

# **REPORT**

## ***Finance***

**To:** Mayor Johnstone and Members of  
Council

**Date:** September 25, 2023

**From:** Jacqueline Dairon  
Acting CFO/Director of Finance

**File:**

**Item #:** 2023-620

**Subject: Budget 2024: Fees and Rates Review**

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### **RECOMMENDATION**

***That*** Council approves in principle the proposed changes in fees and rates; and

***That*** Council direct staff to prepare the necessary amendment bylaws.

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### **PURPOSE**

To seek Council's approval in principle for the proposed changes to the fees and rates bylaws to accommodate the changes recommended by staff in their review of user fees and rates; and provide direction to staff on changes to the related bylaws.

### **BACKGROUND**

This report is to provide Council with an overview of the City's annual fees and rates review. All departments have reviewed their user fees and rates. The following is a summary of the changes being proposed by each department for implementation January 1<sup>st</sup> 2024. Detailed explanations supporting the changes are provided in Attachments 1 through 7.

### **EXISTING POLICY AND PRACTICE**

User fees and rates assist the City in managing the demands of the annual operating budget by recovering costs associated with providing certain City services. As directed by Council, departments are required to review their user fees and rates on an annual basis.

Changes proposed by departments are based on comparative data with other municipalities or industry, analysis specific to the service provided or an estimated rate of inflation. The estimated rate of inflation used for this review is 3.0% which is in line with the Bank of Canada CPI inflation target for 2024.

## **ANALYSIS**

### **Engineering Services**

Staff is recommending that most rates be increased by approximately 3.0% for 2024 and has proposed some minor wording changes for clarity. Other recommended changes are summarized below. Further detail is provided in **Attachment 1**.

- **Part 1.0 Animal Control Fees and Rates**

An amendment of language to the section 'Removal/Disposal' to 'Cremation/Disposal' and new categories created for clarity as the City does not offer removal of deceased pet, however, will dispose of, and or cremate.

- **Part 3.0 Commercial Towing Fees and Rates**

Commercial Towing Fees and Rates reflect the current rates set by the Insurance Corporation of British Columbia.

- **Part 8.0 Street and Traffic Fees and Rates**

#### Street Occupancy Permit Fees and Rates

Staff is recommending the City adopts the Ministry of Transportation & Infrastructure (MoTI) framework for Street Occupancy Permit (SOP) and Traffic Management Plan (TMP) Review and introduce a new fee for "Level 2" and "Level 3" projects. Level 2 and Level 3 projects require review and authentication by a Professional Engineer due to complexity, and therefore require additional time for City staff to review and approve.

The 2024 fee structure includes a recommendation for higher SOP fees for construction work on major streets (collectors and Major Road Network) and cycling routes/greenways to reflect the higher level of disruption to the public, including transit services and vulnerable road users. This is consistent with the approach taken in several other Lower Mainland municipalities.

A new SOP fee is recommended for construction projects that require closure of sidewalks, multi-use pathways, and protected bike lanes. A significantly reduced fee is available for projects that provide accessible alternate facilities for foot traffic and people using various wheeled micro-mobility devices. This approach is consistent with that taken in several other Lower Mainland municipalities.

A new fee is recommended to recoup staff and material costs for use of City owned barricades, including on-site delivery and removal for Parades and Street Festivals.

#### Street Occupancy Damage Deposits

Staff is recommending no changes to Street Occupancy Damage Deposits.

#### Other Fees

A new administrative fee is recommended for 2024 public requests of video footage from traffic cameras. In compliance with FOIPPA requirements, the City will be posting signage at locations where video footage is being collected.

#### Residential Parking Permit Fees and Rates

Staff is recommending increases to parking permit fees in line with the “Five-Year Approach to On-Street Parking Fees & Rates” endorsed by Council on October 28, 2019 and continue to include a 10% climate emergency fund surcharge.

#### Parking Meter and Pay Station Fees and Rates

Staff is recommending parking meter and pay station rates be adjusted in accordance with the “Five-Year Approach to On-Street Parking Fees & Rates” report that was endorsed by Council on October 28, 2019. These rates are inclusive of the \$0.25 per hour Climate Emergency Fund Surcharge previously adopted by Council.

- **Part 9.0 Subdivision and Development Control Fees and Rates**

A new pre, post and other construction inspection fee is recommended for public works associated with the subdivision and development control bylaw.

- **Part 12.0 SDU (Site Development Undertaking) – Security Deposit for Damage to Municipal Public Works and/or Obstruction of Roads by Builders**

To provide clarification on the purpose of the collection of the damage deposit, Part 12.0 title has been updated from Security Deposit for Damage to Municipal Facilities and/or Obstruction of Roads by Builders to SDU (Site Development Undertaking) – Security Deposit for Damage to Municipal Public Works and/or Obstruction of Roads by Builders.

A new non-refundable inspection fee is recommended, an initial inspection will document the condition of public works bordering a development and serve as a baseline to compare future damages that may occur.

- **Part 13.0 Q to Q Ferry Fees and Rates**

Staff is recommending no changes to Q to Q Ferry fares due to continued ridership recovery after COVID-19 pandemic. Fares are used to partially offset the operating cost to provide this transportation service between Downtown and Queensborough.

## Climate Action, Planning and Development

Staff is recommending that most rates be increased by approximately 3.0% for 2024 and has proposed some minor wording changes for clarity. Other recommended changes are summarized below. Further detail is provided in **Attachment 2**.

