



## Committee Report

**To:** Warden Janice Jackson  
Members of the Planning and Development Committee

**From:** Mark Paoli  
Land Use Planning Manager

**Date:** December 17, 2020

**Re:** Development Fees Review - Fee Structure Changes

---

### Staff Recommendation:

That the following recommendations for the amendment of the fee schedule be approved, and phased-in within one year (2021):

- Allow for a flat fee for 1-2 minor variances in the same application, and add to it a separate flat fee that is 30% higher than the former for cases of 3 or more minor variances in the same application,
- For multiple Consents, reduce the price of each additional lot in the same application to 50%, after the first one
- Segment fees for Major County Official Plan Amendment and Minor County Official Plan Amendment, based on whether it requires more than 3 technical studies or not. For Major COPAs, increase the new base fee by 8% for each additional technical study required over the threshold of 3 studies; and,

That the Fees and Charges by-law be amended accordingly.

### Background:

At its November 19, 2020 meeting, the Planning and Development Committee passed the following recommendations arising from the Development Fees Final Report by StrategyCorp.

“That five of the six recommendations for the amendment of the fee schedule be approved, and phased-in within one year (2021) specifically:

- Recovery of 100% of Activity Costs and Appropriate Overhead (Scenario 3),
- Four new fees (General Inquiries, Pre-Consultations, Studies over five hours and Pit/Quarry County Official Plan Amendments) be introduced;
- A deposit for peer reviews be collected; and,

That the practice of increasing fees annually by the Consumer Price Index (CPI) resume in 2022 with a commitment to a five-year annual review of fees to ensure alignment for recovery; and,

That staff return with a report in December with a recommendation on implementation of the Fee Structure Amendments as proposed by Strategy Corp; and,

That a Fees and Charges by-law be amended accordingly.”

The Fee Schedule prepared by StrategyCorp for Scenario 3, referenced in the recommendation above, is attached. StrategyCorp had a sixth Recommendation, for Fee Structure Changes, that was not put forward by staff in November, in order to provide time for more analysis of potential impacts. For ease of reference, an excerpt of Strategy Corp’s discussion and recommendation for the Fee Structure Changes has been provided below:

**“Fee Structure Amendments:**

**Minor Variance:**

Our process mapping and activity cost measurements indicate that the processing of such applications is easily scalable. Our recommendation is to consider amending the fee schedule in a way that allows for a flat fee for 1-2 minor variances in the same application, and adds to it a separate flat fee that is 30% higher than the former for cases of 3 or more minor variances in the same application. A comparable case is Huron County.

**Consents:**

For multiple consents, we recommend reducing the price of each additional lot in the same application to 50%, post the first one. Our process mapping and activity cost measurements indicate that the processing of such applications is easily scalable. This is to be considered in more detail by the staff, as there have been discussions that indicate that often this route is opted for instead of Plan of Subdivision. A comparable case is Oxford County.

**County Official Plan Amendments (COPA):**

Our recommendation is to segment fees for Major COPA and Minor COPA, based on whether it requires more than 3 technical studies or not. For Major COPAs, we recommend increasing the new base fee (of full cost recovery) by 8% for each additional technical study required over the threshold of 3 studies. A comparable case is Grey County.

**Impact:**

Greater transparency in setting fees is not just about ensuring the fees fully reflect existing gaps in the full cost price. It should also recognize ‘bulk rate’ savings that come from economies of scale in multi-unit applications, to the benefit of the developer-user. Passing on the savings of economies of scale will accurately reflect actual costs, to the benefit of both the County and the user.”

### **Analysis:**

One part of the fee structure changes recommended above that staff wanted to analyze specifically was the reduced fees for multiple consents whereby the fees for the second and subsequent applications on a property would be 50 percent less than the fee for the first consent.

It is noted that the Plan of Subdivision process is normally the preferred process for multiple lot developments, particularly where there will be local infrastructure investment, to ensure orderly development. Therefore, staff compared the recommended multi-lot consent fee structure with the recommended Subdivision/Condominium Application fee. The purpose of the comparison was to ensure that the change would not create a financial advantage to the consent process over the subdivision process where four or more lots are proposed.

The analysis found that the Consent application fees for proposals of one to three lots are lower than the Subdivision application fees. It was also found that the application fees for proposals of four lots or more are lower for a Subdivision application than for the Consents.

As this is aligned with the intended uses of these application processes, staff have no concerns with implementation of the final recommendation as provided by Strategy Corp.

### **Financial/Staffing/Legal/IT Considerations:**

There are financial considerations associated with potential adjusting planning application fees and potential indirect staffing, legal and IT considerations associated with implementing the attached fee schedule.

### **Interdepartmental Consultation:**

The CAO's office provided project management support for this project.

### **Link to Strategic Goals and Elements:**

Goal 7 - Stimulate and reward innovation and economic development

Element A - Streamline and simplify our Planning Processes

### **Report Author:**

Mark Paoli  
Manager, Land Use Planning

### **Approved for Submission:**

Sandra Datars Bere  
Chief Administrative Officer