



PARKLAND ACQUISITION Best Practices Guide

May 2025





Land Acknowledgement

The B.C. Public Service acknowledges the territories of First Nations around B.C. and is grateful to carry out our work on these lands. We acknowledge the rights, interests, priorities, and concerns of all Indigenous Peoples—First Nations, Métis, and Inuit—respecting and acknowledging their distinct cultures, histories, rights, laws, and governments.



Preface

The *Parkland Acquisition Best Practices Guide* (the Guide) contains recommendations for a consistent policy approach for the acquisition of parkland by local governments in British Columbia. The best practices in the Guide were developed through collaboration among the Province of British Columbia, local governments, and representatives from the development community.

Development Finance Guidance

Three companion documents provide general overviews and further details about the legislative requirements and best practices included in this Guide – they include the:

- [Development Cost Charge Best Practices Guide](#);
- [Development Cost Charge Best Practices Guide for Elected Officials](#); and,
- [Development Finance Choices Guide](#).

Enquiries

Contact the Ministry of Housing and Municipal Affairs (Ministry) for answers to questions about the material contained in this Guide. Ministry staff can also provide additional information about parkland development cost charges in British Columbia:

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Disclaimer

The information contained in this Guide is provided as a general reference and while all attempts have been made to ensure the accuracy of the material, the Guide is not a substitute for provincial legislation.

Please refer directly to the latest consolidation of provincial statutes at BC Laws (www.bclaws.ca) for specific development finance-related provisions and requirements within the *Local Government Act*, the *Community Charter* and/or the *Vancouver Charter*.



Table of Contents

Introduction

Objectives of this Guide 5

Chapter 1

Guiding Principles 6

Chapter 2

Recommended Best Practices 7

Avoiding Double-charging 7

Land vs. Cash-in-Lieu 8

Basis for the 5% Calculation 8

Selecting Parkland Within a Subdivision 10

Determining the Cash-in-lieu Value 11

Park Frontage Costs 11

Chapter 3

Other Considerations Regarding Parkland Acquisition 13

Parkland Needs 13

Policy Considerations 13

Non-residential Parkland Requirements 13

Introduction

The Province provides local governments the authority to acquire parkland through dedication upon subdivision of land and through development cost charges (DCCs) in order to meet the recreational needs of their residents.

The parkland acquisition best practices that follow in the *Parkland Acquisition Best Practice Guide* (the Guide) have been prepared by the Development Finance Review Committee (DFRC).

The DFRC is comprised of representatives from the Ministry of Housing and Municipal Affairs, local government and the development industry. DFRC advises the Ministry of Housing and Municipal Affairs about changes to development finance legislation and related best practices.

The parkland acquisition best practices were established to provide a consistent policy approach for parkland acquisition. The parkland acquisition best practices were prepared based on a survey of local governments across the province and subsequent DFRC discussions about the findings.

Objectives of this Guide

The objectives of the Guide are twofold, to:

- provide a consistent policy approach for local government parkland acquisition; and,
- set out a series of recommendations for local government to consider when acquiring parkland from developers.

The Guide bridges the broad legislative framework with specific local government practice and identifies best practices for acquiring parkland.



Chapter 1

Local governments plan for parkland through Official Community Plans (OCPs), parks and open space master plans, parkland acquisitions strategies and capital plans. Many local governments create master plans that provide a detailed inventory of current parkland, identify gaps, and set priorities for future development and upgrades. Local governments are the primary providers of urban parks, local green spaces, playgrounds, sports fields across a community; however, regional districts may manage regional parks that serve larger areas.

Non-profits and other government organizations, such as Land Conservancy of British Columbia, may also work with local governments to manage and maintain parkland.

Local governments can acquire parkland by requiring developers to dedicate 5% of their subdivision land (or provide an equivalent cash-in-lieu of dedication) for community parks. Parkland may also be acquired by imposing a parkland DCC at subdivision or building permit approval. Local governments can choose to combine DCCs with the 5% land dedication requirement but must avoid charging developers twice for the same parkland.

Guiding Principles

There are six guiding principles local government need to consider when developing parkland acquisition best practices – namely integration, benefiter pay, fairness, equity, accountability, certainty, and an emphasis on consultation.

The principles of *fairness* and *equity* served as the primary considerations in the development of the parkland acquisition best practices.

