



Hamilton

WELCOME TO THE CITY OF HAMILTON

# PLANNING COMMITTEE

August 9, 2022

## PED22112(c)

# Process, Staffing and Fee Changes to Implement Bill 13 and Bill 109

Presented by: Anita Fabac  
Jim Bruzzese  
Ken Coit  
Tiffany Singh

# Bill 13

- Amended the *Planning Act* to allow councils to delegate the authority to pass by-laws that are of a minor nature to a committee of council or staff.
- Could include decisions for temporary use by-laws, the lifting of holding provisions and other minor zoning by-law amendments.

# Bill 109

	No Refund	50% Refund	75% refund	100% Refund
Zoning By-law Application	Decision made within 90 days	Decision made within 91 and 149 days	Decision made within 150 and 209 days	Decision made 210 days or later
Combined Official Plan Amendment and Zoning By-law Application	Decision made within 120 days	Decision made within 121 and 179 days	Decision made within 180 and 239 days	Decision made 240 days or later
Site Plan Application	Approval within 60 days	Approval within 61 and 89 days	Approval within 90 and 119 days	Approval 120 days or later

## Bill 109 – Key Principles

- Development pay for itself and avoid refunding development fees to the maximum extent possible.
- Fees would be reflective of the scale of the development.
- City's response requires fundamental shift in processing applications and engagement with community/applicants.
- Ensure review maintains fair and reasonable fees reflective of the actual cost of providing services and based on full cost analysis for time and resources.
- Timely decision making to meet legislative requirements.
- Previous continuous improvement initiatives have streamlined processes, however it was understood that fundamental changes and staffing increases would be needed to minimize impact to the levy.

# Bill 109

- Retained BMA Management Consulting Inc. to undertake a review of financial, process and staffing implications related to the implementation of Bill 109 legislative changes.

# Bill 109 ZBA/OPA Process Changes

- Shortened time to deem application complete.
- Intake meetings.
- Schedule Statutory Public Meeting date upfront.
- Reduced circulation times.
- Shifted opportunity for public engagement to a preapplication required
- Limited negotiation with applicants.

# Bill 109 Site Plan Process Changes

- Formal Consultation Process for all applications to determine requirements for a complete application.
- Rigorous and time limited review of Site Plan Applications to determine the acceptance or denial of a Complete Application.
- Less opportunity to work with applicants during the Site Plan Control approval process.



# Bill 109 Process Implications

- Potential increase in recommended denials.
- Prioritization of new ZBA/OPA and Site Plan files.
- Decoupling subdivision and condominium applications and elimination of joint application fee reductions.
- Elimination of different Zoning By-law Amendment applications/fees.
- Increased use of Holding Provisions and requirement for resubmission fees.

*City of Hamilton*  
*Bill 109 Review of Process, Financial  
and Staffing Implications*

