



Town of The Blue Mountains Development Application Fees Review

Council Presentation
March 11, 2025

Introduction



Planning

Development
Engineering

Building

Background:

The Town of The Blue Mountains (Town) has retained Watson & Associates Economists Ltd. (Watson) to undertake a comprehensive review of the Town's cost model and fee structures for the Planning, Development Engineering, and Building departments.

Objectives:

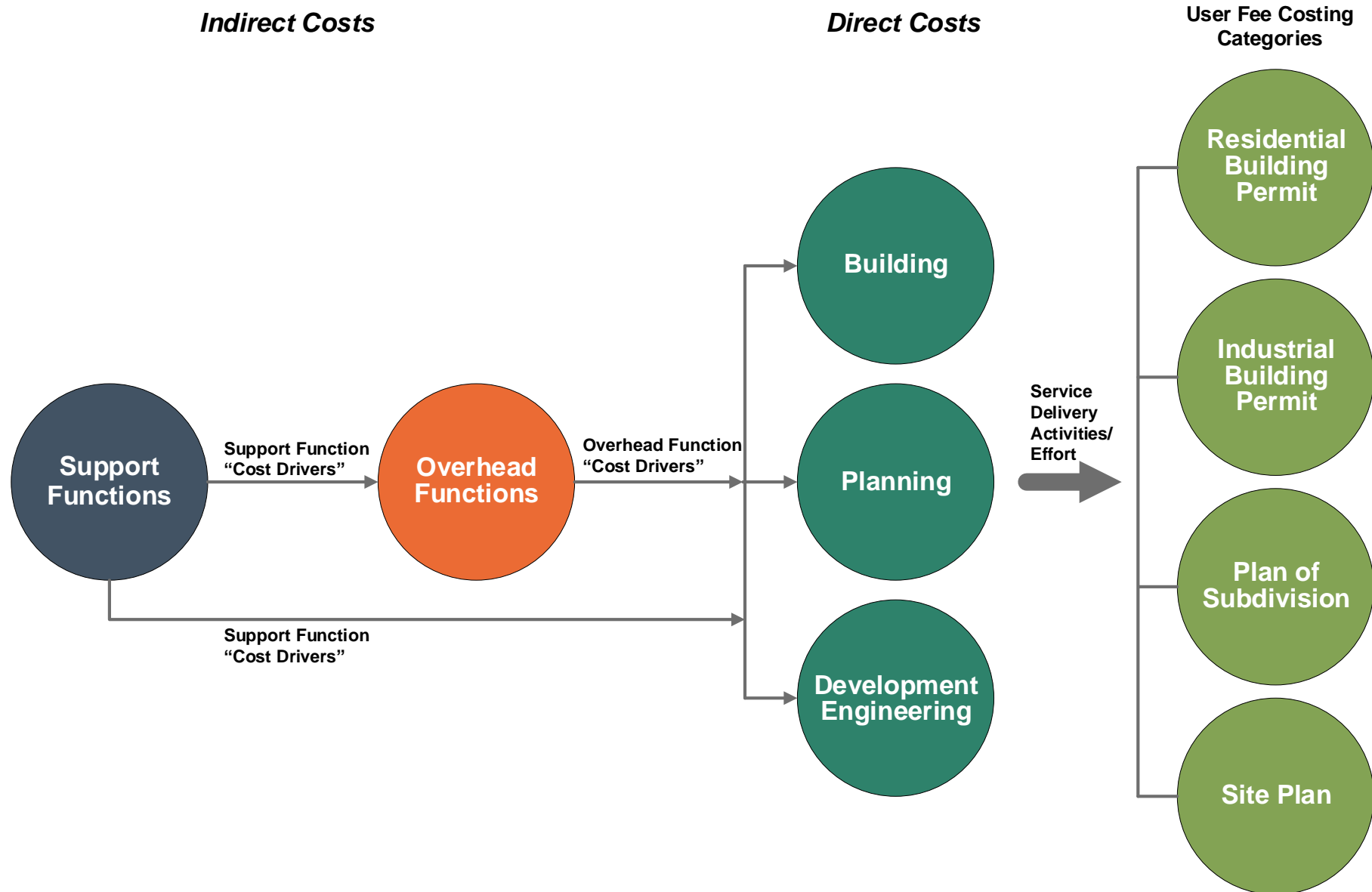
- Assess the full cost of service by activity;
- Measure the performance of existing fees with respect to recovering the full costs of service; and
- Make fee quantum/structure recommendations to provide for reasonable full cost recovery and to ensure the Town maintains a financially sustainable position while having regard for competitiveness and stakeholder interests.

