




Hamilton

INFORMATION REPORT

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	April 5, 2024
SUBJECT/REPORT NO:	Annual Report on Building Permit Fees (PED24039) (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:	

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, Sentence 1.9.1.1.(1), of Division C, of the Ontario Building Code state:

- “(1) The report referred to in subsection 7(4) of the Act shall contain the following information in respect to fees authorized under clause 7(1)(c) of the Act:
- (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 Act 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 Act, the amount of the fund at the end of the 12-month period referred to in Clause (a).”

Revenue Collected

Building permit fees and *Building Code Act* (BCA) fines collected during 2023 totalled \$16,135,367.

Costs Incurred

The net operational costs, both indirect and direct, incurred during 2023 were \$15,733,853 as shown in table 1 below.

**Table 1
Building Division
Statement of Revenues and Expenses and Reserve Balance
For 12 Month Period Ending December 31, 2023**

Category	2023 Actuals
Building Revenues:	
Permit Fees	\$ 15,876,887
BCA Fines	\$ 258,480
Less Expenses:	
Direct Cost	\$ 13,526,196
Indirect cost	\$ 2,207,657
Transfer to Building Permit Revenue Stabilization Reserve	\$ 401,514

Note: Figures rounded to nearest dollar

Building Permit Revenue Stabilization Reserve

The starting balance for the Building Permit Stabilization reserve for 2023 was \$29,406,154. 100% cost-recovery of services for building permit issuance, administration and enforcement of the *Building Code Act* netted a transfer of \$401,514 into the reserve. Additionally, there was an accrued interest of \$1,043,439 and an expenditure transfer to Capital of \$251,909 (first phase of Digitization of Microfiche Records project) for a total transfer of \$1,193,044 into the reserve in 2023. Additionally, \$3,620,464 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 \$30,599,198 at the end of 2023 with an unallocated balance of \$26,278,734 as summarized in Table 2 below.

**Table 2
Building Permit Revenue Stabilization Reserve - 2023 Summary**

Starting Balance on January 1, 2023	\$ 29,406,154
Transfer to Reserve	\$ 401,514
Interest Earned	\$ 1,043,439
Less Transfer to Capital (Digitization of Microfiche)	(\$ 251,909)
Balance on December 31, 2023	\$ 30,599,198
Amount allocated to Digitization of Microfiche	(\$ 3,620,464)
Amount Allocated to Power Platform Portal Project	(\$ 700,000)
Unallocated Reserve Balance	\$ 26,278,734

Note: Figures rounded to nearest dollar

APPENDICES AND SCHEDULES ATTACHED

Not Applicable.