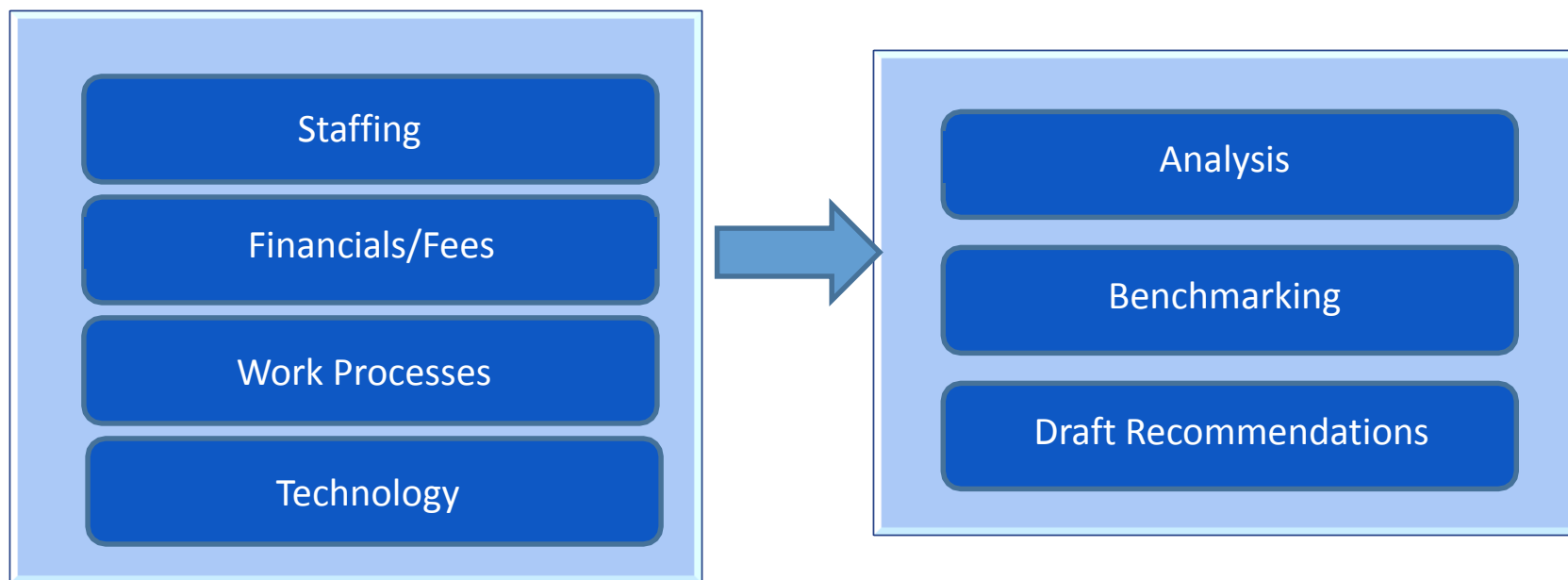
*August 2022*

*BMA Management Consulting Inc.*



***Review Process***

## Review Process – Bill 109 - Analysis

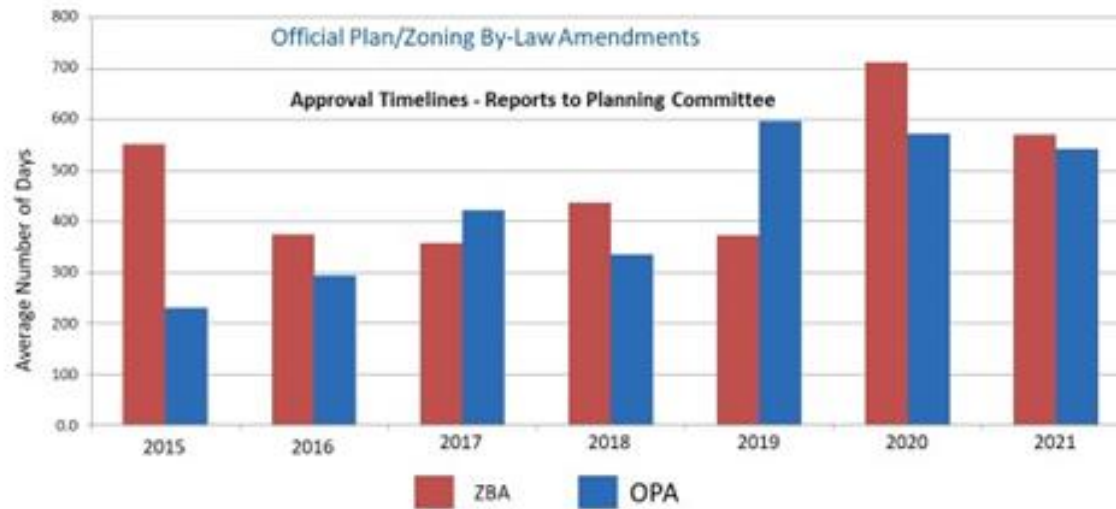


## Introduction of Planning Revenues

<u>2022 Budgeted Revenues</u>	TOTAL REVENUE	Planning Budget	Growth Budget	Transportation Budget	W&WW Budget
45561 - Part Lot Control Fee	\$ 79,500	\$ 65,111	\$ 14,390	\$ -	\$ -
45627 - Plan of Subdivision Fees	\$ 412,720	\$ 137,848	\$ 227,409	\$ 33,843	\$ 13,620
45698 - Condominium Fees	\$ 239,455	\$ 184,141	\$ 42,623	\$ 12,691	\$ -
45466 - Committee Of Adjust Fee	\$ 1,318,775	\$ 1,068,389	\$ 250,386	\$ -	\$ -
45655 - Land Division Consent Fee	\$ 361,365	\$ 229,105	\$ 132,260	\$ -	\$ -
Removal Holding Provision	\$ 172,880	\$ 104,938	\$ 48,406	\$ 8,471	\$ 11,064
Misc	\$ 194,575	\$ 185,625	\$ 8,950	\$ -	\$ -
45617 - Site Plan Control	\$ 3,003,830	\$ 1,649,103	\$ 973,241	\$ 201,257	\$ 180,230
45683 - Official Plan Appl Fees	\$ 707,640	\$ 364,435	\$ 252,627	\$ 61,565	\$ 29,013
45697 - Zoning Application Fees	\$ 1,609,670	\$ 977,070	\$ 450,708	\$ 78,874	\$ 103,019
Total	\$ 8,100,410	\$ 4,965,764	\$ 2,401,000	\$ 396,700	\$ 336,946
Total Fees Subject to Refunds	\$ 5,321,140	\$ 2,990,607	\$ 1,676,576	\$ 341,695	\$ 312,262
% of Total	66%	60%	70%	86%	93%

- The 2022 Budgeted Revenues is \$8.1 million
- 66% of the City's Revenues will be subject to refunds under the new legislation
  - \$5.0 million on tax levy and \$0.3 million on water/ww rates

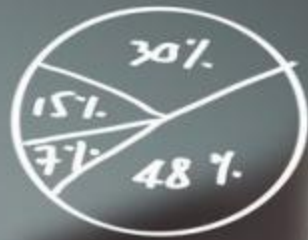
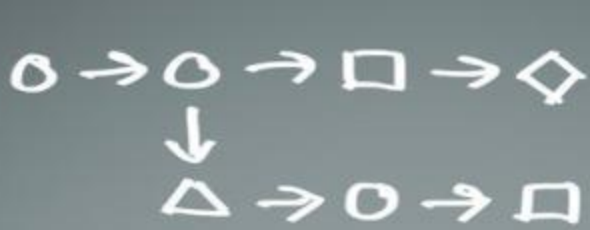
# Financial Risk



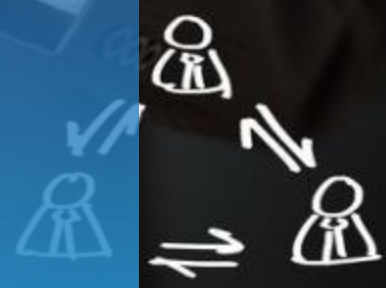