Legislative Context



| Act | Context for Municipal Fees & Charges |
|--------------------------------|--|
| <i>Building Code Act, s. 7</i> | <ul style="list-style-type: none">• Require payment of fees on applications for and issuance of permits• Total amount of the fees must not exceed the anticipated reasonable cost to administer and enforce the <i>Building Code Act</i>• Reporting and public process requirements• Allows for the creation of a stabilization Reserve Fund (R.F.) |
| <i>Planning Act, s.69</i> | <ul style="list-style-type: none">• Establish a tariff of fees designed to recover only the anticipated cost of processing each type of application• No statutory public process requirements, but fees may be paid under protest and appealed to the Ontario Land Tribunal |
| <i>Municipal Act, s. 391</i> | <ul style="list-style-type: none">• Impose fees for services or activities provided or done by or on behalf of it, costs payable, and use of its property• May include costs related to administration, enforcement and the establishment, acquisition and replacement of capital assets• No statutory public process requirements |

Activity-Based (A.B.C.) Costing Methodology



Costing Categories

Planning



- **Site Plan**
 - Individual
 - Small
 - Large
 - Telecommunication Tower
- **Official Plan Amendment**
 - Individual
 - Large
- **Zoning By-law Amendment**
 - Individual
 - Large
 - Temporary Use
- **Draft Plan of Subdivision/ Condominium**
 - Small
 - Large
- **Part Lot Control**
 - Individual
 - Large
- Draft Plan Amendment
- Minor Draft Plan Amendment
- Minor Variance
- Consent – Lot Creation
- Removal of Holding Symbol

Costing Categories

Planning (continued)



- Condominium Exemption
- Redline Revision to Site Plan
- Redline Revision Comments to County
- Draft Plan Extension Comments to County
- Draft Plan Approval Clearance Letter to County
- Change to Condition of Consent
- Development Control Permits (Niagara Escarpment or County)
- Inquiry of Acquisition of Town Land

Costing Categories

Development Engineering

- Engineering - Pre-servicing
- Engineering Works Site Plan
- Engineering Works Subdivision
- Administration of Peer Review



Costing Categories

Building Permits



- **Residential**

- Detached Dwelling
- Semi/Row/Multi Dwelling
- Multi-storey Dwellings
- Residential Addition
- Finished Basement
- Accessory Apartment
- Detached Garage
- Deck

- **Non-residential**

- New & Additions (Shell)
- New & Additions (Finished)
- Alterations & Renovations

- **Other**

- Accessory Buildings
- Interior Plumbing
- Interior Renovations
- Water/Sewer
- On-site Sewage Systems
- Tents
- Demolition
- Compliance Letters
- Designated Structures
- Private Pool Enclosure
- Entrance Permits
- Request for Access to Building Permit Records