These two principles speak to the need for consistency in how parkland acquisition tools are applied within a local government (municipality or regional district), to achieve openness and transparency, for predictability in actions, and for the mutual respect between players in the development process.

The fairness and equity principles are fundamental to the development of good relationships involving local governments, landowners and developers.

Principle 1: Integration

Employ a multi-faceted approach where a program is only one element that reflects broader community goals and needs as outlined in multiple plans.

Principle 2: Benefiter Pays

Those who benefit should pay.

Principle 3: Fairness and Equity

Costs should be distributed in a fair and equitable manner.

Principle 4: Accountability

Those who pay know how much they will pay, how the charges were determined, and what the funds will support.

Principle 5: Certainty

Certainty is built into the administration process through setting expected levels of development, stable rates, and timely construction.

Principle 6: Consultative Input

There must be meaningful opportunities for informed input.

Chapter 2

Recommended Best Practices

In addition to revenue from other charges and property taxation, local governments can finance parkland acquisition using DCCs, contribution, or dedication, of parkland and cash-in-lieu upon subdivision. Local governments charging parkland DCCs or using the 5% dedication/cash-in-lieu should consider the following six recommended best practices outlined in this section.

Avoid Double-charging

Many local governments collect parkland DCCs and make use of the 5% dedication/cash-in-lieu provisions of the *Local Government Act* to address their community's need for parkland. These two tools may be applied separately or used in combination with one another to best fit local circumstances.

Local governments that choose to combine parkland DCCs with 5%/cash-in-lieu must be careful to avoid charging developers and/or property owners twice for the same acquisitions—in keeping with the principles of fairness and equity.

The potential for double-charging increases if local governments do not establish guidelines to govern their use of the tools. A local government that does not, for example, specifically align each tool to different types of parkland may inadvertently require developers of subdivisions to over contribute to the community's need for one type of park (e.g., neighbourhood parks) by providing 5% of the land in the subdivision, and by paying a parkland DCC.

Some local governments avoid double-charging by applying either the 5% dedication/cash-in-lieu provisions, or parkland DCCs.

Many local governments, however, prefer having both financial tools at their disposal. For local governments that choose this course – it is possible to use the parkland acquisition tools together and continue to protect against double-charging.

Consider the following approaches:

- Treat parkland DCCs as a secondary tool to be used only to acquire lands that cannot be obtained through the 5% dedication/cash-in-lieu provisions. This approach requires local governments to identify their parkland needs and express them as a standard (e.g., 10.5 acres per 1,000 people) in a Parks Master Plan. The standard identifies how much new parkland the local government wishes to acquire when the standards are applied to future growth estimates. The local government can calculate how much of its target it can likely acquire through the 5% dedication/cash-in-lieu provisions—the remaining amount of land becomes the basis for the parkland DCC calculations.
- Use the 5% dedication/cash-in-lieu provisions and parkland DCC tools for different types of parkland. Under this approach, local governments can identify how much of each type of park they need. Small parks (e.g., tot lots, neighbourhood parks) that provide a limited, local benefit can be acquired using the 5% dedication/cash-in-lieu provisions. Larger park types (e.g., city parks, district parks) that attract and benefit broad areas of the community are acquired using DCCs. Monies and lands collected using the 5% dedication/cash-in-lieu provisions are used only for the park types that are identified to be acquired through this option. Similarly, revenues collected through DCCs are used only to acquire lands that fall into the park types specifically linked to DCCs.

Recommended Best Practice #1

A local government that chooses to acquire parkland using the 5% dedication/cash-in-lieu provisions and parkland DCCs should demonstrate in its reference materials, including its DCC background report, how it will avoid double-charging developers.

Land vs. Cash-in-lieu

Land use planning is a key factor in establishing appropriate land uses and densities for neighbourhoods – typically through consultation with affected landowners and the general public.

The community's parkland requirements need to be considered, and locations for specific parks identified as part of the broader land use planning process. The resulting land use plans provide the basis for a local government's park acquisition decisions and provide certainty to both landowners and the general public regarding the park space that will be required by, and made available to, the community.

Where development applications are consistent with the land use plan, landowners are expected to dedicate or otherwise provide parkland at the location indicated in the plan. If no park has been considered on or near the landowner's parcel or identified in the plan's policies or otherwise referenced in the plan, it is reasonable for landowners to expect cash-in-lieu would be requested by the local government instead of land.

