate taxes and the budget process is the process that determines the level of revenues required. It is important to ensure this message is provided early in the reassessment.

RECOMMENDATION IMPLICATIONS

Financial Implications

There are no specific budget implications related to this report. The costs of reassessment are included as part of the annual General Operating Budget.

Environmental Implications

None with regards to this report.

Policy and/or Strategic Implications

Regular updated assessments ensure that property taxes are distributed equitably. Public consultation and openness and transparency in assessment, tax and budget processes are important to maintain public confidence in municipal government.

Other Implications

None with regards to this report.

Accessibility Implications

None with regards to this report.

COMMUNICATIONS

A communication strategy will be developed for the 2017 Reassessment.

A copy of this report will be forwarded to the Saskatchewan Assessment Management Agency Board, Regina Downtown Business Improvement District, Regina Warehouse Business Improvement District, Regina Public Library and the Regina Public and Catholic School Boards.

DELEGATED AUTHORITY

This report is within the delegated authority of the Executive Committee.

Respectfully submitted,



Don Barr, Director / City Assessor
Assessment, Tax & Real Estate

Respectfully submitted,



Diana Hawryluk, Executive Director
City Planning and Development

Report prepared by:
Don Barr, Director / City Assessor

June 15, 2016

To: Members,
Executive Committee

Re: Implications of Joint-Use Schools as Municipal Reserve

RECOMMENDATION

That item CR15-81 be removed from the list of outstanding items for the Executive Committee.

CONCLUSION

The requirement to locate schools on Municipal Reserve (MR) land raises a number of concerns and challenges for the City of Regina (City). The main challenges are related to the constraints placed on parks and open space planning and providing neighbourhoods the full, optimal suite of recreation opportunities that would normally be delivered. Development standards specific to this type of site need to be written to ensure best practices are followed. Other areas of concern include the need for additional clarity on the roles of the City, school boards, developers and the Government of Saskatchewan (Province) so the City is not being downloaded to. For instance, issues related to interim maintenance of MR school sites between the time of subdivision and MR dedication and the time of actual school construction needs to be addressed. Similarly, responsibilities surrounding the servicing of school sites need clarifying.

While there are challenges related to having school sites as MR, there are also opportunities for the City. The new joint-use schools, for instance, will contain community space and provide the community greater access to facilities than they may otherwise have. This addresses a *Design Regina: The Official Community Plan Bylaw No. 2013-48* (OCP) priority of developing complete neighbourhoods that offer a variety of amenities and services, including educational and recreational facilities and programs. Also, because the City retains ownership of the school sites, an opportunity to redevelop or sell the sites once the schools are no longer needed exists.

BACKGROUND

Members of City Council considered Executive Committee Report CR15-81 regarding the Northwest School Site at their regular meeting on July 27, 2015. A motion was made at this meeting that a report be brought back from Administration by January 2016 to the Executive Committee “outlining the implications from this decision regarding education and the City’s responsibilities.”

In recent decades, the practice in Regina for acquiring school sites has started with requiring that concept plans for new neighbourhoods, developed in consultation with school boards, identify school population projections and potential school sites. If, at the subdivision application stage, the school board determined that it needed the site, the Province would purchase the school site property directly from the developer based on fair market value. If the school board determined that it did not require the site, the property would be developed by the developer. Until 2013, decisions regarding school site acquisitions rested primarily with the school boards. As of 2013, changes to *The Education Regulations, 1986* (now *The Education Regulations, 2015*) limited the amount a school board could spend to acquire a new school site to \$75,000 without the

Minister's approval. This low limit effectively shifted the decision on acquiring new school sites from the school boards to the Province.

This approach to acquiring and developing school sites changed in 2013. In 2013, as part of the Province's plan to build nine new joint-use schools (three in Regina) as part of a public-private partnership (P3) process, the City was informed that the Province can no longer afford to continue the practice of purchasing school sites from developers. Instead, the Province indicated it would like the City to dedicate portions of our MR space for schools.

In November 2014, City Council approved three joint-use school sites on land dedicated as MR. Each school site was reduced to 2.57 hectares to minimize the amount of land dedication required with an adjacent park space of equal size. As compensation for the loss of MR lands the City has received \$3,045,000 from the Province which has been allocated to the City's Dedicated Land Reserve. The City received an additional \$3,000,000 from the Province to use as a negotiation tool to offset the costs to developers of servicing the school sites.