Annual Capacity



- Based upon historical annual average volume of applications/permits, except for several types of Building Permits where anticipated future volumes were utilized
 - New Residential single/semi/row/mutli dwellings: historical average of 280 units annually adjusted to forecast of 170 units annually, based upon growth forecast contained with the Town's D.C. Background Study
 - Non-residential Finished New/Additions: historically 25 permits to 17 annually, based on discussions with Town staff
 - Non-residential Alterations/Renovations: historically 10 permits to 5 annually, based on discussions with Town staff
 - Compliance Letters, Entrance Permits, and Private Pool Enclosures: historically 282 collective items to 155 annually

| Department | Full Time Equivalents (F.T.E.s) Modelled | Annual F.T.E.s Utilized | | | | Total |
|---|---|---------------------------------------|--|------------------------|---------------------|-------------|
| | | Planning Application Activities | Development Engineering Activities | Building Activities | Other Activities | |
| Planning and Development Services Admin | 2.0 | 0.5 | 0.4 | 0.3 | 0.8 | 2.0 |
| Planning | 6.0 | 4.2 | 0.0 | 0.0 | 1.8 | 6.0 |
| Development Engineering | 7.0 | 0.3 | 6.3 | - | 0.4 | 7.0 |
| Building | 10.0 | 0.0 | 0.0 | 6.5 | 3.4 | 10.0 |
