

Subject: Implementing Pre-consultation Planning Fees

To: Council

From: Development and Legislative Services Department

Report Number: 2022-155

Meeting Date: July 12, 2022

Recommendation:

That Development and Legislative Services Department – Planning Division Report 2022-155 be received; and

That the proposed pre-consultation fees be approved as outlined in Report 2022-155 be added to Schedule R of the User Fees and Charges By-law No. 6949/95/21; and

That the updated Schedule R of the User Fees and Charges By-law be included in a future amendment to By-law No. 6949/95/21

Purpose:

The purpose of this report is to receive Council approval on the implementation of a preconsultation fee for planning applications.

Background:

City staff retained BMA Management Consulting Inc. (BMA) in November of 2021 to undertake a review of the City's building and planning application fees as they have not been reviewed in several years. The building fees review has proceeded to a public meeting and will be brought forward for Council consideration in summer of 2022.

Bill 109, More Homes for Everyone Act received Royal Assent on April 14, 2022. The Bill, most notably, as detailed in Report 2022-94 revised Section 34 of the *Planning Act* to include new rules that require municipalities to refund application fees if a decision on a site plan application, zoning by-law amendment (ZBA) or combined ZBA and official plan amendment (OPA), is not reached within the legislated timeframes. The

requirement to return fees if applications are not processed within the specified timeframes will take effect January 1, 2023.

The implementation of the refunding of planning fees has triggered the need for planning staff to further review fees and processes for site plan applications, zoning bylaw amendments and official plan amendment applications. Through this review, new fees and processes will be established with the intention of expediting the planning process and reducing the risk of having to return planning application fees. Planning staff will be reporting back to Council on process and fee changes by the end of 2022.

Discussion:

While this review is underway, planning staff are proposing the implementation of a preconsultation meeting fee. Pre-consultation meetings are required for most planning applications. Internal staff from planning, engineering, building, fire and economic development and external agencies including the Niagara Region, the Niagara Peninsula Conservation Authority and Bell attend the meeting along with the applicant to discuss planning proposals The purpose of the meeting is to outline all of the plans, studies, reports, fees etc. that are required to submit a complete development application. After the meeting, the city planner on the file sends a comprehensive set of notes to the applicant as a record of the meeting and to assist them with completing the necessary work. Currently, there is no pre-consultation application fee charged. Collectively, staff spend a number of hours on each application from preparing for the meeting, attending the meeting and putting together the notes that are sent to the applicant.

Staff are recommending that a fee of \$500 be charged for major planning applications (Plans of subdivision/ Condominium, Official Plan Amendments, Zoning Bylaw Amendments, Site Plan Control) and a \$250 fee be charged for minor planning applications (minor variances, consents). If the pre-consultation meeting includes more than one application type, only one fee will be applied (the higher of the two fees). If the applicant applies within 18 months from the date of the pre-consultation meeting the pre-consultation meeting fee will be reduced from the overall application fee. By charging a fee, this will help to reduce the number of applicants who may not be committed to moving forward in the planning process. By reducing the overall application fee by the pre-consultation fee, if applied for within 18 months from the date of the pre-consultation meeting acts as an incentive for applicants to get the application submitted.

An internal scan of local municipal fees indicates that at least seven of the twelve municipalities in the Region charge for pre-consultation.

Staff are proposing that the pre-consultation fee be applied to all applications submitted as of August 1, 2022.

Financial Implications:

Charging for pre-consultation meetings will assist in covering the costs to operate the planning division. In the past few years, approximately 30% of pre-consultation meetings ended up applying for planning approval. By charging for pre-consultation, the intent is that those who apply and pay the fee are more likely to submit a planning application.

In 2021, 77 pre-consultation meetings were held. Of those, an average of 30% of applicants who attended a pre-consultation meeting submitted a planning application.

In the new proposed fee structure for pre-consultation meetings, the application fees would then be reduced by the already paid pre-consultation fee (\$500 or \$250). The remaining 54 pre-consultation fees that do not submit a planning application would help to offset the planning divisions operating expenses (approximately \$21,000).

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Service and Simplicity Quality and Innovative Delivery of Customer Services
- Attracting Business Investment and Tourists to Port Colborne
- Value: Financial Management to Achieve Financial Sustainability

Conclusion:

Staff recommend that Council approve the inclusion of a pre-consultation fee into the fees bylaw to promote applications that have merit and to offset the cost of staff time preparing and attending the pre-consultation meetings.

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.