

10.1

PED19015(a)

2019 Proposed Tariff of Fees for Planning and Engineering Development Applications

March 22, 2019

Introduction

- Last review was undertaken in 2012
- Since last review:
 - Increased public expectations requiring more information
 - Multi-divisional costing – including Building, Planning, Growth Management, Transportation Planning and Parking;
 - Multi-departmental costing – including Finance, Public Works, Hamilton Water, Legal Services;
 - Development proposals more complex requiring specialized studies and specific reviews and consuming more time and resources;
 - Number of submissions and re-submissions has increased
 - Quality of the submissions, in some cases, has declined resulting in additional work
 - Additional staff attendance at open house meetings and subsequent follow up with public and applicants

Outcomes of Review Process

- Identified full activity based cost of service using existing staff compliment – no staff enhancements as per Council direction
- Comprehensive Process mapping of associated tasks including staff and overhead costs
- Staff estimated times based on average application types.
- Average “productive time” per staff person was determined (i.e. deducted vacation time, training time, etc.)
- Validate Findings – revenue recovery projections, hours
- Underwent iteration reviews and revisions until City staff and BMA were confident of the results
- Municipal comparators are posting similar user fees

Public Consultation

- Agricultural and Rural Affairs Advisory Committee
- Development Industry Liaison Group
 - Hamilton Chamber of Commerce
 - Hamilton-Halton Home Builders Association
 - Hamilton / Burlington Society of Architects

Official Plan Amendment (OPA)

2019 Activity Based Costing Fee	2019 Activity Based Costing Increase over 2019 Fee	Phased in Fee 60% Increase	Phased in Fee 90% Increase	Percentage Cost Recovery 60% Increase	Percentage Cost Recovery 90% Increase
\$34,680	\$15,710	\$28,504	\$33,271	82.19%	95.94%

Fee Categories Reflect Scope of Work

Official Plan Amendment

- Urban/Rural
- Quarry (New)
- Quarry (Expand)

- Zoning Amendment
- Complex
- Routine
- Agricultural Related
- Secondary Suites (“New”)
- Holding Removal

Fee Categories Reflect Scope of Work (Cont'd)

Committee of Adjustment

- Routine
- Standard
- After the Fact
- Site Plan
- Standard
- Amendment
- Agricultural Related
- Hamilton Beach /
Ancaster “ER”
- Minor

Fee Categories Reflect Scope of Work (Cont'd)

