

Town of Georgina Planning Application and Service Fees By-law Review Public Information Session



Wednesday, August 22nd, 2018

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Consulting Ltd.



Today we will discuss...

- Study background and context
- Draft results:
 - Cost Analysis
 - Application / Revenue Projections
 - Full cost recovery fees
- Summary of Benchmark Analysis
- New Fees to Consider
- Implementation Considerations
- Next steps

Study Objectives

- Identify the full cost of providing planning application review service
- Develop potential fee rates & structures that are full and fair
- Comparative review of user fees in other municipalities
- Information to be used when setting fee rates (full cost recovery or otherwise)

Study Parameters

- Analysis based on a 5 year time period (starting in 2018)
- Activity Based Costing approach
- Incorporates direct and indirect costs
- Benchmark review

Provincial Policy Context

Planning Act:

- Allows Town to “establish a tariff of fees for the processing of applications made in respect of planning matters”
- Fees “shall be designed to meet only the anticipated cost...in the respect of the processing of each type of application”
- Applicants can appeal fees to LPAT
- Council may waive or reduce any fee at any time

Municipal Act:

- Allows Town to establish fees for service being provided or for services provided on its behalf

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Total Cost of Service

- Direct Costs
 - of departments that provide service (by application type for planning)
 - of departments that support service provides (e.g. Fire, Parks and Recreation)
 - Includes payroll, space, & other capital/operating costs
- Indirect Costs
 - appropriate share of costs of corporate departments (e.g. Finance, General Administration, Town Council, etc.)
 - Costs of corporate departments taken from 2018 budget

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Planning Direct Costs

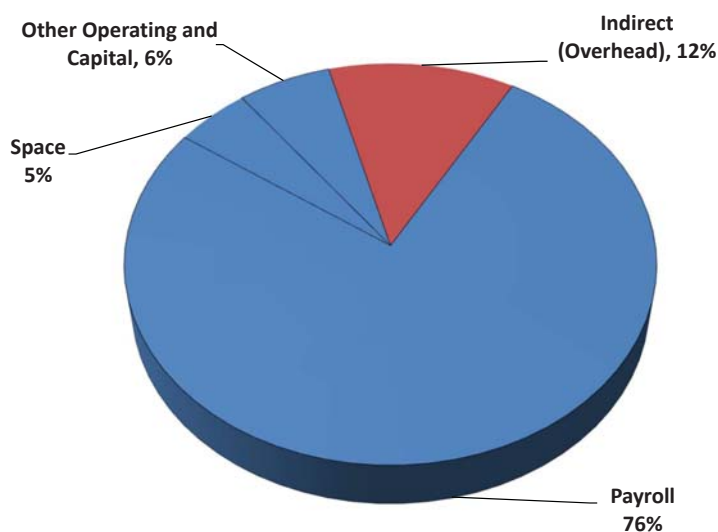
- Application reviews carried out by staff in:
 - Development Services: Department Administration
 - Development Services: Building
 - Development Services: Planning
 - Development Services: Development Engineering
 - Operations and Infrastructure: Roads
 - Water Services
 - Fire and Emergency Services: Fire Protection
 - Parks and Recreation: Recreation and Programs
- Basis of calculation is share of time of each staff member that can reasonably be attributed to application work

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Planning Cost Summary

Total Annual Cost* = \$1.07 Million



**Projected 5-year average annual cost*

- Relationship between direct and indirect costs is reasonable
- Payroll represents the largest component
- Capital asset management requirements included in calculations
- Legal /external consulting costs are assumed to be charged to the applicant as costs are incurred

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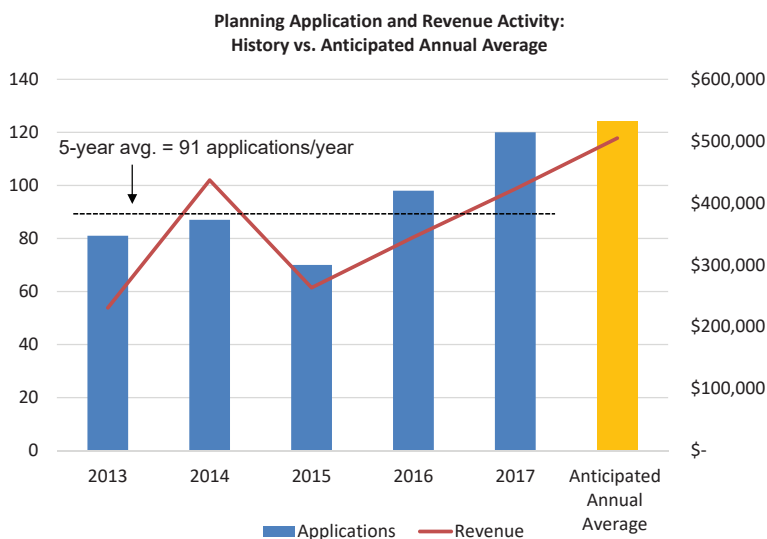
Planning Application Fee Revenue

