



Bruce County

Development Fees Review: Interim Report

October 5th, 2020



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Terms of Distribution

Draft Interim Report for Development Fees Review for the purpose of evaluating the outcomes of the activities-based cost study conducted with the Land Use Planning department's staff and research on comparable municipalities' fee structures.

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1: EXECUTIVE SUMMARY

Engagement Timeline: Work on the Development Fees Review began on August 17th, 2020. While the initial project timelines was meant for 16 weeks, at the request of the County we were asked to complete and submit this Interim Report on October 1st. We expect our Final Report to be submitted on November 5th, in advance of the Planning & Development Committee meeting on November 19th.

Interim Report Objectives: There are two objectives of this Interim Report:

- to inform the first discussion of Bruce County’s Planning and Development Committee, on October 15th, regarding the review of fees for development applications.
- to inform the Service Agreement discussion between the County and Local Municipalities.

We expect some minor iterations to the Interim Report, based on additional content and feedback from reviewers In Bruce County

Final Report Objectives: The Final report will include three additional Chapters

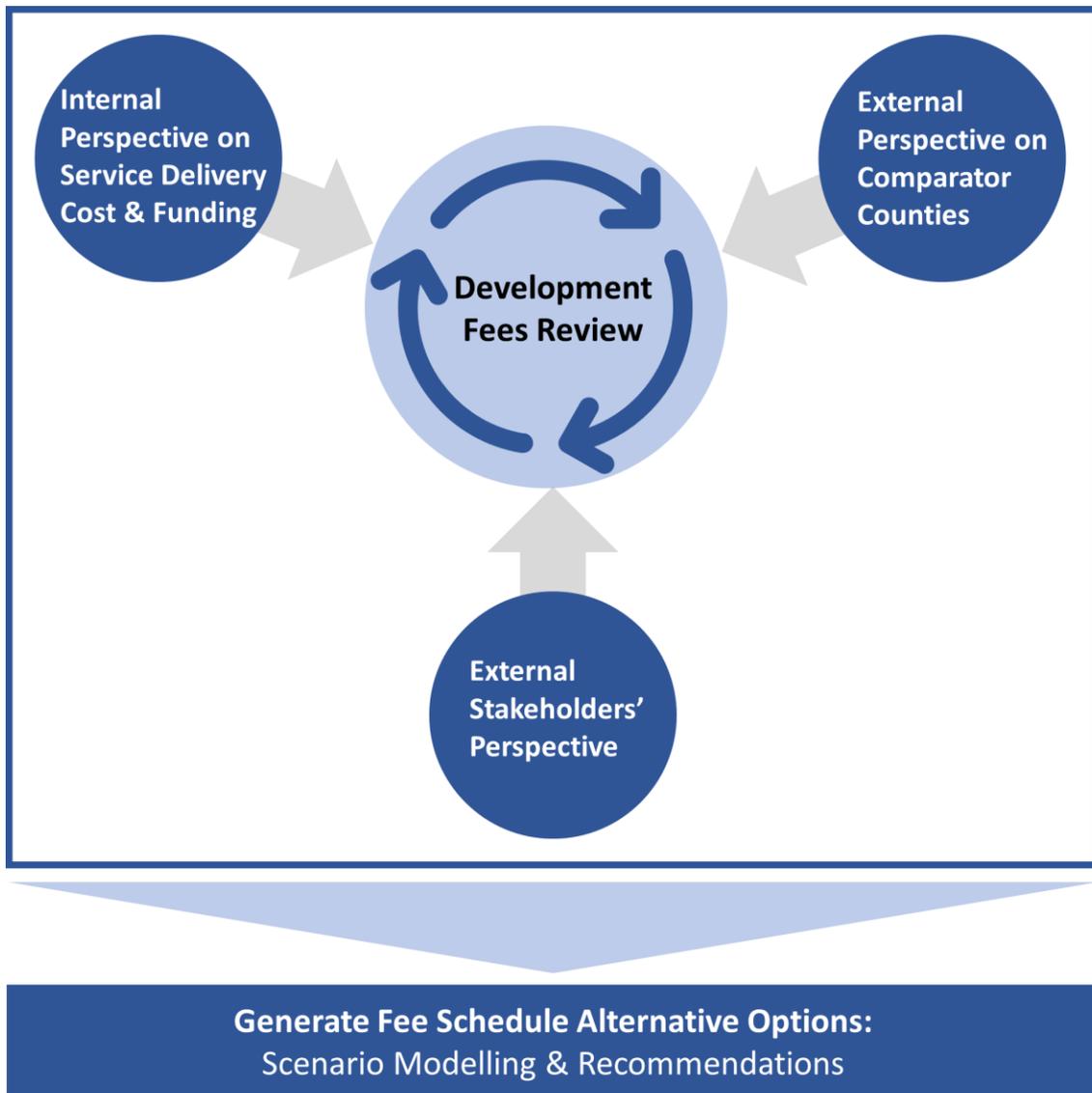
- External Stakeholder Input (eg. frequent developers in Bruce County)
- Fee Schedule Alternative Options
- Recommendations and Conclusions

Preliminary Findings: Our study of the internal costs of the land use planning service delivery of Bruce County shows cost recovery from three different perspectives. From the perspective of direct activity costs directly attributable to providing the service, cost recovery is, on average, at approximately 50%. Additional perspectives are elaborated at Section 4.7. Our research of comparable Counties showed that Bruce County’s development application fees are below the peer group’s average – in some cases the lowest.

2: METHODOLOGY OF OUR REVIEW

2.1: Summary of our Approach

Graph 1: High-Level Methodology Overview of Fees Review



2.2: Internal Perspective on Service Delivery Cost & Funding

The objective of this subset of our mandate's scope was to develop a clear understanding of the operations and the associated costs (variable, semi-fixed, and fixed) for service delivery of all categories of application types for Bruce County's Land Use Planning Division. This requires sourcing or producing

the following input data and meta-data:

1. **Operating budget** – sourced via preliminary data request
2. **Segmentation planning service categories** – sourced via interviews
3. **Case volume 2015-2020 for each main service category** – sourced via advanced data requests
4. **Workflow/process charts for each service**– sourced from staff and developed simplified versions
5. **Activity measurement of the service delivery processes** – developed via staff survey/workshops
6. **Distribution of caseload between Department staff** – developed via group workshops

The above information allows us to develop a dynamic, input-output model that captures the cost drivers that are variable and provides a quantifiable perspective for semi-fixed costs (i.e. time for studies within an application) and overhead.

2.3: External Perspective on Comparable Counties

The objective of this subset of our mandate’s scope was to use desktop municipal policy research techniques and phone interviews with the Planning Department leaders of comparable municipalities to:

1. Understand the planning service delivery model of comparable counties
2. Identify the fee schedule of comparable municipalities
3. Gather feedback on agreements between the comparator upper tier and the local municipalities

2.4: External Stakeholders’ Perspective

This work will take place in October - the outcomes of this work will be presented in the Final Report, as additional content to the Interim Report. The objective of this subset of our mandate’s scope was to source feedback from key land development stakeholders in Bruce County. This consultation will take place in October 2020, via a survey and/or via phone conference calls.

2.5: Generating Fee Schedule Alternative Options

This work will take place in October - the outcomes of this work will be presented in the Final Report, as additional content to the Interim Report. The objective of this subset of our mandate’s scope is to converge the insights gathered and developed from our internal review and external perspectives, in order to develop alternative fee structure options. Each of the options will be modelled for their impact on cost recovery and the reduction of dependence on the County’s operating budget. Various scenarios will be tested to evaluate the feasibility of options, exploring a broad spectrum of financial impact and political appetite. Given the forward-looking nature of this, we will be considering growth projections.

3: CONTEXT OF THE FEES REVIEW

3.1: Background on County's Land Use Planning Service Delivery Model

Context of Interim Report Production for Fees Review: In 2020, Bruce County received one-time funding from the Provincial government for the modernization of service delivery. Part of this Ontario funding was used to seek efficiencies and modernizations for its Land Use Planning Department.

The Development Fees Review for Bruce County is one of three parallel projects that Bruce County has engaged StrategyCorp to undertake:

- Official Plan Service Delivery and Best Practices Review,
- Land Development Fees Review, and
- Service Agreements with Local Municipalities Review.

While this component of the review is independent in its scope, our team has been doing frequent check-ins, to share data collected and insights sourced from internal and external stakeholders.

As such, StrategyCorp has been retained to complete a three-part project for Bruce County's Land Use Planning Division: the Official Plan Best Practices Review, the Development Fees Review, and the Memorandum of Agreement facilitation.

Current service delivery model: Bruce County's Land Use Planning Department provides both Local-level and County-level planning services.

- **Complementary Services:** At the Local level, the County operates based on Memorandums of Agreement (MoA) with local municipalities. These MoA refer to the application processing and planning advisory services, reporting to local municipal councils for the amendment of planning documents, for fee-related activities such as: Variances, Zoning, and Local Official Plan Amendments. In addition, when the County's budget and staff utilization capacity allows, the Land Use Planning Department also updates Local Official Plans, participates in local municipal studies, conducts zoning by-law reviews, and develops community improvement plans.
- **Mandatory Services:** At the County level, the Planning & Development Department offers application processing and planning advisory services to the County and reports to County Council, for fee-related activities such as: County Official Plan Amendment, Land division, and Draft Plans of Subdivisions and Condominiums. The Department is also mandated to conduct longer-range policy planning that informs and advises Bruce County Council regarding the County Official Plan's implementation, along with other County-level policy studies and

participation in initiatives of other departments.

Provincial regulation’s timeline limitation crowds staff with development reviews: The increased case volume of development applications that are bounded by the Province’s regulatory timeline limitations set out in, steer staff to prioritize workload of development applications processing review for both the County and particularly for Local Municipalities, over policy. The legislated timeframes for processing development applications for Local Municipalities create a constrain of staff workload flexibility.

Less resources for long-range policy review: The aforementioned constraint has led to the additional time required for the Department to fulfil its policy mandates first for the development of the updated County Official Plan and then for the updates of Local Official Plans. The budget and staff utilization capacity constraint creates challenging conditions for staff to achieve their target non-fee-related activities, such as: affordable housing policies, municipal projects, continuous process improvement, community improvement plans and other factors that affect Bruce County’s development market conditions structurally over the long run.

3.2: Overview of Historical Cost Recovery

Origins of the current service delivery model: The current model for Bruce County’s Planning Department was established through memorandums of agreements between the County and the member municipalities. Some of these agreements date back to the late 1990s.

The divergence between historical Memorandums of Agreement and current expectations: While there are minor differences in the various historical MoA for planning services between the County and Local Municipalities the current expectation of services has evolved over the last two decades, leading to strain over the Department’s resources, provincially regulated timeline constraints for processing applications, and the simultaneous delivery of both mandatory and Complimentary services.

Funding considerations from original agreements: The intention of the original MoA was that the County collected fees and/or charged that, “...shall be designed to meet the anticipated cost to the County with respect to the processing of each type of application.” Since then, the County has been charging fees that increased annually only by the Consumer Price Index (CPI) rates, resulting to limited cost recovery in the current day. The current fees appear to not serve the objective of the original agreements and require a review.

Preliminary perspective on cost recovery: The Land Use Planning Department collects revenue from development application fees to recover only part of the cost of the delivery of these services. In our analysis in this Interim Report, particularly at Section 4.7, we delve into the three different perspectives through which cost recovery can be evaluated.

3.3: Overview of Planning Service Delivery's Financial Considerations

Need for current development fees review: It is unclear whether the County chose historically to increasingly subsidize the Planning Division's expenses by the tax base, or simply the decision was postponed as a result of competing priorities. StrategyCorp's current mandate is indeed to review both the cost and the funding model for the Land Use Planning service delivery of Bruce County. As the scope of responsibilities of the County's Planning Department has evolved over the last two decades, such as the expectation of policy support to Local Municipalities (not in the original MoA), the County should consider the cost recovery implications of this and the need for updating its Memorandum of Agreement with Local Municipalities.