In early-2015, the Province stated in writing that while preparing any concept plans, official community plans, or subdivisions that the principle of any additional school sites be located on MR is applied as per the Province's interpretation of Section 192 of *The Planning and Development Act, 2007* (the Act).

DISCUSSION

Provincial Legislation

The Act, Section 186 requires that 10 per cent of a proposed residential subdivision be dedicated to the municipality as MR. Further, pursuant to Section 192 of the Act, MR space can be used for a number of uses including:

- (a) A public park or buffer strip;
- (b) A public recreation area;
- (c) School purposes;
- (d) A natural area;
- (e) A public building or facility;
- (f) A building or facility used and owned by a charitable corporation as defined in *The Non-profit Corporations Act, 1995*;
- (g) Agricultural or horticultural uses; and
- (h) Any other specific or general use that the minister may prescribe by regulation.

Section 195 of the Act addresses the use of MR space by school boards. It allows a municipality to enter into a joint-use and maintenance agreement for MR land and improvements with a school board. "Since a school board and a municipality have the right to reasonable use of municipal reserve lands, the Minister [responsible for the Act] may, in consultation with the Minister responsible for education, arbitrate the lease of municipal reserve lands if an agreement cannot be reached."¹

Prior to the most recent three P3 schools, joint-use agreements fell under the terms of the Master Joint-Use Agreement between the City and school boards. Under the agreement, the total school site would consist of land purchased or leased by the school board and adjacent municipal

¹ Government of Saskatchewan. "Explanatory Notes for *The Planning and Development Act, 2007*."

reserve, with the former not exceeding 50 per cent of the total site area.² Under the arrangement for the new P3 schools, the school site is entirely on dedicated MR.

Existing City Policy and Guiding Planning Principles

The OCP provides some high-level direction for the integration of school uses and MR. Policy 7.1.3 states that “new schools and other institutional uses should be encouraged to locate within, or in close proximity, to neighbourhood hubs.” Similarly, Policy 7.1.6 states that parks be situated so that they act as important focal points for the neighbourhood. To achieve these objectives, the OCP encourages a “multi-purpose open space component, designed to accommodate change over time to accommodate school and recreational opportunities, civic uses and other public amenities.” This is consistent with the Open Space Management Strategy (OSMS), which states “when possible an attempt should be made to coordinate the needs of school boards with the open space system” (chapter 7.3.1). Likewise, the Recreation Facility Plan (RFP) promotes the colocation of community facilities and recognises that there is a need for collaboration between the City and school boards because school facilities can help satisfy many of the primary facility needs.

Although the clustering of schools and MR are seen as positive in achieving the efficient allocation of land and resources and in community building, neither the OCP nor the OSMS foresaw the accommodation of school buildings on dedicated MR. The OSMS explicitly states that while up to 50 per cent of the requirement for school grounds may be accommodated on MR, this is not to include buildings or parking lots (chapter 5.3). City policies were designed on the premise that the past practice of the Province purchasing land for school boards at fair market value would continue. Joint-use agreements with school boards were seen as a way to allow schools to access recreational grounds only and the community access to school facilities. The recent direction from the Province, directing municipalities to accommodate entire school sites on MR, creates potential challenges for the City in meeting its open space requirements and creates a degree of uncertainty for open space planning.

Challenges Related to Locating Schools on Municipal Reserve

Internal City departments affected by the dedication of school sites as MR were consulted and asked to share their concerns. Many of the challenges and implications identified stem from uncertainties surrounding the responsibilities of the various parties – the City, the school boards, land developers and the Province. The City is concerned with potential downloading from the Province and it is also unclear whether future schools will also be located on the 10 per cent MR dedication or whether the Act and its land dedication provisions will be revisited, as has been suggested by the Province, to specifically address the handling of school sites. Additional concerns relate to the City’s ability to meet its recreation space requirements, as defined by the OSMS and quantified through demands placed on existing facilities, in new neighbourhoods.

