



City of Hamilton

Report for Consideration

To: Chair and Members
Planning Committee

Date: April 14, 2026

Report No: PED26038

Subject/Title: Fee and Process Review for Formal Consultation and
Holding Removal Applications

Ward(s) Affected: City Wide

Recommendations

- 1) That the draft By-law to amend By-law No. 12-282, as amended, attached as Appendix "A" to Report PED26038, which has been prepared in a form satisfactory to the City Solicitor, **BE APPROVED.**

Key Facts

- The purpose of this report is to reduce the fees for Formal Consultation applications, as well as introduce changes to streamline the process to remove a Holding Provision, with resulting fee adjustments, to address the concerns of the development industry regarding high fees and the appropriateness of the fees, duplicate submission requirements, and staff reviews of the same materials across application types.

- This report responds to Report PED24134 to investigate opportunities to incentivize the Formal Consultation process including a review of fees.

Financial Considerations

Staff are proposing to streamline the Formal Consultation process to reduce the fees as an incentive for applicants to continue utilizing the Formal Consultation process. A combined total of 59 Formal Consultation applications across all Formal Consultation application types were processed in 2025 accounting for approximately \$638,975.00 in revenue. When applying the new reduced Formal Consultation fees, the anticipated revenue would be approximately \$457,200.00 based on applying the same volume of Formal Consultation applications received in 2025.

Fees for a Holding Removal application are proposed to be restructured and reduced. The fee will be dependent on the number and type of Holding Provision(s) to be lifted on a property, rather than the application fee currently collected (\$26,815.00 per application). In 2025, 15 applications were processed accounting for approximately \$296,000 in fees (approximately \$19,700 per application). Several of the applications were subject to affordable housing fee exemptions as well as a fee reduction for lands that implemented a Holding Provision(s) prior to August 12, 2022. The application of those exemptions resulted in a realized revenue of approximately \$81,200.00. When applying the new fees, the cost would be approximately \$14,000 per application, a reduction of approximately \$5,700 per application (a 29% reduction).

Background

Bill 109 *More Homes for Everyone Act, 2022* amended the *Planning Act* to require municipalities to refund development application fees if a decision was not made within legislative timelines. Report PED2212(c) to implement changes to the *Planning Act* was approved by Council on August 12, 2022. The report contained the Bill 109 Risk

Identification and Recommendations report, prepared by BMA Management Consulting Inc., dated July 2022, which assessed the need to increase development application fees. Fees for a Holding Removal application, a Formal Consultation application and a Formal Consultation Site Plan application were increased to reflect new process mapping and estimated average staff hours to meet the 60-, 90- and 120-day timelines in the *Planning Act*.

Staff anticipated an increased use of Holding Provisions to address outstanding items to be reviewed by internal Departments and external Agencies. The Holding Removal application process was revised, and in addition to the existing Holding Removal (Downtown) application, a Routine application was created for instances where the Holding Provision only applied to a requirement of an outside Agency, and a Complex application (formerly called Standard application) was required when the Holding Provision applied to a requirement of internal Departments. Table 1 of Appendix “C” to Report PED26039 shows a comparison of the 2022 fees, the fees introduced in 2023, and the current 2026 fees (adjusted for Consumer Index Pricing as required).

The effect of Bill 185 was the removal of mandatory pre-consultation processes for planning applications and repealing the requirement to refund application fees if legislative timelines for approval were not met. In response, Report PED24134 was brought forward to the October 18, 2024, Planning Committee recommending amendments to the Hamilton Urban and Rural Official Plans to establish minimum submission requirements (e.g., technical plans and studies) that must be submitted with Official Plan Amendment, Zoning By-law Amendment, Draft Plan of Subdivision and Site Plan applications if an applicant chooses to not engage in a Formal Consultation. Staff were directed to investigate opportunities to incentivize the Formal Consultation process, including a review of the application fees.

Analysis

Formal Consultation/Formal Consultation Site Plan Application Fee Structure

Formal Consultation is considered a key step in the application process for Site Plan Control, Official Plan Amendment, Zoning By-law Amendment, Draft Plan of Subdivision, and Draft Plan of Condominium (Vacant Land) applications and allows for collaborative discussion on the details of an application earlier in the development process.

The fees for a Formal Consultation application were increased in 2023 to reflect staff time in reviewing the detailed plans and drawings submitted and providing written direction for scoped complete application requirements. Report PED24134 directed staff to investigate opportunities to incentivize the Formal Consultation process, including a review of the application fees. Applicants have provided positive feedback during City Builder (formerly known as Development Industry Liaison Group) meetings and the Bloomberg Workshops with external customers with respect to the City's current Formal Consultation processes. Staff have focused on a reduction in fees to incentivize the use of Formal Consultations and have undertaken a review of the current processes with the aim of not compromising customer service, feedback, and continuing collaboration on development applications while ensuring cost recovery.

