

Attachment 2

Climate Action, Planning and Development Fees and Rates Review Memo

Memorandum

To: Jacqueline Dairon
Acting Director of Finance

Date: August 24, 2023

From: Serena Trachta
Acting Director, Climate Action, Planning and Development

File:

Re: 2023 USER FEES & RATES REVIEW (FOR 2024) – Climate Action, Planning and Development

Climate Action, Planning and Development has completed a review of our fees and rates. We have proposed a number of changes based upon the following:

- All fees will be adjusted to the nearest whole number, based on a 3.0% estimated rate of inflation (with some exceptions); and
- A proposal to amend some fees such that they are more reflective of the relative workload for different types of applications.

Schedule A 2023 Building Permit Fees

- An increase to all fees based on 3.0% estimated rate of inflation, adjusted to the nearest whole number, with the below noted exceptions;
 - Reinstate a \$500 discount for projects that use a registered professional in order to retain immunity in relation to approval of certified building plans per the Local Government Act;
 - Modification to the initial application fee such that it is not refundable and separate from (and not deducted from) the application and permitting fees.
 - Increase the maximum double permit and plan processing fees to accommodate inflation. The percentage has increased but the maximum has not.
 - Include hourly charges to the Extension/Renewal of Permit minimum fee to cover staff time to confirm that the proposed work complies with applicable bylaws.
 - Include a charge for Change of Registered Professional and add hourly charges to Change of Owner, Change/Removal of Contractor and Change of Registered professional to accommodate additional administrative, plan review or inspection time.
 - Add a Courtesy Inspection charge which accommodates inspections for multiple reasons where a permit is not yet involved.
 - Alterations to the Miscellaneous Inspection fee:
 - Add a "Special Inspections Fee" applicable in cases where inspections are conducted outside of the City Limits.
 - Implement a mileage charge to reimburse inspectors for their travel expenses for inspections conducted outside of the City Limits. The reimbursement rate for mileage would align with the current rate of \$0.68 per kilometer, as determined by the City's reimbursement policy.

- Implementation of the following charge, which was approved in 2020 but has not been included in the recent updates to the user fee and rate bylaw:
 - **Energy Efficiency Performance Bond:**
To ensure compliance with the applicable step of the BC Energy Step Code is achieved in accordance with the requirements of Section 14.1, an energy efficiency performance bond, as specified in the Development Services Fees and Rates Bylaw No. 7683, 2014, as amended or replaced from time to time, shall be provided prior to issuance of a building permit. The energy efficiency performance bond will be released once it has been verified that the project has been constructed to achieve the energy efficiency performance level in accordance with Section 14.1 and the project has been granted occupancy. The bond, if forfeited, will be utilized to improve energy performance in the subject building or will be rolled into the City's Carbon Reserve Fund and utilized to meet the City's energy use and GHG emissions targets.
- **Additional Charge for BC Registry Services Document and Administration:**
 - Introduction of an additional charge for BC Registry Services Document and Administration, which aligns with the fees outlined in Schedule C for Basic service document requests. The fee for this service will amount to \$23, the same as the fee for Land Title Document and Administration services.
 - The purpose of this additional charge is to streamline the process of obtaining documents that applicants often find challenging to acquire on their own. These difficulties can lead to delays in their application process. By paying the \$23 fee, applicants will have the necessary documents procured on their behalf, without incurring any additional expenses. The fee directly covers the cost of obtaining the documents, ensuring a smooth and efficient application experience for the applicants.

Schedule B 2024 Business Licence Fees

- The Business Licensing Fees Bylaw which is currently listed in Schedule B of the Climate Action, Planning and Development (CAPD) framework are being relocated outside of CAPD. These fees, previously included in the Climate Action, Planning and Development Fees and Rates Amendment Bylaw No. 8358, 2022, will now be governed by a separate bylaw exclusively dedicated to Business Licensing.

Schedule C - 2024 Planning Fees

Planning fees have not been updated for some time. The completion of a comprehensive municipal scan, which serves as an important reference for setting appropriate fee structures, was delayed over the course of the pandemic. A recent scan has highlighted that certain fees have fallen behind similar fees established by other municipalities. In an effort to remain aligned with other municipalities and address the increased complexity of applications and ongoing staffing and service delivery challenges, fee increases are proposed in certain areas.