Timing of School Development:

Potential school sites are identified early in the planning process, at the concept plan stage. This is done through a consultative process between developers, school boards and the City. The need for a new school and the site size requirements are based on neighbourhood population and school enrollment projections. In the past, developers were required to hold locations for school

² Regina Public Schools. “Administrative Procedure 605: School Sites. Appendix: Regulations and Guidelines Regarding School Sites.” April 2012.

sites until all of the lands in the proposed attendance area were built out. If it was deemed by the school boards that a school was not needed, the site would be developed by the developer on the basis of the underlying zoning.

Under the current arrangement for the three joint-use P3 schools, with the City being the owner of the MR parcel where potential schools will be located a challenge arises. The main challenge stemming from City ownership of potential school sites on MR relates to the timing of school construction. The decision on whether and when to build a new school is out of the City's control. Rather, it is dependent on the pace of build-out of the neighbourhood and Provincial budgets and priorities. This is of consequence because school construction may not coincide with MR park/open space development. This raises two concerns for the City. First, with the lack of certainty over the identified school need the City is responsible for maintaining the school site until such time that the school board and Province decide to build. This becomes a cost and liability for the City. Second, until a final decision from a school board on whether the site is, in fact, needed, the City's options for developing the neighbourhood park are constrained by the need to keep the school site available.

The past practice of the Province purchasing school sites directly from land developers has not been without its own issues and challenges with respect to the timing of school development. The current pressing need for an additional school in northwest Regina has emerged due to increased growth in the northwest sector and changing demographics over the past decade and the lack of readily available school sites in existing neighbourhoods. One issue in particular was the past decision by the school boards to not retain sites for schools in Lakeridge that were originally identified on the concept plan. Lakeridge neighbourhood started developing in the late 1980s and built out steadily but relatively slowly, like many other neighbourhoods throughout the city, throughout the 1990s/early 2000s. The slow build out meant there was not a large enough school-aged population to support schools that were identified on the concept plan when development neared the potential school sites. As a result, with the consent of the school boards, the concept plan was amended in 2001 by changing the school sites to residential development sites. Subsequently, as residential development rates increased significantly throughout the city starting around the mid-2000s, the remaining lands in Lakeridge built out quickly with approximately two-thirds of the remaining land built out after 2000. As a consequence, in a short period of time, the fully built out neighbourhood had a significant influx of young families with school-aged children while the originally identified school sites were developed as additional housing and no longer available. This situation highlights the need to take a longer term approach to school planning in neighbourhoods between developers, school boards, the Province and the City to ensure the needs of the community and the OCP objectives are met to create complete neighbourhoods. The City and Province would need to agree to a mechanism to decide if and when a school site would no longer be needed. While the citywide growth rates are out of the City's control, recent amendments to the OCP to phase development of new neighbourhoods aims to increase the pace of development in new neighbourhoods after they start to minimize the likelihood of this type of situation occurring in the future.

MR/Park Planning and Development:

The timing of school construction and the decision on whether a school is actually going to be built also impacts MR planning and development. Ordinarily, development of park space to City requirements is a land developer's responsibility and covered under a servicing agreement. If park space on dedicated MR is developed before a final decision on whether to build a school is made it raises a potential issue for park development. If, for instance, in the end it is decided that

a school is not to be built, questions related to who bears the cost for developing the MR space as neighbourhood park space arises. If it is the land developer, clarity on this point would need to be built into any servicing agreement.

Additional concerns from a planning perspective include the servicing needs and costs associated with building a school, which differ from the requirements associated with park development. With the three schools currently under construction through a P3 procurement process, the Province provided the City with funds to negotiate site servicing with land developers. There is no clarity on whether the Province would continue to contribute to these expenses or whether this would become a City responsibility to deliver a fully serviced site or whether the full cost of school site servicing is something that should be covered under a subdivision servicing agreement with a land developer. The latter may become a challenge if there is uncertainty as to whether a school will in fact be built. This becomes a bigger concern in the event that a final decision to proceed with the development of a school is not made until several years after subdivision development.

Because considerable time may pass between land dedication and a final decision on land use, it may be unreasonable to expect a developer to retroactively develop the land for either park or school purposes. As such, it may be advisable in situations where a school may be required for the City to collect money-in-lieu of the park development costs to ensure that resources are available to construct the park space once a decision is made to not construct a school.