The parcels required for dedication should reflect approximately 5% of the land value of the entire subdivision in situations where the owner is expected to dedicate land. In cases where the land represents considerably more than 5% of the land value, the local government could consider either reducing the size of the park or purchasing a portion of the land from the owner.

Where future park locations are not identified or referenced in planning documents, and development applications are consistent with land use plans, it is reasonable for owners to expect to contribute cash-in-lieu of land.

Recommended Best Practice #2

In general, landowners should expect to provide or dedicate land in locations where a park has been identified in a neighbourhood plan or referenced in other land use planning documents through specific policies or illustrations on a land use map.

Basis for the 5% Calculation

A local government has the authority to require the dedication of up to 5% of the total land area being proposed for subdivision to meet its parkland needs.

Most communities base their 5% land dedication and cash-in-lieu requirements on the gross area set out in the subdivision applications they receive from developers. While this calculation represents the simplest course of action, it may not be the best approach. In some cases, the gross area may include natural features, such as environmentally sensitive areas, that are protected under separate regulations or are otherwise undevelopable.

Although some environmentally sensitive areas, protected under separate regulations or are otherwise undevelopable, may still support walking trails, perhaps through a portion of the property – however, some sites may be too environmentally sensitive to accommodate any form of public access. Because these environmentally sensitive sites are neither increasing the demand for parkland, nor fulfilling any of the local government's active or passive park needs, the land may be removed from the equation that determines how much parkland is required to be set aside within a subdivision. Any environmentally sensitive areas

not intended for public access should be excluded from the total subdivision area for purposes of calculating the required 5% dedicated parkland contribution.

Public access is a determining factor for local governments when they are considering an environmentally sensitive area to represent a passive park amenity. If public use is encouraged through the placement of trails, boardwalks and viewpoints — the area effectively represents a passive park. In such cases, it is reasonable for a local government to include all or part of the environmentally sensitive area in the total land base on which the 5% parkland dedication requirement is calculated.

Furthermore, when the local government determines the required acreage of parkland within the subdivision – the passive parkland located in the environmentally sensitive area should be counted toward the developer’s 5% contribution. Consider the case in which a 100-acre subdivision encompasses a 30-acre wetland. Under separate regulations, the 30-acre wetland is required to be protected from development. Two potential scenarios are detailed below:

Scenario 1

The 5% parkland requirement is calculated on the gross area of the subdivision (100 acres), resulting in a request for a 5-acre park, in addition to protection of the 30-acre wetland. No public access is intended for the wetland.

This scenario is contrary to the intention of this best practice. Because the wetland is not recognized as parkland or as subdividable by the municipality (due to the lack of public access), it should be excluded from the equation that determines the parkland requirement.

The required parkland dedication should instead be calculated on the 70-acre developable area, resulting in a 3.5-acre park, in addition to the protection, under separate regulations, of the wetland.

Scenario 2

The 5% parkland requirement is calculated on the gross area of the subdivision, resulting in a request for a 5-acre park, in addition to protection of the 30-acre wetland. The municipality is planning on providing access trails on the perimeter of the wetland; however, it does not accept any portion of the 30-acre wetland as part of the subdivision’s parkland requirement, and requires that the 5-acre park represent land appropriate for active park development.

This scenario is also contrary to the intention of this best practice. Because public access is being facilitated to the wetland, the wetland area becomes a passive park resource to residents, and should be recognized as contributing toward the subdivision’s 5% parkland requirement. In this scenario, a total of 5 acres is still required for parkland dedication (based on the fact that no land is excluded from the total subdivision area). The wetland area, however, should be counted as part, if not all, of the required contribution.

The intent of this best practice is to promote consistency in the calculation of the amount of land that can reasonably be required for parkland dedication, and the area accepted as the resulting 5% dedication. The best practice also acknowledges that environmentally sensitive or protected natural areas constitute valuable parkland resources particularly when the general public has the ability to access and enjoy those areas.

Publicly accessible environmentally sensitive land can be considered by a local government as a valid parkland contribution and apply to situations where developers are providing cash-in-lieu of a parkland dedication.

Recommended Best Practice #3

When municipalities calculate a subdivision's required parkland contribution (up to 5% of the proposed subdivision area), environmentally sensitive areas not intended for public access should be excluded from the equation. If trails or other public features are planned for environmentally sensitive lands, these areas effectively represent passive parks; at least a portion should therefore be included in the total subdivision area for purposes of calculating the required 5% park dedication. Publicly accessed environmental areas should also be accepted by municipalities toward the required 5% dedication.