- **Schedule A Building Fees**

Staff is recommending to reinstate a \$500 discount for projects using a registered professional, adjust the application fee structure to make it non-refundable and separate from other fees, and increase the maximum double permit and plan processing fees to account for inflation. Additionally, there are plans to introduce charges for various tasks, such as Change of Registered Professional, Courtesy Inspections, and Miscellaneous Inspection fee. Lastly, new fees, such as the Energy Efficiency Performance Bond and an additional charge for BC Registry Services Document and Administration, aim to ensure compliance with energy efficiency standards and streamline the document acquisition process, respectively, to enhance the application experience for applicants.

- **Schedule B Business License Fees**

Staff is recommending that the Business Licensing Fees to be relocated outside of CAPD. These fees will now be governed by a separate bylaw exclusively dedicated to Business Licensing

- **Schedule C Planning Fees**

In an effort to remain aligned with other municipalities and address the increased complexity of applications and ongoing staffing and service delivery challenges, staff is recommending that raising the minimum fees and modifying the applicability in certain areas including Official Community Plan Map Designation, Rezoning, Comprehensive Development Review, Heritage Revitalization Agreement, Development Variance Permit, Temporary Use Permit, Development Permit, Special Development Permit, Covenants, Covenants Discharge, and Landscape Inspection.

There is no change to the Site Disclosure Statement Fee Administration, Development/Special Development permit landscape deposit for secured rental residential units, Development Permit landscape deposit for laneway/ carriage house and projects with fewer than six units, Water Bag, and Tree Protection Barrier Sign Deposit. Staff is also recommending introducing new fees for Transportation Review in Official Community Plan Amendment applications and for Preparation of Legal Documents. Additionally, an optional 1.75% credit card convenience fee will be added to permit fees paid online or by credit, while other payment methods remain available without convenience fees.

- **Schedule D Plumbing Permit Fees**

Staff is recommending increasing the back flow prevention fee to \$30, revising water service fees for multi-family and commercial buildings to \$2.50 per foot, introducing hourly charges for permit extensions and changes, replacing the Change of Use

inspection charge with a Courtesy Inspection charge, and requiring permits and application fees for multi-family hot water heating systems to enhance cost recovery and documentation. These adjustments aim to streamline fee structures and to be consistent with other municipalities.

- **Schedule E Tree Protection and Regulation Fees**

Staff is proposing a new credit card convenience fees of 1.75% on the total cost of invoices that are paid online and increases in Application Fees, Permit Fees for non-resident applicants, Tree Protection Barrier Inspection fees and adjustments to Replacement Fees, and Retained Deposits. Staff is also recommending cash-in-lieu fee of \$850 to be introduced for replacement trees when a City tree is removed and a charge for the removal of large specimen trees.

### **Economic Development - Business License**

Staff is recommending a fee increase of approximately 3.0% for 2024 with further detail provided in **Attachment 3**.

### **Cultural Services**

Staff is recommending an increase of approximately 3.0% for Anvil Centre Studio rates, Equipment Rental rates and photo and Reproduction fees. Programming fees will remain status quo through cost recovery. Additionally the fee for piano tuning will be set to be equal to the cost for the city to hire this service. Further discussion is provided in **Attachment 4**.

### **Anvil Theatre**

Staff is recommending an increase of approximately 3.0% for Anvil Theatre Rental Rates and a 3.0% increase in the staffing charge out rates. Further detail is provided in **Attachment 5**.

### **New Westminster Fire & Rescue Services**

Staff is recommending new fee structure for excessive false alarms and re-inspections. Proposed changes are intended to achieve prompt correction of conditions that are in violation of the BC Fire Code or City's Fire Protection Bylaw, align re-inspection fees with City's Building Department and reflect costs of business operations. Further detail is provided in **Attachment 6**.

### **Electrical Utility**

Staff is recommending a fee increase of approximately 3.0% for 2024 with further detail provided in **Attachment 7**.

## **FINANCIAL IMPLICATIONS**

In large part, user fees and rates will increase by an estimated rate of inflation of 3.0% on January 1, 2024 generating an additional revenue contribution of approximately \$0.72M which can be broken down as follows:

- \$0.43M Engineering Services
- \$0.16M Climate Action, Planning and Development
- \$0.05M Economic Development - Business License
- \$0.01M Cultural Services
- \$0.01M Anvil Theatre
- \$0.03M New Westminster Fire & Rescue Services
- \$0.03M Electrical Utility

The additional revenue contribution will be incorporated into the 2024 budget projections.

## **OPTIONS**

The following options are presented for Council's consideration:

- 1) That Council approves in principal the proposed changes in fees and rates, and;
- 2) That Council direct staff to prepare the necessary amendment bylaws.
- 3) That Council provide other direction.

*Staff recommend Options 1 and 2*

## **CONCLUSION**

City staff have reviewed and recommended changes to user fees and rates for their respective departments for the upcoming year. Provided that Council agrees in principle with the proposed changes in fees and rates, staff will bring forward, for Council's consideration at the next regular meeting of Council the related amendment bylaws.

## **ATTACHMENTS**

- Attachment #1 - Engineering Services Fees and Rates Review Memo
- Attachment #2 - Climate Action, Planning and Development Fees and Rates Review Memo
- Attachment #3 - Economic Development - Business License Memo
- Attachment #4 - Cultural Services Fees and Rates Review Memo
- Attachment #5 - Anvil Theatre Fees and Rates Review Memo
- Attachment #6 - New Westminster Fire & Rescue Services 2024 Rates Memo
- Attachment #7 - Electric Utility Fees and Rates Review Memo

**INTERDEPARTMENTAL LIAISON**

All departments participate in the annual budget process. The Senior Management Team (SMT) provides overall direction. The Finance Department provides overall financial oversight.

This report was approved by:

Jacqueline Dairon  
Acting CFO/Director of Finance

Lisa Spitale  
Chief Administrative Officer