Limit in fee increases: Growth of development application fees are capped by the County Fee By-law limiting the rate to that of Statistics Canada's Annual Consumer Price Index – usually around 2%. This small annual increase is not enough to catch up with the growing costs of increasing local municipality applications that need to be reviewed in a timely manner, in addition to providing policy services.

Impact on County's operating budget and taxpayer equity: The County's tax base is subsidizing the delivery of development application services for Local Municipalities - approximately \$200,000 annually). The intent of the historical MoA was that these costs would instead be recovered through user fees. In addition, the County's tax base is also subsidizing the policy services to Local Municipalities, while staff are faced by budget and utilization constraints when delivering on them, because of the provincial regulation timeline pressures for processing development applications. This yields concerns of taxpayer equity for residents in local municipalities of that exhibit relatively less development growth.

What do other Counties do: A review of comparable Counties' cost recovery rates relative to planning costs shows that they range from 4% to 25%. However, the metric of overall cost recovery alone is not reflective, in any way, of the efficiency or the level of subsidy by the tax base. It is not a comparison of equals. No two Counties are the same in their service delivery model and their formal or informal agreements with Local Municipalities – a consideration that informs the variance in overall cost recovery from development applications fees. A key message, however, that was raised in our interviews with comparable Counties is that regular fee updates were necessary (usually every 5 years), in order to maintain their conditions of cost recovery. Most of the comparable Counties conduct their fee reviews either by activity-based cost assessments of their service delivery or by conducting a comparative analysis with other Counties. In our study, we employ both activity-based costing and comparative analyses, in addition to a planned brief consultation with external development stakeholders of Bruce County in October 2020.

4: INTERNAL REVIEW OF DELIVERY COST STRUCTURE

4.1: Introduction to Bruce County's Planning Services

4.1.1: Introduction to the Planning and Development Department

Bruce County's Planning Department is responsible for translating provincial policy and requirements, and to reflect and apply a County-wide vision and related objectives through the County Official Plan (OP). The County Official Plan provides input and direction to local municipal planning. Local municipal OPs and Zoning By-laws are to conform to the County OP. These planning tools allow each local municipality to translate the goals of the County OP and interpret them at the community level. The Bruce County Land Use Planning Division's current organization is such that staff provide a planning role directly to and for County Council.

Additionally, planning services are provided by the County Land Use Planning Department to the eight (8) Local Municipalities, helping them deliver their commitments as directed by the Planning Act. The provision of planning services by the County to the local municipalities is not a mandated authority as part of the Province's legislated County structure, or, the Planning Act, but is based on service delivery agreements enabled under the Planning Act.

4.1.2: Bruce County's Strategic Priorities (Planning Department Business Plan)

- Develop and implement tactics for improved communications
- Find creative new ways to engage our public
- Find creative new ways to involve all staff in our future
- Eliminate our own red tape
- Explore alternate options to improve efficiency and service
- Stimulate and reward innovation and economic development
- Coordinate concerted efforts to advance our agenda

4.1.3: Department's Commitment to LEAN

Since 2018, the Planning Department has committed to continuous process improvement and LEAN transformation. The department's transformation mantra is *"It is not about doing the work, but improving the way we do the work"*.

The Department's team has advanced that mindset in planning, by developing a vision and eight

guiding principles for good planning for growth in development. Already, this has yielded to improved communications.

Based on the importance of the LEAN method of measuring time and understanding how it is spent, our Fees Review report builds on these principles in its activity-based costing analysis and further informs it.

4.1.4: Department Human Capital

Based on our discussions with the department, we understand the organizational structure of the team as exhibited in the table below. It reflects what we heard during our staff interviews regarding the recent changes in responsibilities to establish specialists in policy vs. development, particularly at the Senior Planner level.

Table 2: Organizational Structure

<p>Head of Planning & Economic Development Department</p>	<p>Title: Director of Planning & Economic Development</p> <p>Role: The Director spends 10% of time on fee-related activities, and 90% of time (split equally) on Management and oversight of the two divisions: land use planning and economic development. For land use planning applications, the Director has approval duties for applications (split roughly 60-40 with Land Use Planning Manager) of Consents, Subdivisions, Condos and Local OPAs. Carefully reviews all Planning Act reports that go to the County’s Planning and Development Committee.</p>
<p>Head of Land Use Planning Division</p>	<p>Title: Land Use Planning Manager</p> <p>Role: Management and oversight of the Land Use Planning Division, with 3 direct reports from Senior Planners. Has approval duties for applications (split with the Director) of Consents, Subdivisions, Condos and Local OPAs. Carefully reviews all Planning Act reports that go to the County’s Planning and Development Committee. Spends over 80% of time on non-fee related activities, such as: project management, long-range policy, division administration, intergovernmental relations, appeals, municipal projects and process improvements.</p>
<p>Senior Planners</p>	<p>Title: Senior Policy Planner, Lakeshore Hub</p> <p>Role: Responsible for all applications corresponding to the Lakeshore</p>

	<p>area. Additionally, spends significant effort on long-range policy activities. Oversees planning students.</p>
	<p>Title: Senior Development Planner, Inland Hub</p> <p>Role: Responsible for all applications corresponding to the Inland area. Spends significant effort on oversight of development applications activity.</p>
	<p>Title: Senior Policy Planner, Peninsula Hub</p> <p>Role: Responsible for all applications corresponding to the Peninsula area. Additionally, spends significant effort on long-range policy activities. Oversees and coordinates with GIS team.</p>
<p>Intermediate Planners</p>	<p>Title: Intermediate Planner</p> <p>Role: Primary responsibility includes local policy development and all statutory matters related to the Planning Act and related legislation, including processing Planning Act applications. The Intermediate Planner takes on additional responsibilities by advancing more complex development application files; assisting in the mentoring of planning staff (through peer review and the provision of professional advice); supporting improved business processes in land use; and advancing policy matters/special projects on behalf of the County.</p> <p>Currently Vacant</p>
<p>Planners</p>	<p>Title: Planner for Lakeshore Hub</p> <p>Role: Focused on development applications and general inquiries for the Lakeshore Hub.</p>
	<p>Title: Planner for Inland Hub</p> <p>Role: Focused on development applications and general inquiries for the Inland Hub.</p>
	<p>Title: Planner for Peninsula Hub</p> <p>Role: Focused on development applications and general inquiries for</p>

	<p>the Peninsula Hub.</p> <p>Currently Vacant</p>
Applications Technicians	<p>Title: Applications Technician for Lakeshore Hub</p> <p>Role: Primarily involved in fee-related activities, specifically; processing applications, including providing public notice of all steps in the planning process, background research and application intake. Also involved in general inquiries and provide administrative support for policy projects.</p> <p>Currently Vacant</p>
	<p>Title: Applications Technician for Inland Hub</p> <p>Role: Primarily involved in fee-related activities, specifically; processing applications, including providing public notice of all steps in the planning process, background research and application intake. Also involved in general inquiries and provide administrative support for policy projects.</p>
	<p>Title: Applications Technician for Peninsula Hub</p> <p>Role: Primarily involved in fee-related activities, specifically; processing applications, including providing public notice of all steps in the planning process, background research and application intake. Also involved in general inquiries and provide administrative support for policy projects.</p>
GIS Team	<p>Title: GIS Coordinator</p> <p>Role: Responsible for GIS infrastructure. No direct involvement on fee-related activities, but the work critical to all types of activities of the planning department. For this reason, 50% of the work is attributed as overhead to fee-related activities.</p>
	<p>Title: Planning/GIS Technician</p> <p>Role: Produces map schedules for zoning by-law amendments and official plan amendments and consolidates zoning by-law and official</p>

	plan map schedules. Maintains and updates GIS data layers, such as parcels and building footprints.
Planning Students	Role: Support development inquiries and application process, policy and research, depending on bandwidth needs by colleagues. Reports to Senior Planner.
Administrative Assistance	Title: Administrative Assistant to the Planning & Development Department Role: Support the Planning Department with administrative tasks. Approximately 10% of the work is attributed as overhead to fee-related activities.

4.1.5: Department’s Team Model for Processing Applications

Our workshop discussion identified that in almost all applications, the core team is usually composed of one Senior Planner, one Planner, and one Technician.

4.2: Methodology for Activity-Based Costing

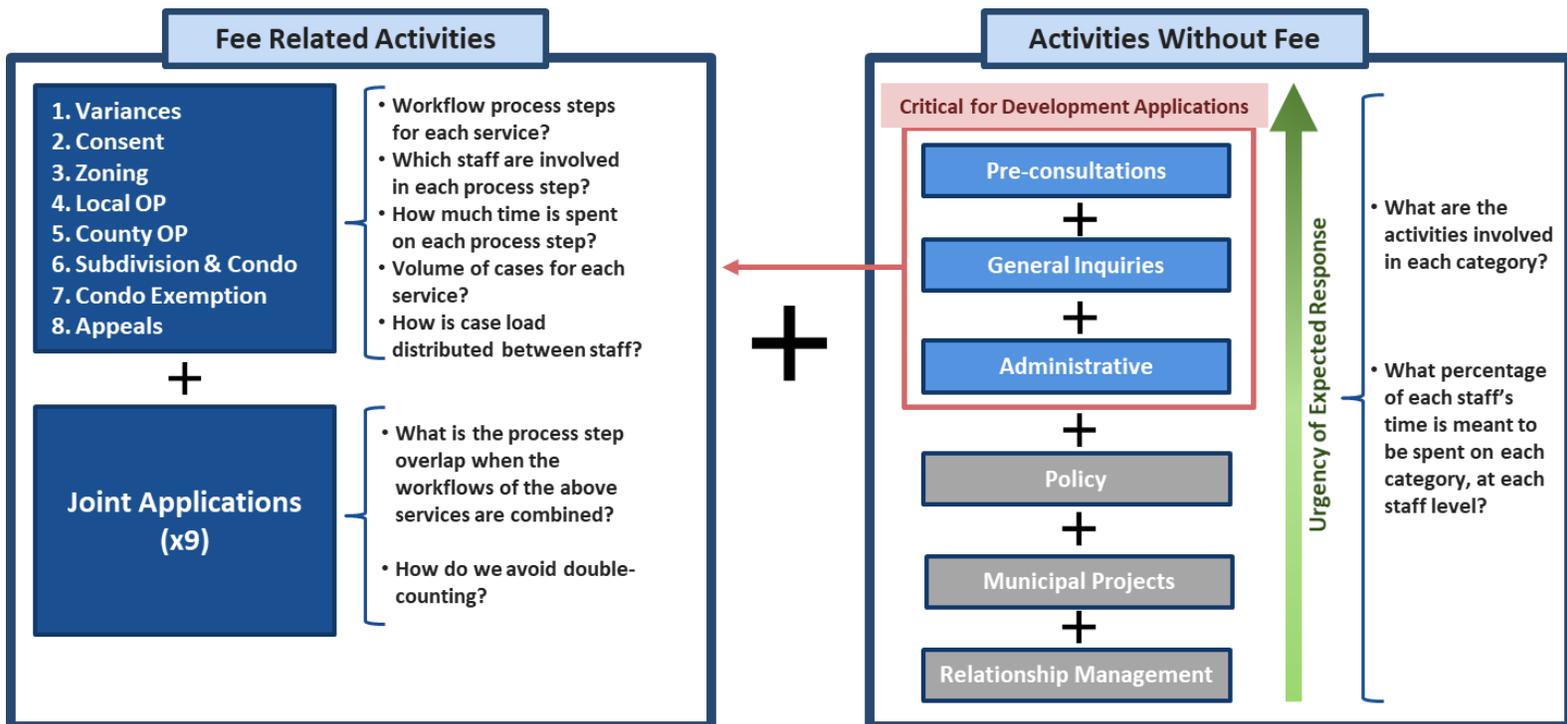
For Bruce County’s Development Fees Review study, StrategyCorp was mandated to follow an activity-based costing approach to measuring the activity of staff. This activity would then be compared to the fees charged to interested parties that submit development applications to the Planning Department, in order to evaluate cost recovery both at the individual service level and as a whole for all of the Department’s activities.