Locating schools on MR also poses a financial cost on developers and, thereby, homebuyers. Under the current arrangement for the three new joint-use P3 schools, the land developer is responsible for the cost of the land, the cost of local services to the land and full Servicing Agreement Fees (SAF), which are assessed on MR. These costs are, in the end, passed on to purchasers of houses in the new subdivision. In the past, school boards would have been responsible to pay these costs when they purchased the school site. The proposed method creates financial inequity due to the fact that many Regina schools serve populations from outside of their immediate neighbourhoods, including students from outside of the city of Regina. In essence, if the schools are used by residents living outside the neighbourhood or city, the homebuyers in the neighbourhood where the school is located are subsidizing those residents who do not live within the school neighbourhood. This was not the case in the past, where everybody was paying school taxes to pay for the capital cost of the land and servicing.

Accommodating new schools on MR also presents challenges in maintenance and achieving the OSMS goals. Because of the scale of the P3 schools, and high concentration from school use, maintenance and upkeep costs for MR may increase and will have to be covered by the City. A main theme in the OSMS is “to design park facilities with the greatest flexibility incorporating multiple use opportunities that will enable them to accommodate changing demographics and new sporting trends.”³ With school sites as MR this will be difficult. This is because a higher percentage of the remaining space will be required to meet school aged children’s needs at the expense of other demographics. The need to serve the school will also mean a reduced ability to redevelop spaces in the future to meet changes in neighbourhood amenity needs. This also makes it increasingly challenging to meet the expectations and requirements for what a complete community would offer from a parks and recreation perspective. This will become an even more pressing issue if, in the future, the Province asks that high schools, which will likely be larger and require more specialized recreation space, be located on MR.

³ City of Regina. *The Open Space Management Strategy*. (P. 1).

This challenge of meeting community needs is exacerbated by higher neighbourhood population densities in new neighbourhoods, which create added demand for open space and recreation opportunities, the large scale of the P3 schools that are to be situated on MR, and the requirements for storm water management, which usually means the use of MR space for storm water detention. These constraints also reduce the City's ability to meet its objectives for the number of trees and tree canopy cover in parks and subdivisions as outlined in the City's Development Standards Manual (section 12.4.25.3). This is of particular concern because as the Regina Urban Forest Management Strategy notes, as the population continues to age there will be an ever increasing demand for more passive recreational opportunities in the form of treed parks and other green space. In a typical new neighbourhood that comprises a half section of land (130 hectares), a 2.57 hectare elementary school site would take 20 per cent of the maximum MR potential of 13 hectares. A high school would take up even more. Accommodating these large joint-use elementary school sites, or high school sites, in smaller than average neighbourhoods potentially poses a situation where a significant proportion of the MR space would be dedicated to the school site. This was the situation that the City faced with Skywood where the northwest school was originally planned. In the case of Skywood, the 2.57 hectare school site and adjacent 2.57 hectare park space would have absorbed the entirety of the required 10 per cent MR space.

The Act provides a potential remedy to address MR shortages in smaller, higher density developments.

Section 186(8) of the Act states that an approving authority may require the dedication of additional MR land beyond 10 per cent, to a maximum amount prescribed in *The Dedicated Lands Regulations, 2009* (the Regulations) if, in the opinion of the approving authority, the population in a proposed subdivision will exceed the density prescribed in the Regulations. Although the Regulations do specify the density threshold at which additional MR can be required as 50 or more dwelling units per hectare, the Regulations do not prescribe the maximum additional dedicated land that can be required. As per section 205 of the Act, the minister responsible would have to make a regulation specifying this amount. The City has not created a policy to enforce the dedication of additional MR in these higher density developments since our densities are typically much lower than 50 dwelling units per hectare. For context, our OCP density requirement for new neighbourhoods is 50 people per hectare, which roughly translates to 20 units per hectare.

Additional tools to address MR shortages in higher density developments and in situations where schools are co-located on MR exist. For instance, current development practices involve combining subdivision storm water detention requirements with park space. This, however, does not have to be the case. The Act Section 172.1 allows the City to require a developer to provide a portion of a proposed subdivision as a municipal utility parcel for the location of a public work, which may include facilities for the collection, storage, movement and disposal of storm drainage. Locating storm water detention facilities separately from parks would reduce the impact of MR space lost to schools. An additional way the City could mitigate against the loss of MR land to schools would be by requiring multi-use pathways, that are currently dedicated as MR, be dedicated as walkways. Section 201 of the Act provides that if, in the opinion of the approving authority, a subdivision design requires the provision of land for the purposes of secondary access, the owner of the land shall provide, without compensation, lanes or walkways sufficient for that purpose.