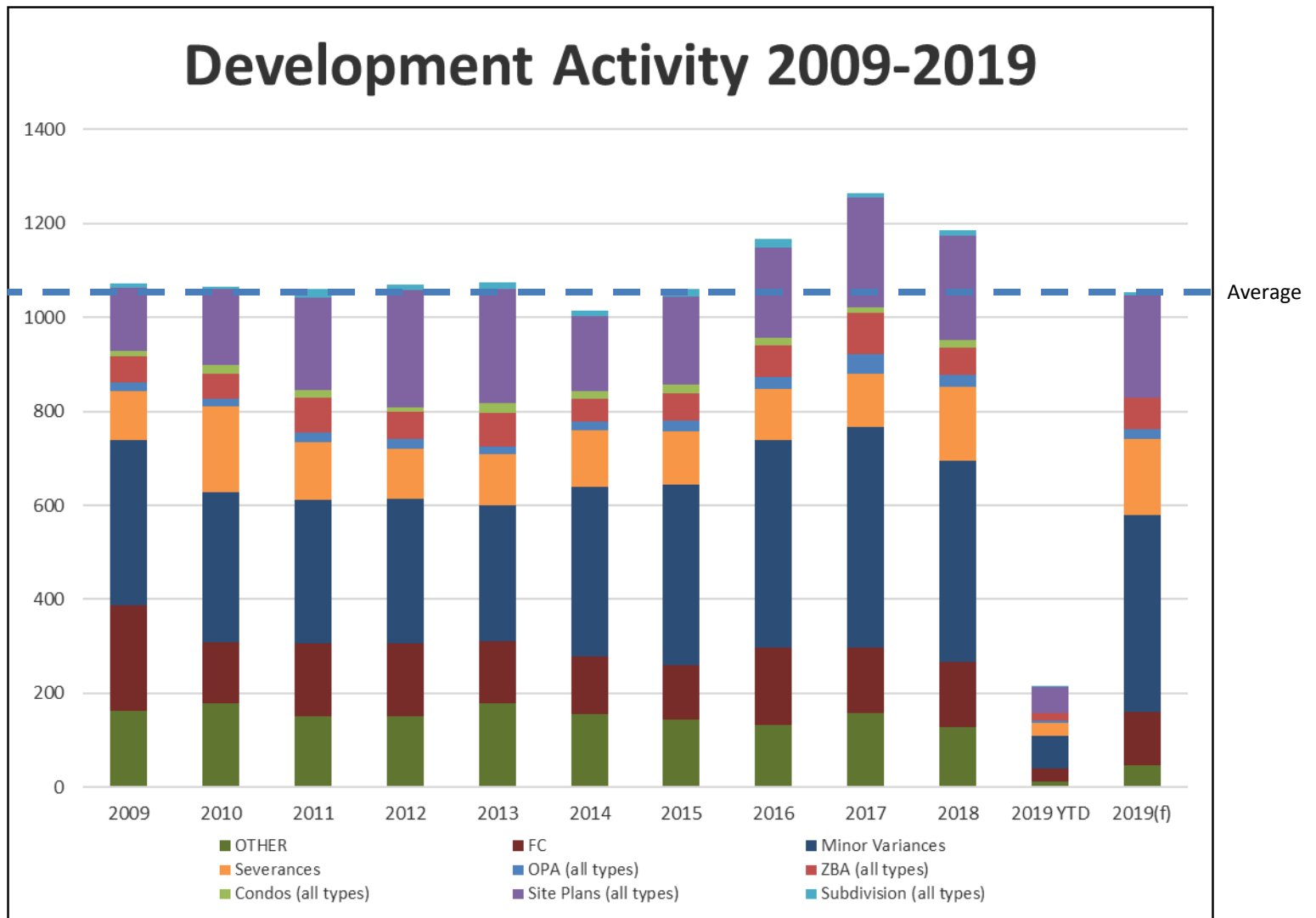
Routine Rezoning:

- Add 1 Specific Use; or
- Modify 1 Specific Performance Standard; or
- Rezone 3 Lots or Less; or
- Temporary Use By-law

Routine Minor Variance:

- Only for Single or Semi-Detached Dwellings; and
- Excludes Conversion Applications

