



Subject: Building Application Fees Review

To: Council - Public Meeting

From: Development and Legislative Services Department

Report Number: 2022-182

Meeting Date: August 9, 2022

Recommendation:

That Development and Legislative Services Report 2022-182 be received for information.

Purpose:

A public meeting is being held pursuant to Ontario Regulation 305/03 under the Ontario Building Code to present the proposed new building permit application fees. This report provides background on the fees review process.

Background:

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 a number of years. Since the last review there has been an increase in regulatory requirements and applications have been more complex requiring more staff time to review.

BMA has completed the necessary background work; including analyzing the direct and indirect cost of the building permit process, mapping the application process to determine time estimates for all administrative, plans examination and inspection services and a comparison of fees to other Niagara Region municipalities to ensure the recommended fees are competitive. Based on this work, new building application fees were proposed and presented at a public meeting on June 14, 2022. Concerns were raised by members of Council that the proposed building fees did not account for contributions towards the Building Permit Stabilization Reserve Fund (the reserve fund).

Following the June 14, 2022, public meeting, staff met internally to discuss using the building permit fees to increase the reserve fund to account for fluctuations in building permit revenues. It was determined that a modest increase to the proposed fees of 5% would be appropriate to ensure the reserve fund is not depleted.

Ontario Regulation 305/03 under the Ontario Building Code Act requires a public meeting to be held when a municipality is proposing to introduce or change a building permit fee. As the fees are now proposed to increase by 5%, another public meeting must be held.

The revised building permit fees that include the 5% increase are attached as Appendix A – Building Fee Review Report.

Internal Consultations:

The building division, engineering division and finance department have been consulted as part of the process for determining the proposed building application fees.

Public Engagement:

The public meeting has been advertised on the City's website, emailed to the Niagara Homebuilders Association, the Niagara Industrial Association and to a list of prospector investors that the economic development team has been collaborating with.

Financial Implications:

The building permit fees are used to pay for the administration of the building division and do not impact the levy.

The report recommending approval of the new building permit fees (Report 2022-167) provides examples of hypothetical building projects and what the increase in fees would amount to.

Strategic Plan Alignment:

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

- Value: Financial Management to Achieve Financial Sustainability
-

Conclusion:

This report is for information purposes only and to allow for an opportunity for public comment pursuant to the Ontario Building Code.

Appendices:

- a. Building Fee Review Report

Respectfully submitted,

Denise Landry, MCIP, RPP
Manager of Planning Services
905-835-2900 x203
Denise.Landry@portcolborne.ca

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.