- Average number of days for OPA & ZBA far exceeds the mandated times identified in Bill 109, putting at risk a substantial amount of future fee revenues

## Key Reasons Why Timeframes Are Not Met & Backlog Exists

- Collaborative approach - working with applicants and stakeholders
- Inadequate information and quality issues from applicants
- The time that an applicant takes to respond to staff comments
- External commenting agencies response times
- Insufficient staff resources – Planning staff manage 40 files per staff
- Availability of Council/Committee meeting times (e.g. summer)
- High demand periods



# Analysis



***Analysis***

***Financials/Fees***



## Fee Structure and Proposed Fees

- The calculation of fees involved the following key steps:
  - Departmental staff interviews
  - Process Mapping
  - Fully Burdened Hourly Rate
  - Operating Costs
  - Activity based costing methodology

## Formal Consultation

- The FC review is not part of the formal legislated application review
- A comprehensive FC meeting at the very beginning of the process reduces delays caused by incomplete or low-quality applications and helps ensure greater co-ordination between the applicant, the municipality and all other third parties involved in the approval process
- Expanded use of FC will help ensure studies are accurate and meet the City's standards

## Formal Consultation

- The current Formal Consultation fee is \$1,260 and is credited to any required future applications
- The original fee was calculated in 2018 at approximately \$8,600
- Recommend two types of Formal Consultation Fee one with Development Team Review (DRT) at \$8,840 and without DRT at \$7,610
- Also eliminate credit towards future applications