| Fire | 1.0 | 0.0 | 0.0 | 0.1 | 0.9 | 1.0 |
| Financial Services | 3.0 | 0.0 | 0.1 | 0.0 | 2.9 | 3.0 |
| Community Services | 2.0 | 0.0 | 0.0 | - | 1.9 | 2.0 |
| Communications | 2.0 | 0.1 | 0.0 | - | 1.9 | 2.0 |
| Purchasing | 2.0 | - | 0.0 | - | 2.0 | 2.0 |
| Operations | 23.0 | 0.2 | 0.5 | 0.0 | 22.3 | 23.0 |
| Total | 58.0 | 5.3 | 7.4 | 6.9 | 38.3 | 58.0 |

Full Cost Definition



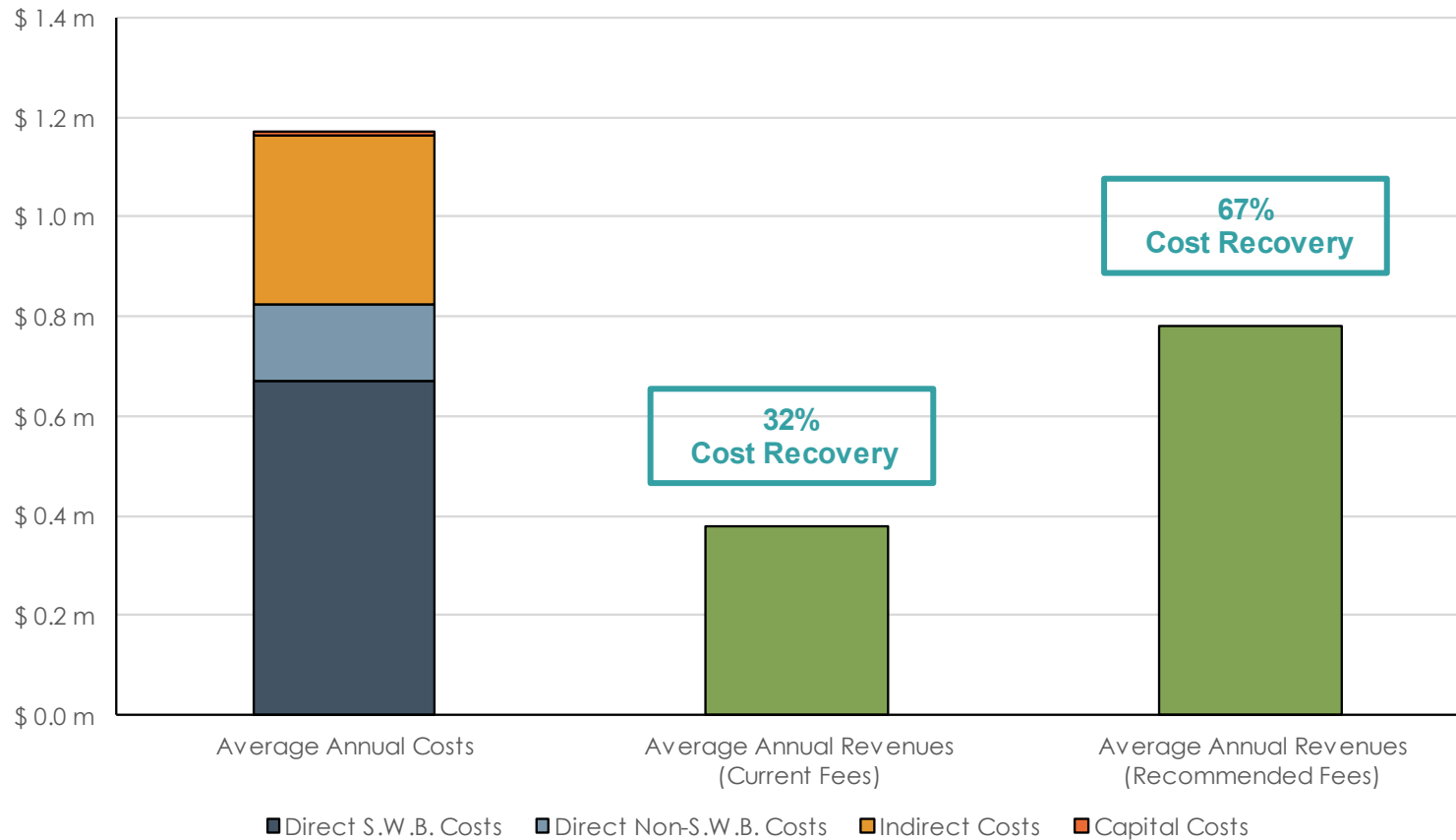
| Cost Component | Description |
|----------------|--|
| Direct Costs | <ul style="list-style-type: none">• Salaries, Wages, & Benefits (S.W.B.s)• Other operating costs (e.g., materials and supplies) |
| Indirect Costs | <ul style="list-style-type: none">• Costs of departments that provide internal support, allocated based on cost drivers specific to each support department. For example:<ul style="list-style-type: none">• Human Resources (FTEs)• Information Technology (# of personal computers/laptops)• Council (# of council agenda items)• Corporate Administration, Finance, Clerks, & CAO (% of budget)• Facilities (floor space utilized at Town Hall) |
| Capital Costs | <ul style="list-style-type: none">• Annual lifecycle costs of capital assets utilized in the provision of services, allocated based on annual capacity results<ul style="list-style-type: none">• Facilities• Vehicles |