Segmentation of Fee-Related vs. Non-Fee-Related Activities: StrategyCorp worked with the Department’s staff to identify and to separate fee-related from non-fee-related activities. This segmentation is informative for three main reasons:

1. it is critical for the cost recovery analysis;
2. it isolates the long-range policy planning activities that are non-fee-related, which are critical for every operating planning department;
3. it provides a more enriched perspective on the distribution of effort on each type of activity by each type of staff, which contributes directly to the LEAN continuous improvement priorities of the Department.

In the graphic below, we present a summary of the structured, activity-based costing approach we followed to source the necessary information of our analysis of fee-related and non-fee-related activities.

Graph 2: Current Segmentation of Activities and Methodology for Information Request



Note: Pre-Consultations, General Inquiries, Administration and Relationship Management are activities that contribute to planning applications and the fees associated with them. These same activities take precedence when there are multiple competing priorities, particularly during a surge of local municipal development applications.

Policy and Municipal Projects do not.

4.3: Segmentation of Fee-Related Activities

From our interviews with the Land Use Planning Division's staff, it became clear that it is critical to apply three filters to our segmentation of services:

<p>1. Mandatory (County level by Legislation) vs. Complimentary Services (Local level by Agreement)</p>	<p>Mandatory: Services that the County is the approval authority. Specifically:</p> <ul style="list-style-type: none"> • Bruce County Official Plan and Secondary Plan Amendment • Local Official Plan Amendment (approval authority) • Plans for Subdivisions and Condominiums • Consents • Condominium Exemptions
	<p>Complimentary: Services that the County delivers in agreement with the local municipality, as the Planning Act prescribes, but without being the approval authority. Specifically:</p> <ul style="list-style-type: none"> • Variances • Zoning By-law Amendments • Local Official Plan Amendment (processing and providing planning reports is by agreement)
<p>2. Core Application Services</p>	<p>Variance: Changes such as dividing land or adjustments to the land use is considered a variance.</p>
	<p>Consent: The Department of land to create new lots, adjust lot boundaries and create long-term easements. Consents to sever are generally limited to the creation of 5 lots or less.</p>
	<p>Zoning: A specific set of rules that apply to a property or area, setting out such things as the permitted uses, lot area, building height, floor area, yard setbacks, lot coverage, landscaped open space, and automobile and bicycle parking on a lot.</p>
	<p>Local Official Plan Amendment (LOPA): A formal document that changes a municipality's official plan. Changes may be needed because of new circumstances in the community or because of requests made by property owners.</p>

	<p>County Official Plan Amendment (COPA): An Official Plan Amendment (OPA) is an application process that can change policies and/or land use designations in an Official Plan. OPA's can apply to a single property, or to an entire area, Township or County.</p> <p>Subdivision or Condominium: A plan of condominium is the process of dividing property so that an individual holds title to a portion of a building, or a unit, as well as a share of the rest of the property that is common to all the individual unit owners. A Plan of subdivision is the process of dividing land into two or more parcels so that those parcels can be held in separate ownership.</p> <p>Condominium Exemption: The Condominium Act, 1998 contains provisions permitting an application for a plan of condominium to proceed directly to final approval, thereby bypassing the requirements for notice and draft approval, which are normally part of the approval process under the Planning Act.</p> <p>Appeal: A written or oral dispute against land use planning to the Local Planning Appeal Tribunal (LPAT).</p>
<p>3. Joint Applications (Combinations of Core Services) Services</p>	<p>Applications that are combinations of the above, building-block, core application services:</p> <ol style="list-style-type: none"> 1. Joint COPA and Zoning by-law Amendment 2. Joint Zoning and Severance/Consent 3. Joint Variance and Consent 4. Joint COPA and Consent 5. Joint COPA/ Variance and Consent 6. Joint COPA/Zoning Severance/Consent 7. Joint LOPA/COPA 8. Joint LOPA/COPA/Zoning Amendment 9. Joint LOPA/COPA Zoning Amendment and Severance/Consent

The segmentation of mandatory and Complimentary fee-related activities is relevant when evaluating the staff activity for each, to develop perspective on the level of service that each local municipality would be responsible for, should each have its own development applications department.

The Core Application Services are critical to isolate, as they form the building blocks of our activity-based cost estimation exercises. Together with the Department staff, we sourced the workflow process charts for each of the Core Application Services, simplified it, codified each step, and then measured activity via a guided staff survey. As we developed perspective on the staff time and participation of staff in each of these core, building-block processes, we were able to then conduct a workshop on identifying the overlap that prevents double-counting in Joint Applications.

Finally, we conducted a spreadsheet modelling exercise that applied the hourly compensation cost of each employee on the activity measurement breakdowns, to generate insights for this review, as presented in Section 4.5.

4.4: Current Fee Schedule

Below is the table setting out Bruce County’s application fees and their breakdown for 2020. The Fees have been amended (by 1.7% CPI) as per the following statement included in Fees By-Law No. 2020-017:

“That on January 1st of every year, commencing January 1st of 2007, the fees as listed in Section 1 of this by-law shall automatically increase on a percentage basis, rounded up or down to the nearest ten dollar increment, in a fashion consistent with the Statistics Canada “Consumer Price Index” for the previous year, if the consumer price index shows an increase.”

Table 3: Bruce County Land Use Planning Fees Breakdown

Type of Application	Fee	Breakdown	
Rezoning	\$1,400.00	\$1030.00	Zoning
		\$370.00	CA fee
Official Plan Amendment	\$1,640.00	\$1,270.00	OPA
		\$370.00	CA fee
Minor Variance	\$890.00	\$620.00	Minor Variance

		\$270.00	CA fee
Consents	\$1,330.00	\$960.00	Consent
		\$370.00	CA fee
Consent Certification Fee	\$150.00		
Consent – Change of Conditions	\$560.00		
Foreclosure – Power of Sale / Validation of Title	\$940.00, plus County legal costs		
Part Lot Control	\$940.00 per Lot		
Joint Rezoning and Official Plan Amendment	\$2,510.00	\$1,270.00	OPA
		\$690.00	Zoning
		\$550.00	CA fee
Joint Zoning and Consent	\$2,540.00	\$1030.00	Zoning
		\$960.00	Consent
		\$550.00	CA fee
Official Plan Amendment and Consent	\$2,780.00	\$1,270.00	OPA
		\$960.00	Consent
		\$550.00	CA Fee
Minor Variance and Consent	\$2,080.00	\$620.00	Minor Variance
		\$960.00	Consent
		\$500.00	CA fee
OPA, Minor Variance and Consent	\$3,280.00	\$1,270.00	OPA
		\$410.00	Minor Variance
		\$960.00	Consent

		\$640.00	CA fee
OPA, Zoning and Consent	\$3,650.00	\$1,270.00 \$690.00 \$960.00 \$730.00	OPA Zoning Consent CA fee
Local OPA/ County OPA/ Zoning/ Consent	\$4,690.00	\$1,270.00 \$850.00 \$690.00 \$960.00 \$920.00	County OPA Local OPA Zoning Consent CA fees
Joint Local OPA and County OPA's	\$2,670.00	\$1,270.00 \$850.00 \$550.00	County OPA Local OPA CA Fee
Joint Local OPA/ County OPA's / Zoning	\$3,540.00	\$1,270.00 \$850.00 \$690.00 \$730.00	County OPA Local OPA Zoning CA fees
Subdivision/Condominium Draft Approval			
Up to 20 blocks / lots or units, Flat Fee -----		\$5,120.00	
--			
21 to 50 blocks / lots or units, Flat Fee -----		\$6,400.00	
--			

More than 50 blocks / lots or units ----- -----	\$7,670.00
PLUS:	+ Applicable CA Fees
<ul style="list-style-type: none"> Subdivisions \$110.00 per lot or block, with a minimum flat fee of \$850.00 and a maximum flat fee of \$10,170.00 (for the CA fees) Condominiums: The lesser of \$110.00 per unit or \$1,220.00/ha with a minimum flat fee of \$850.00 and a maximum flat fee of \$10,170.00 (for the CA fees) 	
Note: 0.3 meter reserve blocks are not included for calculating applicable fees.	
Condominium – exemption from Draft Approval	\$1,270.00
Subdivision / Condominium – request for Major Revisions (includes re-circulation)	\$1,270.00
Subdivision / Condominium – request for Minor Revisions – OR - Draft Approval – Extension for each additional year beyond three (3) year lapsing	\$640.00
Emergency Extension to Draft Approval – When application for Draft Approval Extension is submitted ten (10) or less working days prior to date of lapsing. For each one (1) year Draft Approval Extension.	\$1,090.00

Subdivision / Condominium – Final Approval (Payable prior to the Plan being given Final Approval for registration)	\$1,270.00
NOTE: Separate technical fees for review of studies or other site specific reports/documents may also be required.	

4.5: Analysis of Fee-Related Activities

4.5.1: Case Volume

Based on the 5-year average (2015-2019, Bruce County’s Planning Department reviews and processes approximately 270 applications that have a fee attached to them. Applications are received and processed in three regional hubs: Lakeshore, Inland, and Peninsula – shown in the three different color shades on Graph 4.

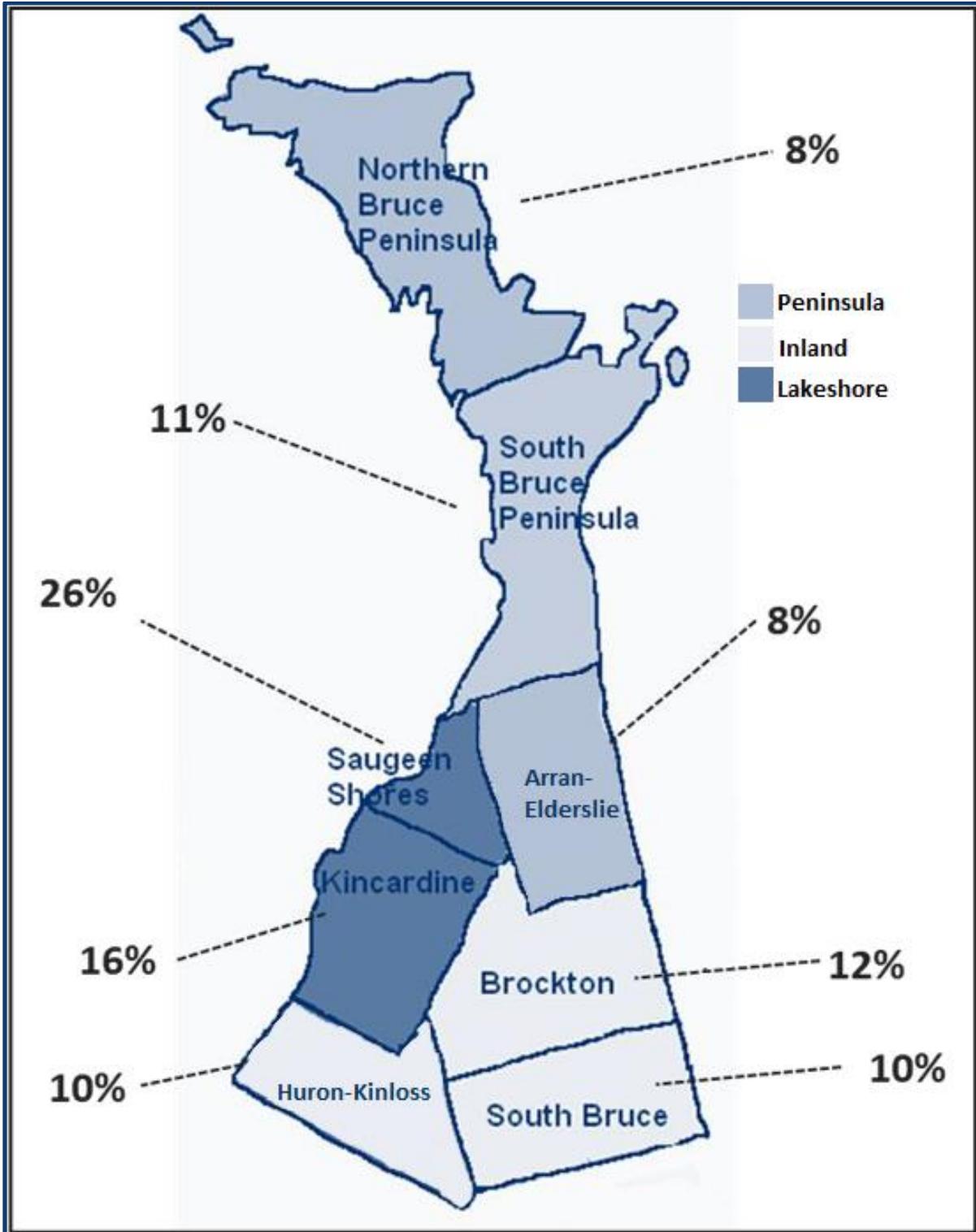
To develop our activity-based costing analysis with a holistic perspective, we worked with the Department’s staff to source and segment the volume of application by geographic regions. This geographic segmentation was conducted in two ways by:

1. area of local municipality from which applications originate (see Graph 4)
2. regional hub from which applications originate (see Graph 5)

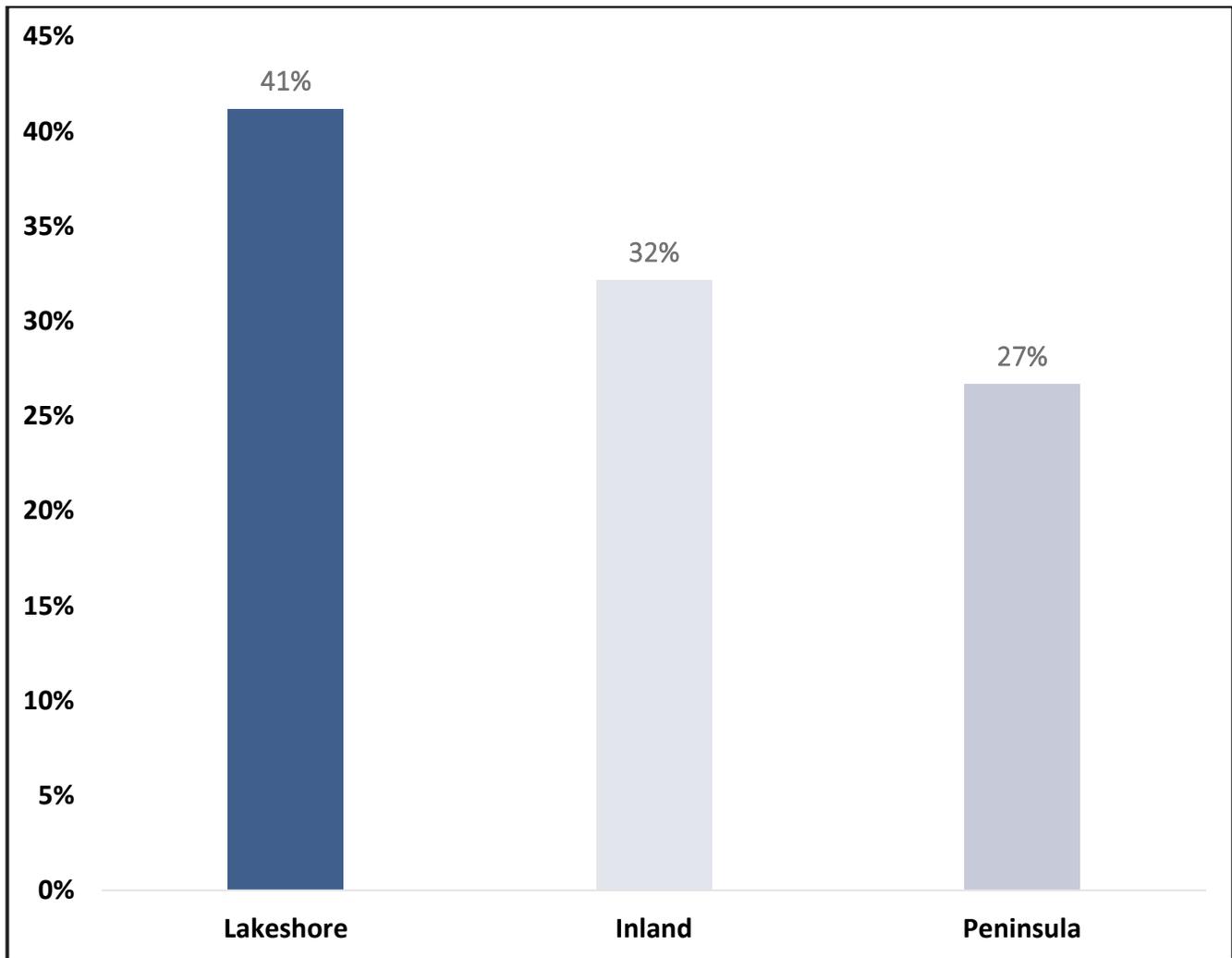
From our data analysis Saugeen Shores contributes the highest volume of applications (approximately 26%), whereas Arran-Elderslie and Northern Bruce Peninsula contribute the least (approximately 8%).

From the perspective of hubs, Lakeshore receives and processes the most applications (approximately 41% of the total).

Graph 4: Percentage Regional Distribution of Fee-Related Applications by Local Municipality



Graph 5: Percentage Regional Distribution of Fee-Related Applications by Hub

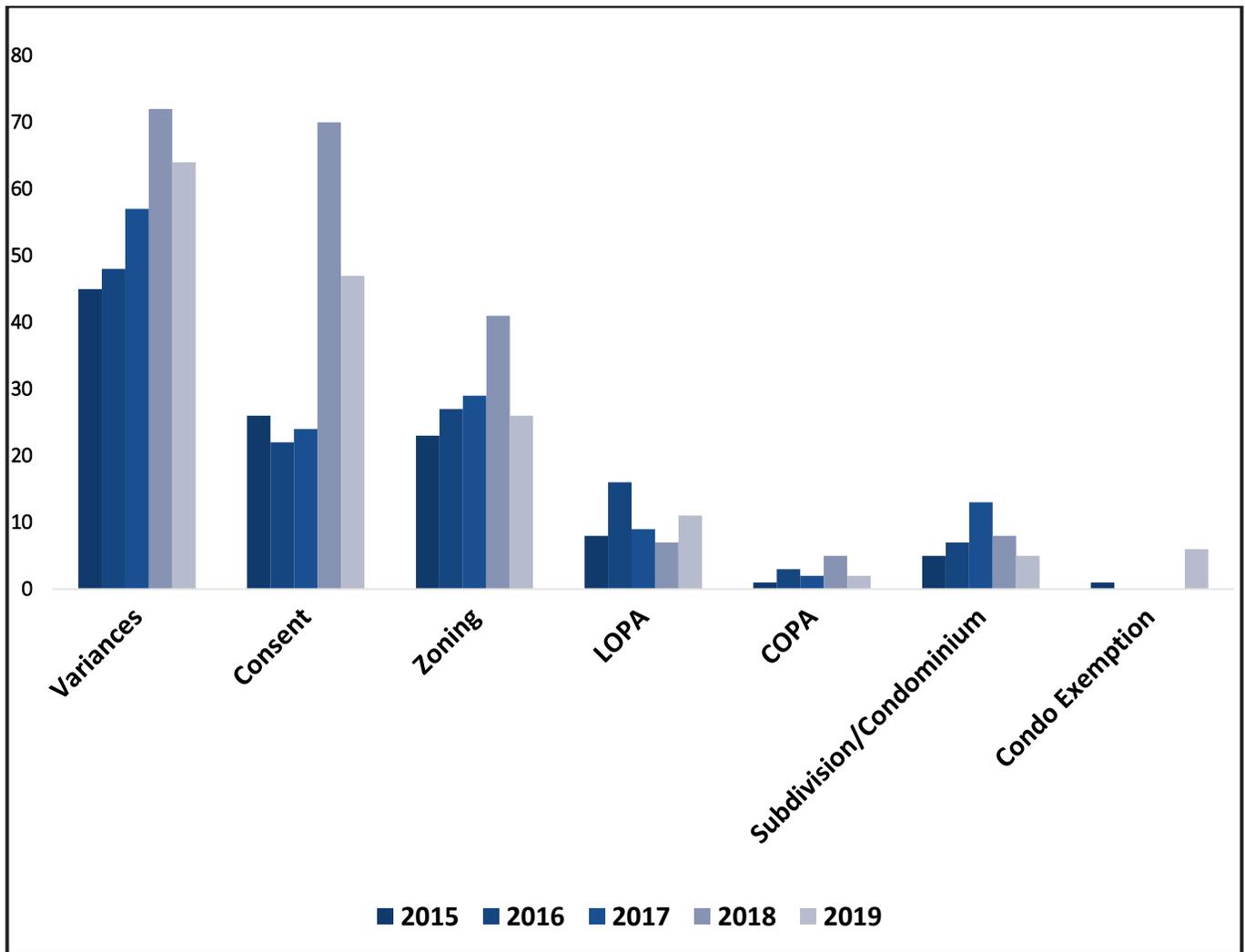


In addition, we worked with the Department’s staff to segment the total application volume for Single Applications (Core Application Services) in Graph 6 and for Joint Applications in Graph 7.

With respect to Single Applications, Variances and Consents appear to be the most frequent, whereas Condo Exemptions appear to be the least frequent.

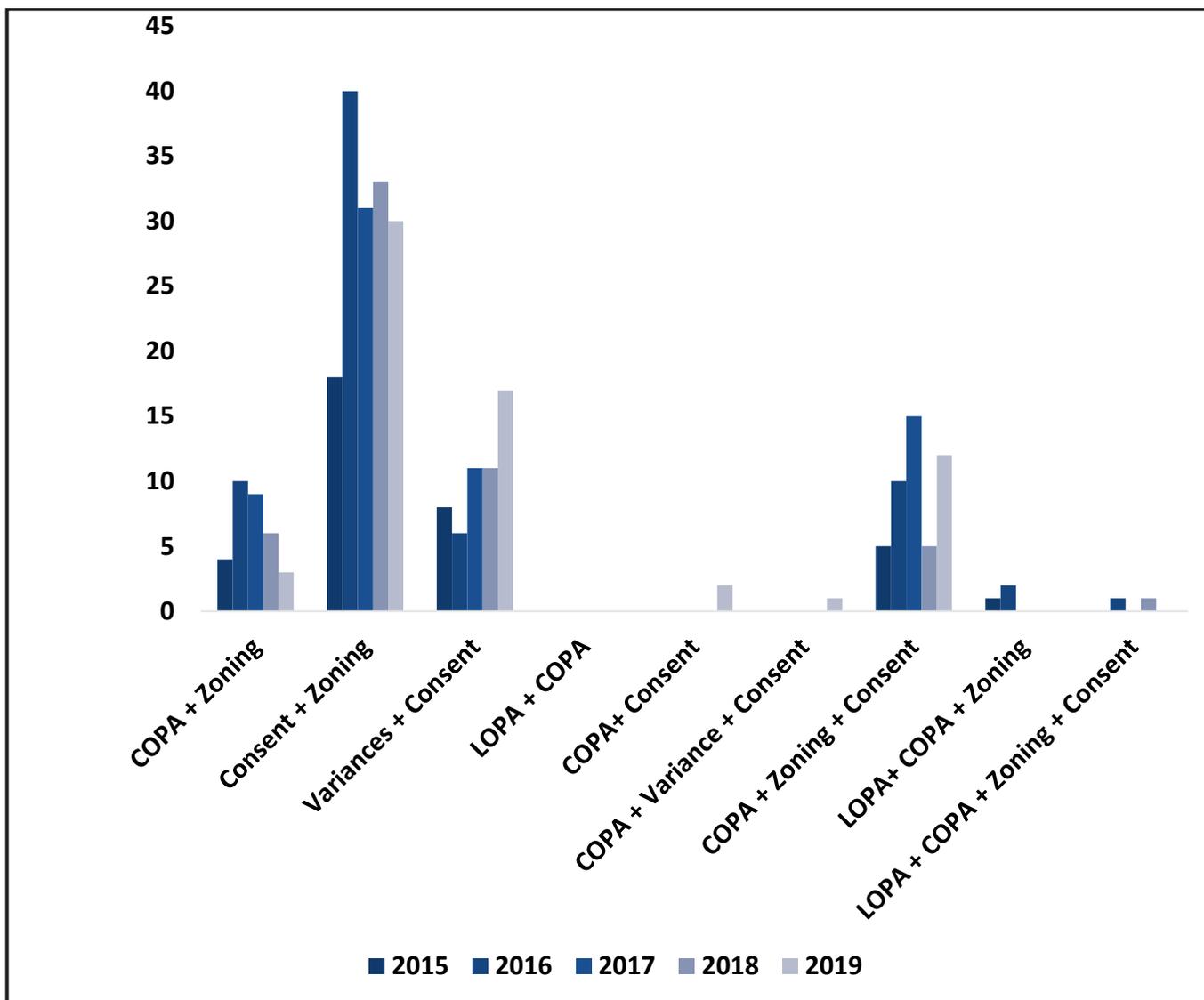
For Joint Applications, combined applications of Consent with Zoning are the most frequent, whereas combined County and Local Official Plans Amendments are the least frequent.