Planning and Growth Fee Schedule	Existing 2022 Fee	Total Proposed
<b>4 Formal Consultation for OPA, ZBA, Subdivision and Condo</b>	\$ 1,260	
Formal Consultation with DRT meeting		\$ 8,840
Formal Consultation without DRT meeting		\$ 7,610

## OPA/ZBA

- Eliminate the 25% discount for combined OPA/ZBA applications
- Shortened timeline to deem an application complete
- Reduced circulation time to internal Departments and external Agencies
- Eliminate the Routine Rezoning Application

Planning and Growth Fee Schedule		Existing 2022 Fee	Total Proposed
<b>2</b>	<b>Rezoning Application</b>		
	Routine	\$ 25,320	N/A
	Secondary Suites	\$ 6,330	\$ 6,120
	Complex ( <i>includes the first 10 units</i> )	\$ 36,815	\$ 29,290
	Plus Residential per unit Fee after the 10th unit up to a maximum of 50 additional units (Units 11 - 60)	\$ 570	\$ 400
	Plus Non-Residential per square metre charge up to a maximum 5,000 square metres	\$ 10	\$ 7

- As noted above, the Complex Rezoning Application has been reduced to reflect enhanced use of the removal of holding provision.

## Expand Use of “Holding (H)” Provisions for ZBAs/OPAs

- “Holding (H)” provisions enable ZBAs and OPAs to be endorsed with conditions attached
- Enhanced use of Holding Provision supports the City’s ability to meet the legislated timelines to avoid refunds while still protecting the interests of the City
- Fees were calculated based on a process mapping exercise for the various types of Removal of Holding provision applications
- The calculated fee is based on allowing one resubmission.
- A new fee of \$4,860 is recommended for the 3rd resubmission and every submission thereafter.

Planning and Growth Fee Schedule	Existing 2022 Fee	Total Proposed
Removal of a ‘H’ Holding Provision (Routine)	\$ 4,060	\$ 8,250
Removal of a ‘H’ Holding Provision (Downtown)	\$ 5,920	\$ 23,950
Removal of a ‘H’ Holding Provision (Complex) NEW		\$ 23,310
Removal of a ‘H’ Holding Provision Resubmission NEW		\$ 4,860

## Site Plan

- Eliminated the Optional Preliminary Site Plan Review and replaced with a New Formal Mandatory Site Plan Consultation fee
- Current Site Plan fee includes Condition of Approval and Clearing of Conditions
- Recommend two separate fees
  - Condition of Approval fee – subject to refund
  - Clearing of Conditions fee – not subject to refund
- Establish new fees for staff time involved in the administration of peer reviews and internal review of special studies

# Site Plan Control Fees

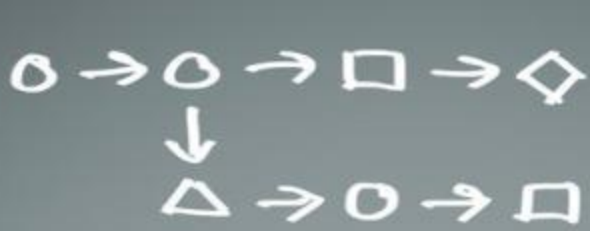
Planning and Growth Fee Schedule	Existing 2022 Fee	Total Proposed
<b>3 Site Plan Control</b>		
Preliminary Site Plan Review	\$ 11,810	N/A
Site Plan Formal Consultation		\$ 11,700
Full Application (plus applicable per unit or per square metre charge)	\$ 25,350	\$ 8,760
Full Application - Clearing of conditions (plus applicable per unit or per square metre charge)		\$ 16,930
Amendment to an Approved Site Plan (plus applicable per unit or per square metre charge)	\$ 14,805	\$ 5,800
Amendment to an Approved Site Plan - Clearing of conditions (plus applicable per unit or per square metre charge)		\$ 11,520
Minor Application (plus applicable per unit or per square metre charge)	\$ 14,080	\$ 10,280
Minor Application - Clearing of conditions (plus applicable per unit or per square metre charge)		\$ 8,810
Resubmission ( <i>on the 3<sup>rd</sup> occasion and thereafter</i> )	\$ 790	\$ 1,450
1 & 2 Family Residential on the Hamilton Beach Strip (outside of Heritage Conservation District) (DAB)	\$ 9,880	\$ 10,830
Plus per unit Residential charge for first 10 units for Vertical Developments including Institutional	\$ 1,005	\$ 1,005
Plus per unit Residential charge for additional units (11-50 units to a max of 50 units) for Vertical Developments including Institutional	\$ 605	\$ 605
Plus per square metre charge for new gross floor area for non-residential developments prior to the Issuance of final site plan approval to a maximum of 5,000 m2 for industrial and 50,000 m2 for commercial for Vertical Developments	\$ 10	\$ 10
1 & 2 Family Residential, including accessory buildings and structures, decks, and additions on properties within the Existing Residential (ER) Zone in Ancaster (DAER)	\$ 2,440	\$ 2,440
Engineering Special Studies	Consultant Fee	Consultant Fee+ 25% Project Management Fee
Peer Review Administration Fee	N/A	Consultant Fee + \$ 550
Review of Special Studies		\$ 1,400
Extension of Lapsed Site Plan Control Application	\$ 750	\$ 1,460
<b>Notes:</b>		
<b>Vertical Development capped at \$36,540.</b>		
<b>Agricultural Uses are at 1/2 of Applicable Fee.</b>		

