



# Staff Report

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## Planning & Building Services – Planning Division

**Report To:** COW - Operations, Planning and Building Services  
**Meeting Date:** October 7, 2025  
**Report Number:** PBS.25.066  
**Title:** Follow up to the Public Meeting – Planning and Development Engineering Fees  
**Prepared by:** Shawn Postma, Manager of Community Planning  
Brian Worsley, Manager of Development Engineering

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### A. Recommendations

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THAT Council receive Staff Report PBS.25.066, entitled “Follow up to the Public Meeting – Planning and Development Engineering Fees”;

AND THAT Council approve the amendments to By-law 2022-14 Being a By-law for Fees related to Planning Matters and Engineering Services including a multi-year phase in of Planning Services Fees and an immediate implementation of Engineering Services Fees.

### B. Overview

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The Planning, Development Engineering and Building Fees have been under review by Town Staff and Watson and Associates since 2024. A Public Meeting was held on March 11, 2025 and a follow up Recommendation Report and Updated Draft Fees By-law presented on June 30, 2025. Council supported minor revisions to the Draft By-law and implemented the Building Services Fees portion for January 1, 2026. Council requested a review of options to phase in the Planning and Development Engineering Fees and also for future projections on expected applications in the next two years.

### C. Background

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Staff presented [Staff Report ADM.25.040](#) on June 30, 2025 to Committee of the Whole. The report provides a general summary of the Fees By-law Review process, the basis of the proposed Fee Changes, and a Draft Fees By-law that was presented to Council for enactment. The Fees By-law proposed updated fees for each the Planning, Development Engineering and Building divisions. Council supported the enactment of updated fees for the Building Division to take effect on January 1, 2026, and requested additional information on implementation options for the Planning and Development Engineering portion as well as future applications estimates for the next two years.

#### Phase in of Fees

Municipalities have used a phase-in approach to increase application fees in the past. Generally these have been intended as a short term temporary measure to limit the impact of fee increases where fees are changed in-year, proceeded then by the full recommended fee as of January 1<sup>st</sup> of the following year. Longer phase in periods (such as 2-3+ years) are not common except in cases for phased-in fees related to Development Charges.

Financial impacts to the Town as a result of using phased-in fees would be lower application fee revenue over the phase-in period and thereby increasing the burden on the tax base. It is also noted with the draft Fees By-law is that annual indexing aligned with CPI annual increases need to be incorporated as part of the phase in periods.

**Planning Services**

Staff has identified three phase-in options for the Fees By-law as presented on June 30, 2025 including the following:

1. Proceed with the full Fees By-law with no phase-in.
2. Proceed with a phase in to the full Fees By-law to start on January 1, 2026
3. Proceed with a phase-in to the full Fees By-law to occur over the next 2+ years as follows:
  - a. Step 1 Fee Increase:  
80% of full fee on January 1, 2026 +CPI
  - b. Step 2 Fee Increase:  
90% of full fee on January 1, 2027 +CPI
  - c. Step 3 Fee Increase:  
100% of full fee on January 1, 2028 +CPI

Sample Planning Application Fee Changes Based on Phase-in Option 3:

Planning Application	Current Fee By-law 2022-14	80% of Full Fee January 1, 2026	90% of Full Fee January 1, 2027	100% of Full Fee January 1, 2028
Mid Scale Official Plan Amendment	\$24,780	\$29,159	\$32,804	\$36,449
Mid Scale Zoning By-law Amendment	\$18,432	\$19,955	\$22,449	\$24,944
Mid Scale Site Plan Review	\$17,081	\$29,555	\$33,249	\$36,944
Minor Variance	\$1,970	\$2,363	\$2,658	\$2,954

Consent (Lot Creation)	\$3,358	\$5,296	\$5,958	\$6,620
Telecommunication Tower	\$2,506	\$6,204	\$6,980	\$7,756
Request for Draft Plan Extension	\$206	\$1,704.00	\$1,917	\$2,130
Request to Purchase Town Owned Lands	\$1,193	\$5,568	\$6,264	\$6,960

The Draft Fees By-law found under Attachment #1 includes the Option 3 Phase in schedule identified above.

**Engineering Services**

Engineering Works fees are collected through the approved construction stages of development. Engineering Works fees from our comparator Municipalities (King, Caledon and Innisfil) are at 6%, while Collingwood is at 5%, and NOTL uses a flat fee (that with current infrastructure prices would generate much less).