Although tools to address the impact of MR loss due to schools do exist, their use will likely have an impact on developers, as well as homebuyers through higher lot prices and home purchase prices. Collaborative planning of MR between the City, Ministry of Education, school boards and developers will be required to ensure the best use of entire MR parcels. This will necessitate that planning guidelines and development standards specific to this type of site are developed to ensure best practices are followed.

Opportunities Related to Locating Schools on MR

Although the requirement to dedicate school sites as a part of the 10 per cent MR dedication poses several challenges and uncertainties it also presents some opportunities for the City.

School Site Reuse:

With school sites located on leased, City-owned MR land, the sites remain a City-owned asset. With this, an opportunity exists for the City to capitalise on redevelopment or sale of the sites, at the end of a school's functional life. Alternatively, the sites could be redeveloped as park and recreation space in the future. To protect the City's interests and avoid any additional costs associated with selling or repurposing a site additional clarity is required. For instance, if a decommissioned school site is to be redeveloped as park space in the future the question of who will bear these expenses needs to be resolved. Similarly, if redevelopment of a school site requires the removal of buildings this poses a cost. Lease agreements with the school boards should clearly define the responsibilities of all parties, in the event that a school is to be closed and decommissioned.

Complete Neighbourhoods:

While locating schools on MR takes away from the City's open space and places constraints on the City's ability to meet recreation goals, the schools continue to reinforce neighbourhood parks' role as a community hub. This is further enhanced by the fact that the three P3 schools currently under development will each have ninety child care spaces, and provide access to a community resource centre, gymnasium, and other multi-purpose rooms to members of the wider community.⁴

Other Saskatchewan Cities

Administration has consulted with the other three cities (Saskatoon, Martensville and Warman) directly affected by the decision to locate the nine new joint-use P3 schools on MR. The initial consultation took place in 2014, at the time of negotiations with the Province regarding land acquisition for the schools currently under construction in Regina. Since then, Administration has followed up with urban municipalities across the province to determine what they perceived as the implications of the Province's direction to dedicate school sites as MR. This consultation took place on January 27, 2015, in the form of a Planning Directors Meeting. In preparation of this report, a follow-up email was sent to the Planning Directors as well as the Saskatchewan Urban Municipalities Association on December 4, 2015.

⁴ "Saskatchewan P3 Joint-Use Schools Fact Sheet."

City of Saskatoon

While Saskatoon shares similar concerns about the use of MR as school sites because it affects parks and recreation space, Saskatoon is in a different situation than Regina. Saskatoon has been collecting a Community Centre Levy (a component of their Servicing Agreement Fees) since 2002 to fund the construction of a community centre in each new neighbourhood, in the event a school is not built. The levy was a response to a decision by the school boards and the Province not to provide elementary schools in two new neighbourhoods, thereby “leaving residents with no community hub for the neighbourhood, and no site for the community association or other service providers from public, non-profit, and private organisations to provide community programs.”⁵ In August 2012, Saskatoon Council resolved that the Community Centre Levy be based on the year-to-year cost of acquiring 8.0 acres (3.24 hectares) of potential school site property in each developing neighbourhood which could then be leased to the school boards or used for community centres. Saskatoon has used the \$20M (\$5M per neighbourhood) collected through the levy together with a Provincial contribution of \$8.06M (~ \$2M per school site) to acquire the land for its four joint-use schools from developers at fair market value, improve it, and lease the sites to its local school boards.⁶ Each P3 school site is 2.8 to 3.2 hectares plus an adjacent 6 hectare neighbourhood park. The City of Regina does not presently have such a levy and would require changes to development charges to acquire school sites in this way and would increase our servicing agreement fees.

City of Martensville and City of Warman

The cities of Martensville and Warman agreed to terms similar to those for Regina for the recent joint-use schools being constructed in those communities. Each is receiving approximately \$2M per site from the Province in recognition of the acquisition and servicing costs of servicing the school sites. Martensville committed to providing the Ministry of Education with a 3.05 hectare school site as well as a minimum of 2.57 hectare, City maintained adjacent MR land (totaling a 5.62 hectare school area). In addition to the school site, the City of Martensville is also providing use of approximately 8 hectares of adjacent MR space (to be purchased). It is Administration’s understanding that Martensville is using tax revenues to purchase some of this additional MR space. Warman is providing a 3.2 hectare school site on MR land.