Based on the current process mapping and staff time, the revised fees for Formal Consultation Site Plan and Formal Consultation were calculated. To incentivize the use of Formal Consultation, staff recommend the following:

- Reduce the Formal Consultation Site Plan fee from \$12,580 to \$7,800 (38% reduction);
- Reduce the Formal Consultation with Development Review Team fee from \$9,505 to \$7,800 (18% reduction); and,
- Reduce the Formal Consultation without Development Review Team meeting from \$8,185 to \$7,300 (10% reduction).

These fees are shown in Table 1 of Appendix “C” attached to Report PED26038.

The reduction of the fees is to encourage applicants to utilize the Formal Consultation process while still collecting a fee to cover staff time to ensure quality Planning Act applications are submitted. Phase Two of the Fee Process Review for *Planning Act* applications (commencing in Q? 2026) will identify the anticipated efficiencies resulting from the implementation of the new Planning, Permitting, Licensing and By-law software and recommend further fee reductions where possible. Staff will also evaluate the potential for permitting a credit against future development fees for future *Planning Act* applications when preceded by a Formal Consultation application within the last 18 months, as had been the City’s practice in the past.

Process Changes for Formal Consultation Applications

Concerns from the development industry have been raised regarding the length of time to issue the Formal Consultation Document. Staff reviewed this process and timelines for Formal Consultations (excluding site plan) and adjusted the process so that the majority of Formal Consultation Documents can be issued within five business days following the Development Review Team meeting.

This review resulted in a reduction in the amount of time required for specific tasks to be completed (e.g. the use of the SharePoint solution at the intake stage), increased collaboration across commenters, a broader utilization of additional staff to complete tasks, management weekly check ins, and a refinement of the commenting and document preparation deadlines.

The impact of these changes has resulted in Formal Consultation documents being issued to applicants within five business days following the Development Review Team meeting. Prior to implementing the above efficiencies, it was not uncommon for it to take up to six months after the Development Review Team meeting to issue the Formal Consultation document.

The launch of the future Planning, Permitting, Licencing and By-law software in 2026 is expected to provide a further reduction in staff time spent processing Formal Consultation applications at the intake stage.

Holding Removal Application Fee Structure and Process Change

Staff remain committed to maintaining the process improvements that have been put in place to meet statutory timelines and it provides staff flexibility to collaborate with an applicant if there is a mutual agreement to allow for additional time past the processing timelines. With these process improvements, it is anticipated the use of Holding Provisions will be reduced, saving the applicant additional time and costs.

Applicants have indicated that they understand staff's objective to meet the legislative timelines for approvals, however, the dependency on Holding Provisions is viewed as a burden to their overall development proposal. There is a perception that staff review time and submission of materials is a duplication of efforts.

In response to these concerns, staff undertook a review of the current process for Holding Removal applications and recommends the replacement of the current three Holding Removal application processes with two Holding Removal application processes, and a new fee structure. The first proposed application type follows the current Holding Removal application process (Holding – Standard). The second proposed application type is a two-step process where the review of related materials may be completed with the associated Site Plan Control application (Holding – Site Plan), followed by the submission of a Holding Removal application. A further explanation of each proposed application type is provided below.

Holding Removal (Standard) Application

For properties that require the removal of a Holding Provision but do not require Site Plan Control (i.e. a proposal for less than 10 residential units), the applicant will proceed through the current Holding Removal application process however, fees for this

application have been restructured and are explained in the Fee Structure section below.

Holding Removal (Site Plan) Application

A new two-step process is proposed that allows staff to review materials required for both a Holding Removal and a Site Plan application concurrently. The process is included in Appendix “B” attached to Report PED26038. A property with a Holding Provision that also requires a Site Plan Control application is eligible for a Holding Removal (Site Plan) application process where the first step includes the submission and review of materials required to lift the Holding Provision as part of the Site Plan Control application. A Holding Removal application (second step) will be a condition of Site Plan approval. When the Holding Removal application has been approved, the site plan condition can be cleared.

This process is optional for the applicant. An applicant may choose to not submit related materials to lift a Holding Provision with a corresponding Site Plan Control application and instead will need to apply for a stand-alone Holding Removal (Standard) application.