## Revenue 2022 Validation

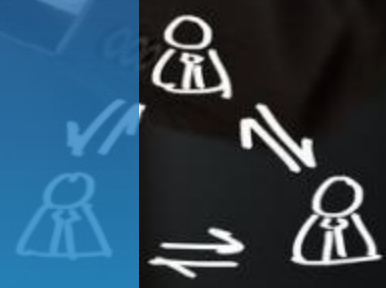
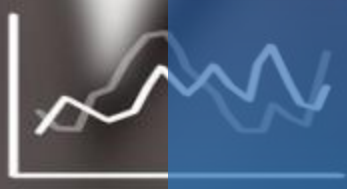
2022 Budgeted Revenues	2022 TOTAL REVENUE	Calculated REVENUE
45561 - Part Lot Control Fee	\$ 79,500	\$ 79,500
45627 - Plan of Subdivision Fees	\$ 412,720	\$ 412,720
45698 - Condominium Fees	\$ 239,455	\$ 239,455
45466 - Committee Of Adjust Fee	\$ 1,318,775	\$ 1,318,775
45655 - Land Division Consent Fee	\$ 361,365	\$ 650,215
Removal Holding Provision	\$ 86,440	\$ 1,371,613
Formal Consultation	\$ 182,700	\$ 1,281,800
Misc	\$ 11,875	\$ 11,875
45617 - Site Plan Control	\$ 3,629,760	\$ 2,974,495
45683 - Official Plan Appl Fees	\$ 707,640	\$ 1,148,040
45697 - Zoning Application Fees	\$ 1,696,110	\$ 1,448,964
<b>Total</b>	<b>\$ 8,726,340</b>	<b>\$ 10,937,452</b>

- Based on 2022 anticipated activity levels and the recommended new fees, it is estimated that the revenues will increase by approximately \$2.2 million





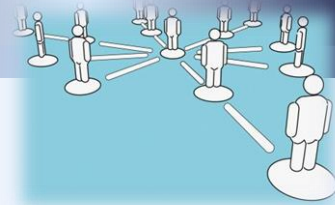
# Analysis



***Analysis***  
***Staffing***

# Summary of Staffing Challenges

- Address the backlog in applications
- Shorten timeframes to make decision on applications
- Additional OLT appeals and associated staff time
- Ability to attract staff in a competitive environment



## Workloads and Vacancies

- 40 files per planner – this should be reduced significantly
- Existing vacancies have proven hard to fill – Planning Development currently has 3 vacancies
- Staff will feel additional pressure to meet deadlines to avoid refunds and meet new turnaround times
- City must secure additional resources to meet new mandated timelines, existing backlogs of applications and additional OLT appeals

## Application Staffing Requirements – User Fee Supported

Department	# of FTE
<b>Fee Supported Staffing Requirements</b>	<b>20</b>
Planning Application Processing	12
Growth Management	6
Transportation	1
Public Works (Water)	1