Graph 6: Single Applications Volume: Breakdown by Type (2015-2019)



This graph demonstrates the relative volume of Single Application cases and the fact that there is variability from year to year.

Graph 7: Joint Applications Volume: Breakdown by Type (2015-2019)



This graph demonstrates the relative volume of Joint Application cases and the fact that there is variability from year to year.

4.5.2: Staff Effort Distribution

At the core of our activity-based costing mandate was to measure the time contribution of each staff position to each type of application. First, we developed with Departmental staff simplified workflow process charts (Appendix A). Then we used a staff survey to determine the time required of each staff position for each process steps for each application type. In addition, we conducted simplified surveys for the Land Use Planning Manager and the GIS Technician, whose involvement was less in fee-related

activities.

The results of our staff effort survey for Single Applications and Joint Applications are presented in Table 4 and Table 5.

- Some of the participants provided a specific estimate of time involvement for classes of applications, others provided a range. Where they provided a range, we took the average of the range.
- Then we took the average value of each respondent, for each application type, which is reported in the two following tables

Table 4: Breakdown of Average Hourly Staff Contribution to Core Single Application Services

	Director	Manager	Senior Planner	Planner	App Tech'n	GIS Tech'n
Variances	0.3	0.3	12.1	18.5	11.6	0.0
Consent	0.3	0.3	9.7	19.2	11.6	1.0
Zoning By-Law Amendment	0.3	0.3	12.3	26.0	13.4	3.0
Local OP Amendment	0.8	0.8	17.9	28.3	12.1	3.0
County OP Amendment	1.0	1.0	15.5	29.2	14.2	3.0
Subdivision/Condominium	0.6	0.6	48.3	46.2	20.0	4.0
Condo Exemption	0.3	0.3	7.9	12.8	5.3	0.5

Table 5: Breakdown of Average Hourly Staff Contribution to Joint Application Services

	Director	Manager	Senior Planner	Planner	App Tech'n	GIS Tech'n
County OP Amendment + Zoning By-Law Amendment	0.7	1.0	22.4	44.6	22.2	4.8
Consent + Zoning By-Law Amendment	0.3	0.5	18.3	37.7	20.7	3.3
Variances + Consent	0.3	0.5	16.5	28.5	17.5	0.8
Local OP Amendment + County OP Amendment	1.2	1.8	32.5	56.0	25.6	5.8
County OP Amendment + Consent	0.8	1.1	22.1	42.5	22.6	3.5
County OP Amendment + Variance + Consent	0.8	1.2	28.0	50.3	28.0	3.0
County OP Amendment + Zoning By-Law Amendment + Consent	0.8	1.2	28.9	57.4	30.1	5.4
Local OP Amendment + County OP Amendment + Zoning By-Law Amendment	1.1	1.6	34.9	63.8	30.3	6.9
Local OP Amendment + County OP Amendment + Zoning By-Law Amendment + Consent	1.2	1.8	41.7	77.4	38.6	7.5

4.5.3: Fee-Related Activity Cost Breakdown

Based on the average time contribution data by each staff member for each application type, we overlaid this data with the hourly compensations. The outcomes of these calculations are exhibited in Table 6, as the total activity-based cost, expressed in financial terms, corresponding to each type of single and joint applications that have a fee attached to them.

As the generated data shows, the single application types by activity at require the greatest input costs by the County are Subdivision and Condominium applications. The least costly are Consent applications.

Appeals are a sub-process in many of the fee related activities that we examined. While Appeals do not have a distinct fee attached to them by Bruce County, we noticed that as a distinct activity, it is the most costly, at \$4,135 on average. This is explained by the fact that it takes up a lot of time of the more costly staff (Director, Manager, Senior Planner). The frequency of this activity is very low.

Table 6: Activity-Based Cost for each Application Type

Single Applications	Activity-Based Cost
Variances	\$ 1,766
Consent	\$ 1,718
Zoning	\$ 2,262
Local OP Amendment	\$ 2,639
County OP Amendment	\$ 2,576
Subdivision/Condominium (average)	\$ 5,154
Condo Exemption	\$ 1,140
Appeals	\$ 4,315
Joint Applications	Activity-Based Cost
County OP Amendment + Zoning	\$ 3,816
Consent + Zoning	\$ 3,310
Variances + Consent	\$ 2,636
Local OP Amendment + County OP Amendment	\$ 4,877
County OP Amendment + Consent	\$ 3,641
County OP Amendment + Variance + Consent	\$ 4,445
County OP Amendment + Zoning + Consent	\$ 4,859
Local OP Amendment + County OP Amendment + Zoning	\$ 5,467
Local OP Amendment + County OP Amendment + Zoning + Consent	\$ 6,664

4.5.4: Overhead Appropriate for Attribution to Cost Recovery

In addition to Fee-Related Activities, we considered overhead expenses that are critical for the functioning of the Department and specifically linked to applications that have a fee attached to them.

In Table 7 below, we exhibit the isolated overhead expenses that are necessary for delivering services to fee-related applications. They include both expense items such as software licenses and travel costs, and also an isolated portion of the time (and by extension, the compensation) of staff, such as the GIS Coordinator and the Department’s Administrative Assistant, whose work enables the fee-related service delivery.

The data for overhead were sourced from the Department’s 2020 Business Plan. In many cases, we have included a parenthesis next to the overhead line items. These parenthesis identify the portion of the original expense that was allocated to being directly impactful on fee-related activities.

Additionally, this category of overhead costs directly linked to fee-related activities becomes particularly relevant in the case that the County and the Local Municipalities want to examine what a de-centralized planning service model would be, with local municipalities delivering what are now considered the County’s “Complimentary” services. This category of overhead costs would have to be replicated in each separate planning department, leading to duplication and an increased unit cost of service delivery for planning by local municipalities.

Table 7: Overhead Cost Breakdown attributed to Fee-Related Activities

Overhead Category	2020 Dept Budget
GIS Coordinator (50%)	\$ 39,704
Administrative Assistant (10% of time allocated to FRAs)	\$ 5,364
ESRI (GIS)	\$ 63,000
Teranet (Parcel Data)	\$ 18,200
GeoCortex (Online GIS)	\$ 6,500
CityWorks (Application Processing)	\$ 21,060
Application and site visit related mileage	\$ 13,600
Postage for notices relating to development (90%)	\$ 13,942
Total Overhead for Fee-Related Activities	\$ 181,369

4.6: Summary of Overhead Not Appropriately Recoverable Through Fees

The balance of with-fee vs. without-fee activities costs in the Planning Department is 55% to 45%

respectively.

These are some activities that do not have a fee associated with them and are not included into overhead for fee recovery. During our interviews and workshop with staff, we segmented non-fee-related activities into six core areas, elaborated on Table 8 below.

Note: *This segmentation is tentative, as we will continue to evaluate during October the contribution of some of the activities above that do not have a fee (Pre-Consultations and General Inquiries) to the core fee-related activities. A revised and enhanced version of this segmentation will be presented in the Final Report.*

Table 8: Segmentation of Activities Without Fee

<p>Policy</p>	<ul style="list-style-type: none"> • County-wide longer-range Policy Planning and Special Projects are provided by the County Planning Division; however, these services often cannot be prioritized due to the Division’s necessary focus on development review. • Example activities: <ul style="list-style-type: none"> ○ County Official Plan ○ Secondary Plans ○ Local Official Plans
<p>Pre-consultation</p>	<ul style="list-style-type: none"> • The County does not charge a fee for pre-consultation work, but it is necessary for supporting the efficient processing of applications.
<p>General Inquiries</p>	<ul style="list-style-type: none"> • On average, there are over 450 general inquiries in a year. The County does not charge a fee for them, although they take a significant portion of staff time.
<p>Municipal Projects</p>	<ul style="list-style-type: none"> • Staff provide input to other areas of the municipality planning framework (eg. housing, local OP, community improvement). • Example activities: <ul style="list-style-type: none"> ○ Site plan review

	<ul style="list-style-type: none"> ○ Commenting on Niagara Escarpment ○ Communication towers ○ Aggregate quarry or sand pit ○ Other non-routine requests
Administrative	<ul style="list-style-type: none"> ● Necessary staff time for organizing workflow, scheduling, internal document production for Planning Committee or the departmental business plan, and team meetings.
Relationship Management	<ul style="list-style-type: none"> ● General relationship management with internal and external stakeholders ● Office hours ● Community Engagement/Education ● GIS coordination with other municipalities in region

4.6.1: Cost Breakdown of Non-Fee-Related Activity

The breakdown by the target percentage time commitment and the equivalent activity cost of each staff type is exhibited on Table 8.

As a result of increasing development applications and fee-related activities, the staff struggle to meet their necessary target time commitment to non-fee-related activities. This is an outcome of limited resources.

To some degree, non-fee-related activities would be considered duplication of costs, in the case that local municipalities operated their own planning departments. There are economies of scale captured when non-fee-related activities are centralized in the County, avoiding duplication of activities and the inherent inefficiency of partial use of full-time resources.

Table 9: Activity Cost Breakdown for Activities Without Fees (Based on Target Utilization)

Annual Utilization Targets for Activities Without Fee (Average Time % Commitment for each Staff)				
	Manager	Senior Planner	Planner	Technician
Policy	45.00%	20.00%	15.00%	7.50%
Pre-consultation	0.00%	10.00%	0.00%	5.00%
General Inquiries	0.00%	18.08%	16.27%	7.23%
Municipal Projects	10.00%	5.00%	4.00%	1.00%
Administrative	10.00%	5.00%	4.00%	20.00%
Relationship Management	15.00%	3.00%	2.00%	2.00%
Annual Utilization Targets for Activities Without Fee (Activity Cost \$ Breakdown)				
	Manager	Senior Planner	Planner	Technician
Policy	\$ 44,914	\$ 53,650	\$ 46,159	\$ 12,731
Pre-consultation	\$ 0	\$ 26,825	\$ 0	\$ 8,488
General Inquiries	\$ 0	\$ 48,492	\$ 50,064	\$ 12,274
Municipal Projects	\$ 9,981	\$ 13,413	\$ 12,309	\$ 1,698
Administrative	\$ 9,981	\$ 13,413	\$ 12,309	\$ 33,950
Relationship Management	\$ 14,971	\$ 8,048	\$ 6,154	\$ 3,395

Note: The targets set by the Division staff are tentative, as there has been significant turnaround in the last few months. This has led to expansion of roles or over-weighting some of the activities by staff that were making up for urgent coverage of vacant roles.

