

### **INFORMATION REPORT**

TO:	Chair and Members
	Planning Committee
COMMITTEE DATE:	March 21, 2023
SUBJECT/REPORT NO:	Annual Report on Building Permit Fees (PED23065) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jorge M. Caetano (905) 546-2424 Ext. 3931
SUBMITTED BY:	Alan Shaw Director, Building and Chief Building Official Planning and Economic Development Department
SIGNATURE:	At

#### **COUNCIL DIRECTION**

Not Applicable

#### **INFORMATION**

The *Building Code Act* (BCA) and the Ontario Building Code require that a report be prepared annually on fees collected and costs incurred. Specifically, Article 1.9.1.1, of Division C, of the Ontario Building Code state:

- "(1) The report referred to in subsection 7(4) of the <u>Act</u> shall contain the following information in respect to fees authorized under clause 7(1)(c) of the <u>Act</u>:
  - (a) total fees collected in the 12-month period ending no earlier than three months before the release of the report;
  - (b) the direct and indirect costs of delivering services related to the administration and enforcement of the <u>Act</u> in the area of jurisdiction of the principal authority in the 12-month period referred to in Clause (a);
  - (c) a break down in the costs described in Clause (b) into at least the following categories:

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- (i) direct costs of administration and enforcement of the Act, including the review of applications for permits and inspection of *buildings*, and
- (ii) indirect costs of administration and enforcement of the Act, including support and overhead costs, and
- (d) if a reserve fund has been established for any purpose relating to the administration or enforcement of the <u>Act</u>, the amount of the fund at the end of the 12-month period referred to in Clause (a).
- (2) The *principal authority* shall give notice of the preparation of a report under subsection 7(4) of the <u>Act</u> to every person and organization that has requested that the *principal authority* provide the person or organization with such notice and has provided an address for the notice."

#### **Revenue Collected**

Building permit fees and BCA fines collected during 2022 totalled \$15,245,499.

#### **Costs Incurred**

The net operational costs, both indirect and direct, incurred during 2022 were \$14,372,403 as shown in the table below.

# Building Division Statement of Activities For 12 Month Period Ending December 31, 2022

Category	2022 Actuals
Building Revenues:  Permit Fees	\$ 14,971,013
BCA Fines	\$ 274,486
Less Expenses:	
Direct Cost	\$ 12,492,208
Indirect cost	\$ 1,880,195
Transfer to Building Revenue Stabilization Reserve	\$ 873,096

\*Note: Figures rounded to nearest dollar

2022 Unallocated Reserve Balance \$ 25,200,793

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#### **Building Permit Revenue Stabilization Reserve**

The starting balance for the Building Permit Stabilization reserve for 2022 was \$28,048,079. 100% cost-recovery of services for building permit issuance, administration and enforcement of the *Building Code Act* netted a transfer of \$873,096 into the reserve. Additionally, there was an accrued interest of \$664,179 for a total transfer of \$1,537,275 into the reserve in 2022. Additionally, \$3,684,560 has been allocated for the next phase of the multi-year Digitization of Microfiche Records project and \$700,000 has been allocated for our Department's Power Platform Portal project. Accordingly, the Building Permit Fee Reserve contained \$29,585,353 with an unallocated balance of \$25,200,793 at the end of 2022.

#### APPENDICES AND SCHEDULES ATTACHED

Not applicable