- Increase all fees by 3.0% to account for estimated inflation, adjusted to the nearest whole number, with the exceptions noted below;
 - Official Community Plan: Basic Service for Map Designation:
 - Increase the minimum fee from \$3,131.64 to \$3,600
 - Rezoning: Basic Service for Single Detached and Duplex Dwelling Districts and Text Amendments:
 - Increase fee from \$2,018.02 to \$3,000
 - Rezoning: Basic Service, unless otherwise noted:
 - Maintain minimum fee
 - Increase per unit ranges as follows:
 - 0 – 60 units: \$170 / unit
 - 61 – 185 units: \$150 / unit
 - 186 – 250 units: \$135 / unit
 - 251 – 450 units: \$50 / unit
 - 450+ units: \$25 / unit
 - Rezoning: Basic Service for Creation of New Zoning District, unless otherwise noted:
 - Expand the fee's applicability to encompass projects exclusively focused on ground-oriented housing formats, such as SDD, Duplex, Infill Townhouse, and Townhouse. This adjustment reflects the inherent cost recovery requirements commonly associated with smaller-scale endeavors. Furthermore, it presents an opportunity to specifically reduce costs for ground-oriented housing developments. This approach aligns with industry practices and promotes a competitive environment while supporting the financial sustainability of our municipality.
 - Comprehensive Development Review:
 - Increase the fee from \$81,000 to \$100,000.
 - Heritage Revitalization Agreement: Basic Service for Single Detached, Duplex Dwelling Districts and Child Care Uses:
 - Increase minimum fee from \$1,051.43 to \$1,500.
 - Heritage Revitalization Agreement: Basic Service, unless otherwise noted:
 - It is recommended to revise the fee structure to align with rezoning recommendations for Heritage Revitalization Agreement (HRA) projects. This adjustment ensures fairness and consistency in fee requirements. By implementing this recommendation, we can establish a balanced fee structure that provides incentives for utilization of the HRA instead of rezoning. This approach supports the preservation and revitalization of heritage assets, encouraging their sustainable development.
 - Development Variance Permit: Basic service for a modified site plan for a Protected Tree (Tree Protection and Regulation Bylaw No. 7799, 2016) and Child Care:
 - Expand the fee's applicability to include Development Variance Permits (DVPs) that are delegated to staff.
 - Temporary Use Permit: Basic Service, unless otherwise noted:
 - Increase minimum charges from \$1,582.82 to \$2,350

- Development Permit: Basic Service fee for all Development Permits, unless specified otherwise:
 - Modify this fee to align with the fee structure for rezoning. By implementing this recommendation, we can achieve consistency in fee requirements for modest-sized developments, bringing them in line with industry standards while ensuring equitable treatment.
 - Maintain minimum fee
 - Increase per unit ranges as follows:
 - 0 – 60 units: \$170 / unit
 - 61 – 185 units: \$150 / unit
 - 186 – 250 units: \$135 / unit
 - 251 – 450 units: \$50 / unit
 - 450+ units: \$25 / unit
- Special Development Permit: Basic Service for all Special Development Permits, unless otherwise noted:
 - Modify this fee to align with the updated fee structure for Development Permits in order to achieve consistency in fee requirements for modest-sized developments.
- Covenants: Preparations of Covenants:
 - Modify fees for Covenants to be assessed at cost, with a minimum fee of \$500. This adjustment ensures that the fees accurately reflect the actual costs incurred for processing covenants and covenant discharge, while also covering essential administrative expenses." By implementing this revision, we can maintain fairness and transparency in fee assessment, aligning them with the actual expenses involved in managing covenant procedures.
- Covenant Discharge: Basic service for discharge requests where there is no current development application:
 - Modify fees for Covenant Discharge to be assessed at cost, with a minimum fee of \$500. This adjustment ensures that the fees accurately reflect the actual costs incurred for processing covenants and covenant discharge, while also covering essential administrative expenses. By implementing this revision, we can maintain fairness and transparency in fee assessment, aligning them with the actual expenses involved in facilitating covenant discharge procedures.
- Landscape Inspection:
 - It is recommended to increase fees to ensure sufficient coverage of the increased costs associated with engaging a Landscape consultant.
 - Laneway/Coach House: \$280
 - Basic Inspection: \$600
 - Large Projects (multiple towers/buildings, multiple phases, more than 50 townhouse units, etc.): \$600 per tower/building, phase or 50 townhouse units.
- Transportation Review – Development Permit:

- To modify the current fee structure for transportation review in Development Permit applications to be clearer, more aligned with the services provided, and easier to understand, the following changes are recommended:
 - Maintain the current fee structure for rezoning applications, as the charges are meaningful and appropriate.
 - Introduce a base fee of \$1,000 for Development Permit (DP) applications to capture cases where only a DP is required and not both rezoning and DP. This base fee reflects the cost recovery principles and the resources required for reviewing DP applications.
 - Remove the transportation review charges for residential developments with six units or less, as Transportation does not review such applications. This adjustment ensures that fees are charged only for the services provided, avoiding unnecessary costs for applicants.
- Transportation Review –Special Development Permit:
 - Align the fee structure with the charges for the Development Permit. By keeping the charges consistent, it ensures fairness and clarity in the fee structure for both types of permits. Applicants will have a clear understanding of the fees associated with transportation review, whether they are applying for a regular Development Permit or a Special Development Permit. This alignment simplifies the fee process and promotes transparency in the application process.
- Transportation Review – Temporary Use Permit:
 - Introduce a simpler flat rate charge of \$750.
- Transportation Review – Temporary Use Permit Amendment:
 - Introduce a simpler flat rate charge of \$250.
- Transportation Review – Rezoning: Single Detached and Duplex Dwelling Districts and text amendments
 - Transportation does not review projects with 6 units or less and these projects should not be charged. Remaining fees would remain similar:
 - Residential development with 6 units or less: No charge.
 - Basic service, including residential development with more than 6 units:
 - The greater of:
 - \$1,500; or
 - \$20 per 100 sq. metre, or a portion thereof, of gross floor area; or,
 - Unit fee, calculated as follows:
 - \$70 per housing unit for the first 250 units;
 - \$20 per housing unit for each subsequent unit
- Transportation Review – Heritage Revitalization Agreements:
 - Align the fee structure with the fees for the Transportation Review - Rezoning. By keeping the charges consistent, it ensures fairness and clarity in the fee structure for both types of applications. This alignment simplifies the fee process and promotes transparency in the application process.
- Transportation Review – Pre-Application Review:

- Increase the fee from \$160.59 to \$250. This adjustment reflects the increased costs associated with conducting a thorough pre-application review and ensures that the fee adequately covers the time and resources required for the review process.
- Site Disclosure Statement Fee Administration:
 - No inflationary increases are applicable as per the Environmental Management Act/Contaminated Sites Regulation, municipalities cannot charge more than \$100 for site disclosure statements.
- Development/Special Development Permit Landscape Deposit for Secured Rental Residential Unit:
 - No inflationary increase required as this fee was amended recently.
- Development Permit Landscape Deposit for Laneway/Carriage House and Projects with Fewer than Six Units:
 - No inflationary increase required as this fee was amended recently.
- Water Bag:
 - No inflationary increase as required as this charge was recently added.
- Tree Protection Barrier Sign Deposit:
 - No inflationary increase required as this deposit was amended last year.
- Additional Charge for Transportation Review – Official Community Plan Amendment:
 - Introduce an additional fee of \$2,500. This fee will be applicable to Official Community Plan amendment applications and will cover the transportation review associated with such requests. Introducing a specific fee for OCP amendment applications ensures that the transportation department can allocate appropriate resources to review and assess the transportation implications of proposed changes to the community plan. The fee of \$2,500 reflects the complexity and additional workload involved in reviewing OCP amendments and supports cost recovery principles.
- Additional Charge for Preparation of Legal Documents:
 - Currently, applicants are charged cost recovery for City legal fees. These fees primarily cover work performed by lawyers from Young Anderson (YA). There is an opportunity to use these fees to hire a paralegal to handle some of this work, reducing costs for applicants and allowing planners to focus on more technical legal work. Proposed new charges for legal document preparation are as follows:
 - LWH: \$100
 - Applications with 6 or fewer units: \$1,000
 - Infill housing applications / TH / create more than 6 units in an existing building: \$2,000
 - Apartment/Mixed Use of 6 storeys or less / non-residential land uses: \$3,500
 - Apartments/Mixed Use of more than 6 storeys: \$8,500
- Addition of a Credit Card Convenience Fee:
 - An additional fee of 1.75% on the total cost of the invoice shall be added to any permit fees that are paid online or by credit. Note that this is an optional payment method (and therefore an optional fee). The ability to be able to pay building permit fees online has been a longstanding request of the development community. Payment by cheque, cash and debit, without convenience fees, are still available options.