Consultation with the planning directors of urban municipalities in Saskatchewan has shown that there is general consensus that accommodating future school sites through MR dedication is a matter of concern. The main reasons for this are that a minimum of 10 per cent of land is required for municipalities to meet their minimum recreation space requirements, especially as subdivisions become increasingly dense. In addition, relying on MR dedication for school sites can be a challenge as assembling sufficiently large sites (e.g. high schools) can be difficult.

Other Provinces

Outside of Saskatchewan, every province and territory in Canada has a legislated municipal reserve dedication requirement. The requirements for residential subdivisions are 5 per cent in British Columbia, Ontario and Nova Scotia and 10 per cent in the rest of the provinces and

⁵ Report of the General Manager, Community Services Department. “Community Centre Levy and New Schools.” (Saskatoon): October 27, 2014.

⁶ In late-2014, Saskatoon anticipated that it would cost between \$24 and \$26 million to purchase and improve the four school sites. The balance of the \$28M was expected to be used for traffic impact analyses and road network improvements (e.g. traffic calming) in the school areas.

territories. School land acquisition methods vary by province. Policies in British Columbia, Alberta, Manitoba and Ontario are outlined below.

British Columbia

In British Columbia, school boards are responsible for purchasing their own sites. To facilitate this, the province has enacted School Site Acquisition Charge (SSAC) legislation.⁷ The SSAC is a charge per dwelling unit paid by residential developers and collected by local governments and transferred to school boards. Schools, in essence, are treated like other infrastructure financed through development levies and SSACs are shared among benefitting parties. The money collected is used to pay for new school sites needed as a result of new residential development. Alternatively, the developer has the option to provide land-in-lieu of a cash payment if terms can be agreed to by the municipality, developer and school district.

Alberta

Policies surrounding reserve dedications and school sites in Alberta are similar to those in Saskatchewan. Under the *Municipal Government Act, 2000* (MGA), section 666(1), a subdivision authority may require up to 10 per cent of the developable land in a new subdivision for either municipal reserve, school reserve, or a combination of the two. In higher density subdivisions (≥ 30 dwelling units per hectare), a municipality may require reserve dedications in excess of 10 per cent, up to an additional 5 per cent.

Although schools have been a permitted use on municipal reserve in Alberta since 1963, it was only in 1977 when the school reserve designation was introduced. Under the MGA, title to a portion of MR lands acquired by a municipality can be transferred to a school board and designated as School Reserve (SR) or joint interest/ownership by both a municipality and school board can be maintained through the Municipal School Reserve (MSR) designation.⁸ As such, as joint-use agreements between the City of Edmonton and school districts note, “it is the [city’s responsibility] to acquire Reserve Lands for school and community needs pursuant to the Municipal Government Act.”⁹ If a school board declares that reserve parcel (MR, SR or MSR) is no longer required for school purposes, the land where the school building would have been located can be transferred to the municipality as Community Services Reserve (CSR). CSR can be used for a variety of purposes, including affordable housing, public library, police station or other municipal facility that provides service to the public.¹⁰

The MGA does not require servicing to be supplied at the time of subdivision for reserve land that is dedicated for school purposes.¹¹

Manitoba

In Manitoba, *The Planning Act*, allows for up to 10 per cent of land being subdivided being dedicated for school purposes as a condition of subdivision approval. This is in excess of the ability of a municipality to require up to a 10 per cent dedication for public reserve. For instance,

⁷ British Columbia Ministry of Education. *Implementation Guide: School Site Acquisition*. February 2000.

⁸ Alberta Professional Planners Institute. *Municipal Government Act Review: Recommendations for Proposed Amendments to the Municipal Government Act*. 13 June 2014.

⁹ “Edmonton Joint Use Agreement: Land” 3 July 2009.

¹⁰ *MGA Review Discussion Paper*. “Land Dedication (Reserves).” December 2013.