Annual Costs and Revenues

Planning



Planning Applications Annual Cost Recovery



Recommendations:

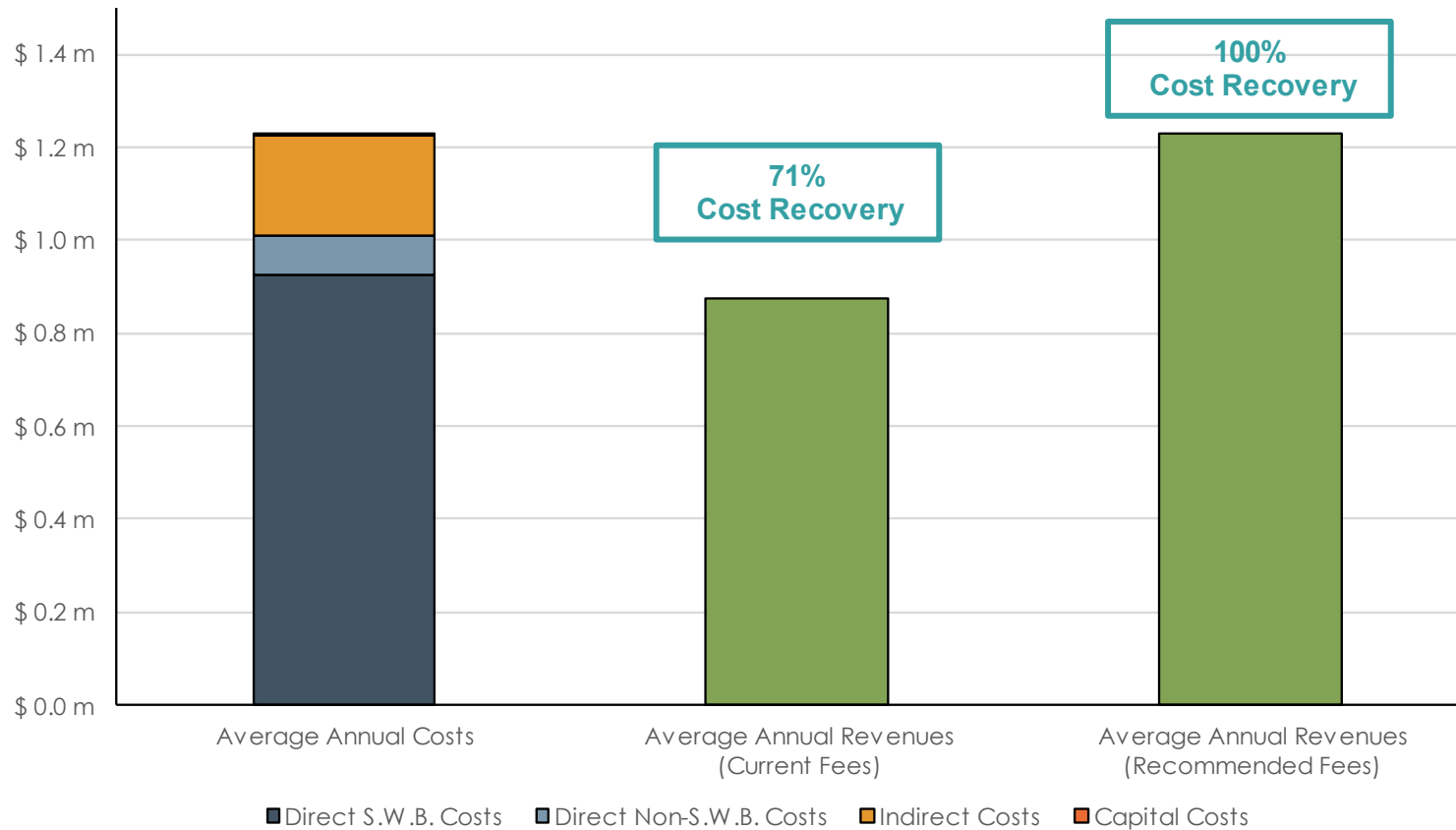
- Fee quantum adjustments to increase cost recovery levels while observing market fees
- Costs related to enhanced public process not recovered through fees
 - Official Plan Amendments, Zoning By-law Amendments, Draft Plans of Subdivision and Condominium, and Site Plans

Annual Costs and Revenues

Development Engineering



Development Engineering Annual Cost Recovery



Recommendations:

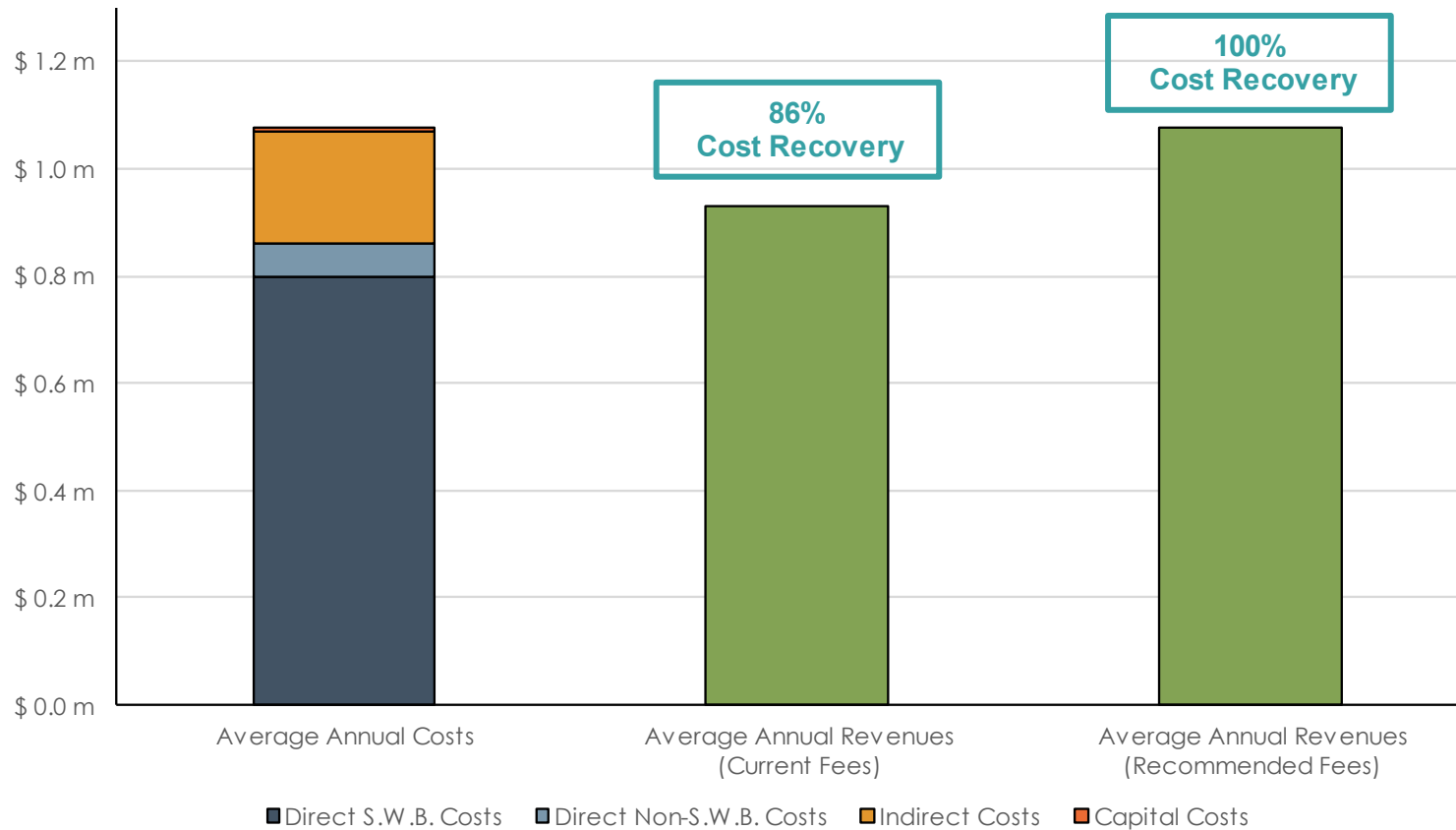
- Fee quantum adjustments to increase cost recovery levels while observing market fees
- Costs of administering peer reviews examined

Annual Costs and Revenues

Building



Building Permit Annual Cost Recovery



Recommendations:

- Fee quantum adjustments to increase cost recovery levels while observing market fees

Notes:

- Costs based on forecasted volumes, which indicate lower staff utilization than historical volumes
- Therefore, expected that Building Permit Stabilization Reserve will be utilized to bridge gap between fee revenues and total Building department costs
- Calculations indicate this reserve fund could be depleted over 5 years
- Town should monitor closely and over time re-evaluate staffing levels relative to actual development activity