Fee Structure

Staff are recommending the fees to remove a Holding Provision be dependent on the number and/or type of Holding Provisions subject to a particular property, rather than a blanket application fee. The following steps are taken into consideration when assessing fees for a Holding Removal application:

1. **Which type of application is being applied for:** A base fee will be charged for a Holding Removal application (Standard or Site Plan) to cover administrative, circulation, report writing, and final approval costs associated with the delegated authority process to pass the by-law.
2. **Which Holding Provisions are required to be removed:** An applicant will identify the fees for each Holding Provision type that the property is subject to.

For example, separate fees are proposed for Planning related Hold(s) (i.e. Noise Study, Wind Study etc.) and Transportation Planning related Hold(s) (i.e. Traffic Impact Assessment).

3. **If the Holding Provision is related to Growth Management only, the applicable fee will be dependent on the number of Holding Provisions being removed (i.e. Water, Sanitary or Stormwater Management):** The first Growth Management related Holding Provision on a property requires a fee of \$9,000. A second Growth Management Holding Provision will require an additional fee of \$4,500. No fee would apply to additional Holding Provisions.
4. **If this is a resubmission of a Holding Removal (Standard) application:** A fee, equivalent to 25% of the application fee, for each additional resubmission is recommended, as opposed to the current practice of charging this fee on the third resubmission. Using the example from Appendix "B", if the total fee for a Holding Removal (Standard) is \$12,035, the fee for each resubmission would be \$3,010. This recommendation will apply to new Holding Removal (Standard) applications as of the day of passing of the new fee schedule.

The proposed application fees for both Holding Removal (Standard) and Holding Removal (Site Plan) are lower than the current fees for a Downtown or Complex Holding Removal application. The maximum application fee that would be collected (not including any resubmission fees) for a Holding Removal (Standard) is \$21,760 and \$21,950 for a Holding Removal (Site Plan). The maximum application fee would only be applied if all three Holding Provision types (Planning, Transportation Planning, and Growth Management) are in effect on a property.

For Holding Provisions that are removed by external agencies (i.e. Ministry of Transportation or CN Rail) and currently being processed as Routine Holding Removals, the application fee would be \$6,145 for Holding Removal (Standard) or \$6,335 for Holding Removal (Site Plan). The proposed fees for Formal Consultation Site

Plan, Formal Consultation and Holding Removal applications, are shown in Table 3 within Appendix “D” attached to Report PED26038.

Alternatives

Council could modify or further reduce the proposed fees; however, staff do not recommend this alternative as it would not allow the fees to be adjusted to accurately reflect the new alignments of work and would not be full cost recovery and would therefore impact the levy.

Relationship to Council Strategic Priorities

- Priority 3: Responsiveness & Transparency
 - 3.1 Prioritize customer service and proactive communication
 - 3.3 Modernize City systems

Previous Reports Submitted

- Process, Staffing and Fee Changes to Implement Bill 13 and Bill 109 (PED2211(c))
<https://pub-hamilton.escribemeetings.com/Meeting.aspx?Id=aad14dff-cdfc-4705-abd0-f28dc6523a4c&Agenda=Agenda&lang=English&Item=25&Tab=attachments>
- City Initiated Official Plan Amendments – Formal Consultation and Complete Application Requirements under Bill 185 (PED24134)
<https://pub-hamilton.escribemeetings.com/Meeting.aspx?Id=4583e719-2003-4c13-90f5-56e2b7a31e9d&Agenda=Agenda&lang=English&Item=22&Tab=attachments>

Consultation

- Consultation has been undertaken with staff in the Planning Division, Growth Management Division, Transportation Planning and Parking Division, and Finance and Corporate Services to obtain feedback on application process mapping, estimated average productive hours and fees.
- Staff presented recommendations of this report to the Development Industry Liaison Group (now “City Builders”) on April 14, 2025.
- Notice of proposed changes to the Tariff of Fees By-law was advertised in The Hamilton Spectator on March 27, 2026.

Appendices and Schedules Attached

Appendix A: Amendment to Tariff of Fees By-law No. 12-282

Appendix B: Holding Removal Fee Structure Examples

Appendix C: Existing Formal Consultation and Holding Removal Fees

Appendix D: Proposed Formal Consultation and Holding Removal Fees

Prepared by:

Johanna Howard, Business Facilitator, Planning Division, Planning and Economic Development Department

Joseph Sanseverino, Business Facilitator Planning Division, Planning and Economic Development Department

Submitted and Recommended by:

Anita Fabac, Acting Director of Planning and Chief Planner

Planning Division, Planning and Economic Development Department