- A detailed staffing analysis was undertaken based on new processes to support new mandated deadlines, existing backlogs and anticipated activity levels
- Approximately 20 new FTEs would be required at a cost of approximately \$2.1 million which would be funded from the user fees

## OLT Staffing Requirements – Tax Supported

Department	# of FTE
<b>Tax Supported Staffing Requirements</b>	<b>6</b>
Planning OLT Appeal	2
Legal	3
Growth Management	1

- Estimated 28 new appeals (Bill 109) plus existing appeals
- Based on anticipated new appeals per year and limited time available from existing staff to address this increase, it is recommended an additional 6 new FTEs
- An estimated cost of approximately \$715,000 to the tax levy

## Staffing Summary

- There is a need for flexibility for Management to nimbly address staff resource challenges in a timely manner
- The future state staffing may require a list of critical positions within PED to prioritize position postings and develop a workforce strategy based on skill needs
- Recommend delegated authority to create FTEs if necessary to respond to increased application volumes and new timeframes

## **CONSULTATION ON DRAFT OFFICIAL PLAN AMENDMENTS:**

- City's engagement platform - [engage.hamilton.ca/bill109](https://engage.hamilton.ca/bill109) was used to allow the community and stakeholders the opportunity to view and comment on the proposed Official Plan Amendments and to view previous reports relating to the City's response to Bill 13 and Bill 109.
- Development Industry Liaison Meeting - July 12, 2022.
- Commenting period ran for two weeks ending on July 19, 2022.

## **NOTICE OF CONSULTATION:**

- Hamilton Spectator on July 7, 2022.
- City's Social Media Accounts.
- Circulation emails to community groups and development industry stakeholders.

## FEEDBACK RECEIVED BY THEME:

- *Planning Act* Development Application Fees
- Formal Consultation Fee
- Terms of Reference and Guidelines
- Transitional Protocol for Formal Consultations
- Minor Zoning for Reduced Lot Area as Part of a Surplus Farm Dwelling
- Delegated Authority to Staff
- Public Notification



## FEEDBACK RECEIVED BY THEME:

- External Works and Shorting Agreements
- Zoning Compliance Review
- Role of Planning Committee
- Statutory Notice of Public Meeting
- Notification Radius
- Minor Zoning Clarification
- Development Charges, Up-Zoning, Development in Wetlands (comments outside scope)

# Bill 13 – Delegated Authority By-law

- Authority to pass a by-law to lift a holding symbol, establish or extend a temporary use by-law or a minor zoning by-law amendment be delegated.
- Director of Planning and Chief Planner, or their designate.
- Holding Symbol is currently delegated and not subject to a public meeting.
- Temporary Use or a minor zoning by-law amendment will continue to require a statutory public meeting.
- Where a statutory public meeting is not required, consultation with Ward Councillor.

# Transition Framework

- Formalized transition that allows for applications in progress to continue under the framework in effect when the application was made.

## Bill 109 Report Recommendations

- Proposed 2023 Tariff of Fees be approved.
- Fee refunds be funded by the Development Fee Stabilization Reserve and reported annually.
- Three legal services staff be referred to the 2023 Operating Budget.
- Provide General Manager of Planning and Economic Development the delegated authority to hire staff as needed, provided the positions are fully fee funded and do not impact the levy.
- That any new permanent positions created be reported to Council three times a year.
- Proposed Urban and Rural Official Plan Amendments to implement Bills 109 and 13 be approved.
- Bill 13 Delegated Authority By-law be approved.
- Transition Framework be approved.

# Next Steps

- Update notice language and signage (report back to Planning Committee Q1 2023).
- Staff hiring.
- Update forms, website, brochures, AMANDA.
- Staff training.
- Communicate with industry and stakeholders.

## Next Steps Cont.

- Review need for additional policy changes upon approval of MCR Official Plan Amendment.
- Meet with the Province to explore options to “stop the clock”.
- Fall 2022 – Consultation on terms of references/guidelines (report back to Planning Committee).
- Continuous examination and refinement of processing and staffing needs.
- Continuing the 05-200 pre-zoning of all lands in the City.



Hamilton

THANK YOU FOR ATTENDING

THE CITY OF HAMILTON PLANNING COMMITTEE