Even though a local government may not be requesting the dedication of land for park purposes (e.g., cash-in-lieu in place of land), where a subdivision contains environmentally sensitive land protected under separate regulations – and at least a portion of the land is planned for public access – the passive parkland contribution of the site can be considered prior to the calculation of the developer's cash-in-lieu payment.

Selecting Parkland Within a Subdivision

The *Local Government Act* permits a local government to require a developer to dedicate up to 5% of the total land area of a subdivision for parkland purposes.

The *Local Government Act* does not explicitly constrain local governments from determining which lands to select for parkland within a development. For instance, the *Local Government Act* does not limit the local government from requesting potentially higher value parcels such as waterfront properties or view lots. However, the location of the parkland requested by the local government may have implications for marketability, profitability and even the viability of the proposed development and must be

considered as part of the subdivision approval process.

The *Local Government Act* sets out how local governments are required to calculate the amount of cash-in-lieu of parkland, where they choose the cash-in-lieu option over the land dedication option.

Local governments that choose the cash-in-lieu option instead of parkland dedication must calculate the cash-in-lieu payment required from the developer based on the land value of the entire subdivision. Given that the cash-in-lieu amount is intended to reflect the cash equivalent of the 5% land dedication, the 5% area dedication would similarly represent 5% of the overall land value of the subdivision.

In cases where the local government wishes to acquire portions of the subdivision (e.g., waterfront parcels) that, taken together, exceed 5% of the subdivision's overall land value, the local government may wish to obtain less than the full 5% of the subdivision area, or pay for a portion of the land it wishes to acquire.

Under the *Local Government Act*, local governments have the authority to require up to 5% of a subdivision's total area, regardless of the value of the dedicated parcels. The intent of this best practice is to encourage local governments to consider the potential impacts their parcel selections may have on the financial viability of a given development.

The consideration of land value in the acquisition of parkland suggests that an independent property appraisal would be required to determine land values in every instance.

In practice, appraisals would likely only be used in the event of perceived unfairness, or in cases where discrepancies in value are expected to be an issue. For example, an appraisal may be

warranted in a case where the local government has requested waterfront property in a subdivision that has very little waterfront, or the local government wants to acquire a viewpoint in a subdivision where most views are obstructed.

Recommended Best Practice #4

When 5% parkland dedication is required, the value of the lands being acquired by the local government should represent, in approximate terms, 5% of the value of the entire subdivision.

Determining the Cash-in-lieu Value

The *Local Government Act* permits cash-in-lieu amounts to be determined based on the average market value of all the land in the proposed subdivision. The calculation of the market value must consider that the land is zoned to permit the proposed use and acknowledge that any works and services necessary to develop the subdivision (e.g. roads, water/sewer infrastructure, utilities) have not yet been installed. Market values are typically established through independent professional appraisals.

Local governments have the option of obtaining independent professional appraisals or they may choose to negotiate the value of the land directly with developers.

Assessed values are often used as a basis for negotiations over the cash-in-lieu amount payable by the developer. It may be more appropriate for the local government to commission an appraisal by a qualified professional rather than use in-house staff given assessed values do not typically take into account the impact of the proposed rezoning.

A developer that does not agree with the appraised value of the proposed development is entitled to commission its own property appraisal.

The commissioning of a separate appraisal does, however, introduce the potential for differing appraised values, and the need for a process to resolve differences between a local government and developer. The following approaches may prove useful in resolving these situations:

- if the developer's appraisal falls within 10% of the local government's appraisal, the two parties agree simply to split the difference; or,
- if the values vary by more than 10%, the two parties agree to obtain and cost share a third independent appraisal; or,
- the third appraisal can, by agreement, be binding on the parties; or,
- the parties can agree to take the average of the three appraisals, should a third appraisal be required.

Having a stated policy on the part of the local government how differing property valuation will be resolved between it and a developer promotes fairness, equity and consistency in the cash-in-lieu valuation process.

Recommended Best Practice #5

Where cash-in-lieu is required, municipalities should encourage valuation of the land through an appraisal completed by a qualified professional. To promote equity, fairness and consistency in the cash-in-lieu valuation process, municipalities should consider developing a policy to resolve differences of opinion on value that arise between landowners and the municipality.

