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Staff Report

Administration – Chief Administrative Officer

Report To:	COW- Admin, Corp and Finance, SI, Comm. Services
Meeting Date:	June 30, 2025
<b>Report Number:</b>	ADM.25.040
Title:	Follow Up to Public Meeting – Planning and Building Services Fee
	Review
Prepared by:	Adam Smith, Interim Chief Administrative Officer

# A. Recommendations

THAT Council receive Staff Report PBS.25.023, entitled "Follow Up to Public Meeting – Planning and Building Services Fee Review";

AND THAT Council approve the amendments to By-law 2022-14 Being a By-law for Fees related to Planning Matters and Engineering Services;

AND THAT Council approve the amendments to By-law 2014-28 Being a By-law under the Building Code Act respecting Permits and Related Matters;

AND THAT Council direct staff to include the updated by-laws on the July 14<sup>th</sup> Council meeting and upon enactment the by-laws come into effect on September 1<sup>st</sup>, 2025.

# B. Overview

This report serves as follow-up to the public meeting on March 11, 2025 regarding the Planning and Building Services Fee Review. Attached to the staff report is the final report produced by Watson and Associates outlining a recommended fee structure for Planning Services, Building Services and Development Engineering. The report also explains the legislative context underpinning the collection of development fees and the methodology to calculating the proposed fee structures.

# C. Background

Since 2024, staff have been working with Watson and Associated on the review of planning and development fees in the municipalities. The extent of time required to complete the project is a reflection of the complexity in accurately capturing the costs of development review at the Town. As illustrated within the report produced by Watson and Associates, many divisions within the Town have both direct and indirect costs tied to the review of development applications.

# D. Analysis

Based on a review of the final report produced by Watson and Associates and input received by staff and the development community, there have been adjustments made to both bylaws regulating Planning, Development Engineering and Building fees. Generally, this has resulted in increases to all development applications reviewed by the Department. The attached Watson and Associates report contains analysis to demonstrate the basis for the adjustments. There has also been structural changes to the by-laws that have been recommended. The objectives in doing so include improving the predictability and sustainability of revenue generation in the Department and enhancing compliance with development agreements.

- An added note to Development Engineering Fees that the Pre-Servicing Fee of 3.56% is to be deducted from the Subdivision and Site Plan fees of 6.16%.
  - The credit is a reflection of the scope of work involved in pre-servicing agreements relative to subdivision and certain site plan agreements. A principle to achieved through the PDS Fees Review project was ensuring fee collection corresponded with the services rendered. Currently, if a pre-servicing agreement is pursued it will involve most of the works to be carried out in a development file. However, the majority of the fees collected do not occur until execution of the final agreement. This issue is being rectified through the recommended fee structure.
- A new clause giving Council the ability to increase fees annually reflective of the Consumer Price Index (CPI) for Planning and Building Services.
  - Previously fee adjustments would only occur within the scope of a fee review project. The language allows for the by-laws to be updated annually reflective of inflation. While not precluding a future fee review, allowing for annual adjustments will ensure the fees are aligned with comparators and considerate to the costs to deliver the service.
- An added note that requires an additional site re-inspection fee for the purpose of enforcing an order under a development agreement.
  - Serves to further discourage non-compliance with development agreements and reflect upon additional staff time required when it comes to managing these issues.

From a staff perspective, the fee review exercise is intending on ensuring that the Town is fiscally responsible in the delivery of development review services. Yet balanced with this focus, is ensuring that fees are consistent with municipal comparators and do not discourage investment in the community. These comparators were the Town of Collingwood, Town of Caledon, Town of Innisfil, Township of King and the Town of Niagara-on-the-Lake. While larger, they were selected given their similarities from an organizational structure standpoint as well

as similar growth patterns. The recommended fee structure would be consistent albeit result in the Town being a leading comparator moving forward.

### E. Strategic Priorities

#### 1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

#### 2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

#### 3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### F. Environmental Impacts

N/A

# G. Financial Impacts

Staff anticipate that the proposed fee structure will increase the reliance on user fees to fund development review and decrease the need for subsidization via the tax levy.

#### H. In Consultation With

Tim Murawsky, Acting Director of Planning and Building Services/Chief Building Official,

Shawn Postma, Manager of Community Planning

Brian Worsley, Manager of Development Engineering

#### I. Public Engagement

The topic of this Staff Report has been the subject of a Public Meeting and/or Public Information Centre which took place on **March 11, 2025**. Those who provided comments at the Public Meeting and/or Public Information Centre, including anyone who has asked to receive notice regarding this matter, has been provided notice of this Staff Report. Any comments regarding this report should be submitted to Adam Smith, Interim Chief Administrative Officer <u>cao@thebluemountains.ca</u>.

### J. Attached

- 1. Development Applications Approval Process and Fees Review Final Report
- 2. By-law 2022-14 Planning and Engineering Fees with Tracked Changes
- 3. Draft By-law 2025-XX Planning and Engineering Fees
- 4. By-law 2014-18 Building Fees with Tracked Changes
- 5. Draft By-law 2025-XX Building Fees
- 6. Public Comment Matrix

Respectfully submitted,

Adam Smith Interim Chief Administrative Officer

For more information, please contact: Adam Smith, Interim Chief Administrative Officer <u>cao@thebluemountains.ca</u> 519-599-3131 extension 234

# **Report Approval Details**

Document Title:	ADM.25.040 Follow Up to Public Meeting - Planning and Building Services Fee Review.docx
Attachments:	<ul> <li>Attachment-1-Development-Applications-Approval-Process-and- Fees-Review-Final-Report.pdf</li> <li>Attachment-2-By-law-2022-14-Planning-and-Engineering-Fees- with-Tracked-Changes.pdf</li> <li>Attachment-3-Draft-By-law-2025-XX-Planning-and-Engineering- Fees.pdf</li> <li>Attachment-4-By-law-2014-18-Building-Fees-with-Tracked- Changespdf</li> <li>Attachment-5-Draft-By-law-2025-XX-Building-Fees.pdf</li> <li>Attachment-6-Public-Comments-Matrix.pdf</li> </ul>
Final Approval Date:	Jun 23, 2025

This report and all of its attachments were approved and signed as outlined below:

### Adam Smith - Jun 23, 2025 - 10:35 AM