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## Parks and Recreation Levy and Community Centre Levy – 2023 Rates

### ISSUE

This report provides an overview of the proposed 2023 rates for both the Parks and Recreation Levy and the Community Centre Levy. The current use of Community Centre Levy funds is to purchase land for the development of elementary schools and as such, Administration is recommending the levy be renamed the School Land Levy.

### RECOMMENDATION

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council:

1. That adjustments to the 2023 Parks and Recreation Levy rate, as outlined in this report, be approved;
2. That the 2023 Community Centre Levy rates for each developing neighbourhood, as outlined in this report, be approved;
3. That the Community Centre Levy be renamed to the School Land Levy; and
4. That beginning in 2024, the School Land Levy be based on the year-to-year cost of acquiring 10 acres of potential elementary school-site property in each developing neighbourhood.

### BACKGROUND

The City of Saskatoon (City) established the Parks and Recreation Levy as a means to fund core neighbourhood parks, neighbourhood pocket parks, village squares, linear parks, district parks, multi-district parks and approved recreation amenities.

City Council, at its Regular Business [Meeting](#), on August 15, 2012, approved a single blended city-wide formula for calculation of the Community Centre Levy, beginning with the Kensington neighbourhood and all new neighbourhoods, moving forward. Since that time, calculation of the Community Centre Levy has been based on the year-to-year cost of acquiring eight acres of potential elementary school-site property in each developing neighbourhood.

At the City Council Regular Business Meeting, on April 30, 2018, Administration presented a [report](#) containing a summary of the proposed amendments to *The Planning and Development Act, 2007*. The amendments included the requirement for placement of schools on Municipal Reserve (MR) lands. Prior to this time, there was no such requirement to locate schools on MR sites.

### DISCUSSION/ANALYSIS

#### Parks and Recreation Levy

The proposed 2023 Parks and Recreation Levy includes a \$3.05 decrease per front metre rate, which is a 0.72% decrease. Table 1 summarizes the proposed Parks and Recreation Levy rate changes for 2023.

**Table 1: Parks and Recreation Levy Rate Changes**

	<b>2022 Approved Rate</b>	<b>2023 Proposed Rate</b>	<b>Rate Change</b>
Neighbourhood Parks	\$294.80	\$292.70	(\$2.10)
District Parks	\$104.90	\$107.10	\$ 2.20
Multi-District Parks	\$ 24.00	\$ 20.85	(\$3.15)
<b>Total</b>	<b>\$423.70</b>	<b>\$420.65</b>	<b>(\$3.05)</b>

The decrease in the Parks and Recreation Levy rate is due to a favourable adjustment for interest received on funds held in the Parks and Recreation Levy accounts. There are no offsetting inflationary increases in park construction costs, resulting in an overall rate reduction.

Community Centre Levy Name Change – School Land Levy

In 2018, the Province amended *The Planning and Development Act, 2007*, to require MR be provided for school purposes. Starting with the P3 school projects in the Evergreen, Hampton Village, Rosewood and Stonebridge neighbourhoods, the Community Centre Levy was used to purchase eight acres of land for elementary schools. Should the Province decide not to construct an elementary school in a new neighbourhood, the Community Centre Levy is to be used to fund a community centre space, in new neighbourhoods, to provide for a community hub. With the shift to cover the cost of acquiring the land for elementary schools and after consulting with the developers, Administration is proposing to change the name of the Community Centre Levy to School Land Levy. The name change better reflects the current intent of what the levy is being collected for, to fund.

School Land Levy

Calculation of the School Land Levy is based on the cost of acquiring eight acres of land for potential elementary school-site property in each developing neighbourhood. The proposed 2023 School Land Levy rates are summarized in Table 2.

**Table 2: School Land Levy Rate Changes**

	<b>2022 Approved Rate</b>	<b>2023 Proposed Rate</b>	<b>Rate Change</b>
Rosewood Neighbourhood	\$107.50	\$107.50	\$ 0.00
Future Neighbourhoods	\$188.50	\$183.50	(\$5.00)

The School Land Levy rate for the Rosewood neighbourhood was established based on the individual neighbourhood, prior to the single blended rate policy changed. This neighbourhood has a unique rate, primarily due to variations in the size of the neighbourhood.

The School Land Levy rate for future neighbourhoods is applied to new neighbourhoods, including Kensington, Brighton, Elk Point, Aspen Ridge and all future neighbourhoods. The proposed 2023 School Land Levy rate includes a \$5.00 or 2.65% decrease from \$188.50 to \$183.50. The decrease is the result in the cost of land, offset

with a small increase in estimated interest rates. The required land is purchased prior to all levies being collected, with interest charged until the purchase is fully funded.

School Land Levy Proposed Parcel Increase

In recent discussions between the City and Greater Saskatoon Catholic Schools and Saskatoon Public School Division, the school divisions have requested to increase the joint elementary school sites land dedication from eight acres to 10 acres. This is due to the increase in the size of the student populations, resulting in a corresponding need for increased space. Attached to this report is a joint letter dated October 17, 2023, from both school divisions, with their formal request (see Appendix 1). Administration supports the school divisions' request with the following two conditions:

1. The maximum allocation of land for joint school sites will remain at 10 acres to be funded by the School Land Levy. No future additional elementary school land increases will be permitted on Municipal Reserve land; and
2. Any future issues related to school capacity from the school divisions will need to be addressed through school building design inside the 10-acre parcel.

Table 3 summarizes the change to the School Land Levy utilizing the 2023 rate for acquiring eight acres to acquiring 10 acres for a future joint elementary school site.

**Table 3: School Land Levy Proposed Rate Change**

	<b>2023 Proposed Rate (8 acres)</b>	<b>2023 Proposed Rate (10 acres)</b>	<b>Rate Change</b>
Future Neighbourhoods	\$183.50	\$230.00	\$46.50

The calculation of the School Land Levy is based on the year-to-year cost of acquiring 10 acres of potential elementary school-site property in each developing neighbourhood. The 2024 actual rate change or impact will not be fully known until the calculation is completed in 2024.

**FINANCIAL IMPLICATIONS**

The financial implications have been outlined in this report.

**OTHER IMPLICATIONS**

There are no legal, social or environmental implications identified. The information included in this report has been shared with the Developer Liaison Committee on November 8, 2023. No concerns were raised with the rates as proposed, nor with the recommendations included in this report.

**NEXT STEPS**

The rates noted above came into effect January 1, 2023. Any servicing work that has been charged at 2022 rates will be adjusted to the new rates being proposed for 2023. Although servicing work is primarily done in the spring and summer, most of the billing occurs later in the year.

Subject to City Council approval, the School Land Levy calculation of acquiring 10 acres will be implemented beginning in 2024.

**APPENDICES**

1. Joint Letter from Saskatoon School Divisions

**REPORT APPROVAL**

Written by: Brad Babyak, Recreation Services Manager

Reviewed by: Andrew Roberts, Director of Recreation and Community Development

Approved by: Lynne Lacroix, General Manager, Community Services

SP/2023/RCD/PDCS/Parks and Recreation Levy and Community Centre Levy – 2023 Rates/jdw