Park Frontage Costs

Local governments typically plan for parkland in advance of an area's development. Local governments can directly purchase future parkland prior to the development of the area or wait and require developers to dedicate the land during the subdivision approval process.

When land is purchased by a local government, and road access does not already exist, the local government may choose to allocate a portion of the land for use as an access road and pay some of the road and servicing costs along the park frontage. Conversely, when a developer dedicates land for park purposes, the parcels are typically designed with road access and services provided to the property line by the developer.

This best practice is intended to address inconsistencies between land purchased directly by the local government (using, for example, monies collected through cash-in-lieu provisions), and parkland dedicated by a developer within a subdivision.

Local governments may wish to consider sharing the cost of servicing the park frontage— that is, the road and the associated services – with the developer when a park is being developed on dedicated land within a subdivision.

Direct cost-sharing agreements between the local government and the developer could be used to facilitate cost-sharing. Alternatively, the portion of the road and associated services fronting the park could be included in the local government's DCC bylaw – based on the need for the park, and the road fronting the park, are at least in part attributable to new growth.

Under the DCC approach, the developer would build the road during subdivision construction and receive a DCC credit from the local government. In these instances, roads would be completed instead of being delayed while waiting for contributions from the local government.

Recommended Best Practice #6

Where a significant road dedication or park frontage is required to develop a park on dedicated land, local governments should consider sharing the costs of servicing the frontage of a park, either through cost-sharing agreements or DCCs.



Chapter 3

Other Considerations Regarding Parkland Acquisition

Parkland Needs

Many local governments evaluate existing inventories, and their respective community's overall need for park space prior to determining which finance tools to use in acquiring parkland.

Often this need for parkland is expressed as a ratio of parkland area per population (e.g., acres or hectares per 1,000 people). Local governments often will consider the existing inventory of parkland owned by regional districts and the local school district in evaluating this need.

Often the standards or ratios established by local governments reflect only active parks, although some local governments include passive open spaces in their standards. The development, updating and sharing of these standards by local governments can provide a sound basis for policy decisions regarding parkland acquisition. Communicating these standards to developers can also promote an integrated, open, fair and consistent approach in dealing with parkland acquisition.

Figure 1 – Sample Standards: provides examples of parkland standards from local governments around B.C., the type of parks included within the standards and how the standards guide acquisition practices.

Figure 1 - Sample Standards

Sample Standards (and accompanying explanation)	
Community A:	
<ul style="list-style-type: none">• 10.5 acres/1,000 population• Active municipal parks included (no regional or passive parks, no school sites)• Used as basis for DCC contributions (less what is estimated to be acquired through 5% parkland dedication at subdivision approval)	
Community B:	
<ul style="list-style-type: none">• 12 acres/1,000 population• Municipal parks, schools and regional active parks (no passive parks)• Used as guideline for parkland acquisition	

Policy Considerations:

The following list identifies for local governments some of the policy considerations involved in assessing parkland needs:

- existing parkland inventory, including municipal and regional parks, as well as park facilities provided through the school district (e.g., school fields/play parks);
- densities and mix of housing;
- natural features and open space (in addition to existing parks);
- local preferences for parkland;
- impacts on taxes;
- impacts on sustainability; and,
- impacts on developable land, and associated growth targets.

Non-Residential Parkland Requirements

Local governments can acquire parkland from industrial and commercial users and developers by using the 5% parkland dedication or cash-in-lieu during subdivision approval or by

establishing parkland DCCs. The same best practices and guidelines regarding the use of the tools for residential development can be applied to industrial and/or commercial development.

Some questions that local governments may wish to consider when determining how to apply DCCs to non-residential uses include:

- Are employees using or enjoying parks?
- Are parks provided in close proximity to non-residential uses?
- Do parks play a role in attracting businesses to the area?
- Do parks attract pedestrians or customers to commercial areas?
- Do parks play a role in attracting employees to local businesses?
- What is the existing tax differential between commercial/industrial and residential uses?
- Do the taxes suggest that non-residential uses are already paying for services such as parkland?
- Are these uses creating a need for more parkland?
- Is the development of these uses creating a need for additional open space as visual relief or amenity for balance, or to improve water and air quality?

The decision to require up to 5% dedication or cash-in-lieu and parkland DCCs for non-residential uses is a policy decision for local governments to make.