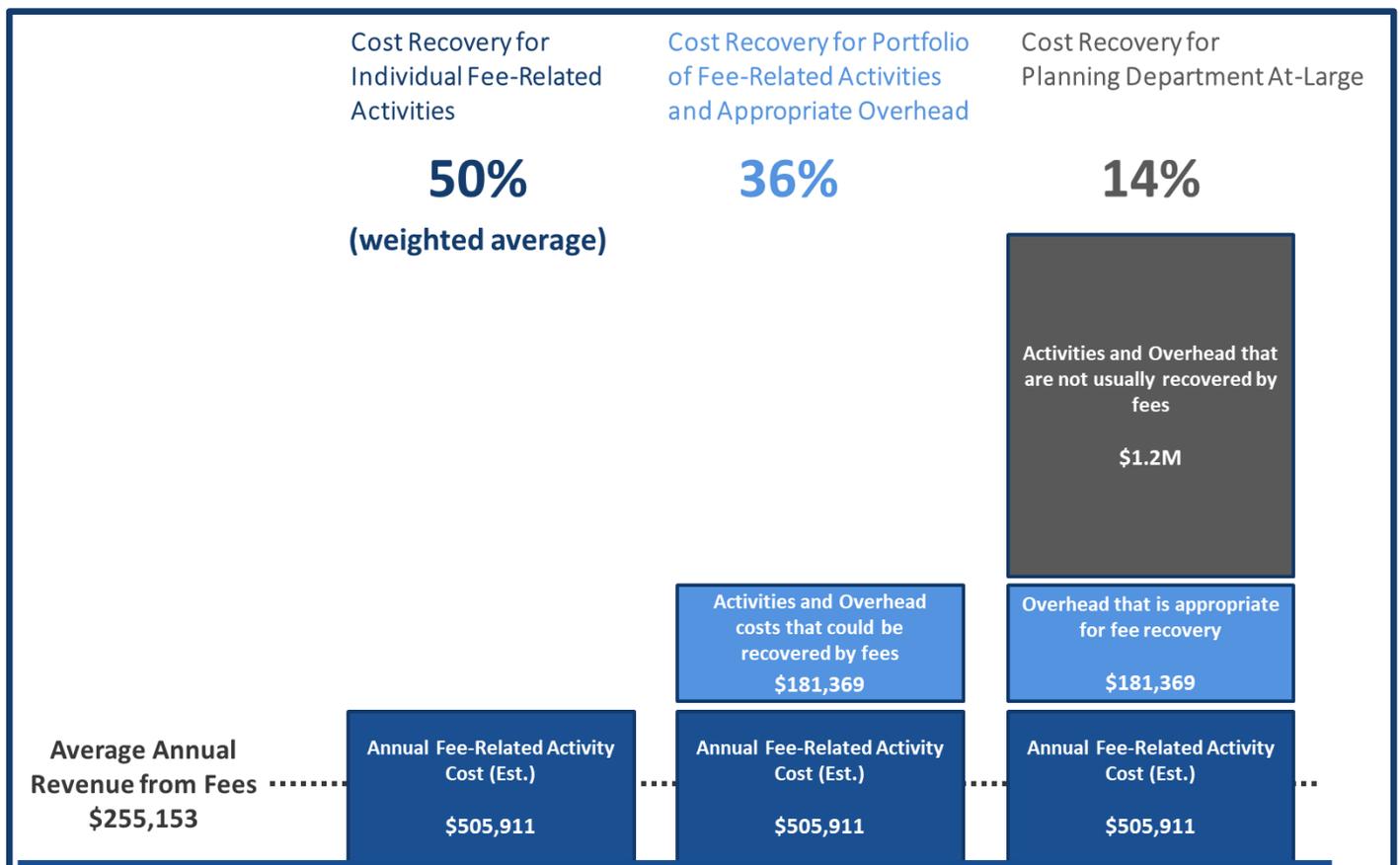
4.7: Findings on Cost Recovery

In this section of our report, we examine cost recovery from three different perspectives:

1. The first model calculates fees with reference to only the direct Activity Costs directly attributable to providing the serve (section 4.7.1)
2. The second model calculates fees by adding to this an appropriate attribution of departmental overhead to the direct costs. (section 4.7.1)
3. The third model is a simple calculation of percentage recovery by taking total planning department costs and comparing it as a percentage of total revenue. (section 4.7.1)

A summary of our findings on cost recovery, from all three perspectives, is presented on Graph 8 below:

Graph 8: Summary of Cost Recovery Findings: Three Perspectives



4.7.1: Cost Recovery for Individual Fee-Related Activities

The first model shows the Bruce County fee (Column A), compared to what the fee would be if it were calculated based on the actual activity costs of providing the service (Column B).

There are additional fees that applicants are charged, but do not apply to the County’s cost recovery calculations and thus were not taken into account:

1. the Conservation Authority fee
2. local municipality fees (eg. for administrative expenses of public meetings)

Table 10: Activity Cost Recovery for Single Applications

	A	B	C	D
	County Fee Collected	Actual Cost based Activity Costing	Shortfall in Fee Relative to Actual Cost	Activity Cost Recovery
VariANCES	\$ 620	\$ 1,766	-\$ 1,146	35%
Consent	\$ 960	\$ 1,718	-\$ 758	56%
Zoning	\$ 1,030	\$ 2,262	-\$ 1,232	46%
LOPA	\$ 850	\$ 2,639	-\$ 1,789	32%
COPA	\$ 1,270	\$ 2,576	-\$ 1,306	49%
Subdivision/Condo (average)	\$ 5,120	\$ 5,154	-\$ 34	99%
Condo Exemption	\$ 1,270	\$ 1,140	\$ 130	111%

With respect to Single Applications, LOPA and VariANCES exhibit the lowest recovery while Condo Exemptions exhibit the highest. With the exception of the latter, no other Single Application service recovers activity costs.

Table 11: Activity Cost Recovery for Joint Applications

	A	B	C	D
	County Fee Collected	Actual Cost based on Activity Costing	Shortfall in Fee Relative to Actual Cost	Activity Cost Recovery
COPA + Zoning	\$ 1,960	\$ 3,816	-\$ 1,856	51%
Consent + Zoning	\$ 1,990	\$ 3,310	-\$ 1,320	60%
Variances + Consent	\$ 1,580	\$ 2,636	-\$ 1,056	60%
LOPA + COPA	\$ 2,120	\$ 4,877	-\$ 2,757	43%
COPA + Consent	\$ 2,230	\$ 3,641	-\$ 1,411	61%
COPA + Variance + Consent	\$ 2,640	\$ 4,445	-\$ 1,805	59%
COPA + Zoning + Consent	\$ 2,920	\$ 4,859	-\$ 1,939	60%
LOPA + COPA + Zoning	\$ 2,810	\$ 5,467	-\$ 2,657	51%
LOPA + COPA + Zoning + Consent	\$ 3,770	\$ 6,664	-\$ 2,894	57%

With respect to Joint Applications, COPA/Consent exhibits the highest cost recovery of their corresponding activities, at 61%.

4.7.2: Cost Recovery for Portfolio of Fee-Related Activities and Appropriate Overhead

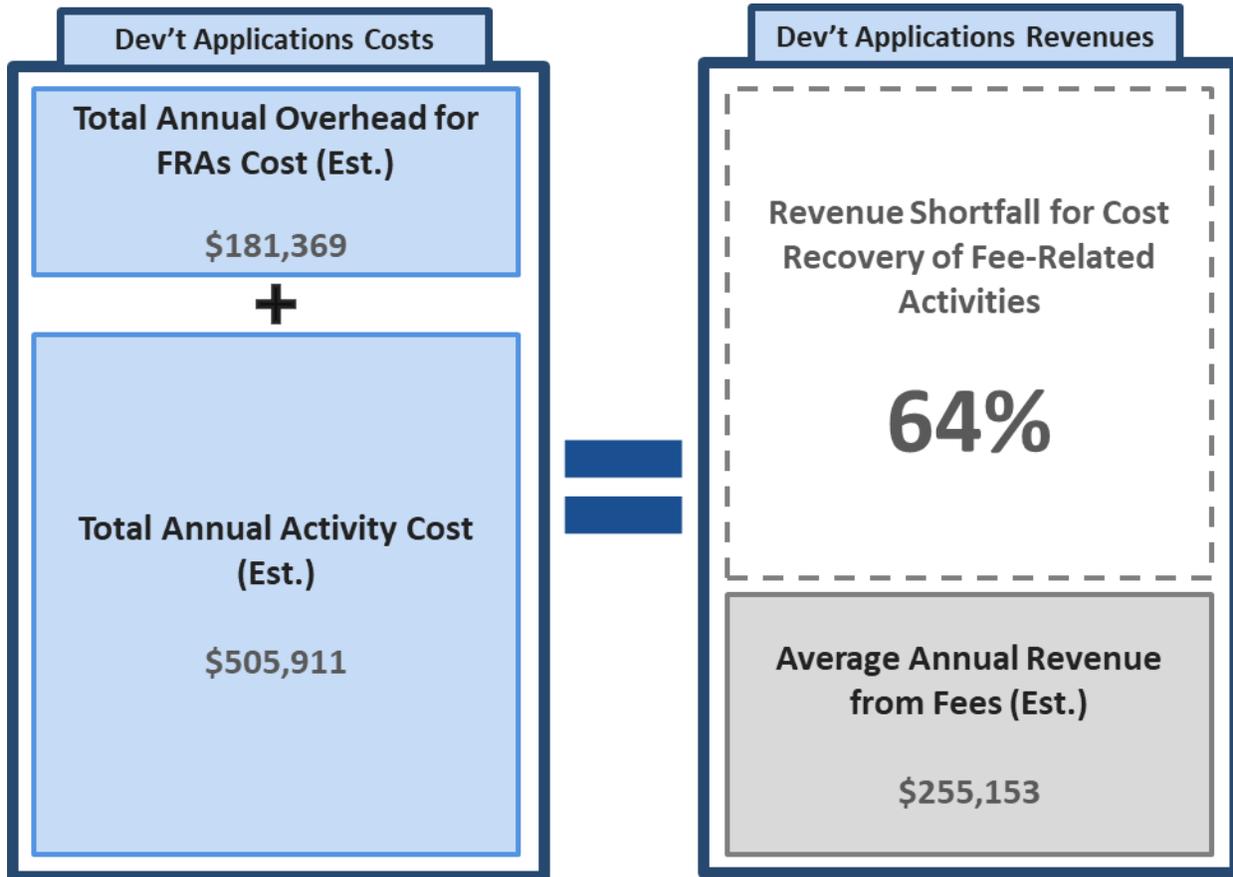
When considering the totality of fee-related activities as an annual financial portfolio, including the applicable overhead costs, the revenue shortfall from fees is 63%. Therefore, the cost recovery of the annual financial portfolio of Fee-Related Activities is 37%.

The Total Annual Overhead for Fee-Related Activities is analyzed in Section 4.5.4.

Note: *In October, we will continue to source input from staff to identify whether some additional activity costs that do not have a fee attached to them are critical for fee-related development*

processing/approval work.

Graph 9: Fee revenue shortfall of related activities on an annual basis



4.7.3: Cost Recovery for Planning Department At-Large

When considering the Planning Department's overall budget cost recovery from development fees, our understanding is that recovery was usually around 20%, with the exception of years with discretionary expenses for process improvement, major municipal projects, and technology upgrades.

The years 2018 and 2019 showed increased budget due to the need to engage consultants for policy initiatives such as, Cityworks Application Processing System, BruceGPS, Natural Heritage and Land Evaluation Area Review (LEAR) – this level of project activity is planned to remain at this level going forward.