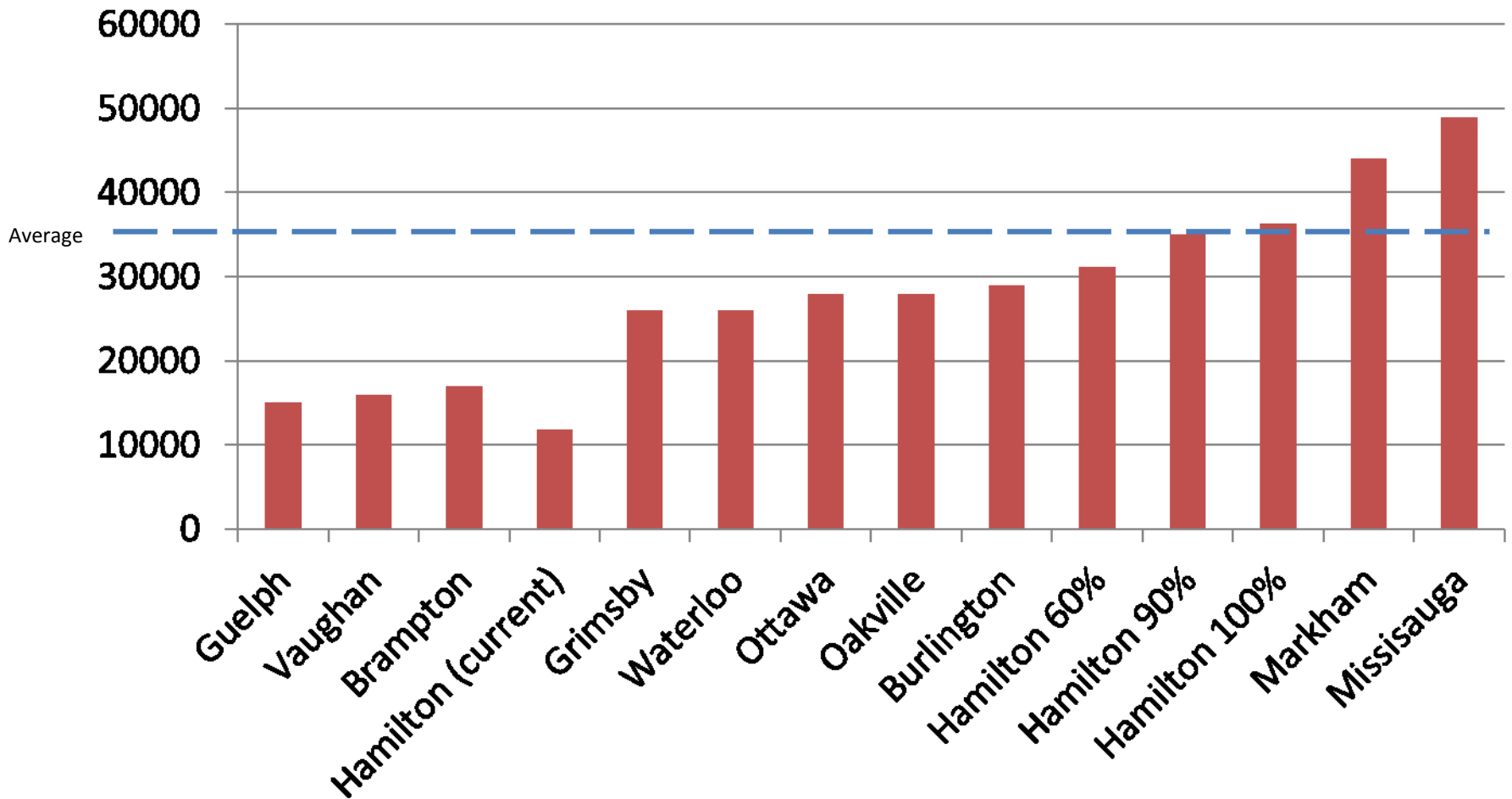
Activity Levels



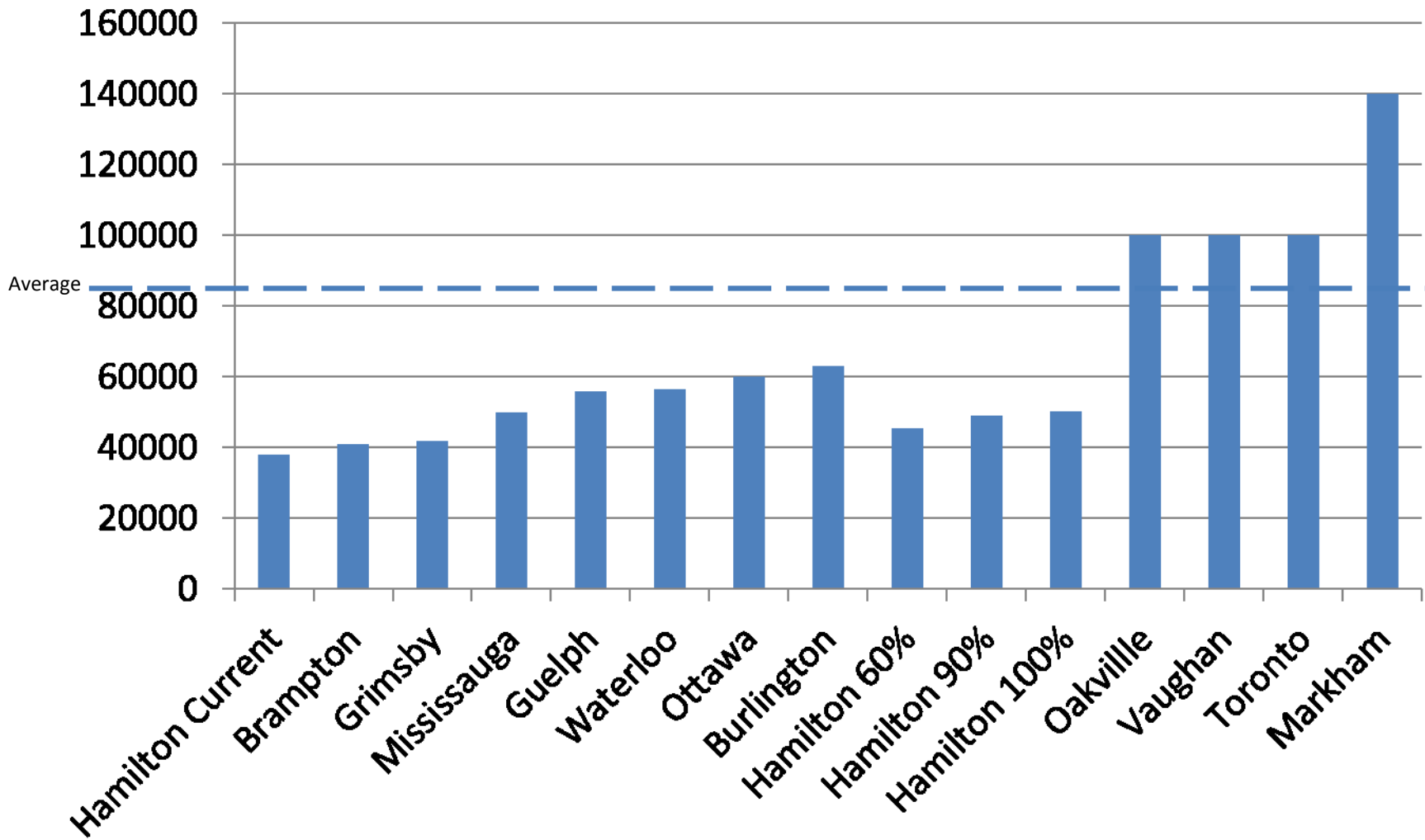
Municipal Peer Comparison

- There are many factors that impact the fees in each jurisdiction including but not limited to:
 - Governance structure (single versus two tier municipalities)
 - Processes – review processes, commenting agencies etc.
 - Cost recovery goals/objectives
 - Performance standards – turnaround times
 - Resources utilized
 - Complexity and definitions/classifications of fees
 - Population, size and geographic features
- No information available about the cost recovery policies or procedures inherent in each municipality
- Overall, Hamilton’s fees tend to be in the middle or below range compared to most municipalities surveyed