As the proposed By-law increase to 9.72% is recognized much higher compared to our comparator Municipalities, and the recommended Fee schedules from the Association of Consulting Engineers Canada (ACEC) who suggest in the range of 10% for the entirety of the Consultants involvement; it is recommended that Town Development Engineering fees be capped at 6.1% of infrastructure cost, with 3.56% of infrastructure cost required at Pre-servicing agreements, and a further 2.54% of infrastructure cost at Subdivision agreements for a total fee of 6.1% of infrastructure cost, the result is an overall decrease to the Town Engineering Works Fee and it is proposed that internal process enhancements being implemented to reduce staff time & costs for the Town and applicants and better align with Provincial and Federal initiatives to reduce red-tape and build housing.

Based on the overall decrease in Fees, it is recommended that the Development Engineering Fees be phased in at the 100% rate on January 1, 2026.

Revised Development Engineering Fees	Current Fee By-law 2022-14	100% of Full Fee January 1, 2026
Works Fee: Subdivision,	5.64%	6.1% total, 2.54% if after Pre-Servicing

Condominium, Site Plan		
Works Fee: Pre-Servicing	0.70%	3.56%
Total Fee:	6.34%	6.10%

**Future Projections**

Planning Staff has been tracking the number of applications that are received each year. Revenue generated from Planning Applications are collected at time the application is submitted. Generally small scale Planning Applications are typically opened and closed within 3-6 months. Larger scale Planning Applications can take multiple years to complete. The following table assessed the total number of applications received since 2015 identifying the annual applications received during slow growth and high growth years, as well as the 10 year annual average (2015-2024) which includes a general average including those years between slow and high growth periods. The rolling 10 year average has been relied on for budget and expected workload estimates. It is noted that current market conditions have presented uncertainty leading to increased hesitation in filing new Planning Application submissions since the start of January 2025.

Application Type	Low	High	10 Year Average
<b>Site Plan</b>	6	15	10
<b>Official Plan Amendment</b>	0	2	1
<b>Zoning By-law Amendment</b>	5	28	12
<b>Minor Variance</b>	0	58	31
<b>Subdivision / Condominium Review</b>	0	5	3
<b>Request for Redline Revision</b>	0	2	1
<b>Part Lot Control/Deeming By-law</b>	0	3	1
<b>Consent / Severance</b>	4	19	10
<b>Removal of Holding Symbol</b>	1	11	6
<b>Request for Condominium Exemption</b>	0	2	1
<b>Request for Telecommunication Tower</b>	0	4	1
<b>Redline Revision to Site Plan</b>	1	3	2
<b>Red Line Revision Comments to County</b>	0	2	1
<b>Draft Plan Extension Comments to County</b>	2	4	3
<b>Draft Plan Approval Clearance Letter to County</b>	1	5	3
<b>Change to Condition of Consent</b>	0	1	0
<b>Development Control Permits (NEC Review)</b>	5	22	13
<b>Application for Pre-Consultation</b>	18	41	27

## **Development Engineering**

With respect to projected Fees; for 2025 we have to date brought in approximately \$550,000, and anticipate that Eden Oak Trailhead (194 units), and Brophy's Lane, (16 units) will also have Subdivision agreements signed this year, which should bring 2025 revenues to over \$1 Million.

For 2026 we anticipate Subdivision Agreements will be in place for: Homefarm (215 units), Hillside (20 units), Alta 2 ( 57 units), Lora Bay Phase 4b (58 units), which should bring in over \$1Million in fees

While in 2027 (and beyond) Aquaville West (142 units), Manorwood ( 42 units), 150/160 King (48 units), Lora Greens (38 units),Blue Meadows (191 units) are all possible (pending completion of Mill St SPS related works) which should collectively bring in over \$2 Million in Fees.

Accordingly, it is envisaged that the Development Engineering section should be self-financing for the foreseeable future, provided that process enhancements are implemented, and that market conditions remain as they currently are.

## **D. Strategic Priorities**

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### **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.

## **E. Environmental Impacts**

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Staff do not anticipate any adverse environmental impacts as a result of this By-law.

## **F. Financial Impacts**

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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.

## **G. In Consultation With**

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

## **H. Public Engagement**

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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 the Planning and Development Services Department at [planning@thebluemountains.ca](mailto:planning@thebluemountains.ca) and [developmentengineering@thebluemountains.ca](mailto:developmentengineering@thebluemountains.ca)

## **I. Attached**

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1. By-law 2025-\_\_\_ Planning and Engineering Fees Final Draft

Respectfully submitted,

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Manager of Development Engineering

For more information, please contact:

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**Report Approval Details**

Document Title:	PBS.25.066 Follow up to the Public Meeting - Planning and Development Engineering Fees.docx
Attachments:	- By-law 2025- - Being a By-law for Fees related to Planning Matters and Engineering Services FINAL DRAFT.docx
Final Approval Date:	Sep 26, 2025

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

**Tim Murawsky - Sep 26, 2025 - 8:04 AM**