Table 12: Summary of Departments Historical Cost Recovery

	2016	2017	2018	2019
Land Use Planning Program Expenditures	\$1,285,224	\$1,321,113	\$1,755,688	\$1,943,101
Fees and Charges Revenue	\$266,488	\$252,707	\$234,000	\$242,500
Percentage Recovery	21%	19%	13%	12%

5: EXTERNAL REVIEW OF COMPARABLE COUNTIES

5.1: Formation of County Comparable Group

For our comparative analysis, we consulted with County staff to identify the five most relevant comparators. The main criteria for selection of the comparable group was population, area, and average house prices.

It is important to note, however, that no two Counties are the same in their service delivery model or their land use traits, which is why a direct quantitative benchmarking exercise would be a misleading methodology. Instead, we engaged in thorough interviews with the heads of the planning departments of the five comparable municipalities to source insights on their shared service delivery models, their agreements with local municipalities, their departmental and activity-based cost recoveries, their fee collection mechanics, and the feedback they have sourced about their fee schedule from development stakeholders in their area.

In addition, we conducted desktop research to source and segment the fee schedules of each of the comparable municipalities, in order to identify how similarities and differences in the magnitude of fees for comparable services to Bruce County and in the layers of additional fees.

Table 13: Summary of Bruce County’s Peer Group of Comparable Upper Tier Municipalities

	Bruce County	Grey County	Huron County	Oxford County	Simcoe County	Wellington County
Population	66,491	93,830	59,297	110,862	305,516	90,932
Area (km2)	4,079	4,513	3,397	2,040	4,841	2,573
Average House Price (2019)	\$ 365,698	\$ 365,700	\$ 378,555	\$ 406,469	\$ 390,701*	\$ 543,974*
Annual App Volume	450+	55	235	450	~ 2,000	142
Average Overall Cost Recovery from Fees	14%	18%	17%	11%	4%	25%

*** Note:** For the Final Report, we will make a distinction on what the average price is both with and without the inclusion of Barrie and Guelph in the calculation from CREA data.

5.2: Service Delivery Model Analysis for Comparable Group

In this section we examine the shared service model for planning for Bruce County each of the comparable municipalities, the fee collection mechanics used, the agreements they have with local municipalities, and their overall sense on cost recovery.

5.2.1: County Level Service Model

<p>Bruce County</p>	<ul style="list-style-type: none"> • County Development Application Services: Application processing and planning advisory services to the County and reports to County Council, for fee-related activities such as: County Official Plan Amendment, Consents, Land Division, and Draft Plans of Subdivisions and Condominiums. Approval authority for un-disputed subdivisions, condominiums and consents is delegated to County planning staff. • County Policy Services: The Department is also mandated to conduct longer-range policy planning that informs and advises the County Council regarding the County Official Plan’s implementation, along with other County-level policy studies and participation in municipal initiatives of other departments.
<p>Grey County</p>	<ul style="list-style-type: none"> • County Development Application Services: County staff are responsible for receiving and processing Draft Plan of Subdivision and Condominium applications, which they then present to Local Municipalities’ Councils. Only exception is the Local Municipality of Owen Sound. • County Policy Planning Services: County-level policy services, such as the updating of the County Official Plan, are conducted by County staff.
<p>Huron County</p>	<ul style="list-style-type: none"> • County Development Application Services: County staff are responsible for receiving and processing Draft Plan of Subdivision and Condominium applications, which they then present to Local Municipalities’ Councils. County staff receive and commend on Consents, which they then present to the Land Division Committee. Un-disputed consents are delegated to County staff.

	<ul style="list-style-type: none"> • County Policy Services: County staff are responsible for the policy services to the County, eg. updates to the County Official Plan, and other long-range municipal projects.
Oxford County	<ul style="list-style-type: none"> • County Development Application Services: County staff are responsible for receiving and processing Draft Plan of Subdivision and Condominium applications, which they then present to Local Municipalities’ Councils. County staff receive and commend on Consents, which they then present to the Land Division Committee. Un-disputed consents are delegated to County staff. Also responsible for COPA. • County Policy Services: County-level policy services, such as the updating of the County Official Plan, are conducted by County staff. When additional studies that require specialist knowledge are required, they are procured externally.
Simcoe County	<ul style="list-style-type: none"> • County Development Application Services: Simcoe County accepts applications for: <ul style="list-style-type: none"> ○ Draft Plan of Subdivision Application ○ Draft Plan of Condominium Application ○ Pre-consultation Form ○ County of Simcoe Official Plan Amendment Submission Form ○ Engineering Review Application • County Policy Services: County-wide longer range Policy Planning and Special Projects are provided by the County Planning department.
Wellington County	<ul style="list-style-type: none"> • County Development Application Services: County Staff receive and process all County-level planning applications. They present them to the County’s Planning Committee. Staff have delegated approval authority for subdivisions and condominiums. • County Policy Services: The County has dedicated planning policy staff, which complete 70% of the County-level policy work. The

	balance (eg. Climate Action Plan) is procured externally.
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5.2.2: Service Agreements with Local Municipalities

Bruce County	<ul style="list-style-type: none"> Local Development Application Services: At the Local level, the County operates based on Memorandums of Agreement (MoA) with local municipalities. These MoA refer to the application processing and planning advisory services, reporting to local municipal councils for the amendment of planning documents, for fee-related activities such as: Variances, Zoning, and Local Official Plan Amendments. Planning applications for Local Municipalities are received by the three regional hubs (Lakeshore, Inland, Peninsula). Staff prepare and present reports to Local Municipalities’ Committees of Adjustment and Councils, as directed by the original MoA of the late 1990s. Local Project Services: In addition, when the County’s budget and staff utilization capacity allows, the Land Use Planning Division also updates Local Official Plans, participates in local municipal studies, conducts zoning by-law reviews, and develops community improvement plans. Furthermore, undisputed local OPA have been delegated to County planning staff. Over the years, staff have managed to deliver five year updates to Local Official Plans and Comprehensive Zoning By-laws. In the last few years, however, this is becoming increasingly challenging, based on resource constraints and the growing volume of Local Municipal development applications whose timelines are prioritized by provincial regulation. This has led to some updates of Local Official Plans and Zoning By-laws to be outsourced by the local municipalities.
Grey County	<ul style="list-style-type: none"> Local Development Application Services: With the exception of Site Plan Control, Local Municipalities receive and process Local-level applications, while County staff comment on them. Local Project Services: Delivered by Local Municipalities staff. If there are capacity constraints, they are procured externally. The County is

	<p>invited to comment. County Staff works with Local Municipalities to develop Community Improvement Program, including other policy matters, such as Affordable Housing and Conversions of Buildings.</p>
<p>Huron County</p>	<ul style="list-style-type: none"> • Local Development Application Services: Local Municipality staff receive applications for Variances and Zoning, while County staff comment on them and present to Local Councils or Committees of Adjustment. When County staff are required to comment and write reports on Site Plans, there is a fee for service. • Local Project Services: County staff deliver the Local-level policy services. There is an understanding between the County and the Local Municipalities that the County staff has capacity to conduct two Local Official Plan updates and two Zoning By-law Reviews per year. In addition, County staff deliver Community Improvement Plans for Local Municipalities and have been delegated the authority for undisputed LOPA.
<p>Oxford County</p>	<ul style="list-style-type: none"> • Local Development Application Services: County staff receive Zoning applications, which they process and present to Local Councils. Local staff receive and process Variances, which County staff comment on and present to Local Committees of Adjustment. Local staff receive and process Site Plan Control applications. • Local Project Services: County’s planning department provides most of the times the policy services for Secondary Plans and Zoning-Bylaw Reviews/Updates. Local municipalities do not have Local Official Plans.
<p>Simcoe County</p>	<ul style="list-style-type: none"> • Local Development Application Services: The County is the approval authority for Draft Plans of Subdivisions and Condominiums for the Township of Severn, Township of Springwater and Township of Tiny. Where Simcoe County’s Planning Staff receive an application for a plan of subdivision/condominium which is also subject to an official plan amendment, the subdivision/condominium application will only be accepted once the official plan amendment has been adopted by the Local Municipality. For all other municipalities, the County is a commenting agency and circulate plans of subdivision for review.

	<p>Local municipalities are the approval authorities for zoning bylaws and consents. The County is a commenting agency. Local municipalities prepare and approve site plans. The County must also approve site plans on properties which concern County Roads. It is the intention of the County to eventually delegate this authority to all member municipalities.</p> <ul style="list-style-type: none"> • Local Project Services: The County is the approval authority for all local municipal official plans/amendments. New Local Official Plans are approved by County Council. Amendments to Local Official Plans are approved by Council's Corporate Services Committee.
Wellington County	<ul style="list-style-type: none"> • Local Development Application Services: The County's Planning Department provides consulting services to Local Municipalities, invoicing them directly for their support with Local development applications. In the case that applications are provided to the County for statutory comments or reviews, the Local Municipalities are not charged the consulting fee. • Local Project Services: Most Local Municipalities have foregone the creation of Local Official Plans and are covered by the County's Official Plan. Exceptions are the Town of Erin and the urban centers of Fergus, Elora and Salem, which have their own Local Official Plans.

5.2.3: Fee Collection Mechanics

Bruce County	<ul style="list-style-type: none"> • Bruce County collects all fees. • The Conservation Authority fees and the Local Municipalities' fees for covering public meeting administration costs are added on top of County fees.
Grey County	<ul style="list-style-type: none"> • County collects fees directly for the services it delivers. • Some of the Local municipalities collect review fees, if they are involved in the process (eg. subdivision amendments) • 95% of the time there is a local application that accompanies a

	<p>subdivision application to the County. The Local and the County communicate to issue a joint letter, and then the Conservation Authority follows up with additional fees and letter.</p> <ul style="list-style-type: none"> • County has been receiving more revenue than what it is budgeting, because of increasing development activity • If there are application fees related to CIPs, they waive their fees in order to align with Council’s CIP priorities • Delegation of authority to the lower tiers: some Locals have the staff capacity and others have a part-time consultants, and the County is considering a hybrid model to delegate different authorities to different municipalities (depending on capacity of locals). They are trying to streamline their processes. They implemented a planning application tracking system, developed with their IT department. They have gone paperless now – all applications are digital, and they can track them much more easily. Total digital transformation cost was around \$30,000 (4-5 months long of transformation with IT staff), based on their existing GIS system. • Peer-review deposit collected, if peer review required and technical studies done. If not used, the deposit is refunded.
Huron County	<ul style="list-style-type: none"> • Efficient shared-service. • The County provides the planning services for all local municipalities. Development applicants pay only one fee to either the County or to the Local. It is a one-stop-shop for the developer. The County and the Local split the fee. The County and the Local Municipalities reconcile the balance quarterly. • The fees are collected by whoever has the approval authority for each service.
Oxford County	<ul style="list-style-type: none"> • Fee collection is at the level of the municipality that is concerned. • For Zoning, the local municipality collects the fee, the County invoices the local municipality and receives the fee.

Simcoe County	<ul style="list-style-type: none"> • No formal overarching agreement, but there is an understanding. • Developers push back, especially when peer-reviews are necessary and an external consultant needs to be hired. When a developer puts in an application, there is an agreement with the developer on full cost recovery of external consultant use. • Understanding between the County and Local Municipalities: <ul style="list-style-type: none"> ○ If County is the approval authority, all applications are filled with the County directly and fees are collected directly. (eg. subdivision). The County liaises with the local municipality around water/sewer/road considerations ○ All Development Charges and Permits are at building-permit stage, so they are collected by the Local Municipality. The local municipality pays the County monthly.
Wellington County	<ul style="list-style-type: none"> • Draft Plans for Subdivisions and Condominiums, Part Lot Consents and COPA fees are collected directly by the County. • All other fees are collected by the Local Municipalities. • The Part Lot Exemption application has both a Local Municipality and County fee. The County collects the local fee and forwards afterwards. • For Conservation Authority fees, the applicant sorts the fee with the Conservation Authority. The County receives it and forwards the funds directly to the Conservation Authority.