- Future revenue from development applications expressed as average annual revenue by type of application
- Anticipated revenue determined by using historical application and revenue data and estimates of future activity
- Application activity is anticipated to be in line with recent trends but higher than the 5-year average

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Planning Application and Revenue Activity



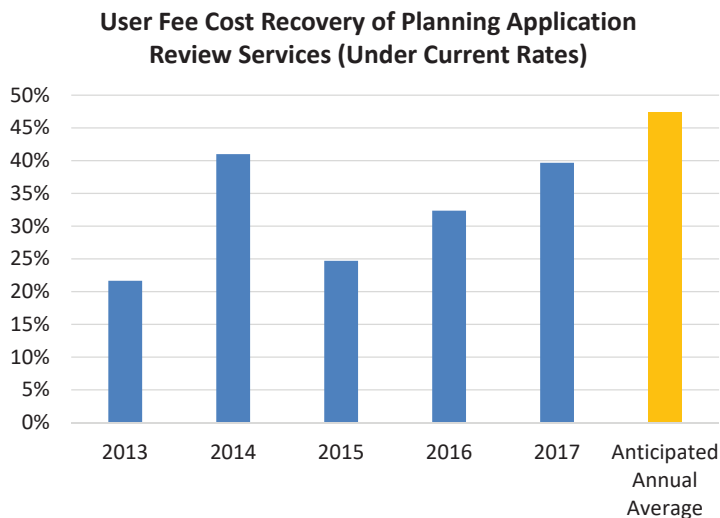
Note: Graph includes all planning applications (e.g. Committee of Adjustment, ZBA, OPA, Subdivisions, site plan etc.)

- Over the last 5-years Town averaged 91 applications per year
- Application activity, and revenue, moving forward is anticipated to be higher than recent trends

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What are the Gaps? Cost vs. Revenues



- Town's current rates cover less than 50% of the annual costs of providing service
- Full cost fees would be higher than current fees for most application types to bridge gap (costs vs. revenues)

Draft Calculated Full Cost Fees

Full Cost Recovery Fees		
Application Type	Existing Fee	Calculated Full Cost Recovery Fee
Official Plan Amendment (Major)	\$14,475	\$29,500
Zoning By-law Amendment (Major)	\$11,309	\$20,800
Zoning By-law Amendment (Minor)	\$6,956	\$14,300
Lifting of the H	\$1,698	\$4,500
Plan of Subdivision (Base fee)	\$18,940	\$29,800
Site Plan (Major)	\$12,439	\$28,500
Site Plan (Minor)	\$6,787	\$11,800
Deeming By-law (Base fee)	\$962	\$2,600
Consent	\$2,264	\$5,200
Minor Variance	\$567	\$2,900

- Full cost recovery fees have been calculated by application type
- Calculated fees are reflective of level of activity required to process each application

Summary of Benchmark Analysis

Georgina Fees Compared to Municipal Benchmarks ⁽¹⁾		
Application Type	Existing Fees Relative to Benchmark Range	Calculated Fees Relative to Benchmark Range
Official Plan Amendment (Major)	Below average	Average
Zoning By-law Amendment (Major)	Below average	Above average
Zoning By-law Amendment (Minor)	Below average	Average
Lifting of the H	Below average	Average
Plan of Subdivision	Below average	Average
Site Plan (Major)	Below average	Average
Site Plan (Minor)	Below average to average	Average
Deeming By-law*	Average	Above average
Consent	Below average	Average to above average
Minor Variance	Below average	Above average

1: comparison municipalities: Aurora, East Gwillimbury, Whitchurch-Stouffville, Newmarket

* Only East Gwillimbury and King impose this fee

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- Overall Town's current fees are on average lower than those charged in similar municipalities
- Full Cost fees would be higher than fees currently in force but still be competitive with those in surrounding areas

New Fees to Consider

- Pre-Consultation services:
 - Anticipated to cost Town \$160k per annum
 - Estimated full cost fee is **\$3,300** per application (incl. 2 meetings)
 - Comparable municipalities charge ~ \$500 to \$1,500
 - Further staff discussion required around cost recovery
- Other potential new fees:

Application Type	Fees to Consider
Exemption Request	\$750
Property Information Letter	\$560
Address Change	\$480
Street Name Change	\$480
New Street Name - Proposed	\$480
New Street Name – From Pre-Approved List	\$240
Street Number (Lot Through Consent)	\$240
New Street / Unit Address	\$80
Demolition Permit Agreement	\$640
Cash-in-lieu of Parking	\$970
Model Homes / Sales Office	\$810
Feed-In Tariff (FIT) Program Application	\$810

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Implementation Considerations

- When setting fee rates, consider:
 - revenue shortfall arising from less than full cost recovery fees
 - competitiveness
 - long term strategic objectives
- Annual indexing and five year reviews
 - Earlier review may be required to adjust for a change in development outlook.

Next Steps

- Refine analysis as needed based on feedback received
- Prepare Draft Report and Fees By-law
- Passage of Fees By-law – Sept. 19th