Schedule D 2024 Plumbing Permit Fees

- An increase to all fees based on 3.0% estimated rate of inflation, adjusted to the nearest whole number, with the following exceptions:
 - An increase to back flow prevention fee from \$25 to \$30 to accommodate 3rd party operations costs and to be consistent with other municipalities.
 - Revise the water service fees for multi-family and commercial buildings by transitioning back to a charging system based on footage, in order to align with how we currently calculate fees for sanitary and storm services. The proposed rate for water service fees would be \$2.50 per foot. This revision will ensure consistency and uniformity in the fee structure across various building types.
 - Include hourly charges to the Extension/Renewal of Permit minimum fee to cover staff time to confirm that the proposed work complies with applicable bylaws.
 - Include a charge for Change of Registered Professional and add hourly charges to Change of Owner, Change/Removal of Contractor and Change of Registered professional to accommodate additional administrative, plan review or inspection time.
 - Replace Change of Use inspection charge with a Courtesy Inspection charge which accommodates inspections for other reasons where a permit is not yet involved and more accurately reflects the purpose of the inspection.
 - Remove the exclusion of a permit requirement for multi-family hot water heating systems and require a permit for such systems with an application fee per unit. This will more accurately cover our costs for this type of work and allow us to document the work that has been undertaken.

Schedule E 2023 Tree Protection and Regulation Fees

- Addition of a Credit Card Convenience Fee:
 - An additional fee of 1.75% on the total cost of the invoice shall be added to any permit fees that are paid online or by credit card. Note that this is an optional payment method (and therefore an optional fee). The ability to be able to pay building permit fees online has been a longstanding request of the development community. Payment by cheque, cash and debit, without convenience fees, are still available options.
- An increase to all fees based on 3.0% estimated rate of inflation, adjusted to the nearest whole number, with the following exceptions:
 - Application Fees for Non-Resident Applicants to increase from \$75 to \$125.
 - Application Fees for Resident Applicants to increase from \$75 to \$100.
 - Permit Fees: for Non-Resident Applicants:
 - For first five trees, increase from \$75 to \$100.
 - Additional tree, increase from \$150 to \$200
 - Hazardous tree, increase from \$50 to \$75
 - Specimen tree, new charge: \$150 for first tree \$250 for additional.

- Tree Protection Barrier Inspection fees to increase:
 - Non-Resident Applicant: \$150 for 1 tree, \$25 for each additional.
 - Resident Applicant: \$100 for 1 tree, \$25 for each additional.
- Alterations to Replacement Fees for Cash-in-lieu:
 - Replace General Fee:
 - Non-Resident Applicant: \$750.
 - Resident Applicant: \$650.
 - Replace Hazard General Fee:
 - Non-Resident Applicant: \$750.
 - Resident Applicant: \$550.
 - Replace Hazard Specimen Fee:
 - Non-Resident Applicant: \$750.
 - Resident Applicant: \$650.
 - Replace Specimen Fee:
 - Non-Resident Applicant: \$12,250.
 - Resident Applicant: a minimum of \$6,000 to a maximum of \$10,240 as per Resident Applicant Maximum.
- Alterations to Retained Deposits:
 - Retained General fee:
 - Non-Resident Applicant: \$3,750
 - Resident Applicant: no change required, the fee is to be kept at \$2,560
 - Retained Specimen:
 - Non-Resident Applicant: \$15,000
 - Resident Applicant: no change required, the fee is to be kept at \$10,240 as per Resident Applicant maximums.
- Alterations to Replacement Deposits:
 - Replace General Deposit:
 - Non-Resident Applicant: \$750
 - Resident Applicant: \$650.
 - Replace Hazard General Deposit:
 - Non-Resident Applicant: \$750.
 - Resident Applicant: \$550.
 - Replace Hazard Specimen Deposit:
 - Non-Resident Applicant: \$750.
 - Resident Applicant: \$650.
 - Replace Specimen Deposit:
 - Non-Resident Applicant: \$15,000.
 - Resident Applicant: \$10,240 or less as per Resident Applicant Maximum.
- Creation of Additional Clauses:
 - Cash-in-lieu fee of \$850 is required for replacement trees when a City tree is removed, reflecting the cost of purchasing, planting, and maintaining a tree for one year. The Parks department rate for an off-site tree in a works and services agreement is currently \$868.
 - A new charge to reflect the importance/value of large trees for Specimen Tree Removal.

Schedule F 2023 Integrated Services Fees

- An increase to all fees based on 3.0% estimated rate of inflation, adjusted to the nearest whole number.