Recommended Fees

Planning Applications



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|-----------------------------|--------------------|--------------------------------------|--------------------------|--------------------------|
| Planning | | | | |
| Site Plan Individual | Flat | \$ 2,506 | \$ 7,140 | \$ 7,272 |
| Site Plan Small | Flat | \$ 6,718 | \$ 17,871 | \$ 18,201 |
| Site Plan Large | Flat | \$ 15,555 | \$ 41,379 | \$ 42,143 |
| OP Amend Individual | Flat | \$ 16,993 | \$ 30,992 | \$ 31,565 |
| OP Amend Large | Flat | \$ 30,406 | \$ 39,253 | \$ 39,978 |
| Zoning Amend Individual | Flat | \$ 4,690 | \$ 16,964 | \$ 17,277 |
| Zoning Amend Large | Flat | \$ 23,303 | \$ 27,160 | \$ 27,662 |
| Zoning Amend Temp Use | Flat | \$ 6,571 | \$ 19,096 | \$ 19,449 |
| Subdivision/ Condo Small | Flat | \$ 14,223 | \$ 35,217 | \$ 35,867 |
| Subdivision/ Condo Large | Flat | \$ 21,532 | \$ 57,855 | \$ 58,924 |
| Draft Plan Amend | Flat | 50% of the current applicable fee(s) | \$ 5,966 | \$ 6,076 |
| Minor Draft Plan Amend | Flat | \$ 413 | \$ 5,966 | \$ 6,076 |
| Minor Variance | Flat | \$ 1,970 | \$ 2,900 | \$ 2,954 |
| Consent/ Severance | Flat | \$ 3,358 | \$ 6,500 | \$ 6,620 |
| Part Lot Control Individual | Flat | \$ 836 | \$ 2,796 | \$ 2,848 |
| Part Lot Control Large | Flat | \$ 940 | \$ 3,589 | \$ 3,655 |
| Removal of Holding | Flat | \$ 2,657 | \$ 3,372 | \$ 3,435 |

Recommended Fees

Planning Applications



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|---|--------------------|----------|--------------------------|--------------------------|
| Planning | | | | |
| Condo Exemption | Flat | \$ 1,992 | \$ 5,183 | \$ 5,279 |
| Telecommunication Tower | Flat | \$ 2,506 | \$ 7,615 | \$ 7,756 |
| Redline Revision to Site Plan | Flat | \$ 595 | \$ 5,187 | \$ 5,282 |
| Red Line Revision Comments to County | Flat | \$ 413 | \$ 4,838 | \$ 4,927 |
| Draft Plan Ext. Comments to County | Flat | \$ 206 | \$ 2,091 | \$ 2,130 |
| Draft Plan Approval Clearance Letter to County | Flat | \$ 603 | \$ 2,794 | \$ 2,846 |
| Change to Condition of Consent | Flat | \$ 367 | \$ 1,603 | \$ 1,632 |
| Development Control Permits (Niagara Esc.) | Flat | \$ 223 | \$ 597 | \$ 608 |
| Official Plan Amendment Comments (Niagara Esc. or County) | Flat | \$ 464 | \$ 1,146 | \$ 1,167 |
| Inquiry of Acquisition of Town Land | Flat | \$ 1,193 | \$ 6,834 | \$ 6,960 |

Recommended Fees

Development Engineering



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|--------------------------------|--------------------|----------|--------------------------|--------------------------|
| Development Engineering | | | | |
| Pre-Servicing | % of CV | 0.70% | 3.56% | 3.63% |
| Subdivision | % of CV | 5.64% | 6.16% | 6.28% |
| Site Plan | % of CV | 5.64% | 6.16% | 6.28% |