¹¹ *Ibid*.

the City of Brandon's OCP states that within "developing areas, land for future school sites will be dedicated to the appropriate School Division in accordance with the provisions of *The Planning Act*."¹² Although land is provided by the dedication provision in the Manitoba Act, as per *The Planning and Land Dedication for School Sites Act*, if the school board accepts the offer of land it must pay the developer the assessed value of the land determined on the basis on the land's value before subdivision. The Manitoba Act also allows a municipal council to require the owner of land that is the subject of a proposed subdivision to provide money to the municipality or a school board in place of dedicating land for public reserve or school reserve purposes.¹³

Winnipeg is somewhat different than the rest of the province, with the city not being subject to the provincial planning act. The City of Winnipeg's rights and responsibilities are defined by *The City of Winnipeg Charter Act*. While in the rest of the province land for school sites is acquired through mandatory land dedications, in Winnipeg land is purchased by school boards. Recent amendments to *The Planning and Land Dedication for School Sites Act* in December, 2015 have resulted in amendments to the City of Winnipeg's charter and added clarity to school land acquisitions. The legislation requires all planning authorities, including the City of Winnipeg, consult with school boards on the need for school sites as part of the development planning process. Once an appropriate school site is identified a selling price is determined based on the assessed value of the land at the time immediately before the application for approval of subdivision is made. Prior to the approval of a subdivision application it is the City's responsibility to ensure that the developer has entered into a written agreement with the school board to convey the land at the specified price to the board or, at the option of the school board, pay money to the school board in lieu of conveying land, in an amount equal to the specified price of the land.¹⁴

Ontario

In Ontario, school boards are responsible for the provision of sites for new schools. However, the province allows school boards to levy an Education Development Charge (EDC) to fund new school site acquisitions. EDCs may only be imposed if a board will need to acquire new school sites to accommodate the students resulting from new residential development.¹⁵

Summary

Accommodating new schools entirely on MR represents a change in approach that affected Saskatchewan municipalities have had to deal with; it creates new challenges, raises a number of questions and requires additional clarification related to the roles and obligations of all parties affected. In January 2015, in response to concerns raised by affected cities, the Province had indicated that it planned to initiate consultations with cities regarding the Act, and consider amendments to the Act to ensure that sufficient MR was available for parks and recreation while also accommodating future MR use for schools. This has yet to occur. Any increase in mandatory MR dedication should be approached cautiously, as this could negatively impact land developers as well as purchasers of developed lots and built homes through higher prices.

¹² *Brandon and Area Planning District Development Plan*, 2013. Section 2.2.13: School Site Provisions. March 2013.

¹³ *The Planning Act* (Manitoba). "Conditions of Subdivision Approval" Sections 135 and 136.

¹⁴ *The Planning and Land Dedication for Schools Act* (Manitoba). "Part 1: The City of Winnipeg Charter" (Section 259: Land for Schools).

¹⁵ Ontario Ministry of Education. *Education Development Charges Guidelines*. 2002.

Consultations with the Province, however, should be pursued to obtain additional clarity on a number of fronts.

Any change to legislation should clearly lay out in advance what is expected of municipalities, school boards and the Province and what occurs in the event a school is closed on the MR site. The current legislation does not provide any clarity.

In addition, lease agreements with the school boards should address issues related to interim maintenance of an MR school site, between the time of dedication and the actual construction of a school.

RECOMMENDATION IMPLICATIONS

Financial Implications

None with respect to this report.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

The OCP identifies developing complete neighbourhoods as a community priority. Complete neighbourhoods offer a variety of amenities and services, including educational and recreational facilities and programs. The inclusion of schools in neighbourhoods contributes to this community priority.

However, dedicating school sites as MR will reduce the amount of land the City has available for parks and recreation. Locating school buildings and parking lots on MR is also inconsistent with OSMS policy. While the OSMS recognizes the important community contribution of schools and the value of shared use of park and recreation space, it explicitly states that MR is not to include school buildings or parking lots.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

In preparation of this report, an internal memo was circulated on November 4, 2015 to City departments potentially affected by the dedication of school sites as MR to collect their feedback on the implications of this decision. A request for comments on the issue of schools as MR was also circulated to the planning directors of other municipalities in Saskatchewan as well as the Saskatchewan Urban Municipalities Association.

DELEGATED AUTHORITY

This report is for informational purposes only, there is no delegated authority associated with it.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S Bzdel'.

Shauna Bzdel, Director
Planning

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Diana Hawryluk'.

Diana Hawryluk, Executive Director
City Planning and Development

Report prepared by:
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