



Committee Report

To: Warden Mitch Twolan
Members of the Planning and Development Committee

From: Kara Van Myall
Director of Planning and Development

Date: October 15, 2020

Re: Land Use Service Delivery (Development Fees Review) - Interim Report

Staff Recommendation:

The Land Use Service Delivery (Development Fees Review) - Interim Report is for information.

Background:

Funded by the Municipal Modernization Program, StrategyCorp Inc. (SCI) was retained to undertake this project, as part of a larger body of work focused on improving and enhancing land use service delivery. This service delivery improvement initiative is part of the tactical objectives from the Land Use Planning Transformation program. SCI is currently leading three parallel projects, including: Official Plan Best Practices, Development Fees Review and Memoranda of Understanding Update.

Building on the key findings of Stantec's "Land Use Planning Role and Structure Review" report presented in July 2020, this interim report (attached) aims to initiate meaningful discussion around the County's development application fees and begin to inform the Memoranda of Understanding with local municipalities for planning services.

A three-pronged approach is being employed to generate the final report (November 2020).

1. To date, SCI has conducted a fulsome data and information review, sourcing and/or producing an extensive data and meta-data set via request, interview, surveys and staff workshop - garnering an "Internal Perspective on Service Delivery Cost & Funding".
2. This work was paired with desktop municipal policy research techniques and phone interviews with the Planning Department leaders of comparable municipalities to understand the "External Perspective on Comparable Counties".
3. In the coming month, SCI will use survey and phone conference calls to source feedback from key land development stakeholders in Bruce County, highlighting the "External Stakeholders' Perspective".

The outcomes of this three-pronged approach will be presented in the Final Report. It should be noted that the cooperation of all stakeholders was pivotal in this work advancing as quickly as it did, despite logistical constraints posed by the COVID-19 pandemic.

Interim Conclusions & Recommendations

For ease of reference, StrategyCorp's Interim Conclusions & Recommendations for Development Fees are listed below:

A. Conclusions

SCI's study of the internal costs of the land use planning service delivery of Bruce County shows cost recovery from three different perspectives:

1. 50% cost recovery from fees with reference to only the direct Activity Costs directly attributable to providing the serve.
2. 36% cost recovery from fees, by adding an appropriate attribution of departmental overhead to the direct costs.
3. 14% cost recovery from fees by taking into account the total planning land use division costs and comparing it as a percentage of total revenue.

SCI's research of comparable Counties shows that Bruce's development application fees are below the peer group's average - in some cases the lowest. Some of the comparable Counties have additional fees for segments of activities that are bundled in one fee for Bruce. In other cases, some comparable Counties charge a scaling fee for services that can require a wide range of activity and charge a deposit for appeals or peer reviewed studies.

B. Interim Recommendations

Having completed Bruce County's Planning Department internal activity cost measurement study and comparative research, SCI recommends that the County's Planning and Development Committee members and Planning Department's staff reflect on the attached Interim Report's findings ahead of the final report delivery in November 2020. Moreover, the Development Fees Interim Report findings will also inform the Memorandum of Agreement discussions between Bruce County and the Local Municipalities.

For the Final Report, SCI expects some minor iterations to the content of the Interim Report, based on additional content and feedback from Bruce County's staff and Committee review. This will allow SCI to source feedback and inform the range of alternative fee schedule options that will be explored in the Final Report. In addition, SCI will also be completing the section on external stakeholder input, where developers in Bruce County will be engaged to source their perspective on planning fees and the degree to which they affect their business decisions. Finally, SCI's fee schedule alternatives and recommendations for the Final Report will also evaluate the local municipality fees that are charged in addition to the County's and the Conservation Authority's fees.

Key Dates & Timeline

As this body of work represents one of three parallel projects that Bruce County has engaged StrategyCorp to undertake, it is important to highlight the path forward. Our planned

approach is to continue to bring these projects forward to Planning & Development Committee in stages, as follows:

- Official Plan Best Practices - Final Report (October 15, 2020)
- Development Fees Review - Interim Report (October 15, 2020)
- Memoranda of Understanding Update - Interim Report (November 5, 2020)
- Memoranda of Understanding Update - Present to all local Councils (November 2020)
- Development Fees Review - Final Report (November 19, 2020)
- Memoranda of Understanding Update - Final Report (December 17, 2020)
- Implementation of all three parallel projects to be brought forward in 2021.

Financial/Staffing/Legal/IT Considerations:

There are financial considerations associated with potential adjusting development fees and potential indirect staffing, legal and IT considerations associated with this report.

Interdepartmental Consultation:

Staff from Planning and Development have been working to date with the Office of the CAO.

Link to Strategic Goals and Elements:

Goal 4 - Find creative new ways to ways to involve all staff in our future
Element C - Invest in expanding the knowledge and skills of our staff.

Goal 5 - Eliminate our own red tape
Element A - All work processes designed for the fewest steps and the easiest completion.

Goal 7 - Stimulate and reward innovation and economic development
Element A - Streamline and simplify our Planning Processes

Written by: Mark Paoli, Manager, Land Use Planning, Planning and Development and Matt Meade, Corporate Strategic Initiatives Specialist

Approved for Submission:



Sandra Datars Bere
Chief Administrative Officer