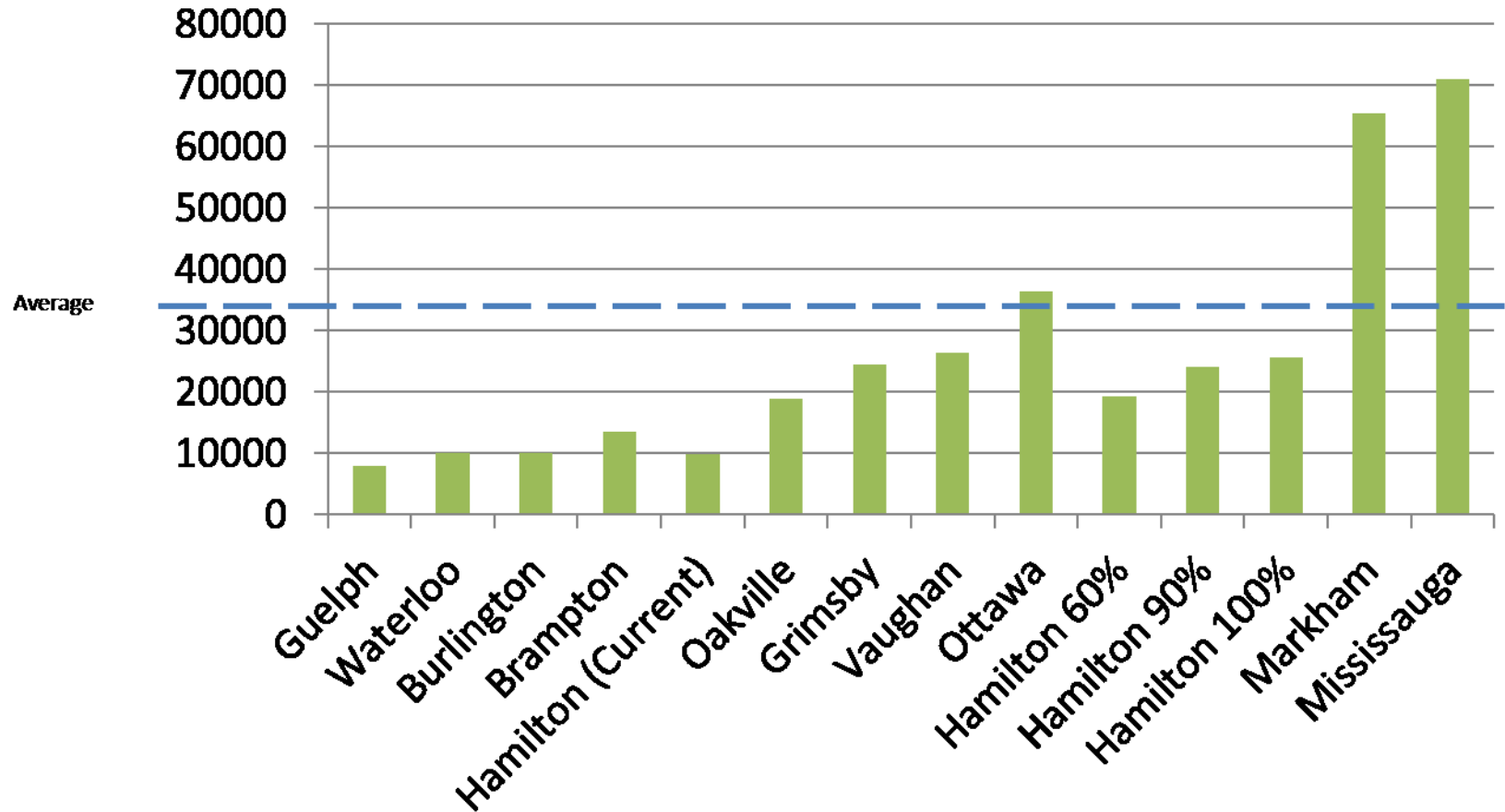
Major Zoning Amendment



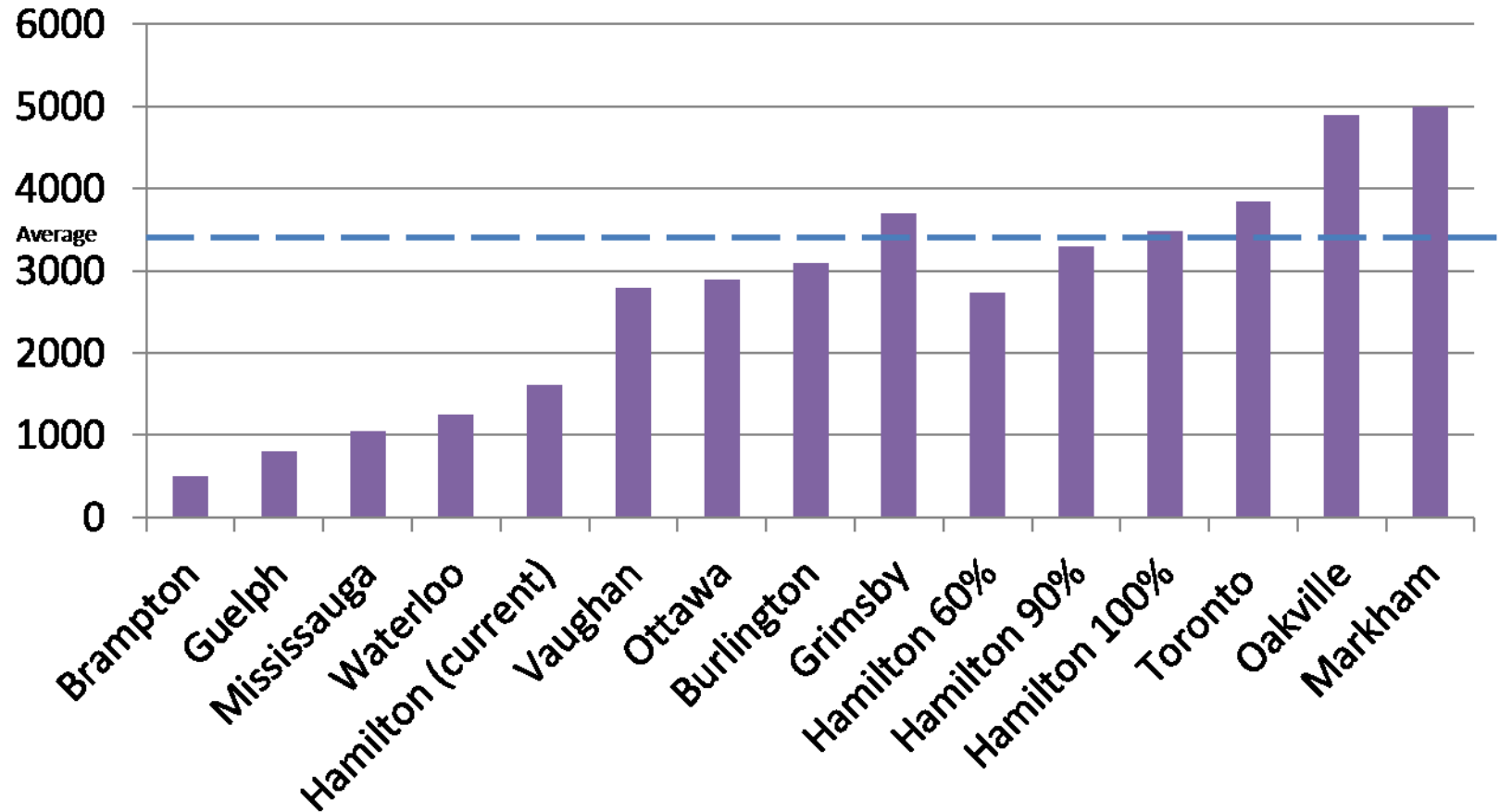
Subdivision



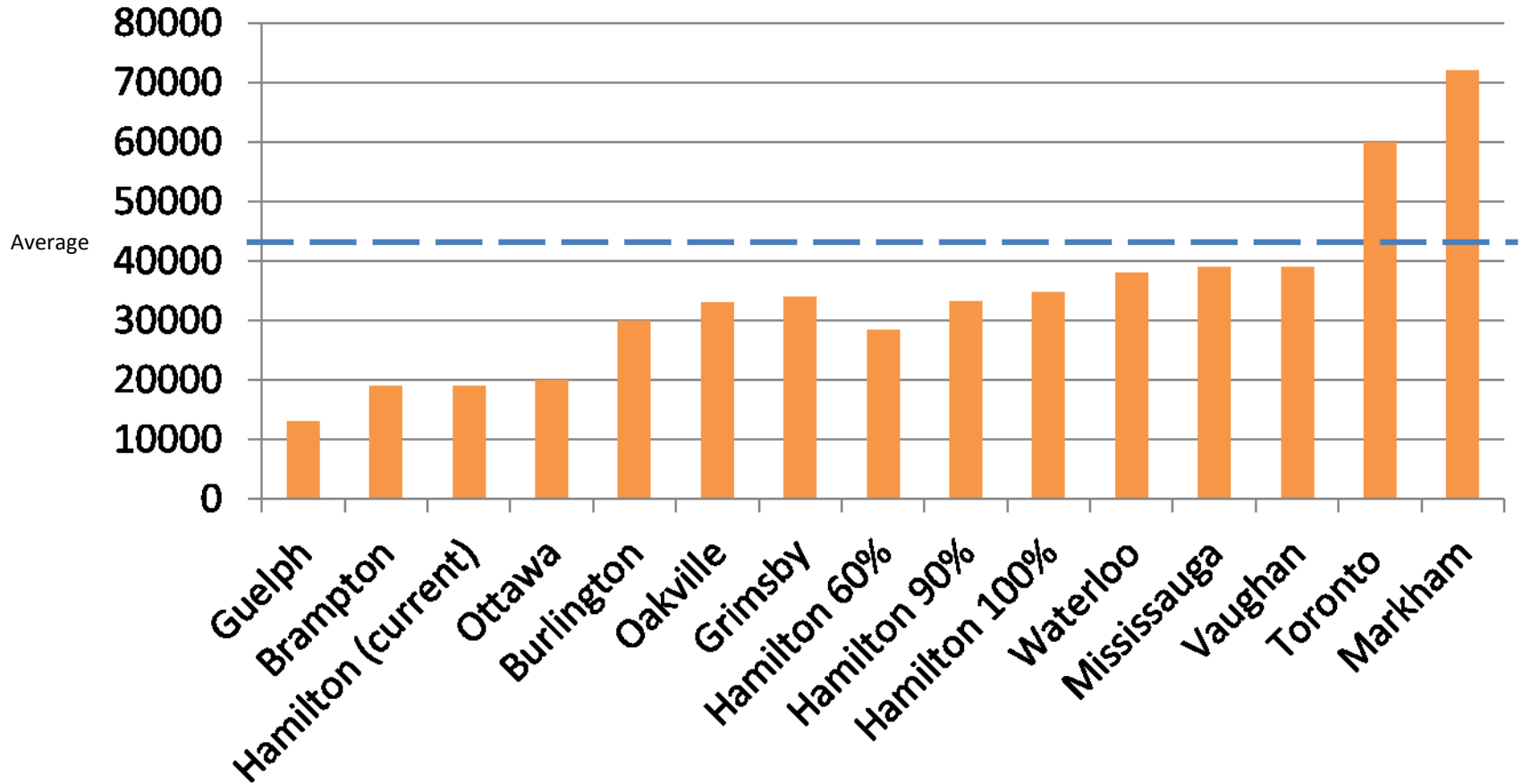
Site Plan



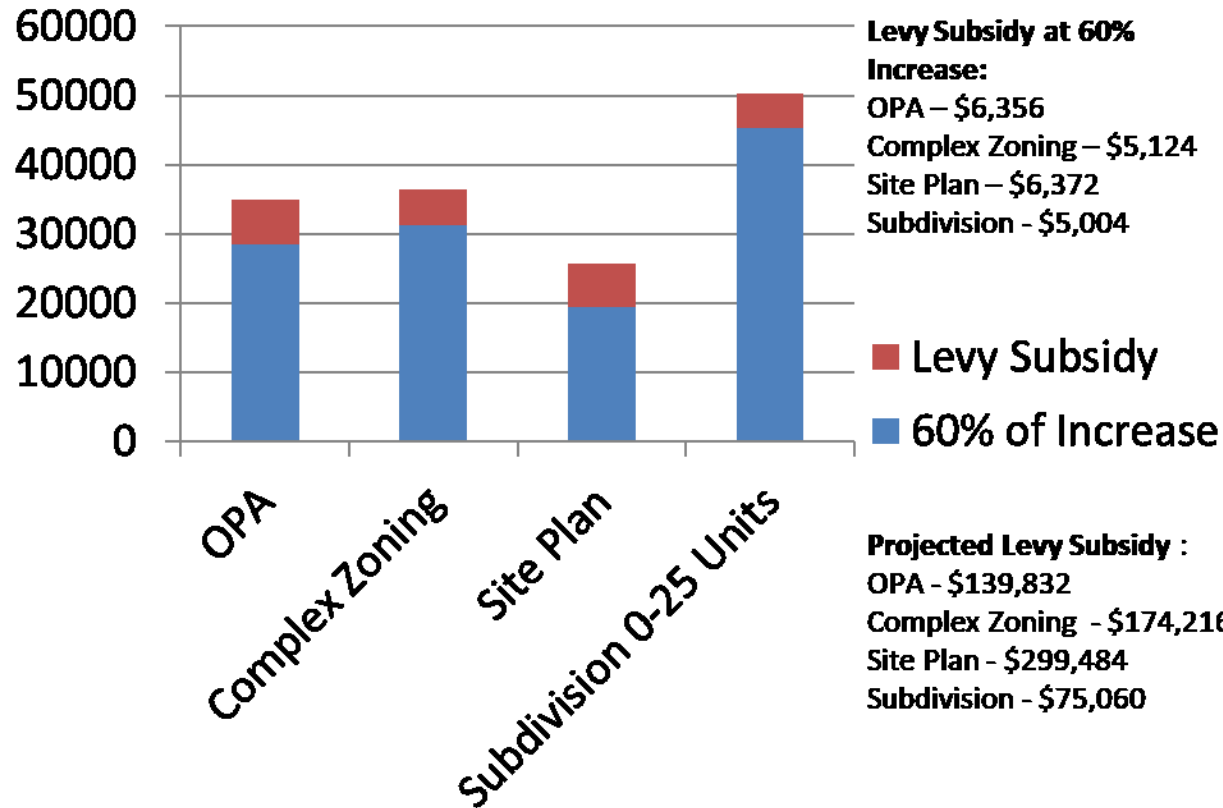
Minor Variance



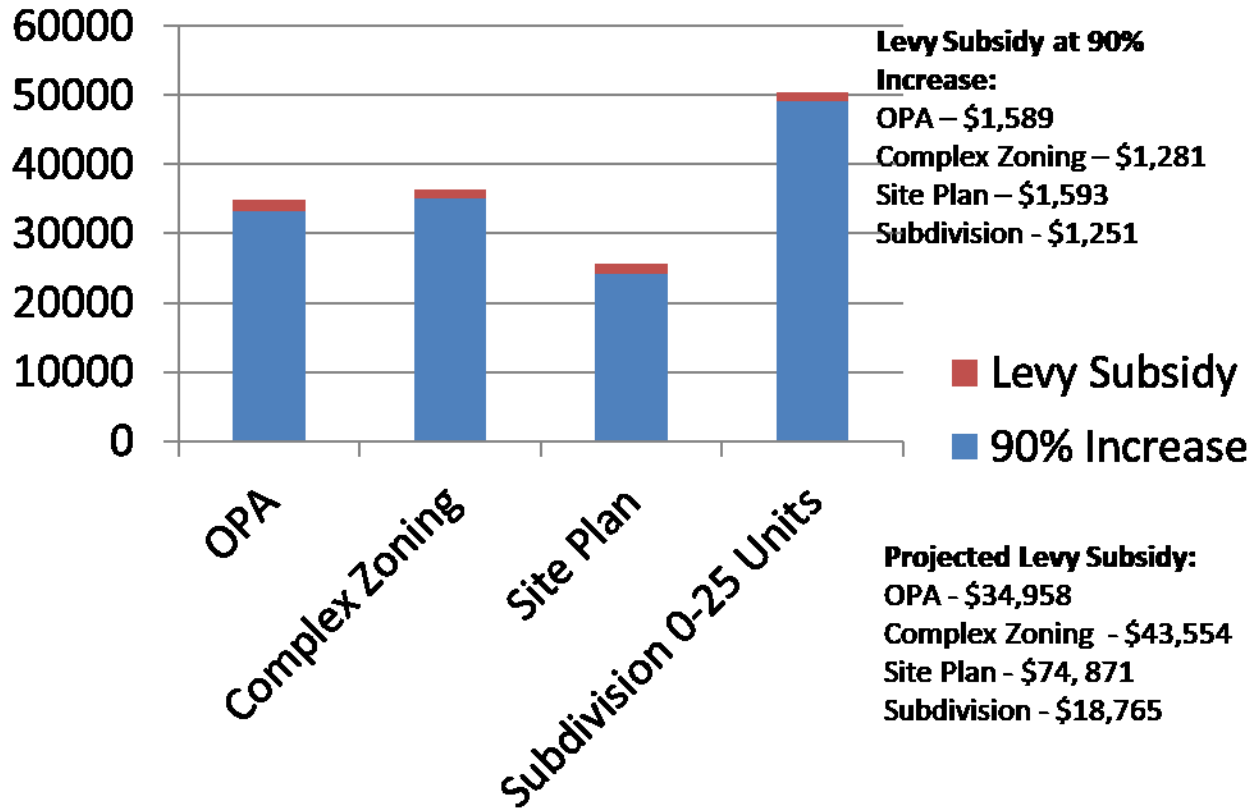
Official Plan Amendment (OPA)



Levy Subsidy



Levy Subsidy



Conclusions

- Compliance with Legislation – Fair and Equitable
- User fees help ensure optimal and efficient use of scarce resources and reduce pressure on property taxes
- Existing fees generally low in comparison to peer municipalities
- Existing fees not recovering the full cost of service – proportional to the actual cost of service
- Difficult to assess whether revenue projections will be achieved relative to economy

Recommendations

- (a) The 2019 Tariff of Fees for Planning and Engineering Development Applications, attached as Appendix “B” to Report PED19015(a) be approved and incorporated into the User Fees and Charges By-law, effective May 1, 2019 and January 1, 2020 respectively; and,
- (b) That the matter respecting 2019 Proposed Tariff of Fees for Planning and Engineering Development Applications be identified as complete and removed from the Planning Committee Outstanding Business List.