5.2.4: Insights on Activity-Based Cost Recovery from Fees

Bruce County	<ul style="list-style-type: none"> • At the service level, activity cost recovery is around 50% by weighted average. • At the total service portfolio level, accounting for both activity and fee-related overhead costs, recovery is approximately at 45%. • At an overall department budget level, recovery is usually just under
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	20%.
Grey County	<ul style="list-style-type: none"> • Their fees are set to cover the average cost of each type of application • Updated fees three months ago.
Huron County	<ul style="list-style-type: none"> • On average, per service, they are at 80% of activity cost recovery, approximately. • They review their fees every 5 years. When reviewed back in 2012, they used to do a very detailed review and proposed a lump sum to Council – the Council took that lump sum and spread it out over 5 years. Post 5 years, fees increase by 2% annually afterwards.
Oxford County	<ul style="list-style-type: none"> • The Department has not been pressured by County to recover costs. Some applications are free of charge and subsidized by the tax base.
Simcoe County	<ul style="list-style-type: none"> • Department’s main focus is on doing long-range planning, so cost recovery from fees has not been a priority • Applications for subdivisions that have fees, exhibit a 25-30% cost recovery • Draft Extensions (\$300) – around 30-50% cost recovery
Wellington County	<ul style="list-style-type: none"> • For decades, cost recovery was not something that the County was aggressively pursuing, until 2017 • County conducted a comprehensive review of fees two years ago – they ended up introducing fees for OP amendments • Overall, the development division generates revenue, and the policy division spends the money • For development services cost recovery, they are close to full cost recovery • The County does a lot of pre-consultation, but does not charge for it. Neither the member municipalities nor the County have passed a bylaw that would require a pre-consultation. Despite that, rarely are there applicants that apply without a pre-consultation.

5.3: Fee Structure Comparison

In this section we group together the corresponding fee schedules for each of the 8 core types of services. The objective is to study and analyze the similarities and differences of the fees charged for each service between Bruce County and its five comparator upper tier municipalities. Our analysis surfaces differences not only in the magnitude of fees applied, but in the layering of fees too.

5.3.1: Variances

<p>Analysis: Bruce County’s is 59% lower than Huron County’s for Variances. During our interview with Huron County, we heard that they’re target activity cost recovery per service, on average, is 80%. This is in line with our finding of Bruce County’s activity cost recovery for Variance being approximately 35%.</p>	
Bruce County	<ul style="list-style-type: none"> • Minor Variance: \$620
Grey County	-
Huron County	<ul style="list-style-type: none"> • 1 or 2 Variances: \$1,514 • 3 or more Variances: \$1,947
Oxford County	-
Simcoe County	-
Wellington County	-

5.3.2: Consent

<p>Analysis: Bruce County’s fee is 55% lower than the applicable comparable County average fee for Consents. For Part Lot Control, Bruce County’s fees are flat, whereas the comparable Counties’ are either variable or a combination of flat plus variable.</p>	
Bruce County	<ul style="list-style-type: none"> • Consent: \$960 • Consent Certification Fee: \$150 • Consent – Change of Conditions: \$560

	<ul style="list-style-type: none"> • Foreclosure – Power of Sale/Validation of title: \$940 • Part Lot Control: \$940
Grey County	<ul style="list-style-type: none"> • Re-issue Certificate of Consent: \$41 • Validation Order: \$600 • Power of Sale: \$600 • Part Lot Control: \$295 plus \$117 per parcel created
Huron County	<ul style="list-style-type: none"> • Consent: \$2,164 • Part Lot Control: \$2,164 <ul style="list-style-type: none"> ○ Applicants cover all legal costs and by-law preparation
Oxford County	<ul style="list-style-type: none"> • Consent: \$2,065 <ul style="list-style-type: none"> ○ Each additional lot: \$\$1,030 • Validation Order: \$665 • Part Lot Control Exemption: \$760 <ul style="list-style-type: none"> ○ Plus \$160 per part/lot (up to 6), to a maximum additional fee of \$1,055 (for 7 and above)
Simcoe County	<ul style="list-style-type: none"> • Part Lot Control: \$275 plus full cost recovery
Wellington County	<ul style="list-style-type: none"> • Severance application (2): \$4,430 • Severance registration: \$1,710 • Change of Conditions for severance applications: \$1,580 • Part Lot Control: \$100 per lot/unit • Part Lot Control By-law Director’s Final Approval: \$920

5.3.3: Zoning

Analysis: Bruce County’s is 47% lower than Huron County’s for Zoning.

Bruce County	<ul style="list-style-type: none"> • Rezoning: \$1,030
Grey County	-
Huron County	<ul style="list-style-type: none"> • Zoning By-law Amendment: \$1,947 • Renewal of Temporary Use Zoning By-law: \$432
Oxford County	-
Simcoe County	-
Wellington County	-

5.3.4: Local Official Plan Amendment

Analysis: Bruce County’s fee is 54% lower than the applicable comparable County average fee for Local Official Plan Amendments.	
Bruce County	<ul style="list-style-type: none"> • LOPA: \$1,270
Grey County	<ul style="list-style-type: none"> • -
Huron County	<ul style="list-style-type: none"> • LOPA: \$3,788
Oxford County	-
Simcoe County	<ul style="list-style-type: none"> • LOPA: \$3,000 plus full cost recovery
Wellington County	<ul style="list-style-type: none"> • LOPA: \$3,110

5.3.5: County Official Plan Amendment

Analysis: Bruce County’s fee is 66% lower than the applicable comparable County average fee for County Official Plan Amendments. Grey County and Oxford County have their COPA fees in tiers, to reflect the differential staff activity intensity required.

Bruce County	<ul style="list-style-type: none"> • COPA: \$1,270
Grey County	<ul style="list-style-type: none"> • Major COPA: \$3,500 • Minor COPA: \$1,750
Huron County	<ul style="list-style-type: none"> • COPA: \$3,788
Oxford County	<ul style="list-style-type: none"> • COPA (regular): \$2,735 • COPA (technical): \$1,020
Simcoe County	<ul style="list-style-type: none"> • COPA: \$7,500
Wellington County	<ul style="list-style-type: none"> • COPA: \$3,110

5.3.6: Subdivision/Condominium

Analysis: Bruce County’s starting fee for Subdivision/Condominium Draft Approvals is among the lowest. However, as the variable fee portion of it is added for incremental blocks/lots/units, it begins converging towards the average of its comparable Counties. In the case of Subdivision/Condominium fees, the scale of activity required for each application is variable – this is accounted for in most cases by the variable portion of the fee, in addition to the flat portion.

Bruce County	<ul style="list-style-type: none"> • Draft Approval: <ul style="list-style-type: none"> ○ Up to 20 blocks / lots or units, Flat Fee: \$5,120.00 ○ 21 to 50 blocks / lots or units, Flat Fee: \$6,400.00 ○ More than 50 blocks / lots or units: \$7,670.00 ○ Plus: <ul style="list-style-type: none"> ▪ Subdivisions: \$110.00 per lot or block, with a minimum flat fee of \$850.00 and a maximum flat fee of \$10,170.00 (for the CA fees) ▪ Condominiums: The lesser of \$110.00 per unit or \$1,220.00/ha with a minimum flat fee of \$850.00 and a
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	<p>maximum flat fee of \$10,170.00 (for the CA fees)</p> <ul style="list-style-type: none"> • Major Revisions Request: \$1,270 • Minor Revisions Request: \$640 • Emergency Extension: \$1,090 • Final Approval: \$1,270
Grey County	<ul style="list-style-type: none"> • Plan approval: \$6,610 base fee <ul style="list-style-type: none"> ○ Plus: \$102 per lot/unit/block to a maximum additional fee of \$11,220 or a total maximum fee of \$17,830 • Circulation of Revised Plans prior to Final Approval: \$295 • Major Revisions Request: \$1,420 • Minor Revisions Request: \$885 • Emergency Extension: \$885 • Final Approval: \$1,190
Huron County	<ul style="list-style-type: none"> • Plan of Subdivision/Condominium: <ul style="list-style-type: none"> ○ 1 to 10 lots/blocks/units: \$6,493 ○ Plus: \$162 per lot/block/unit over 10 to a maximum of \$15,918 • Emergency Extension: \$540 • Revisions Request: \$540 • Final Approval: \$1,081 for phases over 2 • By-law to deem lots not in a Plan of Subdivision, or the repeal of such By-law: \$432
Oxford County	<ul style="list-style-type: none"> • Condominium (except vacant land): \$1,660 • Subdivision (including vacant land condominium): \$3,630
Simcoe County	<ul style="list-style-type: none"> • Draft Plan of Subdivision/Condominium: \$7,000 plus full cost recovery • Major Revisions: \$1,500 plus full cost recovery

	<ul style="list-style-type: none"> • Minor Revisions: \$1,000 plus full cost recovery • Revision prior to Draft Approval: \$1,000 plus full cost recovery • Emergency Extension: \$500 • Final Approval: \$1,000
<p>Wellington County</p>	<ul style="list-style-type: none"> • Subdivision: <ul style="list-style-type: none"> ○ Draft Plan of Subdivision Application: \$11,220 <ul style="list-style-type: none"> ▪ 0-25: \$150 per lot/unit ▪ 26-100: \$110 per lot/unit ▪ 101-200: \$74 per lot/unit ▪ 200+: \$60 per lot/unit ○ Director’s Final Approval: \$2,750 ○ Major Revisions: \$6,620 ○ Minor Revisions: \$3,3470 ○ Draft Approval Extension: \$1,200 ○ Emergency Extension: \$1,200 • Condominium: <ul style="list-style-type: none"> ○ Draft Plan of Condominium Application: \$20,250 <ul style="list-style-type: none"> ▪ Plus \$195 per lot/unit ○ Director’s Final Approval: \$2,750 ○ Major Revisions: \$6,620 ○ Minor Revisions: \$3,3470 ○ Draft Approval Extension: \$1,200 ○ Emergency Extension: \$1,200

5.3.7: Condominium Exemption

Analysis: Bruce County's fee is 13% higher than the applicable comparable County average fee for Condominium Exemptions.	
Bruce County	<ul style="list-style-type: none"> • Condo Exemption: \$1,270
Grey County	<ul style="list-style-type: none"> • Condo Exemption: \$1,210
Huron County	<ul style="list-style-type: none"> • -
Oxford County	<ul style="list-style-type: none"> • Condo Exemption: \$1,150
Simcoe County	<ul style="list-style-type: none"> • Condo Exemption: \$1,000
Wellington County	<ul style="list-style-type: none"> • -

5.3.8: Other

Analysis: Some of the comparable Counties have additional fees for Site Plan Review, Pre-consultations, and quarry/pit COPA.	
Bruce County	-
Grey County	<ul style="list-style-type: none"> • LOPA Approval: \$1,100
Huron County	-
Oxford County	<ul style="list-style-type: none"> • Site Plan Review: \$200
Simcoe County	<ul style="list-style-type: none"> • Pre-consultation: \$200
Wellington County	<ul style="list-style-type: none"> • Minor/Small-scale Pit or Quarry COPA: \$21,730 • Complex Pit or Quarry COPA: \$52,530

6: Interim Conclusions & Recommendations

6.1: Conclusions

Our 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 service.
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.

Our 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 once fee for Bruce. In other cases, some comparable Counties charge a scaling fee for services that can require a wide range of activity by staff and charge a deposit for appeals or peer reviewed studies.

6.2: Recommendations

With our completion of Bruce County's Planning Department internal activity cost measurement study and comparative research, we recommend that the County's Planning and Development Committee members and Planning Department's staff reflect on our Interim Report's findings. Moreover, the Interim Report findings will also inform the Memorandum of Agreement discussions between Bruce County and the Local Municipalities – the parallel facilitation consulting mandate that StrategyCorp is delivering for Bruce County.

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

APPENDICES



Appendix A: Workflow Process Charts per Application Type