Recommended Fees

Building Permits



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|----------------------------|--------------------|---|--------------------------|--------------------------|
| Building Permits | | | | |
| Detached Dwelling | per m ² | \$ 16.00 | \$ 17.82 | \$ 18.15 |
| Semi/Row/Multi's Dwellings | per m ² | \$ 11.10 | \$ 12.84 | \$ 13.08 |
| Multi-storey Dwellings | per m ² | \$ 13.64 | \$ 15.78 | \$ 16.07 |
| Addition | per m ² | \$ 16.00 | \$ 17.82 | \$ 18.15 |
| Finished Basement | Flat | \$ 250 | \$ 353 | \$ 360 |
| Accessory Apartment | per m ² | \$ 16.00 | \$ 11.00 | \$ 11.20 |
| Detached Garage | Flat | \$ 175 | \$ 175 | \$ 178 |
| Deck | Flat | \$ 175 | \$ 202 | \$ 206 |
| Accessory Buildings | Flat | \$ 175 | \$ 175 | \$ 178 |
| Interior Plumbing | Flat | \$ 100 | \$ 147 | \$ 150 |
| Interior Renovations | per m ² | \$ 3.82 | \$ 4.76 | \$ 4.85 |
| Water/Sewer | Flat | \$ 100 | \$ 150 | \$ 153 |
| On-Site Sewage Systems | Flat | \$ 625 | \$ 723 | \$ 736 |
| Tents | Flat | \$100 (Temp. ≤14 days) \$350 (Temp. >14 days) \$200 (Tents) | \$ 150 | \$ 153 |
| Demolition | Flat | \$100 (Res.) \$350 (Non-Res.) | \$ 150 | \$ 153 |
| Compliance Letters | Flat | \$ 100 | \$ 118 | \$ 120 |

Recommended Fees

Building Permits



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|--|--------------------|---|--|--|
| Building Permits | | | | |
| Non-residential - New & Additions (SHELL) | per m ² | \$13.64 Group A \$10.89 Group D \$9.16 Group E | \$15.78 Group A \$12.60 Group D \$10.60 Group E | \$16.07 Group A \$12.83 Group D \$10.80 Group E |
| Non-residential - New & Additions (FINISHED) | per m ² | \$17.26 Group A \$18.83 Group B \$14.00 Group D \$12.37 Group E \$9.16 F Heavy/Spec. \$6.62 F All Other \$5.00 F Aboveground Parking \$3.16 F Farm \$1.32 F Pre-Fab. Farm | \$19.97 Group A \$21.79 Group B \$16.20 Group D \$14.31 Group E \$10.60 F Heavy/Spec. \$7.66 F All Other \$5.78 F Aboveground Parking \$3.66 F Farm \$1.53 F Pre-Fab. Farm | \$20.34 Group A \$22.19 Group B \$16.50 Group D \$14.57 Group E \$10.80 F Heavy/Spec. \$7.80 F All Other \$5.89 F Aboveground Parking \$3.73 F Farm \$1.56 F Pre-Fab. Farm |
| Non-residential - Alterations & Renovations | per m ² | \$6.36 Group A/B \$5.00 Group D/E/F | \$7.36 Group A/B \$5.78 Group D/E/F | \$7.50 Group A/B \$5.89 Group D/E/F |

Recommended Fees

Building Permits



| Application/Permit Type | Charging Parameter | 2024 Fee | Recommended Fee (2024\$) | Recommended Fee (2025\$) |
|---|--------------------|--|--|--|
| Building Permits | | | | |
| Designated Structures | Flat | \$475 Public Pool/Spa \$300 Retaining Wall \$300 Signs \$50 Solar Collector - Res. \$300 Solar Collector - Non-Res. \$500 A Structure Supporting A Wind Turbine \$300 Exterior Storage Tank \$300 Permanent Solid Nutrient Storage Facility | \$550 Public Pool/Spa \$347 Retaining Wall \$347 Signs \$58 Solar Collector - Res. \$347 Solar Collector - Non-Res. \$578 A Structure Supporting A Wind Turbine \$347 Exterior Storage Tank \$347 Permanent Solid Nutrient Storage Facility | \$560 Public Pool/Spa \$353 Retaining Wall \$353 Signs \$59 Solar Collector - Res. \$353 Solar Collector - Non-Res. \$589 A Structure Supporting A Wind Turbine \$353 Exterior Storage Tank \$353 Permanent Solid Nutrient Storage Facility |
| Private Pool Enclosure | Flat | \$ 100 | \$ 120 | \$ 122 |
| Request for Access to Building Permit Records | Flat | \$ 50 | \$ 118 | \$ 120 |
| Entrance Permits | Flat | \$ 250 | \$ 289 | \$ 295 |

Next Steps



- Presentation of report and final recommendations to Committee of the Whole (April 8)
- Council approval (April 22)